KANNALAND
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"The Place of Choice"

Kannaland Final Predecessor IDP with amendments 2022-2027

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History of Kannaland

Kannaland Municipality is named after a plant called 'kanna' in Khoi.

Indigenous to our area, this is a lush, low-growing succulent that is commonly known as Kanna, Canna, or Kougoed and is located in the succulent Karoo biome that features these desert-adapted species in abundance. The route offers a range of attractions linked to people, biodiversity, history and culture.

The logo of Kannaland Municipality has been revised during September 2021 and includes the following elements:

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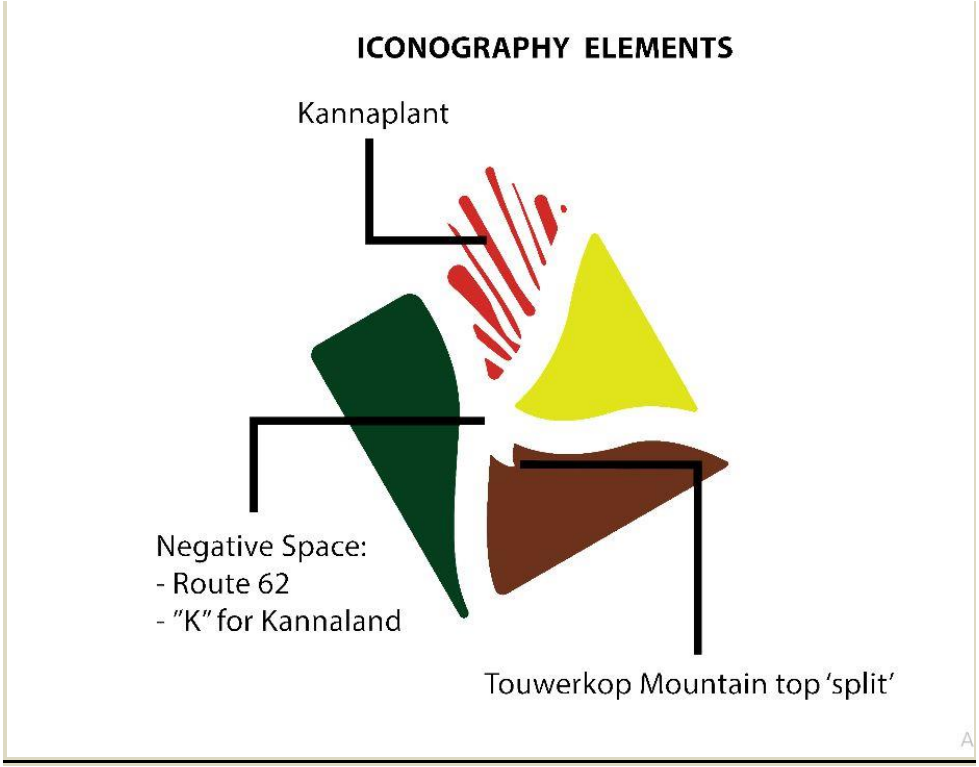

The Kanna flower, unique to our district and after which our area is named.

Route 62 on which we are situated, as well as our embracing of the community.

The K symbol, reinforcing our name and our bond to the community.

The use of shades of green reflects the vegetation that surrounds us in our river valleys, highlights the vital importance of sensitivity to environmental and ecological issues in our area, and indicates our commitment to growth and productivity.

Vision Statement:

The Place of Choice"

To create the ideal environment in which the people of Kannaland would like to live and work.

The environment influences one's choice – in this respect, the choice of a working place and residence. It is up to the leaders of this municipality to create that ideal environment that would not only make those already here to want to remain here, but also to retain and draw the highly skilled ones who would eventually make Kannaland and the municipality a great place.

You create such an environment by:

- caring for your youth and women;
- encouraging work ethos;
- ensuring sound financial practices,
- practising good governance;
- promoting community involvement in local governance;
- being courteous to visitors;
- spending less time plotting bad media publicity; and by
- stimulating the local economy.

Mission Statement

The Mission of the Kannaland Municipality is:-

Sustainable growth

- Promote sustainable growth patterns which mitigates climate change and which enhances the quality of life of residents through sustainable living practices and which contributes to the local economy.

Sustainable Human Settlements

- Promote the establishment of sustainable human settlements in providing housing to residents.

Healthy community

- Promote a healthy community with access to health bearing services such as sewage, sanitation, safe streets, lighting

Infrastructure Investment

- Promote the development and maintenance of infrastructure which promotes service delivery, growth in jobs and facilitates empowerment and opportunity.

Opportunity driven

- Promote the increase in opportunities for growth and jobs, driven by private sector and the public sector, by creating an enabling environment for business and provide demand-led private sector driven support for growth sectors, industries and business.

Compliance

- Promote the municipality as a compliant and accountable sphere of local government which is characterised by good governance.

Intergovernmental relations

- Promote the management of effective Intergovernmental Relations

Integrated Planning

- Promote effective Integrated Development Planning which relates to all spheres of government and civil society.

Participation

- Promote the participation of the community in the working of the municipality.

Capacity

- Promote capacity development within the municipality area so that effective service delivery can be advanced.

Maintenance

- Promote well maintained municipal infrastructure through operations and management.

Disaster Management

- Effective disaster management practices in collaboration with other spheres of governmentand the District Municipality.

Quality Services

- A fully functional department accountable for delivering quality services to local government of physical assets.

Corporate Values

Kannaland Municipality's key values are:

- ✓ **Dignity**
- ✓ **Respect**
- ✓ **Trust**
- ✓ **Integrity**
- ✓ **Honesty**
- ✓ **Diligence**

Executive Summary

Introduction

Integrated Development Planning is a process that has become central to local government in driving processes to ensure delivery to residents of a municipality. Integrated Development Planning has been developed as a consolidated municipal planning process that provides a framework for the planning of future development in a municipality. It ensures horizontal and vertical co-ordination and integration across the three spheres of government: national, provincialand local. The consultation process is therefore critical due to the success of every South Africanmunicipality's attempt to bring about responsive, developmental local government and poverty alleviation.

Background

Kannaland Municipality is a Category B Municipality in the Garden Route District. It is the smallest municipality in the Western Cape Province and in South Africa. Despite the small economy and state of the financial climate, the municipality strivea to deliver services to the community.

Legislative Mandate

The Municipal Systems Act (MSA) Act 32 0f 2000 requires Council to develop Integrated Development Plans which should be single, inclusive and strategic in nature. The IDP of a municipality will guide development within the council's area of jurisdiction, once adopted; an IDP should also be reviewed annually. In addition the Act also stipulates the IDP process and the core components to be included.

Purpose

The purpose of Integrated Development Planning is to facilitate faster and more appropriate delivery of services and provide a framework for economic and social development in a municipality. Section 34 of the Municipal Systems Act determines that a municipal council must review its integrated development plan annually in accordance with an assessment of its performance measurements and as changing circumstances demand.

Strategic Agenda

The municipality is the major arena of development planning. It is at this level of government where people's needs and priorities and local conditions have to be linked, with national guidelinesand sectorial considerations, to specific projects and programmes. The Kannaland Municipality therefore developed a 5-year strategic plan.

In order to achieve the outcomes and objectives of the Municipality the Municipality is categorized in seven strategic (key) performance areas. The strategic framework is based on the following:

- **Key Performance Area 1: Reliable Infrastructure:**

The objective of the Kannaland Municipality is to provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens. There is an urgent need for the Municipality to upgrade and maintain its infrastructure. With regards to infrastructural planning, the municipality shall review its existing Infrastructure Master Plan , appoint a qualified Engineer and eradicate all infrastructural backlogs to achieve a piloting of a leading SMART TOWN STATUS.

Electricity is the main energy source of households within this municipal area. Kannaland electricity infrastructure is out-dated and in need of urgent upgrade. Currently an electricity master plan has been developed which aims at the evaluation and guidance of the operating and maintenance processes as well as to reduce losses in income due to aged and failing infrastructure as well as the demands of new infrastructure. The municipality will icontinue applying for INEP funding to fund the identified infrastructure. Due to the financial shortcomings faced, the municipality has expressed various needs for infrastructure upgrade in the Municipal area at IGR platforms. Project management and implementation through skills development initiatives and sector provincial department intervention and support shall ensure that future grant funding received is spent.

Funding has been obtained for the Taxi route upgrade in Ladismith, and the Municipality aims to upgrade all gravel internal roads in Zoar with paving material. The project will be registered through MIG for funding in 2017/18 – 2027/28. Approximately 20 kilometres will be paved over a ten-year period. The municipality also aim to upgrade all sidewalks and pavements in Calitzdorp. It is listed in the Integrated Transport Plan to upgrade the entire municipal (internal) municipal roads with the Kannaland municipal areas.

Over a three-year financial period, the municipality plans to upgrade the waste water treatment works (WWTW) in Zoar. It was prioritised for the outer financial years to seek for possible support to upgrade the waste water treatment works in Ladismith and Calitzdorp. Funding has been obtained for the upgrade for the water reticulation system in Zoar, Calitzdorp, Ladismith and Van Wyksdorp over the next three years. Economic Development in the Ladismith area (which is the biggest economic node in the Kannaland Municipal area) has been hampered by the lack of water storage capacity and bulk waste treatment capacity.

The municipality will initiate 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. In order to upgrade water meters, the municipality obtained funding to install and upgrade water meters in all 4 wards. The entire Western Cape currently faces a serious drought due to poor rainfall during our 2016 winter season. The demand for water has also steadily increased every year due to the province's rapidly growing population andeconomy. This, as well as climate change, has added significant pressure on our water supply.

The National Waste Information Regulations requires of municipalities that they mustsubmit actual quantities of waste for the different activities they are registered for on IPWIS from 2018. Kannaland will also be required to obtain funding and make provision for the acquiring of such equipment in their municipal budget. Funding has been allocated for upgrade of the Calitzdorp and Vanwyksdorp landfill transfer stations.

- **Key Performance Area 2: Service Delivery:**

The objective of the municipality is to provide basic services to all its residents and to improve community relationships. 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 and social infrastructure.

A Ward Committee establishment plan has been developed and adopted by Council. Ward Committee elections were held in each of the 4 wards in Kannaland. Ward Committees have been established in all 4 Wards. There is a need to review the Ward Committee Policy to bring it in line with the Provincial guidelines on the establishment of ward committees and this will be undertaken during 2022. Communities have expressed themselves on their service delivery challenges and needs in a Public Needs Analysis conducted during February/March 2022 and May 2022. The identified concerns raised at these IDP Public Participation Stakeholder Engagements can be perused in chapter 3. During 2022/27 the Municipality will review the service delivery strategies and update the Infrastructure Master Plan, the Water Services Master Plan, the Electrical Master Plan and service levels and will seek opportunities to enter into service delivery partnerships in the development of a delivery plan and charter for implementation. Important to take note is the project and contract

management process improvement in order to ensure that all grant funding allocated and received is actually spent.

The Municipality has initiated the process to obtain a source for the funding for the appointment of a service provider to facilitate the development/review of an integrated approved Human Settlement Plan.

Kannaland Municipality further requires assistance relating to project planning, implementation and evaluation from Garden Route District Municipality and that the local municipality intends on calling on the expertise of the district municipality when the need arises.

In summary the people of Kannaland are robust and eager citizens, keen to get involved and latch onto government opportunities. They are entrepreneurial in spirit and extremely hungry to participate in all that government has to offer.

Various housing projects are being planned in partnership with the Provincial Government for implementation over the next 5 years. The Municipality also has a responsibility to provide for the needs of the indigent in the Municipality. This is placing a major burden on the finances of the municipality.

During the 2022/27 financial year the Municipality will seek funding to appoint a service provider to develop a service delivery strategy for the indigent and in the rural areas and for decaying or underserviced urban areas and to ensure that sufficient infrastructure and bulk services capacity is available to reduce backlogs and to create an environment conducive for development and economic growth. Funding allocations have already been made for the provision of services to Ladismith informal settlements during 2017/22.

- **Key Performance Area 3: Safe Communities:**

The objective of the Municipality is to strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks. The WCPG Department of Community Safety has assisted Kannaland Municipality to develop a Community Safety Plan which is in Draft format. This Community Safgety Plan shall be finalized by 30 June 2022 and important aspects to take note is the introduction of neighborhood watch and the role of the Community Policing Forum to protect and safeguard both life and municipal assets. Communities of Zoar and Van Wyksdorp have expressed concern about community safety and the need for improved lighting and bush clearing.

Environmental Law Enforcement in Kannaland will assist with this objective. The function of the traffic service is critical to ensure overall law enforcement and road safety within the Kannaland municipal area. A Traffic Safety and revenue plan will be developed during the 2022/27 financial year, with the assistance of the Provincial Treasury and Department of Local Government.

The Municipality has reviewed the status of preparedness and contingency plans associated with the prevailing risks identified in the area which has reflected possible risk reduction projects during the 2022-2027 financial years. The Kannaland Municipality Disaster Management Plan and Disaster Risk Assessment was adopted by Council during February 2022 in collaboration with the Garden Route District Municipality. The Garden Route District Municipality continues to provide Fire and Rescue Services within the Kannaland Municipal area as the Municipality does not have the capability to do so for bush and veld fires. The municipality aim to also review the traffic by-law which was developed during the 2017/18 – 2019/2020 financial years.

In summary, the undermentioned achievements during 2017/22 shall be augmented to ensure an effective, efficient and revenue generating law enforcement unit at Kannaland municipality.

- Disaster Management Plan reviewed and updated during February 2022 (Council Resolution No 13/02/22) with assistance from the Garden Route District Municipality and Kannaland IDP Manager. The Garden Route District Municipality has further assisted in the development of a Disaster Risk Reduction Assessment. These critical strategies shall be workshopped with Council at its strategic session and implemented.

- Certification and skills development training and development is ongoing and shall be fast tracked in order to ensure the appointed law enforcement officers fulfil their role and function and ensure that council laws are adhered to.

- Construction of a K53 Testing Centre (Proposed by both communities of Calitzdorp and Ladismith)

- **Key Performance Area 4: Socio-Economic Development:**

The objective of the Municipality is to facilitate economic growth and social and community development. The Municipality is placing a high premium on the improvement of community facilities. In Calitzdorp and Zoar the sport fields were upgraded during 2017/22 and a new cemetery will be prioritized and established in Ladismith. The Municipality also aims to improve its environment and a pollution control strategy will be implemented. The 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 will therefore engage stakeholders and consider allocations for tourism development, Art and Culture promotion and SMME development. Two additional Tourism Bureaus for Zoar and Van Wyksdorp require funding. There is a call from communities for the maintenance of swimming pools and restoration of heritage buildings.

Storm surges cause major damage especially to vulnerable households. There is a need for a disaster bank fund to be established. Communities need to display a caring attitude towards their fellow neighbors when disasters strike. A blanket drive before winter will be beneficial in preparation of the extreme cold temperatures experienced in Kannaland. We have to remain resilient to these climate changes and take preparatory steps to mitigate their impact. Disaster Manager co-ordination and communication needs improvement.

The Municipality will identify plans aimed at enhancing the quality of health for the Kannaland communities and the budget requirement for the development of an Air Quality Management will be identified and sourced. The Klein-Karoo has vast developmentalpotential, especially in terms of agriculture and agro-processing. Agriculture is an important economic sector. The Municipality will participate in the Agri-Parks Programme of the Provincial Government and the dairy, fruit and livestock economic sectors will be analysed in order to determine the output and benefit that can be gained from these sectors. Amalienstein land transfer through Public Works Catalytic project can reap much benefit from the envisaged agricultural college for promoting a sustainable eco friendly farms stays to enhance tourism in the area.

The rural character and sensitive natural environment will be protected. The Municipality will identify the cost and source the funding for the development of an Alien Invasive Control Management Plan and assess the influence of climate change.

- **Key Performance Area 5: Effective and Efficient Governance**

One of the key factors to the success of a Municipality is to be stable, well-managed and efficient. The Municipality will promote efficient and effective governance with high levels of stakeholder participation. The political and administrative leadership of Kannaland Municipality will position itself to manage competing demands for limited resources in a fair equitable and efficient manner.

The Municipality will draft and update all municipal policies, strategies and operational plans over the next year. This will be done to ensure that municipal activities, rules and procedures are consistent with all relevant policies, legislations and by-laws.

The Municipality will through its revised Communication strategy, 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. In the Agricultural sector, improved processes will be introduced in order 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. Small farmers will be unified in order to fast track growth and development in the farming industry and increase local production. The Klein Boere Vereniging shall be supported through land acquisition and economic infrastructure grant applications.

Institutional systems and functionaries' improvements required to ensure an organizational culture of good governance practice shall focus on the following:

- Introduction of a Performance Management system for cascading performance measurement through all departmental levels with assistance from SALGA and Mossel Bay Municipality as peer;
- mSCOA financial systems maturity
- Risk register
- I comply electronic system
- MPAC
- Internal Audit and performance audit Committee
- Financial Disciplinary and Ethics Committee

Key Performance Area 6: Efficient Workforce

The objective of the Municipality is to provide an efficient workforce by aligning institutional arrangements to the overall strategy. The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority. Institutional transformation is needed in order to bring stability in the council administration, to fill identified critical vacancies, conduct organizational redesign and to compile all job descriptions and job evaluations for all posts. An organisational review will be conducted in-house over the first two financial years in order to ensure that the organogram is aligned to the IDP, funded and the correct person is in the correct job, job descriptions are up to date and evaluated.

The municipality will also develop a Human Resource Strategy that will influence the operations of current policies and possibly the compilation of new human resources policies.

The new strategy will also assist the municipality amongst other with the most effective placement of employees. The Municipality aims to maximize employee development by creating development opportunities for the municipality's employees by maximizing existing developmental opportunities. An Individual Performance Management programme for all managers/supervisors for all levels of reporting will also be implemented. The municipality will finalise the Work Place Skills Plan (WSP) by 30 April 2022 of which the main objective is to ensure that there is staff development through training interventions for all levels of staff.

- **Key Performance Area 7: Financial Sustainability**

The objective of the Municipality is to strive towards a financially sustainable municipality. Kannaland Municipality has a duty to improve financial management across expenditure, revenue, assets, supply chain, debt and financial reporting streams to determine the most effective way of solving its financial problems. Due to the challenges the Municipality has been and is still experiencing, a Financial Recovery Programme was introduced by the Provincial Government during the 4th generation IDP in order to bring the financial management of the Municipality to the required norms and standards. The Municipality will review the budget and expenditure management systems to ensure that efficient and effective service delivery is in line with Municipal priorities.

The revenue management systems will be reviewed in order to maximise revenue generation possibilities and improve revenue performance. The Municipality will introduce measures to enhance levels of customer care, increase responsiveness to consumer billing and other queries. The Municipality will review cash and debt management strategies and practices. The Municipality will review internal controls and delegations regarding financial management. Funding needs to be sourced in order to develop and integrated infrastructure and asset management plan.

This will entail the review and updating of the Asset Register. The Municipality will review governance practices in the Supply Chain practices through policy review and implement proper controls and risk management practices. The Municipality will initiate a process towards the review of IT infrastructure and the need for a IT disaster recovery and implement accounting in order to ensure that financial systems are in line with the Municipal Budget and Reporting Reforms.

Overview IDP Cycle

Council intends adopting the IDP of its predecessor with amendments in accordance with Section25 of the Municipal Systems Act 32 of 2000.

The rationale behind this decision, leans on the fact that local government elections for the new term of IDP implementation took place on 1 November 2021. Time constraints in developing a new IDP for the 5th generation has placed much pressure on following due process and ensuring ample engagement with all stakeholders.

This 5th generation IDP will be drafted to include new developments showing progression from the 4th generation IDP and will focus on improved alignment between the various spheres of government, emphasizing the infrastructure project management and implementation imperative for job creation and local economic development.

The 5th generation UDP makes provision for project and programmes that has to be implemented from the 1st of July 2022 until 30th June 2027.

Projects will be fully implemented and grant funding allocated shall be spent. .

Spatial and IDP Mapping

The municipal Spatial Development Framework (SDF) was previously amended and approved and will continue to be be used to develop Kannaland municipal area in the long term. Further work will be done on the SDF and will be implemented with the reviewed SDF. The IDP Project Spatial maps are included and indicate current and future development of the municipal area.

Disaster Management

The formulation and implementation of a Disaster Management Plan forms part of the Municipality's IDP process. The purpose of this Disaster Management Plan [Disaster ManagementAct 57 Sect 53 (2)] is to ensure that there is Disaster Management at all times enhancing the Municipality's ability to prevent and to deal with disasters and to avoid development that is considered high risk in terms of the potential for disasters.

This chapter gives an indication on the readiness of the municipality in case of a disastrous event. It also identifies projects and programmes that will be implemented to reduce risks and the mitigation measures that are put in place to enable vulnerable groups to be resilient.

Annexures & Appendices

The sector plans, contingency plans as well spatial plans are available for perusal. The Manager: IDP and PMS may be contacted for access to this information.

Foreword Executive Mayor

The Municipality has faced various challenges over the past ten years which will require discipline, commitment and hard work to overcome. This Integrated Development Plan shows that the Municipality will continue to implement its Municipal Strategy in a manner that builds confidence.

The Municipality aims to be well managed and accountable, taking prudent stewardship of public funds, the safeguarding of public assets, and the effective, efficient and economical use of public resources.

The implementation of this IDP will be one of the Municipality's greatest challenges faced as it is with severe financial constraints, insufficient capacity and inadequate resources. Kannaland Municipality inherited huge outstanding debt, assets that were in a poor and unusable state, and many that remain unaccounted for. The Municipality will require a great deal of support and assistance to achieve its strategic objectives, which aim to create a better situation and a good quality of life for its communities, as summarised in the IDP's Strategic Context.

The Municipality will manage its resources in a manner to mitigate risks; make improvements in basic infrastructure; improve municipal financial management and will aim to receive clean audits. Public participation will remain an important priority for the Municipality. All relevant stakeholders will be engaged in strengthening ward committees to retain a connection with communities in relation to projects and initiatives of the Municipality. The emphasis in the coming year and beyond, is to reinforce public participation processes by introducing focused sector meetings on regular basis.

In order to establish a sound living environment, we will address, in collaboration with other spheres of government to deal with housing delivery backlogs, the introduction of innovative solutions and the acceleration of the implementation of the social housing policy.
A concerted effort including massive campaigns will be made to address grime and crime across the city. The local economic development strategy will receive the necessary attention to ensure that they are realized. We will also revise our organizational structure to ensure that it is responsive to the challenges facing the Municipality.

This report will show how we are working in collaboration with government departments and private business in the provision of services to our communities.

Executive Mayor

Executive Mayor Nicolaas Valentyn

Foreword by the Municipal Manager

The Kannaland Municipality has been faced by consistent failures to fulfil its executive obligations over a prolonged period. This has affected the morale of staff and the ability of the Municipality to present itself as a dynamic, growing and positive entity. Linked to the inherent challenges the financial sustainability of the Municipality is threatened.

One of the main priorities over the short term will be to stabilise and strengthen the Municipal administration. This will require the review of systems, policies and procedures in an array of corporate, institutional and administrative functions that will have to be designed and put in place.

Oversight, risk management and internal audit controls will be addressed in order to ensure value for money spending and to prevent irregular, fruitless and wasteful and unauthorised expenditure. Currently the Kannaland Municipality faces severe financial constraints, infrastructure deficits, backlogs and institutional instability. A Financial Recovery Plan was developed to attempt and balance the budget, reduce debt to sustainable levels, benchmark its revenue and expenditure.

This will result in providing for the current contingent liabilities and to build reserves to invest in infrastructure that will promote its development and shared growth. The tariff structure will be reviewed in order to recover the cost of service rendering and allowing infrastructure to be maintained and upgraded.

The challenge of a high occurrence of indigent customers places a strain on municipal resources and the ability to function as a going concern. The continuity of senior management staff has also resulted in institutional and administrative difficulty. The administrative structure will be reviewed with recent and accurate job descriptions. The right person must be placed in the right job and the capacity and skills of employees should also be addressed in order to enable them to fulfil their administrative and technical duties.

The aim is to transform the Municipality's organisational culture to one that is characterised by passionate employees, relentless in their pursuit for excellence. I would like to extend my appreciation and gratitude to the Mayor, Speaker, and Councillors, as well as Municipal staff, for their ongoing support and commitment to build a better future for all who live in the Municipal area.

Lastly, I would like to thank the management and IDP team for their dedication, commitment and hard work for an effective and successful IDP development process under difficult circumstances.

Acting Municipal Manager

Henricho Constable

The Final 2022 - 2027 Predecessor Integrated Development Plan (IDP) with amendments is divided into ten chapters which shall briefly be discussed hereunder:

CHAPTERS	CONTENT
CHAPTER 1	Legislative framework in chapter one focuses on the legal and policy framework guiding Kannaland municipality's undertaking of drafting the fifth generation 2022/23 – 2026/27 IDP. Extracts are drawn from the South African legislative framework pertaining to the IDP process. The 2022-2023 Time schedule is illustrated and adhered to. The Drafting of the IDP is conducted in accordance with the District One Plan, Section 27 Framework and is aligned to the district IDP.
CHAPTER 2	Chapter 2 presents the IDP Strategic Policy Directives. The fifth generation IDP (2022 - 2027) is necessitated in response to covid-19 and geared into action through the under-mentioned international, national, provincial and local government policy directives introduced. The 2022/23 – 2026/27 Integrated Development Plan is thus guided by the District One Plan and Framework, the NDP, WC Strategic Plan, One Cape Vision, Rural Development Master Plan and the Sustainable development goals. Kannaland municipality seeks to adopt a more coordinated and strategic approach to planning and budgeting with the overarching objective of improving service delivery impact.
CHAPTER 3	An active, informed and involved citizen describes the vital role that communities play in drafting the IDP, SDBIP and budget through their identification of needs and concerns as well as through project proposal submission for council consideration. Ward Committee establishment, the role of ward committees and the important contribution they make in representing the views of the people within their communities.
CHAPTER 4	Governance and institutional structures calls for political and administrative stability, a motivated, committed and dedicated staff complement where we stand united behind a common goal of a better life for all those who live in Kannaland. Critical vacancies need to be filled as a matter of urgency. The organizational structure review is in progress and shall be included in the Final 2022-2027 IDP to be submitted to Council during May 2022. Organisational performance needs to be cascaded to departmental level and the purchase of an automated performance management system becomes essential. Consequence management is yielding positive results. Staff placement and job descriptions shall be concluded during 2022.

CHAPTERS	CONTENT
CHAPTER 5	The WCPG Provincial Treasury assisted in compiling the Socio-economic profile 2021 with credible statistics leading up to Census 2022. This data shall inform our municipality of the current state of our town. A Community Safety Plan is still awaited from the WCPG. A draft Community Safety Plan is available for perusal.
CHAPTER 6	Environmental Management and Spatial Planning speaks to biodiversity and the economic benefits for Kannaland through innovative development and investigation into the green economy and formalized recycling practice. Community education and awareness for healthy living in a clean environment and the tourism spin offs will see Kannaland attracting much international attention in a positive space. Climate change is real and mitigation measures shall be put in place in order to protect all who live here.
CHAPTER 7	The municipality has an updated Disaster Management Plan (2022-2027) The establishment of a Disaster Management Centre has also been identified in terms of the municipality's Disaster Management planning. The municipality however does not have a functional disaster management ICT, GIS and early warning system. The municipality is currently making use of the Disaster Management DS Tool of the Western Cape Disaster Management Centre to assist the municipality in making informed decisions relating to Disaster Management. A Section 78 Investigation is being recommended in order to determine future expansion capabilities of the Disaster Management Service. The top seven hazards identified in the Kannaland Municipality include Covid-19; Energy security; Veld and structural fires; Road accidents; Severe weather; Drought; Water Security and dam storage facilities. A Disaster Risk Assessment has also been completed with the assistance of the GRDM.
CHAPTER 8	A chapter has been dedicated for Local Economic development imperative. Covid-19 had a detrimental impact on municipal administration, service delivery and our economy. Kannaland municipality is in the process of reviewing the LED Strategy. Progress made in relation to drafting this strategy is included in this chapter. The strategy looks at a crowding in approach to creating jobs and combatting poverty and inequality. The approach seeks to ensure alignment and integration with all spheres of government. The chapter addresses the inter-related nature of and

	dependency of rural economic development and - skills development; grant allocations and expenditure; infrastructure investment; the role of EPWP and PWP; the green economy; waste and formalizing recycling ; agriculture and land transfer; tourism, informal traders; a clean environment, economic infrastructure and agriculture. Kannaland Municipality intends establishing cooperatives. The LED strategy in in draft form and shall be finalized with the final IDP submission.
CHAPTER 9	Kannaland Municipality is an under-performing municipality plagued by political and administrative instability, infighting among political leaders, non-functional oversight committee, lack of financial resources, little or no accountability and a non-existence of consequence management, capacity constraints and a high vacancy rate with on-going court cases. Invoking the S139, the implementation of a recovery plan and the appointment of an administrator did little to improve performance in this embattled municipality. A new five year SDBIP shall be finalized with the Final 5th generation IDP which speaks to meeting community expectations, addressing AG concerns and priorities raised. Some highlights includes the updating of the PMPF, finalization of outdated S72 MFMA and Annual reports; and the introduction of consequence management.
CHAPTER 10	The budget

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NOTE: Financial constraints does not allow for printing of the Sector plans. A list is included indicating the status of review for each. Please feel free to contact the Manager: IDP and PMS should you require these Sector Plans.

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Glossary of Acronyms

BBBEE	Broad Based Black Economic Empowerment
CAPEX	Capital Expenditure
CDW	Community Development Worker
CIP	Community Integrated Projects
DBSA	Development Bank of South Africa
DORA	Division of Revenue Act
DWA	Department of Water Affairs
EIA	Environmental Impact Assessment
EPWP	Expanded Public Works Program
IDC	Industrial Development Corporation
HSP	Human Settlements Plan
IDP	Integrated Development Plan
INEP	Integrated National Energy Plan
IRS	Implementation Ready Study
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LGTAS	Local Government Turnaround Strategy
MIG	Municipal Infrastructure Grant
MSIG	Municipal Systems Improvement Grant
MSIG	Municipal systems improvement grant
NDP	National Development Plan
OPEX	Operational Expenditure
PACA	Participatory Appraisal of Competitive Advantage
PMS	Performance Management System
PSO	Provincial Strategic Objectives
RBIG	Regional Bulk Infrastructure Grant
SALGA	South African Local Government Association
SDBIP	Service Delivery and Budget Implementation Plan
SMME	Small, Micro and Medium Enterprises
WTW	Water Treatment Works
WWTP	Waste Water Treatment Plant
WWTW	Waste Water Treatment Works

Chapter 1 – Legislative Framework

1.1 INTEGRATED DEVELOPMENT PLANNING

Integrated Development Planning is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development. An Integrated Development Plan is a strategic plan for an area that gives an overall framework for development. It aims to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in an area. It should take into account the existing conditions and problems and resources available for development.

The plan will look at economic and social development for the area as a whole. It must set a framework for how land should be used, what infrastructure and services are needed and how the environment should be protected. Integrated Development Planning is the strategic tool of a Local Municipality, designed to bring together and to harmonize individual plans of the municipality's departments. The plan guides all future development of the municipality by setting priorities, allocating resources and defining time frames and indicators.

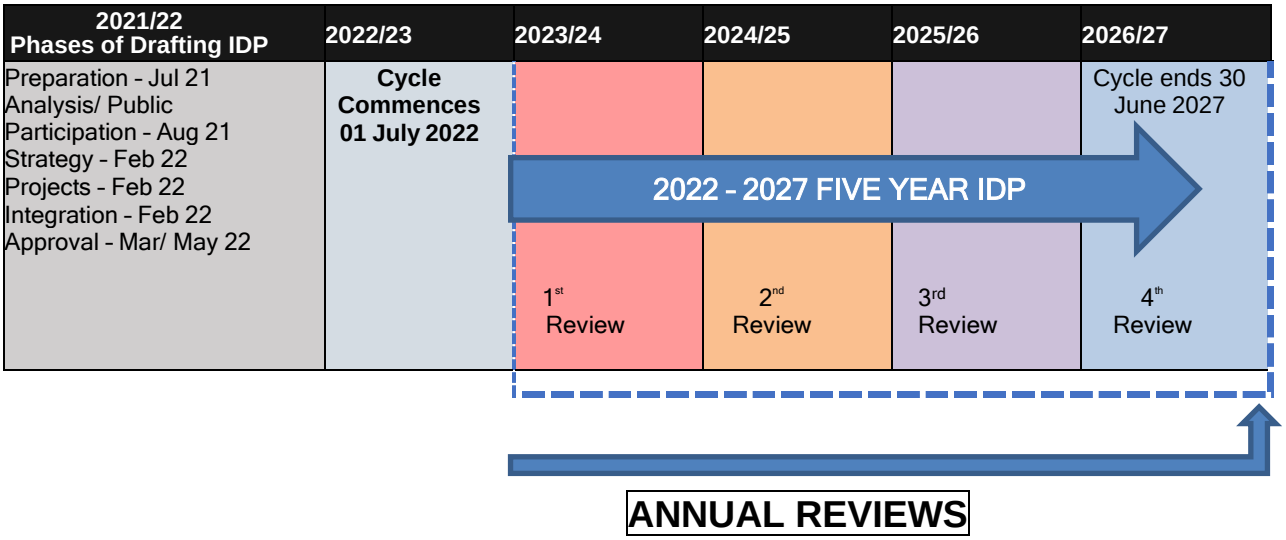
The IDP has a lifespan of 5 years that is directly linked to the council's elected term of office. After every local government elections, the new council has to prepare their IDP in terms of thestrategic planning and development. The IDP should be based on long term spatial, infrastructure and finance plans. The standards of service delivery, financial planning and reporting will thereforebe monitored through an effective performance management system.

Municipalities are encouraged and supported by both national and provincial government to develop realistic and credible IDP's that not only comply with relevant legislation but also –

- are owned by local leadership, municipal management and community as the single strategic plan to direct resources within the municipality;
- driven by the management team and systems within the municipality with implementation regularly monitored during the year through the performance management system;
- contain a long-term development strategy guiding investment across the municipal area;
- provide an investment plan for national, provincial and local government and non-governmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders;
- aligned to the One District Plan and framewrok
- include local area plans to localise the strategy and implementation of the IDP.

CURRENT LEGAL FRAMEWORK: PHASES OF IDP DRAFTING

This schematic diagramis to inform and guide how the strategic cycle (2022-2027) will be Implemented through annual revision of the IDP annually.



1.2 THE FOURTH GENERATION IDP

The first generation IDP's dealt with the period 2002-2007, the second generation IDP's from 2007-2012 and the third five year IDP cycle from 1 July 2012 up to 30 June 2017. This fourth generation IDP was developed after the August 2016 elections and will be effective from 1 July 2017 up to 30 June 2022.

The aim of the development of the fourth generation IDP was to advance the service delivery by providing the framework for economic and social development within the municipality as well as to enhance the good governance. The IDP must not simply be a wish list; it should clearly set out what can realistically be achieved given the capacity and resource constraints facing a municipality.

Fourth generation IDP's (2017/18 – 2021/22) generally provided a response to urbanization growth trends which ultimately has led to a decreasing population in predominantly rural Kannaland. It is important that we put in place mechanisms to respond to this urbanisation trend in a way that helps us to reap the benefits of urbanisation expansion and growth through not only innovation, science and technology but also through attraction of investments and integration of effort through the principle of demand and supply.

It advocated for a higher concentration of economic activity, greater productivity and transforming

our district into engines of growth. The key outcome was spatial transformation by integrating and aligning investments in ways that improve urban form to yield desirable and sustainable social, economic and environmental outcomes as envisioned in the NDP. This should have been done in a way that strengthens rural-urban linkages, promotes inclusive, resilient, safe and capable communities, and allows for people to have access to opportunities and choices.

1.3 THE FIFTH GENERATION IDP

The 2022/23 MTREF municipal planning and budgeting process takes place amidst a national and provincial economic recovery following sharp economic contractions in 2020. Several fiscal, economic and social risks exist that could threaten municipal sustainability and economic growth. Municipal budgets and associated documents have been assessed to determine the extent of conformance, responsiveness, credibility and sustainability to enhance the strategic theme for 2022 is 'Enabling Sustainability and Growth'.

Key enablers that facilitate sustainability and growth include, but are not limited to the following:

Innovation:

Introducing new ideas, methods or processes or reviewing existing practices to achieve outcomes in more efficient and effective ways. In a post-pandemic environment, municipalities are confronted with increasing citizen demands and expectations; a rapidly changing technological environment and a constrained fiscus. We cannot continue with the status quo, but have to innovate i.e., to explore different and better ways of doing things in order to enhance service delivery.

Partnerships:

Partnerships calls for the integration of expertise and resources in order to drive allocative efficiency and enhance productive efficiency. Enabling sustainability and growth requires a collective effort between spheres of government (across and within spheres) as well as with the private sector and civil society.

Good governance:

Municipalities must build on and/or reinforce the foundations and successes of good governance that is necessary for improved performance. These need to be leveraged along with extensive risk management, in order to ensure financial, operational, social, economic and environmental sustainability.

The following strategic policy shifts shall guide all future planning and development undertaken in Kannaland Municipality:

- Good governance, determination to succeed and innovation
- From District to Local planning and development
- A citizen's voice approach to collaborative partnering through co-operatives
- Response to climate change, environmental sustainability, infrastructure upgrades and maintenance; water security provisioning and growing the rural economy
- Introducing innovative leadership capabilities
- Exploring sustainable funding models in collaboration with the district
- Catalytic project and joint planning initiatives unveiled
- Urban-rural interconnectivity enhanced
- Walking the Constitution through good governance administration and accountability
- Support the ideals as prescribed in all-of-government policy directives
- Educate, train, develop and create more opportunities for our unemployed youth
- Commence with the implementation of our waste management plan
- Accelerate, land transfer, property investment and maintenance to heritage buildings, capitalize on tourism and fast track the LED implementation imperative
- Promote adherence to the principles of good governance through a improved audit outcomes
- Cascading of individual performance over a period of five years and introduction of consequence management
- Effective property investment promotion, marketing and safeguarding our financial sustainability
- Enhancement of our IGR, Joint Planning Initiatives and collaborative partnering
- Strengthening of our organisational structure to give effect to the five-year IDP and
- Expand on and diversify on law enforcement (traffic and environmental), fire-fighting mandate

1.3.1 The aim of the fifth generation IDP seeks to achieve the following:

Promote active, informed, innovative, involved and caring communities to enhance service delivery and municipal performance;

Emphasize community project ownership, management and implementation;

Clean governance practice through capable, ethical and professional leadership;

Financial growth and recovery;

Establishment of sustainable partnerships through integration and horizontal alignment;

Adopt SMART TOWN development strategies.

1st Generation IDP SERVICES

Aim:
Introduce IDP
Establish an IDP Rep Forum
Involve Councillors in drafting IDP
Inception of ward committee system
Consultant driven
Address service delivery backlogs
Human settlement backlog

GAPS:
Budget Format
Performance Management Linkage
Sector Plan Linkage

2002-2006

2nd Generation IDP LEADERSHIP

Aim:
Credible IDP across the province

Shift:
IDP as plan of government
Stronger long term strategy
Strengthened ward level engagement
Sector Department engagement (Including LGMTEC)
Improve IDP/Budget Linkage

Gaps:
Provincial wide investment plan
Local spatial investment
Leadership/citizen ownership of IDP
Disaster response

2007-2011

3rd Generation IDP STRATEGY

Aim:
IDP clearly embedded in neighbourhoods

Shift:
IDP owned by Leadership
Clean audit compliance
Good governance practice
Back to basics approach
Sector plan readiness
Budget and IDP alignment
Community responsive budget
Global economic outlook
Data intelligence and readiness
Financial reform
Inter-governmental planning
Disaster mitigation and risk reduction

2012-2016

4th Generation IDP IMPLEMENTATION

Aim:
SDF Investment plan
Developmental agenda
Collaborative partnerships
Economic and infrastructural
Agriculture
Leadership Innovation
Citizen's voice approach
Maintaining legal compliance
Urban-rural interconnectivity
Sustainable governance
Risk Management
Partnering

Shift:
Compliance to Developmental agenda
Spatial reform
Rural-urban interconnected approach
Citizen inclusive partnerships
Economic and infrastructure
Environmental resilience
Climate change responsive
Strengthening Primary and secondary economies
Relevance and financial reform

2017-2021

5th GENERATION IDP PROJECT DRIVEN PARTNERSHIPS

Aim
To unite the people of Kannaland behind a plan we believe in can work for us - We can save Kannaland through good governance

SHIFT
Saambou en saam staan
Ethical Leadership: Innovation, capable and commitment
Partnering and co-operatives
Water and food Security
Alternative energy resources - solar
Economic imperative post COVID
Prepareand adapt to climate change disasters
Land and property development and restoration
Sustainable Environmental Management, law enforcement
Spend grant allocations

Toward Smart Town status

2022 - 2027

The Kannaland Municipality 2022 – 2027 5th Generation Predecessor IDP with amendments will:

- comply with all relevant legislation and be owned by local leadership, municipal management and community as the single strategic plan to direct resources within the Municipality;
- align the IDP to the One District Plan and Framework
- be driven by the management team and systems within the Municipality with implementation regularly monitored during the year by means of the performance management and monitoring systems and improved project management capabilities;
- contain a long-term development strategy that can guide investment across the municipal area;
- the spatial development framework is considered and contains a Spatial link between IDP- Budget-SDBIP;
- provide an investment plan for national, provincial, district and local government and non-governmental stakeholders to enhance and enable joint planning and resource alignmentto improve service delivery to all stakeholders and reflect community inputs;
- contains a clear vision for the area, with objectives, project and initiatives to realising and financing the vision in partnership with other stakeholders;
- ensure that the citizen and community is the central focus of the IDP through consideration of project proposals during drafting of the IDP and take into account the physical and social demographics.
- Establishment of co-operatives as fulcrums of change

All stakeholders have been identified and considered (Ranging from the community, National and Provincial departments, SOEs, Parastatals and Business) and was allowed to contribute towards the determination of the priorities for the Municipality.

I.4 IDP LEGISLATIVE FRAMEWORK

The mandate of the municipality is provided for in section 152 of the Constitution of South Africa that stipulates the objectives for developmental local government, namely:

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

Although the implementation of the IDP is monitored through the performance management system, an annual process is required to check the relevance of the strategic plan within a dynamic environment.

The IDP is given legal status by the following primary and secondary legislation and regulations:

- The Municipal Systems Act 32 of 2000 (referred to as MSA)
- The Municipal Finance Management Act No. 56 of 2003 (referred to as MFMA)
- Municipal Planning and Performance Management Regulations, 2001: Department of Provincial & Local Government

The Municipal Systems Act 32 of 2000 requires that all Municipalities must prepare and adopt an Integrated Development Plan (IDP) and must subject it to an annual review. In terms of Chapter 5, Section 25, all Municipalities must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the Municipality. Section 34 of the same chapter requires a Municipality to review the IDP annually and, where necessary, to amend the plan in accordance with a prescribed process.

In addition to the requirement for every Municipality to compile such an Integrated Development Plan, the Municipality is also required to monitor and evaluate its performance. Section 34 of the MSA deals with the review and amendment of the IDP:

A Municipal Council must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements in terms of Section 41; and to the extent that changing circumstances so demand; and may amend its Integrated Development Plan in accordance with prescribed processes.

The IDP has to be reviewed annually in order to:

- Ensure its relevance as the Municipality's strategic plan;
- Inform other components of the Municipal business process including institutional and
- financial planning and budgeting;
- Inform the cyclical inter-governmental planning and budget cycle.

The Local Government: Municipal Planning and Performance Management Regulations, 2001 states in Chapter 2 that the IDP review and amendment process must adhere to the public participation requirements as outlined in Chapter 4 of the MSA.

Section 16(1) of the MSA requires that a Municipality must develop a culture of Municipal governance that complements formal representative government with a system of anticipatory governance, and must for this purpose encourage, and create conditions for, the local community to participate in the affairs of the Municipality.

Regulation 2(4) of the Local Government Municipal Planning and Performance Management Regulations, 2001 requires that:

- only a member or committee of a municipal council may propose an amendment to the IDP;
- the proposal to amend must be accompanied by a reason and be aligned with the district
- IDP;
- the amendment is adopted by a decision of the Municipal Council;
- all the members of the council be given reasonable notice;
- the proposed amendment/s be published for public comment for a period of at least 21 days in a manner which enables the public to make representations in this regard; and the applicable district Municipality be consulted.

During 2003 the Municipal Financial Management Act (MFMA) was enacted which specifies a number of time frames for the tabling and adoption of the Municipal Budget and amendments to the IDP. In terms of Section 16 and 17, the Mayor must, at a Council meeting not later than the 31st of March each year, table any draft and proposed amendments to the IDP with the draft budget. In terms of Section 24 of the MFMA, the municipal council must at least 30 days beforethe start of the budget year consider the approval of the annual budget. Both pieces of legislation (Municipal Systems Act and the Municipal Financial Management Act) emphasize the close relationship between the budget processes.

1.5 KANNALAND IDP PROCESS

The IDP was developed in terms of an IDP process plan developed to ensure that the IDP process complies with certain minimum quality standards, to ensure that proper coordination between and within the spheres of government is established and engaged during the preparation of the IDP.

Council approved the process plan for 202217-2027 on 31 Augustus 2021 which sets out the methods and approached according to which the IDP planning process to be conducted. The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compose its integrated development plan and the budget for the 2022/23 financial year as well the four outer years (activities and dates are subject to change).
The process plan enhances integration and alignment between the IDP and Budget, thereby ensuring the development of an IDP-based budget. It fulfils the role of a business plan or an operational framework for the IDP process outlining the manner in which the IDP process will be undertaken. In addition, it identifies the activities in the processes around the key statutory annual operational processes of the budget and IDP compilation, performance management implementation and the adoption of the municipality's annual report.

The IDP and Budget processes are two distinct but integrally linked processes which must be coordinated to ensure that the IDP and budget related policies and the final budget are mutually consistent and credible. Credibility refers to the municipality's ability and capacity to spend and deliver services in accordance with its approved budget. The process creates its own dynamics since it encompasses the involvement of external role-players and vested interest groups, therefore it requires accurate logistical planning and arrangements of engagement sessions to ensure that the process is implemented in accordance with the approved schedule.

1.5.1 IDP and Budget Process Plan Legislative Requirements

According to Section 28(1) of the Municipal System Act, No 32 of 2000 a municipal council must adopt a process set out in writing to guide the planning, drafting and review of its integrated development plan. This Process Plan outlines the programme to be followed and provides detail on the issues specified in the Act. A process plan must include the following:

- A programme specifying time-frames for the different steps;
- Outline mechanisms, processes and procedures for consultation of the community, organs of state, traditional authorities and role-players;
- Identify all plans and planning requirements binding on the municipality;
- Be consistent with any other matters prescribed by legislation.

Section 21(1) of the Municipal Finance Management Act (Act 56 of 2003) further prescribes that the Mayor of a municipality must co-ordinate the processes of preparing the annual budget and for reviewing the municipality's IDP. It is therefore imperative that a time schedule outlining the key activities in the process with deadlines for attainment be tabled to Council for approval ten (10) months prior to the final approval of the IDP and Budget.

In order to ensure certain minimum quality standards of the IDP process and a proper coordination between and within the spheres of government, the preparation of the planning process is regulated by the Municipal Systems Act, No 32 of 2000. Section 28 of the Systems Act stipulates that:

- Each Municipal Council must adopt a process set out in writing to guide the planning, drafting, adoption and review of the IDP.
- The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process.
- A municipality must give notice to the local community of particulars of the process it intends to follow.

In terms of Section 29(1) of the Municipal Systems Act the process must:

- be in accordance with a predetermined programme specifying timeframes for the different steps;
- through appropriate mechanisms, processes and procedures allow for the local community to be consulted on its development needs and priorities, allow the local community to participate in the drafting of the IDP, and allow organs of state, including traditional authorities, and other role players to be identified and consulted on the drafting of the IDP;
- provide for the identification of all plans and planning requirements binding on the municipality in terms of national and provincial legislation.

Kannaland Municipality adopted its IDP Process Plan and 2021/2022 Time Schedule on 12 August 2021. The Process plan and time schedule was tabled to the new incoming council in the handover report.

UITTREKSEL UIT NOTULE VAN 'N RAADSVERGADERING VAN KANNALAND MUNISIPALITEIT SOOS GEHOU OP DONDERDAG, 12 AUGUSTUS 2021 IN DIE STADSAAL TE LADISMITH.

COUNCIL 31/08/21: DRAFT 2022-2027 KANNALAND MUNICIPALITY IDP / BUDGET / PMS / MSDF PROCESS PLAN

RESOLUTION

1. That cognisance be taken of the Draft 2022-2027 IDP/Budget/PMS/MSDF Process Plan, marked Annexure A as well as the Public Notice hereto attached marked Annexure B, and that the contents as contained therein be noted.

2. That all comments on the draft 2022-2027 IDP/Budget/PMS/MSDF Process Plan be submitted to the office of the Manager: IDP and PMS by 25 August 2021.

3. That a workshop be arranged with the newly elected incoming Council for further input and adoption.

1.5.2 Consult with local community on process to guide drafting of IDP

Specifically, the MSA Sections determine that, each Municipal Council (local and district) must adopt a process to guide the planning, drafting, adoption and review of its IDP, and the Municipality must consult the local community on the process it intends to follow.

On the other hand, MFMA Section 21 prescribes the timeframes for the commencement of the planning process and Section 21(b) states that the Mayor of a municipality must at least 10 months before the start of the budget year, table a time schedule outlining key deadlines for:

(i) the preparation, tabling and approval of the budget;

(ii) the annual review of

(a)the integrated development plan in terms of Section 34 of the Municipal Systems Act; and (b)the budget related policies;

(iii) the tabling and adoption of any amendments to the integrated development plan and the budget related policies; and

(iii) any consultative process forming part of the process referred to in subparagraphs (i), (ii) and (iii).

NOTE:

Kannaland Local Municipality conducted two (2) rounds of IDP Public Participation Stakeholder Engagements during February/March 2022 and April/May 2022. All community inputs received at these engagements and via email were incorporated into the public needs and concern analysis which is contained in Chapter 3. All Ward Committees (in each of the four wards) have been established and

Induction Training was held on 28 May 2022.

1.5.3 Adoption of Time schedule

The MSA further requires that the planning process must –

- be in accordance with a predetermined programme specifying timeframes for the different steps;
- allow for the local community to be consulted on its development needs and priorities, and together with organs of state and other role players to participate in the drafting of the IDP; • provide for the identification of all plans and planning requirements binding on the Municipality in terms of national and provincial legislation; and

1.5.4 The Planning Process and Process Plan

In order to ensure that the IDP complies with certain minimum quality standards and to ensure proper planning and alignment between the spheres of government, the preparation of a process plan is regulated by the MSA, Sections 27, 28 and 29 and the MFMA Section 21.

1.5.5 Adoption, status and effect of an IDP

Section 25 of the MSA sets out the adoption process of the IDP, which clarifies that a Municipal Council must, within a prescribed period after the start of the election term, adopt an IDP with all its parts and components.

The IDP legally binds the Municipality in exercising its executive authority. Section 35 of the MSA, clarifies the status of the plan and ensure that the plan remains in force until the next elected Council adopts a new one.

Section 36 of the MSA gives effect to the IDP and indicates that the Municipality must give effect to its integrated development plan and conduct its affairs in line with the IDP. Review of the IDP Revision of the IDP entails adjustments and revisions which are based on monitoring and evaluation of the municipality's performance. The monitoring process prescribes adjustments and corrective measures which must be fed back into the planning process (or 5 year IDP). Section 34 of the MSA prescribes the process for the amendment and revision of the IDP.

NOTE:

1. Both the outgoing and incoming Councils of Kannaland Municipality has adopted the IDP Process plan and time schedule.
2. 2. Kannaland Local Municipality has tabled the Draft 2022 – 2027 IDP to Council for notification

on 31 March 2022. The Draft IDP was published for comment for a period of 21 days thereafter. The Final 2022 – 2027 Predecessor IDP with amendments has been tabled to Council om 31 May 2022 for adoption and was subsequently adopted.

1.5.6 Review and Amendment to IDP

Section 34(a) prescribes that

(i) the IDP must be reviewed annually with an assessment of its performance measurements in terms of Section 41 of the MSA [e.g. MFMA Sec 52, 72 & 75 Reports, Annual Report] and (ii) must take into account the extent of changing circumstances, such as changes in policy/ legislation; budget availability; public participation outcomes; disaster events and LG MTEC comments.

(ii) Amendment of the IDP Section 34 (b) of the MSA states that a Municipal Council may amend its IDP in accordance with a prescribed process which is set out in Regulation 3, of the MSA Planning and Performance Management Regulations of 2001. The process to be followed when amending an IDP, which can only be proposed by a member or a committee of council, entails the following:

- Submitting a memorandum setting out the reasons for the proposal and should be aligned with the framework adopted in terms of MSA Sec. 27;

The amendment to the IDP must be adopted by a decision taken by the municipal Council (council resolution);

- Reasonable notice must be given to the members of Council about the proposed amendment and it has to be published for public comment for a period of at least 21 days. In addition to the amendment process Districts and B-municipalities have to consider the following: (i) District Municipality must • Consult with its local municipalities; and • Consider all comments provided to it by the B-municipalities before a final decision is made (ii) B-municipality must • Consult its District Municipality; • Take all comments submitted to it by the district municipality into account before a final decision is made.

1.6 WCPG MONITORING AND SUPPORT

The 2022/23 MTREF municipal planning and budgeting process takes place amidst a national and provincial economic recovery following sharp economic contractions in 2020. Several fiscal, economic and social risks exist that could threaten municipal sustainability and economic growth.

Municipal budgets and associated documents have been assessed by the WCPG to determine the

extent of conformance, responsiveness, credibility and sustainability to enhance the strategic theme for 2022 is 'Enabling Sustainability and Growth'.

Key enablers that facilitate sustainability and growth include, but are not limited to the following:

- **Innovation:**

  Introducing new ideas, methods or processes or reviewing existing practices to achieve outcomes in more efficient and effective ways. In a post-pandemic environment, municipalities are confronted with increasing citizen demands and expectations; a rapidly changing technological environment and a constrained fiscus. We cannot continue with the status quo, but have to innovate i.e., to explore different and better ways of doing things in order to enhance service delivery.

- **Partnerships:**

  Partnerships calls for the integration of expertise and resources in order to drive allocative efficiency and enhance productive efficiency. Enabling sustainability and growth requires a collective effort between spheres of government (across and within spheres) as well as with the private sector and civil society.

- **Good governance:**

  Municipalities must build on and/or reinforce the foundations and successes of good governance that is necessary for improved performance. These need to be leveraged along with extensive risk management, in order to ensure financial, operational, social, economic and environmental sustainability. To this extent, SIME is an extension/continuation of TIME.

The importance of the integrated planning and budgeting assessment is stipulated in Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 (MSA), the MSA Regulations and the Local Government Municipal Finance Management Act 56 of 2003 (MFMA). These annual provincial assessments afford the provincial sphere of government an opportunity to exercise its monitoring and support role to municipalities as stipulated by the Constitution. In addition, the assessments provide an indication of the ability and readiness of municipalities to deliver on their legislative and constitutional mandates. This report encapsulates comments by the Western Cape Provincial Government on the draft 2022/23 MTREF Budget, 2022/23 Integrated Development Plan (IDP) and Spatial Development Framework (SDF).

The assessment covers the following key areas: Conformance with the MFMA, MSA & Municipal Budget and Reporting Regulations (MBRR); Public value creation and responsiveness of draft budget, IDP and SDF; and Credibility and sustainability of the Budget.

The MBRR A-Schedules, budget documentation, mSCOA data strings, IDP and SDF submitted by the Municipality are the primary sources for the analysis. The quality of this assessment report therefore depends on the credibility of the information contained in the documents submitted by the Municipality.

The SIME Engagement was held in Kannaland on Friday 13 May 2022 and the report is available for perusal.

1.7 CONCLUSION

Kannaland Municipality has elected to adopt the Integrated Development Plan of its predecessor with amendments in accordance with Section 25(3)(b) of the Municipal Systems Act 32 of 2000 and therefore has followed the legal compliance prescripts as outlined in Section 29(1)(b)(i),(c) and (d) in that communities were, through Integrated Development Planning Stakeholder engagements conducted during the month of March 2022, consulted on their existing needs and priorities.

NOTE:

The Draft 5th Generation 2022-2027 Integrated Development Plan being tabled to council for notification is in fact the IDP of its predecessor with certain amendments. A First Round of IDP Stakeholder engagements were held throughout Kannaland Municipality during February/March 2022 with the exception of Calitzdorp. An IDP Stakeholder engagement was thereafter arranged in Calitzdorp during the month of April 2022.

A Second Round of IDP Stakeholder engagements was held throughout Kannaland Municipality during April/May 2022 with the exception of Ward 1. This is scheduled to take place on Monday 30 May 2022 and the community input shall be incorporated into the IDP at the Council meeting scheduled for 31 May 2022.

The preparation of the fifth generation 2022 – 2027 Predecessor IDP with amendments has embarked on a number of processes/activities to ensure its completion. Hereunder is a list of activities undertaken in ensuring that the fifth generation Draft and Final 2022 Predecessor IDP with amendments is drafted and tabled to Council timeously (by 31 March 2022 and 31 May 2022 respectively). The memorandum of amendments effected to the IDP of its predecessor is explained hereunder.

MEMORANDUM OF AMENDMENTS:

No.	Content	Fifth Generation (2022/2023-2026/2027) Amendments	Council/Management action	Page No	Status
1.	History of Kannaland	Update Logo and description of elements. Communication Policy update and new logo adopted.	None. Council has already approved Communication Strategy.	Page 2	Completed
2.	Vision and Mission Statement	Review Vision and Mission Statement	Arrange a Council Strategic workshop and meet with Executive Mayor	Page 3	Discussed at IDP Public Participation stakeholder engagements. Remain the same as predecessor IDP
3.	Values	Review Kannaland Values	Arrange a Council Strategic workshop and meet with Executive Mayor	Page 5	Discussed at IDP Public Participation stakeholder engagements. Remain the same as predecessor IDP
4.	Key Performance Areas	Review KPAs	Arrange a Council Strategic workshop and meet with Executive Mayor	Page 7 to page 12	Discussed at IDP Public Participation stakeholder engagements. Remain the same as predecessor IDP
5.	Foreword by Executive Mayor	Update the Foreword by Executive Mayor	Meeting with Executive Mayor	Pages 13 and 14	Completed
6.	Foreword by Municipal Manager	Update Foreword by Municipal Manager	Arrange a meeting with Municipal Manager	Pages 15 and 16	Completed
7.	Fourth Generation IDP	Update to Fifth generation IDP and illustrate the development imperative and maturity progression as a generational comparative synopsis.	IDP Management Desktop exercise	Page 27	Completed
8.	Kannaland IDP Process	Update Kannaland IDP Process	IDP Management Desktop exercise	Page 30 and 31	Completed
9.	Time Schedule	Change terminology of Process plan to time schedule and develop time schedule for 2022/2023	Complete	Page 32 to 39	Completed

No.	Content	Fifth Generation (2022/2023-2026/2027) Amendments	Council/Management action	Page No	Status
10	Sustainable development Goals and vertical alignment	Updating the Sustainable Development Goals, the Millenium Development Goasl; the NDP, National Government Outcomes, Provincial Strategic Objectives, The Garden Route Strategic Goals and the Kannaland KPAs.	IDP Management Desk Top exercise.	Page 40 to 45	Completed and corrected in terms of SIME Report
11.	Horizontal alignment	Review and update Kannaland KPA alignment	IDP Management desktop exercise after Council strategic workshop	Page 46 and 47	Completed
12	Kannaland contribution to the NDP	Review and update	IDP Management Desktop exercise	Page 48	Completed
13.	Regional and Provincial Forums/Platforms	Review and update IGR structures	IDP Management desktop exercise – completed and to update.	Page 49	Completed
14.	Public Participation	Update after ward committee establishment process is completed.	IDP Management desktop and Ward Committee process plan implementation; include ward committee operational plans	Page 50 to 52	Completed
15.	Public needs analysis	Update public needs	Conduct stakeholder engagements with ward committees during February and March 2022 and update the community needs.	Page 53 to 58	Completed two rounds of IDP/Budget public participation stakeholder engagements
16.	Kannaland at a glance – Socio economic profile	Update in accordance with 2021 SEP report released by WCPG	IDP Management Desktop exercise	Page 62 to 71	Completed
17.	Spatial and environmental analysis	Update and review	Liaise with Garden Route DM to establish if any progress has been made in relation to	Page 71 to 76	Completed and updated. Met with the GRDM. Will partner with Cape Nature to

No.	Content	Fifth Generation (2022/2023-2026/2027) Amendments	Council/Management action	Page No	Status
			biodiversity management and climate change adaptation plans		fully develop and align the Biodiversity plan of Kannaland to the WC Spatial Plan Biodiversity Handbook. Funding required for Biodiversity strategy.
18.	Disaster Management	Update the Council adopted Disaster Management plan and Disaster Risk Reduction Plans.	Ensure these plans are tabled to Council during February 2022 and adopted before updates can be concluded.	Page 77 to 82	Completed
19.	Tourism	Update the development of the Tourism business and action plans and budget and MOAs entered into with Calitzdorp and Ladismith Tourism Bureaus.	Incorporate these plans into the LED Strategy firstly and thereafter into fifth generation IDP.	Page 82 and 83	Completed. Incorporated these in the LED, SDBIP and project identification phase.
20.	Agriculture	Update agriculture sector	Workshop with agriculture department, DRD&LR and farmer associations to review an agriculture strategy and develop a commonage policy for inclusion into the IDP.	Page 83 to 90	In progress. Ongoing. Met with WC Department of Agriculture and Land Reform as well as Ladismith Klein boere Vereeniging and the Amalienstein Farmers to carve a way for farm land transfer.
21.	Integrated Rural Development	Update information	Enquire about progress made in relation to application to be declared a Rural node. Also update non farming economies of tourism initiatives undertaken and	Page 90 to 92	Rural node – information still outstanding. Tourism bureaus - completed

No.	Content	Fifth Generation (2022/2023-2026/2027) Amendments	Council/Management action	Page No	Status
			the business/action plans of the two established tourism bureaus of Ladismith and Calitzdorp.		
22.	Ecosystem status	Review information	Meet with Cape Nature and WC Dept of Agriculture	Page 92 to 96	Meeting convened with Cape Nature. Meeting held with WC Department of Agricultre. Meeting held with Amalienstein Farmers.
23.	Spatial alignment	Continue to use the existing 2014 MSDF. It is too expensive to revise and very little implementation was realised during the 4th generation IDP implementation. Review the progress made in relation to the 2014 MSDF.	Ensure alignment between IDP and SDF. Confirm catalytic projects for implementation.	Page 97 to 111	Completed and ongoing for 5 year period. Reviewing SDF – funding required
24.	Integrated Human settlements	Indicate the five year Human Settlement plan and projects to be implemented.	Completed and information has been sourced.	Page 111 to 113	Incomplete. Funding required for updating Human Settlements Plan.
24.	Thusong Centre	Update information on Thusong Centres	Arrange a meeting with the Thusong Centre Management and obtain information regarding the services being offered in Kannaland.	Page 113 to 114	Completed. Meeting held. Thusong Centre updates included with their needs and priorities.
25.	Governance and Institutional Structures	Update Council structure	Desktop exercise by IDP Manager. Communication unit to take photos of the newly elected councillors.	Page 114 to 118	Completed. Only photographs needed.
26.	Audit and Performance	Update newly appointed Audit and	Council to appoint a new Audit and	Page 119	Completed. IDP updated though

No.	Content	Fifth Generation (2022/2023-2026/2027) Amendments	Council/Management action	Page No	Status
	Audit Committee	Performance Audit committee	Performance Audit committee		Audit and Performance Audit Committee established. Training required and committee revived.
27.	Administrative Structure	Micro structure review and update	Human Resources to commence with consultation with departments and local labour forum (unions) and thereafter affected employees	Page 119 - 121	Completed. Once tabled to council it shall be included in the Final IDP.
28.	SWOT Analysis		Review strengths, weaknesses, opportunities and threats in consultation with community structures, Council and Management – arrange public participation stakeholder engagements and Strategic Workshop with Management and Council during February/March/April 2022.	Page 122 to 124	Discussed at IDP Public Participation stakeholder engagements. Remain the same as predecessor IDP
29.	Five year performance score card	Update	Review and update after meeting with Senior Management and the Executive Mayor. Table to Council	Page 177 to 187	SDBIP for 2022/2023 completed. Scorecard to still be updated. KPIs will be refined during June 2022 at a workshop with SALGA.
30	Financial Plan	Plan for five-year financial plan	CFO to Review and update fourth generation financial plan	Page 188 to 215	Complete. Chapter 10 includes a Financial Plan.
31.	Sector Plans	Update all available sector plans	IDP Desktop exercise	Page 216 to 220	Incomplete. Some Sector Plans are outdated

No.	Content	Fifth Generation (2022/2023-2026/2027) Amendments	Council/Management action	Page No	Status
32.	Strategic and operational plans	Update all the available and updated strategic operational plans.	IDP Desktop exercise	Page 221	Complete.
33.	Financial Recovery Plan	CFO to update the financial recovery plan	CFO to include the fifth generation Financial Recovery Plan	Page 222 - 238	In progress.
34.	Mandatory Limits and Budget Parameters	CFO to update the mandatory limits and budget parameters	CFO to include the fifth generation mandatory limits and budget parameters	Page 239 to 250	In progress
35.	Annexures	Update the annexure	Update annexures: IDP Budget Process Plan SDF Human Settlement Plan Disaster Management Plan Socio-economic profile Municipal Economic Review Outlook.	Page 250 to the end of the document	To save on costs, council may recall that all these plans were previously tabled to council during handover. Contact may be made with the Manager: IDP and PMS should you require more details of each project proposal submiite.
36.	General	Format editing and structural amendments	None. Desk top exercose	Editing document	Ongoing

RECOMMENDATION:

1. That cognisance be taken of the Final 5TH Generation 2022-2027 Predecessor Integrated Development Plan with amendments for the 2022-2027 cycle and that the contents as contained therein be approved.
2. That it be noted that the draft 2022-2027 Predecessor Integrated Development Plan with amendments was made available for a period of 21 days for public comments and submitted to the relevant Governmental departments for assessment.
3. That two rounds of IDP Public Participation Stakeholder engagements were arranged for further input.
4. That it be noted that an IDP Stakeholder engagement was held in Calitzdorp to obtain community input and ascertain needs and priorities for Calitzdorp.
5. That it be noted that Council adopts the IDP of its predecessor with amendments as described above. (Section 25(3)(b) Municipal Systems Act 32 of 2000.

6. That the Final 2022-2027 Predecessor IDP with amendments be submitted to the MEC, Western Cape Department of Local Government, placed onto the municipal website and circulated to the public libraries.

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Preparation	Conduct an assessment of progress of the performance measurements and changing circumstances in the municipality to constitute a review of the IDP	Executive Mayor Municipal Manager		01										
	Tabling of the draft IDP Review & Budget Time Schedule to the MAYCO meeting: Tabling of draft IDP & Budget Time Schedule to Council	Executive Mayor Council		31										
	District IDP Managers Forum – Alignment of IDP Review and Budget Time Schedule with District One plan /Framework Plan	Eden District IDP Manager												
Analysis	Review of the Performance Management System (PMS)	Performance and Compliance Officer	31											
	Review the annual performance against SDBIP's	Performance and Com-pliance Officer		30										
	Assess the municipal financial position and capacity (based on the Annual Financial Statements of previous budget year)	Chief Financial Officer		25										

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	Review budget-related policies and set policy priorities for next 3 financial years	Chief Financial Officer	31											
	Determine the funding/revenue potentially available for next 3 years	Chief Financial Officer				10								
	Determine the likely financial outlook and identify changes to fiscal strategies	Chief Financial Officer					28							
	Refine funding policies; review tariff structures	Chief Financial Officer												29
	Evaluation of matters identified in IDP Assessment Report received from MEC: Local Government	IDP Coordinator									29			
	Determine any changes in the Socio-economic conditions & trends of Kannaland Municipality	Senior Management		27										
Consultation	Advertising a schedule of public meetings per ward	IDP Coordinator				17				15				
	Embarking on a public participation process via public meetings per ward to: Provide feedback on progress of ward priorities Presentation of IDP Review &Budget time schedule Obtain input on community needs for the IDP Review	Executive Mayor Councillors Senior Management								15		25		

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsibleperson	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	process													
Strategy	Strategic Planning Session to conduct a mid-term review: Council's Strategic Objectives Assessment of the performance of implementation of Council's 5yr strategic plan (2022-2027 IDP)	Executive mayor Senior Managers						04	15					
	Prioritisation of development objectives, projects &programmes by Ward Committees: Facilitate a more inclusive consultation process for the prioritisation of ward projects/programmes	Ward Councillors Ward Committees IDP Coordinator Communication Officer			15	19				28		25		
	IDP Indaba 1engagement Alignment of Strategic objectives of the municipality with that of the provincial and national government departments	Municipal Manager IDP Coordinator			15									
	District IDP Managers Forum Meeting	Garden Route District IDP Manager								23				
	Provincial IDP Managers Forum Meeting	Provincial Dept. of Local Government IDP Manager				15								

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	IDP INDABA 2 engagement: Identify projects & programmes which might need support/financial assistance from Government Referring of community issues which have been identified during IDP process but are not competencies of Local Government to the relevant National & Provincial Sector Departments Follow up on IDP Indaba agreements	Provincial Dept. of Local Government IDP Coordinator								26				
	Identification of new Capex/Opex projects & programmes culminating from the IDP Review Process	All departments								15		25		
	Prioritisation of internal & external Capex&Opex projects & Programmes	IDP & Budget Steering Committee										25		
	Workshop for the preparation of Adjustment Budget	Chief Financial Officer							22					
	Tabling & approval of Adjustment Budget (to be approved before 28 Feb)	Chief Financial Officer								28				

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	Workshop with Council to finalize: Draft IDP Review Draft Operational & Capital Budget	Executive Mayor Senior Management									23			
Integration	Quarterly meetings of IDP & Budget Steering Committee	Executive Mayor CFO IDP Coordinator Municipal Manager				23			22		12	25		
	Preparation of draft IDP Review document	IDP Coordinator							15					
	Circulation of draft IDP Review document to all directorates for their input & comment	IDP Coordinator									25			
	Tabling of draft IDP Review & Budget to MAYCO	Municipal Manager CFO									31			
	Tabling of draft IDP Review &Budget to Council	Executive Mayor Council									31			
	Submission of tabled draft IDP Review & Budget to the MEC: Local Government, National & Provincial Treasury (Within 10 working days after tabling)	IDP Manager CFO										04		

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	Publishing of draft IDP Review & Budget (including proposed tariffs) for perusal and public comment	IDP Manager/ CFO									31			
Integration	Embarking on a public participation process via public meetings per ward to obtain final input from stakeholders on the tabled draft IDP & Budget	Executive Mayor Councillors, CFO IDP Manager/ Municipal Manager, Senior Managers				23					12	15		
	LGMTEC 3 engagement with Provincial & National Sector Departments to obtain input on the draft IDP Review &	Municipal Manager CFO/IDP Manager										20		
	Draft Budget	Executive Mayor Council									31			
	Incorporate notes and comment from MEC: Local	IDP Manager CFO										15		

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	Publishing of draft IDP Review & Budget (including proposed tariffs) for perusal and public comment	IDP Manager/ CFO									31			
Integration	Embarking on a public participation process via public meetings per ward to obtain final input from stakeholders on the tabled draft IDP & Budget	Executive Mayor Councillors, MM, Senior Managers				23					12	15		
	LGMTEC 3 engagement with Provincial & National Sector Departments to obtain input on the draft IDP Review &	Municipal Manager CFO/IDP Manager										20		
	Draft Budget	Executive Mayor Council									31			
	Incorporate notes and comment from MEC: Local Government, DEADP and Provincial Treasury on Draft IDP and Budget	IDP Manager CFO										15		
	Consider all public submissions on Draft IDP and Budget	CFO/IDP Manager											16	
	Mayco meeting to consider submissions	Municipal Manager											21	

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023											
Phase	Activity	Responsibleperson	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
	Council workshop on draft IDP Review & Budget prior to adoption	CFO IDP Manager											22	
	Council meeting to adopt the final IDP Review & Annual Budget and the Performance Management measures and targets (At least 30 days before the start of the budget year)	Executive Mayor Municipal Manager Council											27	
	Management workshop to finalize the SDBIP's	Performance and Compliance Officer											02	
	Publish the adopted IDP Review & Budget with all budget related documents and policies on the municipal website	IDP Manager CFO											04	
	Submit a copy of the adopted IDP Review & Budget to the MEC: Local Government and Treasury(Within 10 working days after adoption)	IDP Manager CFO											04	
Finalization	Advertise a public notice of the adoption of the IDP	IDP Manager											04	
	Publish a summary of the IDP and Budget on municipal website.	IDP Manager											04	

DRAFT 5TH GENERATION IDP TIME SCHEDULE

KANNALAND MUNICIPALITY IDP REVIEW AND BUDGET PROCESS			JULY2022 – JUNE 2023												
Phase	Activity	Responsible person	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	website														
	Approval of the Service Delivery & Budget Implementation Plan (SDBIP) (within 28 days of approval of budget)	Executive Mayor												25	

TABLE 60: IDP PROCESS PLAN/TIME SCHEDULE

Chapter 2 – Inter-Governmental Relations and Policy Alignment

national planning commission
The Presidency
REPUBLIC OF SOUTH AFRICA

NATIONAL DEVELOPMENT PLAN 2030

By 2030

Eliminate income poverty – Reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero. Reduce inequality – The Gini coefficient should fall from 0.69 to 0.6

Enabling milestones

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices. Realise a food trade surplus, with one-third produced by small-scale farmers or households.
- Ensure household food and nutrition security.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity.
- Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

Critical actions

- A social compact to reduce poverty and inequality, and raise employment and investment.
- A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
- Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.
- Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- An education accountability chain, with lines of responsibility from state to classroom.
- Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
- Public infrastructure investment at 10 percent of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- Interventions to ensure environmental sustainability and resilience to future shocks.
- New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
- Reduce crime by strengthening criminal justice and improving community environments.

2.1.1 INTRODUCTION

Section 25 Municipal Systems Act 32 of 2000 states that "Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which –

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

Hereunder are the policy directives to which Kannaland Municipality shall align to.

Section 25 (2) Municipal Systems Act 32 of 2000 states that "An integrated development plan adopted by a municipal council in terms of subsection (1) may be amended in terms of section 34 and remain in force until an integrated development plan is adopted by the next elected council."

Section 25 (3) (a) Municipal Systems Act 32 of 2000 states that "A newly elected municipal council may, within the prescribed period referred to in subsection (1), adopt the integrated development plan of its predecessor, but before taking a decision it must comply with section 29(l)(b)(i), (c) and (d). (b) A newly elected municipal council that adopts the integrated development plan of its predecessor with amendments, must eflect the amendments in accordance with the process referred to in section 34(b)."

Section 25 (4) Municipal Systems Act 32 of 2000 states that "A municipality must, within 14 days of the adoption of its integrated development plan in terms of subsection (1) or (3) (a) (b) give notice to the public– (i) of the adoption of the plan; and (ii) that copies of or extracts from the plan are available for public inspection at specified places; and publicize a summary of the plan.

Kannaland Municipality has resolved at its Council meeting held on 31 March 2022 to adopt the IDP of its predecessor with amendments in accordance with the process referred to in 34(b)

Section 25 (3) (b) Municipal Systems Act 32 of 2000

2.1.2 Sustainable Development Goals

The Sustainable Development Goals (SDGs), officially known as transforming our world: the 2030 Agenda for Sustainable Development is a set of seventeen aspirational "Global Goals" with 169 targets between them. Spearheaded by the the United Nations, through a deliberative process involving its 193 Member States as well as global civil society, the goals are contained in paragraph 54 of United Nations Resolution A/RES/70/1 of 25 September 2015. They are integrated and indivisible and balance the three dimensions of sustainable development:: the economic, social and environmental.

FIGURE 2: 2016 SUSTAINABLE DEVELOPMENT

2.1.3 National Development Plan (NDP) -Vision for 2030

The Vision statement of the National Development Plan (NDP) aims to change the lives of millions of people in South Africa by eliminating poverty and reducing inequality by 2030. The President appointed a National Planning Commission in May 2010 to draft a vision and plan for the country.

On 9 June 2011 the Commission released a diagnostic document and elements of a vision statement. On 11 November 2011 the vision statement and the plan was released for consideration. The Commission consulted widely on the draft plan. The National Development The Plan was handed to President Zuma in August 2012 and was adopted by Cabinet in September 2012.

An approach to change is set out depicting a clear link between capabilities, opportunities and employment on social and living conditions. It shows how leadership, an active citizenry and effective government can help drive development in a socially cohesive environment.

The 2030 plan is summarized as follows:

By 2030:

- Eliminate income poverty – Reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39% to zero.
- Reduce inequality – The Gini coefficient should fall from 0.69 to 0.6.

Enabling milestones:

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- Increase the share of national income of the bottom 40% from 6% to 10%.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices.
- Realise a food trade surplus, with one-third produced by small-scale farmers or households.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity. Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

Critical actions:

- A social compact to reduce poverty and inequality, and raise employment and investment.
- A strategy to address poverty and its impacts by broadening access to employment,

- Strengthening the social wage, improving public transport and raising rural incomes.
- Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.
- Boost private investment in labor-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- An education accountability chain, with lines of responsibility from state to classroom.
- Phase in national health insurance, with a focus on upgrading public health facilities,
- Producing more health professionals and reducing the relative cost of private health care.
- Public infrastructure investment at 10% of gross domestic product (GDP) financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- Interventions to ensure environmental sustainability and resilience to future shocks.
- New spatial norms and standards upgrading informal settlements and fixing housing market gaps.
- Reduce crime by strengthening criminal justice and improving community environments.

Government's targets for 2030 are as follows:

1. Create 11 million more jobs by 2030.
2. Expand Infrastructure.
3. Transition to a low-carbon.
4. Transform urban and rural spaces.
5. Education and Training.
6. Provide Quality Health Care.
7. Build Capable State.
8. Fight Corruption.
9. Transformation and Unity.

The NDP 2030 and the Revised Medium Term Strategic Framework 2024 targets

Measures		Baseline[1]	Current Status	Target 2024	Target NDP 2030
Growth	GDP growth	0.1%	-6.4%	2% - 3%	5.4%
Unemployment	Formal rate	27.6%	34.4%	20%-24%	6.0%
Employment	Number employed	16.3 million	14.9 million	18.3 – 19.3 million	23.8 million
Investment	% of GDP	16.9%	13.6%	23%	30%
Inequality	Gini coefficient	0.68	no update	0.66	0.60
Poverty	Food poverty	24.7%	no update	20%	0.0
	Lower bound	39.8%	no update	28%	0.0

Source: Compiled by the Department of Planning, Monitoring and Evaluation based on various sources
Notes:
1. GDP growth has been revised from -7% to -6.4% for 2020 based on rebased GDP. Investment has been revised based on gross fixed capital formation as a % of rebased GDP.
2. Unemployment and Employment for the current year is based on the Quarterly Labour Force Survey Q2:2021
3. Inequality and poverty remain unchanged from the 2015/16 as no new estimates are available from Statistics SA.

2.1.4 The Revised MTSF 2019 - 2024 National Government Outcomes

The MTSF outlines government's strategic intent in implementing the electoral mandate of the ruling party as well as the National Development Plan (NDP) Vision 2030. It provides a strategic shift that marks the transition from the fifth administration to the sixth, and takes cognisance of the changes in the strategic direction from the first 25 years of democratic governance. The MTSF 2019-2024 sets out the interventions and targets that we needed to work towards over the five years in the spirit of "Khawuleza". We need to work with urgency to achieve the goals set out in the NDP 2030, noting that we will reach this critical milestone in less than 9 years. The MTSF 2019-2024 acknowledges that, while we have made some progress, fundamental transformation is needed to realise our national priorities. In recognition of the multitudes of challenges confronting our society today, especially women, youth and people with disabilities, the MTSF 2019-2024 emphasised these as cross-cutting focus areas for our developmental vision. The implementation of the MTSF 2019-2024 was however disrupted by the outbreak of the COVID-19 pandemic and the declaration of a National State of Disaster on the 15 March 2020. Government had to reprioritise its plans and budgets in response to the pandemic, which has had a devastating impact on the health, social and economic aspects of the lives of South Africans. To fund government's relief measures, the President announced a R500 billion relief package which was unveiled in the Supplementary Budget on 24 June 2024. The President also launched the Economic Reconstruction and Recovery Plan (ERRP) on 15 October 2020, which sought to restore much needed economic growth and employment. The combination of all these factors has meant that the MTSF 2019-2024 had to be revised to include critical interventions that are part of government's relief and recovery efforts. The Revised MTSF 2019-2024 continues to reflect government's plan of action over the remaining term of the sixth administration. The Revised MTSF 2019-2024 also prioritises government commitments to prevail over the coronavirus pandemic and to work towards recovery. These commitments were outlined in the 2022 State of the Nation Address and include the following focus areas: First, to defeat the coronavirus pandemic; Second, to accelerate our economic recovery; Third, to implement economic reforms to create sustainable jobs and drive inclusive growth; And finally, to fight corruption and strengthen the capacity of the state.

The Seven Apex Priorities for 2019-2024 The MTSF 2019-2024 translates the NDP goals and the governing party's electoral mandate government's priorities over a five-year period. These apex priorities were announced by the President in July 2019 at the start of the term for the 6th Administration.

These apex priorities, which will be achieved through the joint efforts of all government institutions, are as follows:

Priority 1: A capable, ethical and developmental state
Priority 2: Economic transformation and job creation
Priority 3: Education, skills and health
Priority 4: Consolidating the social wage through reliable and quality basic services
Priority 5: Spatial integration, human settlements and local government
Priority 6: Social cohesion and safe communities
Priority 7: A better Africa and world

Cross-cutting focus areas

The NDP Vision 2030 prioritises the significant role of women, youth and persons with disabilities in our society. If these three groups are strong, our whole society will be strong. These are cross-cutting focus areas that need to be mainstreamed into all elements of South Africa's developmental future and all programmes of government. They will inform interventions across the seven pillars.

Women

The majority of women in South Africa were historically and systematically subjugated and excluded from the social, political and economic spheres. As a result, women's lived experiences differed according to their race, geographic location, economic status and educational levels. Today, most women continue to face economic exclusion, resulting in high levels of poverty, inequality and unemployment. Women's economic empowerment is central to the achievement of the constitutional vision of a gender-equal, non-sexist society. Women's access to resources, both social and economic, has far-reaching implications – improving women's access to education, skills development, technology and economic resources, including credit, will result in a better quality of life for women and will benefit society as a whole. Transforming the world of work for women and ensuring their inclusion in mainstream economic activities, opportunities and employment requires the elimination of structural barriers, violence and harassment as well as an end to discriminatory laws, policies, practices and social norms. We need to target inequalities and gaps related to economic inclusion, labour force participation, entrepreneurship, equal pay for work of equal value, working conditions, social protection and unpaid domestic and care work. Addressing gender equality between men and women and dismantling patriarchal systems remains a key challenge in ensuring women's inclusion in the short, medium and long term.

Youth

High youth unemployment, coupled with growing poverty and inequality, is a critical challenge. Young people also have limited access to resources that can help them find a way out of poverty and enable them to become agents of change. Limited access to land, finance for business ventures, and support and mentoring remain obstacles to the potential demographic dividend presented by a large young population of working age. Other contributing factors include low levels of education and skills, lack of information, location and the cost of work seeking, lack of income and work experience, and limited social capital. The country's slow economic growth in recent years has led to massive job losses and an even lower number of jobs being created. Reducing South Africa's high level of youth unemployment requires the economy to be on a labour-absorbing growth path, which depends on the successful reorientation of the economy to raise labour demand while improving labour supply. All sectors of society, from government to business, and civil society organisations, need to rally together and make a more meaningful contribution to addressing the youth challenge. This requires the effective mainstreaming of youth development across all priority areas, including through institutionalising youth-responsive planning, budgeting, monitoring and evaluation in the period to 2024.

Persons with disabilities

Persons with disabilities tend to face the following challenges, amongst other:

- Barriers that exclude them from accessing socio-economic opportunities;
- Lack of effective articulation and alignment between different services offered by different departments targeting the same target group;
- Lack of access to appropriate and timely information and support; and
- Lack of access to essential disability and other support services, particularly in rural areas.

Improving the economic security of persons with disabilities and their families requires a concerted and coordinated effort by all government departments, municipalities, employers, labour unions, financial institutions, statistical bodies, education and research institutions, organisations of and for persons with disabilities, skills development agencies, regulatory bodies, institutions promoting democracy, as well as international development agencies. Working together, these organisations need to align legislation, policies, systems, programmes, services, and monitoring and regulatory mechanisms aimed at the creation of decent work, employment schemes, skills development, social protection, environmental accessibility and the reduction of inequality. Persons with disabilities can and should be active players in building the economy.

Spatialisation of the MTSF and the District Development Model Work is underway to ensure that the Revised MTSF also has a spatial dimension to support national and local development. The drive towards spatial transformation seeks to redress the Apartheid spatial planning system. This is articulated in the strategic interventions in Priority 5 of the MTSF. The spatialisation of the MTSF will be achieved inter alia through the National Spatial Development Framework (NSDF) and the District Development Model. The National Spatial Action Areas provide the guidance for an improved, inclusive and cohesive spatial logic that aims to ensure spatial justice and more effectively address the triple threat of poverty, unemployment and inequality.

Kannaland Municipality strives toward aligning its Strategic objectives to these outcomes.

2.1.5 Provincial Government Western Cape - Provincial Strategic Objectives

The Provincial Government of the Western Cape (PGWC) published the Draft Strategic Plan with the title "Delivering the open opportunity society for all".

This Plan puts forward the following 12 Strategic Objectives:

- Creating opportunities for growth and jobs
- Improving education outcomes
- Increasing access to safe and efficient transport
- Increasing wellness
- Increasing safety
- Developing integrated and sustainable human settlements
- Mainstreaming sustainability and optimising resource-use efficiency
- Increasing social cohesion
- Reducing poverty
- Intergrading service delivery for maximum impact
- Creating opportunities for growth and development in rural areas
- Building the best-run regional government in the world

2.2 THE GARDEN ROUTE DISTRICT MUNICIPALITY

2.2.1 The Role of the district

The accurate alignment of IDP, performance management and the municipal budget through active participation and integration of strengthened inter-governmental relation with our district remains key to ensuring a capable, financially viable and sustainable developmental state. Garden Route District Municipality is described in Section 155 of the Constitution RSA as a Category C District Municipality and exercises municipal executive and legislative authority in the area that includes Bitou, Knysna, George, Mossel Bay, Hessequa, Oudtshoorn and Kannaland.

Garden Route District Municipality is a strategic enabler, co-ordinating, facilitating and supporting the local Category B municipalities within its area of jurisdiction. Garden Route District Municipality strives to fulfil its mandate as prescribed in S83 and S84 of the Municipal Structures Act 56 of 1998 which include:

- IDP for the district as a whole
- Bulk Infrastructure development and services for the district as a whole
- Promoting equitable distribution of resources between local municipalities to appropriate levels of service delivery
- Portable water supply systems
- Bulk supply of electricity
- Domestic waste water and sewerage disposal systems
- Solid waste disposal sites in so far as:
  - (i) Determination of waste disposal strategy
  - (ii) Regulation of waste disposal
  - (iii) Establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities in more than one local municipality
- Municipal roads
- Regulation of passenger transport services
- Municipal airports serving the district as a whole
- Municipal health services
- Fire-fighting services serving the area of the district municipality as a whole which includes:
- Planning, coordination and regulation of fire services;
- Specialised fire-fighting services such as mountain, veld and chemical fire services;

2.2.2 One district Plan (JDMA)

Kannaland Municipality is expected to adopt the Joint District and Metro Approach Implementation Plan (One Plan) of Garden Route which was previously tabled to Kannaland Mayco during 2021 and noted.

Municipalities in the district agreed to focus on the following initiatives to ensure that the three priorities as part of the Western Cape's recovery plan be addressed:

PRIORITY 1: SAFETY	
Deliverables	Projects
▪ Community forums to Safeguard of municipal assets ▪ COVID Awareness education/ Communication via social media ▪ Create safe space for business and living/ Client services ▪ Communication via social media/electronic media ▪ Advanced law enforcement/ ▪ Create awareness and visible policing	▪ CCTV cameras in CBD and hot spot areas ▪ Improve police capacity to manage crime Centralised customer service centres ▪ Public transport driver training ▪ Continuous health and safety assessments ▪ Visible law enforcement ▪ District Command Council ▪ Awareness programs ▪ School Safety ▪ Clearing of illegal dumping in hot spot areas ▪ Community safety plans
PRIORITY 2: WELLBEING AND DIGNITY	
Deliverables	Projects
▪ One stop service for the homeless ▪ Sanitation and ablution facilities that are safe for the vulnerable groups – women, children, people with disabilities in the informal settlement ▪ Provide Adequate housing ▪ Affordable public transport ▪ Enabling education environment ▪ Humanitarian relief/Partnerships with NGOs/ Food Security ▪ Social Transformation	Soup kitchens Distribution of food parcels Integrated transport service Ongoing registration of indigent households Establish integrated food banks in each ward Establish and support social infrastructure to address transversal issues Food security programs with small scale farmers to produce and sell Smart cities

PRIORITY 3: JOBS	
Deliverables	Projects
Collaboration Enabling business environment/ SMME Stimulation/Business Relief/Business Retention and expand Increase youth skills Secure Investments Direct Facilitation Strong Focus on EPWP Provision of Trading Space SMME Development Programs	Provision of Trading Space SMME Development Programs Youth Skills programs Investment Prospectus for region Intensify labour and job creation program through EPWP and other programs Develop and cost and tariff reduction strategies Garden Route SEZ Garden Route precincts airport development Garden Route Fresh Produce Market Garden Route Tourism Sector development Garden Route Growth and Development Strategy Garden Route Skills Mecca

A copy of the Garden Route District Municipality JDMA (One-district Plan) can be found on Kannaland Municipality's website. Once project proposals have been considered by Kannaland Council, the local alignment shall be completed for the Final fifth generation IDP.

2.2.3 Garden Route District Municipality's Strategic Goals

The Garden Route district Municipality has identified seven (7) strategic goals that are essential for realising their vision and mission and which contribute to the achievement of their long- term vision beyond this 5 year IDP. Each of the goals below is supported by several more specific and measurable objectives.

1. Healthy and socially stable communities
2. Build a capacitated workforce and communities
3. Conduct regional bulk infrastructure planning & implement projects, roads maintenance and public transport; manage and develop council fixed assets
4. Promote sustainable environmental management and public safety
5. Promote good governance

6 Ensure financial viability of the Eden District Municipality

7 Grow the district economy

2.2.4 One district concerns and opportunities

The One district plan identifies the undermentioned concerns and opportunities:

KEY REGIONAL ISSUE 1:
ECONOMIC, SOCIAL, ENVIRONMENTAL VITALITY AND RESILIENCE

The economic vitality of the region is inextricably linked to its natural resources, underpinned by the skill set of the region and conversely constrained by the mismatch between available and needed skills, ICT availability, and undermined by segregated, fragmented and sprawling settlement form, mismanaged resources and insufficient regional accessibility between settlements. There is a need to leverage and build upon existing economic assets in the region.

The resilience of the region is closely tied to its overall risk profile, which is undermined by the poor management and quality of the natural environment, (exposing flood prone development and development in fire risk areas) and exposing the environment to unsustainable farming practices thereby highlighting the need for disaster risk management, natural resource management and climate change adaptation. There is an undeniable pressure between infrastructure development and the environmental asset protection, as well as the impact of such development on the municipal financial sustainability and its ultimate resilience.

KEY REGIONAL ISSUE 2:
RURAL DEVELOPMENT AND DIVERSIFICATION

In terms of rural development and diversification, there is a clear tension between Agriculture and Biodiversity. There is a need to be more productive and resource efficient with the same amount of land and less water availability in the long term. There is a need to promote beneficiation of agricultural goods to both diversify the economy and create better paying jobs, as well as support to expand niche agricultural industry. There is significant pressure for low density high income housing in rural areas, which undermines landscape character, food security and agricultural output. The economies of rural settlements and hamlets are struggling due to the decline of agricultural and forestry activities and there is a strong need to re-conceptualise these settlements into sustainable economic centres.

KEY REGIONAL ISSUE 3:
PEOPLE-CENTRED QUALITY DEVELOPMENT, EQUITABLE ACCESS, SPATIAL JUSTICE AND EFFICIENCY

For the rural poor, the poor state of the environment undermines potential economic and social development, due to poor quality open space systems and inadequate access to environmental resources to facilitate economic development and growth. There is a strong need to improve education outcomes and opportunities in low income / poorly skilled areas to enable access to the growing sectors of the economy (predominantly tertiary sectors and semi-skilled to skilled sectors). Access to natural resources, water, infrastructure, facilities, services and mobility is inequitable and constrained by a lack of affordable transport options both within and between settlements, and poor decision making in placing of services / facilities and the development form of each rural settlement in the region. Opportunities exist to provide public transport options to both communities and for tourism purposes.

KEY REGIONAL ISSUE 4:
ENHANCE AND CAPITALISE ON EXISTING ENVIRONMENTAL AND BUILT ASSETS AND PROMOTE GOOD GROWTH MANAGEMENT, DEVELOPMENT AND MAINTENANCE PRACTICES

The lifestyle, character, heritage and sense of place of the Garden Route and the Klein Karoo is an enormous asset that is both neglected (in land development / infrastructure development terms), lacking a coherent brand and lacking in consideration in development. There exist many undercapitalized assets and development opportunities in struggling small settlements which limit rural development. The informal sector is not able to effectively access opportunities in the various sectors of the economy (tourism, agricultural production and resources).

Growth management and compact regional development needs to be strictly adhered to, in order to ensure municipal financial sustainability, balancing the need to invest in new infrastructure and proper maintenance programmes to keep existing regional assets in good condition. Waste and water pressures need innovative regional solutions and the provision of new services and facilities needs a clustered approach. Informality needs to be planned for and new housing provided in well located areas.

KEY REGIONAL ISSUE 5:
GOOD GOVERNANCE AND PREDICTABILITY

A regional approach to resource management is critical, with the need to build a strong and predictable governance system that facilitates predictability and trust to stimulate appropriate private sector development. Complementarity between municipalities and towns needs to facilitate coordinated governance and maximize cost efficiency, strong economic policy and coordination in tourism, business and all matters of mutual interest.

2.3 KANNALAND MUNICIPALITY'S KEY PERFORMANCE AREAS (STRATEGIC OBJECTIVES)

Kannaland Municipality developed goals, objectives and strategies that are aligned with some of these outcomes however, achieving the outcomes remain a challenge. Effective intergovernmental relations stand in the way of achieving the challenge posed by historical mediocre performance of government departments to achieve outcomes developed on paper. National outcome 9 in particular provides the space for local government to improve its functioning so as to ensure an accountable, responsive, effective and efficient local government system. Achieving outcome 9 will restore the confidence of citizens in the local government sphere as well as improve performance and professionalism and strengthen partnerships between local government, communities and civil society.

Taking into consideration political, national, and provincial and district policies, Kannaland Municipality adopted the following seven (7) Key Performance Area's:

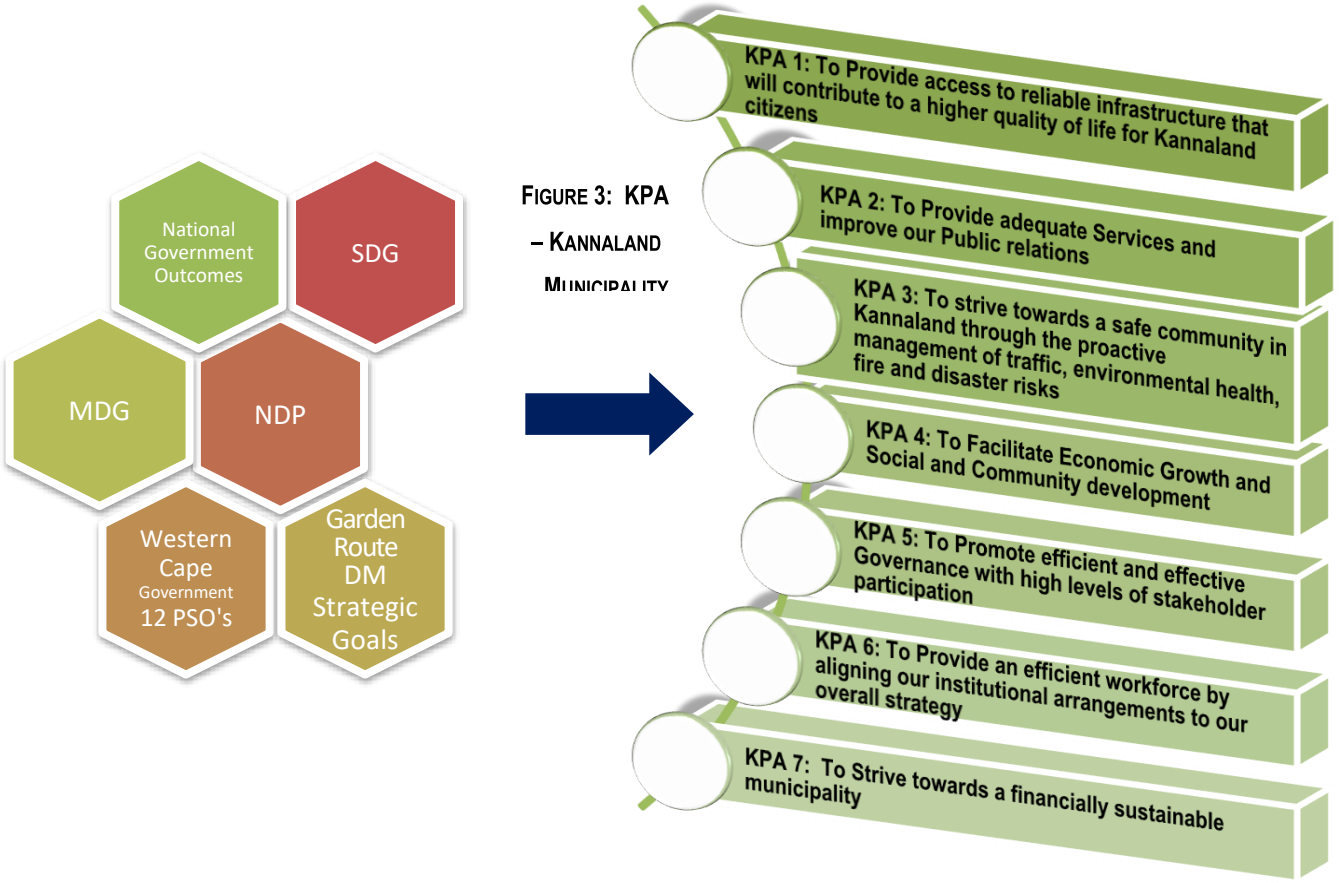


FIGURE 3: KPA – KANNALAND MUNICIPALITY

2.3.1 Strategic Priorities (KPAs)

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. Effective intergovernmental relations will overcome the challenge posed by historical mediocre performance of government departments to achieve outcomes developed on paper. Taking into consideration political, national, and 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

⇩

KPA 2: Service Delivery:

To provide adequate services and improve our public relations

⇩

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

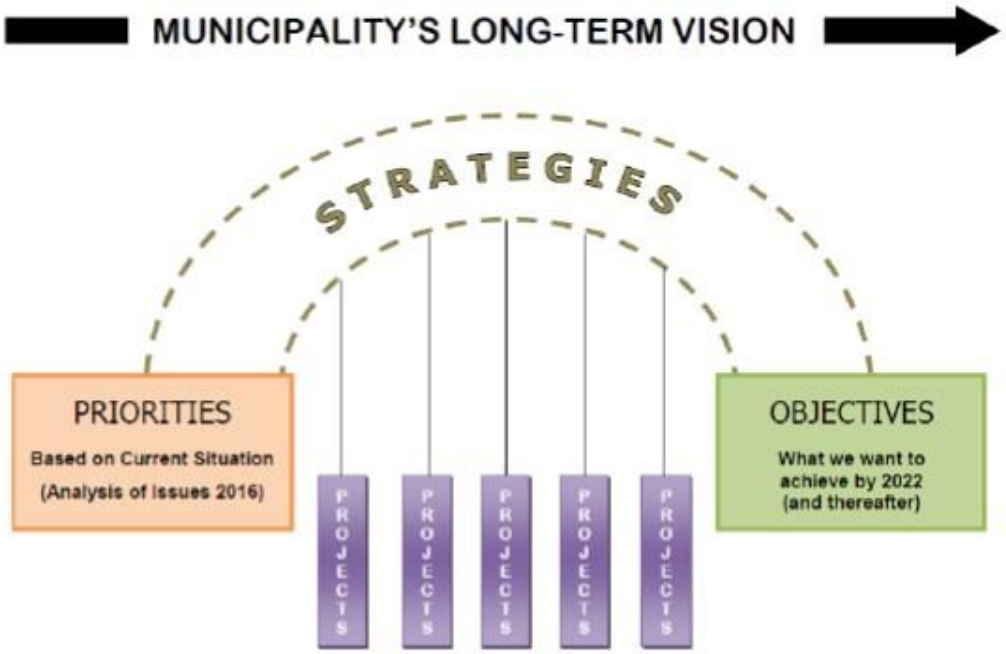
To strive towards a financially sustainable municipality

The next step was to determine what must be done (Objective) to address the Priority Issue and how (Strategy) this will be achieved. This process is illustrated below:

It should be noted that the following priorities have been clustered and which the main purpose will be to focus on for a sustainable municipality and good basic services for the next five years:

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

FIGURE 27: 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.

2.4 IMPLEMENTATION STRATEGY

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

2.4.1 Key Performance Area 1: Reliable Infrastructure

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 sustainable infrastructure for basic service delivery and the maintenance thereof; upgrade the Ladismith Road Network; commission a qualified Civil Engineer to assess the Ladismith Road Network and to compile an upgrade and repair plan to complete road infrastructure upgrades in a 4-year timeframe. Road pothole filling needs to continue until the road upgrade project is completed. Service standards should be agreed on with potholes reported rand epaired within 48 hours. Monthly assessments of the Road network should be undertaken, and potholes not reported should be identified and repaired within 7 days.

Repair and upgrade of the Ladismith Central Business Area Pavements, street lighting and drainage has been requested. A qualified Town Planner needs to be commissioned to assess the Van Riebeeck Street, Queen Street and Church Street pavements in order to repair and upgrade the pavements, water drainage and street lighting in a style sympathetic to the Victorian Period Style of the buildings. The area in front of the Town Hall needs to be redeveloped to make herringbone-diagonal parking available in the congested area in front of the Council Offices in Queen Street. Upgrades to water treatment works will ensure that clean water of an acceptable quality complying with National Norms and Standards as well as in sufficient quantities under workable pressure is provided.

Repair of the water collection channel (Syfer sloot en pyp) beneath the Little Swartberg River should be completed to ensure 24h00 per day water delivery to the Town water treatment works. This must be completed in the first year of the 5th Generation IDP.All water pipes, channels and man holes should be inspected and repaired to standard specifications in order to minimize water losses and to safeguard the water supply infrastructure. The water reservoir known as the “Goewermentsdam” that is already enclosed with security fencing, should be locked with strict access control to prevent tragic drowning such as the recent tragic drowning in late 2021. Water treatment should be done in accordance with National Norms and Standards with independent quality monitoring. Compliance should be part of the Municipal Manager’s quarterly performance review, and quality reports should be published monthly

on the Municipal website. The aim is to unlock business development potential, attract investment to the area and facilitate the implementation of residential development.

Infrastructure Planning programme

During the Public Participation Process, the following infrastructure issues were raised:

Ward	Issue
Ward 1:	• Upgrading of storm water pipes. • Play parks for children. • Taxi / bus stop for patients at the community hall (shelter to patients when waiting on ambulances). • Paving of roads – Die Baan and Sakkiesbaai. • High mass lights in Sakkiesbaai, Speed humps – Raubenheimer Street Van Riebeeck Straat, Donson Avenue and Van Erick Avenue. • Lightning on the R62 the entrance of Sakkies Baai. • Construction of a youth centum for Kannaland.
Ward 2:	• Upgrading of community and library hall in Bergsig. • Upgrading of a sport field. • Speed humps in Bergsig. • Upgrading and continuous cleansing of storm water pipes. • Speeding strips – "Cement Road" which enters the entrance of Calitzdorp on the R62.
Ward 3	• Water availability, poor water infrastructure and service disruption communication • Building of houses in Zoar. • Replacing of all asbestos roofs of houses. • Play parks for children in the Zoar area. • Cleansing of storm water pipes and refuse • Taxi / bus stop for patients at the community hall (shelter to patients when waiting on ambulances). • Pedestrian crossing on the R62 for safety, paving of streets and street lighting • Repairs and maintenance of "lae-waterrug" in the entire Zoar area • Cleansing of sewage drains. • ECD Centre for working parents
Ward 4:	• Streetlights in Van Wyksdorp and repair and maintain the storm water pipes. • Additional sports field (netball) • Upgrading of roads and construction of a medical centre • Recycling of solid waste. • Community hall • Extension of clinic to accommodate a medical centre

Integrated Municipal Infrastructure Plan Project

The drafting of the Integrated Municipal Infrastructure Plan to eradicate any infrastructural backlogs is in process. MISA (Municipal Infrastructure Support Agent) has been appointed to complete this plan. The economic and financial analysis will be reviewed and adjusted in line with IMIP (Integrated

Municipal Infrastructure Planning.

Electricity Infrastructure Programme

Electricity is the main energy source of households within this municipal area. The Kannaland Municipality is responsible for the provision of electricity to Ladismith and Calitzdorp, whilst Zoar and Van Wyksdorp are supplied by ESKOM. Kannaland infrastructure is out-dated and in need of urgent upgrade. The municipality has over the past four years invested in new infrastructure to ensure secured electricity distribution to businesses and the community and still intends to continue to do so. The use of alternative energy sources (solar)shall be implemented. Kannaland Municipality shall need to upgrade the electricity supply network and commission a qualified Electrical Engineer to assess the Ladismith Power Network and to compile a Network Distribution Upgrade Plan to be completed in a 4-year timeframe. Upgrade to the overhead electricity cables that dates from the 1970's to modern below ground cables and distribution transformers in line with current best practices and standards is imperative. (This trenching can be done in conjunction with the laying of Fibre optic cables). The municipality needs to upgrade transformers for distribution; implement a standardised maintenance plan to continuously upgrade and maintain the power network, implement the Western Cape Provincial Government plan for small scale, grid tie, home electricity generation

The electricity master plan of the municipality identified the need to develop an electricity master plan to evaluate and guide the operating and maintenance processes as well as to reduce losses in income due to aged failing, and the demands of new infrastructure.

Funding has been secured through the Department of Local Government and a service provider has been appointed to develop the electricity master plan for the municipality which will be in operation in the 2016/17 financial year.

The municipality has applied for INEP((Integrated National Energy Programme) funding with the Department for electricity infrastructure upgrades.

YEAR 1: 2016/17	R 16 Million
YEAR 2: 2017/18	R13 Million
YEAR 3: 2018/19	R 8.7 Million

TABLE 20: PROPOSED FUNDING FOR ELECTRICITY UPGRADES

The current substation in Calitzdorp has an electricity usage capacity of 1.7 MVA and the availability of electricity is 1.2 MVA. It was identified that the current electricity supply should be upgraded to supply sufficient electricity to industries as well to human settlement developments.

The vision is also to maintain a green and healthy environment, and therefore it is a prime consideration to upgrade the low tension networks by placing the cable networks underground.
The following was identified as needs and will be prioritised for the outer financial years:

- Upgrading of new transformers and refurbishment of old transformers;
- Bulk supply to Ladismith and Calitzdorp – Upgrading of substations;
- Meter replacement of conventional to prepaid meters;
- Replacement of three phased prepaid meters;
- Electrification of informal areas throughout the Municipal area;
- Electricity connections to farm houses and or informal settlements
- Upgrading and refurbishment of infrastructure will result in a secure revenue stream as well as quality services delivered to the residents of Kannaland. The municipality's aim is to budget for the maintenance of all electrical upgrades.

Below are objectives that of the development of the master plan:

NARRITIVE SUMMARY	
Project Goal, Impact and outcome	The goal of the project is to develop an Electricity Distribution Network Plan for a ten (10) year period and a 20 year load growth projections in the form of a set of high, realistic and low growth scenarios.
Project Purpose	Guidance for funding applications both internally and externally in terms of the local municipality's future electrical requirements
Project/ Programme Outputs (s)	Facilitation of the future growth and upgrading needs of the municipality's medium and high voltage electricity distribution network.
erformance Indicators	Updated Electricity Master Plan and Asset Register linked to GIS network information.
Key Inputs/ Activities	Identification of key current and potential stakeholders engaged in the energy sector with specific relevance to impact of renewables, Technical Desktop Data Collection, On-site asset verification and visual inspection, preparation of asset register linked to GIS network information, electricity demand forecasting and electricity master planning.

TABLE 19: ELECTRICITY MASTER PLAN SUMMARY

Road and Stormwater Infrastructure Programme

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

Ward	Issue
Ward 1:	Paving project :Sakkies Baai - suburb must be finalized
	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 need to be addressed. Low water bridges needs to be upgraded in future
Ward 4:	
	Roads in Ladismith Town need to be maintained
	Pedestrian paths needs to be upgraded and maintained:
	Towersig street and entire town needs to be re-looked where to be maintained
	Upgrading the road leading to waterkloof and the road to the traffic station in Ladismith

TABLE 24: ROADS AND STROM WATER INFRASTRUCTURE – PUBLIC PARTICIPATION PROCESS

The main road system in Kannaland Municipality consists of National and Provincial roads. The R62 national road passes through Calitzdorp, Zoar and Ladismith and Van Wyksdorp on the corridor linking the Breede Valley with Oudtshoorn and beyond and is maintained by the Provincial Government. Divisional and Sub Divisional Roads: The divisional roads such as the R327, and R323, are maintained by the Eden District Municipality which has offices in Ladismith and working camps in Calitzdorp and Van Wyksdorp. Roads are critical to the economy of the region because residents, farmers and entrepreneurs are reliant on accessible roads for their livelihood. Van Wyksdorp, whichis a small town, remains a very isolated area and is linked to the R62 by the R365 which is a gravel road and also maintained by the Eden District Municipality.

Municipal Roads and Storm water: The Municipality is responsible for the maintenance of roads within the four (4) towns (Ladismith, Calitzdorp, Zoar and Van Wyksdorp).

Taxi Route Upgrade Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Ladismith: Queen Street Upgrade Taxi Route			3,000,003.00	4

TABLE 25: TAXI ROUTE UPGRADE PROJECT

Queen Street requires to be upgraded, the tar must be removed and replaced with paving bricks to accommodate traffic needs, safety and the upgrade of the street infrastructure.

Roads Stormwater Master plan Project

The Kannaland Council made the decision that all gravel roads be paved. Paving projects is more labour intensive, create jobs, cost effective and less maintenance is required and has a longer life span. It is envisaged that a detailed roads storm water master plan will be finalised during the 2017/18 financial year where all non-functional and functional issues of the roads will 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 overwhelming 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. Investment is therefore required to ensure that identified and prioritised projects could be implemented.

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 2017/18 financial year. The municipality will engage with Department of Public Works and Transport to assist as the MIG funding only 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%). The paved an unpaved road network is illustrated in Figure 2 below.

Zoar Roads Project

Through the IDP public participation it was identified that there is a need to the internal roads of Zoar and is registered with MIG. Council resolved that all gravel internal roads in Zoar be upgraded with paving. The project will be registered through MIG for funding in 2017/18 – 2027/28. All gravel roads of approximately 20 kilometres will be paved over a ten year period as per the project registration. The value of the gravel road upgrade will be approximately R84.3 million. During the first phase the following roads will be paved to the value of R5.9 million:

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

- Bruintjies hoogte

FIGURE 28: ZOAR INTERNAL ROAD UPGRADE

Calitzdorp Roads Project

The municipality is planning to upgrade all roads and pavements in Calitzdorp and will be of applying for grant funding to address identified upgrades during the 2017/18 financial year.

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 29: CALITZDORP BERGSIG INTERNAL ROADS

Calitzdorp Disaster Roads Paving Project

The following disaster areas have been identified to be paved -:

- Malan Street
- First and Eight Avenue
- Miller Street

An implementation and funding plan will be developed during the 2017/18 financial year.

Calitzdorp 3 way stop Project

During the public participation sessions and at the IDP Indaba it was raised that a three way stop is highly needed 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 will ensure that the correct processes are followed to be assisted. The Eden District's technical assistance will be applied for during the 2017/18 financial year to support Kannaland in this matter.

Van Wyksdorp Roads Project

General road maintenance will be undertaken on an on-going basis. The municipality aims to upgrade all gravel roads and business plan will be submitted to sector departments during 2017/18-2018/19 in order to source funding.

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

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 those identified projects.

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 EDM should provide assistance in 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 EDM 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 EDM.
- Maintain close relations with the PGWC to ensure intimate knowledge of NLTA-related processes and impact on public transport operations.

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

Storm Water Project

The municipality is committed to maintain and clean the existent storm water drainage systems in the Kannaland area. 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. Many of the storm water structures are functionally poor and require urgent attention. Equipment for the cleansing of the storm water drainage system will be needed, application for funding will be submitted during 2017/18 in order to source the funds.

Water and Sanitation Infrastructure

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

Ward	Issue
Ward 1:	Water shortage in summer months needs to be addressed
Ward 2:	Complaints of water leakages must be attended to
	Stronger underground water pipes must be used
Ward 3:	Toilets must be built to address backlog in Berg Street
	Needs clean and sufficient water supply

TABLE 27: WATER AND SANITATION INFRASTRUCTURE – PUBLIC PARTICIPATION PROCESS

Sanitation

The majority of households are connected to waterborne sanitation systems in the Kannaland area. A few households throughout the municipal area are connected to septic or conservancy tanks and approximately ten households in Zoar still use the bucket system.

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. Business plans will be submitted during the 2017/18 financial year for funding:

- Security and office space at plants
- Fencing repairs
- Cleansing of oxidation ponds
- Refurbishments of pumps
- Relocating of pump stations

Ladismith and Calitzdorp Waste Water Treatment Works Project

For the Waste water treatment works in Ladismith and Calitzdorp, the following reports has been completed and submitted to Department of Water and Sanitation for funding:

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

Below is a map of the Ladismith waste water treatment works is currently situated:

FIGURE 30: LADISMITH WWTW

FIGURE 31: CALITZDORP WWTW

The figure below indicates the Waste water treatment plants in Kannaland area.

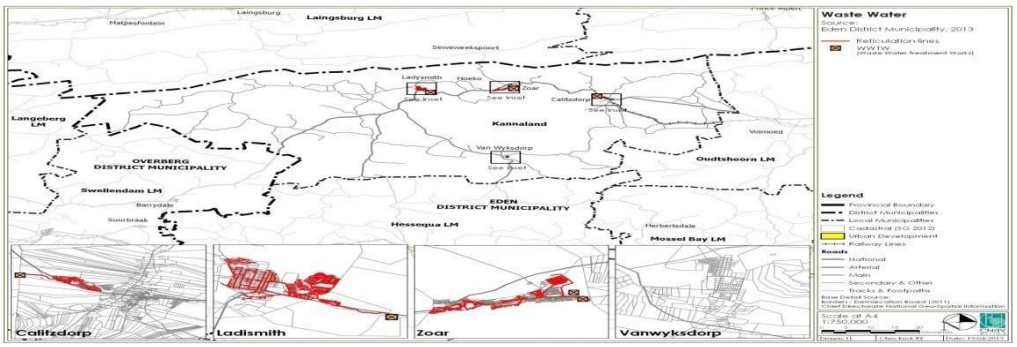


FIGURE 32: WASTE WATER TREATMENT PLANT – AS INDICATED IN SDF FIGURE 3.4.9.1

Water

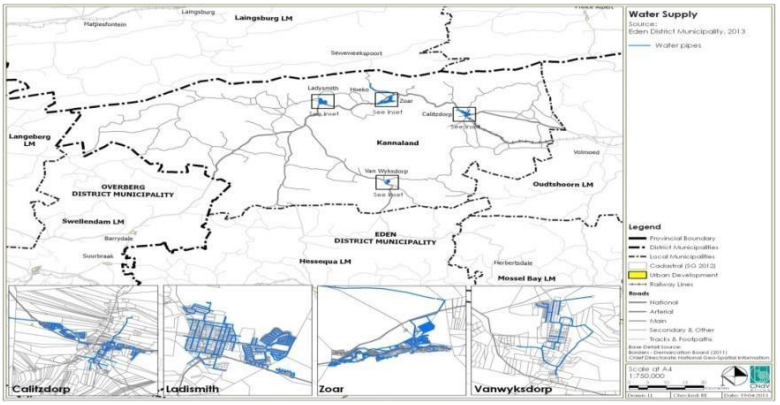
All households have access to basic water services which means that water is available within 200 meters from their dwellings/houses. All the houses in the urban areas of Kannaland Municipality are provided with individual water connections. Stand pipes are provided in the informal areas as a temporary emergency service. Tanker water services are provided for rural schools and rural communities on request. Water is the sustaining source of life and hence access to safe and potable water is a priority service delivery.

Ladismith water infrastructure: In Ladismith, 12 boreholes are currently operational that were drilled as part of the Ladismith Water Feasibility Study and drought relieve intervention. The 12 boreholes are capable of delivering approximately 43l/s to Ladismith. This equals to a yield of approximately 1.3mm2 per annum. The borehole yields are sufficient to enable the municipality to supply water tothe town

during dry periods. For future planning the drilling of boreholes will continue as it is a main source of 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 meeting existing and future social economic growth for Ladismith.

The figure below indicates the water infrastructure in Kannaland.



Zoar: Upgrade Water Reticulation Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
Zoar: Upgrade Water reticulation	2,500,000.00	2,917,758.00		3

TABLE 28: ZOAR RETICULATION PROJECT

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

Van Wyksdorp Water Reticulation Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework	Project Information

	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Van Wyksdorp Rehabilitate and upgrade Water Reticulation		1,000,000.00		4

TABLE 29: VAN WYKSDORP RETICULATION PROJECT

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

Calitzdorp: Water Availability study Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Calitzdorp: Water Availability studies		750,790.00		2

TABLE 30: WATER AVAILABILITY PROJECT

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

Ladismith Reticulation Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Ladismith: Rehabilitate and upgrade Water Reticulation	2,500,000.00	2,500,000.00		4

TABLE 31: LADISMITH RETICULATION PROJECT

This project is aimed at upgrading water infrastructure which is cost effective and sustainable to 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 hampered by the lack of water storage capacity and bulk waste treatment capacity. The municipality will initiate 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.

The availability of raw water storage can unlock current and future housing developments and will ensure the availability of housing to medium to low income groups. Kannaland Municipality has drafted a Human Settlement Plan which will manage the overall housing projects in the municipal areas. The provision of human settlements is a high priority for the municipality. Engagements withthe relevant sector departments will be conducted 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 economical projects. This project will be actively pursued during the 2017/18 in order to identify and Source the resources required to build the dam in partnership with the Eden District, Provincial and National Government. Below is a layout of where the Swartberg Dam will be located:

FIGURE 33: LOCATION OF THE PROPOSED SWARTBERG DAM IN RELATION TO OTHER WATER STORAGE FACILITIES

Water leakage project

Water leakage is the main challenge in terms of water storage capacity therefore projects have been registered and funded. The project design and implementation will be initiated during 2017/18 financial year.

Water security Project

New proposed developments to make Ladismith water-secure for the next ten years without the proposed Swartberg Dam:

a) A new 3 mega-litre reservoir;

Additional boreholes drilling and equipping. It must be noted that operating boreholes is expensive because of the associated electricity cost;

b) Refurbishment of old piped networks.

Van Wyksdorp: Potable water is extracted for Van Wyksdorp from three (3) boreholes and a fountain (Die Oog), stored in a reservoir and distributed to three (3) reservoirs. All water enters the network system via the reservoirs and is distributed to consumers.
Future developments planned for Van Wyksdorp with regards to water is the following:

- Van Wyksdorp Upgrading Of Raw Water Reservoir Project;
- Van Wyksdorp Upgrading of water reticulation networks;
- Van Wyksdorp Additional boreholes drilling and equipping;
- Van Wyksdorp Upgrading of the new WTW.

Calitzdorp

Bulk raw water to Calitzdorp is supplied via the Calitzdorp Nels Dam and gravity bulk pipeline 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 for the following projects:

- Replace raw water supply pipeline from the Nelsdam to the WTW;
- Construct a new reservoir at Bloekomlaan;
- Construct a new direct pipeline to Bloekomlaan;
- Construct a high pressure pump station and reservoir in Bergsig.

Funding for the abovementioned business plans was not approved by the department but will be re-submitted during 2017/18 for funding in the outer financial years.

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 takes the water to the Zoar Water Treatment Works which is situated opposite the township of Zoar, next to the R62 district road.

Zoar Water Project

Business plans will be re-submitted during the 2017/18 financial year to DWS and MIG for funding for the following projects to ensure water security for future demand:

- Construct a new 1 ML reservoir at the WTW at Karooland;

- 1.5 ML reservoir in Droevlei;
- Upgrade & Expansion of WTW;
- Upgrade & Expansion of the WTW;
- New Dam to supply future expansion of town and or refurbishment of old and vandalised boreholes.

Water Meters Replacement Project:

Water is a precious commodity in this semi-arid region of the country, rainfall in the region is only approximately 270mm per year. The management and control of water is of vital importance to the municipality. The existing water meters in the Kannaland area (Ladismith, Zoar, Van Wyksdorp and Calitzdorp) are old and dysfunctional due to age and normal wear and tear. Meter management is only a portion of the much greater revenue management strategy to address the current financial administrative and technical shortcoming within the municipality.

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Kannaland Installation of Water Meters			1,224,683.00	1,2,3,4

TABLE 32: WATER METERS REPLACEMENT PROJECT:

Solid Waste Infrastructure Programme

Currently the municipality operates two licensed landfill sites in Ladismith and Zoar. The waste from Van Wyksdorp and Calitzdorp is transported to Ladismith and Zoar respectively.

Integrated Waste Management Plan Project

The Municipality has reviewed its Integrated Waste Management Plan with the assistance from the Garden Route District Municipality.. In accordance with the National Environmental Management: Waste Act (59/2008): National Waste Information Regulations all municipalities with be required to submit actual quantities of waste for the different activities they are registered for on IPWIS from 2018. It is therefore imperative that municipalities are therefore required

to allocate funding and make provision for the acquiring of such equipment in their municipal budgets. Training is essential and will be clearly identified in the budget application.

Waste Management Project

Below is what the municipality will do or plan in terms of waste management during the next 5 years:

- Erection of signage for the three landfill sites;
- Addressing the issue of storm water diversion, as indicated in the permits, at the landfill sites;
- Looking into the possibilities of recycling/waste diversion;
- Recycling projects/opportunities
- Further cleaning of illegal dumping sites in Kannaland Municipal Area;
- Environmental awareness and clean-up campaigns;
- Awareness campaigns on illegal dumping and waste minimisation;
- Purchasing of new collection equipment and proper maintenance on vehicles;
- Waste removal services to informal settlements as well as farm areas.
- Calitzdorp: Solid Waste Transfer Station Project

Solid waste infrastructure project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Calitzdorp: Solid Waste Transfer Station			2,000,000.00	2

TABLE 33: TRANSFER STATION PROJECT:

In order for the Municipality to obtain a licence for the transfer station, it has to be upgraded to the required standards.

Van Wyksdorp: Solid Waste Transfer Station Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Van Wyksdorp: Solid Waste Transfer Station			1,319,188.00	4

TABLE 34: VAN WYKSDORP TRANSFER STATION PROJECT:

Below is where the current landfill site is located:

FIGURE 34: LANDFILL SITES MAP

Pipeline Projects

Projects that have been identified and funding applications being prepared or in the process of application (Attached see also summaries of the Zoar Integrated Forum and Agricultural organisation).

PROJECT
Zoar – Establishment of pedestrian walk ways
Zoar – Upgrade of main road
Zoar – Paving of identified streets
Zoar – Solid Waste site transfer station
Zoar – Upgrade of Identified Internal Roads
Zoar – Construction of a new dam – irrigation water
Calitzdorp – Solid Waste site transfer station
Calitzdorp – Upgrade of Main Water Pipeline
Calitzdorp – Refurbish Sewer Pump Stations and Waste Water Treatment Works
Calitzdorp – Bloekomlaan: Upgrade Road

PROJECT
Calitzdorp – Establish Pedestrian Walk Ways
Ladismith – Upgrade of Van Riebeeck Street
Ladismith – Solid Waste regional landfill site
Ladismith – Refurbishment of Old Infrastructure: Pipelines
Ladismith – New Reservoir
Van Wyksdorp – Installation of Street lights
Van Wyksdorp – Solid Waste Site transfer station

TABLE 35: PLANNED MIG PROJECTS NOT YET REGISTERED

Regional Bulk Infrastructure Grant (RBIG) pipeline projects

For the 2017-2022 financial years business plans for the following projects will be submitted for funding approval:

- New Reservoir Zoar: Droevlei;
- Calitzdorp Raw Water Supply: Replacement of pipeline from Nels dam to Water Treatment works;
- Calitzdorp: Bergsig: High-level reservoir, pump station and inter-connecting pipelines;
- Calitzdorp: Water Reticulation Network: Upgrade various sections;
- Calitzdorp: Bloekomlaan Reservoir Repairs;
- Ladismith: Upgrade Water Treatment Works systems;
- Kannaland: refurbishment of all sewer pump stations;
- Upgrading and refurbishment of the Klein Karoo Rural Water Supply Scheme.
- Ladismith: Upgrade Water Treatment Works systems - R4 650 000.

MIG PROJECT REPORT AND STATUS QUO

Projects previously registered
Zoar - Installation of new Sports Field Lighting
Zoar - Rehabilitation of sports field
Zoar - Upgrade sports field phase 2
Calitzdorp - Bergsig Rehabilitation of Sports field
Calitzdorp - New sports field lighting
Ladismith - Queen Street upgrading of taxi route
Van Wyksdorp - Greenhills new streetlights

TABLE 36: MIG PROJECTS

INTRODUCTION

This report serves to evaluate Kannaland Municipality's financial and non-financial performance in respect of the Municipal Infrastructure Grant (MIG) and submit such report to the National Transferring Officer (Department of Cooperative Governance) in terms of Chapter 3, Section 12(5) of the Division of Revenue Act, 2018.

The objectives of the evaluation are to report on the progress of the MIG programme implementation for 2020/2021 financial year in order to improve on mechanisms of project planning reporting and implementation for the fifth generation 2022 – 2027 IDP.

BACKGROUND

Programme History

The MIG programme was established in the 2004/2005 financial year through the consolidation of various infrastructure grants. Kannaland Municipality has been the beneficiary of the grant since 2006/2007 financial year.

Grant Purpose

The purpose of the grant is to provide capital finance for eradicating basic municipal infrastructure backlogs for poor households, microenterprise and social institutions servicing poor communities.

The outputs of the programme for are:-

- Infrastructure for:
  - ✓ basic water and sanitation
  - ✓ central collection points for refuse, transfer stations, recycling facilities and solid waste disposal sites
  - ✓ sport and recreation facilities
  - ✓ street and community lighting

- ✓ public facilities

Number of kilometers of municipal roads developed, upgraded and maintained.

Number of work opportunities and full-time equivalents (FTE's) created using the Expanded Public Works (EPWP) guidelines for the above outputs.

Allocation for the past 3 years

The MIG allocations to Kannaland Municipality for the past three financial years is indicated in table 1 below:

Table 1: MIG allocation

	2018/2019	2019/2020	2020/2021
Original allocation R'	R10 156 000	R10 271 000	R10 107 000
Roll over approved	R0	R0	R 2 761 978
Additional allocation	R0	R0	R0
Stopped allocation	R 1 764 000	R0	R0
Final allocation	R 8 392 000	R10 271 000	R10 107 000
Amount spent	R 8 393 205	R 7 509 022	R7 091 589
Amount not spent	R0	R 2 761 978	R3 015 411

Expenditure on 2020/21 funds was delayed due to Covid-19 pandemic and the nationwide lockdown. Our consulting engineers' contract collapsed and we had to go through the procurement process for appointing them for a three year period. During the closure period of the tender the nationwide lockdown started and the closure had to be postponed. The consulting engineers was only appointed in September 2021. Three of the MIG projects was affected due to this delay.

Key Challenges since onset (establishment of the programme)

Committing the projects for a specific year results in extra prioritization as the allocation for the year is not enough to implement all urgent projects.

EVALAUTION
Progress to date

Table 2 below provides summary of progress in relation to projects implemented during the 2020/2021 financial year.

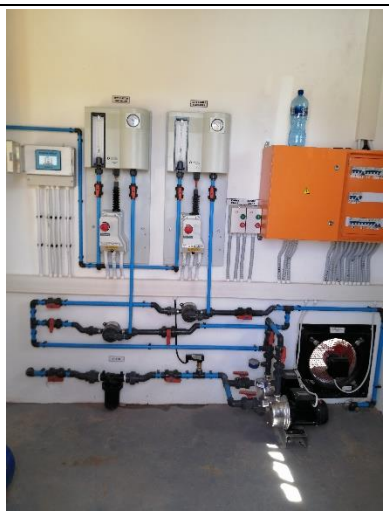
Table 2: 2020/2021 summary project progress

Project ID	Project Name	MIG approved budget (R')	Exp. in previous fy (R')	Balance (R')	2020/2021 budget (R')	2020/2021 exp. (R')	Physical progress (%)
160843	Ladismith New Waste Water Treatment Works	R14 687 500.00	R3 462 137.00	R11 225 363.00	R2 497 827.44	R2 497 827.44	100%
285450	Ladismith Upgrade Water Treatment Works	R6 579 130.00	R0	R6 579 130.00	R2 600 904.66	R2 600 904.66	100%
235124	Kannaland Installation of water meters	R2 339 964.00	R1 478 204.00	R861 760.00	R42 406.90	R0	0%
213625	Zoar New Cemetery	R3 545 742.00	R400 250.98	R3 145 491.02	R3 145 491.00	R1 356 178.65	43%
220290	Zoar New Sport Field Lighting	R1 308 720.00	R0	R1 308 720.00	R1 308 720.00	R125 028.01	10%
	PMU	R511 650.00	R0	R511 650.00	R511 650.00	R511 650.00	100%
				Total	**R10 107 000.00**	**R7 091 588.76**	

Detailed progress on projects implemented over the 2020/2021 financial year are reflected in the tables below:

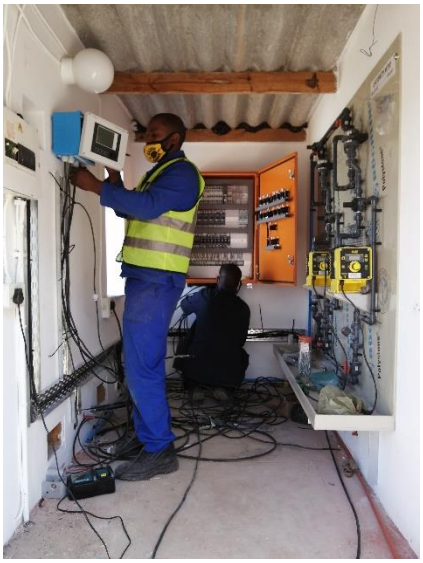
Project #1: Ladismith New Waste Water Treatment Works

Item No.	Item Description	Detail information
1	Project Description	Upgrade and refurbishment of the waste water treatment works.
2	Scope of work (2020/2021 plan)	Chlorination building upgrade
3	Construction period	Multi-year project
4	Consultant	Bosch Projects and SMEC
5	Contractor	Benver Civils and Exeo
6	Implementation Plan (contractor)	Tender Closing date: 30/04/2020 and 14/05/2021 Tender award date:08/05/2020 and 22/06/2021 Contract start date:08/05/2020 and 22/06/2021 Practical completion:04/11/2020 and N/A Completion / Handover:11/11/2020 and N/A Defects liability period:11/11/2021 and N/A
7	Progress	Against 2020/2021 scope: Completion of the chlorination building Overall progress (if multiyear project): Refurbishment of the biofilter, cleaning of the maturation ponds,etc. Contractor is on site
8	Major / key challenges (if delayed)	Appointment of the consulting engineers due to the national lockdown caused delays in procurement processes.
9	Pictorial depiction (Chlorination building)	

Item No.	Item Description	Detail information
1	Project Description	Upgrade and refurbishment of the waste water treatment works.
10	Pictorial description (inside chlorination building)	

Project #2: **Ladismith Upgrade Water Treatment Works**

Item No.	Item Description	Detail information
1	Project Description	Upgrade and refurbishment of the water treatment works.
2	Scope of work (2020/2021 plan)	Upgrade the chemical dosing facilities
3	Construction period	Multi-year project
4	Consultant	WEC Consultants and SMEC
5	Contractor	Alveo Water and Amandla
6	Implementation Plan (contractor)	Tender Closing date:30/04/2020 and 14/05/2021 Tender award date:08/05/2020 and 22/05/2021 Contract start date:08/05/2020 and 22/05/2021 Practical completion:15/10/2020 and N/A Completion / Handover:29/10/2020 and N/A Defects liability period: 29/10/2021 and N/A
7	Progress	Against 2020/2021 scope: Completion of the chemical dosing works Overall progress (if multiyear project): Refurbishment of the sand filters and construct two additional filters. Awaiting delivery from supplier

Item No.	Item Description	Detail information
1	Project Description	Upgrade and refurbishment of the water treatment works.
8	Major / key challenges (if delayed)	Appointment of the consulting engineers due to the national lockdown caused delays in procurement processes.
9	Pictorial depiction (chemical dosing control room)	

Project #3: **Zoar New Cemetery**

Item No.	Item Description	Detail information
1	Project Description	Upgrade the new Cemetery
2	Scope of work (2020/2021 plan)	Construction of a new ablution facility, new access road and fencing.
3	Construction period	Multi-year project
4	Consultant	SMEC
5	Contractor	Amandla
6	Implementation Plan (contractor)	Tender Closing date: 11/03/2021** Tender award date: 06/05/2021 Contract start date: 06/05/2021 Practical completion: N/A Completion / Handover: N/A Defects liability period: N/A

Item No.	Item Description	Detail information
1	Project Description	Upgrade the new Cemetery
7	Progress	Against 2020/2021 scope: Construction of the access road and ablution facility Overall progress (if multiyear project): Installation of fencing, contractor is on site
8	Major / key challenges (if delayed)	Appointment of the consulting engineers due to the national lockdown caused delays in procurement processes.
9	Pictorial description (Ablution Facility)	
10	Pictorial description (Access road)	

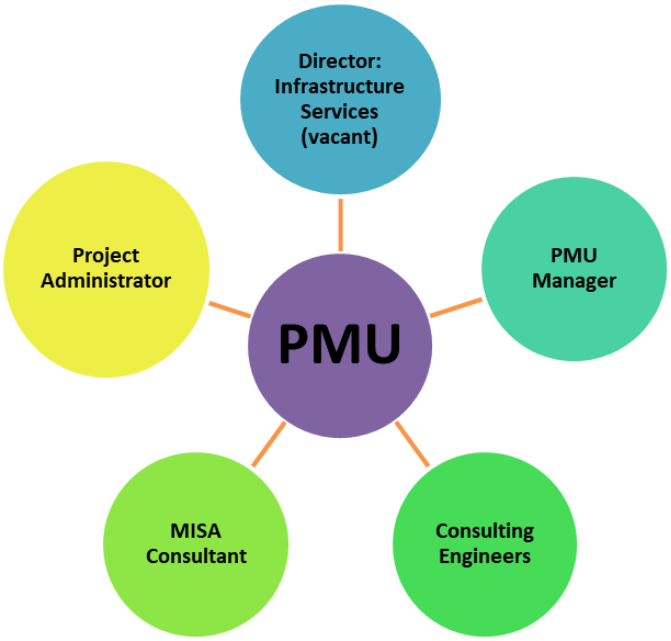
MONITORING

- Both Financial and Technical departments monitor the MIG expenditure separately. The two departments are trying to implement the once per month meeting to discuss and monitor expenditure to avoid the difference in reporting. These two departments also reconcile their expenditure claims to have an accurate report at the end of the financial year.
- MIG related issues and progress are discussed on the monthly LGTAS meetings where all stakeholders are present. Kannaland also arrange infrastructure meetings where MIG items are discussed with stakeholders and service providers.
- Projects are closely monitored so that action can be taken as soon as possible if any risks appear. Monthly and technical meetings are held for each project to monitor risks and discuss solutions.

- Data is collected as and when it's required. All labour-data is obtained from the contractor, either through the Community Liaison Officer or the consulting engineers. The Finance department within the municipality provide data regarding expenditure, available funds, etc. Monitoring is mainly done by the Technical department. The PMU manager and project administrator are responsible for monitoring and reporting which gets quality checked by the Director Infrastructure Services.
- Data is submitted in the prescribed format (e.g. DWS's technical report format), but not analyzed in more detail as such within the Municipality. The KPI report is utilized for data analysis.

MANAGEMENT OF THE PROGRAMME

The PMU structure and its support consist of the following staff and roll players, both internal and external:



RESULTS AND BENEFICIARIES

The 2020/2021 service delivery performance:

Number of poor households impacted through the construction of new infrastructure and upgrading and renewal of existing infrastructure for:

- ✓ All households provided with basic service water services
- ✓ All households provided with basic sanitation services
- ✓ Most households provided with street lighting and community lighting

Number of infrastructure constructed (new infrastructure, upgraded or renewed):

- ✓ No central collection points for refuse developed
- ✓ No refuse transfer stations developed
- ✓ No solid waste disposal sites developed
- ✓ One sports and recreation facilities developed
- ✓ One public facilities developed (Cemetery.)
- ✓ No kilometers of municipal roads developed.
- ✓ 240 job opportunities and 52 FTE's created using EPWP guidelines.

KEY CHALLENGES

The following challenges are currently being experienced in the management of the programme which often result in delaying progress and low expenditure:

External factors

- ✓ Delay in design and tendering process
- ✓ Covid-19 pandemic and national lockdown

Internal factors

- ✓ Slow SCM procurement processes
- ✓ Unavailability of counter funding
- ✓ Change in leadership roles

CONCLUSIONS

What were the main successes and failures of the programme to date (causes underlying the outcomes and outputs)?

Good services were delivered, job creation, people are happy and money was invested back into the community.

Do outcomes, outputs, successes and failures justify the costs?

Yes

Where the objectives achieved within specified time and budget?

Yes, there was time delays on the projects due to the national lockdown and the Covid-19 pandemic restriction, but the objectives for the financial year was mostly achieved.

How far have the projects been embedded in local institutions structures to ensure sustainability or acceptance of the programme?

Project activities form part of the technical department. All activities are being planned, reported and handled the same as other programmes in the department.

Were there any other stakeholders adequately prepared for project activities (technically, financially)?

Yes, all stakeholders are informed with project activities in order to prepare for recommendation and assistance. Continuous prior training before project commencement and implementation will definitely improve on delivery.

LESSONS LEARNED

Stick to deadlines as far as possible to make a success of the programme.

MIG PROJECTS APPROVED BY COUNCIL FOR 2022/2023

The MIG infrastructure project allocation for the 2022/2023 financial year is R10 528 850.00. According to the DoRA MIG Framework all project should be registered and approved by Council for implementation.

The priorities identified by Management for the 2022/2023 financial year is as follow:

Ladismith Waste Water Treatment Works	R 1 074 463
Ladismith Water Treatment Works	R 2 440 804
Zoar Sport Field Lighting	R 1 980 496
Zoar Upgrade Sewer Works	R 3 000 000
Van Wyksdorp Upgrade Sewer Works	R 1 033 087
Van Wyksdorp Upgrade Water Works	R 1 000 000
Total	**R10 528 850**

Key Performance Area 2: Service Delivery

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

Objective 2.1 - Provide basic services and improve public relations

The delivery of municipal services in 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 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.

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 Van Wyksdorp.

The municipality in the process to take ownership of the Calitzdorp spa and the Klein Karoo Water Scheme, which currently resides under the Eden District Municipality services.
Van Wyksdorp Water Treatment Works is supplied from Buffelsfontein River and three boreholes as well as irrigation water supply from 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 form 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. We strive to comply with the water services Act 108 of 1997.

Greendrop and Bluedrop Status

Kannaland Municipality essentially retained the approximate 50% Green Drop score for their 3 wastewater systems during the 2013 audit (municipal score of 50.27%) compared to the results achieved in 2011 (municipal score of 49.10%). The score benefited from a significant improvement in the management of the Calitzdorp system (an improvement from 20.90% to 65.83%).

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 is made due to either lack of flow measuring or in the case of Ladismith, the actual overloading of the works as evident in the high flows to the works. Other information received indicated that the works is being upgraded, and this is applauded. The Municipality also has no supervisory and process controller competencies available at any of their systems.

This is also appreciated although it would be important for staff to get the necessary accredited training to improve their qualification. Maintenance staff is available at all systems, and the Municipality should retain these competencies. The Municipality is encouraged not to allow the situation at their wastewater works to deteriorate.

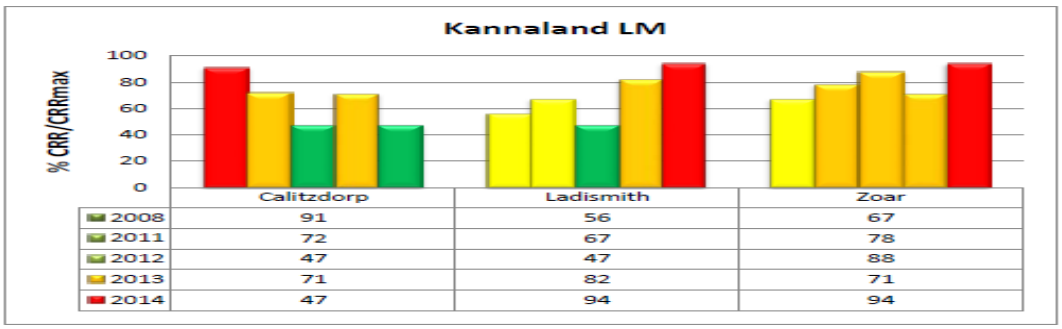
The DWS provided the W2RAP and GDIP tools to assist the municipalities to progressive improve their wastewater systems in a planned, consistent and organised manner.

Risk Trend Analysis 2008 – 2014

Performance trend 2013-2014 (as CRR/CRR$_{max}$ %)	Systems
Improve	1
No change	0
Digress	2

Progress Indicator

Risk trend per plant as %CRR/CRR$_{max}$



	Calitzdorp	Ladismith	Zoar
2008	91	56	67
2011	72	67	78
2012	47	47	88
2013	71	82	71
2014	47	94	94

FIGURE 35: GREEN DROP PERFORMANCE – SOURCE: GREEN DROP STATISTICS

Blue Drop Performance of the municipality for 2011/2012 for the Kannaland Municipal Area:

Performance Area	Calitzdorp	Ladismith	Van Wyksdorp	Zoar
Water Safety Planning (35%)	17.50	16.80	11.20	15.75
Treatment Process Management (8%)	3.16	3.16	1.20	1.20
DWQ Compliance (30%)	11.25	3.75	0.00	0.00
Management, Accountability (10%)	1.20	1.20	1.20	1.20
Asset Management (14%)	5.81	5.39	4.34	5.39
Use efficiency loss management (3%)	0.00	0.00	0.00	0.00
Bonus score	3.83	3.00	2.63	2.63
Penalties	1.17	0.91	0.00	0.71
Blue Drop Score (2014)	41.58	32.39	20.57	25.46
2012 Blue Drop Score	29.9%	29.5%	25.4%	21.2%
2011 Blue Drop score	60.3%	70.3%	31.5%	35.8%
System Design Capacity (Ml/d)	2.2	3.6	0.5	1.4
Operational Capacity (% i.t.o Design)	56%	89%	100%	100%
Average daily consumption(l/p/d)	280.1	449.4	600.2	300.5%
Microbiological Compliance (%)	99.9%	99.9%	0.0%	66.7%
Chemical Compliance (%)	99.9%	99.9%	0.0%	0.0%
Blue drop risk rating 2012	86%	80.5%	94.3%	86.1%
Blue drop risk rating 2013	83%	80.6%	91.2%	90.7%
Blue drop risk rating	64%	64.2%	80.5%	79.0%
Performance Area	Calitzdorp	Ladismith	Van Wyksdorp	Zoar
2014				

TABLE 37: BLUE DROP STATUS – SOURCE: 2014 BLUE DROP REPORT

The municipality requested that the department provides the municipality in future with detailed and more updated reports.

Public Participation

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

Ward	Issue
Ward 1:	A dam for Ladismith to adhere to water demand of the community
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 must be available
	Sewerage drain in Berg Street and Bruintjies hoogte must be drained regularly
	Water provision for agriculture (farmers)
Ward 4:	A dam for Ladismith to adhere to water demand of the community

TABLE 38: WATER AND SANITATION – PUBLIC PARTICIPATION PROCESS

Municipal Services Programme

Service Delivery Partnerships Project

During 2017/8 the Municipality will 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.

Master Plan Review Project

Draft master plans in respect of all infrastructure related activities and update where current plans are found to be out-dated. Funding to review these plans will be sought and an implementation plan structured during the 2018/19 financial year.

Maintenance Plan Project

During the 2017/18 financial year the Municipality will seek funding to appoint a service provider to review existing maintenance and replacement practices aimed at reducing unit costs and to ensure longer term returns on existing infrastructure.

Human Settlements Plan Project.

The Municipality has initiated the process with the Department Human Settlements where the development of a HSP was completed. 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:

LOCATION	HOUSING UNITS	FUNDING SOURCE
Calitzdorp: Bergsig	692	DoHS MIG
Ladismith: Parmalat	280	DoHS MIG
Van Wyksdorp	TBD	DoHS MIG
Zoar UISP	65	DoHS MIG
ZOAR Infill	100	DoHS MIG

TABLE 39: PROPOSED HOUSING PROJECTS - SOURCE: ASLA

Proposed Calitzdorp Bergsig Housing Project

There are currently still 179 top structures to be constructed during the 2023/2024 financial year. Calitzdorp has sufficient water and sewerage availability. The only challenge is locating the qualifying beneficiaries for the top structures.

FIGURE 36: CALITZDORP BERGSIG HOUSING PROJECT

The first phase of 250 houses has been completed. The second phase was completed (251). The third phase currently comprises 179 units and this shall be completed during the 2023/2024 – 2024/2025 financial years.resulting in a final 680 housing units being completed in Calitzdorp. A planning and implementation plan will be developed as part of the Integrated Human Settlements Plan.

Proposed Ladismith Housing Project: Parmalat

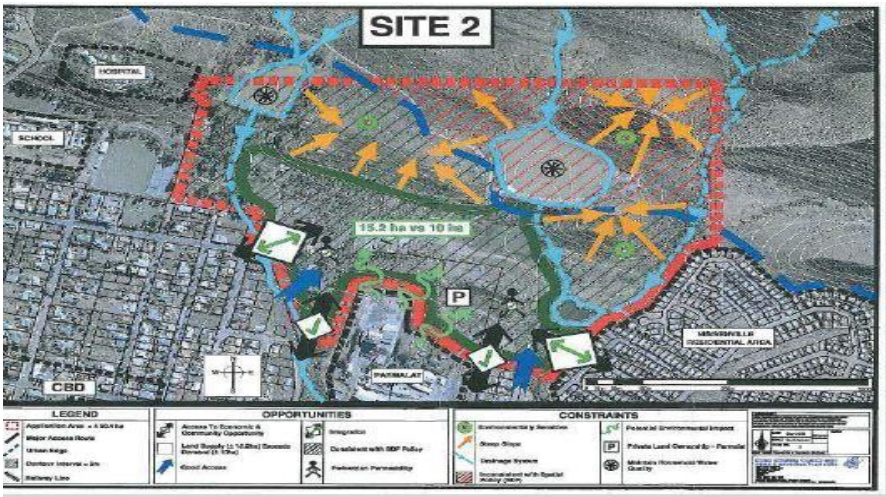


FIGURE 37: LADISMITH HOUSING PROJECT: PARMALAT

The Ladismith, Parmalat project is currently in the planning phase and initially entailed 530 housing opportunities but was downscaled to 280 housing units due to space constraints. The bulk services need to be upgraded before implementation of the project can commence.

Proposed Ladismith Housing Project: Schoongezicht Project

FIGURE 38: LADISMITH HOUSING PROJECT: SCHOONGEZICHT PROJECT

The Schoongezicht project is currently on hold until further clarity is obtained with a suitable alternative for housing opportunities. 195 housing opportunities were previously identified. The bulk services need to be upgraded before the project can commence. Given the creative management application in devising and launching the Nissenville GAP Project (supra – p.146) the successful reification of this Schoongezicht vision is a realistic prospect for the longer term.

Proposed housing Project: Van Wyksdorp

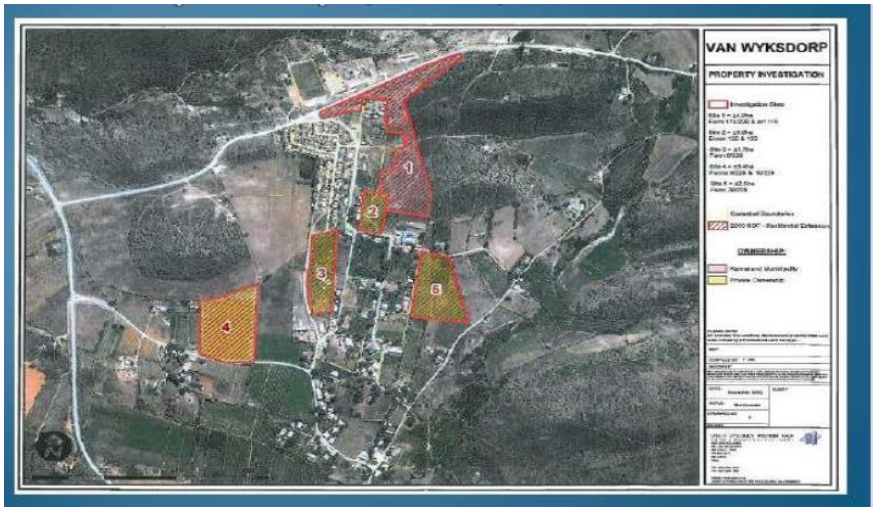


FIGURE 39: HOUSING PROJECT: VAN WYKSDORP

The Van Wyksdorp project is currently in the planning phase. The housing plan provides for 200 houses for the Van Wyksdorp area. The bulk services for the project stills need to be upgraded and the preferred site acquired from the Provincial Government. A sewage processing plant has been established in Van Wyksdorp. The boundaries of erf 110 should be extended in the SDF in order to accommodate for the 100 units. Erf 110 is used as a site to host the informal settlement.

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

Service delivery strategy project

During the 2022/2023 financial year the Municipality will seek funding to appoint a service provider to develop a service delivery strategy for rural areas and for decaying or underserviced urban areas and to ensure that sufficient infrastructure and bulk services capacity is available to create an environment conducive for development and economic growth. The WCPG has seconded an engineer to assist with updating all infrastructure related master plans.

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 2018/19 financial year in partnership with the Provincial Government and updating of the housing demand database is ongoing.

Zoar: Upgrading of Informal Settlements

Program/Project Description		2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
		Budget Yr 2022/23	Budget Yr 2023/24	Budget Yr 2024/25	Ward Location
ZOAR	Dept of Human Settlement	95 000			3

TABLE 40: ZOAR INFORMAL SETTLEMENTS PROJECT

This project will 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.

2022/23: R 1,800 000- HUMAN SETTLEMENT DEVELOPMENT GRANT (HSDG)

Kannaland Municipality	2022/23 Planned		
	Sites	Units	Funding R'000
EHP Fire Kits	0	0	1,000
Ladismith Parmalat (280)	0	0	800
TOTAL	**0**	**0**	**1,800**

The Departments confirms that Kannaland Municipality has no planned targets and funding allocation on the **2022/23 ISUPG Business Plan.**

The Department hereby notes your budget for the 2022/23 financial year totalling **R 1,800 000**.

For any Business Plan enquires, kindly contact the Regional Director: Garden Route, Mfundo Taliwe at Mfundo.Taliwe@westerncape.gov.za.

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.

Safety Programme

Traffic Services Project

The function of the 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 licence;
- vehicle testing services;
- issuing of traffic fines;
- visible law enforcement (road-blocks); and
- visible law enforcement (illegal water use, illegal dumping, control of hawkers etc.)
- Road markings/sings
- Managing E-natis system

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 licencingand drivers licence renewal function once weekly in Calitzdorp. A vehicle testing management representative has been appointment which will ensure that the municipality is compliant with the SABS 0216 industry standard.

A Traffic Safety and revenue plan will be reviewed during the 2022/2023 financial year. The municipality has identified the needs below. Business plans for funding and assistance will be submitted to Provincial sector departments in the 2022/23 financial year for the projects that have not been funded as yet.

- K53 testing station in Ladismith;
- Procurement of extra cameras;
- Assistance to develop a traffic by law – IGRS

- Speed hump for identified areas throughout Kannaland
- Traffic / Road signs
- Speeding Strips

The municipality will develop a traffic by-law during the 2022/23 financial year for which support must still be sourced.

Disaster Management Strategy/Plan Project

The Municipality will implement and review the status of preparedness and contingency plans associated with the prevailing risks identified in the area and to also reflect possible risk reduction projects during the first three years of the 2022-2027 Financial Years.

The Municipal Manager has mandated the Executive Manager: Corporate Services to do the functionary work with regard to Disaster management in Kannaland. A Disaster Management plan has been developed and approved in terms of the section 53 Disaster Management Act.
The Kannaland Disaster plan has been developed 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.

Department of Local Government is in partnership with municipalities will annually review the disaster plan. Public participation workshops have been held to gain input from relevant stakeholders and hazard experts.

The primary goal is to ensure developmental risk reduction, by having planned development linked with risk reduction initiatives and risk information, i.e. taking into account the prevailing risks (risk assessment) for sustainable development (resilient municipal assets and communities). The Risk Assessment Report will be reviewed and approved by Council during 2017/18.

It is also to ensure that operational risk reduction objectives are developed and/or updated. Project plans and contingency plans for identified risks should be in the Disaster Management Plan.

The undermentioned projects are also identified to mitigate the harm caused by fires:

Wards	Project	Funding Source	Amount	Budget Year 2022- 2027
All	Blanket Drive	Ward Committees	N/A	Annually
All	Emergency Fire Fund	KLM	R200 000	Annually
All	Disaster Food Relief	KLM	R50 000	Annually

Objective 3.2 – Sustainability of the environment

Environmental Programme

Alien Invasive Control Management Plan Project

Municipality will develop Alien Invasive Control Management Plan during the 2022/23 financial year. This will be done in compliance with the provision in NEMA.

Climate change Project

The Municipality will review the Climate Change Advisory (September 2016) during 2022/23 to provide information on how climate change can be mainstreamed into budgets and project planning.

Key Performance Area 4: Socio-Economic Development

(National KPA -2 Economic Development)

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

Community Facilities Programme

Calitzdorp: Sport Field Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Calitzdorp: Rehabilitate Sport Field	3,405,460.00			2

TABLE 41: CALITZDORP SPORTS FIELD PROJECT

The current sport field cannot be used at present as the surface is damaged and does not have any grass covering. Sport is an important. Participation in sport is regarded as an important developmental aspect for the community, therefore the Municipality decided to upgrade this sport facility.

Ladismith Cemetery Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework	Project Information

	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Ladismith: New Cemetery	1,000,000.00	1,000,000.00		4

TABLE 42: 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.

***Zoar: Sport field Upgrade Project* (Update)**

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
Zoar: Upgrade Sport field Ph.2		1,200,000.00	2,958,376.00	3

TABLE 43: ZOAR SPORT FIELD PROJECT

The current sport field cannot be used at present as the surface is damaged and does not have any grass covering. Sport is an important. Participation in sport is regarded as an important developmental aspect for the community, therefore the Municipality decided to upgrade this sport facility.

Pollution control strategy project

In order to protect buyers from purchasing land that may be contaminated, the Municipality should keep a database of contaminated land sites to prevent the transfer of contaminated land to unsuspecting parties (Contaminated Land: Part 8 of the National Environmental Management: Waste Act). Funds for cost of travel and accommodation to enable identified officials to attend training for both of these functions will be identified and earmarked in the budget. Budget resources will also be identified for travel by the identified official to potential section 30 incident sites within the Municipality. During the 2017/18 financial year the municipality will identify and allocate the responsibility to an official to carry out this function.

Human Settlements Development Project

The Municipality has a housing waiting list with over 3, 000 individuals and this need to be dealt with in the medium to long term. The Human Settlement Plan will be reviewed during the 2022/23 financial

year, and a housing pipeline is incorporated as Annexure

The undermentioned human settlements projects have been approved for the 2022/2023 – 2023/2024 financial years. Currently the Kannaland Municipality is in the process of conducting an Environmental Impact Assessment for implementation of these projects. The WCPG Department of Human Settlements is funding these projects.

Human Settlements Project 1	Ladismith Parmalat Project (EIA in progress)
Human Settlements Project 2	100 infill in Zoar (Opposite Maxis)
Human Settlements Project 3	65 Upgrading of Informal Settlement Project in Zoar

Feasibility studies for all three projects mentioned above have been concluded during 2021. Garden Route District Municipality is requested to assist with project implementation. The Human Settlement Plan is currently being updated with the assistance as received from the WCPG Human Settlement Department. Implementation will commence during 2023/2024 – 2024/2025 financial years. Technical assistance with regards to Bulk service provision becomes imperative for sustainable human settlement development.

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 should consider making allocations for tourism development, Art and Culture promotion and SMME development as stated in the IDP. This tourism strategy development will be done in-house by the IDP Manager with completion date set for 30 June 2022.

The undermentioned progress has been made in relation to Tourism Promotion in Kannaland Municipality:

- ✓ Establishment of two Tourism Bureaus (Ladismith and Calitzdorp)
- ✓ Development of Tourism MOAs for the mentioned Tourism Bureaus.
- ✓ Development of Business and action plans for the mentioned Tourism Bureaus
- ✓ Implementation of the Tourism Bureau Action Plans for the mentioned Tourism Bureaus.
- ✓ Development of a Tourism Skills Development Needs Assessment (See Chapter 8 in IDP.

<u>KANNALAND TOURISM IMPERATIVES:</u>

1. Establish two (2) additional Tourism Bureaus in Zoar and Van Wyksdorp
2. Enter into MOAs with these newly established Tourism Bureaus as is the case with Ladismith and Calitzdorp Tourism Bureaus.
3. Source funding for training in hospitality industry (Garden Route Cater Care) through SETAs to implement the Tourism Skills needs through the Garde Route Skills MECCA;
4. Erect Tourist Information Boards and signage throughout Kannaland
5. Establish an arts and culture community council;
6. Upgrade caravan and camping site as a catalytic project for Ladismith;
7. Source funding to restore municipal owned heritage buildings and utilize these for art and culture/tourism development (Synagogue and Community Art Development Project Plan already written up)
8. Source funding and develop a project implementation plan for a Calitzdorp Art and

Craft Centre.

9. Establish an aesthetics committee in Van Wyksdorp to address the concern surrounding derelict buildings;
10. Implement the Van Wyksdorp Tourism Action Plan.

The undermentioned tourism projects will be implemented during 2022-202

Wards	Project	Funding Source	Amount	Budget Year 2022- 2027
All	Tourism Bureaus MOU	KLM	R800 000	Annually
All	Tourism Business and action implementation plans	KLM	N/A (In-house)	Annually
All	Develop and review Tourism Development Strategy	KLM	N/A (In-house)	Annually
4	Community art and creative skills development centre (Ladismith)	Catalytic Joint project (One District Plan)	R2 219 181.63	2022/2023
4	Caravan Park and camping site upgrade (Ladismith)	Catalytic Joint project (One District Plan)	R1 000 000	2022/2023
2	Community art and creative skills development centre (Calitzdorp)	Catalytic Joint project (One District Plan)	R2 000 000	2022/2023
3	Upgrade to Amalienstein Farm guest houses	Department of Public works	R2 000 000	2023/2024
All	Tourism Skills development (Detailed Training needs analysis outlined in chapter 8)	SETAs	R1 000 000	2022/2023

Health Programme

Quality of health strategy project:

The Municipality will identify plans aimed at enhancing the quality of health for the Kannaland communities. This will be done during the 2022/23 financial year for inclusion in the 2023/24 IDP Review.

Air quality management project:

The budget requirement for the development of an Air Quality Management will be identified and sourced. Funds will cover air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies. Further, where AQMPs or Air Quality Management By-laws are not developed, funds must be secured for such development and adoption by the Council. 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.

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 thefollowing: air quality monitoring (passive or continuous monitoring of air pollutants), staff training and implementing air quality intervention strategies.

Joint planning Programme/Indaba 2

The Joint Planning Initiative is based on mega or long term projects and initiatives whilst IDP the 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 followingcategories:

- Housing;
- Social services and Youth activities and development;
- Infrastructure: water, drainage and sanitation;
- Infrastructure: roads and transport
- Safety and security;
- Economic development and local business development;
- 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 2018-2019 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 to development of an Agro-Processing implementation plan is an important mechanism to prepare strategies to optimise the regions development potential. During the 2017/18 financial year the municipality will source funding for the appointment of a service provider.

SDF Review Project:

Municipality will review the SDF during the 2023/24 financial year in order to include the updated master plans which will be undertaken during 2022/23.

The SDF will be reviewed and its associated implementation plan aligned with the SPLUMA 2013 principles and incorporate the SDF as a core component of the IDP. The DP 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.

Funding is required for the review of the SDF.

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

Institutional Stabilisation Programme

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.

Policy Review Project:

The Municipality will draft and update 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. Regular reporting to council and amendment to the SDBIP to indicate individual policy owners will assist to overcome outdated policies.

PMU Project

Program/Project Description	2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
	Budget Year 2017/18	Budget Year 2018/19	Budget Year 2019/20	Ward Location
PMU	518,500.00	535,150.00	552,750.00	1,2,3,4

TABLE 44: PMU PROJECT

In order for the Municipality to achieve its project implementation and capital budget expenditure targets, a project management unit analysis will be set up. This will entail project design, project administration and project implementation monitoring.

5.1. A.3 Office Space and Equipment Project:

The municipality is facing the challenge of limited office space, staff members working in rented

containers and inability to provide sufficient and effective office and technical equipment. During the 2022/23 financial year an assessment will be done on all municipal properties and a property portfolio shall be developed to guide the future utilisation of council properties where resources and funding required will be ascertained to enable staff to function efficiently and effectively in a safe, clean environment.

Objective 5.2 Transparency and Participation

Participation Programme
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. The Communication Straegy shall be implemented and annually reviewed. The Ward Committee Policy shall also be reviewed.

Community participation in Agriculture Project

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 working of the municipality.

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 municipality consists of 243 employees, of which 3 are Section 57 employees, 120 permanent, 122 contract employees and 1 intern. The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority.

Institutional Transformation Programme

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

Organisational Structure Project

Funding will be sourced in order to appoint a service provider to conduct an organisational review over the first two financial years in order to ensure that the organogram is aligned to the Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) which is efficient, affordable and sustainable. The first step will be to source financial resources to be able to appoint a service provider to conduct this process.

Staffing Project

Once a sustainable organizational structure has been developed and all posts have been evaluated, the Municipality will embark on the review and placement of staff. Critical and funded vacancies will be filled.

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.

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. Senior Managers will receive training

on how to develop policy and strategy documents.

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

Employee Improvement Programme:

The municipality received funding from the Department of Local Government to develop a Human Resource Strategy that will influence the operations of current policies and possibly the compilation of new policies. The new strategy will also assist the municipality amongst other with the most effective placement of employees. A staff induction programme will be introduced,

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; A number of critical areas that management needs to address to ensure optimal service deliveryhave been identified and these areas must be strongly attend to in future:
- Low staff morale
- Inadequate skills levels
- Inadequate qualifications
- Lack of clarity regarding roles and responsibilities (middle management and supervisors)
- Lack of discipline

Workplace Skills Development Project (WSP)

The municipality has developed a Work Place Skills Plan (WSP) of which the main objective is to ensure that there 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. This process will berolled out over the first three years of the next term of office.

NOTE:

Kannaland Local Municipality has submitted its Workplace Skills plan to LGSETA during April 2022.

Key Performance Area 7: Financial Sustainability

(National KPA 4 Financial viability and management)

Objective 7.1: To strive towards a financially sustainable municipality

Financial Recovery Programme

Kannaland Municipality has a duty to improve financial management across expenditure, revenue, assets, supply chain, debt and financial reporting streams to determine the most effective way of solving its financial problems.

The principal strategic objective of the Financial Recovery Plan is to identify key priority areas and to set out specific intervention projects which will address the financial problems identified.
In order ensure stability and remedy the poor financial practices within the municipality the following strategic projects will be addressed in the short, medium and long term. Short term projects will be fora period from July 2017 to June 2018, medium term from July 2017 to June 2022 and long term for a period extending beyond 2022.

This programme entails the review of 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. It will require the review of revenue management systems in order to maximise revenue generation possibilities and improve revenue performance. The cash and debt management strategies and practices will have to be reviewed and internal controls and delegations regarding financial management should be re-assessed. Asset management through an integrated infrastructure and asset management plan must also be implemented. The review of governance practices in the Supply Chain Management practices should be done and proper controls and risk management practices should be implemented.

The organisational redesign for the BTO office should be reviewed and job descriptions and have job evaluations done in order to appropriate the capacitation of BTO with skilled personnel. The review ofIT infrastructure and implementation of Accounting, Budget and Reporting Reforms should be scheduled. All short term and long term liabilities should be reviewed and contingent liabilities schedule for the repayment of debt.

Budgeting and Expenditure Management Project

The Municipality will review the budget and expenditure management systems to ensure that efficient

and effective service delivery is 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 and11 – 15 years. The plan will include the following:

- Predicting future municipal revenue;
- 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;

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.

Revenue Management Project

The revenue management systems will be reviewed in order to maximise revenue generation possibilities and improve revenue performance. The Municipality will source funding for the appointment of a service provider to draft a revenue enhancement strategy and plan to improve 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 meter replacement program.
- Apply cost-reflective tariff modelling.
- Reviewing, analysing and performing benchmarking of user tariffs to the industry norm.

The focus of this project will be on the Revenue Management Value Chain. The credit control and debt collection policy will be enforced.

- Appropriate revenue collection systems that are aligned to the Municipal Systems Act and the revenue management and debt collection policies of the municipality;
- Accurate calculations and timeous reporting of revenue due and outstanding debtors on a monthly basis, thereby enabling appropriate monitoring and oversight of debt collection practices and timely action with regards to debt impairment; and
- Allocating sufficient

Customer Care Project:

The Municipality will introduce measures to enhance levels of customer care, increase responsiveness to consumer billing and other queries. Over the next three financial years the Municipality will improve community access points, source funding to conduct a customer satisfactionsurvey, implement a customer service call centre, set benchmarks for activities relating to complaints and set service level standards for customer responses. Zoar and Van Wyksdorp have requested a customer care account queries service to be erected within their respective wards.

Cash and Liability Management Project

The Municipality will review cash and debt management strategies and practices. All liabilities (current and non-current) will be reviewed and a strategy developed in order 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 usedfor 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.

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:

- Implementation of the Audit action plan to address audit findings.
- Correct prior year errors and compile audit evidence file.
- Review monthly progress on corrected errors.
- Implement safeguards to mitigate errors going forward.
- Perform Risk analysis of municipality and implement risk management system.
- Revise and implement internal systems of control to mitigate financial risks identified.
- Review all policies, budget and non-budget related, and amend where necessary.
- Workshop all policies with related staff.
- Review and amend all job descriptions.
- Review archiving and record keeping.
- Staffing of Budget and Treasury Office organogram with suitably qualified and experiencedstaff.
- Capacitating and skills development of finance department staff.
- Implement internal controls to mitigate financial risks

The Audit action plan is currently in the process of implementation. The audit outcomes for 2020/2021 is a qualified audit opinion. We remain committed to obtaining clean audits.

Asset Management Project:

The Municipality will source funding during the 2018/19 financial year in order to develop an 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 ensure 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 and founds sourced in order to perform aland audit to identify all municipal assets and to determine a performance assessment of all municipal properties. This will be followed by the drafting of a municipal asset management strategy which also includes a performance and disposal framework.

Supply Chain Management Project

The Municipality will review governance practices in the Supply Chain 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 Management Chain Structure will be reviewed and work-shopped with all staff. The Municipality will develop and centralise an online Procurement and Record Management System witha document checklist for each bid and will organise training for all Bid Committees.

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.

Debt impairment project:

The Municipality will review the debtors during the 2017/18 financial year in order to make appropriate provision for debt impairment that might result in write-offs during the next 2-3 financial years.

Repairs and Maintenance Project:

Given the financial situation of the municipality the funding of repairs and maintenance has proven to be a major challenge. The Municipality will, as part of the review and assessment of the assets of the municipality prepare a comprehensive repair and maintenance plan to ensure that assets are properly maintained to avoid interruptions in service delivery.

Financial controls Project:

The Municipality will embark on a process to review internal controls and delegations regarding financial management during the 2017/18 financial year.

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.). An ICT Disaster Recovery Plan also needs to be implemented.

Liability Management Project

All liabilities current and non-current will be reviewed and a strategy developed to meet obligations ina 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

2.4. HORIZONTAL POLICY ALIGNMENT

The table below illustrates the alignment of the strategic objectives of Kannaland Municipality with the objectives of the National Development Plan. The aim is to align programmes/projects which the municipality tends to achieve: Horizontal alignment to the One district plan to be concluded in Final.

Kannaland Objectives	Garden Route District Objectives and One Plan	PSO	NDP Objectives / Outcomes
KPA1: To provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens	Conduct regional bulk infrastructure planning & implement projects, roads maintenance and public transport; manage and develop council fixed assets (3)	Developing integrated and sustainable humansettlements (6)	Outcome 6: Efficient, competitive and responsive economic infrastructure network
KPA2: To provide adequate Services and improve our Public relations		Increasing wellness (4) Integrating service delivery for maximum impact (10)	Outcome 2: Improve health and life expectancy
KPA3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	Promote sustainable environmental management and publicsafety (4)	Increasing access to safe and efficient transport (3) Increase safety (5)	Outcome 2: Improve health and life expectancy Outcome 3: All people in South Africa protected and feel safe Outcome 7: Vibrant, equitable and sustainable rural communities and food security Outcome 10: Protection and enhancement of environmental assets and natural resources Outcome 11: A better South Africa, a better and safer Africa and world
KPA4: To facilitate Economic Growth and Social and Community development	Grow the district economy (7) Healthy and socially stable	Creating opportunities for growth/jobs (1) Improve education	Outcome 1: Improve the quality of basic education. Outcome 4: Decent

Kannaland Objectives	Garden Route District Objectives	PSO	NDP Objectives / Outcomes
	communities (1)	outcomes (2) Developing integrated and sustainable human settlements (6) Increasing social cohesion (8) Reducing poverty (9) Creating opportunities for growth and development in rural areas (11)	employment through inclusive growth Outcome 6: Efficient, competitive and responsive economic infrastructure network Outcome 8: Sustainable human settlements and improved quality of household life. Outcome 7: Vibrant, equitable and sustainable rural communities and food security
KPA5: To promote efficient and effective Governance with high levels of stakeholder participation	Promote good governance (5)	Building the best-run regional government in the world (12)	Outcome 9: A responsive and, accountable, effective and efficient local government system Outcome 12: A development-orientated public service and inclusive citizenship
KPA 6: To provide an efficient workforce by aligning our institutional arrangements to our overall strategy	Build a capacitated workforce and communities (2)	Mainstreaming sustainability and optimising resource-use efficiency (7)	Outcome 5: A skilled and capable workforce to supportinclusive growth
KPA 7: To strive towards a financially sustainable municipality	Ensure financial viability of the Eden district municipality (6)	Building the best-run regional government in the world (12)	Outcome 9: A responsive and, accountable, effective and efficient local government system

TABLE 1: STRATEGIC ALIGNMENT

2.5 KANNALAND MUNICIPALITY SECTOR PLANS

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. It should be noted that once the council revised the objectives than the alignment will be re-designed as illustrated below.

2.6 STATUS: MASTER, OPERATIONAL, MAINTENANCE AND OTHER PLANS

Plan	Status	Adopted by Council	KPA Alignment
Water Master Plan	Complete and will be reviewed in the 2015/16 financial year.	February 2012.	KPA 1
Sewage Master Plan	Complete and will be reviewed in the 2015/16 financial year	October 2009.	KPA 1
Roads and Storm water Management Plan	Not completed. The municipality plans to develop this plan during the 2015/16 financial year	In process	KPA 1
Spatial Development Framework	Completed	November 2013. The SDF will be updated / review in the 2016/17 financial year	KPA 1,2,3,4,5
Integrated Transport Plan	Completed	May 2014	KPA 3
Disaster Management Plan	Completed	February 2022. The plan was reviewed with the assistance of GRDM	KPA 3
Waste Management Strategy	Complete	Completed in October 2022	KPA 1 and 3
Human Settlement Plan	The HSP is in draft form.	The HSP will be completed by end May 2016	KPA 1 and 4

Plan	Status	Adopted by Council	KPA Alignment
Bulk Infrastructure Development Plan	Completed	August 2012	KPA 1
Bulk Infrastructure Master Plan: Sanitation	Complete	February 2012	KPA 1
Local Economic Development Strategy	In progress. To be completed by April 2022 - Inhouse. In draft format.	To be adopted 30 April 2022	KPA 4
Air quality management Plan	Completed. A draft air quality management was developed with assistance of Provincial Government and adopted 2013/14financial year. The document will be reviewed in the 2016/17 financial period	May 2014	KPA 3
Integrated Water Management Strategy for Ladismith (Storage, boreholes, water rights, runoff)	In process and plan to be completed in the 2016/17 financial year.	Will be developed in the 2016/17 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 2016/17	KPA 1
Integrated Infrastructure Asset Management Plan	Not developed as yet – plan to commence with the process in 2014/15	Not developed as yet – plan to commence with the process in 2016/17	KPA 1 and 7
Electricity Master Plan	Not developed as yet – plan to commence with the process in 2014/15	Not developed as yet – plan to commence with the process in 2016/17	KPA 1 and 2
Water Services Development Plan	Completed	-	KPA 1 and 2
Spatial Investment Maps	May 2016	Will be finalised with the final budget and IDP	KPA 4
Fleet maintenance plan	Not yet developed – plan to commence with the process in 2016/17	-	KPA 6

Plan	Status	Adopted by Council	KPA Alignment
Performance Management Framework	Completed. SALGA and Mossel Bay have established a peer relationship.	Adopted by Council by on 31 August 2021.	KPA 5
Water Revenue Management	Plan needs to be developed	This will form part of the revenue enhancement plan	KPA 7
Electricity Revenue Management Strategy	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 3
Credit control and debt management plan	Plan needs to be developed	This will form part of the revenue enhancement plan	KPA 7
Water conservation and Demand Management Plan	No Plan in place	-	KPA 2
Alien Invasive Control Management Plan	Not in place	To be developed	KPA 2

TABLE 51: STATUS QUO MASTER PLANS, OPERATIONAL, MAINTENANCE AND OTHER PLANS

2.7 INTER-GOVERNMENTAL COOPERATION

The municipality fosters relations with other spheres of government and participates in various intergovernmental activities to promote a closer working relationship between the various spheres of government which will certainly act as a catalyst in advancing the agenda to create a stable governance structure, promote financial sustainability and service delivery through infrastructure, housing and other services.

2.8 REGIONAL AND PROVINCIAL PLATFORMS

Kannaland Municipality used a number of mechanisms to continuously communicate the processes with the development and when and how the implementation of the IDP operates. These mechanisms are also used for current and future planning to obtain input in developing a strategy for the municipal area. In preparation for this final IDP, the municipality held the following engagements which are a continuous process.

ENGAGEMENTS	
Council Meetings which is open to the public	Bi-Monthly
IDP Indabas 1	Annually
MinMay	Quarterly
MinMay Tech	Quarterly
District Coordinating Forum	Quarterly
Garden Route Skills Mecca	Quarterly
Garden Route Economic Development Forum	Quarterly
MGRO 1 & 2	Annually
Back to Basics Engagements	Quarterly
Human Settlement Engagements	Quarterly
Water and Sanitation Forum	Quarterly
Kannaland Municipality public participation meetings	Quarterly
Provincial and District IDP Managers forums	Quarterly
Garden Route District IDP Rep Forum	Quarterly
ICT Managers Forum	Quarterly
SCM Forum	Quarterly
Premiers Coordinating Forum	Quarterly
Agriculture Cluster Forum	Quarterly

TABLE 2: SECTOR ENGAGEMENTS

Kannaland local Forums/ Focus groups

The undermentioned focus groups/forums shall be revived for engagement with stakeholders during the 5 year rollout of the plan.

Kannaland Municipality Forums/ Focus Groups				
Forum name	Frequency of meetings	Purpose	Composition	Chairperson
Garden Route District Co-ordinating Forum	Quarterly	To identify and implement programs aimed at realising one of the key objectives of local government, i.e. to deepen local democracy.	Mayors, Municipal Managers and Provincials Departments (when requested)	Garden Route District, Executive Mayor: Mr M Booysen
Garden Route Municipal Managers Forum	Quarterly	To discuss matters of Municipal interests.	Municipal Managers, and Provincial Departments	Garden Route DM, Municipal Manager: Mr M Stratu
District IDP and Public Participation Managers Forum	Quarterly	Platform to engage on the IDP process of the district & local B - Municipalities in the district; share best practices on IDP and public participation Aim for alignment between the IDP of District & B – Municipalities.	IDP Managers IDP Officers/Coordinators DPLG – Integrated Development Plan Directorate/ Public Participation Managers	Garden Route DM, IDP Manager: Ms M James
Garden Route District IDP, Budget and PMS Representative Forum	Bi-Annually	The Mayor of Kannaland Local Municipality will present the status of the Municipality relating to IDP, Budget and Performance Management. Sector Departments will also present all their proposed projects and programmes to IDP Rep Forum of the Garden Route District.	Executive Mayor, Sector Departments, Ward Committees, Development Associations, SMMEs, Business Chamber, Relevant Interest groups/Stakeholders	District Executive Mayor: M Booysen
Kannaland IDP Steering Committee	Quarterly	Draft and annual review of IDP, Drafting the IDP Process and and time schedule Monitor IDP Implementation and performance management, draft and review PMS Policy/Strategy	Executive Mayor, Councillors, Municipal Manager, Executive Directors/CFO, Departmental Managers, Sector Departments, COGTA,	Municipal Manager
Kannaland Economic Partnership	Quarterly	Platform for Economic Development Practitioners, tourism officials, local tourism office representatives and government departments and private sector stakeholders to discuss best practices for the implementation of LED project and programs to stimulate the local economy.	LED Managers SEDA, Government Departments and Relevant Stakeholders/ Business Chamber/Development Associations/Youth Agencies	Kannaland Chairperson: IDP and PMS Manager
District Infrastructure/ Roads and Energy Forum	Quarterly	Platform through which developers could engage regulators on issues affecting roads, Infrastructure and Renewable Energy	Infrastructure/Technical Managers, Department of Transport, Infrastructure and Energy and Provincial Sector Departments and relevant stakeholders.	Kannaland Chief Electro technical services: Mr Loyisa Vekele
Kannaland Communicator and ICT Forum	Quarterly	To discuss and Review the ICT/Communication Strategy and Policy related matters.	Communication and ICT Managers/officials, GCIS, and Provincial Sector Department.	Kannaland Senior Communication Officer : Mr P George and Mr R Fortuin

Kannaland Municipality Forums/ Focus Groups				
Forum name	Frequency of meetings	Purpose	Composition	Chairperson
	Quarterly	To discuss matters related to waste, municipal health, air quality, waste management, social services and housing related management	Community Services Manager, Provincial Sector Departments District and Local Air Quality Managers/ Officers, Provincial Sector Department, Relevant Stakeholders and Industries	Chairperson: Community Services Manager: Miss Murusda Van Heerden
Kannaland Public Safety Forum	Quarterly	To discuss cross-cutting talking points in terms of disaster management, fire services traffic management.	Community Services, Traffic Chief, Fire Officers, Department of Local Government	Manager: Community Services/ Chairperson: Traffic Chief
Kannaland Joint Risk and Internal Audit Forum	Quarterly	To discuss Transversal Risk Management related issues. To discuss challenges related to Internal Audit and implement resolutions from provincial structures	Local Risk and Internal audit practitioners; MPAC and PMS	Chairperson: Manager: Risk, Contracts and Compliance
Kannaland Local Labour Forum	Bi-Monthly	The local labour forum has the powers and functions of negotiating and/or consulting	Councillors, Municipal Manager, Executive Managers, HR Managers and Trade Unions	Kannaland Chairperson: Mr P George
Kannaland Human Resources and Skills Developme nt	Quarterly	Internal and external Skills development and policy and strategy development and review	Councillors, Municipal Manager, Executive Managers, HR Managers and Trade Unions	Manager: Human Resources: Mrs Johanalie Andrews
Kannaland Farmers Association	Quarterly	To discuss farming related matters	Municipal Manager, Manager: IDP and PMS, Provincial department of agriculture	Municipal Manager
District EPWP Forum	Quarterly	To discuss EPWP related matters	District and Local EPDP Managers/Coordinators, Provincial and National Department of Public Works	Garden Route DM, EPWP Managers: Mr R. Dyantyi
Kannaland MPAC	Quarterly	Municipal oversight on Council processes and performance	The Speaker, Corporate Services, Internal audit,	Chairperson Cllr A Steernkamp

For this elected term the aim will to enhance intergovernmental relations by mobilizing resources and strategic partnerships which will ensure co-ordination of service delivery by all departments to the citizens to gain a better and healthy quality of life.

The desired outcome of inter-governmental cooperation as previously mentioned is to:

- strengthen good governance;
- addressing the needs of the poor by introducing programs to the community which will boost entrepreneurship skills eg. Livestock farming; Food gardening ect.
- coordinate and managing all municipal relationships with other spheres of government;
- ensure that there is a strong link between departments internally and the two spheres of government (National and Provincial);
- facilitate information and knowledge sharing through inter-municipal cooperation (steering committees);
- To build managerial and technical capacity (through study tours, exchange programmes, seminars and conferences);
- To develop project partnerships with other government departments for mutual benefit;
- To create employment through the public works programmes;
- To focus on supporting the successful implementation of the strategic priorities;
- To ensure that there is monitoring and alignment of municipal budgets and IDP implementation with provincial and national government departments;
- Coordinating and aligning all events that involve other spheres of government – e.g. national days, Imbizo's, etc.
- Promoting efficient lines of communication and between the municipality and other spheres of government;

Chapter 3 Promoting an active, involved, informed citizenry

3.1 INTRODUCTION

At Local Government level the Local Government: Municipal Structures Act, 1998, requires, among others, that municipalities develop mechanisms to consult communities and community organisations in performing their functions and exercising its powers. These structures are commonly known as Ward Committees, and provide a vital link between Ward Councillors, the community and the municipality. They allow for members of communities to influence municipal planning in a manner which best addresses their needs.

A key characteristic of this 2022-2027 Fifth Generation IDP process is that it is a people-driven process. It is informed by -community based planning which resulted in prioritizing the needs of the community; an analysis of the current status of service delivery and the environment; and various stakeholder engagements. The fifth generation IDP shall demonstrate how communities actively partake in the drafting of the IDP through project and business plan proposal submission for inclusion and consideration into budget translation and implementation through a performance orientated project management approach. This can only be achieved through integrated community support initiated by an all of government approach and skills transfer.

These ward committees comprise geographical as well as sector representatives in communities and are regarded as the statutory consultative forums in the public participation process of the IDP review. The respective ward councillor is automatically the chairperson of the ward committee and quarterly meetings keep the community informed of all municipal related matters. It is also obligatory on ward committee members to regularly interact with their communities and ensure maximum participation in all planning processes of Kannaland Municipality.

3.2 BACKGROUND

Since the inception of the ward participatory system in 2001, ward committees have emerged as a key institutional mechanism intended to bring about a people centred participatory and democratic system of government. Ward committees are, in most instances, deemed to be ineffective in representing the aspirations and interests of the needy, hence, the often destructive and violent service delivery protests.

The ward participatory system (ward committees) has had challenges, including the non-functionality which could be attributed to a whole range of factors, for example flawed ward committee establishment processes, lack of proper sector representation and accountability,

political interference, lack of ward committee support by the municipal administration etc.

3.3 LEGAL FRAMEWORK

The undermentioned legislation guides the activities undertaken by ward committees.

- The Constitution of the republic of South Africa, 1996 – Chapter 7 Section 152 – Objects of local government. (This will tell you the aims of local government)
- The local Government: Municipal Structure Act, 1998 – Section 73 and 74.
- (Here you will find the rules and regulations about establishment of ward committees)
- The Local Government: Municipal System Act, 2000. (This piece of legislation tells you about the kind of public participation opportunities the community can expect from municipalities)
- The national Guidelines for the establishment and operation of Municipal Ward Committees, 2005. (This came out to give more detail about setting up and running ward committees).
- The resolution passes by your Municipality to introduce the ward committee system. (This will state your Municipality's commitment to the ward committee system).

Kannaland Municipality will also adopt a new Ward Committee Policy during 2022/2023 in order to ensure alignment with the above legal framework and policy guidelines.

3.4. WARD COMMITTEES

3.4.1 Role of Ward Committee Members

Ward Committee members have an important role to play in their communities and:

- Increase the participation of local residents in municipal decision making, as they are a direct and unique link with the council;
- Are representative of the local ward, and are not politically aligned;
- Should be involved in matters such as the Integrated Development Planning Process, municipal
- performance management, the annual budget, council projects and other key activities and programmes as all these things impact on local people;
- Can identify and initiate projects to improve the lives of people in the ward;
- Can support the councilor in dispute resolutions, providing information about municipal operations;
- Can monitor the performance of the municipality and raise issues of concern to the local ward;
- Can help with community awareness campaigns e.g. waste, water and sewage, payment of fees and charges, as member know their local communities and their needs.
- Plays a significant role to ensure that the broader public participates and also prioritizes the basic needs and development requirements in the different wards.
- Your municipality's Public Participation Policy (if it has one). (This policy will help you and
- your community know how to connect with your municipality about important matters affecting you).

3.4.2 Establishment of Kannaland Municipality 2022-2027 Ward Committees

Kannaland Municipality Ward Committees Local Government elections were held on 1 November 2021 and subsequently, Kannaland ward committees serving for the period 2017 - 2021 were disestablished on 31 October 2021. Kannaland Municipality developed in collaboration with the WC DLG Public Participation unit, a Ward Committee establishment plan which plan was adopted by Council on 18 February 2022 (Council Resolution 10/02/22). Ward committee elections in all four wards in Kannaland were concluded within the 120 days after the new council was inaugurated.

It should however be noted that objections were received surrounding the legitimacy and lawfulness of the ward election process and pertaining to Wards 1 and 2. The Speaker of Kannaland Municipality has adjudicated on the matter and the election results for wards 1 and 2 have subsequently been declared unlawful. New election dates shall be ascertained during the month of March 2022 to re-elect ward committee members in these wards (1 and 2) and the WCPG DLG Public Participation unit shall be approached to support and guide the re-election of ward committees for ward 1 and ward 2. Hereunder see ward committee election timetable depicted in table hereunder.

Ward No.	Voting District No/Area	Ward Cllr (Name)	No of ward Committee members elected	Nominees	Date of election
1.	Town Hall	Jeffrey Donson	10	0	22 Feb 2022 at 18h30
2.	Town Hall	Werner Meshoa	10	13	24 Feb 2021
3.	Maxi's Hall	Hyrin Ruiters	10	6	15 Feb 2022 at 18h00
4.	Ladismith Town, Van wyksdorp and surrounded farm areas	Aletta Steenkamp	10	9	Van Wyksdorp - 16 Feb 2022 at 18h00 Dankoord - 21 Feb 2022 at 18h00 Ladismith Dorp - 23 Feb 2022 at 18h00 Buffelsvlei - 17 Feb 2022 at 18h00 Algerynskraal - 28 Feb 2022 at 18h00 Hoeko - 1 Maart 2022 at 18h00

3.4.3 Role of The Ward Councilor

The ward councilor:

- Is the chairperson of the ward committee;
- Is responsible for convening the constituency meeting to elect ward committee member;
- Is responsible for calling ward committee meetings;
- Is responsible for ensuring that a schedule of meetings is prepared, including: ward committee meetings, constituency meetings and special meetings;
- Works with the ward committee to ensure that there is an annual plan of activities;
- Is responsible for ensuring that the ward committee does what the municipality expects about reporting procedures;
- Is responsible for handling queries and complaints in the ward;
- Is responsible for resolving disputes and making referrals of unresolved disputes to the municipality;
- Should be fully involved in all community activities that the ward committee is engaged with;
- Is responsible for communicating the activities and meeting schedules to the PR councillor

3.4.4 Role of Proportional Representative (PR) Councilor

The PR Councilor:

- Should attend ward committee meetings, constituency meetings and special meeting;
- Can assist with resolving disputes and making referrals;
- Can help with the implementation of projects;
- Support the ward councillor, but does not replace the ward councillor;

3.4.5 Role of Ward Committee Members

Ward Committee members:

- Advise the ward councillor in identifying the needs and concern of the ward, and communicating these to the council;
- Be an active participant in the ward committee and accept responsibilities such as managing a portfolio or an area of interest;
- Help the ward councillor tell the community about their rights and entitlements;
- Work as a team and speak with one voice;
- Help the ward councillor with grievances and complaints from the community
- Hold official roles within the committee e.g. secretary;

- Show leadership in starting projects which will improve the lives of people in the ward;
- Undertake a ward profile so that the committee knows more about the ward
- Help the ward councillor consult with the people who have a stake in a particular issue, and work with partners in the community to benefit the ward committee's work;
- Be involved in community events e.g funerals and cultural activities. This is very important as it shows you care about community and understand community issues.

3.4.6 Ward Committee Induction Training

Once all the members of the ward committee are elected, they should all attend induction Training. As the chair of the committee, the ward councillor should also attend.
Induction training is planned for April 2022.

3.4.7 Developing a Ward Profile

A Ward Profile can be one of the first things the ward committee does together. It can help build the team, as well as help you understand more about your ward.
Find out about the people in the ward and the problems their experience e.g:

- The age of groups, gender, employment status
- Crime statistics, major health problems
- The day to day concerns of the people
- Attitude to municipal programs and proposals
- The hopes of the people
- The history of the ward
- The languages people speak
- Their political interest

What kind of infrastructure exists in your ward?

- Community infrastructure like schools, clinics, hospitals, police, ambulance etc.
- Roads, water, sanitation
- Types of housing
- Sports and creation facilities
- Churches
- Community halls
- Shops, markets, banks
- Transport

What else is happening in the community?

Make a list of community organisations- these are very important stakeholders for the ward committee members. 'Stakeholders' means people, or representatives from your groups, who have a particular interest, or who are experts, or who really care about something you are doing in the ward committee.

Are Community Development Workers (CDWs) present in you ward?

Identify CDWs in your ward and meet them to compare terms of reference, including whether the CDWs are able to offer any operational or secretarial support to your ward committee.

3.4.8 Developing an Operational Plan for your Ward Committee

The ward committee needs to have an annual plan that clearly lays out what its priorities are and what it expects to achieve. This will help you see whether you have achieved what you said you would do. It will also help report to the municipality, as you can report each month against your plan of action. The Ward Committee Operational Plan is submitted to the WCPG DLG Public Participation unit quarterly.

3.4.9 Ward Committee Policy

The ward committee policy will be review during 2022/2023. The Ward Committee Policy requires revision in order to ensure alignment with the Provincial Guidelines for the establishment of future ward committees.

3.5 COMMUNITY NEEDS AND PRIORITIES

This 5th generation IDP will ensure that communities are involved in the drafting and monitoring of implementation of the IDP. One way of achieving this is through the identification of community development needs and priorities.

Kannaland Municipality during the month of March 2022 conducted IDP Stakeholder engagements in each of the four wards.

The socio-economic conditions and character of the four towns of Kannaland and settlements are distinctly different, resulting in their expectations from the budget and service delivery priorities being diverse. This variety and service delivery backlogs in some areas were duly considered in the IDP Review. The public participation process was characterized by active participation by all sectors of society and again highlighted the fact that the expectations from communities are very high in terms of service delivery, infrastructure development and other development challenges considering the limited resources available to the municipality.

Effective partnerships with communities, other spheres of government and the private sector are essential to deliver on this expectation adequately. The input received from the various stakeholders during the IDP review process, were refined and duly incorporated into this document with the sole intention to inform the budget and other development priorities of the municipality. Some of the participants got the opportunity to identify solutions for the challenges to ensure that they take responsibility of their own development.

While the 4th generation IDP revealed that priority needs of the community mostly center on basic services such as housing, electricity, water, sanitation, job creation, unemployment and poverty, the 5th generation IDP revealed that priority needs of the community centered around

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A Public needs analysis was conducted through the IDP stakeholder engagements held during March 2022, where the various community concerns were raised and development needs were identified, clustered and depicted below in alignment with the Key performance areas.

3.5.1 Public Needs Analysis

During the 4th generation 2022-2027 DP stakeholder engagements meetings, the undermentioned requests were received from the community of Kannaland.

KPA	REQUESTS	WARD
INFRASTRUCTURE AND BASIC SERVICE DELIVERY	Repairs & Maintenance included requests for the upgrades of roads, rehabilitation of community facilities like halls and parks, fixing of potholes, building of speed humps, attending to sewage blockages, repairing of burst water pipes, repairs to RDP houses where roofs are leaking	1,2,3,4
	Requests for roads predominantly centred around the building of new roads, link roads, access roads, and tarred roads where there have never been roads constructed before	1,2,3,4
	Renewable energy supplies needs to be considered, including but not limited to: solar, wind, and hydro power	3,4
	Request for halls and community centres focussed on the construction of new halls and community centres, which are multi-purpose in nature, in order to enhance community development through social cohesion.	3,4
	Housing requests include the request for RDP houses and houses in general.	1,2,3,4
	Upgrading or new construction of old infrastructure (water, sanitation and electricity)	1,2,3,4
	Ensuring proper lighting be placed in order to reduce crime	3,4
	Current and new establishment of sport fields - netball, rugby, hockey and soccer fields	1,2,3,4
	Ensuring all informal settlement areas be equipped with basic services	1,2,3,4
	Multi-Purpose Centre in Zoar and Calitzdorp	3
	Implementation of Advanced Waste Management Systems that reflect community values around waste minimisation.	1,4
	Recovery, re-use and recycling of waste is maximised. The volume of waste disposed to landfill is minimised. Life spans of landfill sites are extended.	1,4
KPA	REQUESTS	WARD
LOCAL ECONOMIC DEVELOPMENT	Seamless movement of people, goods, and services in and around the town	1,2,3,4
	Community must be supported with programs for self-empowerment and job creation projects for example Guest houses	1,2,3,4
	Reliable telecommunications networks provide access to learning and information opportunities in homes, schools, and workplaces.	1,2,3,4
	Business and industry embrace high-speed broadband networks to become more productive and innovative. Energy efficiency is promoted by telecommuting.	
SAFE COMMUNITIES	Communities wanted to be informed about the IDP process, to be involved in the budget process, for ward committees to be established, for the Municipality to strengthen relationships between communities and their councillors.	3,4
	Foot bridge in Zoar - Current sports field	3
	Establishment of speed cameras in all four towns	1,2,3,4
	Three way stop at the entrance of Calitzdorp	2
	Law enforcement be strengthen in all four towns	2
	Taxi rank with toilets in Calitzdorp	2
	Medical centre for Van Wyksdorp and Zoar Current medical facility in Calitzdorp be expanded Current clinic in Ladismith be expanded and a new clinic be built in central Ladismith	3,4
	Social infrastructure supports healthy lifestyles, learning opportunities, and community unity and social cohesion. Health infrastructure is readily available and meets community needs.	1,2,3,4
	Major recreational infrastructure (eg. sports stadium, cultural facilities, etc.)	1,2,3,4

KPA	REQUESTS	WARD
SAFE COMMUNITIES	Urban renewal and greening is recognised by communities and the business group as contributing to environmental and ecological sustainability, as well as supporting future residential, commercial, and industrial development	1,2,3,4
	Tree planting	3,4
	Paving of street blocks	3
	Street lighting in Zoar	
	Traffic law enforcement	
	Environmental Law enforcement	
FINANCIAL VIABILITY	Training or replacement programme for incumbent to do the municipal accounts and enquiries	1,2,3,4
	Re-look the tariffs on the current budget with zero increase	1,2,3,4
	Needs to budget for repairs and maintenance imperative	1,2,3,4
	Prevent water losses	

3.5.2 Ward Concerns and challenges

Below is the main key issues which were communicated to us at the public meetings, relevant stakeholder meetings per ward:

WARDS	CONCERNS
WARD 1	There is a shortage of proper traffic calming measure motoring and bylaws
	Sport facilities must be upgraded and maintained. Built of a new pavilion, proper ablution facilities at sport field. Netball field to be upgraded.
	Lightning at the entrance of Sakkies Baai and dark areas - High mass lights as well as on sportfield
	The need for recreational facilities for tourists and the community of Kannaland
	Promote our small business to establish tourism activities in Ward 1 - guest houses and back packers, resident routing
	Opportune the youth and informal business owners to register as a proper business and to transfer skills to others Support local businesses (Clorans Development) Tourism Indaba's Implement the Waste minimization strategy, GIP Report attended to Town planning must be looked at Training and placement
	Investigate the housing (GAP) to be finalized as per the HSP Critical shortage of housing needs to be attended to Basic needs to be established in the informal settlements.
	Paving of the internal roads of Nissenville and informal areas with storm water services as well planting trees.
	The CWP must be managed better. All the workers cannot just pick up garbage.
	Establishment of youth centre in Nissenville
	The need for proper lightning in informal areas.
	Establishment of more recreational parks in Nissenville - Identified open land
WARD 2	Paving of the Bergsig area roads
	Promoting the youth through development programmes - youth cafes
	Promote tourism in the area - Assisting the tourism offices with needs as per requested
	Helping the tourism bureau with financial support - festivals and campaigns
	Ensure that law enforcement be implemented in Calitzdorp
	The current medical facility needs to be expanded and clustered into groups (health)
	A big tourism board needs to be placed at the entrance and exit of Calitzdorp to indicate all the activities and attractions.
	Mobile medical care needs to be mobilise to rural areas (farms) more efficiently
	The DOH needs to consider to place more medical staff at the current facility.

WARDS	CONCERNS
WARD 3	There is a critical shortage of land for small farming initiatives (crops and livestock),
	The future use of under-utilized commonages and the need for an Agricultural Strategy, Allian invasive plants must be removed
	The leadership must lead responsibly, be certain that enough is being done and that development is in fact taking place, Bylaws is needed in terms of foreigners that is doing business Job creation is a critical need
	The transformation of Amalienstein farm and surrounding Zoar needs to be fast tracked
	Assets being acquired for the Ward, Wheelie bins must be provided to the community
	Strengthen the partnership with SAPS to create a more safe and clean town – Neighborhood watch needs to be placed in Zoar
	Establishing a FAS centre in Zoar Establishing educational centre Aftercare facility is a need Playparks for children is needed
	The community of Zoar needs to more technological connected – By establishing youthcafé's A Thusong centre/multipurpose centre must be erected.
	Skilling and capacitating the Youth, as opposed to the use of Consultants,
	Critical intervention is required for the Ward's cemeteries – it must be clearly indicated where the cemetery is located and road signs be placed at the entrance of the area.
	Stringent measures to curb the illegal littering and dumping were required,
	Establish a Youth and Elder Person Desk A customer care office where enquires of accounts can be dealt with must be established in Zoar
	A new Clinic with extended health services is a critical need,
	Ablution and other facilities had to be provided at the new sports field, Abandoned and vandalized buildings are a serious health and safety hazard, as are the overgrown openspaces – harbouring criminal elements and allegedly used for satanic rituals; the Municipality must obtain an order to have them demolished and overgrown areas mustbe cleared to improve safety of pedestrians,
	Recreational activities needs to be introduced Uber service is required
	Housing and water quality needs to be re-looked urgently, water purification system must be erected Replacement of asbestos roofs with tin roofs must be attended to The whole water system must be upgraded as well as the water infrastructure Water dams and sewerage dam need to be fenced Water must be managed properly Sewerage blockages must be attended to
	The water storage capacity problem needs to be attended to by building a dam (drinking and irrigation water) New reservoir needs to be build, Water agents must be appointed to repair water leakages.
	Paving of internal roads: • Protea Park – A paved circle needs to be placed at 5th avenue where it links to9th avenue • Paving of the entire Protea Park and the part of Braklaagte with the followingstreets: • Malva Street • Gousblom Avenue • Daisy Avenue • Vygie Avenue Bloekomlaan and all other roads must be paved. Speedhumps must be erected in Astersingel laan

WARDS	CONCERNS
WARD 4	Indigent support be provided to residents in Van Wyksdorp
	Infrastructure: New Sewage Works site identified outside the town to service entire Van Wyksdorp and maintenance of existing site Implement an equitable and fair Water tarrif system applicable to farm users (Farmland and town water availability fee structure as well as subdivided properties and connection rates to be investigated) Upgrade of the water infrastructure (currently a mix of any number of pipe types including asbestos and generally just a black irrigation pipe with a wired pvc joint easily abused or tampered with or damaged) is of the utmost importance, including control stopcocks to allow shut off of partial areas if there is a leak. Currently to make a new connection, or to repair a leak, the whole system must be shut down as control stopcocks have over the years leaked, or broken or rusted solid, been removed, and never replaced. A massive effort by the municipality to plot the existing infrastructure and all meters to ensure correct revenue collection needs to be undertaken, and in-line meters installed at specific locations to check that branch line usage and meters downstream of the control meter tally. This would inform the municipality of unobserved leaks or possibly illegal tapping into the simple irrigation infrastructure. Refuse: The current refuse removal costs are exorbitant although it is understood that refuse has to be trucked to Ladismith, and landfill dumps are expensive to maintain. As a paying resident, I am concerned to see the amount of refuse dumped at the Vanwyksdorp dump behind the Municipal offices by what I suspect is refuse from people in outlying areas who might NOT be being charged for refuse removal. They are thus getting a free ride at the expense of those villagers paying the exorbitant monthly removal fee. Dumping at the Municipal dump must simply be charged, and only those who pay the monthly removal charge should have it collected at their property. This would hopefully generate some funds to keep this area cleaner and tidier (and reduce the health risk associated with the current setup). Consideration should also be given (as with the sewage plant) to moving this facility out of town. Development control and Urban area: Vanwyksdorp is slowly being destroyed by the fact that there seems to be no real consideration by the municipality to the future growth of the town, a clear 'urban' boundary, and control of land use. Poor juxtaposition of building use due to lack of control has destroyed potentially beautiful residential properties which now lie abandoned opposite bottle stores etc. Subdivisions of farmland into inappropriate layouts in ad hoc areas have somehow been approved, but these new layouts and adjacent properties do not seem to be redefined as part of the town (ie into erven, they remain farm portions, presumably enjoying a lower rates base, and yet simply being cheap country estates and not bona fide farmland). An appropriate, sensible and rational overview of the town extents, the land use, and the zoning, and the extraction of the current roads from private property should be undertaken before any further inappropriate (or even appropriate) development schemes are approved. Removal of, or severe trimming of the age old, severely leaning pine trees in Boom straat.
	Construct a community hall
	Traffic signage boards to be erected
	High Mast lighting for sports fields
	Proper lighting throughout the entire town. Entrance from the R62 needs to be equipped with lighting as accidents volume is high on the road
	Entrance from the R62 up until VWD needs to be tarred Recycled plastic roads
	SDF needs to be refined as VWD has a vast area for tourism and business expansion which create job opportunities Speed limit signage Roads scrapped Solar lighting Erecting pole for solar lighting Sealing at sport fields and tree planting

	Beter service delivery A business needs survey to be conducted The clinic needs to be expanded. Need for a medical centre and a veterinary. Need for a playpark/ground for children Netball field Recycling Historic cemetery needs maintenance Municipality need to address the issue of appointing foreigners in businesses. The locals do not get the job opportunities. Job creation opportunities – by having a farm market on Saturdays, maybe once per month to start off. Hiking trials to be maintained. Sport and culture centre for adults and children
	Municipal accounts need to be re-looked and investigated and properly communicated to the community Establish a customer care account enquiry desk in Van Wyksdorp Cannot expand on property rates A business needs survey to be conducted
	Lightning in surrounded farms is inadequate as well the road conditions
	The municipality needs to do an assessment which included the owners of the land on the R62, wine vineyards etc. to consider attraction points for tourists as well enhancement of income and job opportunities
	The tourism master plan/strategy needs to be in place
	Better planning in terms of asset management, sourcing of external funding, disaster funds for water pumps and dams. No increase in property taxes.
	Roads needs to be upgraded and proper management and maintenance be put in place. High volume as well low volume needs to be identified where to pave and tarredand the trucks needs to be informed where to drive or not (via weighbridge) K53 testing facility, alarm to be installed at traffic offices
	Air quality management needs to be managed more frequently with regards to pollution
	The hiking trials: Die liggie, towerkop and waterkloof area needs to be cleaned up and properly managed
	The caravan park needs to be re-developed in a housing complex or tourist attraction and be management more strictly.
	Consider to sell or lease old buildings (In die Bos area) for the development of an automotor business
	The municipality needs to partner with the community in a clean our town campaign
	The waterkloof route needs be kept clean as well the maintenance of the "Die Liggie"hiking trial.

Generic needs for all four ward were:

- Maintenance of infrastructure and proper supervision of workers and the quality of their work had to be stepped up,
- It was suggested that the Municipality utilize the EPWP for starting a campaign throughout Kannaland – Keep our Town clean,
- Sport & Recreation Facilities could also be linked to EPWP, or applications for Lotto funding – specifically for the purpose of Youth Development,
- The EPWP and CWP should be re-launched so that the general public could have a

clearer understanding of the concept and process; these programmes should also be linked to the Integrated Waste Management of the Municipality,

- More regular meetings must be held in the Ward and communication to be improved,
- Response time to complaints required improvement; the prepaid electricity vending station issue must be resolved,
- Some public toilets in town were not being managed properly (this was problematic for pension and grant beneficiaries, who have to spend long hours on pay-days),
- Local Economic Development (LED) and Special Programmes needs to be stepped up,
- Food Security projects should be supported; land and water to be provided for this purpose,
- The Ward Development Priorities be reprioritized, with regards to Roads & Storm water, upgrading of ageing and ailing Infrastructure, and then Waste Management (including the implementation of more stringent measures to address the illegal dumping and littering).
- Steps must be taken to improve the Ward's economic participation.

These engagements certainly enlighten the importance of the ward committee members role and responsibility as well to enhance accountability to the areas they represent in their respective wards. Ward Committee members will receive comprehensive training in respect of the IDP and budget processes during an Induction Training Programme scheduled for April 2022 and Ward Committees will certainly be more equipped to make meaningful input and ensure that the priority issues of communities are reflected in the IDP and Budget are implemented and realised. A know your ward committee campaign shall also be undertaken.

3.5.3 Engagement with Business Chamber

The Kannaland IDP and Public Participation unit attended a meeting with the Ladismith Ratepayers Association on where the undermentioned catalytic projects, needs and priorities were put forward by the Ladismith Business Chamber:

Catalytic Item 1:

Water security is the number one intervention that will have long term benefits for growth & development for the next 50 years in Ladismith. Urgent implementation of the Klein Swartberg water reservoir (dam) project should commence in year one of the 5TH Generation IDP and measurable implementation goals should be attached to the IDBIPP process so that an operational reservoir are commissioned before the end of this IDP in 2027. Attaining those goals should be part of the Municipal Manager's quarterly performance assessments and reviews.

One of our members is a qualified Civil Engineer and the Ladismith Business Chamber nominate Mr. Nel Kotzé (B.ENG (Civil) (US)) to be our representative on the technical working committee of the planning and implementation workgroup.

Catalytic Item 2:

With the Fourth Industrial Revolution imminent, fast, reliable, and affordable broadband internet connections are a pre-requisite for economic growth and youth development. Fibre optic cable installation in Ladismith, both FFTH (fibre to the home) and FTTB (fibre to the business), should be implemented. Identification of a wholesale fibre partner such as Dark Fibre Africa or Openserve should be identified, and a memorandum of intent must be signed during the first year of the 5th Generation IDP. Fibre installation should commence in at least the Second Year of the IDP.

Other items under each key performance area:

KPA1: Reliable Infrastructure

- Item 1: Upgrade the electricity supply network:

1.1 Commission a qualified Electrical Engineer to assess the Ladismith Power Network and to compile a Network Distribution Upgrade Plan to be completed in a 4-year timeframe.

1.2 Upgrade the overhead electricity cables that dates from the 1970's to modern below ground cables and distribution transformers in line with current best practices and standards. (This trenching can be done in conjunction with the laying of Fibre optic cables)

1.3 Upgrade transformers for distribution.
1.4 Implement 'n standardised maintenance plan to continuously upgrade and maintain the power network.

1.5 Implement the Western Cape Provincial Government plan for small scale, grid tie, home electricity generation.

- Item 2: Upgrade the Ladismith Road Network.

2.1 Commission a qualified Civil Engineer to assess the Ladismith Road Network and to compile an upgrade and repair plan to complete road infrastructure upgrades in a 4-year timeframe.

2.2 Until completion of the Road upgrade project continue with pothole filling. Service standards should be agreed with potholes reported repaired within 48h00. Monthly assessments of the Road network should be undertaken, and potholes not reported should be identified and repaired within 7 days.

- Item 3: Repair and upgrade the Ladismith Central Business Area Pavements, street lighting and drainage.

3.1 Commission a qualified Town Planner to assess the Van Riebeeck Street, Queen Street and Church Street pavements in order to repair and upgrade the pavements, water drainage and street lighting in a style sympathetic to the Victorian Period Style of the buildings.

3.2 Redevelop the area in front of the Town Hall to make herringbone-diagonal parking available in the congested area in front of the Council Offices in Queen Street.

- Item 4: Clean up all public spaces by removing dumped refuse, broken fittings, dead trees and broken road signs.

4.1 Clean-up of Public spaces, Road sides and Public land in and around Ladismith Town should be done on a monthly basis by well supervised EPWP workers and the Municipalities own employees. Ladismith Business Chamber can assist with supervision and identification of areas to be cleaned on a monthly basis.

- Item 5: Delivery and supply of clean water of an acceptable quality complying with National Norms and Standards as well as in sufficient quantities under workable pressure.

5.1 Repair of the water collection channel (Syfer sloot en pyp) beneath the Little Swartberg

River should be completed to ensure 24h00 per day water delivery to the Town water treatment works. This must be completed in the first year of the 5th Generation IDP.

5.2 All water pipes, channels and man holes should be inspected and repaired to standard specifications in order to minimize water losses and to safeguard the water supply infrastructure.

5.3 The water reservoir known as the “Goewermentsdam” that is already enclosed with security fencing, should be locked with strict access control to prevent tragic drowning such as the recent tragic drowning in late 2021.

5.4 Water treatment should be done in accordance with National Norms and Standards with independent quality monitoring. Compliance should be part of the Municipal Manager’s quarterly performance review, and quality reports should be published monthly on the Municipal website.

KPA2: Service Delivery

- Item 1: Refuse collection and management of land fill site.

1.1 Kannaland Municipality should purchase a dedicated, build-for-purpose refuse collection truck.

1.2 Refuse collection should be planned to be done in sections of the town on a specific day and time of the week. This service should be ultra-reliable, and function even on public holidays.

1.3 Refuse sorting & recycling should be implemented at the landfill site. Opportunities for local economic development exist in recycling, and the Municipality should put out the recycling of a percentage of the refuse on a 5-year tender.

1.2 Landfill site should be operated in accordance with best practices and National regulations and quarterly reports to the community should highlight compliance or non-compliance with regulations.

- Item 2: Water treatment works.

1.1 Water Treatment Works must be upgraded in accordance with the project plan for the treatment facility that was already compiled.

5.4 Treated water must comply with National Norms and Standards, must be monitored monthly and be reported on publicly on the Municipal website. Compliance with National Norms and Standards must be part of the Municipal Manager's quarterly performance reviews.

KPA3: Safer Communities

- Item 1: Visible Traffic and Municipal Law enforcement actions.

1.1 Municipal Law enforcement patrols in Ladismith Town to enforce road traffic infringements, specifically motorists not stopping at stop streets, making U-turns illegally, driving unroadworthy vehicles, driving vehicles with expired licenses and foreign registrations that have lapsed. Be in visible attendance 4 days per week for a minimum of 4 hours per day.

- Item 2 Construction of a driver's license testing facility in Ladismith.

1.1 Construction and commissioning of a facility to test drivers for motorcycle, passenger vehicle and heavy vehicle licenses in Ladismith. Planning and construction must start during year 2 of the 5th Generation IDP and must be completed by the 4th year of the IDP – that is 2026.

KPA4 Socio-economic development

- Item 1 Funding for Tourism Bureau in Ladismith

1.1 Funding of the current Bureau should be increased and a development plan be funded to develop future tour guides, tourism operators and tourism officials.

- Item 2 Upgrading the Tourism Potential of Ladismith Town

2.1 Removal of all dead trees in town and on access roads to town during year 1 of the 5th Generation IDP.

2.2 Plant 1 000 waterwise indigenous trees in and around Ladismith, with a minimum of 200 trees to be planted each of the 5 years. The Ladismith Business Chamber can assist with expertise in this regard and green funding is available to realise this goal.

KPA5 Effective and Efficient Governance

- Item 1 Appointment of competent, qualified, experienced senior managers with clean track records.

1.1 Ensure that a competent qualified engineer with the required experience is appointed to be the Technical Director of Kannaland.

1.2 Ensure that the required qualified artisans are appointed such as qualified electricians.

1.3 Ensure that the Municipal Manager that is appointed has the required qualifications, experience, and clean track record to ensure efficient governance.

5.5 Ensure that the Financial Manager and Corporate Services Manager that is appointed has the required qualifications, experience, and clean track record to ensure efficient governance.

1.3 Ensure that an independent audit and risk committee is established in line with the Municipal Structures Act, and that they function independently.

KPA6 Efficient Workforce

- Item 1 Ensure alignment of duties, responsibilities, delegations, and functions of workforce.

1.1 Ensure that a comprehensive organogram of the workforce is drawn-up, showing the different post levels, lines of reporting, funded and un-funded posts, filled and unfilled posts, and names of persons filling each post.

1.2 Council should determine each year which posts should be funded in line with the expected budget, and the Municipal Manager should ensure that 95% of funded posts are filled with qualified, competent personnel after an objective Recruitment & Selection Process.

- Item 2 Ensure the implementation of a Performance Agreement and Evaluation Dispensation for all levels of Employees.

2.1 All employees should have Individual Performance Plans and should be evaluated at least 3 times per year against the agreed Performance Standards. Performance Plans should include key metrics such as: “Number of potholes repaired within 48h00 after reporting per quarter” or “ Number of illegal dumping reports successfully resolved per month” or “ Response time to repair water leaks or power outages” Consequence management with Disciplinary Action should be part of the Performance Plan. Global Performance evaluation ratings should be published annually. eg. Overall rating of All workers, Top level rating, MM rating, technical personnel rating etc

- Item 3: All role players should accept as principle that rates & taxes, service delivery fees and all other costs should be broadly in line with our neighbouring municipalities in order to attract investments, new business and new employers. In order to increase revenue, the Municipality should endeavour to become more efficient, to recover a larger percentage of outstanding debt from service fees, to make use of the support mechanisms available from National Government and to attract more investment into the area. The two catalytic items mentioned at the beginning can attain this.

KPA7 Financial Sustainability

- Item 1: Compile and publish a Municipal asset register
- Item 2: Ensure effective governance in the Supply Chain section with specific regards to the tender processes and the compliance thereof with the Municipal Finance Management Act.

3.5.4 Engagement with Ladismith Ratepayers Association

The Kannaland Municipality IDP and Public Participation unit held a meeting with the Ladismith Ratepayers Association on where the undermentioned concerns were raised:

- The lack of traffic law enforcement;
- The general neat and tidiness of the town;
- The need for tree planting in order to beautify the town;
- Electricity disruptions and aging infrastructure;
- Water testing compliance not being met according to SAN Code;
- The updating of the SDF;
- The need for an Infrastructure Master Plan;

3.5.5 Engagement with Van Wyksdorp Community

An IDP Stakeholder engagement was held in Van Wyksdorp with the community to involve and capacitate communities to fulfil their role in drafting the 5th generation 2022 – 2027 IDP.
The undermentioned request has been put forward:

> "A need was identified at the meeting to focus on the aesthetics of VWD. If we want to live and work in an ideal environment we need to pay attention to dilapedated houses in the centre of town. Owners of said houses should be held accountable. An attractive environment attacts visitors and potential buyers that stimulates the economy significantly. A few examples are Greyton, Graaff- Reinette, Stellenboch, Franchhoek, etc. A suggestion is that an official in the Municipality should be allocated to manage aesthetic matters and co-ordinate with Aeshetic commitees in the different towns.

3.5.6 Engagement with Calitzdorp Tourism Bureau

The IDP and Public participation unit engages with Calitzdorp Tourism on a monthly basis. Calitzdorp Tourism has requested that the undermentioned tourism development project be undertaken in order to boost tourism in the Kannaland area:

Calitzdorp Dunk your junk Clean up Project

School kids on route have nowhere to throw their rubbish and inevitably end up littering. Dunk your Junk is aimed to be used to encourage use of bins provided on specifically the school routes. We want to change the attitudes students have towards putting rubbish in the bin by gamifying the process.
The objective for the project is to empower Kannaland, by approaching the solution to the littering problem and has in a positive fun way included the cooperation of the community in order to achieve a cleaner Calitzdorp goal. Calitzdorp Tourism would like to install 6 bins as the roll out phase. 3x Dunk your junk bins, and 3x Fun bins. TOTAL initial roll out : R4412.01. (For more

information on the project, contact the Manager: IDP and PMS.

3.5.7 Engagement with Ladismith Tourism Bureau

The IDP and Public Participation unit engages with Ladismith Tourism Bureau on a monthly basis. Kannaland municipality has entered into a Memorandum of Agreement with the Ladismith Tourism Bureau on 1 July 2022. A new 2022/2023 business plan and budget proposal marked Annexure….. has been submitted for council consideration. Various developmental and marketing plans and programmes are proposed in the business plan hereto attached, marked Annexure___.

3.5.8 Engagement with Wild Creations

The IDP and Public Participation unit has engaged with Wild Creations who have propsed an art and culture project in Ladismith.

Working alongside Engedi Haven for Rural Youth in Ladismith, Western Cape, Wild Creations has identified that there are a large numbers of compromised youths in our rural community, that are both in the school system, and that have fallen out of the system which is exacerbated by a high unemployment rate and widespread substance abuse that all have a long term effects on mental health and well being. In August 2021, in conjunction with Engedi Haven for Rural Youth, Wild Creations started a Community Art Programme in Ladismith, working with at-risk children from our community and opening them to the wonderful world of art, as a way to play and express.
The art works they have created have been both individual works and collective works that created a sense of community and working together for the greater outcome. This proposal is to apply for funding to renovate and restore the Synagogue and the adjacent Recreation Centre and create Wild Creations, a Community Art and Creative Skills Development Centre, working alongside Engedi Haven for Rural Youth. The Synagogue and the Recreation Centre (both on Erf 321, Ladismith, 6655, Western Cape) have been identified for this project.

The Synagogue has been deemed unsafe by the building inspector as the one wall is pulling away from the building due to lack of maintenance, and the Recreation Centre is in a derelict state. Both buildings are currently owned by Kannaland Municipality. The Synagogue will house Wild Creations which will be both a mentoring programme and a centre that provides a safe place for the youth of Ladismith to express their creativity in a series of structured art and skills development programmes, as well as to learn creative skills that can take them on a different trajectory and for children to immerse themselves in a moment in time where they are free to express their wild creativity.

The programmes will use art as a tool for personal development and social transformation, as well as for mental health, well-being, and expression of individual ideas. These early intervention programmes will initiate creativity and provide a safe space to express and play, with an emphasis on both individual and collective craft and art projects using but not limited to recycled materials.For more information on this project, contact the Manager: IDP and PMS.

3.5.9 Engagement with Shalom Akademie

The Kannaland Municipality IDP and Public Participation unit held a meeting with Pastor Jacques Smith, Shalom Akademie. The Academy has put forward a business proposal for municipality to

(i) Set aside land for future development of two sporting fields adjacent to the existing municiapal rugby field. The municipality owns this land. The earmarked land is adjacent to Ladismith cheese factory and can be watered by run-off water from cheese factor. Hereto attached, marked Annexure is a copy of sporting business proposal. Funding is required in order to implement this plan as Kannaland Municipality only has 1 derelict rugby field which serves both rugby and soccer sporting code needs in the town of Ladismith. Also refer to sporting facility needs as depicted in Annexure attached. White block figure 2 attached

(ii) Secondly, Public benefit organization Shalom Strata under the auspices of Shalom Academy has purchased land which it intendsusing to develop it for educational purposes with the aim to build a school hostel and establish a trade school.

3.5.10 Van Wyksdorp and Zoar Tourism Bureaus

There is a need to establish two additional tourism bureaus in Zoar and Van Wyksdorp. Business plans and memorandums of agreement has already been drafted for these tourism bureaus. Funding remains a challenge and the Garden Route District Municipality is being approached to fund these additional tourism bureaus.

3.6 LADISMITH MUNICIPALITY THUSONG CENTRE

The IDP and Public Participation unit has engaged with the Manager of the Ladismith Thusong Centre on 23 March 2022. The Ladismith Thusong Centre was built during 2015 and officially opened by the Minister Environmental Affairs and Development Planning, A Bredell. The Thusong Centre currently is managed by Mr Cornil Hendricks and he is assisted by CWP who

assist with sanitizing the public and check in. Services are rendered by the Department of Home Affairs (Mondays); Permanent services are rendered daily by Cape Access, Office of the Premier where the community can print, utilize computers for research. This service is most welcome in order to assist the youth and all of Kannaland residents with their need to find work. Other permanent attendents include SASSA for application for social grants and Department of Social Development also assists the community daily.

Thusong Centres can really make a huge contribution to business start-up projects, serve as creative meeting spaces, become financially viable and become a multi service innovation hub for young entrepreneurs to engage and network with surrounding support close by. The IDP unit shall spend some time working on creating a new vision for Thusong Centres over the next 5 years to move towards opportunity driven communication business hubs.

3.6.1 Thusong Needs and priorities

(1) There is space for an extension to the existing building and a need is identified for additional office space and a conference room for the Thusong Centre specifically. Cape Access further requires additional space in the building and funding needs to be allocated by the WCPG Office of the Premier. A costing needs to be done.

(2) A need exists for a satellite Thusong Centre in Calitzdorp. The old adcisory office has already been identified and earmarked for this satellite Thusong Centre in Calitzdorp. The buidling needs to be maintained.

3.7 HESSEQUA KHOI SAN

The IDP unit has engaged extensively with both the recognized Hessequa and Ataqua Khoi San Leaders in Kannaland.

The requests put forward by the Hessequa Khoi San include the following:

1.Groente tuine - Inwoners word geleer hoe om groente tuine by hul huise te maak.
2. Rieldans - Bied blootstelling aan kinders om op 'n gesonde manier aan rieldanskompetisies deel te neem en op die manier daardie kultuur lewend te
hou.
3.Danskompetisies. - Soos hiphop en moderne Danse om meer jongmense te betrek en om 'n platform te sleep waar jongmense hulleself Kan uitleef.
4.Dramagroepe - Om ook daardie deel van die gemeenskap te bereik wat 'n liefde het vir toneelspeel.
5. Landbou opleiding. - Opleiding in groente verbouing asook om met diere soos varke,, skape en hoenders te boer.
6. Sekuriteitsopleiding - Met die doel om mense te bemagtig om hulle instaat te stel om 'n werk te bekom.
Hoop u vind dit in orde.
Groete

The requests put forward by the Ataqua Khoi San include the following:

1. Promoting tourism and home stays in Zoar and Amalienstein
2. Rapid release and transfer of land for agricultural development and production of local produce
3. Gardens for food security
4. Water security and storage facilities
5. Establishing a market for fresh produce in Zoar
6. Containers for a padstal and tourist information centre
7. Establish a tourism bureau in the Zoar Amalienstein area.

3.8 WARD COMMITTEE ELECTED 2022 – 2027

The undermentioned ward committee members will serve for the period 2022 – 2027:

Ward 1 Ladismith: Nissenville	Ward 2: Calitzdorp
David Opperman	Emelene Hess
Jan Cederas	Fransiena Quantini
Henry Moses	Jeneke Botha
Johan September	Hanna Karelse
Abriel Afrikaner	Eva Kiewiets
Caroline Mgangane	Bettie Mcolillon
Rachel Januarie	Quinta Valentyn
Melanie Ayslie	Jacobus Meiring
Surina Jafta	Sophia Roman
Philip Rademeyer	Gert Uithaler
Ward 3: Zoar	**Ward 4: Ladismith / Van Wyksdorp**
Mr. Tsodinyane Jacob Nkokou	Mr. Martin Hendricks
Mr. Cedric Johannes	Mr Andrew Jafta
Mrs. Euphema Julius	Mrs Dorothea Van Rooyen
Ms Zaylene Daniels	Mrs Nerina Lochner
Mrs. Marnelle Arnoldus	Mrs Esmerelda Van Staden
Mrs. Berissa Daniels	Mr Japaulus Cloete
Ms. Chanell Arendse	Mr Percival Appollis
Mrs. Aletta Joon	Mr. Dirk Maree
Mr. John November	Mr. George Laubscher
Mrs. Sherilene Prins	Vacant

TABLE : WARD COMMITTEE MEMBERS

3.5.5 Engagement with Ladismith Kleinboere Vereeniging

On 31 January 2022, a meeting of the LKBV was held at Towerkop Laerskool where the Manager: IDP and PMS engaged with the Small Farmers and conducted a situational Analysis, identifying the needs, livestock headcount, challenges and status quo of farming in Ladismith.

No.	Name of Farmer	Farm Location	Description of livestock	Future growth	Present/Future Needs
1.	Edward Liebenberg	Kannaland grond. Agter Lactalis.	15 varke	30 varke – 31/12/22	Kos/water/containers/bou van varkhokke en goeie omheining/10 Ha.
2.	Jacques Rothman	Kannaland grond.Agter Lactalis	20 varke/3 skape	100 varke-31/12/22	Kos/water/containers/bou van varkhokke en goeie omheining/10 Ha.
3.	Deslin Grispe	Kannaland vullisterrein	8 varke	40 varke-31/12/22	Kos/water/containers/bou van varkhokke en goeie omheining/5 Ha.
4.	Julian Simon	Redlands	3 skape	9 skape-31/12/22	Kos/water/containers/goeie geboude voerkrale/2 Ha
5.	Willem Joubert	Kannaland grond.Agter Lactalis	15 varke	50 varke/pluimvee-31/12/22	Kos/water/containers /goeie hoenderhokke/5 Ha
6.	Willem Roodtman	Kannaland grond.Agter Lactalis	12 varke/1Beeskoei	50 varke/3 beeste-31/12/22	Kos/water/containers/goeie geboude varkhokke en voerkraal/5Ha
7.	Jacques Ayslie	Kannaland grond	45 varke/5 skape	150 varke/12 skape-31/12/22	Kos/water/containers/goeie geboude varkhokke en voerkrale/watertenke/5 Ha
8.	Johannes Jelander	Vullisterrein	19varke	20varke/31/12/22	Kos/water/containers/goeie geboude varkhokke en watertenke/5Ha

3.5.5 Engagement with Ladismith Kleinboere Vereeniging

On 31 January 2022, a meeting of the LKBV was held at Towerkop Laerskool where the Manager: IDP and PMS engaged with the Small Farmers and conducted a situational Analysis, identifying the needs, livestock headcount, challenges and status quo of farming in Ladismith.

No.	Name of Farmer	Farm Location	Description of livestock	Future growth	Present/Future Needs
9	George De Waal	Kannaland grond	9varke/4 beeste	30 varke/31/12/22	Kos/water/containers/goeie geboude varkhokke en voerkrale/5Ha
10	Jan Jumaar	Vullisterrein	15 varke	3Soe/35-31/12/22	Kos/water/containers/goeie geboude varkhokke/5Ha
11	John Adams	Kannaland grond	6 varke/ander sort pluimvee	15 varke/31/12/22	Kos/water/containers/goeie geboude varkhokke/5Ha
12	Freek Nuwegeld	Vullisterrein	12 varke/2 beeste	40 varke/31/12/22	Kos/water/containers/ goeie geboude varkhokke/5Ha
13	Niklaas Markus	Vullisterrein	4 varke	1 sog/20 varke/31/12/22	Kos/water/containers/goeie geboude varkhokke/5 Ha
14	Kiewiet Januarie	Kannaland grond	13 varke	30 varke/31/12/22	Kos/water/containers/goeie geboude varkhokke/5Ha
15	Granwill Wagenaar	Nuwe beginner	Geen	Beplan goed vir toekoms	Benodig alles wat n boer benodig vir boerdery
16	Patrick Hendricks	Kannaland grond	14 varke/4 bokke 4 beeste	Teen 31/12/22/ wil ek goeie klompie gemengde boerdery he	Kos/watertenke/goeie geboude varkhokke/goeie geboude voerkrale en goeie hokke vir pluimvee benodig sowat 24Ha grond/containers
17	Dawid Bothman	Vullisterrein	20 varke/15 Hoenders	40 varke/31/12/22	Kops/water/containers/goeie geboude varkhokke/10Ha
18	John Frieslaar	Nuwe beginner	Geen	Beplan goed vir toekoms	Benodig alles wat n boer benodig vir boerdery

3.5.5 Engagement with Ladismith Kleinboere Vereeniging

On 31 January 2022, a meeting of the LKBV was held at Towerkop Laerskool where the Manager: IDP and PMS engaged with the Small Farmers and conducted a situational Analysis, identifying the needs, livestock headcount, challenges and status quo of farming in Ladismith.

No.	Name of Farmer	Farm Location	Description of livestock	Future growth	Present/Future Needs
19	Johannes Daniels	Kannaland grond	50 varke/4 beeste	115 varke/31/12/22	Kos/water/containers/goeie geboude varkhokke/voerkrale/10Ha
20	Florina Speelman	Nuwe bneginner	10 vark soe /1 varkbeer/skape50 ooie/2 ramme	70 varke/31/12/22/30skape/31/12/22	Kos/water/containers/goeie geboude varkhokke/voerkrale/10Ha
21.	Eric Daniels	Kannaland Municipal land	4 skape; 8 varke	31 varke by 31/12/22	Kos/water/containers/goeie geboude varkhokke/voerkrale/5Ha

NOTE:

A meeting was held with the WCPD Department of Agriculture on 25 March 2022 where funding applications shall open during April 2022. Farmers are requested to apply individually for support.

Chapter 4: Governance and Institutional Structures

4.1 POLITICAL STRUCTURE

Kannaland Municipal Council held its Inaugural Meeting on 16 November 2021 in accordance with section 29(2) of the Municipal Structures Act, 117 of 1998. The first meeting was presided by the Acting Municipal Manager. Kannaland Municipal Council was one of 16 Municipalities with a hung council where there was no outright majority. As a result of a coalition partnership between the ANC and ICOSA, the Council was able to elect its political office bearers. Due to Kannaland Municipality comprising of 7 councillors, it's Executive Mayor is not permitted in terms of section 60 of the Municipal Structures Act, 117 of 1998 to appoint a Mayoral Committee. On 19 January 2022 there were motions of no confidence against the Executive Mayor and the Deputy-Executive Mayor and both incumbents were removed by the majority of Councillors with new Political Office Bearers elected in these positions. The Municipal Council furthermore elected a new Speaker on 19 January 2022. The Municipality has accordingly established its Municipal Public Accounts Committee (MPAC)as required in terms of the amended Municipal Structures Act on 28 January 2022, consisting of three members, with the election of its chairperson. The Municipal Council comprises of four political parties namely:

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

4.1.1 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.

4.1.2 Executive Mayor

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

- 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 taken into account or revised for the purposes of the budget.

4.1.3 Ward Committees

The role of the Ward Committees with respect to the IDP is to –

- 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.

4.1.4 Political Parties

The political oversight role resides within the Municipal Council. In terms of the Sections 79 and 80 of the Municipal Structure Act (Act 117 of 1998). The Municipal Council comprises of four political parties namely:

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

4.1.5 Councilors

Council consist of 7 councillors:

- Executive Mayor
- Deputy Mayor
- Speaker
- Ward Councillors (4)

		Position	Party	Wards
	EXECUTVE MAYOR Councillor Nicolaas Valentyn	PR Councillor	ANC	Ward 2:
	SPEAKER Councillor Rodge Albertus	PR Councillor	KIP	Ward 4

	DEPUTY MAYOR Councillor: Leonie Stuurman	PR Councillor	ANC	Ward
	Councillor: Alletta Steenkamp	Ward Councillor	DA	Ward 4
	Councillor Hyrin Ruiters	Ward Councillor	ICOSA	Ward 3
	Councillor Werner Meshoa	Ward Councillor	ICOSA	Ward 2
	Councillor Jeffrey Donson	Ward Councillor	ICOSA	Ward 1

Table 14 Councillors

4.1.6 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.

4.1.7 Oversight Structures

4.1.7.1 Municipal Public Accounts Committee (MPAC)

The committee was established in May 2015 (27th of May 2015) which replaced the Oversight Committee. 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 interests forms are completed by Councillors and relevant municipal staff (Section 54 – read with item 7 of schedule 1)

Name	Position
A Steenkamp	Chairperson
H Ruiters	Councillor
R Albertus	Speaker/Councillor

TABLE 15: MPAC

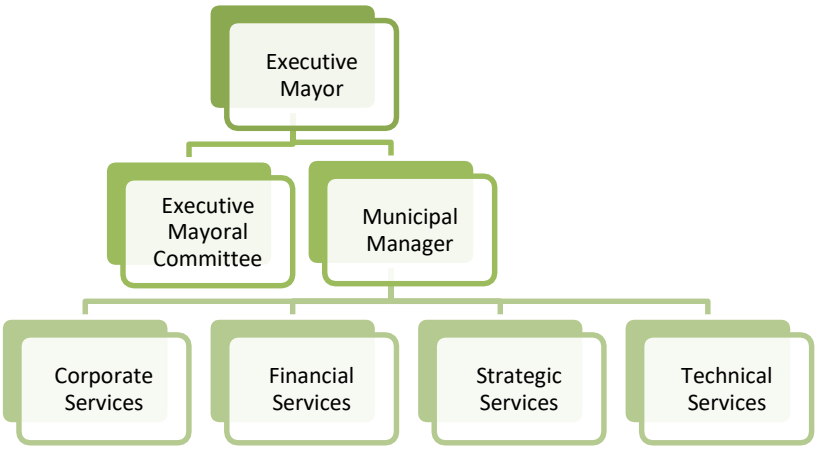
4.1.7.2 Audit and Performance Committee

It should be noted that this committee still needs to be established. The Internal Auditor has advertised for positions during 2021. Council is in the process of appointing an Audit and Performance Committee. Once established, the committee should be capacitated on fulfilling their role and function, resourced, become more powerful and taken seriously.

The Internal Auditor shall communicate the results of the quality assurance improvement programme (quality assurance review) to senior management and the audit committee. The results of the quality assurance improvement programme include corrective action plans and progress on completion.

The Council must appoint an audit committee, consisting of at least three members with appropriate experience and that meets as often as required to perform its functions, but at least four times a year.

Internal audit's core role in relation to ERM is to provide assurance on the effectiveness of risk management. The role of internal audit in championing ERM should reduce as risk management becomes more embedded in the operations of the municipality.



Proposed Organizational Top Layer Staff Structure 2022

4.2 COUNCIL PRIORITIES

Tools of the trade become an imperative with Covid-19 placing restrictions on face-to-face gatherings and the need to engage on virtual platforms.

The newly elected Council will adopt a reviewed System of Delegations. The Municipality may approach the Department of Local Government regarding capacitation of its Councillors in relevant areas of Roles and Responsibilities, Code of Conduct for Councillors, Roles and Function of MPAC, Ethics and Anti-Corruption.

As a result of the recent LG Elections and there being newly elected Councillors, it is strongly recommended that the Councillors be capacitated in their role and functions; therefore Councillors will attend the SALGA Induction, Accredited Training to be co-ordinated by the Department and approach the Department for capacitation in focussed areas, including inter alia, functions and roles of members and the terms of reference of MPACs, Implementation of the Rules of Order, Legislative Framework on the Appointment of Senior Managers, AntiCorruption and Ethics, Code of Conduct for Councillors, Disciplinary procedures for Senior Managers in terms of the Regulations.

Council will consult with the Department of Local Government, so as to Review its Rules of Order and adopt the Draft Standard Rules of Order for meetings of Council and Committees, as was circulated. The Department will assist the Municipality in Reviewing the Draft Standard Rules of Order, in order to adapt same based on consultations with the Municipality. The Department may be contacted in order that it may support the Municipality in the functionality of a MPAC and capacitation of its Committee Members.

4.3 ADMINISTRATIVE STRUCTURE

The Municipality has three Senior Manager posts, namely the Municipal Manager, Executive Manager: Community and Infrastructure Services and Executive Manager: Financial Services (CFO). Council resolved to appoint Mr Ian Avontuur to act in the post of Municipal Manager. The Administrative structure still needs to be reviewed, job descriptions drafted and evaluated and staff placed in the correct job at the correct level.

The Municipality should expedite the finalisation of Disciplinary Processes and should adhere to the provisions of the Disciplinary Regulations for Senior Managers, GN.R 344, published in GG 34213 dated 21 April 2011. Any appointment of Senior Manager should be reported to the MEC for Local Government in terms of the Regulations on Appointment and Conditions of Employment of Senior Managers, GN.R 21, published in GG 37245, dated 17 January 2014.

The Municipality may contact the Department of Local Government in providing assistance with the

Review of their System of Delegations. In terms of section 59(2)(f) of the Municipal Systems Act, 32 of 2000, the system of delegations must be reviewed when a new council is elected. The Municipality may also contact the Department of Local Government, as the Department can capacitate the Councillors on the provisions and prescripts of the Regulations on Appointment and Conditions of Employment of Senior Managers, GN.R 21, published in GG 37245, dated 17 January 2014 (Appointment Regulations), together with the provisions of the Municipal Regulations on Minimum Competency Levels, GNR 493, GG 29967 dated 15 June 2007, as amended by GN 1146, published in GG 41996 dated 26 October 2018.

Currently and after the resignation of Ms Chrizelda Claasen as CFO, Kannaland appointed Mr Pumezo Mngeni to act in the position of CFO up to 31 March 2022.

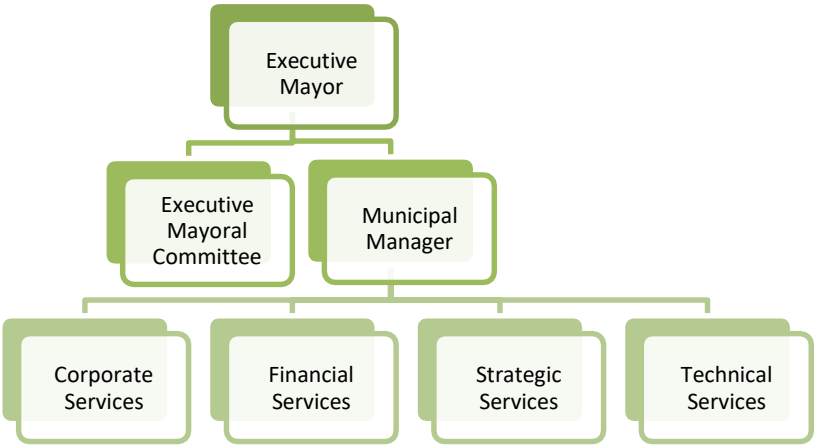


FIGURE 26: TOP STRUCTURE ORGANOGRAM

Budgeted/Funded and unfunded posts – to be finalized with the Final IDP

Critical vacancies – to be finalized with the Final IDP

MUNICIPAL MANAGER

INSERT PHOTO

Acting Municipal Manager – Advocate Henricho Constable

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 for 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.

MACRO ADMINISTRATION STRUCTURE – TOP MANAGEMENT TEAM

INSERT PHOTO

Executive Manager: Financial Services – Roland Butler

INSERT PHOTO

Executive Manager: Corporate/Community Services

Mr Hendrik Barnard

INSERT PHOTO

Executive Manager: Technical/Infrastructure Services

Vacant

Senior Manager: Strategic Services

Vacant

INSERT PHOTO

Senior Management

Office of the Municipal Manager Mr I Avontuur - Municipal Manager (Acting)	
Office of the Municipal Manager	Ms C Domingo - IDP, IGR; Tourism, LED, Communication, Public Participation and Performance Management
Office of the Municipal Manager	Mr Peter George - Communication
Office of the Municipal Manager	Mrs Jessica Fuller - LED and Performance Management
Office of the Municipal Manager	Mrs Berenice Breda - Public Participation
Office of the Municipal Manager	Mr G Breda- Manager: Risk, Legal and Compliance
Office of the Municipal Manager	Mr R Fortuin - Manager: IT
Office of the Municipal Manager	Mr E Kleinbooi - Internal Auditor
Office of the Municipal Manager	Mrs W Viljoen - Office Manager
Strategic Services	Vacant - Senior Manager: Strategic Services
Corporate Services	Mr H B Barnard - Executive Manager: Corporate Services
Corporate Services	Mrs Johanalie Andrews - Human Resources
Corporate Services	Mr C Hendricks - Manager: Thusong Centre
Corporate Services	Mr H Constable - Manager: Administration
Corporate Services	Mr A Fortuin - Senior Officer: Housing
Corporate Services	Mrs E Jeftha - Records Manager
Corporate Services	Mr R De Jongh: Human Resource Management
Community Services	Mrs Marusda Van Heerden - libraries
Community Services	Mr R Timmie - Manager: Community Services
Community Services	Mr Mark Rensburg - Building Control
Community Services	Mr Eric Schutte - Town Planning
Technical Services	Mr N Paskwali - Manager: Civil Engineering
Technical Services	Mrs D Koert - Manager: Project Management Unit
Technical Services	Mrs C Oosthuizen: EPWP
Technical Services	Vacant - Manager: Electrical and Mechanical Services
Finance	Mr R Butler Chief Financial Officer
Finance	Mr P Mngeni - Manager: Budget and Treasury Office
Finance	Mrs C Claassen - Accountant: Budget and Treasury Office

TABLE 16: SENIOR MANAGEMENT

4.3 INSTITUTIONAL TRANSFORMATION PLAN

Kannaland Municipality shall develop an Institutional Transformation Plan and Human Resources Strategy to drive the fifth generation 2022-2027 Integrated Development Plan. The Key Performance area shall remain the same namely Efficient and Capable Workforce and the objective hereunder shall focus on implementing the following projects:

Objective:
provide an efficient workforce by aligning our institutional arrangements to our overall human resources strategy.

PROJECTS

Human Resources (Update)

The municipality consists of 243 employees, of which 3 are Section 57 employees, 120 permanent, 122 contract employees and 1 intern. The staff component is the biggest single budget item and hence the development, motivation and utilization of staff are a high priority.

Institutional Transformation Programme

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

Organisational Structure Project

A functional and structural organisational review is underway to ensure that the organogram is aligned to the 2022 – 2027 Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) which is efficient, affordable and sustainable.

Staffing Project

Once a sustainable organizational structure has been developed and all posts have been evaluated, the Municipality will embark on the review and placement of staff. Critical and funded vacancies will be filled. This will be concluded by 30 June 2022.

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.

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 will do this inhouse. SALGA support will continue in this project.

Objective:
To enable education and skills development to equip people with economic skills

PROJECTS

Employee Improvement Programme:

The municipality received funding from the Department of Local Government to develop a Human Resource Strategy that will influence the operations of current policies and possibly the compilationof new policies. The new strategy will also assist the municipality amongst other with the most effective placement of employees.

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;
- Minimum Competency
- 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; A number of critical areas that management needs to address to ensure optimal service delivery have been identified and these areas must be strongly attended to in future:
- Improve staff morale
- Improve skills levels and qualifications
- Clarify roles and responsibilities through a functional organizational structure and well written job descriptions (middle management and supervisors)
- Implement consequence management
- Install an automated PMS for cascading PM to departmental level

Workplace Skills Development Project (WSP)

The municipality finalised the Work Place Skills Plan (WSP) by 30 April 2022 of which the main objective is to ensure that there is staff development through training interventions for all levels of staff. The municipality is committed to ensure that all staff are 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. This process will be rolled out over the first three years of the five year plan.

Kannaland Municipality is assisted by the Garden Route District through the Skills Mecca for training community subject to SETA funding.

4.4 COMMITTEE SERVICES

This section is a support function to Council and all internal committees and is situated in the Department of Corporate Services. The agendas and minutes of all Council meetings are compiled within this section; it is a challenge to fulfil this function to adhere to the Bylaw on Municipal Council's Rules of Order for Internal Arrangements. Training in report writing and taking of minutes is needed for the staff to deliver an excellent service for the Council, Mayco and the Committees.

4.5 CONCLUSION

The instability of political and administrative positions continues to be a challenge for Kannaland local municipality. The on-going instability with key positions hinders a culture of good governance to be developed, which contributes to policy documents, strategies and action plans not being developed, implemented or monitored to address all the prior year audit findings and previously reported internal control deficiencies.

Chapter 5: Situational analysis (2021 Socio-economic profile)

Kannaland: At a Glance

Demographics — Population Estimates, 2021; Estimated Households 2020

Population	Households
20 079	7 094

Education — 2020

Matric Pass Rate	79.1%
Learner-retention Rate	54.8%
Learner-Teacher Ratio	31.0

Poverty — 2020

Gini Coefficient	0.59
Human Development Index	0.76

Health — 2020

Primary Health Care Facilities	Immunisation Rate	Maternal Mortality Ratio (per 100 000 live births)	Teenage Pregnancies - Delivery rate to women U/18
4	105.3%	0	13.2%

Safety and Security — Actual number of reported cases in 2020/21

Residential Burglaries	DUI	Drug-related Crimes	Murder	Sexual Offences
154	47	323	6	42

Access to Basic Service Delivery — Percentage of households with access to basic services, 2020

Water	Refuse Removal	Electricity	Sanitation	Housing
94.2%	66.7%	89.6%	73.4%	96.4%

Road Safety — 2020/21

Fatal Crashes	3
Road User Fatalities	4

Labour — 2020

Unemployment Rate (narrow definition): 8.7%

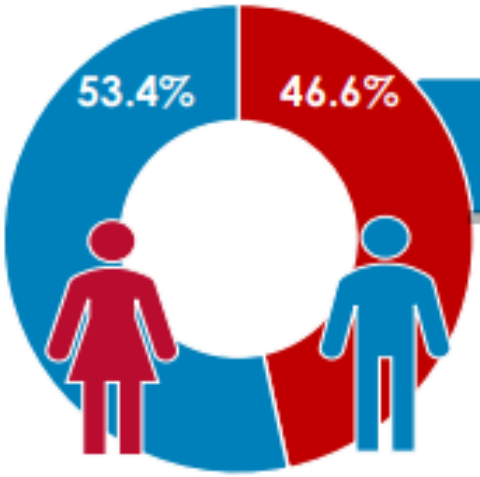
Socio-economic Risks

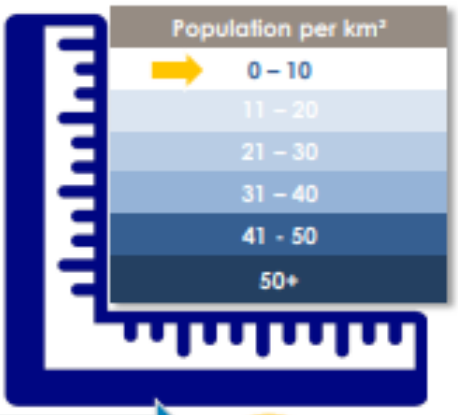
Risk 1	Reduced population
Risk 2	Poverty
Risk 3	Access to basic services

Largest 3 Sectors — Contribution to GDP, 2019

Finance, insurance, real estate and business services	Wholesale & retail trade, catering and accommodation	Manufacturing
18.0%	17.1%	13.7%

Kannaland DEMOGRAPHICS





Number of males per 100 females

	2021	2022	2023	2024	2025
Garden Route	**91.6**	**92.2**	**92.4**	**92.5**	**92.7**
Kannaland	87.2	87.4	87.3	87.2	87.1
Hessequa	88.4	88.8	88.8	88.8	88.8
Mossel Bay	90.4	90.8	90.7	90.7	90.6
George	93.2	93.8	94.1	94.3	94.5
Oudtshoorn	88.2	88.7	88.8	89.0	89.1
Bitou	95.4	96.1	96.4	96.6	96.9
Knysna	93.1	93.7	93.8	94.0	94.1

2021 — 21 964 Current Population

20 079 Estimated Population — 2025

Household size

2021	4.2
2022	4.2
2023	4.2
2024	4.2
2025	4.2

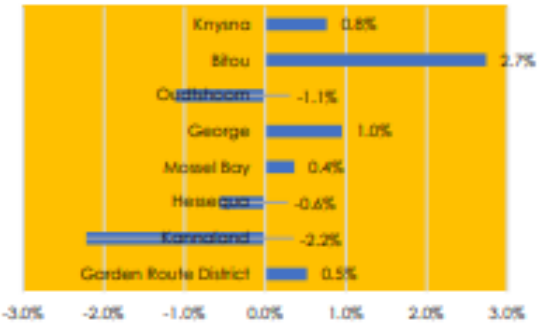
Population growth

	2021	2022	2023	2024	2025
Kannaland	**-1.8**	**-2.3**	**-2.1**	**-2.2**	**-2.2**
Garden Route	0.6	0.5	0.5	0.5	0.5
Western Cape	1.4	1.4	1.4	1.4	1.4

Age cohorts

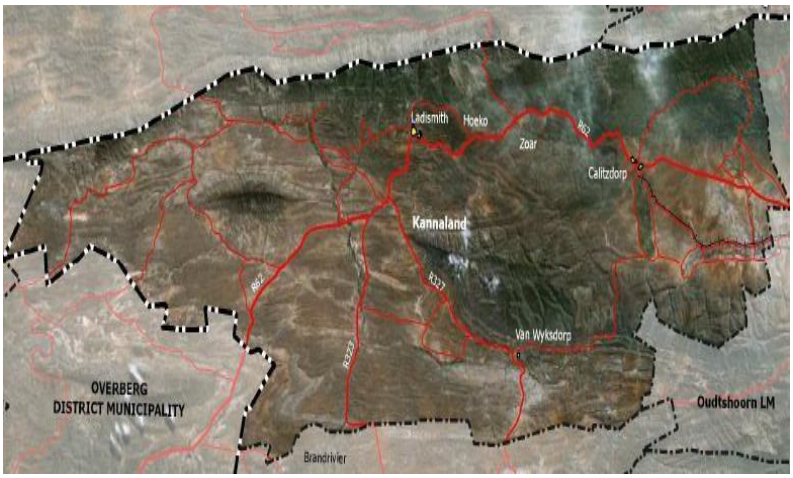
	Children: 0-14 Years	Working Age: 15-65 Years	Aged 65+ Years	Dependency Ratio
2021	6 389	13 801	1 775	59.2
2023	6 098	13 252	1 650	58.5
2025	5 897	12 655	1 527	58.7
	-2.0%	-2.1%	-3.7%	

Population growth 2021 – 2025



5.1 SOCIO-ECONOMIC PROFILE WCPG (PT) 2021

5.1.1 Contextual analysis



Kannaland Local Municipality is a Category B Municipality situated in the Western Cape Province, 325 kilometres from Cape Town. The municipality covers an area of 4, 758 square kilometres in the Little Karoo, stretching from the Swartberg in the north to the Langeberg in the south, and from the Anysberg in the west to the Gamkaberg in the east. It is drained by the Groot River and the Gourits River. It borders on the Kannaland and Prince Albert municipalities to the north, the Oudtshoorn Municipality to the east, the Hessequa Municipality to the south and the Swellendam and Langeberg Municipalities to the west.

According to the 2021 Socio-Economic analysis of the municipality has a population of 21 964 people in 7, 094 households. The 2011 Census reported that 84.6 per cent describe themselves as "Coloured", 9.9 per cent as "White", and 4.7 per cent as "Black African". The first language of 95.4per cent of the population is Afrikaans, while 2.5 per cent speak English.

The largest town and also the location of the municipal headquarters is Ladismith, which as of 2011 has a population of 7, 127. Ladismith is at the foot of the Swartberg Mountains, as is Zoar (population 4, 659) and Calitzdorp (population 4, 284) to the east. Vanwyksdorp (population 833) is further south in the valley of the Groot River.

The Kannaland Local Municipality is situated within the Garden Route District Municipality which lies in the Western Cape Province. The main urban areas within the Kannaland Municipality are:

Ladismith: The town is the main urban centre of the municipality. The town serves as an agricultural service centre for the surrounding agricultural areas. Ladismith Cheese and Parmalat, two diary factories, are amongst the most prominent industries in the town. The town is located below the Swartberg Mountains in the central Northern parts of the Kannaland Municipality along the R62.

Calitzdorp is an agricultural service centre serving the needs of the surrounding agricultural areas. The town is known as the "Port wine capital" of South Africa. Tourism plays a significant role mainly due to the town's location on the R62 tourism route. The town is located in the central eastern parts of the municipality.

Zoar, originally a mission station, is a dispersed rural settlement. The town is located between Ladismith and Calitzdorp on the R62. Large sections of land are proclaimed in terms of The Rural Areas Act (Act 9 of 1987) and have remained undeveloped. Amalienstein forms part of Zoar and was established as a Lutheran Mission Station. Development here comprises of a restored church building, historical graveyard and farm buildings.

Van Wyksdorp is a small and isolated rural village situated along the R327 in the south of the Kannaland Municipality. The town is popular among residents for its rural character.

Hoeko: Hoeko is situated approximately 15km east of Ladismith and is a rural settlement. CJ Langenhoven, a famous South Africa writer, most famous for composing the South African Anthem "Die Stem", was born here in 1873. The town has some tourism significance (i.e. a water monument) and is known for the production of apricots.

5.1.2 Population

The population of Kannaland consists of 21 964 people in 2021, making it the least populated municipal area in the Garden Route District (GRD). This total is expected to decrease further to 20 079 by 2025, equating to an average annual growth rate of -2.2 per cent. The declining population is largely as a result of declines in the number of working aged people and is a sign of out migration for work opportunities. While a declining population reduces strain on municipal resources, losing workers and reducing demand can have a negative impact on the economy.

5.1.3 Sex Ratio

The overall sex ratio depicts the number of males per 100 females in the population. The data indicates that there are more females than males in the Kannaland municipal area with a ratio of 53.5 per cent (females) to 46.6 per cent (males). The number of males per 100 females for Kannaland decreases slightly year-on-year towards 2025 which could be attributed to a wide range of factors such as an increase in male mortality rates, an outflow of males of working age or an inflow of females to the municipal area.

5.1.4 Age Cohorts

Between 2021 and 2025, the largest decline in the population occurred within the +65 aged cohort which declined at an annual average rate of 3.7 per cent, compared to a decline of 2.0 per cent in the children and 2.1 per cent in the working aged population. With the decline in the aged and child population, the dependency ratio is expected to drop towards 2025. Note however that at 59.2 per cent in 2021, Kannaland still has the second highest dependency ratio in the District.

5.1.5 Household sizes

Household size refers to the number of people per household. The average size of households are expected to remain constant at 4.2 people per household from 2021 to 2025. Kannaland has the second largest average household size in the Western Cape.

5.1.6 Population density

Amidst rapid urbanisation across the Western Cape, population density figures will aid public sector decision makers in mitigating environmental, individual health and service delivery risks. In 2021, the population density of the Kannaland municipal area was only 5 persons per square kilometre.

In order of lowest to highest, the various local municipal areas in the GRD compare as follows:

- **Kannaland 5 people/km^2**
- Hessequa 9 people/km^2
- Oudtshoorn 26 people/km^2
- George 43 people/km2
- Mossel Bay 48 people/km2
- Knysna 68 people/km2
- Bitou 70 people/km2

EDUCATION

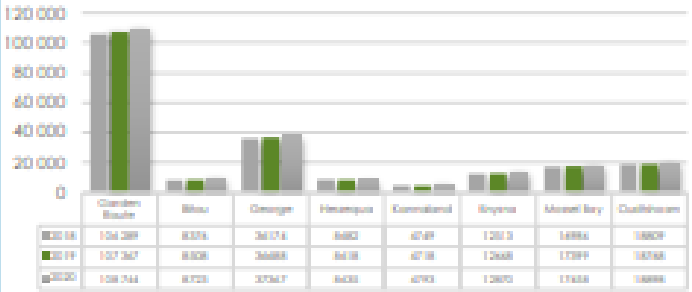
Educational facilities

14 Number of schools

13 Number of no-fee schools

5 Number of schools with libraries

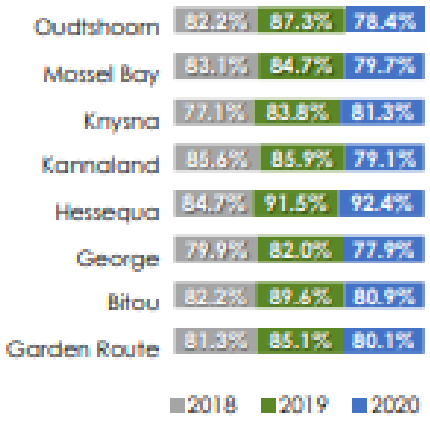
Learner enrolment



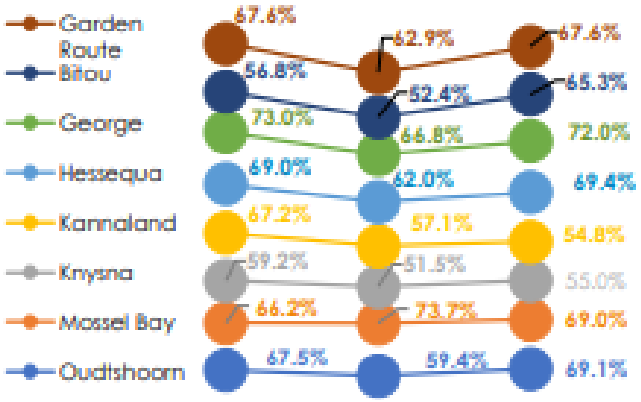
Learner-Teacher Ratio 2018 - 2020

Garden Route	30.1	30.2	30.1
Bitou	32.2	32.4	32.3
George	29.9	29.7	30.0
Hessequa	28.7	28.9	29.1
Kannaland	31.5	31.7	31.0
Knysna	30.0	30.3	30.1
Mossel Bay	30.2	30.9	30.2
Oudtshoorn	30.0	29.7	29.6

Education outcomes



Learner retention



5.2 EDUCATION

5.2.1 Learner enrolment, the learner-teacher ratio and learner retention rate

Learner enrolment in Kannaland increased by 0.5 per cent annually from 4 749 in 2018 to 4 793 in 2020. This annual average increase is significantly lower than the District annual average growth rate of 1.1 per cent. The learner teacher ratio is the second highest in the District at 31.0 in 2020, decreasing from 31.5 in 2018. Learner retention is a challenge in Kannaland. The learner retention rate is on a downward trend, declining significantly from 67.2 per cent in 2018 to 54.8 per cent in 2020.

5.2.2 Number of schools

In 2020, Kannaland had a total of 14 public ordinary schools. Despite the large number of schools (for the small number of learners enrolled) the limited amount of teachers still contributed to the relatively high learner teacher ratio when compared to the other municipalities in the District.

5.2.3 Number of no-fee schools

In an effort to alleviate some of the funding challenges the Western Cape Department of Education (WCED) offered certain fee-paying schools an opportunity to become no-fee schools. The proportion of no-fee schools are high in Kannaland as 13 of the 14 public schools are registered as no-fee schools with the Department of Education.

5.2.4 Schools with libraries and media centres

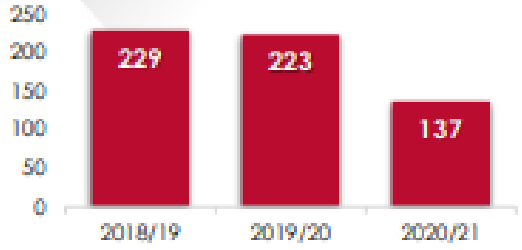
Schools with libraries and media centres have increased from 3 in 2017 to 5 in 2020. The low proportion of schools with these facilities might have an impact on the overall quality of education in the municipal area.

5.2.5 Education Outcomes (Matric Pass Rates)

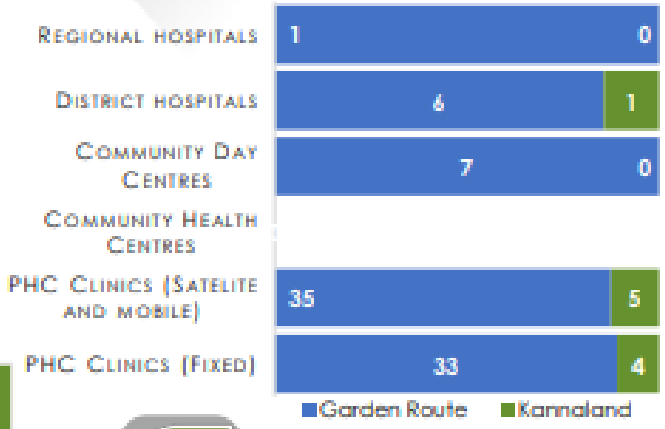
Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagement in the labour market, policy choices and decisions in the sphere of education play a critical role in determining the extent to which future economic and poverty reduction plans can be realised. Kannaland's matric outcomes are slightly lower than the District average and it is on a downward trend, from 85.6 per cent in 2018 to 79.1 per cent in 2020.

HEALTH

Tuberculosis



Healthcare facilities



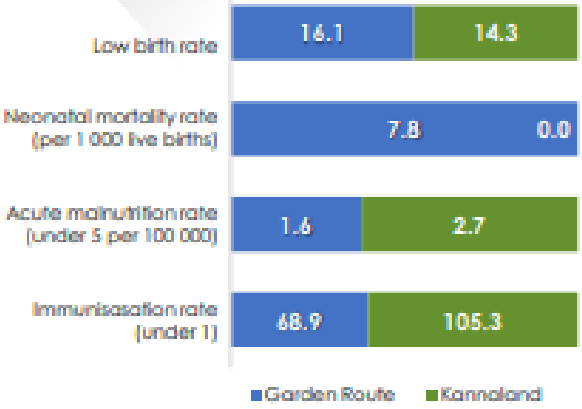
Maternal health

	Maternal Mortality Rate		Delivery rate to women under 20 years		Termination of pregnancy rate	
	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Kannaland	0.0	0.0	12.1	13.2	0.0	0.0
Garden Route District	33.4	121.5	15.6	14.7	0.6	0.5

Emergency medical services

Health Indicator	Kannaland	Garden Route
EMS Operational Ambulances	4	28
No of operational ambulances per 10 000 people	1	2

Child health



HIV/AIDS

Area	Total Registered patients receiving ART		Number of new ART patients	
	2019/20	2020/21	2019/20	2020/21
Kannaland	712	726	78	50
Garden Route	25 738	26 996	2 576	2 068

5.3 HEALTH

5.3.1 Healthcare Facilities

According to the 2019 Inequality Trend report by Statistics South Africa, 75.1 per cent of households in South Africa usually use public healthcare facilities when a household member gets ill compared to 24.9 per cent who use some private healthcare facilities in 2017. This is associated with the low proportion of households with access to Medical Aid, at 16.9 per cent for South Africa and 25 per cent for the Western Cape in 2017. In terms of healthcare facilities, the Kannaland municipal area had 9 primary healthcare clinics in 2020, which comprises of 4 fixed and 5 mobile clinics. In addition, there is a district hospital.

5.3.2 Emergency Medical Services

Provision of more operational ambulances can provide greater coverage of emergency medical services. The Kannaland municipal area had 1 ambulances per 10 000 inhabitants in 2020 which is less than the District average of 2 ambulances per 10 000 people. Note that this number only refers to Provincial ambulances and excludes all private service providers.

5.3.3 HIV/AIDS and TB

Kannaland's total registered patients receiving anti retroviral treatment (ART) increased by 50 patients between 2019 and 2020. A total of 26 995 registered patients received ART in the Garden Route District in 2020. Kannaland, at 726 patients, represents only 2.7 per cent of the patient's receiving ART in the District.

The Kannaland municipal area experienced a decline in Tuberculosis (TB) cases from 2018 to 2020. A total of 137 TB patients were registered in 2020 compared to 223 in 2019.

5.3.4 Child Health

Immunisation rates in the Kannaland area at 105,3 per cent is higher than that of the GRD at 68.9 per cent in 2020/21 and has increased from the 2019/20 rate of 94.2 per cent. The number of malnourished children under five years (per 100 000) in Kannaland in 2020/21 was 2.7, decreasing from 7.8 in 2019/20. The Neonatal mortality rate (NMR) (per 1 000 live births) in the Kannaland municipal area improved from 7.7 in 2017/18 to 0 in 2018/19 and remained 0 since then. The low birth weight indicator was recorded at 14.3, a consistent decrease from 24.6 recorded in 2017/18. The Municipality has amongst the highest incidences of low birth weight and malnutrition in the District, indicating that access to nutritious food is a challenge in the municipal area.

5.3.5 Maternal Health

The maternal mortality rate in the Kannaland area is excellent, having registered no maternal fatalities from 2016/17 to 2020/21. There have also been no pregnancy terminations over this period. Delivery to woman under the age of 19 is however 13.2 per cent in 2020/21 and increased from 10.0 per cent in 2018/19. The teen delivery rate is however amongst the lowest in the GRD when compared with the other municipalities. The low levels of teen delivery and pregnancy terminations are an indication of relatively good family planning in the municipal area.

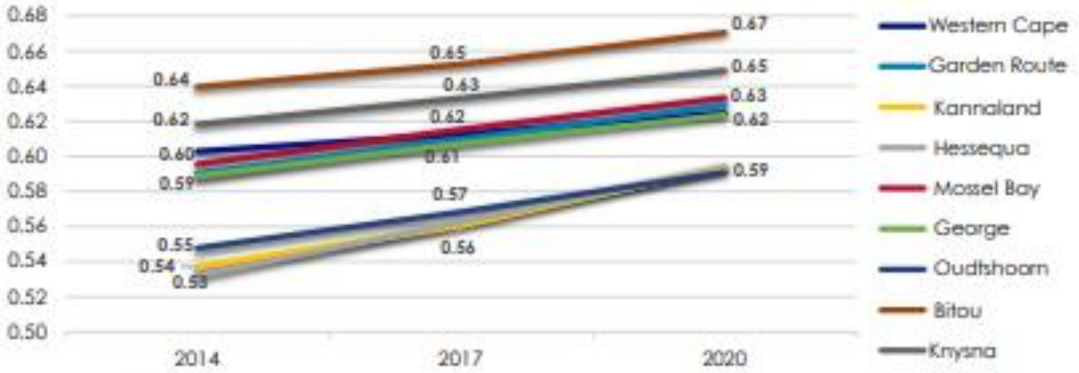
A review of the COVID-19 related health information for the District has been included in the Municipal Economic Review and Outlook of 2021. This includes an analysis of the number of recorded cases, hospital admissions and recorded deaths for the period March 2020 to October 2021.

POVERTY

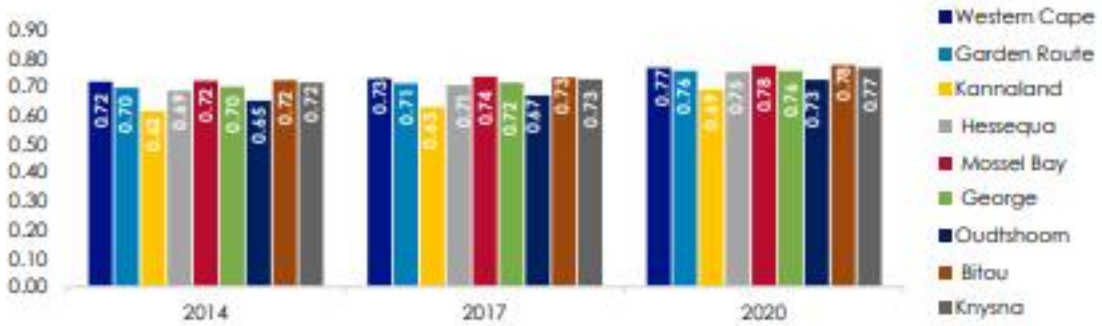
GDP per capita

	Western Cape	Garden Route	Kannaland	Hessequa	Mossel Bay	George	Oudtshoorn	Bitou	Knysna
2014	74 414	60 036	36 848	55 637	66 414	70 601	45 987	54 375	57 596
2017	85 816	71 316	44 873	66 590	78 409	84 028	55 665	62 788	67 376
2020	84 967	72 291	45 789	68 113	79 051	85 596	57 352	61 645	67 054

Income inequality



Human development



5.4 POVERTY

5.4.1 GDPR Per Capita

An increase in GDPR per capita, i.e., GDPR per person, is experienced only if the economic growth rate exceeds the population growth rate. At R36 848 in 2020, Kannaland's GDPR per capita is the lowest in the District and is significantly below that of the GRD (R72 291) and the Western Cape (R84 967). This is largely due to the Kannaland area being dominated by low-skilled workers (47.2 per cent) of formally employed persons) who earn relatively lower incomes when compared to their skilled counterparts.

5.4.2 Income Inequality

Even though GDP per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the GDPR per capita indicator.

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality has increased in Kannaland from 0.54 in 2014 to 0.59 in 2020 but remains in line with the 2030 NDP goal.

Furthermore, in 2020 income inequality levels were marginally lower in Kannaland compared with the Gini Coefficient registered for the overall GRD (0.63) and the Province (0.62). Considering the low per capita GDP, it may be that the income gap is small because the higher income households have relatively lower incomes when compared to the other municipalities in the District.

5.4.3 Human Development

The United Nations uses the Human Development Index (HDI) to assess the relative level of socio-economic development in countries. Indicators that measure human development are education levels, income and health. It is a measure of peoples' ability to live a long and healthy life, to communicate, participate in the community and to have sufficient means to be able to afford a decent living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development.

While it underperformed against the District (0.77), human development levels within the Kannaland municipal area has seen a general increase from 0.70 in 2014 to 0.76 in 2020. The rise in the HDI is attributed to an increase in the GDP per capita, literacy rates and life expectancy since 2014.

BASIC SERVICE DELIVERY

Total number of households

Kannaland Municipality	Garden Route District
7 094	175 680

Formal main dwelling

96.4%

Kannaland Municipality	Garden Route District
6 841	145 268

82.7%

94.9% Kannaland
75.1% Garden Route
House/brick structure on separate stand/yard

0.4% Kannaland
0.7% Garden Route
Traditional dwelling

1.2% Kannaland
6.2% Garden Route
Flat/simplex/duplex/triplex or room/flat on shared property

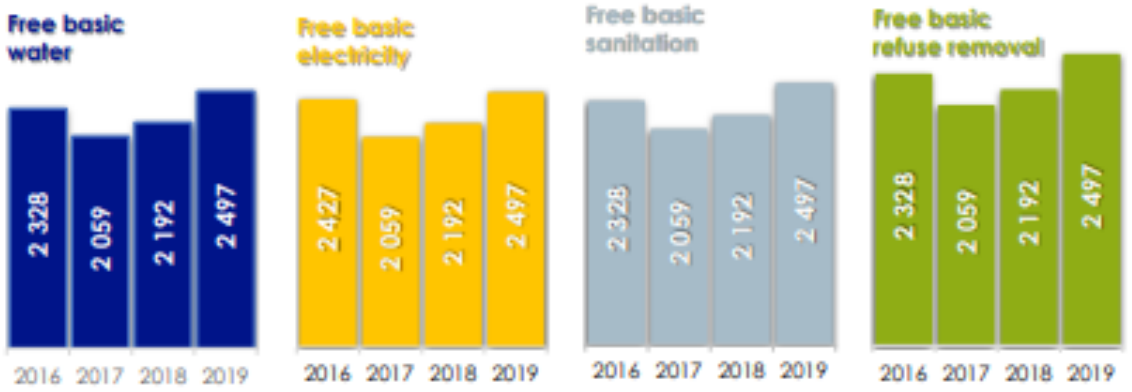
0.7% Kannaland
1.2% Garden Route
Other/Unspecified

0.4% Kannaland
1.5% Garden Route
House/flat/room in backyard

1.1% Kannaland
6.2% Garden Route
Informal dwelling in backyard

1.3% Kannaland
9.2% Garden Route
Informal dwelling not in backyard

	Piped water inside dwelling/within 200m	Electricity as primary source of lighting	Flush/chemical toilet	Refuse removed at least once a week
Kannaland	94.2%	89.6%	73.4%	66.7%
Garden Route	95.2%	90.7%	85.1%	86.5%



5.5 BASIC SERVICE DELIVERY

5.5.1 Introduction

The Constitution stipulates that every citizen has the right to access to adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Access to housing also includes access to services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living.

This section considers to what extent this has been achieved by reflecting on the latest available information from Quantec Research for 2020. The latest official statistics was collected by Statistics South Africa for the 2016 Community Survey; the 2021 Census will provide the updated official statistics. The information on free basic services is obtained from Statistics South Africa's Non-Financial Census of Municipalities survey findings.

5.5.2 Housing and Household Services

With a total of 7 094 households in the Kannaland municipal area, 96.4 per cent had access to formal housing. This is significantly higher than the District average of 82.7 per cent.

Despite the relatively high proportion of households living in formal dwellings, service access levels within the municipal area were lower. Access to piped water inside/within 200m of the dwelling was highest at 94.2 per cent, while access to a flush or chemical toilet stood at 73.5 per cent, access to electricity (for lighting) at 89.6 per cent and the removal of refuse at least weekly by the local authority at 66.7 per cent of households. The access levels were below the District for all basic services.

5.5.3 Free Basic Services

Municipalities also provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. The number of households receiving free basic services in the Kannaland municipal area has shown a generally increasing trend from 2016 to 2019. In 2019, 35.2 per cent of households had access to free basic services. The stressed economic conditions have exerted additional pressure on household income levels, which has resulted in an increase in the number of indigent households and the demand for free basic services within the municipal area.

SAFETY AND SECURITY

MURDER		2018/19	2019/20	2020/21
Actual Number	Kannaland	10	4	6
	Garden Route District	215	204	163
Per 100 000	Kannaland	46	17	30
	Garden Route District	35	33	26

SEXUAL OFFENCES		2018/19	2019/20	2020/21
Actual Number	Kannaland	51	50	42
	Garden Route District	1 070	991	838
Per 100 000	Kannaland	225	226	193
	Garden Route District	173	159	133

DRUG-RELATED OFFENCES		2018/19	2019/20	2020/21
Actual Number	Kannaland	374	433	323
	Garden Route District	7 300	5 790	3 534
Per 100 000	Kannaland	1 649	1 938	1 469
	Garden Route District	1 181	927	563

DRIVING UNDER THE INFLUENCE		2018/19	2019/20	2020/21
Actual Number	Kannaland	35	48	47
	Garden Route District	1 740	1 932	690
Per 100 000	Kannaland	153	217	214
	Garden Route District	281	309	110

Fatal Crashes	Kannaland	2	7	3
Road User Fatalities	Kannaland	4	8	4

RESIDENTIAL BURGLARIES		2018/19	2019/20	2020/21
Actual Number	Kannaland	255	232	154
	Garden Route District	5 156	4 844	3 990
Per 100 000	Kannaland	1 126	1 039	703
	Garden Route District	834	776	635

5.6 SAFETY AND SECURITY

5.6.1 Murder

Murder is defined as the unlawful and intentional killing of another person. Within the Kannaland municipal area, the number of murders decreased from 10 in 2018/19 to 6 in 2020/21. The murder rate (per 100 000 people) therefore decreased from 46 in 2018/19 to 30 in 2020/21. The murder rate per 100 000 people for the GRD declined (35 in 2018/19 and 26 in 2020/21) and remains lower than that of the Kannaland area. The murder rate in Kannaland is amongst the lowest in the GRD however when compared to the 2017 global murder rate of 6.1 (per 100 000 people), it indicates that it is still a concern.

5.6.2 Sexual Offences

Sexual offences include rape (updated to the new definition of rape to provide for the inclusion of male rape), sex work, pornography, public indecency and human trafficking.

In 2020/21, there were 42 sexual offences in the Kannaland municipal area, a decline from 50 cases reported in 2019/20. The incidence of sexual offences (per 100 000 population) in Kannaland (193) is higher than the overall District rate of 133. South Africa is amongst the top 5 countries in the world with respect to reports of rape, therefore it is a huge problem that needs to be addressed.

5.6.3 Drug-related Offences

Drug-related crimes refer to the situation where the perpetrator is found to be in possession of, under the influence of, or selling illegal drugs.

Drug-related crime within the Kannaland area decreased by 24.4 per cent from 433 cases in 2019/20 to 323 cases in 2020/21. When considering the rate per 100 000 people it stood at 1 469 in 2020/21. The District had a significantly lower incidence of drug-related offences with 563 cases per 100 000 people in 2020/21.

5.6.4 Driving under the influence (DUI)

A situation where the driver of a vehicle is found to be over the legal blood alcohol limit. The number of cases per 100 000 people of driving under the influence of alcohol or drugs in the Kannaland area decreased slightly from 217 in 2019/20 to 214 in 2020/21. This is higher than the District incidence rate of 387 in 2020/21. The incidence of DUI's in Kannaland was met with 4 road user fatalities in 2020/21, down from 8 fatalities recorded in 2019/20.

5.6.5 Residential Burglaries

The unlawful entry of a residential structure with the intent to commit a crime, usually a theft.

The crime statistics released by SAPS and Stats SA indicate that the number of residential burglaries fell by per cent in South Africa from April 2020 to April 2021. Residential burglary cases within the

Kannaland area saw a greater decline of 32.5 per cent from 232 cases reported in 2019/20 to 154 cases in 2020/21.

When considering the rate per 100 000 population of 703 in 2020/21, Kannaland's rate is above the District rate of 635 cases per 100 000 people in the same reporting year.
It is positive to note that almost all categories of crime have declined in 2020/21 and is largely a consequence of the COVID-19 pandemic related restrictions implemented during this period.

NOTE:

The WDPG Department of Community Safety has assisted the Garden Route District with the development of a Community Safety Plan (CSP). The CSP is in draft format currently and shall be included in the Final IDP to be submitted to council during May 2022.

5.7 ECONOMY AND LABOUR MARKET PERFORMANCE

Economy and Labour Market Performance

	SECTOR	GDPR			Employment		
		R Million value 2019	Trend 2015 – 2019	Real GDPR growth 2020e	Number of jobs 2019	Average annual change 2015 - 2019	Net change 2020e
PS	**Primary Sector**	**178.2**	**-4.1**	**10.6**	**3 239**	**55**	**-128**
	Agriculture, forestry & fishing	178.2	-4.1	10.6	3 239	55	-128
	Mining & quarrying	-	-	-	-	-	-
SS	**Secondary sector**	**317.2**	**-0.2**	**-11.6**	**1 115**	**-7**	**-112**
	Manufacturing	178.9	-0.7	-10.1	612	-12	-55
	Electricity, gas & water	66.4	0.3	-6.1	40	0	-1
	Construction	71.9	1.2	-20.2	463	4	-56
TS	**Tertiary sector**	**812.0**	**2.9**	**-5.6**	**5 756**	**97**	**-343**
	Wholesale & retail trade, catering & accommodation	223.2	1.5	-10.1	2 090	49	-147
	Transport, storage & communication	129.9	3.2	-13.4	392	13	-6
	Finance, insurance, real estate & business services	235.3	6.8	-1.8	1 236	47	-41
	General government	128.5	-1.7	-1.7	700	-10	-2
	Community, social & personal services	95.2	1.2	-2.6	1 338	-2	-147
	Kannaland	**1 307.5**	**0.9**	**-4.2**	**10 110**	**145**	**-583**

Skill Levels Formal employment	Skill Level Contribution 2020 (%)	Average growth (%) 2016 - 2020	Number of jobs	
			2019	2020
Skilled	17.9	1.1	1 104	1 069
Semi-skilled	35.0	-0.1	2 195	2 089
Low-skilled	47.2	-2.1	2 997	2 819
TOTAL	**100.0**	**-0.8**	**6 296**	**5 977**

Informal Employment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Number of informal jobs	3 677	3 620	3 652	3 874	3 922	4 278	3 934	4 073	3 967	3 814	3 550
% of Total Employment	41.8	41.3	40.6	41.2	41.8	41.2	38.9	39.9	38.9	37.7	37.3

Unemployment rates	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bitou	20.3	20.5	20.5	20.3	20.5	20.5	22.1	22.9	22.7	24.5	24.2
George	14.7	14.5	14.2	13.6	13.6	13.1	13.9	14.2	13.8	14.7	14.2
Hessequa	7.0	7.0	6.8	6.5	6.5	6.1	6.6	6.8	6.7	7.2	7.2
Kannaland	**8.3**	**8.5**	**8.4**	**8.0**	**8.2**	**7.5**	**8.2**	**8.6**	**8.5**	**9.2**	**8.7**
Knysna	17.8	17.7	17.5	17.1	17.1	16.9	18.0	18.5	18.1	19.4	18.9
Mossel Bay	14.3	14.3	14.1	13.6	13.7	13.4	14.4	14.8	14.5	15.6	15.2
Oudtshoorn	19.0	18.9	18.5	17.9	17.8	17.1	17.9	18.3	17.8	18.7	17.6
Garden Route	15.0	15.0	14.7	14.3	14.3	13.9	14.8	15.2	14.9	15.9	15.4
Western Cape	15.9	16.1	16.1	16.0	16.4	16.5	17.7	18.4	18.3	19.6	18.9

5.7.1 Sectoral Overview

In 2019, the economy of Kannaland was valued at R1.3 billion (constant prices) and employed 10 110 people. Historical trends between 2015 and 2019 indicate that the municipal area realised an average annual growth rate of 0.9 per cent. This was largely driven by growth in the tertiary sector of 2.9 per cent per annum. Both the primary (-4.1 per cent) and the secondary sector (-0.2 per cent) experienced annual average contractions from 2015-2019.

The economy contracted in 2020 in response to the COVID-19 related restrictions on economic activity. The economy realised an estimated growth rate of -4.2 per cent. The sectors that experienced the largest declines in economic activity include construction (20.2 per cent with 56 job losses); manufacturing (10.1 per cent with 55 net job losses); and wholesale and retail trade, catering and accommodation (-10.1 per cent with 147 job losses). Overall the economy lost 583 jobs. The only sector that registered positive growth in 2020 was the agriculture, fishing and forestry sector (10.6 per cent) due to favourable commodity prices and little to no restrictions placed on the sector. It however experienced jobless growth, as 128 net jobs were lost despite the high GDP growth within the sector.

5.7.2 Formal and Informal Employment

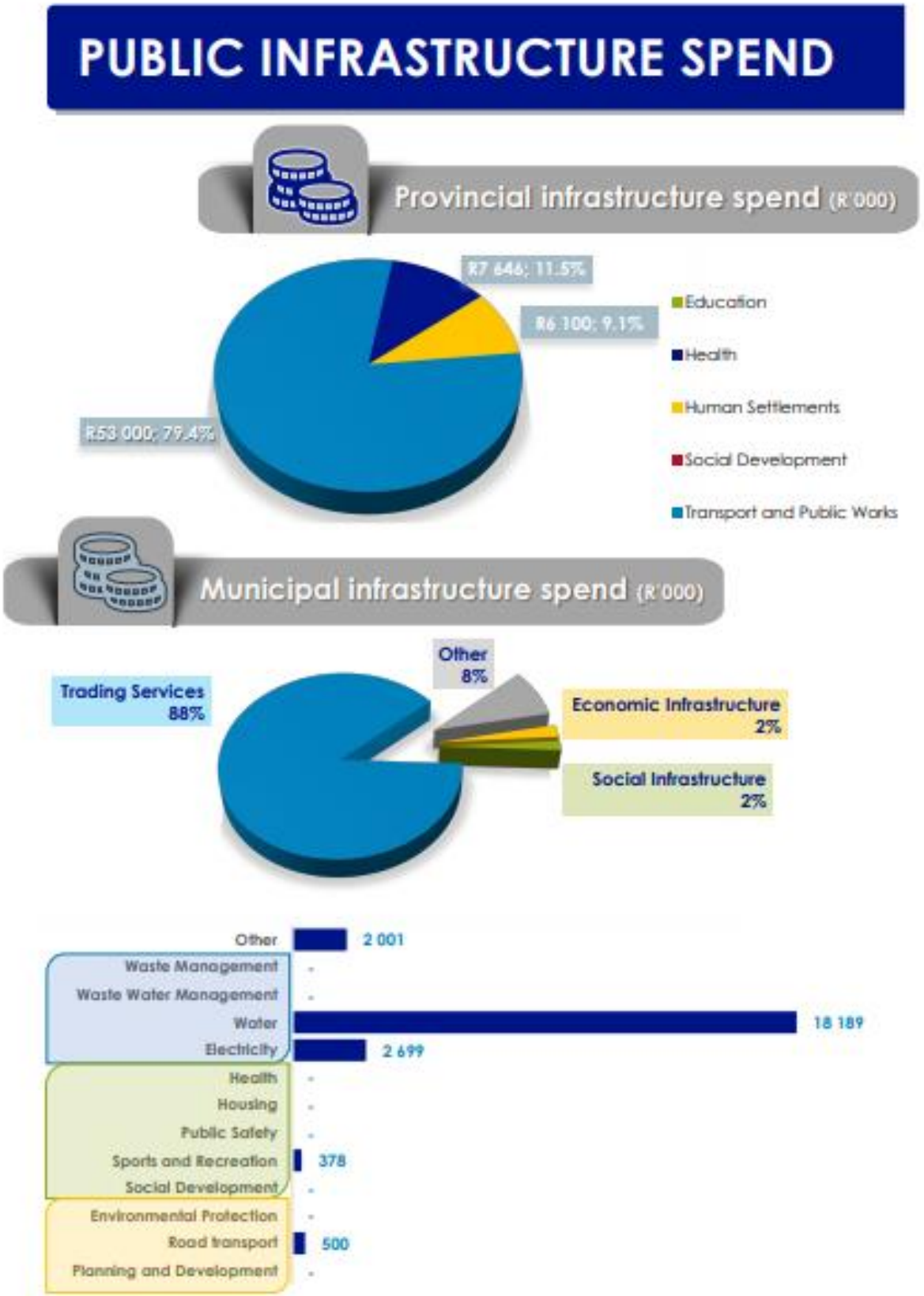
It is estimated that Kannaland's total employed will in 2020 amount to 9 627 workers, of which 5 977 (62.7 per cent) are employed in the formal sector, while 3 550 (37.3 per cent) are informally employed. Employment in the formal sector had an annual average decline of 0.8 per cent from 2016 to 2020, while the informal sector suffered an annual average decline of 2.5 per cent over this period. This indicates that the informal sector workers are more vulnerable during times of economic recession.

Most of the formally employed consisted of low-skilled (47.2 per cent) and semi-skilled (35.0 per cent) workers. The skilled category only contributed 17.9 per cent to total formal employment but it was the only category to experience positive growth in employment (1.1 per cent) from 2016 to 2020. Low-skilled and semi-skilled employment declined by 2.1 per cent and 0.1 per cent respectively. The growth in the skilled category reflects the market demand for more skilled labour, especially with the growing tertiary sector in the Kannaland municipal area, as well as their ability to continue working during the economic restrictions. Upskilling the low and semi-skilled workers are therefore imperative.

5.7.3 Unemployment

Kannaland, at 8.7 per cent, has the second lowest unemployment rate in the GRD, and is below the District (15.4 per cent) and Western Cape (18.9 per cent) unemployment in 2020. Unemployment remained below 8.5 per cent from 2009 - 2018, but increased slightly from 8.5 per cent in 2018 to its peak of 9.2 per cent in 2019. The drop to 8.7 per cent in 2020 was largely due to an increase in discouraged work seekers and a decline in the labour force participation rate during 2020 when it was

difficult to find employment after the economic recession and resultant job losses.



5.8 PUBLIC INFRASTRUCTURE SPEND

5.8.1 Spending on Social Infrastructure

Spending on social infrastructure aids in social development and has the spill-over effect of enabling economic growth. The Western Cape Government (WCG) will spend 20.6 per cent of its infrastructure budget on social infrastructure. This will come in the form of R7.646 million in spending on health, which is crucial as the COVID-19 pandemic places strain on health infrastructure. The remaining R6.100 million is allocated towards Human Settlements which will contribute to reducing the housing backlog.

In addition to WCG spending, the Municipality has allocated 1.6 per cent of their budget towards social infrastructure, more specifically, towards sports and recreation (R378 000). Collectively, the WCG and municipal spending will serve to improve the quality of life of individuals within the municipal area.

5.8.2 Spending on Economic Infrastructure

Economic infrastructure is defined as infrastructure that promotes economic activity. Considering the current economic recession, spending on economic infrastructure is crucial to stimulating economic activity.

The WCG allocated R53.000 million (79.4 per cent) towards economic infrastructure, more specifically towards transport and public works. This will go a long way towards unlocking the region's economic potential. The Municipality makes a small contribution with an allocation of R500 000 in spending on road transport. This forms the total economic infrastructure allocation of the Municipality, worth 2.1 per cent of its capital budget.

5.8.3 Spending on Trading Services

Basic services are crucial or improving the living conditions of citizens within the municipal area and enabling economic activity for businesses via access to water, electricity, sanitation and refuse removal. The majority of the Municipality's infrastructure budget i.e., 87.9 per cent or R 20.888 million is allocated towards the provision of basic services. In light of recent droughts, the majority of spending on trading services have been allocated towards water management (R18.189 million), with the remaining R2.699 million having been allocated towards the provision of electricity.

5.9.SWOT ANALYSIS

As part of the development of its new 5-Year IDP, the Municipality still needs to conducted a very thorough Institutional SWOT Analysis during March/April 2022 of which the results will be discussed at subsequent Management Meetings, as well as at IDP Stakeholder Engagements to be held during April 2022. 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

	STRENGTHS	WEAKNESSES
INTERNAL FACTORS	▪ Support with shared services through ▪ District, Inter-municipal and Provincial ▪ Shared Services. ▪ Close cooperation on management level through regular extended management meetings weekly. ▪ Situated in close proximity to major towns within the Eden district and towns in other districts who share the same challenges and opportunities. ▪ Three Game Reserves. ▪ Fertile agriculture soil. ▪ Heritage Tourism. ▪ Stable political environment. ▪ Flourishing hospitality trade ▪ A major arterial road (Route 62 and sub roads) connecting Kannaland to Oudtshoorn, Barrydale, Riversdale and Laingsburg.	▪ Weak tax bases and poor payment record amongst rate payers. ▪ 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. ▪ Little or no foreign investment due to weak infrastructure, ineffective marketing strategy. ▪ Poor roads and public infrastructure due to lack of funds for operation and a lack of maintenance plans ▪ High level of illiteracy and a low skills base, lack of qualified tradesmen. ▪ High dependence on grants

	OPPORTUNITIES	THREATS
EXTERNAL FACTORS	▪ To develop into the agriculture hub of the Eden district. ▪ To develop the Tourism trade along Route 62 ▪ Foreign investment in farming ▪ Expanded Public Works Program (EPWP) for job creation	▪ Dependency of municipality on Government Grants ▪ Water scarcity, especially in rural areas ▪ Global warming and climate change ▪ Increasing prevalence of HIV/Aids and Tuberculosis ▪ High level of unemployment and seasonality of employment ▪ High Poverty index ▪ High volume of stale consumer debt

TABLE 18: PROGRAMMES, PROJECTS AND PERFORMANCE MANAGEMENT – PUBLIC PARTICIPATION PROCESS

Chapter 6 Environmental Management and Spatial Planning

6.1 BIODIVERSITY

6.1.1 Introduction

In 2017 Western Cape Biodiversity Spatial Plan (WCBSP) for Kannaland identifies sixteen formally protected areas in the municipal area. Furthermore, Critical Biodiversity areas and Ecological Support Areas, as shown in have been identified in the municipal area.

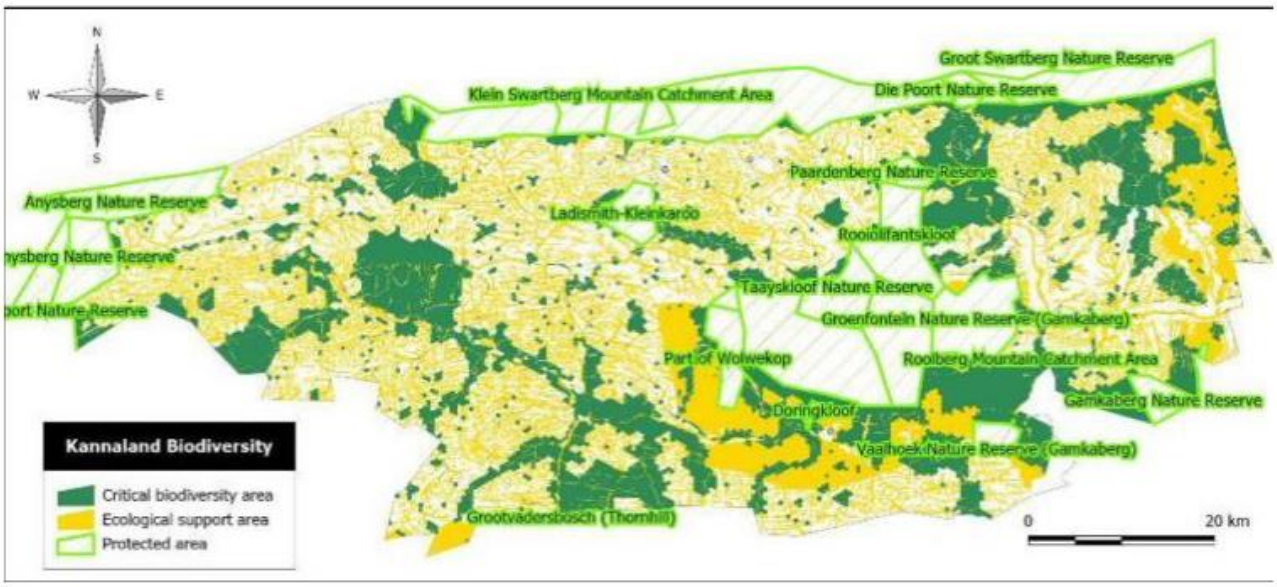


Figure: Kannaland Local Municipality Biodiversity (data source, Cape Nature, 2017)

6.1.2 Biodiversity Conservation

Conservation Figure shows that 17.2% of the municipality is protected through mechanisms such as:

Provincial Nature Reserves;
Local Natures Reserves;
Forest Act Protected Areas;
Mountain Protected Areas;
Informal Protected Areas.

Kannaland Municipality is home to the following parks and protected areas:

Provincial:

Groenfontein Nature Reserve;
Vaalhoek Nature Reserve;
Gamka Nature Reserve;
Anysberg Nature Reserve;
Eyerpoort Nature Reserve. Local:
Ladismith-Kleinkaroo Nature Reserve.

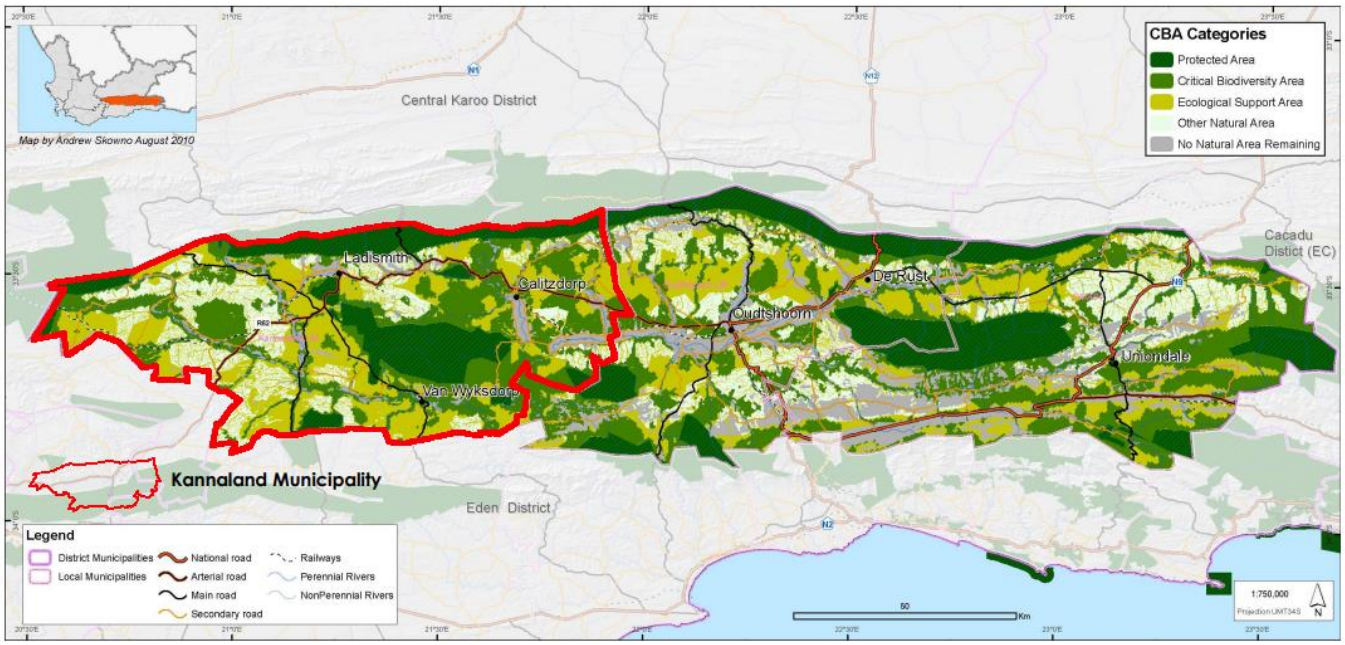
Forest Act Protected Area:

Grootswartberg Nature Reserve;
Rooiberg Nature Reserve;
Towerkop Nature Reserve.

Mountain Catchment Area:
• Klein Swartberg;
• Rooiberg.

6.1.3 Critical biodiversity areas

Figure shows the critical biodiversity areas in the Kannaland Municipality. In terms of Critical Biodiversity, 30,34% of the municipality is regarded as important. A further 17.22% of the municipality is formally protected. A total area of 226313ha (47.56%) is thus important in terms of biodiversity conservation within the Kannaland Municipality. Figure 3.2.6.5 indicates the critical biodiversity areas in the Garden Route District.



Critical Biodiversity Areas: CBA Categories (source: DEADP, 2010)

6.1.4 Biomes

Figure shows the different biomes that are present in the municipality. These biomes are in order of magnitude of land cover:

- Succulent Karoo Biome (53%);
- Fynbos Biome (35%);
- Albany Thick Biome (8%);
- Azonal Vegetation (3%). Azonal vegetation is located along the rivers located throughout the municipality.
- The Albany Thicket Biome can be found in the eastern parts of the Municipality, north and south of Calitzdorp.
- The Fynbos Biome is located along the northern boundary of the Municipality. The Succulent Karoo Biome is mainly found in the central and southern parts of the Municipality.

6.1.5 Vegetation Types

Figure shows the dominant vegetation types in the municipality:

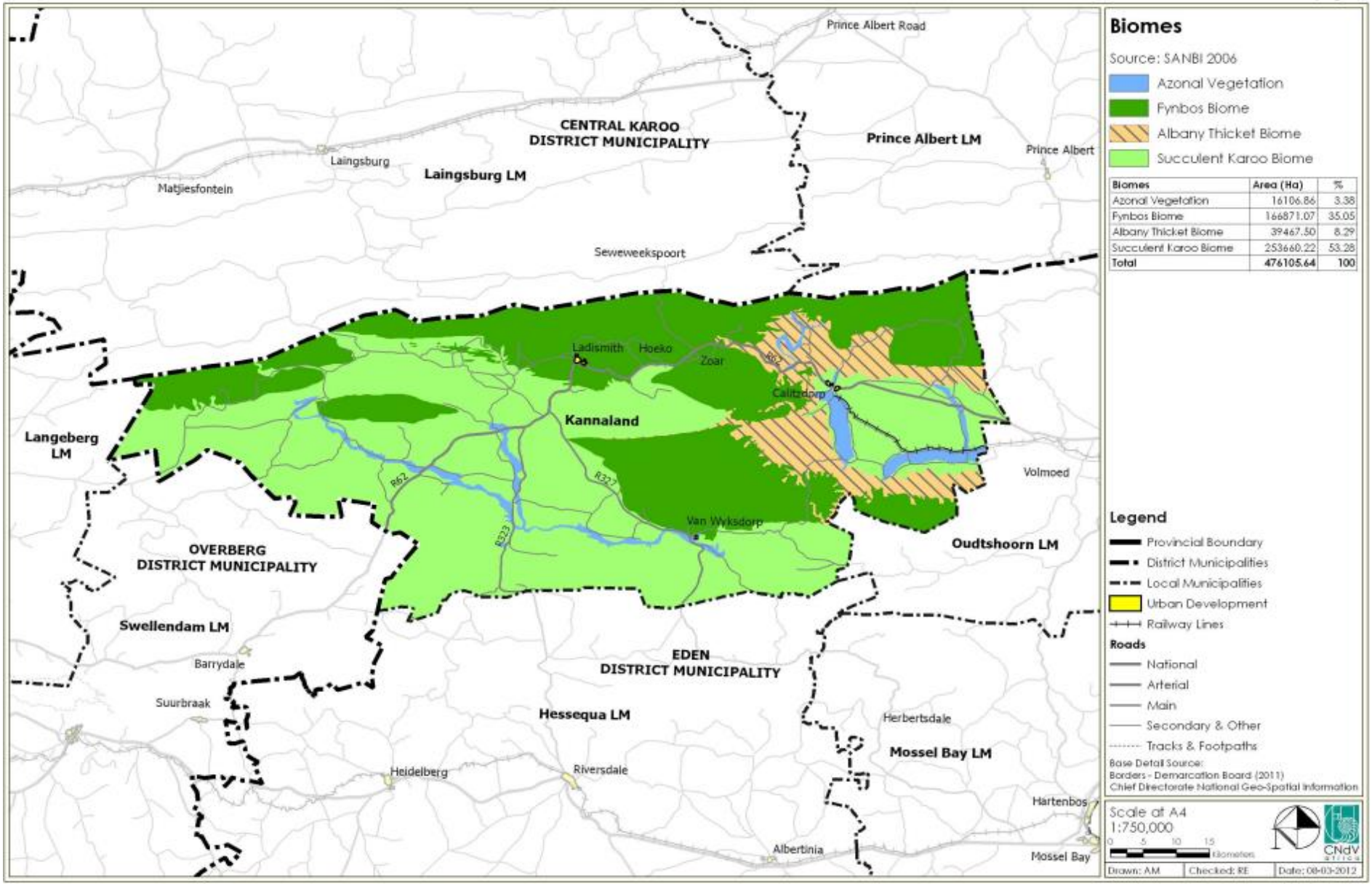
- Rainshadow Valley Karoo (53%);
- Sandstone Fynbos (24%);
- Albany Thicket (8%);
- Shale Renosterveld (5.44%);
- Inland Saline Vegetation (3%);
- Limestone Renosterveld (2%);
- Quartzite Fynbos (0.8%);
- Shale Band Vegetation (0.71%);
- Shale Fynbos (0.57%).
- The Inland Saline Vegetation is located along the rivers located throughout the municipality.

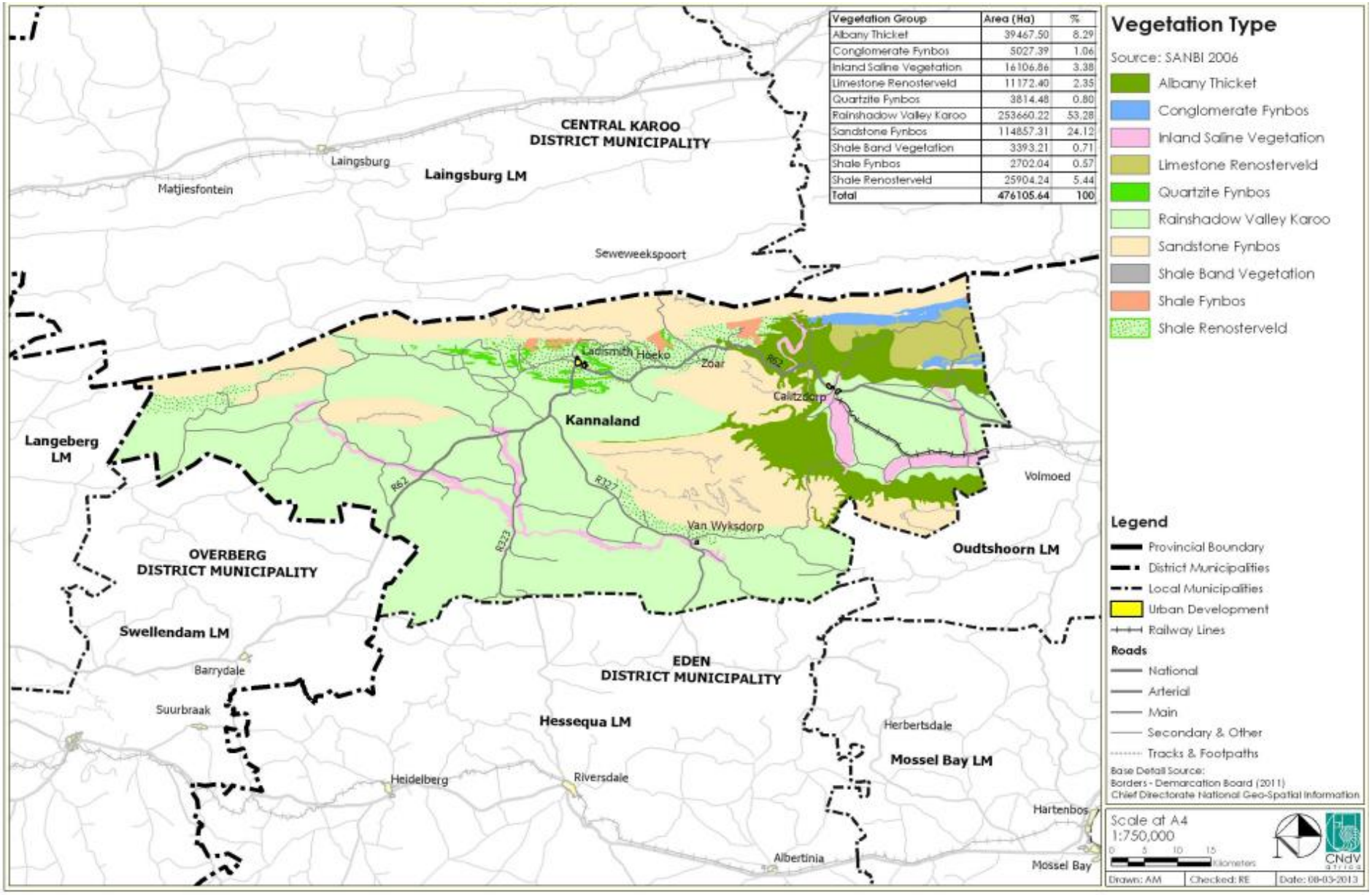
6.1.6 Vegetation status

Figure 3.2.6.3 presents the broad status of vegetation in the Municipality. The majority of the municipality has been indicated as least threatened with the exception of the areas located along the rivers that are classified as Endangered (Inland Saline Vegetation). No critical endangered areas are located within the municipality.

Implications for Kannaland Municipality

1. In general, urban development is not compatible with conserving Fynbos or any other fire-prone vegetation type. To minimise the impacts of urban development in Fynbos, houses should be clustered within a fire-free zone and protected with an appropriate fire belt. Firebreaks must be clear within the development footprint, not in adjacent veld.
2. Development in close proximity or within Endangered plant species areas, inland saline vegetation, especially south of Calitzdorp, must be avoided and discouraged,
Strategies and management guidelines are to be developed as a priority to protect Critical Biodiversity Areas, which receive no formal protection.
3. For all types of development, footprints should be minimised. The focus should be on selecting alternatives that maximise the retention of indigenous habitats, species and ecological processes.
Search and rescue is important for all development, especially when this may result in the irreversible loss of rare or threatened plant populations.
4. Appropriate management of vegetation types in the municipality should be encouraged as a high priority.
5. Agricultural activities should be managed to not negatively impact on natural vegetation.
6. The inland saline vegetation along the Touws, Groot, Gamka and Olifants rivers has been classified as endangered.
7. If development is proposed in degraded examples of vegetation types, biodiversity offsets should be investigated where equal-sized or larger areas of the same vegetation type are secured for conservation by funding from the developers.


Biomes
Source: SANBI 2006
Azonal Vegetation
Fynbos Biome
Albany Thicket Biome
Succulent Karoo Biome
Biomes | Area (Ha) | %
Azonal Vegetation | 16106.86 | 3.38
Fynbos Biome | 166871.07 | 35.05
Albany Thicket Biome | 39467.50 | 8.29
Succulent Karoo Biome | 253660.22 | 53.28
Total | 476105.64 | 100
Legend
Provincial Boundary
District Municipalities
Local Municipalities
Urban Development
Railway Lines
Roads
National
Arterial
Main
Secondary & Other
Tracks & Footpaths
Base Detail Source:
Borders - Demarcation Board (2011)
Chief Directorate National Geo-Spatial Information
Scale at A4
1:750,000
Kilometers
Drawn: AM
Checked: RE
Date: 08-03-2012
CNdV
Prince Albert Road
CENTRAL KAROO
DISTRICT MUNICIPALITY
Prince Albert LM
Prince Albert
Laingsburg
Laingsburg LM
Matjiesfontein
Seweweekspoort
Ladismith
Hoeko
Zoar
Calitzdorp
Kannaland
Langeberg
LM
Volmoed
Van Wyksdorp
Oudtshoorn LM
OVERBERG
DISTRICT MUNICIPALITY
Swellendam LM
Barrydale
Suurbraak
EDEN
DISTRICT MUNICIPALITY
Hessequa LM
Herbertsdale
Mossel Bay LM
Heidelberg
Riversdale
Hartenbos
Albertinia
Mossel Bay
R62
R323
R327



Vegetation Group	Area (Ha)	%
Albany Thicket	39467.50	8.29
Conglomerate Fynbos	5027.39	1.06
Inland Saline Vegetation	16106.86	3.38
Limestone Renosterveld	11172.40	2.35
Quartzite Fynbos	3814.48	0.80
Rainshadow Valley Karoo	253660.22	53.28
Sandstone Fynbos	114857.31	24.12
Shale Band Vegetation	3393.21	0.71
Shale Fynbos	2702.04	0.57
Shale Renosterveld	25904.24	5.44
Total	476105.64	100

6.1.7 The DEADAT: South Africa's National Biodiversity Strategy and Action Plan 2005

This section requires updating to bring it in line with the policy directives. Kannaland Municipality has entered into a partnership with Cape Nature. Funding is required in order to develop a Kannaland Biodiversity Strategy.

The Department of Environmental Affairs and Tourism prepared the National Biodiversity Strategy and Action Plan (NBSAP) "to develop a plan of action for the conservation and sustainable use of the country's biological diversity. During the NBSAP preparation, the National Biodiversity Implementation Plan identified objectives, outcomes and activities required for the NBSAP to achieve its goals. These objectives and targets include:

Strategic Objective One:

A policy and legislative framework that allows the integration of biodiversity management objectives into the economy.

Targets:

- South Africa is to meet its international obligations with regards to biodiversity;
- Biodiversity issues become integrated in the macro-economy, informing policy, planning, budgeting and decision making at all levels

Strategic Objective Two:

Ensure good governance in the biodiversity sector by enhancing institutional effectiveness and efficiency

Targets:

- Biodiversity concerns occupy a significant place on the national agenda
- Government, stakeholders and role-players work together (effectively and efficiently) to achieve biodiversity management objectives

Strategic Objective Three:

Integrated terrestrial and aquatic management to minimise the impacts of threatening processes on biodiversity, enhances ecosystem services and improve socioeconomic security.

Targets:

- By focusing on programmes aimed at poverty alleviation, effective control of priority invasive species is achieved;
- Meet biodiversity objectives within all biodiversity priority areas
- Produce disaster prevention and management plans incorporating wise ecosystem management principles and practices

- Genetically modified organisms which threaten biodiversity, are not to be released into the environment
- Consider biodiversity in all aspects of resource use

Strategic Objective Four:

Enhance human well-being and development by enhancing the sustainable use of biological resources and equitable sharing of benefits.

Targets:

- Economies based on the use of species and genetic resources are optimized and sustainably managed Priority fish stocks recover to sustainable levels
- No species status declines o National products sector contribution to GDP grows by 50%
- With more effective and equitable resources, poverty is alleviated

Strategic Objective Five:

Maintain key ecological processes across the landscape and seascape.

Targets:

- Comprehensive biodiversity monitoring systems inform planning
- Protected area network in marine environmental hence contribution to representation targets in priority areas
- No further loss of endangered ecosystems establish protected well managed environments

Implications for Kannaland Municipality

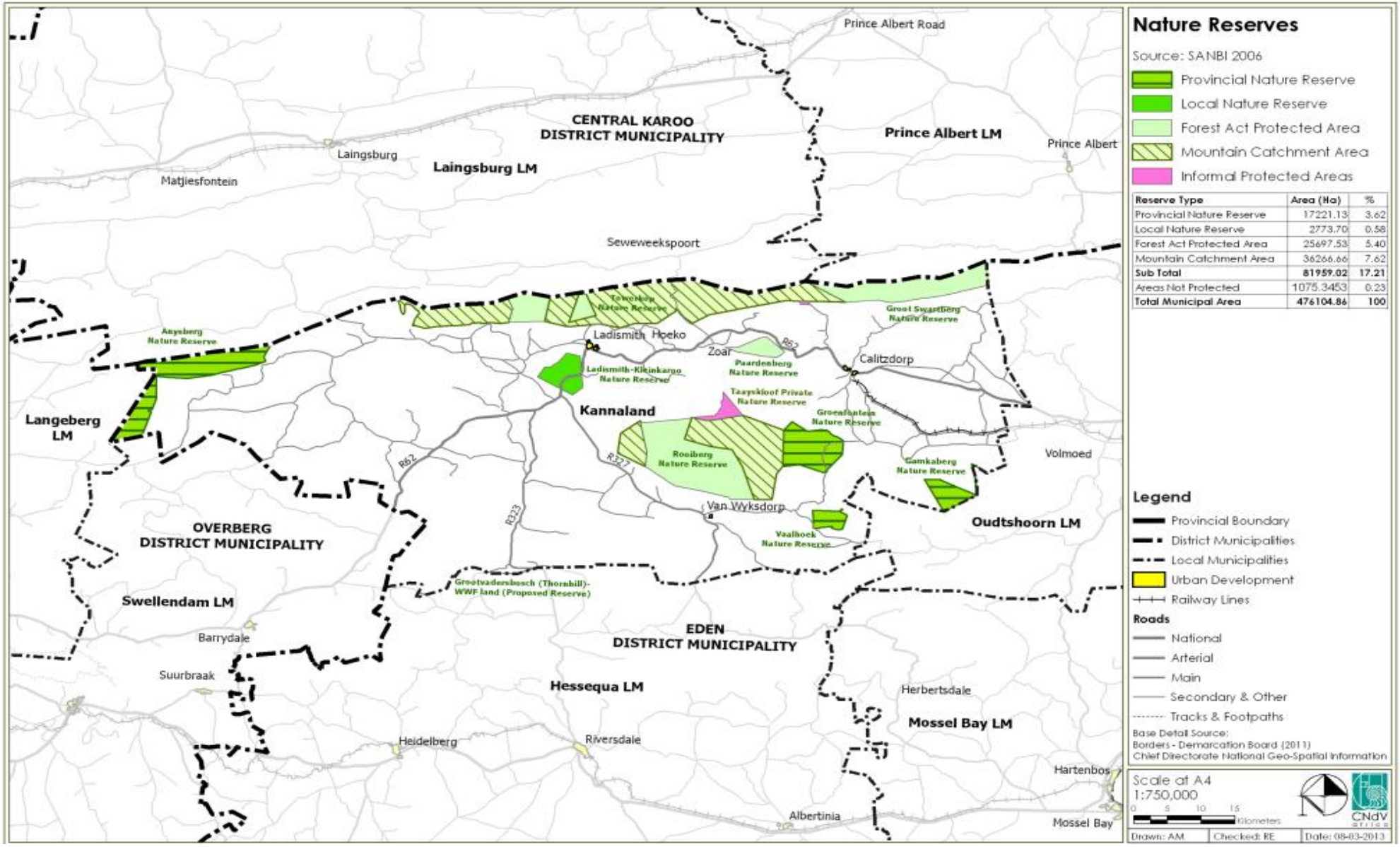
1. There are four biomes in the Municipality (Azonal Vegetation, Fynbos, Albany Thicket and Succulent Karoo), see Figure 3.2.5.2. in 2013-2017 SDF.

2. Special policies need to be formulated in this regard in order to protect these vegetation types. Terrestrial CBAs are to be effectively managed especially those identified in Figure 3.2.6.4 in the SDF.

3. Large areas of Kannaland Municipality are formally protected. The SDF will need to include specific guidance on the management of these resources to ensure their longevity.

4. Municipality to develop an Alien Invasive Control Management Plan during 2022/23 financial year in compliance with NEMA.

Kannaland Reserves and Protected Areas (SDF)



6.2 GEOLOGY

The municipality comprises of four types of geological formations: Arenite, Conglomerate, Sedimentary and Shale deposits. The majority of the municipality comprises of Arenite (located in the northern and eastern parts as well as isolated pockets in the west) and Shale (located in the southern parts). Arenite is sedimentary rock with sand grains of a medium nature. It is usually formed by erosion of other rocks or by sand deposits.

Shale is formed through the composition of clay minerals and quartz grains and usually has a typically grey colour. Shale usually forms in very slow moving waters and are most commonly found in lakes, lagoons, river deltas and floodplains.

Conglomerate rock can be found in the vicinity of Calitzdorp. Conglomerate is a type of sedimentary rock but consist of round fragments (larger than sand) which are cemented together.

Isolated pockets of Sedimentary rocks are located in the western and eastern part of the municipality. Sediment consists of deposits of minerals and organic materials which are transported through wind, water mass movement or glaciers.

6.2.1 Soils and Soils Depth

The central and western parts of the municipality have soil depths of less than 450mm. The areas in the vicinity of Ladismith, to the west of Ladismith and around Calitzdorp have soil depths ranging from between 450mm to 750mm. A small strip of deeper soils, more than 750mm in depth can be found south and south east of Calitzdorp.

6.2.2 Topography and Landscape Character

The topography of the municipality is characterised by the Kleinswart Mountains, Anys Mountains and the Grootswart Mountains along the northern boundary. The average height above mean sea level of these mountains is in the vicinity of 750m to 1500m. There are three additional mountainous/higher lying areas in the municipality. These include Touwsberg in the west, Rooiberg in the central parts and Bakenkop, south of Zoar.

6.2.3 Land Capability

Soil suitable for arable agriculture are mostly located in the eastern areas of the municipality (coinciding with the Endangered Inland Saline vegetation). The largest majority of the municipality is

suitable for grazing of livestock.

6.2.4 Agricultural Land Use Pattern

The majority of the municipality is covered in grass and shrub. The nature of the agricultural activities in the Kannaland Municipality is directly derived from the type of soils in the area and the water availability, in essence the associate natural resource endowment. These two complement each other in such a way that a favourable production area is realised for different types of agricultural activities, such as planting of field crops, horticulture and livestock farming.

Water in the Kannaland area is one of the biggest contributors when it comes to sustainability of farming. Factors like annual rainfall, underground water, water channels and water tables are all contributing to this important resource and the use of it for production of crops. The municipality is largely dependent on irrigation farming (76%) of total farming income. The total irrigation area comprises 7302 hectares which is managed by 10 irrigation schemes. The protection and effective management of water resources is thus of utmost importance for sustainability of agriculture which is the economic lifeblood of the district.

6.3 ENVIRONMENTAL PRIORITIES

6.3.1 Availability of alien invasive species eradication plan

Invasive alien plants are a major threat to biodiversity in catchment areas, potentially disrupting the delicate natural balance in ecosystems. As we depend on biodiversity for water, food, wood, clean air, medicine and much more, it is vitally important that we protect this resource. Without natural enemies, these plants reproduce and spread rapidly, taking valuable water and space from our indigenous plants. Many alien plants consume more water than local plants, depleting our valuable underground water resources. Dense alien vegetation can also provide plenty of fuel for veldfires, making them exceptionally hot, which damages the burnt area's soil structure. Kannaland do not have an alien invasive species eradication plan, however such a plan will be developed.

6.3.2 Budget allocation

There is limited budget for environmental management. The municipality to allocate more budget for environmental management, for staffing of the environmental unit, environmental advocacy, EMF, SEA and EIA

6.3.3 Availability of open spaces

Municipality to budget and develop an open space management plan. Open spaces available are used

as sports fields and are Managed well by planting trees around them. No open Spaces Management Plan is currently in place.

6.3.4 Protection and conservation of sensitive ecosystem such as wetlands and others & rehabilitation of degraded areas such as erosion (all municipalities)

6.3.5 Promoting and supporting new technology and innovation in order to ensure efficient and dynamic environmental services;

6.3.6 Promoting and supporting green economy that results in expanded economic opportunities by exploring alternative resources, improving resource efficiency and , enhancing environmental resilience;

6.3.7 Ensuring that Kannaland cultural and built heritage environment is appropriately honoured, maintained and protected; Providing environmental education and awareness to all citizens in order for them to make responsible environmental and social decisions and to strive towards a more environmentally sustainable lifestyle; Ensuring compliance with relevant legislation and statutory procedural requirements.

6.3.8 Ensuring that Kannaland's rivers and wetlands are free from pollution and degradation, and are managed as cohesive corridors that provides ecological goods and services to society;

6.3.9 Ensuring that biodiversity, sensitive and protected species are protected and/or utilised sustainably;

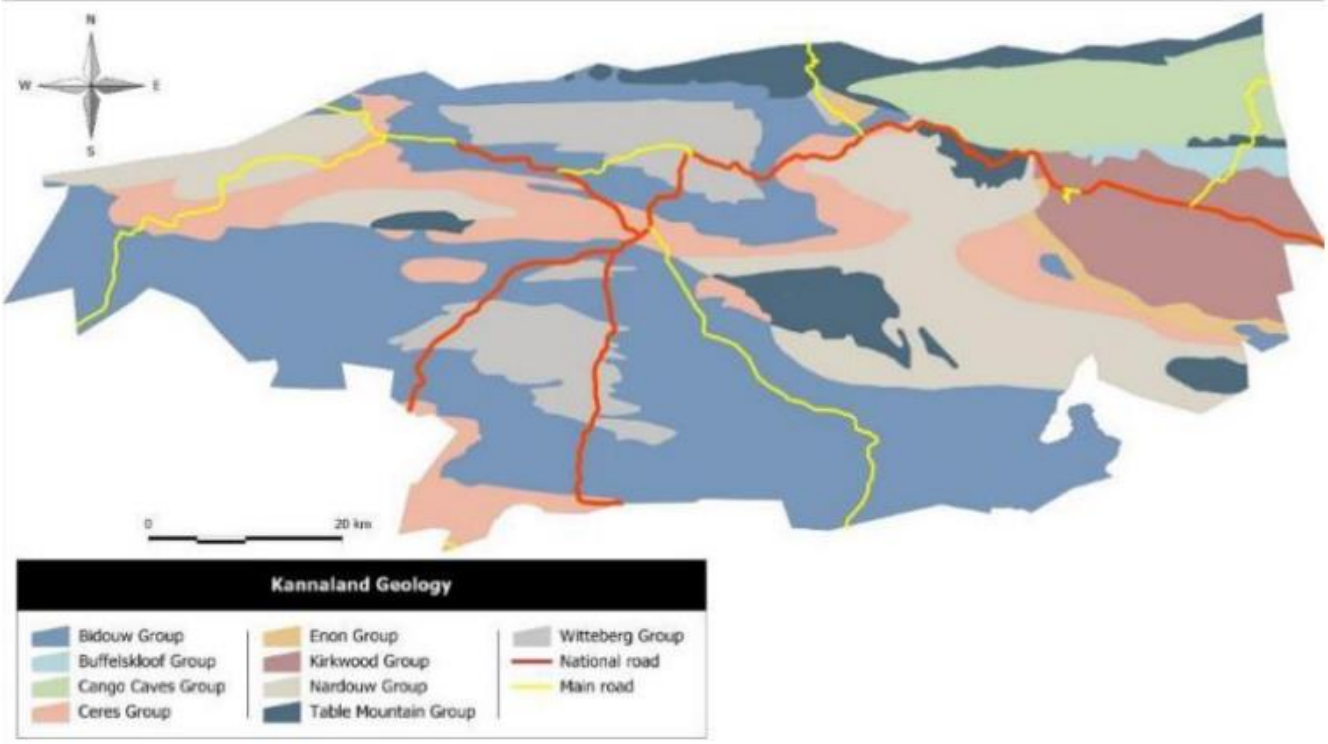


Figure: Kannaland Local Geology

6.4 WATER RESOURCES:

There are 8 major river systems that affect the Municipality (SANBI, Municipal Biodiversity Summary, 2012), the Brak, Gamka, Gourits, Groot, Kobus, Nels, Olifants and Touws Rivers. Very few wetlands are located within the Municipality, measuring approximately 983.9ha. The Major rivers in the Kannaland Municipal area is the Touws, Groot, Gamka and Olifant rivers.

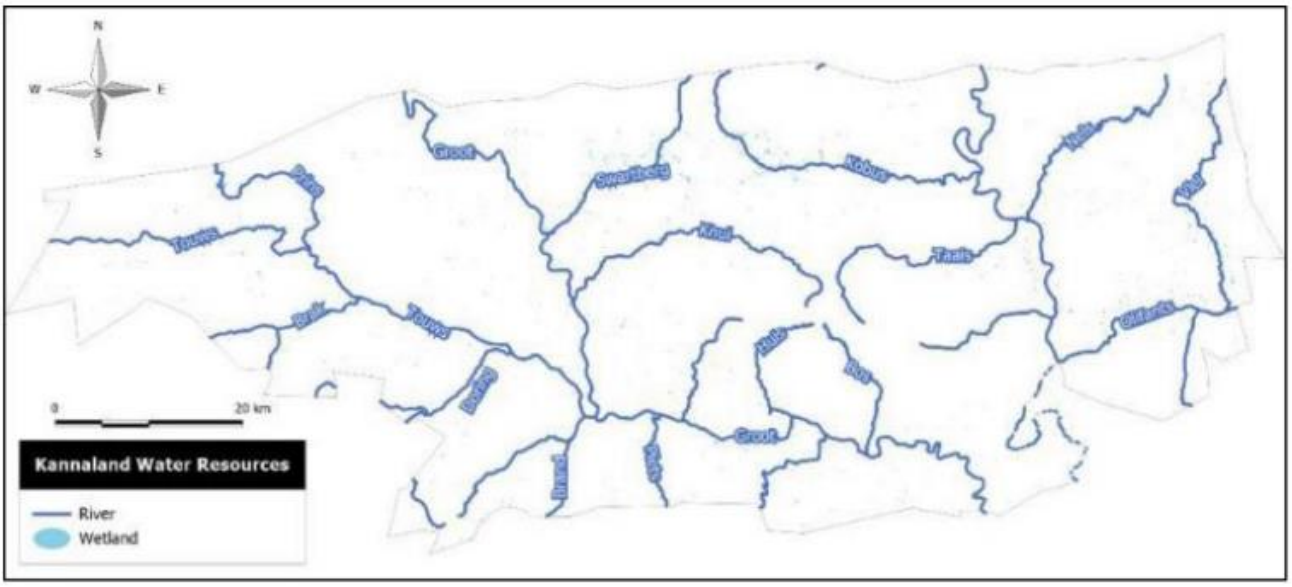


Figure : Kannaland Local Municipality water resources (Data source, Water Research Commission, 2011)

Implications for Kannaland Municipality

1. The SDF in the municipality needs to assist with the protection of the river systems and its immediately surrounding environment.
2. The majority of the rivers in the municipality are in an acceptable state.
3. The condition of the Groot, Olifants and Gamka should be improved and further degradation should be prevented.
4. Appropriate policies should be formulated to achieve the above goal which specifically addresses urban and agricultural development.

6.5 AIR QUALITY MANAGEMENT: VISION

To have Air Quality worthy of the name "Garden Route" MISSION: To minimize the impact of air pollutant emissions on the population and the natural environment of the Kannaland Municipality and to maintain clean and healthy air in the municipal jurisdiction. Emissions Inventory The following table is a summarised emissions inventory of the Kannaland Municipal area. It includes area sources, point sources, line sources and greenhouse gas emissions from farm animals.

POLLUTANT	TONS PER ANNUM
Total particulate matter	97
Sulphur dioxide (SO2	123
Nitrogen oxides (NOx)	188
Carbon monoxide (CO)	143
Carbon dioxide (CO2)	58 751
Total hydrocarbons (THC)	7
Methane (CH2)	1054
Odorous compounds	0

Summarized Emission Inventory for Kannaland Municipality

6.5.1 Areas of Concern

To date, Kannaland Municipality reacts to complaints by the general public and thus identified areas of concern. Invariably this led to some form of air quality monitoring, typically using screening methods already in Garden Route District Municipality's possession. A comprehensive dispersion modelling study was conducted after compilation of the emissions inventory for the Kannaland Municipality. The aim of the study was to determine if any other areas of concern existed outside the knowledge of both GRDM and Kannaland municipal personnel. The dispersion model did not identify any specific problem areas in the Kannaland municipal area, but future expansion of existing industries may result in odorous emissions that could lead to complaints from the general public.

6.5.2 Weaknesses

- No dedicated Air Quality unit within Community Service Department
- Training opportunities
- Air Quality monitoring equipment
- Cooperation with Industry through inspections, reports and quarterly working group meetings

- Budgetary constraints- lack of capital funding for monitoring equipment.
- No budget available for Air Quality Management
- Too much reliance on the District Air Quality unit
- High cost of monitoring.
- Lack of proper weather data (weather stations) in all area within the jurisdiction
- Lack of communication from Town Planning Department re new developments.
- This is causing human settlements adjacent to industrial activity.
- Fragmentation of Air Quality Services.

6.5.3 Goals and objectives

Goal	Task	Timeframe	Budget	Progress
Goal 1: Ensure effective and consistent AQM, linked to climate change				
Objective 1.1 Create awareness of AQMP implications	• Present the AQMP to Kannaland Council for acceptance, approval and inclusion in IDP • Workshop the action plan with Kannaland municipal stakeholders, e.g. planning, traffic control, etc., to gain insight and buy-in	• 6 months • 6 months	Nil Nil	Completed Completed
Objective 1.2 Promote cooperation amongst all spheres of municipal government	• Province, GRDM together with all seven municipalities should initiate discussions with each other about sharing the responsibilities associated with air quality management. This is best achieved at municipal manager level so that the importance of air quality management and the cost implications are brought to the attention of the highest level of municipal management • Take notice of annual emission survey reports shared by GRDM • Participate in discussions and planning where problems exist • Cooperate with GRDM in all aspects relating to the identification and compliance monitoring of listed activities • Compile list of air quality monitoring equipment available at Kannaland municipality with the view of sharing equipment as and when necessary	• Immediate • 6 months • 2 years • 6 months • 6 months	Nil (travel costs if necessary) Nil Nil (travel costs if necessary) Nil (travel costs if necessary) Nil	Done progressively Done progressively Done progressively Done progressively Done
Objective 1.3	• Attend training on interpretation of air quality reports	• 1 year	Transport costs	Done progressively

Strengthen and build capacity in AQM, compliance and enforcement	• Attend air quality management training with the view of becoming an inspector • Attend training sessions on air quality monitoring equipment • Maintain an emissions inventory and update on regular basis	• 1 year • 1 year • Ongoing	Transport costs Transport costs Nil. Done internally	No training Done progressively Done progressively

Goal	Task	Timeframe	Budget	Progress
Objective 1.4 Develop institutional mechanisms to improve air quality and climate change response	• AQO to present and host training to industry and business to introduce EIS platform and encourage participation by stakeholders • AQO to actively engage with stakeholders to ensure business owners and municipal stakeholders submit required information on EIS platform • Customise air quality by-laws in consultation with GRDM, e.g. including regular monitoring of fuel-burning appliance emissions, etc.	• 1 year • 2 years • 2 years	Transport costs Transport costs Nil (Transport costs)	In process
Objective 1.5 Develop, implement and maintain air quality management systems	• Arrange a workshop with municipal stakeholders to discuss current poor air quality areas and develop strategies for information sharing and inclusion in development in planning • Participate in development of pollution prevention plans, based on outcome of dispersion modelling and air quality monitoring programs as and when necessary	• 6 months • 3 years	Transport costs R75,000.00	No major areas of concern

Goal	Task	Timeframe	Budget	Progress
Objective 1.6 Ensure adequate funding for the implementation of AQM by municipalities	• AQO must plan and develop an air quality budget for submission to Kannaland council with the assistance of GRDM if needed • AQO must budget for the purchase of air quality monitoring equipment which could be shared between • Budget for calibration, maintenance and consumables of Kannaland-owned monitoring equipment	• 1 year • 1 year • 1 year	Nil. Internally R150,000.00 R50,000.00	Done
Goal 2: Ensure effective and consistent compliance monitoring and enforcement				
Objective 2.1 Improve air quality compliance monitoring and enforcement	• Develop customised air pollution control plans in conjunction with GRDM as and when required • Update and review emission inventory on EIS platform and highlight concerns for further investigation	• 4 years • On-going	R100,000.00 Nil Transport costs	Done ongoing
Objective 2.2 Promote continuous improvement in respect of industry air quality compliance	• Provide a reference framework to industry with approved emission survey methodology • The AQO must undergo training to enable them to do random inspections at unlisted industries as and when required.	• 3 years • 3 years	Nil Done internally R30,000.00	

Goal	Task	Timeframe	Budget	Progress
Objective 2.3 Develop and implement air quality regulatory processes	• With the assistance of GRDM, incorporate emission limits for fuel-burning appliances in Kannaland Municipality's air pollution by-laws • Develop a permitting system for fuel-burning appliances • Participate in the development of spot fine system for vehicle emissions and implement system on completion	• 2 years • 2 years • 3 yeas	Transport costs R10,000.00 R150,000.00	
Goal 3: Continually engage with stakeholders to raise awareness with respect to AQM and climate change response				
Objective 3.1 Develop comprehensive education and communication mechanisms, strategies and programmes with respect to AQM and CCR	• AQO must develop comprehensive database of interested and affected parties for distribution of information • AQO must actively engage with stakeholders on regular basis, e.g. biannually • Coordinate and assist with DEA, Forestry and Working on Fire to educate the community on the health risk associated with burning of garden and other waste as well as wildfire	• 6 months • 1-1½ years • 1 year	Nil. Internally Nil Only transport cost Nil. Internally	

Goal	Task	Timeframe	Budget	Progress
Goal 4: Support air quality and CCR programmes, including promoting and facilitating the reduction of greenhouse gas emissions				
Objective 4.1 Reduce ozone depleting substances and greenhouse gas emissions, in line with National and International requirements	• Identify the largest contributors to GHG emissions from the emissions inventory	• 6 months	Nil. Internally	
	• In collaboration with GRDM, initiate a project aimed at setting GHG emission limits on all unlicensed fuel-burning appliances to reduce such emissions in the Kannaland region.	• 3 – 5 years	Nil. Internally	
	• If deemed necessary, revise the municipal by-laws to allow the setting of GHG emission limits on fuel-burning appliances by municipalities.	• 3 – 5 years	R5000.00	
	• Engage with largest contributors to reduce GHG emissions through best practice frameworks	• 1-1½ years	Nil (travel costs)	
	• Educate community on greenhouse gas emissions from household fuel sources and poorly maintained vehicles	• 2 years	Transport costs	
	• Develop a vehicle emission testing programme and a non-compliance system as a service to motorists	• 3 years	R200,000.00	
	• Partner with business and industry to roll out voluntary vehicle emission testing programme	• 5 years	Transport costs	

6.6 WASTE MANAGEMENT

The Ladismith landfill site is a licensed facility owned and operated by the KLM which only accepts general domestic, garden and construction and demolition (C&DW) waste. In September 2018 the KLM received a Waste Management Permit for the operation and further development of the Ladismith landfill site in terms of the Waste Act, 2008.

Figure 4: Satellite image of Ladismith landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

The Calitzdorp landfill site is a licensed facility owned and operated by the KLM which accepts garden and construction and demolition waste (C&DW). The site has been issued with a variation license for the operation and closure of the landfill for the period September 2018 to July 2020.

Figure 5: Satellite image of Calitzdorp landfill site showing permitted boundary of the site in red

(source, google earth satellite imagery, accessed)

The Zoar landfill site is a licensed facility owned and operated by the KLM which accepts general domestic, garden and construction and demolition (C&DW) waste. In September 2018 the KLM received a Waste Management Permit for the operation and further development of the Zoar landfill site in terms of the Waste Act, 2008. The KLM can continue to use the Zoar landfill site until the airspace capacity is reached.

Figure 6: Satellite image of Zoar landfill site showing permitted boundary of the site in red (source, google earth satellite imagery, accessed)

The Vanwyksdorp landfill site is a licensed facility owned and operated by the KLM. The site has been issued with a variation license for decommissioning and closure for the period July 2018 to September 2029. Closure activities must commence by 10 December 2019.

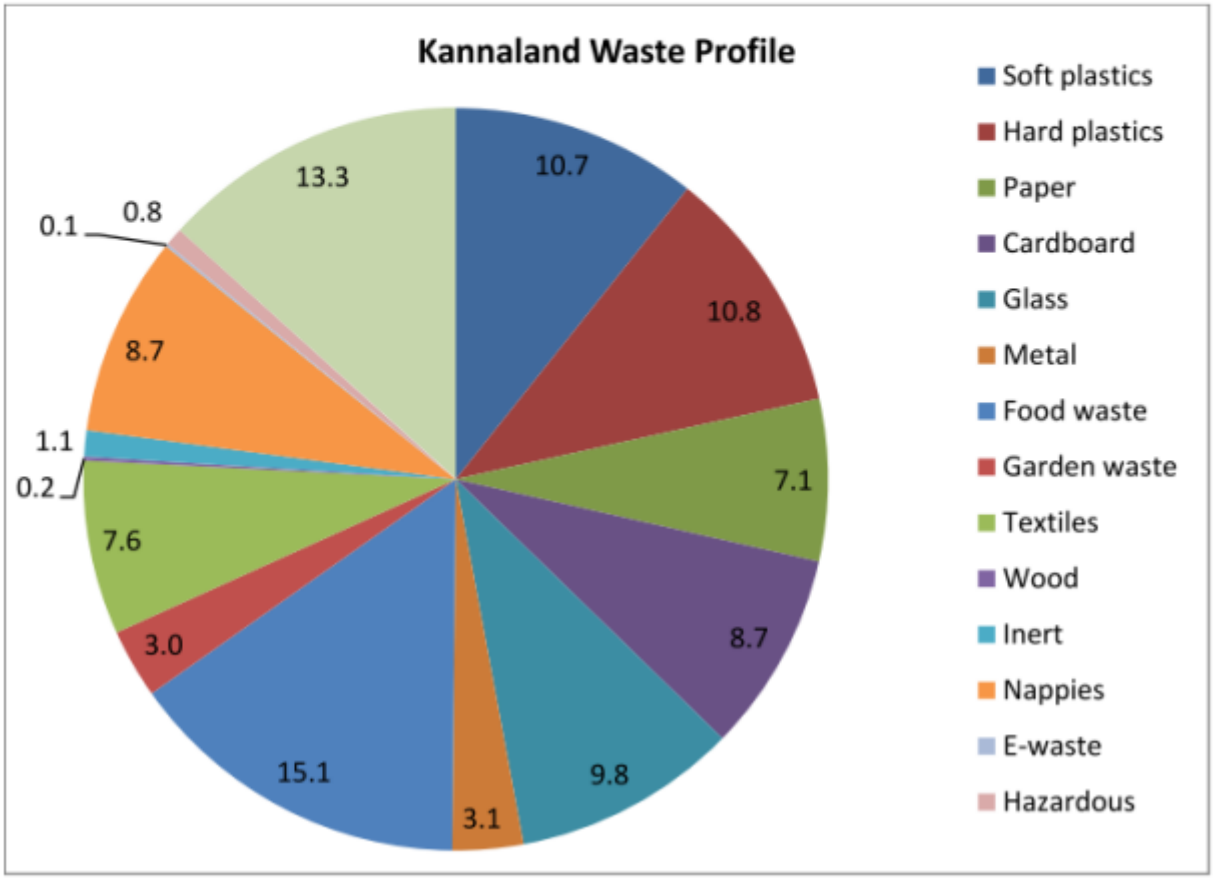
Figure 7: Satellite image of Vanwyksdorp landfill site showing permitted boundary of the site in red (source,

google earth satellite imagery, accessed)

6.6.1 Waste Profile

All formal residential erven are receiving a weekly door-to-door waste collection service. Most healthcare risk wastes are managed by private contractors. No significant and formal waste reduction, minimization and avoidance are presently being done. The paid collection rates is as follows:

Service	No of households	% of households
Removed weekly	5186	81.9
Communal refuse dump	231	3.6
Own refuse dump	792	12.5
No refuse disposal	81	1.3
Other	42	0.7



6.6.2 Kannaland Waste Profile

The municipality has the following strategic documents: • 3 rd Generation Integrated Waste Management Plan • Waste Minimization Strategy • Integrated Waste Management By-Law • Waste Management Permits/Licenses A total of seven goals were identified for the KLM. The development of these goals have been informed by the situation analysis and gap and needs assessment. The

2011 NWMS, the WCIWMP 2017, along with the status quo of waste management within the KLM were used to identify the following goals: • Effective waste information management and reporting • Improved waste education and awareness • Improved institutional functioning and capacity • Provision of efficient and financially viable waste management services • Increased waste minimization and recycling • Improved compliance and enforcement • Improved future planning The following section contains the implementation plan from the 3rd Generation Integrated Waste Management Plan:

No.	Action	Priority	Timeframe	Budget	Progress
1.1.1	KLLM to continue to report on the IPWIS system for Ladismith and Zoar landfill sites. Waste data to also be reported for Calitzdorp and Van Wyksdorp.	High	2019 -2024	Nil. To be undertaken internally	Ongoing
1.1.2	Gate controllers to be stationed at all municipal facilities to record incoming waste.	High	2019 - 2024	R100,000pp	2 controllers stationed at Ladismith landfill
1.1.3	All new gate controllers to undergo DEA&DP waste calculator training prior to commencing work, and all existing gate controllers to undergo refresher training.	High	2019 - 2024	Nil	Done
1.1.4	All municipal waste facilities are registered and reporting on the GRWMIS.	High	2019 - 2024	Nil. To be undertaken internally	Done

1.1.5	Domestic waste characterisations are undertaken once every 3 years. A representative sample is used from different suburbs across the municipality	Low	2022, 2025	Nil if undertaken internally	Done next study to be undertaken in 2022
1.1.6	KLLM to support the ongoing implementation of the GRWMIS.			Nil. To be undertaken internally	Ongoing
1.2.1	Undertake annual performance reviews of this IWMP, and send reports to GRDM and DEA&DP.	High	2019 - 2024	Nil. To be undertaken internally	Done Needs to be reviewed and sent to GRDM and DEA&DP
1.3.1	Develop an inventory of all internal waste related data sets.	High	2019 - 2024	Nil. To be undertaken internally	Done
1.3.2	Develop systems for effectively capturing and storing waste data sets identified in the above inventory, such that they are readily available.	High	2019 - 2024	Nil. To be undertaken internally	Done
2.1.1	Develop an annual waste awareness calendar *(to be developed at the beginning of each financial year).*	High	2019 - 2024	Nil. To be undertaken internally	Ongoing
2.1.2	Dedicated employees for waste education and awareness to be appointed, key performance indicators (KPIs) to be included in their formal job descriptions.	High	2019 - 2024	~R200,000 per annum (salary to be according to KLLM grading policy)	No progress YCOP does awareness in the
2.1.3	Waste awareness campaigns undertaken should be well documented and records regarding awareness campaigns should be stored in a central database.	High	2019 - 2024	Nil. To be undertaken internally	Ongoing
2.1.4	KLLM to make use of existing GRDM waste awareness materials, these may need to be	High	2019 - 2024	Nil. To be undertaken internally	Ongoing

	translated and made available in Afrikaans.				
2.1.5	The GRDM waste mascot is to be incorporated into future waste awareness materials.	High	2019 - 2024	Nil. If design of awareness materials can be undertaken internally	Ongoing
2.2.1	KLLM to support the GRDM with hazardous waste awareness programmes with business and industry. These programmes should focus on what constitute hazardous waste and how it should be managed.	Medium	2020/21	Nil. GRDM to fund the cost for advertising, venues and catering for meetings/ workshops	Ongoing
2.2.2	KLLM to undertake hazardous waste awareness programmes with the public with a focus on HHW.	Medium	2019 - 2024	Nil	Ongoing
2.2.3	KLLM to undertake in-house hazardous waste training and a clean-up of the depot.	High	2019 - 2024	Nil to be undertaken internally.	KLLM
2.2.4	KLLM should encourage registration of hazardous waste generators on the GRWMIS.	Medium	2019 - 2024	Nil. To be undertaken internally	KLLM
2.3.1	Waste awareness campaigns to be undertaken at all schools in the KLLM. School recycling competitions to be implemented.	High	2019 - 2024	No additional labour cost if the same resource listed under 2.1.2 fulfils this role. A travel budget for waste awareness staff	Ongoing
3.1.1	The cleansing services department's organogram is to be reviewed to determine if sufficient positions are listed to allow implementation of this IWMP. All key positions should be filled.	High	2020/21	Nil. The review of the organogram can be undertaken internally. Budget will be required	KLLM

				to fill vacancies	
3.1.2	Implementation of the IWMP to be added as KPIs to the Waste Manager or supervisors performance evaluation criteria.	High	2019 - 2024	Nil.	KLLM
3.1.3	Training schedule to be developed with training needs for employees at different levels identified.	High	2019 - 2024 (annually)	Nil. No budget will be required to identify training needs	KLLM
3.1.4	KLLM to implement the training needs of employees identified in 3.1.3.	High	2019 - 2024	The training costs will depend on identified course. An average budget of ~R10.000/ course/pers on should be allocated. Some courses e.g. DEA&DP courses will be free of charge	KLLM
3.1.5	KLLM WMO to attend quarterly GRDM WMO forum meetings and provincial forum meetings.	Medium	2019 - 2024	TBC – travel costs	KLLM
4.1.1	KLLM to develop and implement a vehicle maintenance and replacement plan.	High	2019 - 2024 (reviewed annually)	Nil. To be undertaken internally	KLLM
4.1.2	KLLM to purchase 1 new waste compactor truck per year	High	2020 - 2024	R1,500,000 per truck	KLLM
4.1.3	KLLM to ensure there is at least one backup truck for refuse collection.	High	2020	Nil. Old trucks to be kept as backups	KLLM
4.2.1	Waste specifications to be developed for all future municipal and private developments (e.g. road widths and provision for drop-of centres).	Medium	2019/20 (reviewed annually)	Nil. To be undertaken internally	KLLM

4.3.1	Waste disposal tariffs are informed by a full cost accounting exercise, tariffs are reviewed annually to determine if they are still accurate.	High	2019/20 (reviewed annually)	Nil. To be undertaken internally	KLLM
4.3.2	KLLM should develop a list of serviced and un-serviced areas and ensure that all areas serviced by the municipality are billed for the waste collection service they receive.	High	2019/20 (reviewed annually)	Nil. To be undertaken internally	Done by finance department
4.3.3	KLLM to ensure the indigent register is reviewed annually.	Medium	2019/20 (reviewed annually)	Nil. To be undertaken internally	Done by finance department
4.4.1	GRAP assessments of the landfill sites are undertaken on an annual basis and an annual contribution is made into a budget allocated for the closure and rehabilitation of the landfill sites. Funds set aside for the rehabilitation and closure of landfill sites should be ring-fenced.	High	2019 - 2024 (annually)	R 60,000 per annum per site. The cost will include a tachometric survey to determine remaining airspace	KLLM

4.5.1	KLLM to undertake surveys of remaining airspace at the Zoar and Ladismith landfill sites.	High	2019 - 2024 (annually)	Budget contained under 4.4.1	KLLM
4.5.2	The KLLM to undertake a phase 1 site selection study for a new regional site, extension of the Zoar and Ladismith sites should be considered.	Medium	2020/21	R 300,000	KLLM
4.5.3	The KLLM to secure funding for the appointment of consultants to assist with the site selection process (short term) and funds to construct the regional site (medium – long term).	Medium	2020/21	Nil. To be undertaken internally	KLLM
5.1.1	The KLLM should implement a pilot separation at source programme (2 bag system) in Ladismith.	High	2020	R 200,000 per annum	KLLM
5.1.2	The KLLM should implement pilot swop shops and buy back centre programmes.	Medium	2020	R 60,000 per annum to provide limited stock to the facilities	KLLM
5.1.3	Drop-off facilities for recyclables to be constructed in Ladismith (2021),Calitzdorp (2023), Zoar (2025), Van Wyksdorp (2027)	Low	2021 - 2027	R 3,000,000 per facility	KLLM
5.1.4	The KLLM should implement an in-house	Medium	2020	Nil if a recycling	KLLM

	recycling programme. Records of waste collected through this system to be reported separately by the service provider who collects the recyclables.			company can provide bins and collect free of charge	
5.2.1	Develop an organic waste diversion plan and submit to DEA&DP	Medium	2020/21	Nil. To be undertaken internally	Done
5.2.2	The KLLM should roll out a pilot home composting programme.	Medium	2020/21	R 40,000	Rolled out to 30 households in Zoar, hence the project was not successful
5.2.3	The KLLM should develop and submit an organic waste diversion plan to DEA&DP.	High	2019/2020	Nil. Done internally	Done
5.2.4	The KLLM should implement the organic waste diversion plan.	Medium	2020 - 2024	TBC	KLLM
5.2.5	The KLLM should develop small composting facilities (less than 10 tonnes/day) in Ladismith, Van Wyksdorp, Calitzdorp and Zoar.	Medium	2021/22	R 1 000,000	KLLM
5.2.6	The KLLM to provide drop-off facilities for garden waste at all existing and proposed waste management facilities.	Medium	2021/22	R 50,000 per facility to add garden waste drop-off facilities. The cost of establishing drop-off facilities is covered under 5.1.3.	KLLM
6.1.1	Review the Integrated Waste Management By-laws (2013) and make provision for a fines schedule.	Medium	2021	R 50,000	KLLM
6.1.2	Appoint a waste ranger and peace officers to enforce the by-laws.	Medium	2021 - 2024	R350,000/ annum	KLLM
6.1.3	Undertake clean-up campaigns in areas where litter and illegal dumping is prevalent. These can be undertaken in association with local schools, environmental	Medium	2020 - 2024	Nil.	Ongoing

	organisations or communities and used as waste awareness campaign.				
6.1.4	KLLM to undertake illegal dumping surveys to determine the location of illegal dump sites and composition of waste being dumped.	Medium	2020 - 2024 (biannually)	Nil. To be undertaken internally	Done in 2019
6.2.1	Ensure that the Ladismith and Zoar landfill sites are managed and operated according to their license conditions.	High	2019 - 2024	TBC	KLLM
6.2.2	Comply with closure license for the Van Wyksdorp and Calitzdorp landfill sites.	High	2019	TBC	KLLM
6.2.3	Investigate potential historic landfill sites and determine the way forward for the sites in consultation with DEA&DP.	Medium	2020/21	Nil. To be undertaken internally	KLLM
6.2.4	The KLLM should undertake internal audits of all waste facilities at the frequency specified in their waste management license or registration.	High	2020 - 2024	Nil. To be undertaken internally	Ongoing
6.2.5	All relevant KLLM employees to be trained on auditing principals to allow them to undertake internal audits.	Medium	2020/21	R6,000/person/ course	Ongoing
6.2.6	Annual external audits of all landfill sites.	High	2020 -2024	R30,000/annum/landfill site excluding tachomateric surveys, airspace determination and monitoring	Last external audits were conducted in 2019
6.3.1	Closure of Van Wyksdorp landfill site to be undertaken in accordance with the license	Medium	2019 – 2028	R4,300,000	KLLM
6.3.2	Closure of Calitzdorp landfill site to be	Medium	2020 - 2025	R17,000,000	KLLM

	undertaken in accordance with the license				
7.1.1	The KLLM to develop a waste infrastructure masterplan to guide the development of waste facilities over the next 5 – 15 years. The infrastructure masterplan must consider small composting facilities for each town.	Medium	2020/21	R 250,000	KLLM

6.7 RESPONDING TO CLIMATE CHANGE

6.7.1 Introduction

There is general scientific agreement that the world is now warmer than at any time in the last 1000 years, and that the cause for this warming is due to human activities. With an economy that relies heavily on agriculture, Kannaland is at risk from projected changes in rainfall pattern and warming induced by changes in the global energy balance and atmospheric water balance.

Trends in climate over a five-year period can easily be meaningless or insignificant in a statistical sense. However, the average for the five-year reporting period may be useful for simple comparative purposes against the long- term average. Once a continuous ambient air quality sampling programme is in place, quarterly air quality reports will provide useful information on the state of our environment.

Increased drying and changes to the seasonal nature of precipitation will bring an increase inirrigation requirements which are likely to desiccate wetlands and threaten seasonal ecosystem interactions within the wetland. Such impacts are likely to further threaten the biodiversity of freshwater resources, which in turn will impair the environmental services they provide. The impact caused by climate change in terrestrial ecosystems include the detrimental effects associated with wildfires due to increased berg-wind conditions, and the possibility of changes in the distribution of alien invasive species, apart from changes in indigenous species distribution and interactions.

Numerous economic sectors could be affected by changes in temperature and precipitation patterns. The impact is likely to be felt in agriculture, fisheries, forestry, the manufacturing industry, tourism, finance and investment, transport, communication and trade, and construction. Climate change is likely to impact water services in terms of diminishing reserves on the one hand, and damage to infrastructure due to heavier precipitation events on the other.

The climate in Kannaland is known for its hot and dry summer days. The average annual rainfall is about 270 mm, with rainfall occurring throughout the year. The average midday temperatures range from 16.6°C in July to 29.6°C in January and the mercury does drop to 3.2°C during winter nights.

Kannaland Municipality will have to respond to climate change in the following way:

Given the expected impact of climate change on water resources the following could be implemented:

- Water security provisioning and growing the rural economy.
- Climate change, inadequate water storage facilities, natural and man-made disasters (drought, floods, fires)
- Develop Climate change adaptation techniques and education
- Implementation of the Western Cape Climate Change Implementation Framework Agricultural Climate Change Response Plan
- Promoting environmental sustainability for future generations and respond to climate change risks which could derail programme and project success.
- Undertaking research to understand environmental and climate change impacts to facilitate risk reduction and response;
- Develop Climate Change: Disaster contingency plans: Mitigation and Adaption Projects
- Establish a food bank
- artificial groundwater recharge and strict ground water management systems;
- desalination of groundwater;
- local water resource management and monitoring;
- the use of grey water;
- Tariff structures to reduce water consumption; and
- Integrating the climate induced impact on water resources into IDP's.

6.7.2 Impact of Climate Change

Given the background of the Kannaland district municipal area being predominantly dependent on agriculture as its economic base, the risks that climate change can potentially have on this agricultural production area is of great concern. The main expected features of climate change is the raise in temperature, variability in precipitation, changes in precipitation patterns, changes in the growing season, changes in rainfall pattern, etc. Therefore, the aforementioned variables will definitely impact on the availability of water, for both rain-fed and irrigated agricultural production. Water availability is the most important limiting factor for crop production in the Kannaland area. Furthermore, animal production will also be adversely affected in the light of dryer periods throughout the year. Given the extent of production in this area it could have implications in terms of food security. In the Kannaland Municipality

these trends are likely to result in the following: • Increased competition for scarce water resources with limited scope for further water storage facilities, making irrigation of crops more costly. • In addition, increased summer temperatures will result in crop damage. Other more indirect impacts on rural livelihoods include: • A loss of biodiversity and resultant loss of ecosystem services noted above (a 30% loss of species is projected in a worst case scenario); • Increased fire (due to increased temperature, likely spread of alien vegetation and loss of biodiversity) and flood (rainfall events is likely to be fewer but heavier) risks, impacting on crops, livestock, and settlements.

6.7.3 Implications for Kannaland Municipality

1. Building orientations, architecture and materials used must be sensitive to aspects (i.e. north facing, south facing, etc.) in order to reduce unnecessary energy consumption.
2. Implement rainwater harvesting throughout the municipality especially in areas with lower average rainfall such as the eastern areas.
3. Educate residents on water saving measures and waste reduction through a municipal wide climate change programme.
4. Protect climate refuge areas for the colonisation of threatened species. Important areas in this regard are south facing slopes as per Figure 3.2.4.3 in the SDF.
5. Water scarcity is a concern in the Kannaland Municipality. It is likely exacerbated by changing climatic conditions. This requires cautious planning, more so around new development that might increase the stress and withdrawals on current water supplies).
6. Regulate water demand especially for agricultural purposes.
7. Develop more effective water management strategies.
8. Improved technologies to be explored.
9. The protection of ecological water reserves should be a priority.
10. Monitoring biodiversity closely and eradicating alien vegetation should be undertaken.

6.8 SPATIAL ALIGNMENT

6.8.1 Introduction

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 onthe 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.

6.8.2 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 (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). As the Municipality does not have an in-house spatial planner and was unable to obtain budget resources to procure a service provider, the review and updating of the SDF has not been completed. The Municipality will identify this competency as critical and forming part of the responsibilities attached to the position of Senior Manager: Strategic Services.. The review and update the SDF for the 2022 – 2027 IDP shall be undertaken during the fifth generation IDP review process. In the meantime, the existing 2013/2014 SDF shall be consulted. during the 2022/23 financial year. For the purpose of the fifth generation IDP, the approved 2013/2014 SDF will be used as a basis for alignment and the the projects identified in the 2013/2014 SDF shall be adjusted in line with the 5th generation IDP. And Budget.

The Kannaland 2013/2014 – 2017/2018 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.

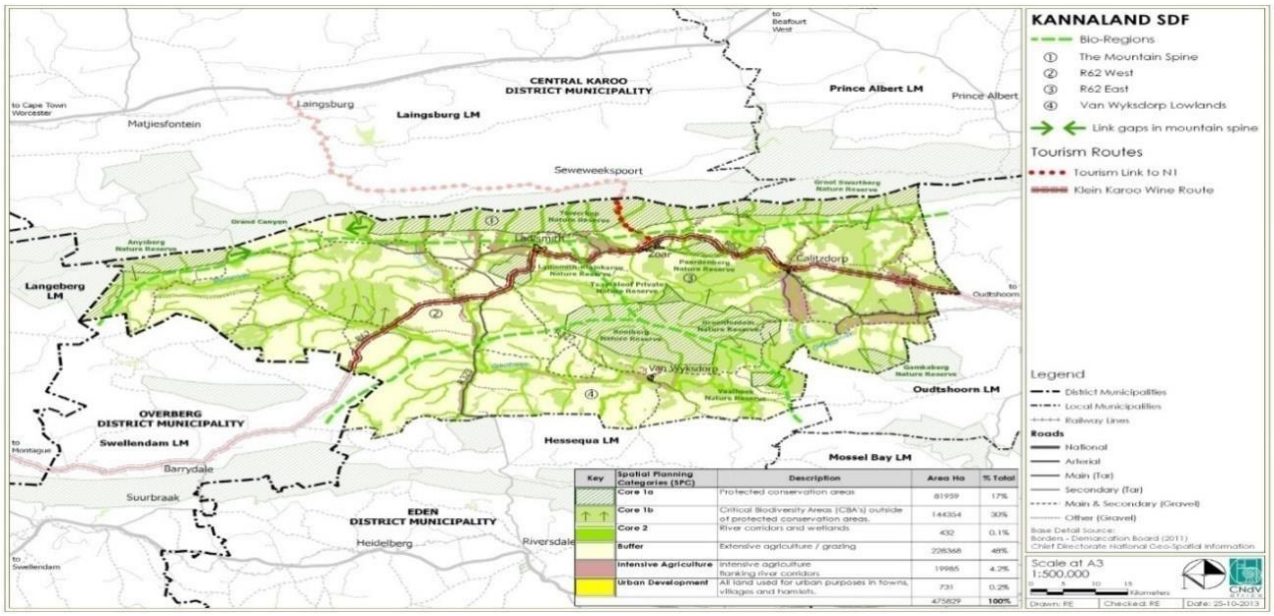


FIGURE 23: KANNALAND SDF – REFER TO FIGURE 5.3.1.1 IN SDF

NOTE:

Although the SDF should essentially be revised every 5 years, due to financial and capacity constraints, the existing 2013/2014 - 2017/2018 SDF shall be consulted and reviewed in tandem with the four IDP reviews.

Spatial perspective of the IDP of the municipality

Because the SDF should also include a spatial representation of the IDP, understanding and interpreting the IDP spatially is seen as an important phase of the process. Therefore, this section should also include the following:

- Highlight the vision and mission of the IDP and its spatial implications;
- Confirm the interrelationship of the municipality's vision and that of the district from a spatial planning point of view;
- Identify key principles and strategies as contained in the IDP and how they translate spatially;
- Delineate the municipal boundary, settlements, farms and wards; and,
- Map the area where the main pressing needs and the proposed multisector project(s) are located.

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.

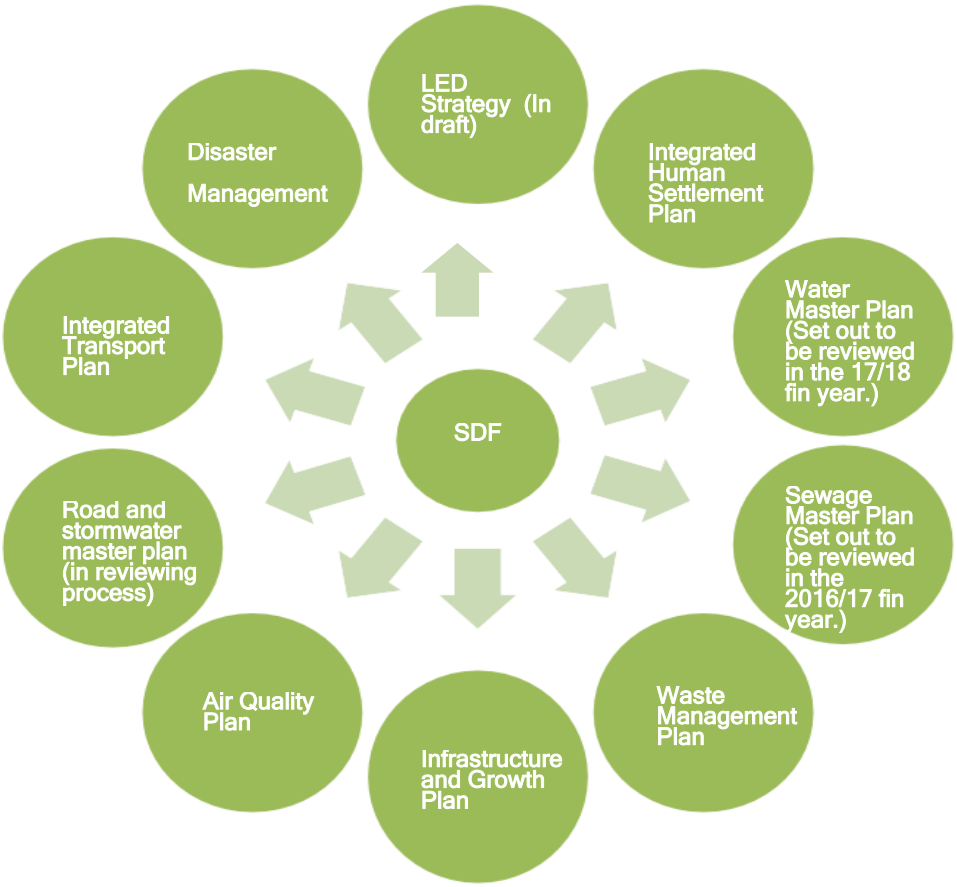


FIGURE 24: SDF ALIGNMENT WITH SECTOR PLANS

6.8.4 Conceptual Spatial Development Framework

In this phase the conceptual proposals are developed. They should indicate how the spatial form of the municipality should be shaped and links with the outcomes of the two phases mentioned above. This section should include and map the following:

- Relevant objectives and principles that will guide activities into the desired spatial form;
- The macro-conceptual framework showing the desired spatial form including how the municipality should be portrayed as to how it will function sustainably as a system;
- A micro spatial plan of key focus/growth/nodal points in the municipality;
- Horizontal and vertical alignments of the conceptual SDF with other relevant plans such as NDP, PSOs, NSDP, District SDF and District IDP, etc;
- Priority settlements for the implementation of the CRDP;
- Rural towns needing revitalisation;
- Strategic located land for agri-villages and agro-industries;
- Land to be acquired or reserved for land reform activities including land for proactive acquisition (PLAS) by the Department of Rural Development and Land Reform;
- Strategic sites for Thusong Service Centres;
- Strategic development areas and priority areas for investment;
- Viable land for housing and other economic development and supporting infrastructure;
- Viable and functional nodal points, and identify potential nodes and how they should be developed.
- Nodes without development potential. Name or identify the nodes;
- Functional development corridors and how they should be developed to support the nodes;
- Urban edges and direction for growth for any of the different areas at micro framework level and for the municipality as a whole at macro level;
- Functional and integrating municipal/district roads and public passenger transportation network;
- Proposals for upgrading of or new roads; and,
- Proposed major bulk infrastructure for the whole municipality;
- Where appropriate, include new bulk infrastructure and the relevant services;

- Environmental conservation and sensitive areas;
- Major sporting nodes as well as areas with tourism potential
- High agricultural potential and areas affected by claims which municipality needs the most for developmental purposes; and,
- Areas needing urgent policy intervention.

6.8.5 Implementation Strategies and Programmes

This is the most important phase of the SDF in which the ideas as conceptualised in the previous phases should be realised. For implementation to succeed it is necessary to ensure the following from the start of the process:

- There should be a strategic vision for the spatial structure of the municipality as a whole shared by councillors, all the municipal department's officials, the district in which the municipality is located, national the sector departments and the private sector;
- The development of the SDF should be consultative from the beginning until to the end of the process; and,
- There should be strategies and processes in place to involve the relevant decision-makers and stakeholders.

From this work the following deliverables should be included in the SDF:

- Relevant strategies and policies to implement the framework and determine the points of intervention by the municipality; and,
- Amendments to the relevant sector plans to facilitate the implementation of the SDF.

Note:

Except for Land Use Management System (LUMS), most of the implementation of the SDF will occur via the sector implementation plans, e.g. HSP, SIP, PTP, disaster management, LED, EMF. The SDF provides the spatial guidance to all of these plans.

6.8.6 Regional Industrial Development Strategy (RIDS)

The Department of Trade and Industries (DTI) Regional Industrial Development Strategy (RIDS) seeks to move South Africa's industrial development policy from the apartheid era's top-down localized approach to a bottom-up approach that treats regions as functional entities and builds on locally available skills and resources and relies on external investment. (The DTI, Draft Regional Industrial Development

Strategy, June 2006, pg 16) Therefore, it also seeks to strengthen world-class regions. These are high performance regions that contain companies or networks of companies which need to constantly upgrade so that they do not fall behind in global competition. (The DTI, ibid) One strategy here is to concentrate a critical mass of firms in a chosen industry sector together with its upstream suppliers and service providers in a specific geographic location. Necessary support infrastructure includes transport, logistics, communications, education and training.

Implications for Kannaland Municipality:

1. Promote Ladismith and Calitzdorp as the main drivers of the Kannaland municipal economy.
2. Ladismith is the main business and administrative hub of the municipality. • Forward and backward linkages need to be developed to support economic activities. (Kannaland Municipality SDF)

6.8.7 Provincial Urban Edge Guideline Manual

An Urban Edge is a demarcated line to contain, manage, direct and control the outer limits of development around an urban area. The intention of an Urban Edge is to establish limits beyond which urban development should not occur and to promote urban and environmental efficiency, effectiveness and economy in the interest of all.

The function of an Urban Edge is three-fold, namely:

to assist with restructuring the urban areas and integrating the currently segregated social groups and urban uses;

as one of a number of growth management tools to assist with limiting sprawl and the outward growth of urban areas, support densification and infill development, and to ensure the more efficient use of resources and land within the urban area; and

as a conservation tool to exclude certain parts of the environment from the urban area in order to protect or preserve or to discourage development in the short and medium term while the long term implications are being understood.

Urban development includes all development of land where the primary use of the land is for the erection of structures. Residential estates on farms and golf estates would, for this purpose if located outside the Urban Edge, be defined as urban uses, albeit that the "primary use" is "agriculture" or "private open space" and the "secondary use" is residential. Agricultural uses, open space uses, conservation areas, transport zonings (excluding public transport interchanges, ranks and stations that consist mainly of buildings) and many similar use zonings refer to the use of the land rather than buildings erected on the land in order for the use to occur. These are non-urban uses. Smallholdings used for bona fide agricultural purposes would or should typically be excluded from the urban area by delineation of an

Urban Edge.

Golf courses, polo fields and other sporting facilities with low ancillary facilities are seen as rural in nature, whereas a golf estate, i.e. a golf course with housing, is an urban use, unless it is a resort. Agricultural estates, i.e. farms with a large residential components for owners or shareholders (as opposed to bona fide labourer's residences) or for unrelated freehold or sectional title ownership are seen as urban if the density exceeds one unit per ten hectare.

The following issues, criteria and factors are regarded as informants when considering Urban Edges for the urban areas:

- Services infrastructure (barrier effect);
- Services infrastructure (capacity and reach);
- Vacant under-utilised land in urban area;
- Availability of developable land in urban area;
- Higher order roads, access routes and transport infrastructure;
- Cadastral boundaries of adjoining land units;
- Growth requirements over predetermined period;
- Land use applications for new development;
- Visual impact;
- Cultural heritage resource areas; •
- Ownership of land and existing land use rights;
- Informal settlements;
- Urban agriculture and small scale farming;
- Bio-regional spatial planning categories (core and buffer); and
- Density policy for residential development in rural towns.

Given the criteria, issues and facilities for determining Urban Edges, Urban Edges should be determined to:

- Exclude prominent landforms and environmental character areas from the urban area;
- Exclude valuable soils for agricultural purposes;
- Exclude valuable soils for mining purposes;

- Exclude surface and ground water resources that could be used to produce potable water;
- Exclude surface and ground water features;
- Exclude ecological resources and establish suitable; ecological corridors to link resource areas;
- Exclude all statutorily declared, proclaimed and protected natural areas;
- Exclude high intensity use and high potential agricultural resources and activity areas;
- Exclude scenic routes and routes of tourism significance;
- Exclude cultural and heritage resource areas and sites;
- Exclude areas that have visual sensitivity, skylines, mountainsides, ridgelines and hilltops; and
- Exclude the WC-PSDF defined core areas.
-

Implications for Kannaland Municipality

In the Kannaland Municipality the following elements play a critical role in delineating the urban edge (DEA&DP, 2005):

1. Agricultural land: currently farmed land, high potential agricultural land, agri-processing (wine tasting facilities, restaurants and guesthouses);
2. Rivers, wetlands and floodplains: 1:50 year flood plains, 1:100 year floodplains and the 30m buffer zone around river corridors;
3. Heritage aspects such as landscapes, viewsheds, rural landscapes and gateways;
4. Topography: Major topographical features (hills, ridgelines and focal points), visual or aesthetic quality of scenery, slopes;
5. The policy plans for desired direction and pattern of growth.

The current SDF outlines various catalytic projects for Kannaland spatially as well as future economic initiatives. The SDF is attached to this IDP (*It should be noted that the SDF will be updated and reviewed as soon as the resources for doing so has been obtained*). Throughout this IDP projects arebeing promoted which will be initiated as per listed financial years.

The SDF put forward spatial proposals for:

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

The SDF identified 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 a priority.
- 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.

A complete review of the Kannaland MSDF is planned for the 2022/23 financial year, leading in to 2023/24 financial year. The envisioned project time frame 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 interms of all the applicable legislation. Kannaland Municipality shall continue to refer to the existing MSDF up to the time that it is updated.

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
- 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,
- Van Wyksdorp

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

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 all of the municipality can be considered to be an area of outstanding natural beauty and bio-diversity significance with great appeal to the wilderness and adventure tourism market:

The heritage and urban environment of the settlement are a third, with particular attention being paid to the upgrading of Zoar and Van Wyksdorp with their potential 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; The municipality should be considered fortunate in that major beneficiation of agricultural products in the form of cheese, dairy, wine and port occurs at processing plants and wineries within its boundaries rather than the raw material being exported to value adding enterprises elsewhere.

Balancing Economic Development and Environmental Protection

An important role and function of the municipality is to balance the need for development with the need to reserve the fauna and flora which are an important leverage within the agriculture and tourism industry. The area is very popular amongst artists, cyclists and off-road enthusiasts who come here for untouched natural beauty. The municipality has a difficult task to balance the interest in the natural environment with the need to promote development which will address the socio under development, infrastructural backlogs and the need to promote investment inflows to the area. The Spatial Development Framework (which is reflected in the IDP) will be one of the key strategic tools with which the municipality will balance these competing interests keeping in mind that the economy is extremely fragile.

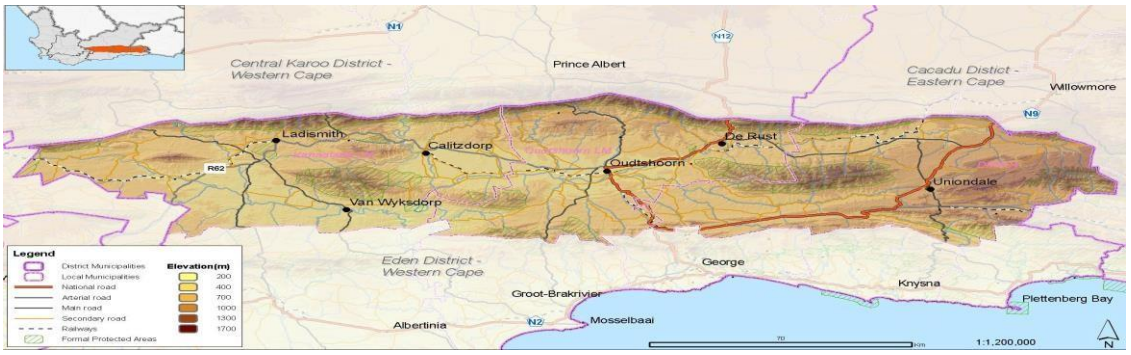


FIGURE 16: PROTECTED LAND AREAS: EDEN DISTRICT

Kannaland Flora

The Cape Floral Kingdom is characterized by its exceptional richness in plant species. More than 8 700 species are known to exist, with more than 68% of these being endemic. The Cape Floral Kingdom, thus, compares with some of the richest floras worldwide. It is the smallest of the Floral Kingdoms and covers a mere 0.06% of the earth's surface, and is the only Floral Kingdom contained in its entirety within a single country.

Kannaland is a region of extensive plains, arid foothills and rugged rocky ridges and includes a wide range of microhabitats with extreme seasonal and diurnal temperature fluctuations. There are 1325 plant species in this area, including 182 Succulent Karoo endemics and 92 Red List species (www.skep.org.za). While unique and rare species are found throughout the landscape, many of the endemics are concentrated along veins of weathered quartz, where patches of white pebbles provide camouflage and moderate the temperature for “stone plants”

Agriculture

The Kannaland Municipal area is dependent on the agriculture sector. Economic pressures in the agricultural sector over the past few years forced farm workers to migrate to towns where, in most cases, these families became indigents who must be given free basic services, placing huge financial strain on the resources of Kannaland.

South African agriculture has performed well over the past decade; despite some volatility owing to its dependence on global markets and on an inclement climate, gross value added by the sector expanded by more than 15% in real terms since 2005. Overall growth was influenced by a combination of global and macro-economic forces as well as the climate. Following the recession, growth in the sector recovered and peaked in 2014 at more than 30% before the drought started having an impact from 2015 onwards.

However, this expansion peaked at over 30% in 2014, before declining rapidly in the past two seasons as a result of extreme drought in the summer rainfall regions. The severity of the current drought has reemphasized the importance of a vibrant and sustainable agricultural sector. 2016 in particular will be remembered as a challenging year, the sector's resilience and ability to recover froma shock such as the current drought is underpinned by a combination of key underlying fundamentals linked to the long-term competitiveness of the industry.

Globally, agricultural commodity prices have fallen well below the peaks of 2013, as generally high production levels have replenished stocks. Furthermore, the two demand drivers of the past decade, namely biofuel production and rapid growth of the Chinese economy, are expected to slow significantly over the next ten years.

Crop prices are expected to remain under pressure in the short term, before starting a gradual recovery towards 2020. In South Africa, much of the decline in world prices has been negated by the sharp depreciation in the value of the Rand, which by May 2016 had declined by almost 48% overthe preceding 24 month period. South Africa is projected to return to a net exporting position from 2017 onwards, though the projected surplus is unlikely to be sufficient to maintain prices at export parity levels throughout a normal year.

Barley has been competitive in the Southern Cape in the recent past and in light of a favorable yield growth outlook arising from the introduction of new varieties, gross margins are expected to support expansion of barley area at the expense of wheat over the coming decade, provided that the current pricing structure that links barley prices to wheat prices is maintained.

Having expanded rapidly over the past decade, consumption growth of meat and dairy products is projected to slow over the next ten years. This is particularly of significance in the Kannaland due to its prominent dairy industry.

Regional Agri-parks project

The Agri-Parks project started in July 2013 as a response to a formal request from the Minister to identify areas in South Africa where crop production can be enabled. As a network it will enable a market-driven combination and integration of various agricultural activities and rural transformation services. The Agri-park will comprise of three basic units:

- The Farmer Production Support Unit (FPSU). The FPSU is a rural outreach unit connected with the Agri-hub. The FPSU does primary collection, some storage, some processing for the local market, and extension services including mechanization.
- Agri-Hub Unit (AH). The AH is a production, equipment hire, processing, packaging, logistics and training (demonstration) unit.
- The Rural Urban Market Centre Unit (RUMC). The RUMC has three main purposes;

Linking and contracting rural, urban and international markets through contracts;

- Acts as a holding-facility, releasing produce to urban markets based on seasonal trends; and
- Provides market intelligence and information feedback, to the AH and FPSU, using latest information and communication technologies.

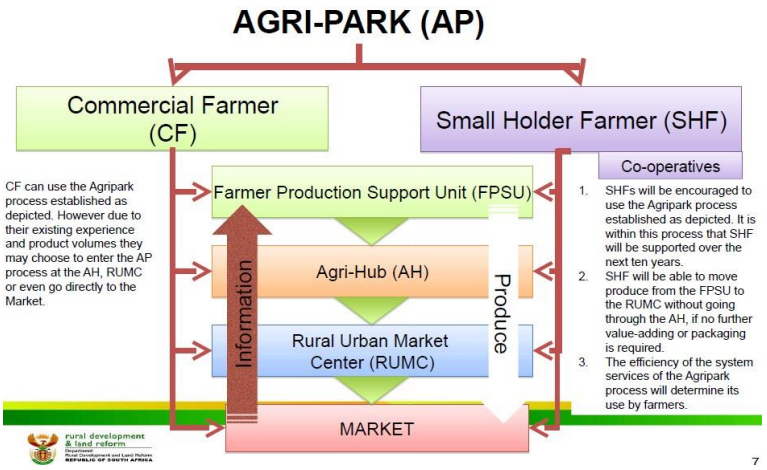


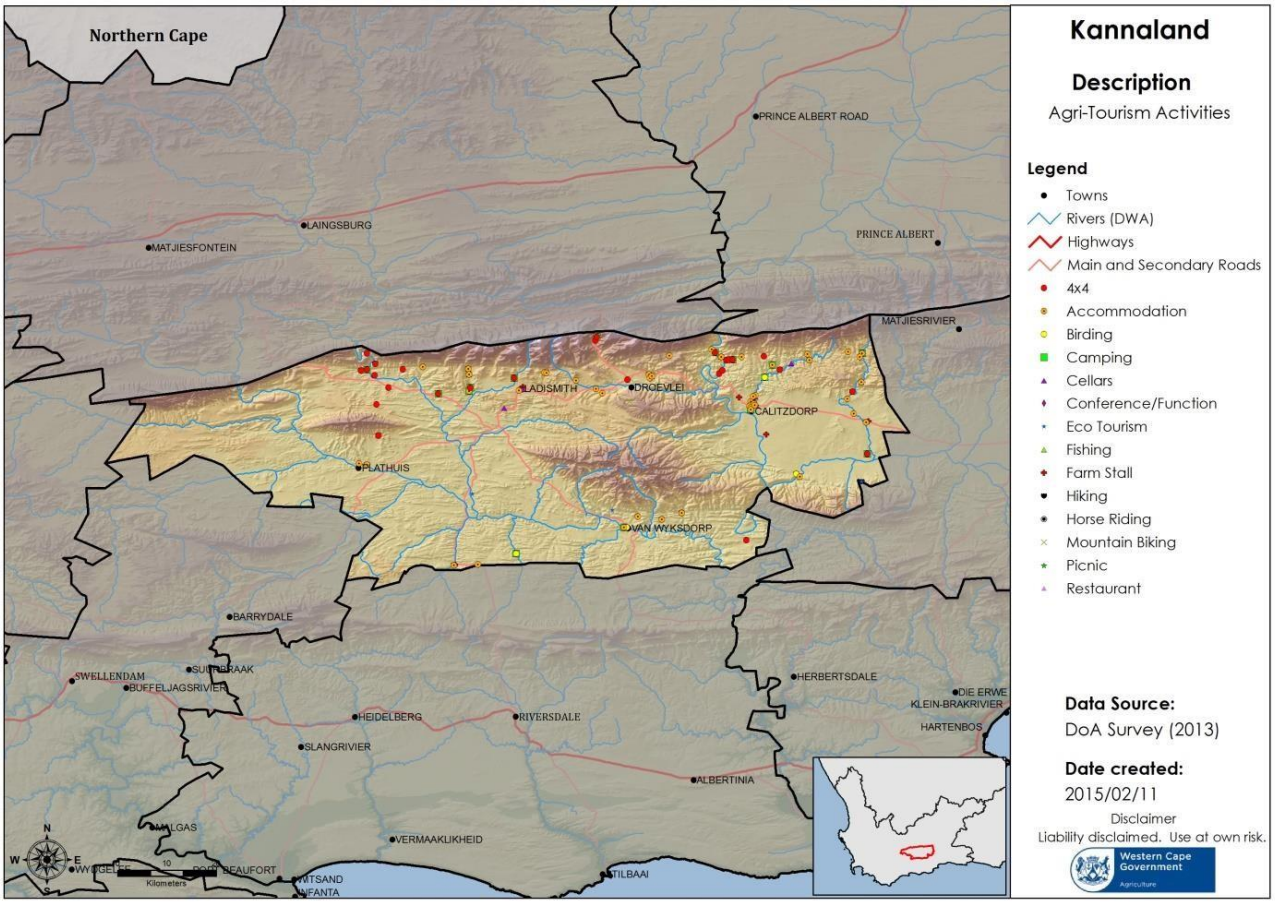
FIGURE 18: AGRI-PARK FRAMEWORK

Agri-parks will be farmer controlled and is aimed to be the catalyst around which rural industrialization will take place. It will be supported by government (10 years) to ensure economic sustainability. The idea is to strengthen partnership between government and private sector stakeholders to ensure increased access to services (water, energy, transport) and production on the one hand, while developing existing and create new markets to strengthen and expand value-chains

on the other. The establishment of the Agri-park will create job opportunities for the local residents and will add to the economic growth of the district.

Agritourism

Type	Count	% of WC
4x4	26	10.8
Accommodation	62	3.2
Birding	16	7.2
Camping	15	6.3
Cellars	14	1.6
Conference/Function Venue	6	0.7
Ecotourism	14	4.8
Fishing	7	3.3
Farm Market	0	0.0
Farm Stall	7	3.3
Hiking	31	7.6
Horse Riding	5	3.1
Mountain Biking	23	7.6
Ostrich	4	28.6
Picnic	4	3.6
Quad Biking	2	4.9
Restaurant	18	2.3



Economic value of main commodities

Rank	Area (Ha)	Crop	% of WC
1	7142.7	Lucerne	1.8
2	970.3	Wine Grapes	0.9
3	753.3	Fallow	0.8
4	674.4	Planted Pastures Perennial	0.3
5	643.9	Apricots	20.3
6	556.0	Natural grazing	0.5
7	350.5	Onions	7.4
8	300.8	Small Grain Grazing	0.2
9	296.5	Plums	5.1
10	291.3	Peaches	3.7
	1024.6	Balance	

TABLE 8: ECONOMIC VALUE OF COMMODITIES

Livestock

Type	Count	% of WC
Cattle	7008	1.8
Goats	9635	6.3
Horses	219	1.7
Ostriches	25308	12.0
Pigs	838	1.0
Sheep	14001	0.9

TABLE 9: LIVESTOCK

Targeted Commodities

Proposed Agri-park commodities have been identified with inputs from the District and Local Municipalities and DAMC using the following criteria:

The presence of an existing sustainable production advantage (both currently and into the future); and Commodities produced by small and emerging farmers which could help them achieve economic independence and sustainability, contribute to GDP growth for the district and where they require support in order for this to happen.

The impact and possible future impact of the commodity (ies) on the local economy by way of contribution to the GDP and job creation. Commodities with high potential growth and high potential of job creation.

Land Classes

Table 2: The area covered by level one and level 2 land classes in the Kannaland and Oudtshoorn Local Municipalities, and Eden District Management Area.

Landcover (Hectares)		Kannaland	Oudtshoorn	DMA04	Total Municipal PD
Level 1	Level 2				
Natural		**380,884**	**251,232**	**320,205**	**952,320**
Natural	Natural	118,886	133,629	217,416	469,931
Natural	Near Natural - AIP	18,199	17,882	11,028	47,108
Natural	Near Natural - Mod Degr	243,798	99,721	91,761	435,280
Natural	Unknown	-	-	0	0
No Natural		**21,795**	**41,092**	**57,925**	**120,812**
No Natural	No Natural Agric	17,279	34,962	53,584	105,826
No Natural	No Natural Dam	775	1,261	934	2,970
No Natural	No Natural Urban	668	2,010	368	3,045
No Natural	No Natural - Other	3,074	2,859	3,039	8,972
Degraded		72,770	61,033	38,499	172,302
Grand Total		475,449	353,357	416,629	1,245,435

FIGURE 19: VEGETATION TYPES

Table 4. Summary table of number of vegetation types found in each Ecosystem Status Class

Municipality	Kannaland	Oudtshoorn	DMA04	Total Municipal PD
Ecosystem status (# Vegetation units)				
Critically Endangered	8	6	4	12
Endangered	10	6	2	13
Vulnerable	11	9	6	19
Least Threatened	125	62	51	191
Total Number	**154**	**83**	**63**	**235**

Agricultural Infrastructure

Type	Count	% of WC
Abattoir - red meat	1	1.8
Abattoir - white meat	0	0.0
Agro processing plant	4	1.5
Airfield	3	1.8
Chicken batteries	0	0.0
Chicken batteries - broilers	0	0.0
Chicken batteries - layers	0	0.0
Chicken hatchery	0	0.0
Cool chain facilities	0	0.0
Crush pen	91	3.0
Crush pen and dip tank	6	1.9
Dairy	17	2.2
Dam	672	2.1
Feedlot - beef	0	0.0
Feedlot - pigs	0	0.0
Feedlot - sheep	0	0.0
Fruit cool chain facilities	0	0.0
Fruit packers	0	0.0
Grain dam - Commercial	0	0.0
Homestead	431	7.7
Homestead - labour	84	0.6
Nursery	0	0.0
Other	0	0.0
Packhouse	13	2.1
Piggery	0	0.0

Shade netting	0	0.0
Silo bags - Commercial	6	27.3
Silo bags - Non Commercial	0	0.0
Silos - Commercial	0	0.0
Silos - Non Commercial	0	0.0
Tunnels	5	0.6

TABLE 10: AGRICULTURE INFRASTRUCTURE

Integrated Rural Development

The Kannaland Municipality has motivated that the municipality must be declared a Comprehensive Rural Development (CRDP) node by the Department of Rural Development. The Council approved Spatial Development Framework provides the municipality with a credible roadmap to develop rural nodes within the municipality.

According to the Integrated Rural Development Strategy of National Government, rural areas throughout the world tend to have similar characteristics. The Kannaland Municipality is no different and is also characterised by the following:-

i. Populations which are spatially dispersed.
ii. Agriculture which is the dominant, and sometimes the exclusive economic sector,
iii. Opportunities for resource mobilisation which are limited.
iv. Infrastructure backlogs.
v. These characteristics mean that people living in rural areas face a set of factors that pose major challenges to development.
vi. The spatial dispersion of rural populations often increases the cost and difficulty of providing rural goods and services effectively.
vii. The specific economic conditions in rural areas result in fewer opportunities than in non-rural locations.
viii. Consequently, the tax base is limited, so rural areas are rarely able to mobilise sufficient resources to finance their own development programmes, leaving them dependent on transfers from the centre.
ix. Factor markets in rural areas often operate imperfectly, rendering the search for efficient outcomes an extremely challenging one.

x. Furthermore, rural areas are often politically marginalised, leaving little opportunity for the rural poor to influence government policies.
xi. Policies have also consistently discriminated against agriculture through high levels of taxation and other macro-economic policies that have adversely affected agricultural performance and the rural tax base.

In defining itself as a rural municipality, the Kannaland Municipality seeks to understanding the multitude, complexities and challenges that rural communities face. In doing so the municipality is able to partner with developmental agencies around access to developmental programs that are aimed at improving the quality of life of rural households. This will also identify the economic potential of each area. The rationale of declaring Kannaland Municipal area a rural development node, is to access resources to:

i. Promote the implementation of land reform policies of national government through its Spatial Development Framework, Integrated Development Plan and leverage existing council resources such as property and operational budget to promote investment and co-funding.
ii. Promote the stimulation of agricultural production with a view to contributing to food security through its LED strategy.
iii. Promote the enhancement of rural livelihoods and rural food security through the LED Strategy;
iv. Improve service delivery to ensure quality of life – increased investment in the delivery of services to rural areas, including housing, water, sanitation and energy – using, where appropriate, alternative technologies to overcome physical and other impediments by working with provincial and national government through the Housing and Infrastructure program and policies;
v. Implement a development program for rural transport – the formulation of a Rural Transport Program that will aim at promoting rural transport infrastructure and services through coordinated rural nodes and linkages by working with provincial and national government through its Rural Transport Strategy.
vi. Partnering with the provincial and national government to promote skills development and accessing financial resources elsewhere.
vii. Revitalization of rural towns by accessing spatially targeted grants for the revitalization and development of rural towns to serve as service centres for rural economies. This will involve the development of hard and soft infrastructure, including institutional networks for marketing, storage, advisory services, finance and improved agro-logistics;

viii. Through the Kannaland Local Economic Development Strategy explore and support non-farming economic activities through initiatives which need to be devised to support other forms of rural potential, including tourism, light manufacturing and cultural work;

ix. Through the IDP, create a platform through which agencies, working towards better focus of energies, integration of efforts, optimal utilisation of resources and initiatives to promote rural development.

Ecosystem Status

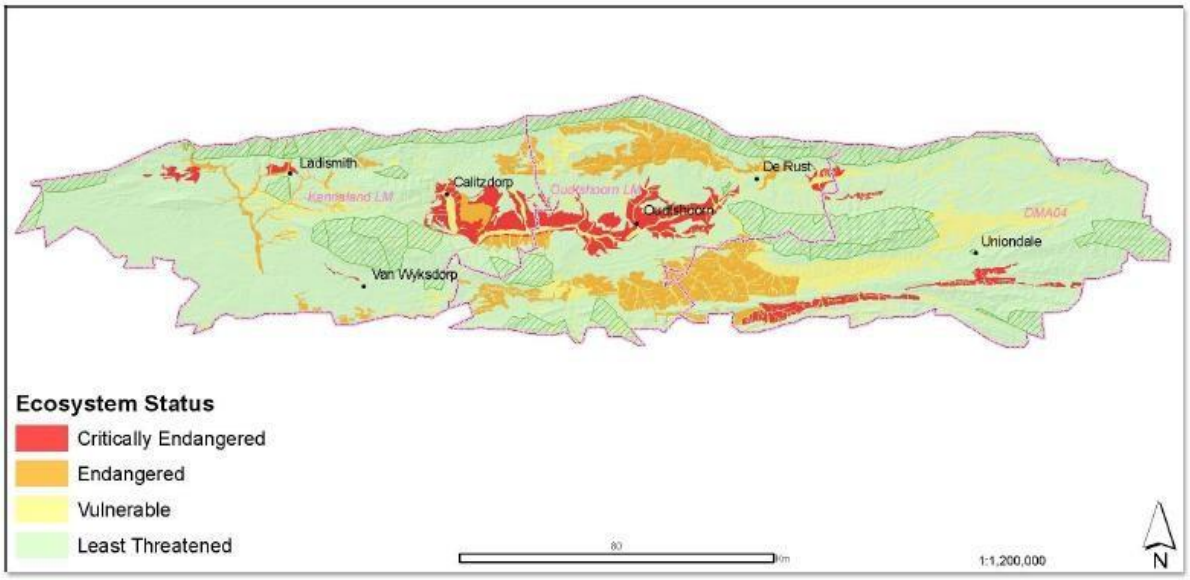


Figure 12: Terrestrial ecosystem status (transformation and degradation combined). Due to the high levels of transformation and degradation 12 habitat types are Critically Endangered, 13 are Endangered and 19 are Vulnerable. A total of 235 habitat types are described in the planning are by Vlok et al. 2005.

FIGURE 20: ECOSYSTEM STATUS

A small portion of one national park (Garden Route National Park), ten Western Cape Provincial Reserves, one Eastern Cape Provincial Reserve, four Mountain Catchment Areas, seven CapeNature biodiversity stewardship sites and numerous private conservation areas are represented in the planning domain (provincial reserves, national parks, mountain catchment areas and contracted biodiversity stewardship sites were considered Formal PAs in protection status calculations, private reserves are classed as informal CAs).

Protected Areas cover 30.4% of the planning domain with 229,4961ha (18.4%) being formal protected areas and 149,103ha (12%) comprising conservation areas.

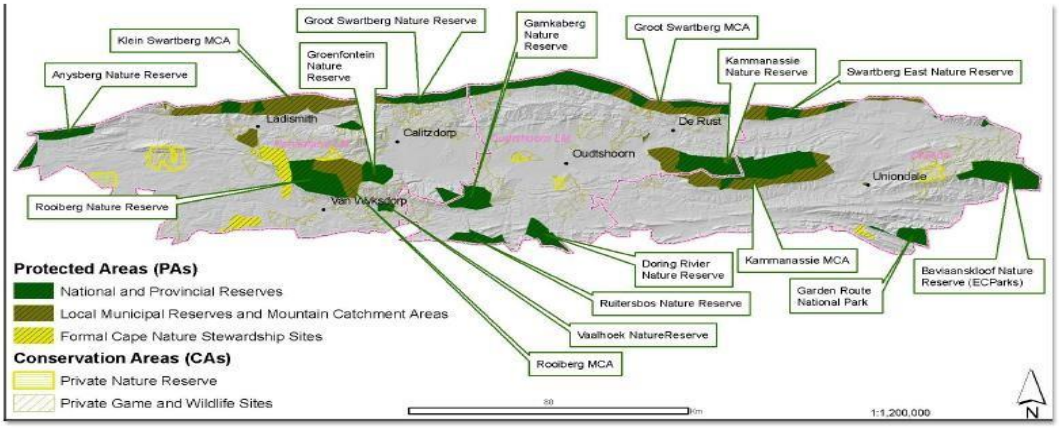


Figure 13: Protected areas in the Kannaland Municipality, Oudtshoorn Municipality and Eden District Management Area. A small portion of the Garden Route National Park is represented, ten Western Cape Provincial Reserves, one Eastern Cape Provincial Reserve and four Mountain Catchment Areas. Seven Cape Nature biodiversity stewardship sites and numerous private conservation areas. (provincial reserves, national parks, mountain catchment areas and contracted biodiversity stewardship sites were considered formal PAs in protection status calculations, private reserves are classed as informal CAs).

FIGURE 21: PROTECTED AREAS

General Priority issues/challenges

Focus on water

In the current environment of large scale and rapid urbanisation and the pressure to create employment opportunities that result in sustainable and dignified livelihoods, agricultural water use has had a rather low priority. However, the severe impact of the recent drought has again brought the importance of irrigation to the forefront as the country would have been dumped into a much worse position had irrigation not supplemented dryland production, not only to boost food production butalso to provide vital support with respect to employment in the industry. In its initial research for the planning commission, BFAP showed that the actual water required to expand the total area under irrigation by 142 000 ha in order to contribute to a million job opportunities by 2030 was manageable, despite the major challenges the country faces with respect to water resources.

Cash-flow

One of the greatest challenges for drought affected farmers is the ability to restore a farm's cash flow position to ensure a positive cash balance at the end of a year. Climatic challenges remained a factor as the drought conditions and extremely high temperatures in December 2015 and January 2016 altered and provoked irrigation management strategies and innovations.

Ease of Doing Business

Beyond regional commitments, there is evidence of improvements in domestic marketing policies and regulatory environments. The distance to frontier score benchmarks countries' economies with respect to regulatory best practices. It shows how the regulatory environment for local entrepreneurs has changed over time in an economy.

Enabling the Business of Agriculture

In the Agricultural sector, we observe improved policies aimed at supporting inclusive participation in agricultural value-chains and fostering an environment conducive to local and regional private sector investment.

Rise of medium-scale farmer and large-scale land acquisitions

The demand for agricultural land in Africa has risen dramatically since the surge in global food prices starting in 2007. This demand has been accelerated by agricultural subsidies and land policies in many

countries. Recent studies have found relatively wealthy Africans (both rural and urban) are investing in land at an unprecedented rate leading to the rapid rise of medium-scale farmers in Africa. A land audit will allow Kannaland Municipality to identify land for transfer to aspirant emerging farmers. Kannaland Municipality will develop a property portfolio to identify suitable land for agricultural and other economic activities and encourages other spheres of government to follow suite.

Megatrends

Strong economic growth linkages between agriculture and other segments of the economy mean that expanding the productive capacity and economic returns of agriculture could promote an inclusive pattern of economic growth with stronger multiplier effects on employment creation and poverty reduction. Many expect urbanization, income growth and an expanding population to result in a migration of labour from farming to nonfarm sectors as well as the downstream stages of food systems.

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 all of the municipality can be considered to be an area of outstanding natural beauty and bio-diversity significance with great appeal to the wilderness and adventure tourism market:

- Eco-farm homestay/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 settlement are a third, with particular attention being paid to the upgrading of Zoar and Van Wyksdorp with their potential 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; The municipality should be considered fortunate in that major beneficiation of agricultural products in the form of cheese, dairy, wine and port occurs at processing plants and wineries within its boundaries rather than the raw material being exported to value adding enterprises elsewhere.

These secondary economic sectors require higher staffing 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

The following projects should be considered:

- Update and Implement a multi-pronged Infrastructure Master Plan (water management strategy; Electricity master plan)
- 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.
- Electricity network upgrades – entire Kannaland
- Sewerage upgrades in Van Wyksdorp and Zoar
- Swartberg Dam construction
- Road network repair and paving
- Upgrading on informal settlements infrastructure
- Upgrading of waste water treatment works throughout Kannaland

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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 more green friendly 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.

Major Tourism Destinations

Ladismith, Calitzdorp and van Wyksdorp 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 Van Wyksdorp;

- 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 Eden district which have any formal protection status. Various examples of representative cultural landscapes were identified in the Heritage and Scenic Resources:

Land Reform

- Land reform opportunities should not be targeted only at agricultural operations although this will always be the major activity in Kannaland;
- Land audits need to be completed in order to ascertain government owned land available for transfer to communities;
- 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 neighborhoods nearer to the core or nodesof settlements and away from the periphery.

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.

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 are 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;
- 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,

- 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.

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 Van Wyksdorp.

- 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,
- Van Wyksdorp 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 Department of Human Settlement assisted the municipality to develop a draft Human Settlement Plan 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 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, this draft 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.

The municipality has developed a draft housing selection policy which was finalized in 2013/14 financial year. This policy regulates the housing waiting list and the allocation of housing. This policy also enables the council to determine the demand for housing in both rural and urban areas.

Aside from this long term strategic planning, the municipality plans to facilitate the transfer of Rural Development Programme (RDP) IRDP 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.

Given the demand for low and middle income earners settlements, there is a serious need for a credible Human Settlement Plan. The plan will ensure long term planning with regard to the deliveryof the appropriate infrastructure that will enable the municipality to address the backlog for low cost housing and make land available for GAP housing. A portion of GAP housing is also subsidised bythe Department of Human Settlements depending on the salary bracket.

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.

The Subdivisions have been registered with the Surveyor General and have been included in the general plan of the town. A housing need of 480 household was identified in Zoar and the municipality is currently in process in completing 44 top structures. In additional 32 identified vandalised houses will be rectified in due course. A housing need of 100 households has been identified in Van Wyksdorp. 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 HS demand
	Gap	Farms	Shacks	Backyard dwellers	Residents currently at parents	
Ladismith	92	117	206	269	577	1321
Zoar	45	100	45	20	335	545
Calitzdorp	116	311	28	182	456	1093
Van Wyksdorp	5	1	27	61	32	126
Total						3085

TABLE 11: 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. Approximately 15% of households are inadequately housed and 67% earn less than R3 500 per month. The majority of the housing backlog occurs where the average household earning is less than R7 500 per month.

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.

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:

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

TABLE 12: INFORMAL SHACK COUNT - HUMAN SETTLEMENT DEMAND PROFILE

Human Settlement Pipeline Projects:

Project Name/Description	Programme	Total No of Housing Opportunities	Earliest Implementation Year
3314 : Ladismith Parmalaat (280 services & 280 units) IRDP	IRDP	422 - EIA in Process	2018-19
3315 : Ladismith Schoongezicht 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 Middleton 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 Rectification (100 units) RP	RP	44	2015-16 / 2016-17
3321 : Zoar Protea Park Infill (100 units) IRDP	IRDP	100	2020-21
2703/1128 : Calitzdorp Bergsig (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 Erf 110 (100 services & 100 units) IRDP	IRDP	100	2020-21

TABLE 13: SUMMARY OF CURRENT HUMAN SETTLEMENTS PIPELINE PROJECTS

6.9 CONCLUSION

Sustainable environmental management need to consider the fine balance between environmental, social and economic concerns. A reduction in the ability of the natural environment to sustain itself, and the ecosystem services it provides, will have a negative impact on society and, ultimately, the economy. Long-term sustainability, including economic and social well-being and resilience in the face of environmental change, cannot be achieved without appropriate environmental governance and management. Sustainability is a dynamic process in which all stakeholders are enabled to meet their economic, social, and cultural needs, and improve their quality of life, while simultaneously protecting, enhancing and managing the natural environment. This must occur within a framework of good governance and considered decision-making that ensures that Kannaland's natural assets, their current functions and future potential are not undermined, and that a burden is not left for future generations. Waste Management can reap enormous benefits from formalizing the recycling industry and Kannaland Municipality is in need of a refuse removal truck. The green economy will carve the way to a sustainable and prosperous future.

Chapter 7: Kannaland Disaster Management

7.1 INTRODUCTION

According to the Disaster Management Act, 57 of 2002 (as amended) Section 53 (1)(a); Kannaland Local Municipality (KLM) must create a level 3 Disaster Management Plan (DMP) and ensure it forms part of the municipality's Integrated Development Plan (IDP) process. As defined in the prescriptions of the Act, the Municipal Manager is the Head of Disaster Management with the delegation of assistance being cascaded to the Director of Corporate/Community and Technical Services.

7.2 PURPOSE OF DISASTER MANAGEMENT PLAN

The purpose of Disaster Contingency Plans is to forecast, prepare for incidents and to identify roles and responsibilities of the departments within the municipality. It enhances the municipality's capabilities to effectively and efficiently manage and mitigate any situation that could pose a threat to life, property and the environment.

This plan is intended to place disaster risk management, risk reduction and assessment at the centre of integrated part of development planning and resource allocation in the Kannaland Local Municipality. This means implementing targeted interventions and instilling a culture of applying disaster management and risk assessment as an analytical and decision-making framework at all government levels and across society.

This DMP will assist Kannaland Municipality to be better prepared to support the local communities in dealing with disasters and to speed up the recovery process. It is crucial to have effective and efficient Disaster Risk Reduction Management measures in order to save lives, prevent escalation of emergencies and incidents and relieve suffering. The implementation of this DMP will assist the municipality in clarifying roles and responsibilities with different stakeholders who are essential for disaster management.

The purpose of the disaster plan is not only a legislative requirement, but enhances community safety through, planning, mitigation, response and recovery.

Our approach to planning and development will focus on integration and risk reduction mitigation across all sectors, with disaster management taking the lead in initiating these discussions and responding to the warnings being raised by our communities.

7.3 LEGAL MANDATE

The following legislation is applicable to Disaster Management:

- The constitution of South Africa,
- The Disaster Management Act and
- the Municipal Systems Act.

The Constitution RSA provides for the following objectives of local government which can be applied to disaster management:

❖ Section 152. (1) The objects of local government are–

(a) To provide democratic and accountable government for local communities;
(b) To ensure the provision of services to communities in a sustainable manner;
(c) To promote social and economic development;
(d) To promote a safe and healthy environment; and
(e) To encourage the involvement of communities and community organisations in the matters of local government

Disaster Management Act, Act 57 of 2002 (as amended):

❖ Section 53:-

(1) Each municipality must-

(a) Prepare a disaster management plan for its area according to the circumstances prevailing in the area;
(b) Co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;
(b) identify the areas, communities or households at risk;
(c) take into account indigenous knowledge relating to disaster management;
(d) promote disaster management research;
(e) contain contingency plans and emergency procedures in the event of a disaster, providing for-
  (i) the allocation of responsibilities to the various role-players co-ordination in the carrying out of those responsibilities
  (ii) prompt disaster response and relief;
  (iii) the procurement of essential goods and services;
  (iv) the establishment of strategic communication links;
  (v) the dissemination of information

Section 26 of the municipal Systems Act, Act 32 of 2000 states that an IDP must –

(c) Prepare a disaster management plan for its area according to the circumstances prevailing in the area;

(d) Co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players;

(2) A disaster management plan for a municipal area must-

(a) form an integral part of the municipality's integrated development plan;

(f) anticipate the types of disaster that are likely to occur in the municipal area and their possible effects

(g) Reflect applicable disaster management plans;

EXTRACT FROM THE MINUTES OF A SPECIAL COUNCIL MEETING OF THE KANNALAND MUNICIPALITY AS HELD ON THURSDAY, 18 FEBRUARIE 2022 IN THECONFERENCE HALL OF CALITZDORP SPA AT CALITZDORP. COUNCIL 13/02/22: 2022-2027 KANNALAND DISASTER MANAGEMENT PLAN RESOLUTION

1. That Council approves and adopts the 2022/2027 Kannaland Municipality Disaster Management Plan;
2. That a dedicated Budget be allocated in the Adjustment Budget to ensure effective Disaster Management and roll out of the fifth generation 2022 - 2027 Disaster Management Plan;
3. That the Executive Mayor endorses the final 2022/2027 Kannaland Municipality Disaster Management Plan;
4. That the Kannaland Municipality Disaster Management Plan be reviewed annually;
5. That a Council Strategy orientation workshop be arranged with the new incoming Council to present and workshop the Kannaland Municipality 2022 – 2027 Disaster Management Plan as well as the Garden Route Disaster Risk Assessment.

7.4 LINKAGE TO IDP

The contents of this DMP will be integrated within the IDP of KLM to ensure that sustainable development takes place and that risk reduction initiatives are implemented into all development areas and sectors. Annual reviews of the IDP will reflect on the progress made on institutional arrangements, risk reduction objectives and projects, risk assessment updates, as well as any changes made to the disaster management preparedness, response and contingency plans.
Aspects relating to disaster management in the IDP's Disaster Management Chapter should be a status quo of the strategic & institutional process, where annual reviews of the IDP reflect on progress made against strategic objectives set in the 5-year IDP. It should also serve as an integrative tool to ensure a multi-sectoral approach to disaster management, specifically risk reduction initiatives.

7.5 DISASTER RISK ASSESSMENT

The Garden Route District Municipality has assisted Kannaland Municipality with the revision of the Disaster Risk Assessment. Risk assessments measure the technical characteristics of hazards such as their location, intensity, frequency and probability; the analysis of exposure and vulnerability including the physical, social, health, economic and environmental dimensions; and the evaluation of the effectiveness of prevailing and alternative coping capacities in respect to likely risk scenarios. KLM's risk assessment was completed in 2016 by the PDMC and forms the basis of this DMP.
The risk assessment consisted of the following:

- Undertaking a current reality assessment of the said area
- Engaging stakeholders via workshops to determine the perceived risk for the said area
- Mapping areas of high risk within the area
- Analysing and consolidating results
- Incorporating results of the community-based disaster risk assessment
- Identifying possible risk reduction projects and programmes for the prioritised risks

The KLM recognises that if the objective of achieving sustainable development in the area is to be realised, a concerted effort is required to reduce recurrent disaster risks in its area. This can only be achieved by:

- Creating resilience amongst its people and its infrastructure;
- Strengthening capacity to anticipate significant events and disasters; and
- Improving the management of such events in order to limit the effects wherever possible.

7.6 KANNALAND MUNICIPALITY HAZARDS

These are the hazards that were identified within the KLM:

NATURAL HAZARDS	TECHNOLOGICAL HAZARDS	BIOLOGICAL HAZARDS
Climate Change	Road Accidents	Human Diseases (Covid-19)
Drought	Aircraft Incidents	Predator Animals: Bush-pigs
Storm Surges	Road and Rail Spill	Vegetation: Invasive Species
Severe Storms / Strong Wind	Chlorine leakages	Animal Diseases
Energy Security	Social Conflict	Other Human Diseases
Floods	Electrical Outages	
Seismic Hazards	Waste Management	
Veld Fires	Wastewater Management	
Structural Fires	Internet Connectivity	
	Water Security/storage/Dam Failure	

Table: Identified hazards within KLM

The stakeholders involved in the completion of the risk assessment included KLM, GRDM, other relevant external and internal stakeholders and community members through public participation processes.

7.7 MITIGATION AND PREPAREDNESS INITIATIVES

Within the pre-disaster phase of the disaster management continuum, all activities are focused on planning and preparing for possible disasters/incidents within the municipal area in order to lessen the impacts of these events.

The table below identifies mitigation and preparedness initiatives for the top seven hazards within the KLM.

HAZARD	MITIGATION AND PREPAREDNESS INITIATIVES	STAKEHOLDER/ PARTNER
Covid-19	1. Change community behaviour to prevent infection, through sustainable and affordable interventions based on current evidence. 2. Shift to indicators of health service pressure. Ensure ongoing surveillance, particularly with hospitalisations. While we will be vigilant of the growth of cases, our primary focus will be on health service pressure so that we save lives. 3. Support and maintain our mass vaccination campaign, because it remains the most important intervention that we have to protect our health system. 4. Triage our health platform to ensure we have the capacity needed to respond. This will be done through pre-determined triggers that will enable us to bring field hospital and other capacity online when it is needed. 5. Maintain comprehensive health service, with a particular focus on mitigating the impact that de-escalation may have on chronic disease care 6. Safeguard the well-being of healthcare workers, through vaccination as well as healing and mental health programmes **Getting vaccinated against COVID-19 is of utmost importance. If you have not been vaccinated as yet, register in the following ways:** • **visit https://vaccine.enroll.health.gov.za/#/ (the link can also be found on www.westerncape.gov.za)** • **dial *134*832# and follow the prompts (FREE on all South African Networks); or WhatsApp the word REGISTER to 0600 123456** • Contributed to the Solidarity Fund	DOH as lead

The table below identifies mitigation and preparedness initiatives for the top seven hazards within the KLM.

HAZARD	MITIGATION AND PREPAREDNESS INITIATIVES	STAKEHOLDER/ PARTNER
Energy security	1.1 Commission a qualified Electrical Engineer to assess the Ladismith Power Network and to compile a Network Distribution Upgrade Plan to be completed in a 4-year timeframe. 1.2 Upgrade the overhead electricity cables that dates from the 1970's to modern below ground cables and distribution transformers in line with current best practices and standards. (This trenching can be done in conjunction with the laying of Fibre optic cables). 1.3 Upgrade transformers for distribution. 1.4 Implement 'n standardised maintenance plan to continuously upgrade and maintain the power network. 1.5 Implement the Western Cape Provincial Government plan for small scale, grid tie, home electricity generation.	KDM/Infrastructure
Veld and Structural fires	A structured and integrated campaign to raise the awareness of the general public on fire prevention and fire risk reduction. This should include the correct emergency numbers for emergencies A structured programme based on the needs identified in the remote areas to recruit, train and equip volunteers to assist with area-based fire prevention and response teams. Establishment of satellite fire stations in remote areas. The entire early warning strategies must be revised and updated and be made user friendly for those who are at risk.	Fire Rescue and Emergency Services Disaster Management Services

The table below identifies mitigation and preparedness initiatives for the top seven hazards within the KLM.

HAZARD	MITIGATION AND PREPAREDNESS INITIATIVES	STAKEHOLDER/ PARTNER
Road Accidents	An awareness and education programme to inform pedestrians on the safe use of roads There are at present several initiatives to enhance pedestrian safety, these should be pursued: Construction of a driver's license testing facility in Ladismith. Construction and commissioning of a facility to test drivers for motorcycle, passenger vehicle and heavy vehicle licenses in Ladismith. Upgrade the Ladismith Road Network. Commission a qualified Civil Engineer to assess the Ladismith Road Network and to compile an upgrade and repair plan to complete road infrastructure upgrades in a 4-year timeframe. Until completion of the Road upgrade project continue with pothole filling. Service standards should be agreed with potholes reported repaired within 48h00. Monthly assessments of the Road network should be undertaken, and potholes not reported should be identified and repaired within 7 days. Signage to identify roads with high accident incident recordings. A system to enforce the drawing up and implementation of traffic management plans at events must be implemented. This must be included in the events application and approval system of the KLM. A Strategy to manage and control heavy vehicles on the main routes in the area.	Traffic Services Dept. of Education Law Enforcement Service Tourism Dept. / Events Management Disaster Management Provincial Traffic services Department of Transport, SANRAL, SAPS, Provincial Roads Department representatives of the various transport organisation Communication Public Participation Disaster Management Services

The table below identifies mitigation and preparedness initiatives for the top seven hazards within the KLM.

HAZARD	MITIGATION AND PREPAREDNESS INITIATIVES	STAKEHOLDER/ PARTNER
Drought	Due to the environmentally sensitive nature of the KLM, eco-based risk reduction planning is essential in all development planning. Ecological risk assessments evaluate the likelihood of adverse ecological effects caused by stressors related to human activities. The question of water scarcity will have to be considered before developments can be approved. In this regard cognisance should be taken of the contents of the Department of Water Affairs report Project No WP9714 "Development of Reconciliation Strategies for all Towns in the Southern Planning Regions, September 2011". Monitor drought conditions. Plan for drought. Working on water: Removal of alien vegetation; Clean-up of river beds; clean-up of dam floor and walls during times of drought.	Disaster Management Services Development Services Environmental Services Human Settlement Water Services SCFPA GRDM Agriculture
Severe weather	Education and awareness Early warnings Establish a local disaster solidarity fund	Disaster Management Communication Public Participation Schools GRDM

The table below identifies mitigation and preparedness initiatives for the top seven hazards within the KLM.

Water Security **Dam Failure/inadequate water storage facilities**	Urgent implementation of the Klein Swartberg water reservoir (dam) project should commence in year one of the 5TH Generation IDP and measurable implementation goals should be attached to the IDBIPP process so that an operational reservoir are commissioned before the end of this IDP in 2027. Repair of the water collection channel (Syfer sloot en pyp) beneath the Little Swartberg River should be completed to ensure 24h00 per day water delivery to the Town water treatment works. This must be completed in the first year of the 5th Generation IDP. All water pipes, channels and man holes should be inspected and repaired to standard specifications in order to minimize water losses and to safeguard the water supply infrastructure. The water reservoir known as the “Goewermentsdam” that is already enclosed with security fencing, should be locked with strict access control to prevent tragic drowning such as the recent tragic drowning in late 2021. Water treatment should be done in accordance with National Norms and Standards with independent quality monitoring. Compliance should be part of the Municipal Manager’s quarterly performance review, and quality reports should be published monthly on the Municipal website. Conduct maintenance	Disaster Management Services Technical services Finance IDP/WCPG

Table: Top seven hazards mitigation and preparedness initiatives

7.8 MUNICIPAL BUDGET FOR DISASTER MANAGEMENT SERVICES (OPEX)

Motor Vehicles License and Registrations	R8310,00
Premiums	R15 590,00
Accommodation	R5200,00
Daily Allowance	R2600,00
Skills Development Fund Levy	R12 655,00
Own Transport	R2600,00
Uniform and Protective Clothing	R31 170,00
Workmen's Compensation Fund	R12 910,00
Basic Salary and Wages	R690 721,00
Maintenance of Equipment	R51 950,00
Bonus	R58 354,00
Housing Benefits	R10 893,00
Pension	R126 042,00
Unemployment Insurance	R11 484,00
Zero Rated	R154 290,00
Shift Additional Remuneration	R215 753,00
Standby Allowance	R154 266,00
Bargaining Council	R742,00
Total	**R892,060,00**

Municipal budget for disaster management services (capital)

Construction of a drivers' license testing facility (ladismith)	To be determined
4X4 Bakkie	To be determined
Total	

7.9 CONCLUSION

The municipality has an updated Disaster Management Plan (2022-2027) hereto attached marked Annexure II and the establishment of a Disaster Management Centre has also been identified in terms of the municipality's Disaster Management planning. The municipality however does not have a functional disaster management ICT, GIS and early warning system. The municipality is currently making use of the Disaster Management DS Tool of the Western Cape Disaster Management Centre o assist the municipality in making informed decisions relating to Disaster Management. A Section 78 Investigation is being recommended in order to determine future expansion capabilities of the Disaster Management Service.

Chapter 8: Local Economic Development Imperative

Chapter 8: Local Economic Development Imperative

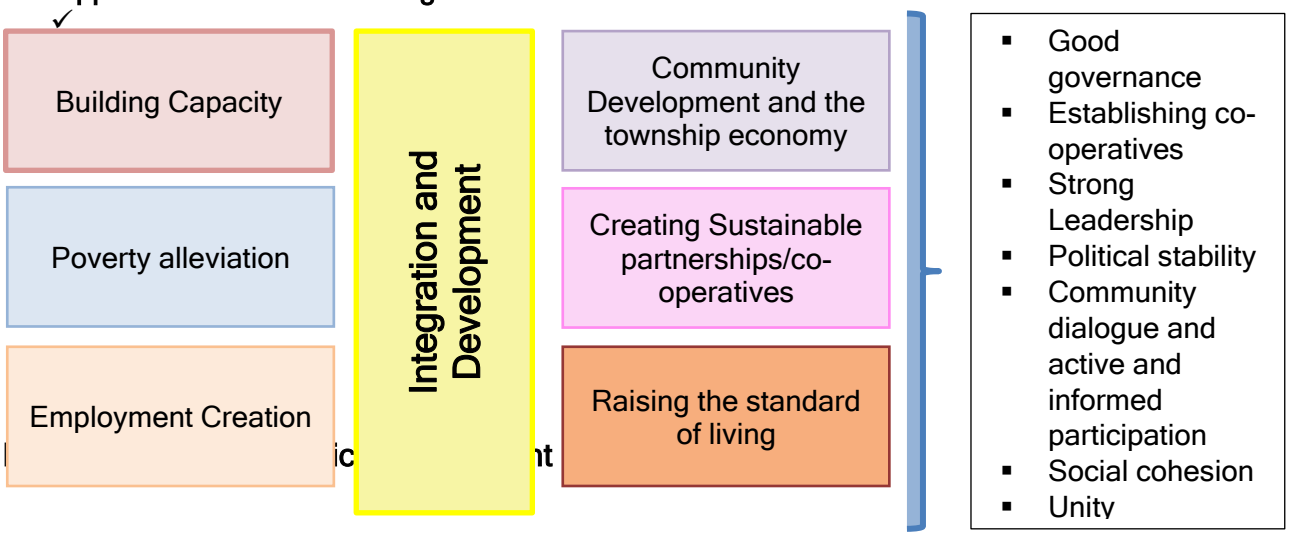
Foreword by Municipal Manager

The Communities of Kannaland is the Municipality's most important asset. It for this reason the Municipality decided to embark on a process to formulate a Comprehensive and Inclusive Local Economic Development [LED] Strategy to be finalized by the end of June 2022.

Because our communities live in conditions of economic hardship and social uncertainty; this Strategy will be aimed at, providing the Municipality with mechanisms to alleviate burdening poverty and create meaningful and sustainable employment opportunities for the deprived communities of Kannaland. The Municipality is also mindful of the fact that the private, public and community sectors have an important role to play in developing the economy of Kannaland; therefor it will encourage and engage in regular dialogue with business and community leaders, including National and Provincial Departments, in order to build a foundation that will address our economic and social development gaps. This has already commenced in Kannaland who actively participates on different platforms such as the LED Forum; the Business Chamber Forum; The Informal Traders Forum and the Skills MECCA.

This Local Economic Development [LED] Strategy presented here is a step in the process of charting a new path for Kannaland. Our plan is to change the life chances of underprivileged communities residing in Kannaland; life chances that currently remain underdeveloped.

Our approach to economic change:



Local economic development [LED] is a participatory process in which local people from all sectors work together to stimulate local commercial activity, resulting in a resilient and

sustainable economy. It is a mechanism to facilitate the creation of meaningful and sustainable employment opportunities and improve the quality of life for everyone, including the poor and marginalised. Local economic development [LED] further encourages the public, private and civil society sectors to establish sustainable and productive partnerships and collaboratively find local solutions to common economic challenges. Creating a LED strategy is an integrated, process-oriented and non-prescriptive endeavor. It should fundamentally embrace the following:

Local Values	Utilisation of Economic Drivers	Development
Sharing and caring Self determination Dignity and self-worth Commitment and hard work The will to succeed Preserving our heritage and natural beauty	Co-operative governance Encourage support from District, Provincial and National government Skills development Youth Development Land reform and water availability/storage capabilities	Catalytic project identification SMME Development Infrastructure, Agriculture. Tourism and ICT Alternative energy sources Secondary production

LED is based on the principle that wealth in local communities is created not by government but by private enterprise which depends on favourable local business conditions to create prosperity. Local governments have the key role in creating favourable environments for business success

[Source: LED Tools-An Introduction for Municipalities and LED Service Providers in Bosnia Herzegovina: 2011]

KANNALAND MUNICIPALITY'S DRAFT LOCAL ECONOMIC DEVELOPMENT STRATEGY

Creating meaningful and sustainable employment opportunities

PART ONE: SECTION ONE

8.1 INTRODUCTION

8.1.1 Legislative Framework

The adoption of the final constitution marks a significant new phase in the local government transition process. Municipalities now form a distinctive sphere, with a mandate to govern, to provide services and to promote social and economic development. These responsibilities require that each municipality develop distinctive policies aimed at meeting the particular needs of its communities.

S152 (1) The objects of local government are:-

(a) to provide democratic and accountable government to local communities;
(b) to ensure the provision of services to communities in a sustainable manner;
(c) to promote social and economic development;
(d) to promote a safe and healthy environment; and
(e) to encourage the involvement of communities and community organisations in the matters of local government.

8.1.2 Background

The Municipality of Kannaland has embarked on a Local Economic Development Strategy that will speak to and ultimately reduce Poverty and enhance Job Creation and Business opportunities in its jurisdiction. Faced with the challenges of being a smaller rural municipality, its access to investment and industries has been limited, yet the need to ensure standards of excellence in service delivery and maintaining fiscal discipline, remains paramount. It also like many other municipalities lives with the presence of huge defaults in collections of service fees as a consequence of unemployment and dire poverty. It is also mindful of the call by National Government for local municipalities to be the catalyst for sustainable economic growth. It is thus the aim of this document to set forth a Strategy of how the municipality would potentially harness its own limited resources and those of the Business and broader community, to create practical and sustainable local economic development.

The Strategy also talks to best practice models applied by the international community in dealing with these challenges as well as aligning itself with the policies and guidelines as set out in the

National and Provincial Governmental frameworks. It also draws on the strength of various incentive models of Donor and funding agencies in an attempt to be able to subscribe to programs and initiatives which will almost immediately be available for support and funding in its implementation phase.

8.1.3 Methodology

Whilst it would be fair to say that the economic structure and patterns of ownership in Kannaland broadly reflect that of South Africa at large, there are many other variables that give Kannaland's Local Economy a different complexity. In order to have captured some of the specificities of the Local Economy, this strategy is informed by an economic survey conducted though out Kannaland; informal process of consultation with key economic stakeholders, such as organised established business, individual black businesses, key public sector decisionmakers and other community leaders. The rationale for having garnered the views of these stakeholders and role-players in the Kannaland Local Economy were to ensure the relevance of the economic strategy to the needs of local economic participants. At the same time, this process is intended to incorporate all views and opinions and neither to be fully comprehensive. The LED strategy will be advertised for public comment so as to ensure inclusivity and buy in from all concerned citizens within its borders.

8.1.4 Scope

This Strategy should not be misconstrued as the panacea for all the developmental problems of Kannaland. It aims to bring about higher levels of economic activity in Kannaland by placing a great emphasis on the catalytic role of the Municipality in making this possible and in so doing hopes to make a contribution to sustainable employment creation, poverty alleviation and broad-based black Economic empowerment in Kannaland. It represents the start of an economic development process and focuses on laying the foundation for the long-term economic success of Kannaland. A caution should be issued from the outset that Local Economic Development is not about the planning of the geographic distribution of economic activities. This has therefore often been confused with town planning and spatial development which is been dealt with in Kannaland's Integrated Development Plan. The latter activities however do have a bearing on Local Economic Development and vice-versa e.g. identifying business-zoned sites for further development of business operations.

8.1.5 Roadmap to this Kannaland Local Economic Development [LED] Strategy

The following roadmap makes available a short outline of the sections which are contained within this Local Economic Development [LED] Strategy.

PART ONE	
Section One	Introduction, which sets the strategic direction for the Strategy by way of a background, methodology, scope and roadmap
Section Two	Clarification of Local Economic Development Roles and Responsibilities
Section Three	The current economic milieu, which provides an analysis of global economic conditions, the South African and District economies
PART TWO	
Section Four	Locating the Municipality within the domain of Local Economic Development, which focuses on the strategic role of the Municipality in economic development, sets vision and mission for the Municipality and determines the strategic economic priorities [Sector Focus] for the Municipality
Section Five	Strategic Imperatives and Programmes, which inter alia deals with the role of the Municipal budget, procurement, its legislative and regulatory authority and infrastructure in Local Economic Development
Section Six	Identification of Economic Development Projects, which sets the framework and selection criteria for identifying the appropriate Local Economic Projects
Section Seven	Poverty Alleviation Mechanisms with regard to the Community Work Progrmme and Expanded Public Works Programme
Section Eight	Co-operatives Development-A Case for Promoting the Establishment of Co-operatives in Kannaland
Section Nine	The Green Economy and Implications for Kannaland
Section Ten	Monitoring and Evaluation Mechanisms-Institutionalisation of LED Monitoring and Evaluation
Section Eleven	Cross-Cutting Issues for LED in Kannaland with regard to: → Skills Development → The Informal Sector → SMME Development → Youth, Women and People with Disabilities
Section Twelve	Conclusion
Section Thirteen	Proposed Local Economic Development Projects
Section Fourteen	Project Implementation Guidelines

PART ONE: SECTION TWO

8.2 CLARIFICATION OF LED ROLES AND RESPONSIBILITIES

By its nature LED is a partnership which involves government, the private sector and civil society. It is not a specific action or programme but occurs when a spectrum of stakeholders harnes their individual resources and ideas to strive for a better economic status within a locality. Thus all the stakeholders have responsibilities and roles to play in the process. As such, the roles and responsibilities of the various spheres of government as well as civil society in local economic development are outlined below (Resource Book for Municipal Councillors and Officials, 2001):

8.2.1 National Government

- Co-ordinate and align support to municipalities for LED through their IDP process
- Provide support to municipalities to implement their developmental mandate
- Provide the overall legislative and regulatory framework for LED
- Maintain strong inter-governmental relationships and institutions
- Provide the necessary resources to Municipalities for the implementation of LED
- Disseminate information to Provincial and local government about LED
- Increase administrative efficiency (such as access to land and finances), and
- Monitor the outcomes and impact of municipal-led LED activities.

8.2.2 Provincial Government

- Align LED initiatives with National and local priorities
- Strengthen and support the capacity of local government
- Make available financial and technical resources to implement and sustain LED
- Share information regularly (Provincial economic trends, land use, investment, new developments) with municipalities, and
- Monitor and evaluate the impact of LED initiatives provincially.

8.2.3 District Municipalities

District municipalities are better positioned to provide a coordinator and supporting role to the local municipalities within their broad geographic area. They have the following direct responsibilities:

- Plan and co-ordinate LED strategies within the frameworks of IDP
- Establish the LED structure comprising of the District and local municipalities, to foster co-operation and co-ordinate LED policies, strategies and projects within the District
- Identify lead LED sectors that can kick-start development within Districts by undertaking

economic research and analysis

- Promote joint marketing, purchasing and production activities
- Promote networking of firms within the District (e.g. tourism routes)
- Collect and disseminate information to assist local municipalities with LED policies
- Identify resource availability [e.g. grants, land and infrastructure etc.]
- Maintain a strong relationship with the province, and
- Provide the necessary training to municipalities.

8.2.4 Local Municipalities

The local municipalities are the key LED implementation agencies of government. They have a more direct impact on LED in terms of their potential influence on issues and factors such as by-laws, tender and procurement procedures and other regulations, access to land and the necessary infrastructure and services, promoting a positive image of their area, making their environment more appealing and welcoming of investors and visitors, facilitating skills development and by being responsive to the needs of the local and potential business concerns. Local authorities therefore need to be proactive in promoting economic development.

8.2.5 Civil Society

The new developmental form of local government puts emphasis on civil society involvement in local government activities. For civil society involvement to have the desired effect however, the representatives should have the legibility and respect of the people or organisations they represent. Civil society should also share a common LED vision with the local municipality within which they reside.

8.2.6 The Private Sector [Organised Business]

Policy Inputs with regard to: → Macro Economic → Exchange Rate → Trade Policy → Labour Market Policy → Transport/Infrastructure → Taxation → B-BBEE → Mining/Energy → Agriculture and Land Reform → Safety and Environment

8.2.7 Roles and Responsibilities of Captains of Industry:

Value Chain delineation
Opportunity Identification
Development of Opportunities
Provision of Markets
Management
Technical Expertise
Capital - Operationalisation

PART ONE: SECTION THREE

8.3 REGIONAL ECONOMIC REVIEW AND OUTLOOK (Mero 2021)

8.3.1 Introduction

The GRD is well known for its coastal holiday towns and vast farmlands. The District has seven local municipalities, five of which (Hessequa, Mossel Bay, George, Knysna and Bitou) are adjacent to the coast, while the other two (Kannaland and Oudtshoorn) are inland. The District is 23 331km2, constituting 18.0 per cent of the Western Cape's geographical area.1

This chapter provides a macroeconomic outlook of the GRD in terms of GDPR performance and employment trends. The period under review for MERO 2021 is between 2015 and 2020,2 with an outlook regarding GDPR for 2021 and 2022 also being provided.

8.3.2 Economy and Labour Market Performance

8. 3.2.1 Sectoral Overview

In 2019, the economy of Kannaland was valued at R1.3 billion (constant prices) and employed 10 110 people. Historical trends between 2015 and 2019 indicate that the municipal area realised an average annual growth rate of 0.9 per cent. This was largely driven by growth in the tertiary sector of 2.9 per cent per annum. Both the primary (-4.1 per cent) and the secondary sector (-0.2 per cent) experienced annual average contractions from 2015-2019. The economy contracted in 2020 in response to the COVID-19 related restrictions on economic activity. The economy realised an estimated growth rate of -4.2 per cent. The sectors that experienced the largest declines in economic activity include construction (20.2 per cent with 56 job losses); manufacturing (10.1 per cent with 55 net job losses); and wholesale and retail trade, catering and accommodation (-10.1 per cent with 147 job losses). Overall the economy lost 583 jobs. The only sector that registered positive growth in 2020 was the agriculture, fishing and forestry sector (10.6 per cent) due to favourable commodity prices and little to no restrictions placed on the sector. It however experienced jobless growth, as 128 net jobs were lost despite the high GDP growth within the sector.

8. 3.2.2 Formal and Informal Employment

It is estimated that Kannaland's total employed will in 2020 amount to 9 627 workers, of which 5 977 (62.7 per cent) are employed in the formal sector, while 3 550 (37.3 per cent) are informally employed. Employment in the formal sector had an annual average decline of 0.8 per cent from

[1] (MDB, 2018).

[2] Stats SA will only release official regional indicators for 2020 in 2022.

2016 to 2020, while the informal sector suffered an annual average decline of 2.5 per cent over this period. This indicates that the informal sector workers are more vulnerable during times of economic recession. Most of the formally employed consisted of low-skilled (47.2 per cent) and semi-skilled (35.0 per cent) workers. The skilled category only contributed 17.9 per cent to total formal employment but it was the only category to experience positive growth in employment (1.1 per cent) from 2016 to 2020. Low-skilled and semi-skilled employment declined by 2.1 per cent and 0.1 per cent respectively. The growth in the skilled category reflects the market demand for more skilled labour, especially with the growing tertiary sector in the Kannaland municipal area, as well as their ability to continue working during the economic restrictions. Upskilling the low and semi-skilled workers are therefore imperative.

8.3.2.3 Unemployment

Kannaland, at 8.7 per cent, has the second lowest unemployment rate in the GRD, and is below the District (15.4 per cent) and Western Cape (18.9 per cent) unemployment in 2020. Unemployment remained below 8.5 per cent from 2009 - 2018, but increased slightly from 8.5 per cent in 2018 to its peak of 9.2 per cent in 2019. The drop to 8.7 per cent in 2020 was largely due to an increase in discouraged work seekers and a decline in the labour force participation rate during 2020 when it was difficult to find employment after the economic recession and resultant job losses.

8.3.2.4 Growth in GDPR performance

This section briefly discusses the size of the GRD's economy by unpacking the average GDPR contribution and growth rates in the various municipal areas in the District.

GDPR performance per municipal area

Municipality	R billion value 2019	Trend 2015 – 2019	2020e	2021f	2022f
Kannaland	R1.3 billion (2.8%)	0.9%	-4.2%		
Hessequa	R4.0 billion (8.7%)	0.7%	-5.6%		
Mossel Bay	R8.0 billion (17.2%)	0.7%	-6.8%		
George	R18.6 billion (40.1%)	1.5%	-6.4%		
Oudtshoorn	R5.9 billion (12.8%)	1.0%	-5.7%		
Bitou	R3.4 billion (7.3%)	0.7%	-6.2%		
Knysna	R5.1 billion (11.0%)	0.2%	-6.6%		
Garden Route District	R46.3 billion (100.0%)	1.0%	-6.3%	4.9%	2.7%
Western Cape	R611.9 billion	1.0%	-6.7%		

Table GDPR contribution and average growth rates per municipal area, Garden Route District

The GRD economy was valued at R46.3 billion in 2019, contributing 7.6 per cent to the economy of the Western Cape during the year. Between 2015 and 2019, the District economy realised an

average annual growth rate of 1.0 per cent. This rate is similar to that of the provincial economy over the same period.

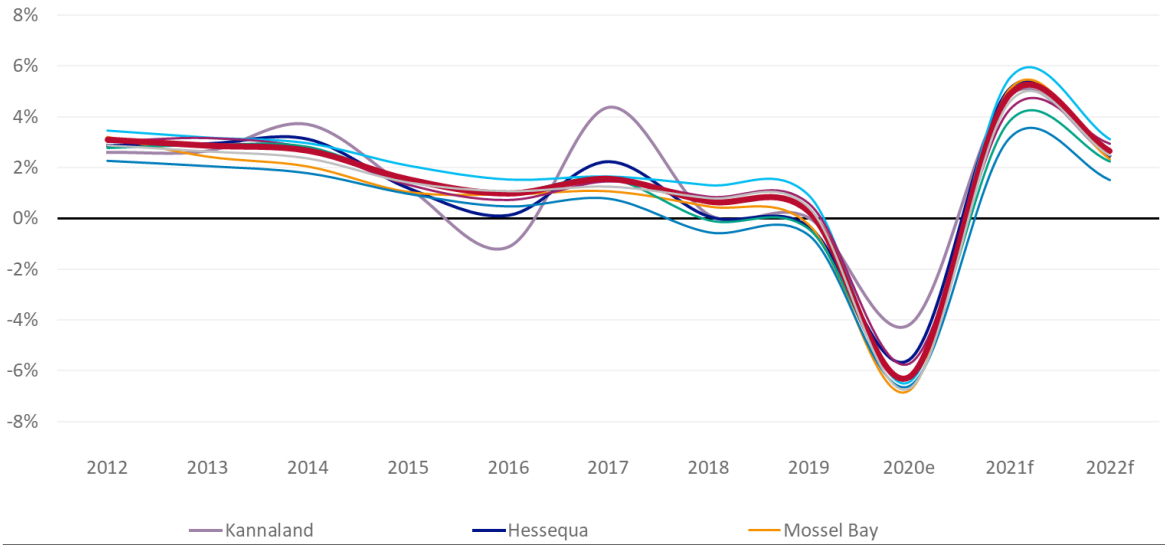
In 2019, the George municipal area was the leading contributor to GDPR, at 40.1 per cent. This was followed by the Mossel Bay and Oudtshoorn municipal areas, with contributions of 17.2 per cent and 12.8 per cent respectively. The Knysna municipal area was the fourth-largest contributor to the District economy in 2019 at 11.0 per cent, while the Hessequa municipal area was the fifth-largest contributor, at 8.7 per cent.

8.3.3 GDPR Growth per municipal area

The Bitou and Kannaland municipal areas were the smallest contributors to GDPR in 2019, at 7.3 per cent and 2.8 per cent respectively.

An overview of the historical growth trends of the municipal areas in the District is provided in the Figure below in addition to the annual growth rates of the GRD and the Province.

GDPR growth per municipal area, Garden Route District, 2012 – 2022



GDPR growth per municipality	2012	2013	2014	2015	2016	2017	2018	2019	2020e	2021f	2022f
Kannaland	2.6%	2.7%	3.7%	1.2%	-1.1%	4.4%	0.1%	0.0%	-4.2%	4.8%	2.4%
Hessequa	2.9%	3.0%	3.1%	1.2%	0.1%	2.2%	0.1%	-0.3%	-5.6%	5.1%	2.5%
Mossel Bay	3.2%	2.4%	2.0%	1.0%	0.9%	1.1%	0.5%	-0.3%	-6.8%	5.1%	2.3%
George	3.5%	3.2%	3.0%	2.1%	1.5%	1.7%	1.3%	0.9%	-6.4%	5.5%	3.1%
Oudtshoorn	3.0%	3.2%	2.8%	1.3%	0.7%	1.5%	0.9%	0.6%	-5.7%	4.3%	2.9%
Bitou	2.8%	2.9%	2.8%	1.5%	1.0%	1.6%	-0.1%	-0.4%	-6.2%	3.8%	2.2%
Knysna	2.3%	2.1%	1.8%	1.0%	0.5%	0.8%	-0.5%	-0.7%	-6.6%	3.2%	1.5%
Garden Route District	3.1%	2.9%	2.7%	1.5%	1.0%	1.6%	0.7%	0.3%	-6.3%	4.9%	2.7%
Western Cape	2.9%	2.6%	2.4%	1.4%	1.1%	1.2%	0.8%	0.4%	-6.7%	4.6%	2.5%

Between 2012 and 2019, the GRD economy experienced an overall downward trend in annual growth, despite recording a year-on-year improvement between 2016 and 2017. Furthermore, over the eight-year period, GDPR growth closely followed that of the provincial economy.

Growth in the GRD continued to slow in 2013 and 2014, with growth rates of 2.9 per cent and 2.7 per cent being registered during the respective years. In 2015, growth across all municipal areas registered declines. Subsequently, growth in the GRD declined to 1.5 per cent during the year. This rate was marginally higher than that of the Province during the same year (1.4 per cent). GDPR growth continued to decline in 2016, with the District economy registering a growth rate of 1.0 per cent. This was possibly as a result of declines in commodity prices, periods of load-shedding in South Africa and drought conditions in the Province. In addition, national tourism performance deteriorated in 2015 owing to the imposition of new visa regulations, terror acts across the African continent and economic crises in source countries.

In 2017, growth in the District economy increased to 1.6 per cent, while the provincial economy experienced a marginal improvement in annual growth during the same year. This demonstrates the effect of load-shedding on economic performance, as no significant load-shedding was experienced during the year. However, growth in the GRD slowed significantly in 2018, with all municipal areas registering either contractions or near stagnant growth rates. During the year, the George municipal area registered the highest annual growth rate (1.3 per cent).

GDPR growth declined to 0.3 per cent in 2019, with four out of the seven municipal areas registering contractions during the year. The deterioration of GDPR performance in both 2018 and 2019 may be attributed to the poor performance of the national economy and periods of load-shedding. However, the George municipal area realised an annual growth rate higher than that of the GRD in both 2018 and 2019.

In 2020, GDPR growth in the GRD and Province is expected to have deteriorated significantly as a result of the COVID-19 pandemic and the national lockdown measures to contain its spread. During the year, GDPR growth in the District is expected to have registered a contraction of 6.3 per cent. This rate is lower than that of the provincial economy, with an estimated contraction of 6.7 per cent in 2020. Furthermore, all municipal areas within the GRD are estimated to have registered contractions in 2020, with the Mossel Bay municipal area registering the largest contraction, at 6.8 per cent during the year. The Kannaland municipal area is anticipated to have realised the smallest contraction in GDPR, at 4.2 per cent. However, this is likely because of the Kannaland municipal area's small economy.

Forecasts for 2021 indicate a strong recovery in GDPR growth across the District. However, these high growth rates are not sustainable in the long term, as growth in 2021 originated from the constrained economic base of 2020. The GRD is expected to realise a GDPR growth rate of 4.9 per cent in 2021, with the George municipal area registering the highest annual growth rate in the GRD. With a growth rate of 3.2 per cent, economic recovery in the Knysna municipal area is anticipated to be slower in 2021 compared with the other municipal areas in the GRD. In 2022, GDPR growth in the District is expected to slow to 2.7 per cent, slightly higher than the growth rate of 2.5 per cent estimated for the provincial economy.

8.3.4 Kannaland Sectoral growth, employment and skills

The Kannaland municipal area is also located in the Little Karoo and covers 4 765 km2.3 The area stretches from the Swartberg Mountains in the north to the Bitou Mountains in the south. It is bordered by the Anysberg and Gamkaberg Mountains in the west and east. The main economic node in the Kannaland municipal area is Ladismith, while smaller towns include Calitzdorp (known as the port wine capital), Zoar, Van Wyksdorp and Hoeko.

8.3.4 GDPR and employment performance

Table Kannaland GDPR (current prices) and employment, 2019 and 2020

	GDPR	Jobs
2019	R1.3 billion	10 110
2020e	R1.3 billion	9 527
	Change/growth	
2020e	-4.2%	-583
2021f	4.8%	
2022f	2.4%	

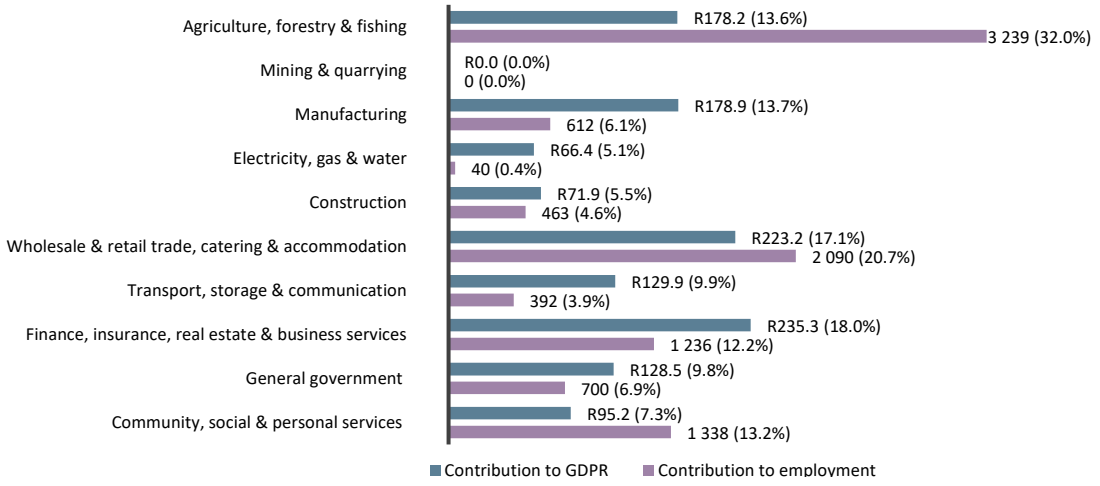
Source: Quantec Research, 2021 (e denotes estimate, f denotes forecast)

The Kannaland municipal area's GDPR was valued at R1.3 billion (current) in 2019 and is estimated to have contracted by 4.2 per cent in 2020 in real terms. However, it is important to note that the stagnation in current prices is due to inflation. It is estimated that 583 jobs were shed in the municipal area in 2020, bringing the total number of employed people in the region to 9 527 in 2020. It is forecast that the GDPR will increase by 4.8 per cent in 2021 and 2.4 per cent in 2022.

Figure 2.25 illustrates the GDPR and employment contribution per sector in the Kannaland municipal area in 2019.

[3] (MDB, 2018).

Kannaland sectoral GDPR (R million) and employment contribution (%), 2019



Source: Quantec Research, 2019

The finance, insurance, real estate and business services (18.0 per cent), wholesale and retail trade, catering and accommodation (17.1 per cent) and manufacturing (13.7 per cent) sectors were the largest contributors to the municipal area's economy in 2019. The biggest contribution to employment in the Kannaland municipal area in 2019 was the agriculture, forestry and fishing sector, which contributed 32.0 per cent of all employment in the area. This was followed by the wholesale and retail trade, catering and accommodation sector (20.7 per cent) and the community, social and personal services sector (13.2 per cent).

The sector that was the most capital-intensive in the municipal area was the manufacturing sector, and the agriculture, forestry and fishing sector was the most labour-intensive sector in 2019. These two sectors are linked through agro-processing activities.

Table below outlines the Kannaland municipal area's GDPR and employment performance per sector.

Kannaland GDPR and employment performance per sector

Sector	GDPR		Employment	
	Trend 2015 – 2019	**Real GDPR growth 2020e**	**Average annual change 2015 – 2019**	**Net change 2020e**
Primary sector	-4.1%	10.6%	55	-128
Agriculture, forestry & fishing	-4.1%	10.6%	55	-128
Mining & quarrying	0.0%	0.0%	0	0
Secondary sector	-0.2%	-11.6%	-7	-112
Manufacturing	-0.7%	-10.1%	-12	-55
Electricity, gas & water	0.3%	-6.1%	0	-1
Construction	1.2%	-20.2%	4	-56
Tertiary sector	2.9%	-5.6%	97	-343
Wholesale & retail trade, catering & accommodation	1.5%	-10.1%	49	-147
Transport, storage & communication	3.2%	-13.4%	13	-6
Finance, insurance, real estate & business services	6.8%	-1.8%	47	-41
General government	-1.7%	-1.7%	-10	-2
Community, social & personal services	1.2%	-2.6%	-2	-147
Total Kannaland	0.9%	-4.2%	145	-583

Source: Quantec Research, 2021 (e denotes estimate)

The total Kannaland municipal area had marginal growth of 0.9 per cent between 2015 and 2019. The tertiary sector was the driver in the municipal area in terms of GDPR growth between 2015 and 2019, with an increase of 2.9 per cent. The best annual growth out of all the sectors in the municipal area was in the finance, insurance, real estate and business services sector (6.8 per cent). This was followed by the transport, storage and communication sector (3.2 per cent). Both the primary and secondary sectors contracted on an annual basis for the reviewed period, with contractions of 4.1 per cent and 0.2 per cent respectively. The agriculture, forestry and fishing sector is critical to the region's economy, especially in terms of local manufacturing and job creation. The lack of water security affected not only the primary production but also agro-processing, particularly in the town of Ladismith. The sector contracted by 4.1 per cent between 2015 and 2019.

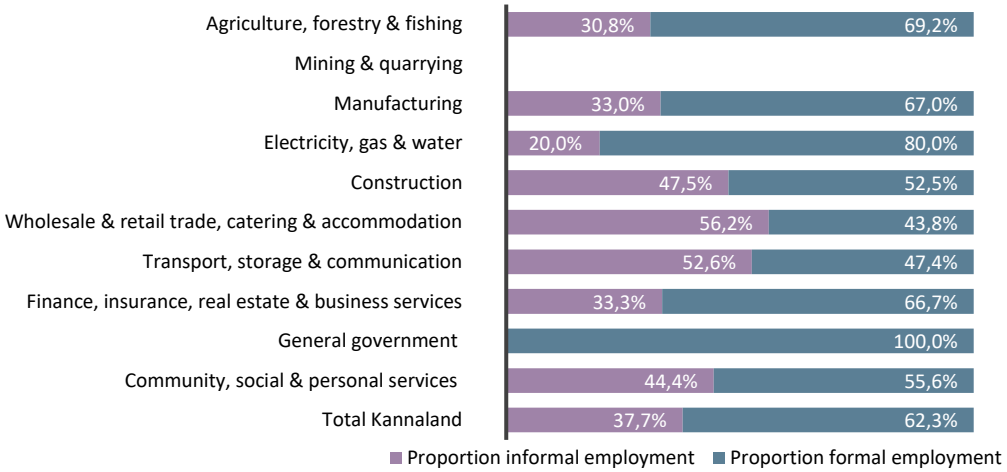
It is estimated that the economy of the municipal area contracted by 4.2 per cent in 2020. The construction sector is estimated to have contracted the most (20.2 per cent), followed by the transport, storage and communication sector (13.4 per cent). The municipal area's largest sector,

the finance, insurance, real estate and business services sector, is estimated to have contracted by 1.8 per cent. The tourism industry in the municipal area was significantly affected by the impact of COVID-19 and the regulations enforced by the Government. The wholesale and retail trade, catering and accommodation sector is estimated to have contracted by 10.1 per cent in 2020. It is believed that several restaurants and small trade shops closed down as a result of the decline in the tourism industry and travel restrictions. The manufacturing sector is estimated to have contracted by 10.1 per cent, as agro-processing was impacted and restricted in 2020 as a result of COVID-19 regulations, and the Ladismith Cheese Company was also affected in the municipal area. The only sector that is estimated to have had positive growth in 2020 was the agriculture, forestry and fishing sector, with a 10.6 per cent increase. This could be the result of improved weather conditions and higher commodity prices.

The municipal area created 145 jobs on an annual basis between 2015 and 2019. The sector that experienced the biggest employment growth in the Kannaland municipal area between 2015 and 2019 was the agriculture, forestry and fishing sector, which created 55 jobs annually. This was followed by the wholesale and retail trade, catering and accommodation sector (49 jobs) and the finance, insurance, real estate and business services sector (47 jobs). Jobs were shed in the manufacturing sector (12 jobs), general government sector (10 jobs) and the community, social and personal services sector (two jobs). Due to the economic downturn, an estimated 583 jobs were lost in the municipal area in 2020. All sectors shed jobs with the tertiary sector contributing the most to the number of jobs lost (343 jobs). The wholesale and retail trade, catering and accommodation sector and the community, social and personal services sector are estimated to have lost the largest number of jobs, shedding 147 jobs each. The agriculture, forestry and fishing sector is estimated to have shed 128 jobs in 2020.

As illustrated informal employment accounted for 37.7 per cent of the Kannaland municipal area's total employment in 2019.

Figure below illustrates Kannaland informal employment distribution, 2019 (%)



Source: Quantec Research, 2021

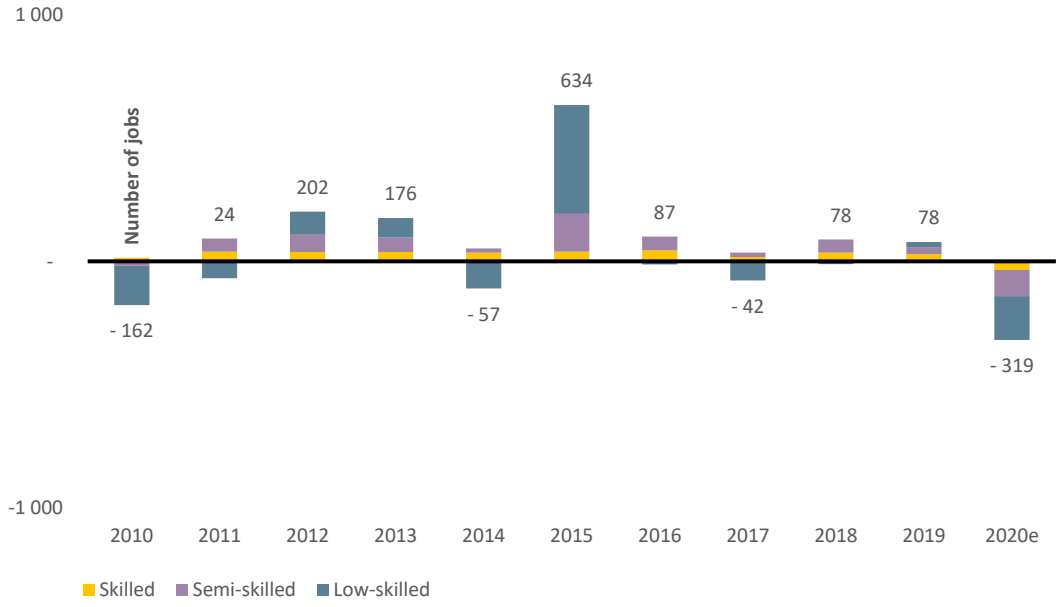
The wholesale and retail trade, catering and accommodation sector and the transport, storage and communication sector had a larger proportion of informal employment than formal employment, with informal employment accounting for 56.2 per cent and 52.6 per cent of the sector's total employment respectively. Other prominent sources of informal employment were the construction sector (47.5 per cent) and the community, social and personal services sector (44.4 per cent).

The municipal area had 62.3 per cent formal employment in 2019, with the general government sector being the largest contributor to formal employment. The electricity, gas and water sector contributed 80.0 per cent to formal employment, followed by agriculture, forestry and fishing, with 69.2 per cent.

8.3.5 Skills analysis

Figure below illustrates the changes in formal employment by skill levels in the Kannaland municipal area between 2010 and 2020.

Figure: Kannaland employment growth by skill levels, 2010 – 2020



Source: Quantec Research, 2021 (e denotes estimate)

The municipal area experienced formal job losses in 2010 as a result of the aftermath of the 2008 financial crisis. Other years in which the municipal area lost formal jobs were 2014 and 2017. A net total of 1 018 jobs were created in the municipal area between 2010 and 2019.

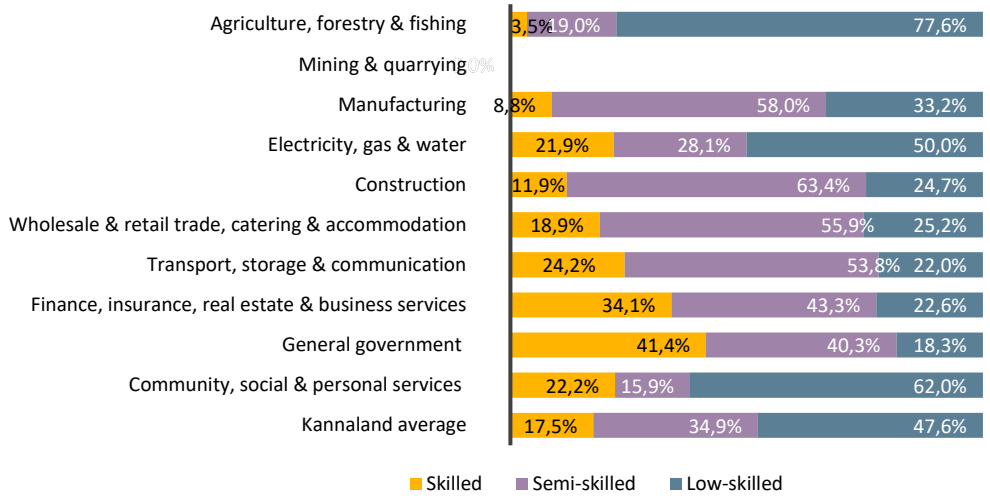
Low- and semi-skilled employees in the Kannaland municipal area were impacted by job-shedding during the aftermath of the 2008 global financial crisis. Low-skilled employees shed jobs in 2010 and 2011, and again in 2014, 2016, 2017 and 2018. In 2015, there was a surge in low-skilled employment in the area. This indicates that low-skilled employment in the municipal

area is fragile when there are difficult economic conditions. The total net employment created for the low-skilled workforce in the municipal area between 2010 and 2019 was 192 jobs. Semi-skilled employment recovered better than low-skilled employment between 2011 and 2019. Apart from in 2015, more employment opportunities were created in semi-skilled employment than low-skilled employment. Between 2016 and 2019, more people were in semi-skilled employment than in skilled or low-skilled employment in the Kannaland municipal area. A net total of 495 semi-skilled jobs were created between 2010 and 2019. Skilled employment showed remarkable resilience during the aftermath of the 2008 global financial crisis. Skilled employment recovered faster than low- and semi-skilled employment, and showed growth from 2010, having a net total of 331 jobs created between 2010 and 2019.

It is estimated that a total of 319 formal jobs were lost in 2020 owing to the impact of COVID-19. A total of 178 jobs were lost in the low-skilled workforce, followed by 106 jobs in the semi-skilled workforce, and 35 skilled employees lost their jobs.

Figure below provides a sectoral overview of the skill levels for formal employment in the Kannaland municipal area.

Figure: Kannaland skill levels per sector, 2019 (%)



Source: Quantec Research, 2021

Within the municipal area, 17.5 per cent were skilled employees, 34.9 per cent were semi-skilled employees and the majority of employment was classified as low-skilled in 2019. Low-skilled employment was best absorbed in the agriculture, forestry and fishing sector (77.6 per cent). Other sectors that absorbed a large share of low-skilled employees were the community, social and personal services (62.0 per cent) and electricity, gas and water (50.0 per cent) sectors. The sector that had the largest share of semi-skilled workers was the construction sector (63.4 per cent), followed by the manufacturing sector, with 58.0 per cent semi-skilled workers.

The general government sector employed the most skilled workers (41.4 per cent). Other sectors that absorbed a large share of skilled employees in 2019 were the finance, insurance, real estate and business services (34.1 per cent) and transport, storage and communication (24.2 per cent) sectors.

The high number of low-skilled workers in the municipal area and the severe impact that COVID-19 had on employment will result in a decrease in municipal revenue, and the need for additional basic services will increase.

Within all of the GRD municipal areas, the tertiary sector is the largest contributor to GDPR. The secondary sector also plays a significant role in all municipal regions, accounting for a quarter of GDPR in each municipality. The primary sector is small in all municipal districts and is mostly dependent on agriculture, forestry and fishing's GDPR contribution to the sector, which, despite its small size, is very important to the local economy, particularly as an input for the manufacturing sector (agro-processing) and job creation.

In 2019, informal employment in the GRD varied from 24.9 per cent in George to 37.7 per cent in Kannaland. The wholesale and retail trade, catering and accommodation sector supplied the most informal job opportunities in all municipal areas of the GRD. Construction; transport, storage and communication; and community, social and personal services were consistently among the top three sectors that supplied informal job opportunities in each municipal area.

During the aftermath of the 2008 global financial crisis, low- and semi-skilled workers in all municipal regions across the GRD experienced the burden of job losses. Low-skilled employment grew at a slower rate than skilled and semi-skilled employment across the GRD municipal areas. Between 2010 and 2011, skilled employment outperformed low- and semi-skilled employment in terms of resilience and recovery. Between 2011 and 2019, skilled or semi-skilled employment was the primary driver of employment in all municipal regions, with the exception of 2015, when low-skilled employment saw a considerable increase in numbers. In six of the seven municipal areas, semi-skilled employment was the main skill level. Only in Kannaland was low-skilled employment the main skill level, while it also had the fewest skilled employees. Low-skilled employment was best absorbed in the community, social and personal services sector and the agriculture, forestry and fishing sector in most municipal areas in the GRD in 2019.

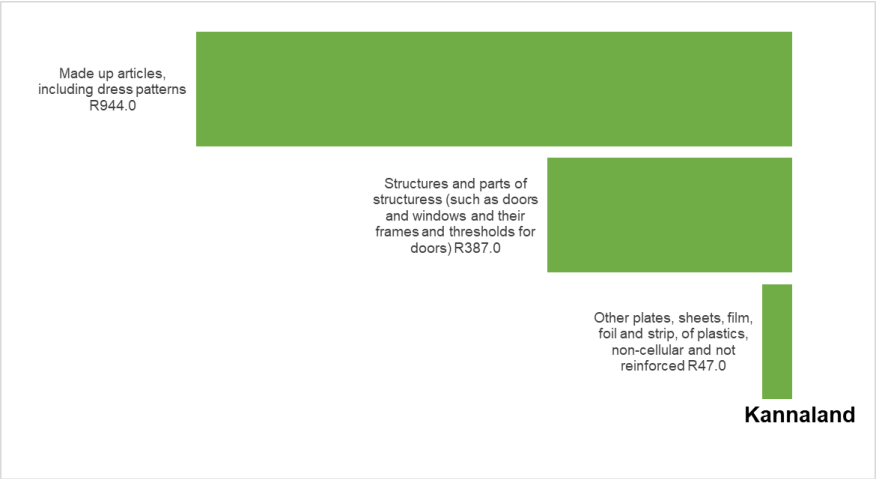
The estimates for 2020 in terms of GDPR in all the municipalities in the GRD contracted due to COVID-19 and the associated impacts. The wholesale and retail trade, catering and accommodation sector contributes strongly in all the municipal areas, the poor performance of

the tourism industry impacted this sector significantly. The majority of the municipal areas are forecasted to show resilience and initiate recovery in 2021, except Bitou municipality, as it will further contract with 1.7 per cent. The agriculture, forestry and fishing sector, was the only sector that had significant growth in 2020. This could be the result of improved weather conditions, higher commodity prices and the fact that this sector was exempted to operate under strict lockdown level-5 regulations in 2020.

8.3.6 Municipal imports and exports

Imports and exports are a catalyst for economic growth and development. Importing goods is often required for individual consumers and in other cases, it's required for production in a given value chain.

Figure Imports and exports per municipal area, Garden Route District, 2020



Source: Quantec Research, 2021

The Kannaland municipal recorded very little international trade in 2020, with only imports worth R1 378.0 and no exports. Imported articles include made-up articles including dress patterns, structures such as door and window frames and plates, sheets or film of plastic.

8.3.7 Municipal socio-economic analysis

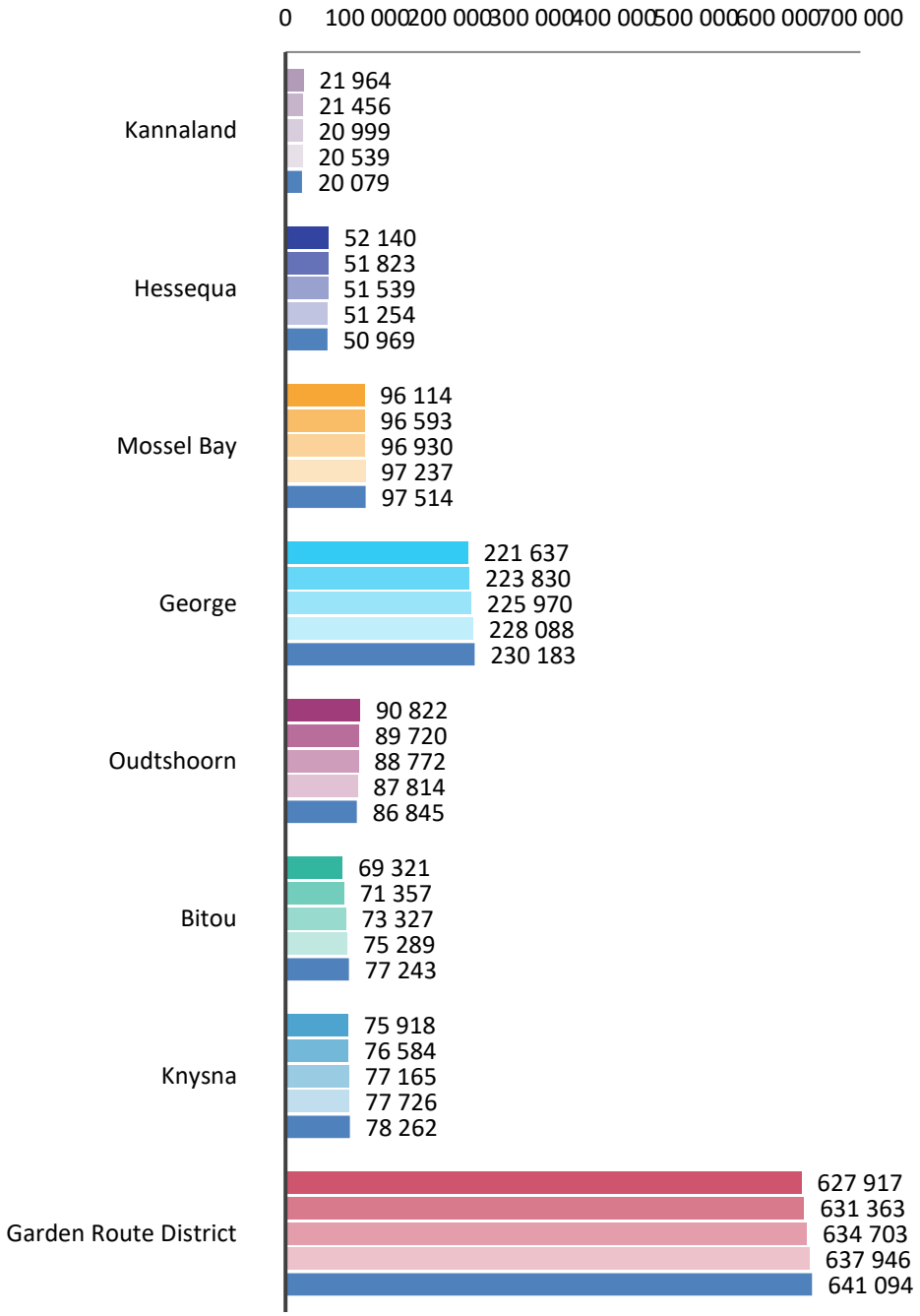
8.3.7.1 Introduction

The purpose of this chapter is to describe the socio-economic environment in the GRD. This includes an analysis of population and household dynamics such as projected population and household growth, GDPR per capita, household income and the Gini coefficient, as well as human development within the region assessed using indicators such as the Human Development Index (HDI), education, health, dwelling types, crime and access to basic services.

8.3.7.2 Population profile

Figure 4.1 illustrates the projected growth of the population in the GRD between 2020 and 2024.

Figure 4.1 Future population growth, Garden Route District, 2021 – 2025



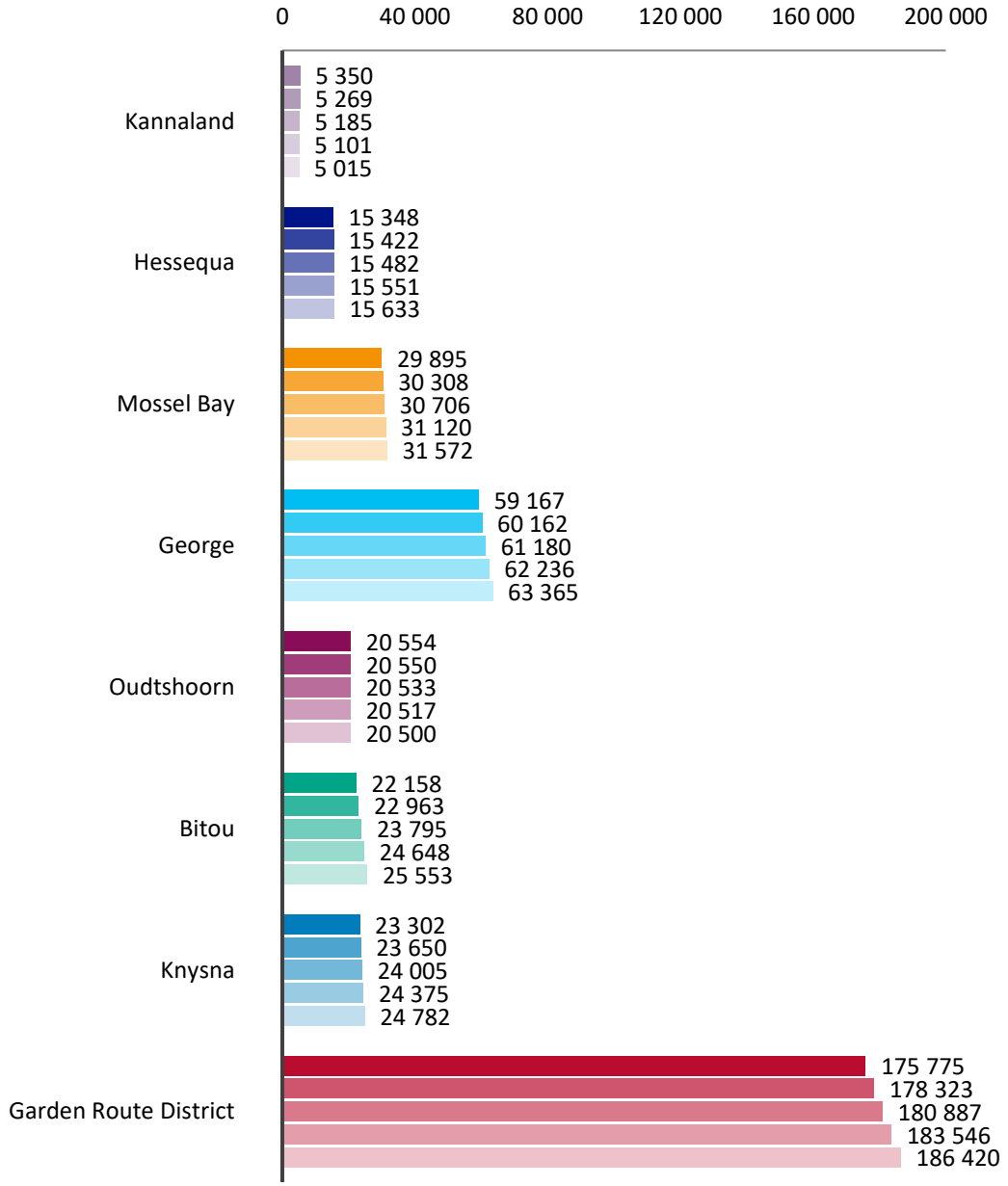
The GRD is the third most populated district in the Western Cape, after Cape Metro and the Cape Winelands District. The population in the GRD is expected to increase by an annual average growth of 0.5 per cent from 627 917 people in 2021 to 641 094 people in 2025. The slow District population growth is a result of expected population declines in the Kannaland, Hessequa and Oudtshoorn municipal areas. The population in these municipal areas are expected to decline by

an average annual rate of 2.1 per cent, 0.5 per cent and 1.1 per cent respectively for the period between 2021 to 2025.

This could be attributed to young people seeking job opportunities elsewhere. The decline in the working-age population has a negative implication for future economic growth in these municipal areas as a lack of labour will influence production capabilities.

Figure below illustrates the projected household growth in the GRD between 2021 and 2025.

Figure: Future household growth, Garden Route District, 2021 – 2025

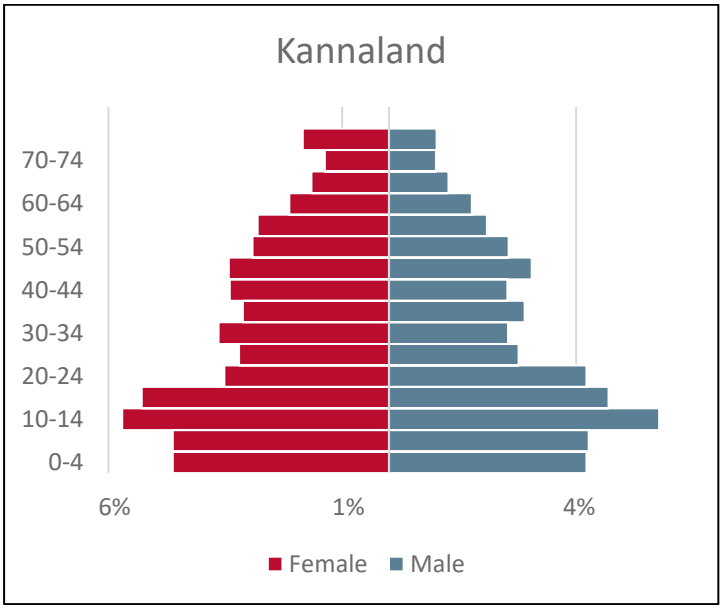


Source: Western Cape Government PPU, 2021. Provincial, district and local municipality population estimates by sex and age (2002-2036) based on StatsSA MYPE series 2021 and 2020

The number of households in Kannaland and Oudtshoorn is expected to decrease by an average annual rate of 1.6 per cent and 0.1 per cent respectively.

Figure below uses population pyramids to illustrate the gender and age cohorts of the municipal areas in the GRD in 2020.

Figure: Gender and age dynamics, Garden Route District, 2020



Source: Western Cape Government PPU, 2021. Provincial, district and local municipality population estimates by sex and age (2002-2036) based on StatsSA MYPE series 2021 and 2020

The population of the Kannaland municipal area consist largely of people between the ages of 35 and 64 (32.7 per cent), followed by those between the ages of 15 and 34 (29.9 per cent). There is, however, a large dependency on those of working-age population, as 29.2 per cent of the population is made up of people younger than 14. Population growth forecasts for the Kannaland municipal area indicate a large decline in the youth and child population in the Kannaland municipal area. This will have an impact on future labour supply in the Kannaland municipal area.

8.3.7.3 Human development

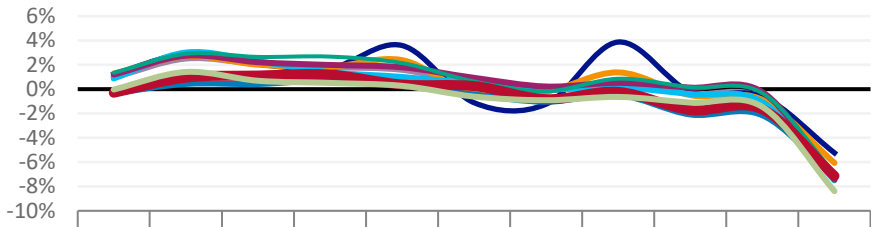
Economists expect economic growth to result in improvements in human development, and economic decline to have an adverse effect on human development. The United Nations uses the HDI to assess the level of socio-economic development in countries. The performance of the economy plays a major role in determining the quality of life for citizens, which is measured by the standards of education, health, dwellings, access to basic services and crime levels.

8.3.7.4 Income

In 2019, the GRD had a lower GDPR per capita of R74 902.8 compared with the province's R88 953.0. The municipal areas with the highest GDPR per capita include George (R88 929.8) and Mossel Bay (R82 141.6).

Figure below illustrates the GDPR per capita growth for the GRD and its municipal areas between 2010 and 2020.

Figure: GDPR per capita growth, Garden Route District, 2010 – 2020



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020e
Kannaland	0,9%	2,5%	2,0%	1,8%	1,6%	0,4%	-0,1%	0,5%	-0,4%	-0,7%	-7,2%
Hessequa	1,2%	2,9%	2,1%	1,7%	3,6%	-1,1%	-1,2%	3,9%	-0,2%	-0,6%	-5,2%
Mossel Bay	1,3%	2,7%	2,0%	1,8%	2,4%	-0,4%	-0,2%	1,4%	-0,5%	-0,9%	-6,1%
George	0,9%	3,0%	2,3%	1,4%	1,0%	0,5%	0,0%	0,1%	-0,4%	-1,1%	-7,5%
Oudtshoorn	1,2%	2,7%	2,2%	2,0%	1,8%	0,9%	0,2%	0,5%	0,1%	-0,2%	-7,4%
Bitou	1,3%	2,9%	2,6%	2,7%	2,1%	0,6%	-0,2%	0,9%	0,2%	-0,3%	-6,9%
Knysna	-0,3%	0,4%	0,4%	0,7%	0,3%	-0,4%	-1,0%	-0,5%	-2,1%	-2,1%	-7,3%
Garden Route District	-0,3%	0,9%	1,1%	1,2%	0,4%	0,3%	-0,8%	-0,2%	-1,7%	-1,7%	-7,1%
Western Cape	0,0%	1,4%	0,7%	0,5%	0,3%	-0,6%	-0,9%	-0,6%	-1,1%	-1,5%	-8,4%

In the GRD, the GDPR per capita experienced a significant GDPR per capita decrease of 7.1 per cent, which was less than the Western Cape's 8.4 per cent decrease in 2020. The GDPR per capita experienced major decreases in all municipal areas which could be attributed to the COVID-19 pandemic and the associated lockdown regulations and restrictions imposed on movement and labour and have led to many job losses or decreased household income and thereby affecting the GDPR per capita. The GDPR per capita growth for all municipal areas follows a similar trend between 2010 and 2020.

Table below illustrates the average monthly household income of the GRD and its municipal areas in 2019.

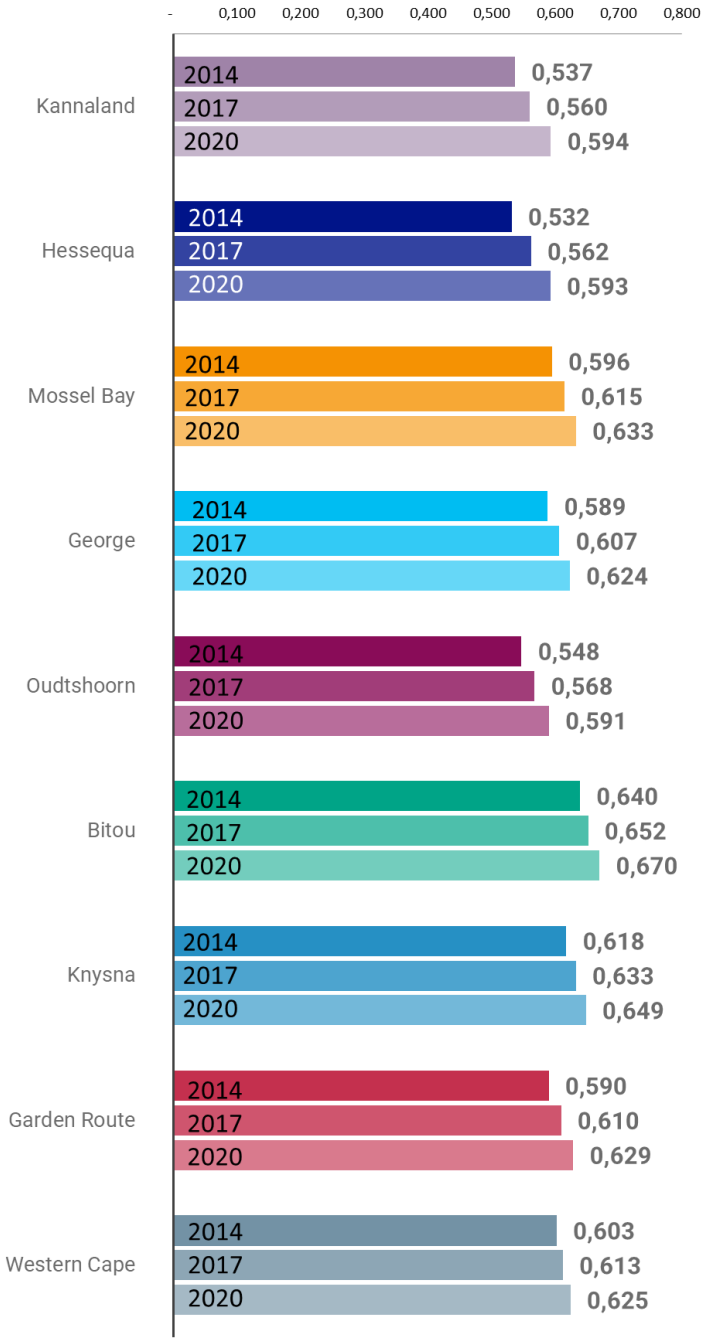
Table: Average monthly household income (current prices), Garden Route District, 2019

Municipality	Average household income	Trend
	2019 current prices	**2015 - 2019**
Kannaland	R13 524	0,7%
Hessequa	R16 079	1,5%
Mossel Bay	R18 731	1,3%
George	R20 650	0,8%
Oudtshoorn	R20 199	0,8%
Bitou	R13 259	0,7%
Knysna	R16 694	0,1%
Garden Route District	**R18 253**	**0,7%**
Western Cape	**R19 430**	**-0,3%**

Source: Urban-Econ calculations based on Quantec Research, 2021

In 2019, the average household income in the GRD (R18 253) was lower than that of the Province (19 430). However, the average household income experienced a 0.7 per cent average annual increase between 2015 to 2019 in the GRD, while that of the Province declined by an average annual rate of 0.3 per cent. The Kannaland municipal area recorded the lowest average household income in 2019 (R13 524).

Figure: Gini coefficients, Garden Route District municipal areas, 2014 - 2020



The Gini coefficient is an indicator of income inequality and ranges between 0 and 1, with 0 representing complete equality and 1 representing complete inequality.

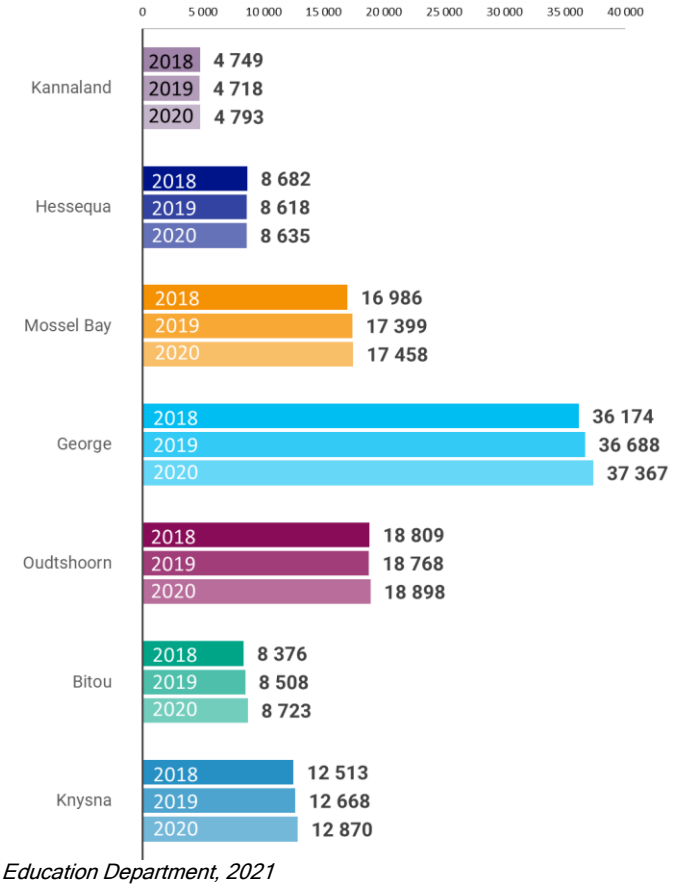
The Oudtshoorn municipal area had the lowest income inequality of all municipal areas in the District, with a Gini coefficient of 0.591 in 2020. This is followed by Hessequa, Kannaland and George municipal areas with Gini coefficients of 0.593, 0.594 and 0.624 respectively in 2020. The income inequality in all municipal areas increased between 2014 and 2020.

The job losses as a result of the COVID-19 pandemic would have contributed to income inequality. Workers that were able to work from home would have been able to continue earning an income, while those who were unable, either due to the lack of connectivity or those with jobs that require physical labour would have been left without income. This also emphasizes the importance of COVID-relief measures such as the temporary employee relief scheme (TERS).

8.3.7.5 Education

This section discusses the extent of improvement in educational circumstances of households in the GRD using data on learner enrolment, the Grade 10 to 12 retention rate, matric pass rates and learner-teacher ratios.

Figure: Learner enrolments, Garden Route District, 2018 – 2020



Source: Western Cape Education Department, 2021

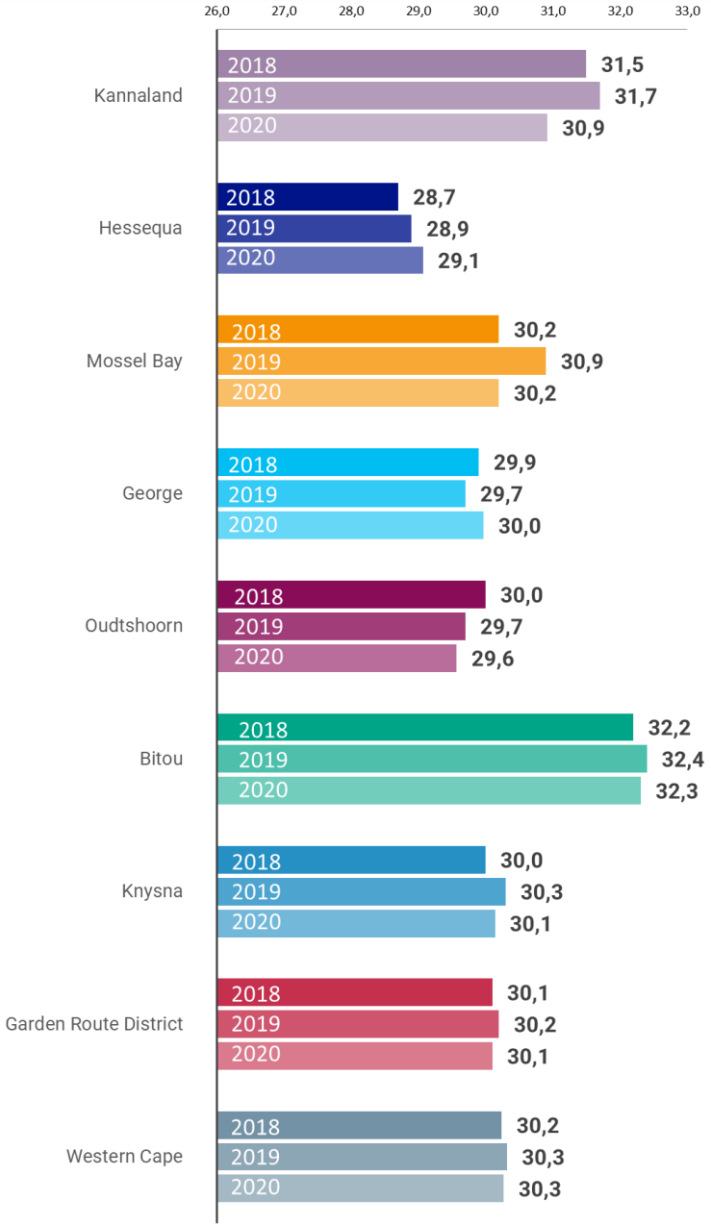
An important indicator for the demand for schools, learner transport and educators within a municipal area is enrolment numbers.

Learner-teacher ratios are indicative of the capacity of schools to accommodate more learners. Learner-teacher ratio upper limits of 40:1 in ordinary primary schools and 35:1 in ordinary high schools is set by the Department of Education.[4] Lower learner-teacher ratios are associated with more interaction between teachers and learners, which could contribute to better quality education. [5]

[4] (Sephton, S, 2017).
[5] (Southern and Eastern Africa Consortium for Monitoring Educational Quality, 2011).

Figure below illustrates the learner-teacher ratio within the Western Cape, the GRD and its municipal areas between 2018 and 2020.

Figure Learner-teacher ratio, Garden Route District, 2018 – 2020

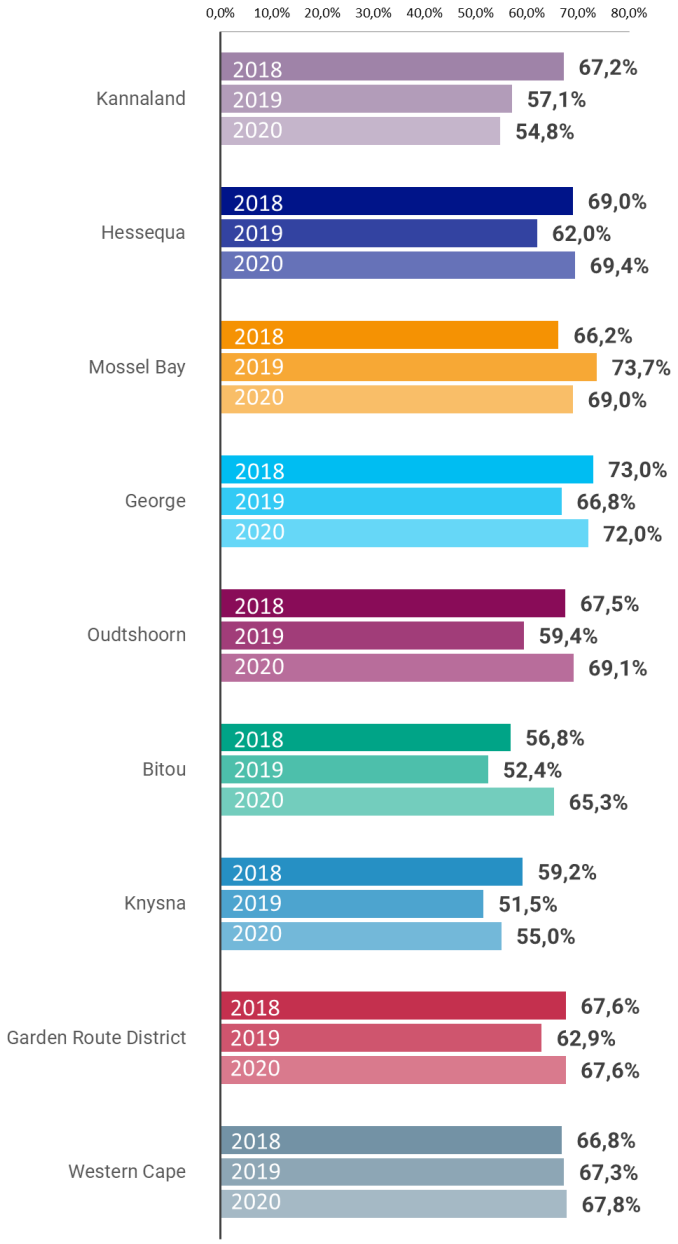


Source: Western Cape Education Department, 2021

The learner-teacher ratio in Kannaland, Mossel Bay, Oudtshoorn, Bitou and Knysna municipal areas improved from 2019 to 2020, showing that the number of educators increased sufficiently to accommodate the increased number of learners. Throughout this period, the learner teacher ratio for the GRD remained lower than the Western Cape's ratio meaning that there are fewer learners per teacher, more focused and personalised teaching which should translate into improved academic achievements. The learner-teacher ratio in Kannaland, Mossel Bay, Oudtshoorn, Bitou and Knysna municipal areas improved from 2019 to 2020, showing that the number of educators increased sufficiently to accommodate the increased number of learners.

Figure below illustrates the retention rate of students from Grade 10 to 12 in the Western Cape, the GRD and its municipal areas between 2018 and 2020.

Figure: Grade 10 to 12 retention rate, Garden Route District, 2018 – 2020



Source: Western Cape Education Department, 202

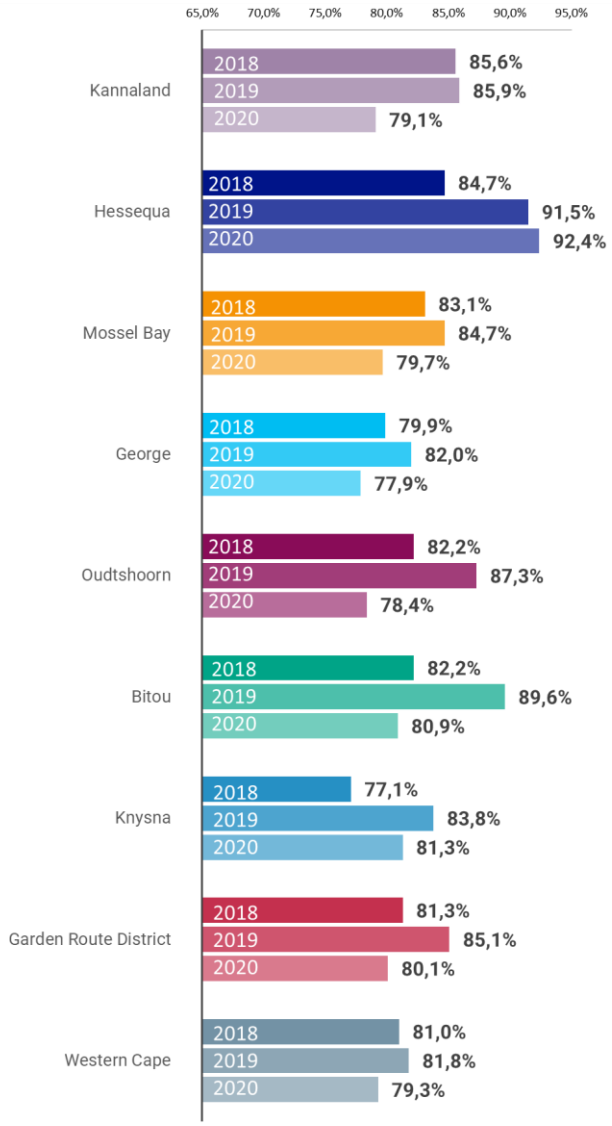
The Grade 10 to 12 retention rate is determined by obtaining the proportion of Grade 12 learners in a particular year compared with the number of Grade 10 learners two years prior. This shows the proportion of students who progressed to Grade 12, compared with those enrolled in Grade 10 two years before.

The retention rate in Kannaland and Mossel Bay municipal areas declined between 2019 and 2020 by 2.3 percentage points and 4.7 percentage points respectively. Access to education is an important indicator for labour market skills and access to economic opportunity. Local challenges

that result in learners leaving school before Grade 12 need to be assessed, especially considering that most sectors require semi- and skilled labour.

Together with several other variables not considered in this section, learner enrolment, learner-teacher ratios and Grade 10 to 12 retention rates all contribute towards an area's Grade 12 pass rate. Figure 4.9 illustrates the matric pass rate of Grade 12 students in the Western Cape, the GRD and its municipal areas between 2018 and 2020.

Figure: Matric pass rate, Garden Route District, 2018 – 2020



Source: Western Cape Education Department, 2021

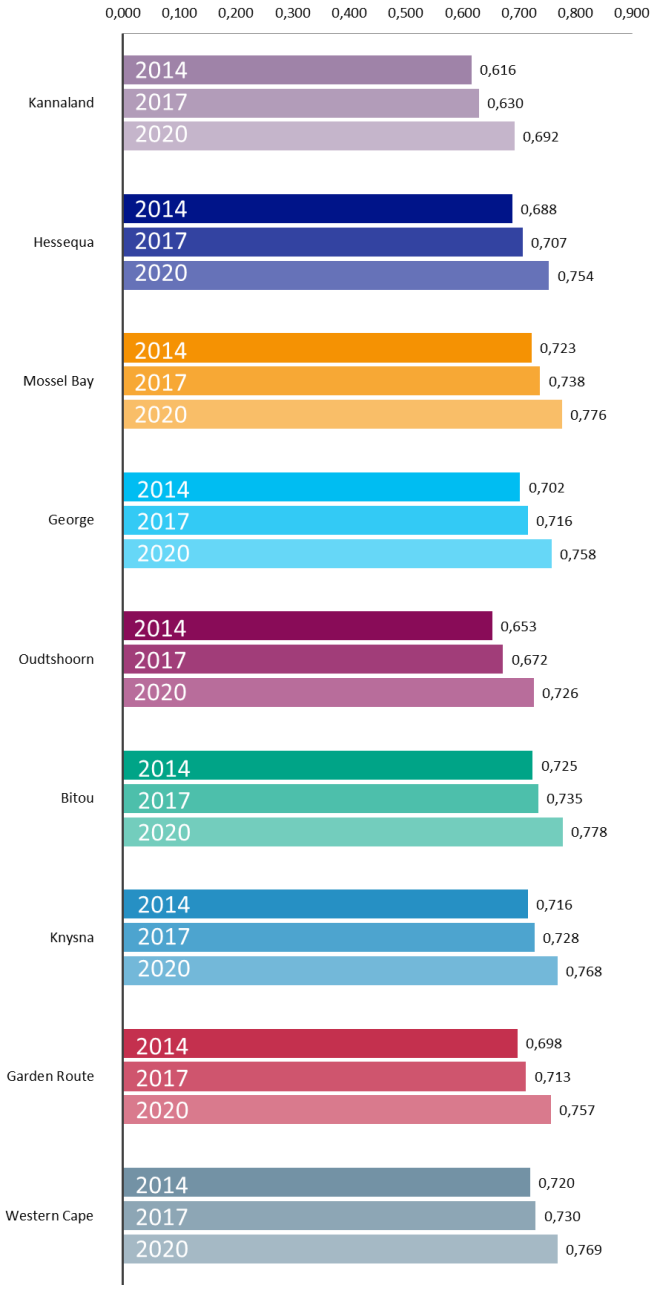
Oudtshoorn municipal area experienced the largest decrease in the matric pass rate (8.9 percentage points), followed by the Bitou (8.7 percentage points), Kannaland (6.8 per cent) and Mossel Bay (5.0 percentage points) municipal areas. The decrease in the matric pass rate can significantly affect the learners' ability to access higher education and thereby also improve their chances of better employment opportunities and a better income.

8.3.7.6 Human Development Index

The United Nations uses the HDI – a composite indicator reflecting education levels, health, and income – to assess the relative level of socio-economic development in countries. Economic performance plays an important role in determining the quality of life of citizens; economists expect economic growth to result in improvements in human development and economic decline to have an adverse effect on human development.

Figure below illustrates changes in the HDI between 2014 and 2020.

Figure: HDI per municipal area, Garden Route District, 2014 – 2020



Source: IHS Markit, 2021

The HDI is a measure of people's ability to live a long and healthy life, to communicate and participate in the community, and to have sufficient means to afford a decent standard of living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development.

For the period under review, the HDI in the GRD was lower compared to the Western Cape's HDI. However, an improvement in the HDI level is evident in the GRD, increasing from 0.698 in 2014 to 0.757 in 2020. All municipal areas have improved in terms of their HDI. Bitou municipal area had the highest HDI whereas Kannaland has the lowest.

PART TWO: SECTION FOUR 4.

8.4 THE ROLE OF THE MUNICIPALITY IN LOCAL ECONOMIC DEVELOPMENT

The role of the Municipality in the local economy has been accentuated by Government who sees its role as pivotal given the current global and local market conditions. "Where market failures are identified government will intervene through transparent, regulatory and other carefully defined and time delineated mechanisms..."

It is therefore incumbent upon the Municipality to seek to play a pro-active role in economic development through various forms of constructive inventions in the local economy. Kannaland Municipality however recognises the importance of the private sector in economic growth and development and in the creation of meaningful and sustainable employment opportunities. Its strategic economic intent is therefore to enable the private sector to play its role in economic development and through mild incentives and partnerships seek to lower the risks for the private sector to take up economic opportunities in the area and invest in the local economy of Kannaland.

According the White paper on Local Government, 1998, section b 1.1: "Local Government is not directly responsible for creating employment. Rather it is the responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of" meaningful and sustainable employment opportunities.

Kannaland Municipality therefore remains commitment to uphold the Constitutional values and recognises the role of these values in promoting economic growth and development. Public discontent with economic progress is often the result of a lack communication with economic stakeholders. It is therefore cardinal that Kannaland Municipality communicate its activities pertaining to Local Economic Development to its constituencies on regular basis.

8.4.1. LED Vision 2022

Through various constructive inventions launch within a five year time frame five commercially viable projects with a capitalisation requirement of R 5 million and with meaningful community participation and Broad-Based Black Economic Empowerment involvement, in participation with the private sector and other role-players in the key sectors of Kannaland's regional economy.

8.4.2. LED Mission

To utilise the resources of Kannaland Municipality as the catalyst for Local Economic Development and to establish working partnerships with the Private Sector, Provincial and National Government institutions and agencies and to bring these partnerships to service of the local economy of Kannaland.

8.4.3. LED Strategic Objectives

The strategic objectives listed below can only be achieved in partnership with the economic and social actors in Kannaland's Local Economy:

→ Meaningful and sustainable employment creation
→ Training and Development of Local People [Skills Development]
→ Establishing Productive and Sustainable Partnerships/Co-operatives with Government and the Private Sector
→ Small, Medium and Micro Enterprise Development
→ Advancing the Informal Trade Sector

8.4.4. LED Strategic Targets

In order to concretely realise advances with respect to these strategic priorities, Kannaland Municipality boldly embraces the statement of intent made for each strategic objective below:

8.4.4.1. Meaningful and Sustainable Employment Creation

Meaningful and Sustainable Employment creation is the pre-eminent priority for Kannaland Municipality. This will be the foremost consideration in any economic initiative of the Municipality. It should be underscored, however that there are limitations to the ability to spearhead meaningful and sustainable employment. The Municipality therefore recognises the key role of the private sector in the creation of meaningful and sustainable employment opportunities and economic growth in the area and will establish active working partnerships with the business community of the area. In the taking the first steps, Kannaland Municipality will make every effort to ensure that its own activities leads to meaningful and Sustainable Employment Creation.

8.4.4.2. The training and development of local people

It can reasonably be assumed that most established businesses in Kannaland source their skills from outside the area. At the same time, the vast majority of skilled and semi-skilled inhabitants of Kannaland commute to surrounding areas for work or have completely relocated elsewhere

where employment opportunities are better. This situation added significantly to the problem of the skills base in Kannaland. Kannaland Municipality recognises that in order to have an impact on skills development, it will have to do this at sectoral level. It will work closely with the relevant Sector Education and Training Authorities [SETA's] and other role-players to roll out skills development programmes in the key sectors of the area.
Community training needs has been conducted throughout Kannaland Municipality. This has been done through interviews and also through a local survey conducted throughout Kannaland Municipality by the IDP and Public Participation unit.

Kannaland Municipality also serves on various district platforms such as the District Business Chamber and the District Skills Mecca and the district support in furthering the skills gap dilemma is welcomed through their one district approach of skills grant application submissions. It is however disappointing that the SETAs have rejected the applications previously submitted as application submissions take up much time and effort from an already shrinking workforce.

8.4.4.3. Establishing Productive and Sustainable Partnership and Co-operatives with Government and the Private Sector

Local Economic Development is not exclusively the domain of Local Government; indeed this Local Economic Development Strategy is based on a Partnership ethos. Kannaland Municipality intends to establish partnerships straddling the entire economic spectrum of businesses. In so doing it will have regular interactions with organised formations of businesses, other relevant economic actors and business leaders where organised formations are non –existent. The Ladismith Business Chamber is extremely active in IDP processes and this Draft LED Strategy shall be workshopped with Council and all business partners for further input. Strong partnerships are required for the rollout of catalytic projects to be identified by council at its strategic workshop planned for 7 April 2022. Kannaland Municipality shows that over 70% of the population are catergorised as low skilled. Much effort and momentum in upskilling our population is required. Grant applications can certainly not be denied to the people of Kannaland and all grant funding shall be spent.

8.4.4.4. Small, Medium and Micro Enterprises [SMME] Development

One way of getting employment in this National, Provincial and Local climate of dire unemployment is to create conditions conducive to establishment and development of Small, Medium and Micro Enterprises [SMME's]. Encouraging entrepreneurs to start up small businesses is one of the most important mechanisms to counter-unemployment, experts say,

especially as labour market policies like subsidised wages, training programmes and apprenticeships have a limited effect on the increasing number of people out of work.

It is widely accepted that:

→ SMME's can serve as the foremost employment creating sector in the country

→ SMME development can lead to higher levels of competition and can act as vehicle to break the high levels of concentration in the Economy

→ SMME's can serve as a useful catalyst for redistribution to address the highly unequal income distribution patterns

→ SMME development is a vital component of Local Economic Development

In recognition of this near economic axiom, Kannaland Municipality will endeavour to incorporate an SMME Development component into all its Local Economic Development initiatives. Over and above this it will develop its contacts database to assist and as to allow Small, Medium and Micro Enterprises [SMME's] in Kannaland to access those that can provide finance and those that make business services available to this market segment.

8.4.5. Sector focus

8.4.5.1. Focus on Agriculture

The need to build out the Agro-Industries in the Kannaland area cannot be overly emphasised. This is principally illustrated that one has the presence of two cheese manufacturing plants situated in an area like Ladysmith. By its very nature one is pointed in the direction that the potential must exist for more Agro-industries to establish themselves in the region. These current plants are operating profitably and have both expressed the desire to increase their current potential footprint. The need to exploit supporting industries has not even begun and this must be viewed as a potential to build out the existing industry to its full potential. Related and supporting industries need to be identified and established. There is also the opportunity to create small scale farming initiatives and it is evident from the current practices, that there is a high concentration on Game farming in the area. The ancillary industries such as tour guides and rangers etc. should be more fully explored. It also becomes apparent that from the consultative processes undertaken, that the challenges in these industries also need to be spoken to. The fact that there is adequate rainfall in the area but a huge shortage of water, identifies the need for a review of the basic infrastructure requirements and functionality.

8.4.5.2. SMME- Private Sector Joint Ventures and Outsourcing

Having spoken to the larger corporate in the Kannaland area, it was obvious that there were various ways in which these industries could support the local communities in mutually beneficial projects. One of these initiatives involved the manufacturing of cheese by community cooperatives for example. In this instance the established business had access to skills, packaging and markets. It could outsource the manufacturing of various product lines to the community and implement training and quality programs that would enable the community co-ops to engage in the manufacturing and marketing of these products. Funding for training would need to be sourced, but this industry because of its private sector partners, could become hugely beneficial to the community in terms of job creating and sustainable development. Joint initiatives can be further developed into a Tourism opportunity with for example a cheese festival or creating export markets for the local co op cheese through the support and assistance of the larger corporate. One would need to perhaps drive this initiate through the local business chamber where the focus would be on ascertaining how the private sector and the SMME's could collaborate for mutual benefit and to also interrogate outsourcing opportunities from the private sector. These opportunities would have to be well managed in sustainable entities with oversight and support being provided from the private /NGO sector.
Significant outsourcing opportunities also exist within the municipal compact. Various smaller works and services could be given to smaller SMME's in a managed capacity. Examples of these could be the beautifying of the area, maintaining curb sides and verges, painting of street markings etc.

8.4.5.3. Tourism as an Economic Driver for Kannaland

The Objectives of tourism is to maximise the potential income streams and social benefits flowing into the economy whilst also minimising the negative impacts on the natural, historical, social and cultural landscape. It would appear that from our initial discussions with the municipality and various private sector organisations, that Tourism should be one of the chief economic drivers in the Kannaland area. The Tourism sector not only lent itself to huge job creation prospects but would also be a catalyst to bridging the divide in a racially segmented community and thereby contribute to building up the social fabric of the greater Kannaland area. There is a positive disposition from the established private sector to join forces with an emerging SMME's who would be mostly from the PDI communities to jointly exploit the myriad of Tourism opportunities. It is apparent that the formal sector possessed the necessary Capital and Skills and the emerging PDI market had access to the Opportunities but lacked the former resources. These could well

be combined to create effective joint ventures which would be sustainable and profitable to all parties.

This modest allocation by the municipality for tourism should be seen against the context of the broader package of municipal programs (e.g. keeping local towns clean, enhancing the aesthetic appeal of the built and natural environment and its planning framework).
Kannaland LM will develop a Tourism Masterplan that could amongst others unlock local economic opportunities through:

- Proper Spatial Planning – e.g. promoting economic growth along the R62, agri-tourism, adventure tourism, etc;
- Development of an Art, Culture and Heritage Plan; which will identify sites of architectural, heritage significant areas and resources which will be able to contribute to the unique selling proposition of the area and attract people to the Kannaland region through cultural tourism;
- Leveraging assets such as the upgrade to the existing caravan park in Ladismith, through either alienation or public private partnership which could stimulate economic activity.

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 promotedto ensure continuous growth. The aim is that each town to have a tourism bureau satellite office which will reside under the Kannaland Tourism umbrella with each town having its unique economical setup and programs.

At present, two such bureaus (Ladismith Tourism Bureau and Calitzdorp Tourism Bureau) have been established, are fully functional and are being funded by Kannaland Municipality.

A priority need exists to create two similar tourism bureaus in Zoar and Van Wyksdorp. Tourism Business and action plans have been developed for these 2 priority tourism bureaus. The Garden Route District Municipality will be approached through the One District Plan (JDMA) to consider funding the two additional envisaged tourism bureaus.

The 2 funded local tourism bureau offices currently maintain and operate two websites:

- Ladismith: http://www.ladismith.org.za
- Calitzdorp: http://www.calitzdorp.org.za

The figure below (SDF - Figure 3.4.13.1) illustrates the main tourism and cultural attractions in the municipality (ENPAT, 2003). These are made up of various cultural tourism sites (grave/burial

sites, monuments, etc) and 2 local hiking trails:

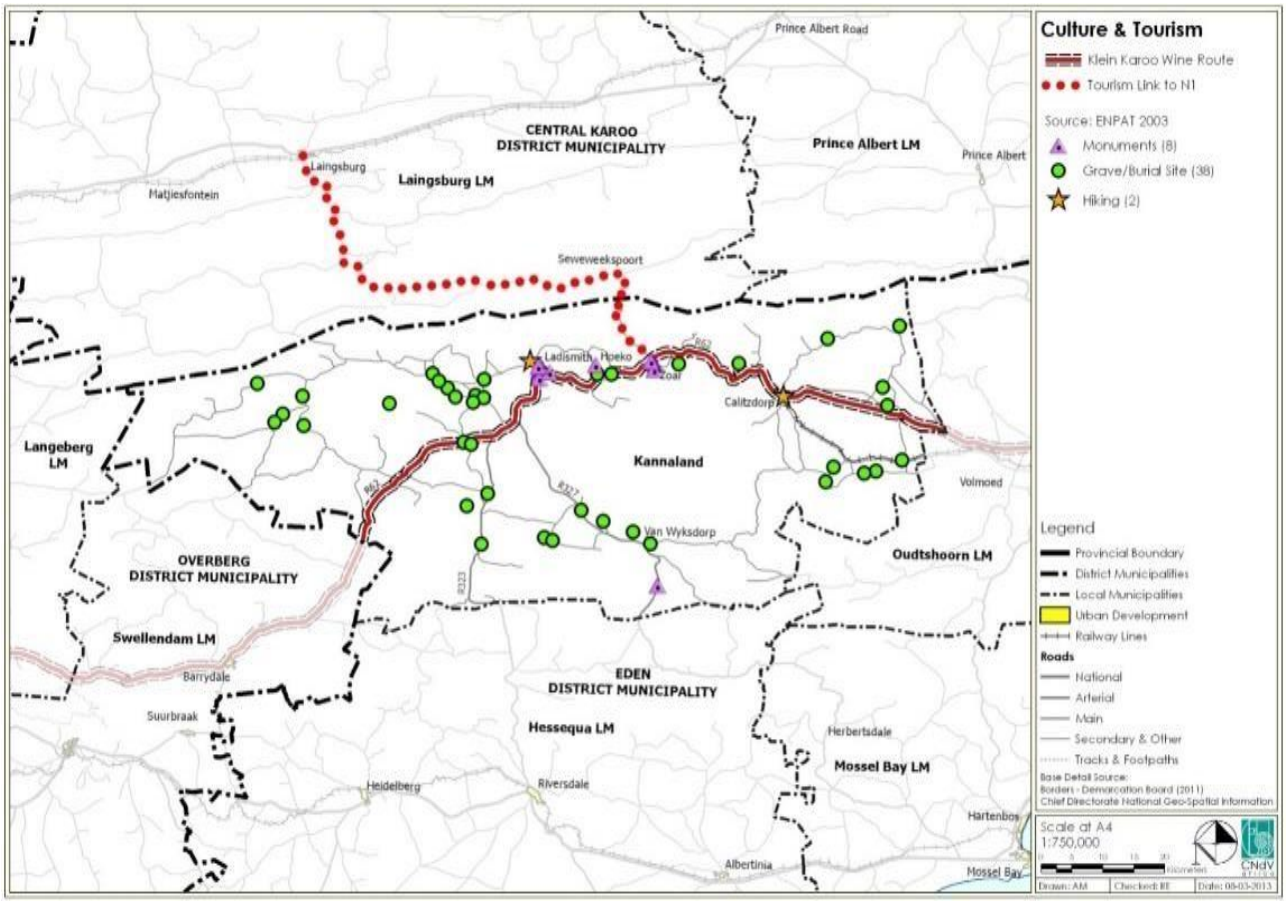


FIGURE 17: TOURISM AND CULTURE ATTRACTION – REFER TO FIGURE 3.4.13.1 IN SDF TOURISM AND CULTURE ATTRACTION

Tourism is one of the key economic sectors in the municipality, calling for the development of a tourism master plan or a municipal wide tourism strategy. The local tourism offices needs urgent support from the government department to assist in either funding of programs or the developmentof each town – as mentioned a masterplan is needed. The tourism sector can contribute significantly to the reduction of unemployment. The urban areas along the R62 tourism route should maximize their exposure on this route as a means of enhancing economic growth

The Calitzdorp tourism office successfully held the port (wine) and winter festival which bring out the culture of the town to the tourist as well neighboring municipal places.

Major Tourism Destinations

- Ladismith, Calitzdorp and van Wyksdorp B&Bs, guesthouses, restaurants and places of interest;
- Ladismith Cheese factory shops;
- Ladismith has its own buliding style, known as the Ladismith Style (a simplified Georgian style)
- There are some wonderful old buildings that have been restored, some of which are now National Monuments.
- There are also plenty of magnificent churches!
- The Tourism Bureau is housed in the Neo-Gothic Otto Hager Church, built in 1874, while the Lutheran Church, built in 1856 has Bible texts painted on its inner walls.
- The old Synagogue is probably the only example of Lithuanian style in South Africa and it was here that Jewish children were taught Hebrew in the afternoons.
- There are also "feather boom" houses, the most famous being The 'Volstruis Paleis' (Ostrich Palace).
- If you fancy staying in a National Monument from the ostrich era, Albert Manor is a beautifully restored guesthouse that was built in 1892 for an ostrich baron.
- The wallpaper is the original wallpaper, while the windows still have the origional handmade glass imported from Holland.
- No expense was spared in building this home with its cast iron broekie lace and Oregon pine ceilings and floors.
- 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 Van Wyksdorp;
- 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; Khoi San rock paintings 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 and mueaums:

Each of the 4 major towns in Kannaland appear to have unique features around which the tourism sector could be further exploited and also used to develop other support industries which lead to exponential growth of several business ventures and job creation. Kannaland Municipality has

entered into Memporandum of Agreement with two tourism bureaus namely Calitzdorp Tourism Bureau and the Ladismith Tourism Bureau. The GR District is being approached to support and fund the remaining two tourism bureaus in Zoar and Van Wyksdorp. Business and action plans have already been drawn up in collaboration with the latter and implementation is projected for 2022/2023.

Some of these specific value offerings are:

Ladismith Cheese factory shops; Goergian style architecture; heritage synagogue and church buildings

Calitzdorp Port and wine estates as well as spring water from SPA Gamka Mountain reserve (Cape Mountain Zebra)

Zoar and Amalienstein Historic mission stations offering donkey cart and hiking trails through vineyards and orchards, including indigenous cultural festivals

Seweweekspoort Mountain biking, hiking, fynbos and protea flowers [also the National Flower]

Vanwyksdorp Fynbos processing, donkey cart rides to Anglo- Boer/ SA War grave sites. Funding was sent previously for the upgrade and maintenance to these sites. This needs to be further investigated and allocated to Van Wyksdorp for the maintenance of these historical heritage site.

The profile of the area must be improved to ensure that Kannaland is not seen as just a region through which the traveller should pass in order to get to their final destination. The transformation of the entire area will ensure that tourist spend longer periods in the Municipal area.

There are also various tourist attraction initiatives which have been launched and which could be further supported as illustrated in the tables hereunder:

Core Components

The marketing of the area:

Although marketing and branding of Kannaland is discussed elsewhere in the document, the marketing of Kannaland's unique selling points [USP], should receive high priority.

The creation of other tourism products throughout Kannaland will support the improvement of the tourism profile.

The core of tourism development in the area lies in the creation and strengthening of tourism

products.

The Importance of an improved Tourism profile

As Kannaland is presently utilising its tourism potential to its full extent, the improvement of the profile will serve the function of "opening up" the area for the development of tourist activities and therefore to a larger portion of potential tourists. It can be foreseen that these areas will in future experience an increase in the number of visitors. This will however only happen if the quality of sufficient services is developed in order to ensure tourist convenience and satisfaction.

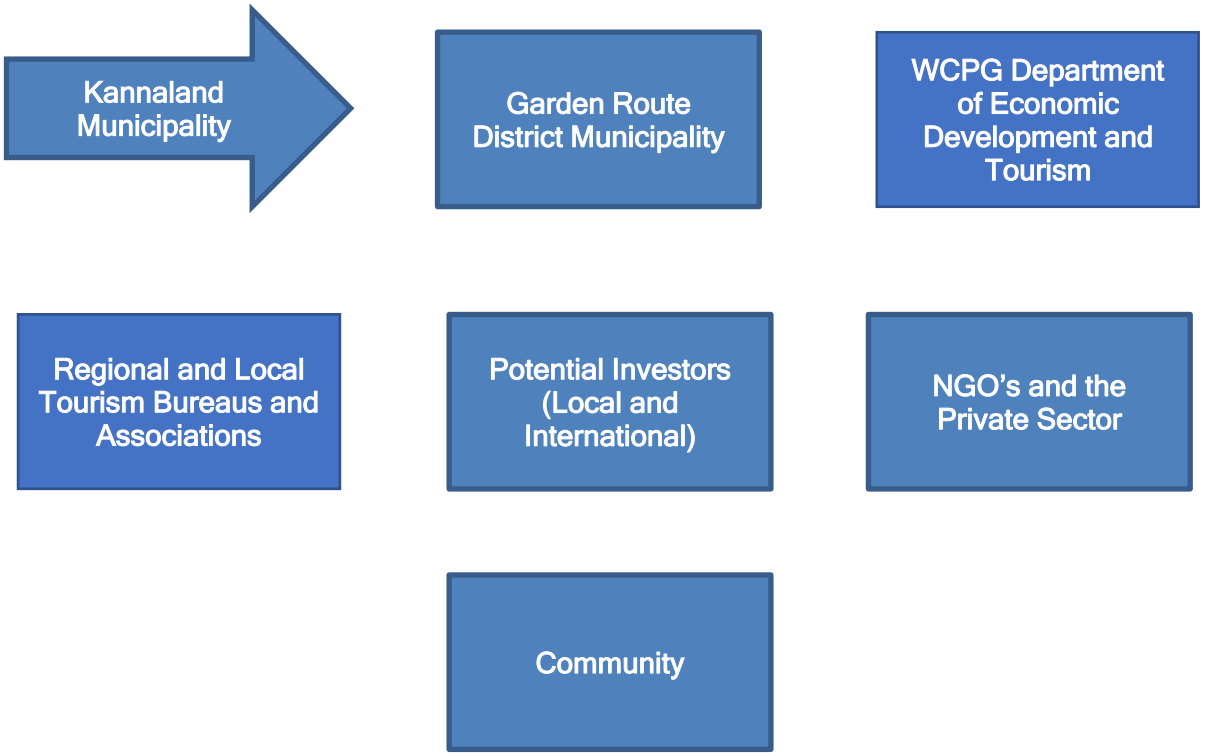
The Impact will be as follows:

Spatial Impact The specialisation of certain nodes in tourism activities will result in the concentration of economic activities. The provision of overnight facilities and other supporting services will also ensure traveller convenience

Social Impact Unemployment can be addressed by training vulnerable community members to respond to tourism needs. The attraction of tourist buying power will strengthen the economic and social base of these communities

Economic Impact The various segments of this LED strategy will not only result in the broadening of the economic base of Kannaland, but also create economies of scale in which a number of linkages can be created. Tour operator training is identified as a skills need.

Key Role Players



The improvement of the Tourism Profile is an undertaking that must have political commitment and buy-in from all stakeholders. A specific champion is needed to perform the different steps to facilitate the coordination of activities. The Municipality should further facilitate the matchmaking of development opportunities with identified investors in order to implement the activities required to improve the Tourism Profile of Kannaland.

Project facilitation Activities

1. Solicit Community Support
2. Establish PPP's amongst role-players
3. Compile data base on available tourism packages, facilities, services and operators
4. Involve relevant organisations in order to compile a strategy for business and educational tourism

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 theyare 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 tourismpotential along the R62;
- Ensure all future BNG housing does not detract from the visual quality of the settlement;
- Intensive farming areas should enjoy the highest level of protection, particularly where theyare in easy transport access of settlements.

4.5.3.3. Key support programmes and initiatives that can be adopted

- Eco-farm homestay/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
- Wine Tourism
- Wine tourism being one of the fastest growing areas in the tourism sector could be one of the chief targets in the Kannaland area with its world acclaimed PORT and related wine products [Port Festival / Wine Routes]
- Rural Tourism
- Funding could be accessed for the development of rural areas which was identified by government as a priority area under the national policy for Rural Tourism.
- Poverty Relief Funding The Department of Tourism has set aside funding for the development of SMME's and job creation. They have also supported poverty alleviation via the EPWP Hospitality Youth Initiative The government launched the HYI initiative which is aimed at creating jobs for youth in the hospitality industry. Industry Transformation In line with the Tourism BEE Charter and Scorecard

Some of the increased funding from provincial government is spent on local workers' salaries and supplies from local producers. Local suppliers and employees in turn spend some of their additional funds on local goods and services still creating more jobs. Although Kannaland Municipality is not directly responsible for the provision of primary health care facilities, the Municipality can play an important role in the negotiation for more health care funding and additional facilities.

The following are important considerations in this regard:

→ The Municipality and the local health care facilities must develop a common development vision

→ Economic development officials must be present on health care forums

→ Health care officials must be present at LED Forum meetings

→ Provide clinics or other health care facilities with information on relevant businesses. These businesses may include for e.g. the provision of food and laundry services Tourism Enterprise Partnership (TEP) TEP is a small business development agency promoting job creation, transformation and small business sustainability in the tourism sector

4.6. Social/Community Services Sector This sector includes the general activities of National, Provincial and Local Government such as health and social work, education, infrastructure provision, community organisations, recreational, cultural and sporting activities and other

community, social and personal services.

4.6.1. Community Services in Kannaland

The Community services sector, which includes the Government sector, contributes some 20. 4% to local production while accounting for a significant number of formal employment opportunities in Kannaland. This sector is mostly concentrated around Ladismith, due to the government facilities located there. The above figure indicates the importance of this sector in employing local people. It is believed that this sector will continue to play a major role in the local economy, as these services will continually be in demand. Future, investment in this sector is, however dependant on National and Provincial Government investment in Kannaland.

4.6.2. Health Care and Local Economic Development

Increasing the number of employment opportunities in local heath care facilities contributes to overall poverty reduction/alleviation in an area. This is why, it will be beneficial to Local Economic Development [LED]; if local health care facilities can be expanded and upgraded. LED is about attracting, retaining and recruiting businesses to the area. In rural South Africa, healthcare facilities are always significant and often one of the largest businesses and employers. The number of local job opportunities is increased directly through the expansion of local health care facilities through the employment of clinic personnel and related professions'. Expanding jobs in health care facilities will also have multiplier effects on employment in other local companies. Some of the increased funding from provincial government is spent on local workers' salaries and supplies from local producers. Local suppliers and employees in turn spend some of their additional funds on local goods and services still creating more jobs. Although Kannaland Municipality is not directly responsible for the provision of primary health care facilities, the Municipality can play an important role in the negotiation for more health care funding and additional facilities.

The following are important considerations in this regard:

→ The Municipality and the local health care facilities must develop a common development vision

→ Economic development officials must be present on health care forums

→ Health care officials must be present at LED Forum meetings

→ Provide clinics or other health care facilities with information on relevant businesses. These businesses may include for e.g. the provision of food and laundry services

→ Health care facilities must express their need for goods and services to local businesses first, before purchasing it from outside the boundary' of the Municipality. This can be facilitated by including health care officials responsible for procurement on local business forums

→ Encourage health care facilities to employ local people

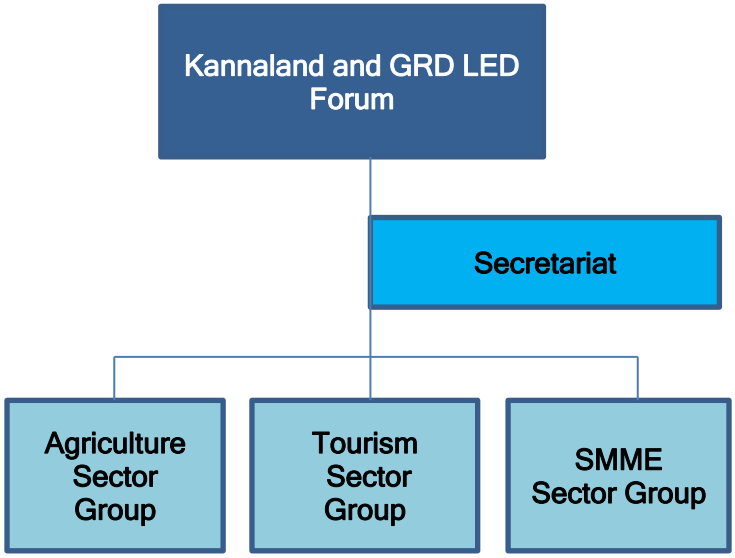
4.7. Institutional Architecture

The success of this Strategy will to a large extent depend on the partnerships and the establishment of focus groups (Development Associations). Kannaland Municipality will be able to establish with meaningful role-players in economic development. The existing institutional structure/s is too fragmented and devoid of any serious financial muscle to carry the responsibility of the Local Economic Development Strategy. We will need to call for expression of interest for investment partnering.

This institutional structure/s in its present form nevertheless has a vital role to play in terms of ensuring the support of business organisations and leaders, and civil society at large for this LED Strategy. Moreover, the projects that need to be realised out of the LED Vision 2022 will only take off if an adequate high-level team is established based on the requirements of these projects. The idea is to get early buy-in and support of financiers and investors; in the projects the Municipality aim to develop as part of LED Vision 2022. This therefore serves as the primary factor in having decided on the composition of the proposed Kannaland Local Economic Development Forum. Amongst other things the forum will seek to encourage dialogue on economic policies of Government between, Private sector, Non-governmental organisations and academia. This will be in addition to discussing LED Implementation issues affecting the municipality. Moreover, the forum will contribute to the process of finding appropriate solutions, through conveying recommendations to decision makers in both the executive and legislative authorities and to the business associations. Other factors include representivity and technical expertise. It is further proposed that the Forum be composed in the following manner:

Organogram:

ORGANOGRAM



A. Membership:

1. District and Local Councillor responsible for Economic Development
2. Municipal Managers
3. Senior Manager: Strategic Services
4. LED and Tourism Officers
5. Relevant Private Sector Representatives [x3]
6. Government Sector Departments [x3]
7. Official/s from Development Finance Institutions
6. GCIS

B. Working Groups:

1. Specialist from the particular sector; task with the development of that sector [utilising management and technical expertise]

2. The working group can be members from the LED Forum or external specialist with an interest in inclusive economic development

The membership to Kannaland Local Economic Development [LED] Forum shall not exceed fifteen members for the sake of expeditious decision-making. The LED Forum will have a tenure decided by members; but not exceeding three years. The mandate of the Kannaland LED Forum will be to bring to fruition Vision 2022 and to ensure the implementation of said LED Strategy Municipal department (Strategic Services) responsible for Local Economic Development will serve as interim secretariat for the Forum and be responsible for day-to-day implementation of the LED Programme.

4.7.1. Improving the Economic Management Capacity of the Municipality

The success of any economic development strategy depends to a large extent on the economic management capacity of the institution responsible for driving that strategy. The current capacity available in Kannaland Municipality is woefully inadequate to deliver single-handedly on the objectives and targets of this Strategy. To build this capacity in the short-term is also not feasibility. It is recommended that the Municipality fill the undermentioned critical vacancies to drive this LED Strategy to augment the capacity of the Municipal Administration for implementation:

- Senior Manager: Strategic Services
- IDP/PMS Manager
- LED Coordinator
- LED Officer

NOTE:

There are currently no dedicated LED staff appointed at Kannaland Municipality. The function is being carried out by the IDP unit.

Implications for Kannaland Municipality:

1. Facilitate the implementation of the LED projects to enable job creation and alleviate poverty.
2. Ensure increases in the participation of Kannaland Municipality's population in production, by means of equity, ownership, development and social pacts between government, the labour force and business.
3. Consider developing policies to address inequalities from the past.
4. Create cooperatives and partnerships to address the socio-economic challenges of the municipality.
5. Set-up a skills database to ensure available skills within the municipality are used and retained.
6. Set-up a data base of education services and facilities available which can be made available to members of the community in order to facilitate education and skills training.
7. Develop tourism as a main component in generating economic growth within the Kannaland Municipality.
8. Develop Kannaland Municipality as a brand emphasizing the municipality as a destination for eco- and adventure tourism, culture and heritage, health and wellness, the Port capital of South Africa and retirement. In order for this to be achieved, the limited health care facilities need to be addressed.
9. Develop a medical Centre in Vanwyksdorp
10. Extend the Thusong Centre
11. Establish ECD Centre in Zoar
12. Fill critical vacancies in LED unit to drive the strategy.

The LED strategy proposed the following developmental projects that should be implemented in the Municipality. It is important to note that the purpose of the developmental projects is to create jobs and alleviate poverty.

Project and description	Jobs Created	Skills developed
Compost for Kannaland: a place at sewerage centres where raw materials (manure) are converted into compost	Three entrepreneurs could be employed at each of the sewerage plants; o A total of 12 jobs could be created.	Business skills Composting Waste management skills Entrepreneurial skills Networking skills centred upon new relationships between participating private businesses, farmers and new entrepreneurs.
Waste for the "Poor": A multi-faceted recyclable waste buy-back centre which is supported by a network of local waste managers and participating community waste entrepreneurs.	The centre in Ladismith could employ one manager with one administrative staff for support; Several manual labourers will be required to sort, package and compact the recyclable waste; o In the smaller towns like Van Wyksdorp, Zoar and Calitzdorp two people respectively would be able to manage the project; A team of two drivers would be required to transport the waste from the various towns and then deliver it to Oudtshoorn where it wil be collected by South Cape Recycling.	Business skills Basic waste management skills Capacity building and community education creation skills
Aloe Project: A small nursery where the seeds are germinated and the plants grown in bags could be established (possibly through the assistance of Dept of Agriculture (Land Care section). Once they have developed into small plants, these plants could then be planted in the orchards.	Sustainable jobs for 10 – 20 people	Business skills Harvesting skills Entrepreneurial skills; Networking skills centred upon new relationships between participating private businesses (buyers).
Invasive Alien Plant Species Control: the control and management of invasive plant species	Approximately 10 permanent jobs could be created.	Business skills o Harvesting skills (Cutting the Spaans Riet) o Entrepreneurial skills o Networking skills centred upon new relationships between participating private businesses (buyers) and individuals./Environmental law enforcement

Project and description	Jobs Created	Skills developed
Homestay Initiative: a living arrangement offered by a host or host family that involves staying in their furnished, private, shared room, house, apartment, or suite.	Jobs created in the local community in tourism sectors and sub-sectors and support services, e.g. drivers, security, clean-up and recreation, transport, accommodation, attraction sections, field guides, oral historians, archeology, architecture and historical buildings, mentors, trainers and teachers of skills and languages	Business Skills Networking Skills Sales and Marketing Skills Skills related to the service industry Skills for the tourism industry Skills for related sectors e.g. Driving and guiding Assisting and mentoring existing small tourist/veld/game guides Event/festivity co-ordination Graphic design for new brochures, maps,newsletter and website design and tourism signage in VWD Hospitality and catering General Office administration; Front desk/Reception Office administration Reservations/hospitality Guest relations/Tour operators/guides/Financial administration – Invoicing Catering/culinary skills/cheese making Housekeeping/Jam making/Konfyt/Chutney – local agricultural produce/Skills facilitator/Moderator and assessor – Education and Training Practitioner
Bee keeping	Jobs created in agriculture; local production of honey products	Networking for land space Construction and erection of beehives' Producing hoiney and by products

LED and Infrastructure Grant Funded Projects:

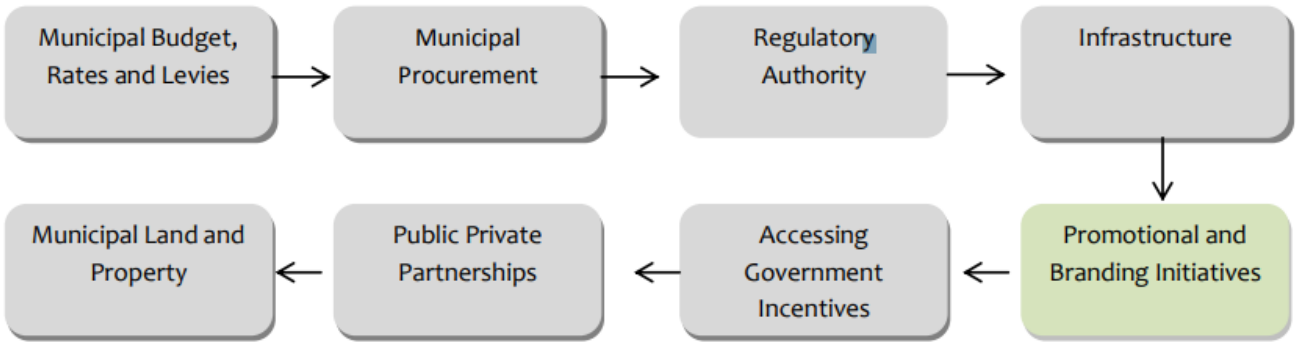
The undermentioned projects are funded from government grants. This has led to much job creation opportunities in Kannaland. To date 123 EPWP are currently employed and a further 109 PWP.

NOTE:

The revision of the LED Strategy is work in progress and shall be concluded at the time of submission of the Final IDP, namely 31 May 2022. The revision is listed as a KPI om the 2022-2027 SDBIP.

SECTION FIVE

5. Strategic Imperatives and Programmes

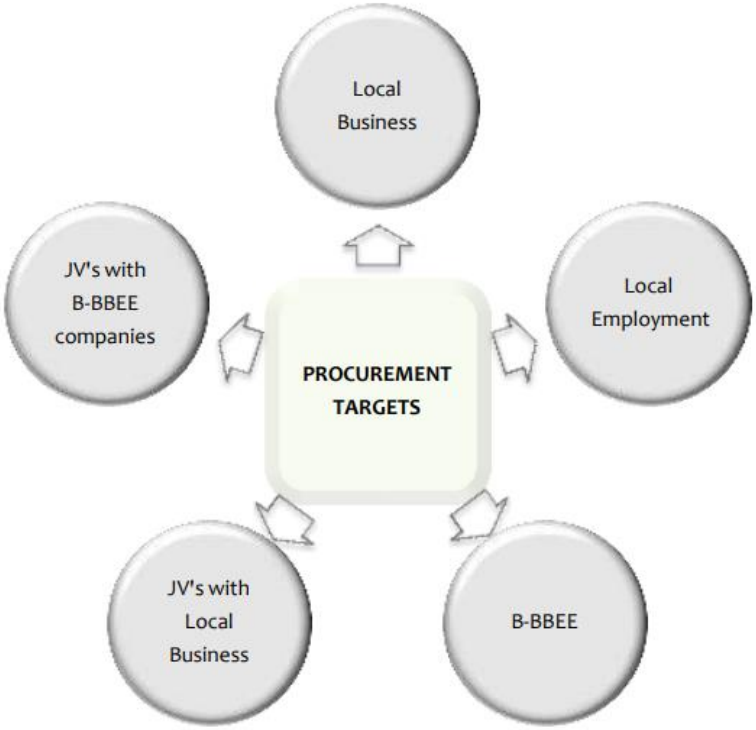


Municipal Budget, Rates and Levies

The Municipal Budget should specifically allocate funding for Local Economic Development [LED]. The Municipality should be seen to be the driver of LED by leading the process with the most effective and efficient utilisation of its own resources applying its in areas of greatest need and greatest potential for economic development. Kannaland Municipality should undertake to maintain cost-effective and competitive rates and levy dispensation so as to make the cost of doing business in Kannaland, affordable for existing business and attractive for potential investors.

Municipal Procurement

Municipal Procurement should be recognised as a direct enabler of Local Economic Development. Municipal Budget, Rates and Levies Municipal Procurement Regulatory Authority Infrastructure Municipal Land and Property Public Private Partnerships Accessing Government Incentives Promotional and Branding Initiatives Procurement targets could be set according to the following guidelines:



The Municipality should however be obliged to ensure the overall cost-effectiveness of its procurement activities.

In promoting an enabling environment for Local Economic Development the Municipality should embark on a process of setting procurement targets for each Department in the Municipal Administration and a general policy guiding exceptions to these targets upon the adoption of said LED Strategy

Infrastructure Municipal and other infrastructure is the backbone of the local economy of Kannaland. The provision of infrastructure does not only enable businesses to operate and influence the cost of production, but could also serve to stimulate economic activity. The Municipality should encourage labour intensive methods of construction during the delivery of infrastructure, as to promote local employment and ensure B-BBEE participation in the award of infrastructural contracts.

The table below illustrates the investment and spending in Kannaland Municipality on the following Infrastructure grant funded projects:

1. MIG
2. MSIG
3. Drought Relief Fund

The use of local labor in projects is a good starting point. However in order to see an increase in

income levels in Kannaland, the low skilled workforce needs to be capacitated in order to contribute to and obtain more meaningful work.

SECTION SEVEN

Poverty Alleviation Mechanisms

Unemployment and Poverty are a National challenge and Kannaland Municipality is not immune to this. It to this reason that the Municipality aims to ensure that poverty alleviation will be impacted upon by most of its strategic objectives and closely linked with meaningful and sustainable employment creation. Apart from the traditional Local Economic Development approaches/programmes discussed in this Strategy, the following two National Programmes have been identified, as short-term mechanisms that can in addition support the Municipality in its efforts to alleviate poverty within its boundaries:

The Community Work Programme [CWP] and;
Expanded Public Works Programme [EPWP]

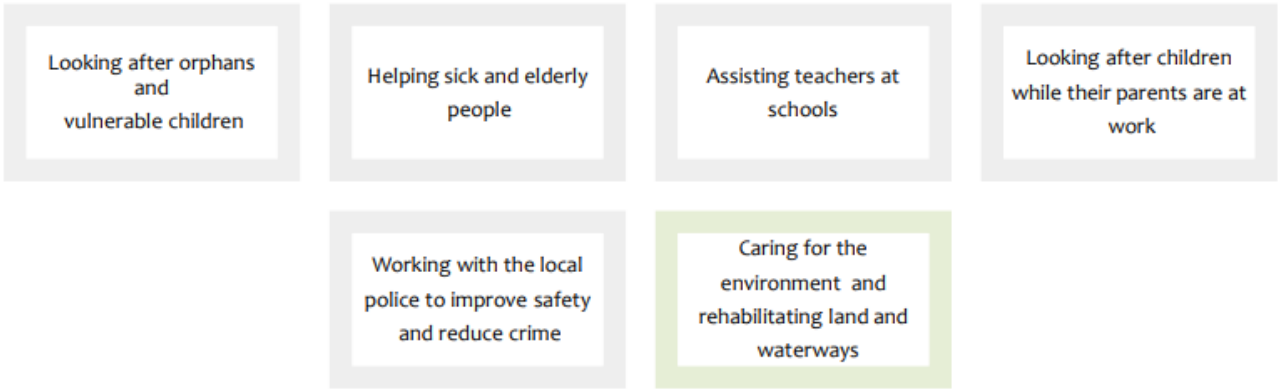
A brief description of the Community Work Programme [CWP]

The Community Works Programme [CWP] was initiated to address the high unemployment rate in South Africa and contributes to key strategic objectives of government in addressing poverty and unemployment. It is based on the recognition that policies to address unemployment and the creation of meaningful and sustainable employment will take time to reach people living in marginalised and impoverished areas with a small number of opportunities at their disposal. The CWP does not replace government's social grants programme but supplements this

A brief description of the Expanded Public Works Programme [EPWP] as Poverty Alleviation as mechanism

The Expanded Public Works Program [EPWP] is a National Government strategy aimed at addressing unemployment and poverty in South Africa. As local government, Kannaland Municipality is now expected to develop an EPWP policy/framework in alignment with its Integrated Development Plan. EPWP projects and programmes must be identified within each of the Municipality's departments, which can be implemented using labour-intensive or community based service delivery methods, with predetermined key deliverables over a given timeframe in the Infrastructure, Environmental, and Social & Economic Sectors & in terms of the following legal framework:

What makes the CWP different is that it is also a community programme. The work must be 'useful work'. It must improve the area and the quality of life for the people living there. This includes fixing community assets like schools, road and parks, and setting up food gardens. It also includes training people. People living in the area help to decide on the kind of work that is needed, and what is most urgent; this could include for example:



Features of the Community Works Programme [CWP]

- The Community Work Programme provides access to a minimum level of regular work - i.e. 2 days a week = 100 days a year
- It is an area-based programme, intended to be ongoing; this allows it to target the poorest areas: where market-based jobs are unlikely to come any time soon
- The CWP uses community participation to identify 'useful work' and priorities
- Work' is decided in Ward Committees or local development area ; it is multi-sectoral and contributes to public/community goods and services
- Start-up scale: 1,000 participants per site with CWP sites having a 65% labour intensity

Stimulating Kannaland's Local Economy through the Community Work Programme The significance of the programme for alleviating poverty goes beyond the people working at sites. The programme provides work to a minimum of 1 000 people [with a Looking after orphans and vulnerable children Helping sick and elderly people Assisting teachers at schools Looking after children while their parents are at work Working with the local police to improve safety and reduce crime Caring for the

environment and rehabilitating land and waterways 55 start up intake of 300] at a site; the money earned can have a wider multiplier effect. Money going into the community circulates around the local economy which can support a variety of microenterprises from building and transport to hairdressing, shoe repairs and equipment repair. Local markets can also prosper with informal traders setting up markets to sell goods and services on CWP pay days for example in Koppies in the Free State Province, CWP participants report that small informal businesses; that were previously closed have opened again

A brief description of the Expanded Public Works Programme [EPWP] as Poverty Alleviation as mechanism

The Municipality should also take note that the Expanded Public Works Programme [EPWP] is about the reorientation of line function budgets [capital and operations & maintenance] so that expenditure results in increased employment opportunities and training, particularly for the unemployed and unskilled labour residing in the area.

The primary of objectives of the EPWP is to create an enabling environment to:

- Create employment opportunities for the unemployed within local communities
- Develop skills within communities through EPWP training programmes
- Develop SMMEs to execute EPWP work by facilitating the transfer of technical, managerial and financial skills through relevant SETA & DoL courses.

The following EPWP sectors can assist the Municipality in its poverty alleviation efforts	
EPWP Infrastructure Sector	Increasing the labour intensive construction of public infrastructure projects: ▪ Low volume roads ▪ Sidewalks ▪ Storm-water management ▪ Trenching ▪ Materials supply
EPWP Environmental Sector	Creating employment opportunities in public environmental, agriculture and arts programs: ▪ Alien plant removal ▪ Working for wetlands ▪ Domestic waste collection ▪ Agri-business initiatives
EPWP Social Sector	Creating employment opportunities through the public sector social programs of Early Childhood Development and Home Based Care
EPWP Economic Sector	The development of informal businesses utilising Municipal expenditure on goods and services such as ▪ Catering ▪ Security ▪ Uniforms ▪ Cleaning

The EPWP Incentive Grant The EPWP Incentive Grant is a performance based incentive paid to provincial and municipal bodies implementing their Infrastructure and Environment and Culture programmes using EPWP principles and in accordance with EPWP Guidelines; as a reimbursement of the cost of minimum wages for work created. The intention of the EPWP Incentive Grant is to increase work creation efforts by public bodies by providing a financial performance reward. The more work created, the higher the portion of the incentive reward, that will be disbursed

The undermentioned information relates to the appointment of 123 EPWP workers and a further 109 PWP and the functions/departments they are currently assisting in for future training needs identification.

Project Name	Start date and completion date	(department)	Total workers	Functions undertaken
IG Fire and Rescue And Law Enforcement	04 October 2022 - 30 May 2023	Community Services	Ladismith (6) Calitzdorp (2) Zoar (2) Van Wyksdorp (2)	Fire protection as well as community crime prevention
IG Covid Screening At Municipal Buildings & HR &Financial Interns	04 October 2022 - 30 May 2023	Corporate Services	Ladismith (6) Calitzdorp (2) Zoar (2) Van Wyksdorp (2)	Screening at municipal building for covid-19 regulations. Internships within financial and hr department
IG Cleaning Towns and Community of Kannaland	04 October 2022 - 30 May 2023	Community Services	Ladismith (7) Calitzdorp (7) Zoar (7) Van Wyksdorp (4)	Cleaning the towns of kannaland area, maintaining a clean environment
IG Waterworks and Sewerage Cleaning	04 October 2022 - 30 May 2023	Technical Services	Ladismith (9) Calitzdorp (9) Zoar (9) Van Wyksdorp (7)	Cleaning around water and sewerage works as well all technical areas
IG Clearing illegal Dumpsites and Waste Minimization	04 October 2022 - 30 May 2023	Community Services	Ladismith (6) Calitzdorp (6) Zoar (6) Van Wyksdorp (4)	Waste minimization and illegal dumping clearance
IG Beautification of Parks in Kannaland	04 October 2022 - 30 May 2023	Community Services	Ladismith (6) Calitzdorpm (6) Zoar (6)	Beautification of parks

EPWP Challenges

Recruitments

Participants leaving program early (due to that FTE Targets are not met)

EPWP Future Appointments

Only replacements on those participants who left the program before end date. Departments wishing to appoint EPWP in future may contact the unit during April to submit project plan applications.

Training programmes in environmental law enforcement will go a long way in caring for our earth.

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
MIG	1, 2, 3, 4	Kannaland: Installation of Water Meters	Faulty and by-passed meters was identified to be replaced and installed. A total of 516 meters was listed to be replaced within all four towns of Kannaland Municipal area. A local contractor was appointed on 17 May 2021 to implement this project.	577 517,00	456 491,87	121 025,13	79%	6	In construction 85% completed
MIG	3	Zoar: Upgrade new Cemetery	The new cemetery in Zoar was upgraded with an access road and access gate, fencing and an ablution facility. This upgradings include a septic tank and soak away installation with a sewer line from the ablution facility. A 75mm water pipeline was also installed with a fire hydrant and a chamber. The contractor was appointed on 06 May 2021 and completed the project on 10 September 2021.	1 688 015,00	1 564 631,90	123 383,10	93%	15	Project completed, in retention period

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
MIG	1, 4	Ladismith: New Waste Water Treatment Works	The Waste Water Treatment Works (WWTW) in Ladismith was implemented to improve the treatment process. These works included the installation of a new grit channel walkway, the cleaning of the humus tank and the maturation ponds. The Primary Settlement Tank (PST) was refurbished and this included installing a new weir and scum baffle plates. The wheels on the humus tank and PST rotating bridges were replaced. The upgrade also included the removing and replacing of the bio-filter media. The contractor was appointed on 22 June 2021, but final appointment letter was only issued on 13 July 2022. The completion date for the project is set for April 2022.	6 422 209,00	5 333 646,20	1 088 562,80	83%	4	In construction 85% completed

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
MIG	1, 4	Ladismith: Upgrade Water Treatment Works	The Water Treatment Works (WTW) project in Ladismith consists of removing and replacing the sand in the five existing sand filters at the plant. The five tanks were cleaned the corrosion within the tanks was repaired. All five tanks' nozzles were replaced and two new sand filter tanks were installed. The installation of the two new tanks includes the replacement of the filter media and installation of all fittings. The contractor was appointed on 22 June 2021, but final appointment letter was only issued on 13 July 2022. the project is currently at practical completion stage.	1 376 559,00	997 689,48	378 869,52	72%	1	In construction 95% completed

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
WSIG	2	Calitzdorp: Deep Boreholes	A borehole with a depth of 500m was planned to be drilled and equipped for Calitzdorp. The project was implemented in the 2020/21 FY and rolled-over to the 2021/22 FY. The borehole was drilled at 301m already and yield tests was conducted. Fresh water was found at this depth, but in order to penetrate the required Peninsula Formation aquifer as planned drilling will continue. The borehole construction is designed to handle artesian flow conditions and that is what is expected when we penetrate the Peninsula aquifer. The contractor was appointed on 06 May 2021 and the planned completion date is 30 June 2022.	10 000 000,00	3 382 817,65	6 617 182,35	34%	0	In construction, 40% completed

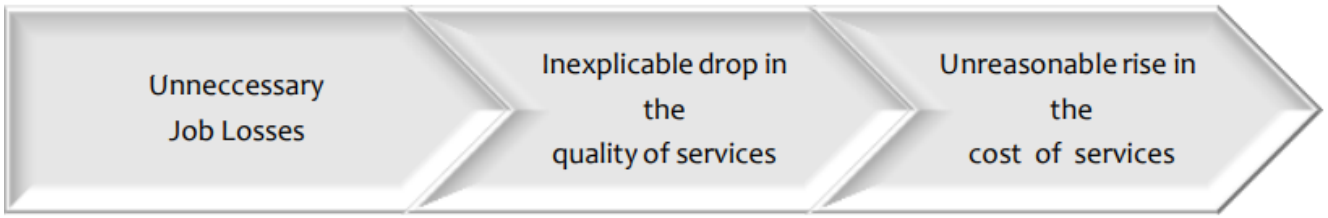
GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
Drought Relief	1, 4	Ladismith: Boreholes	The existing thelve boreholes was refurbished which included the replacement of pumps and fittings. This works also includes the installation of control boxes, electrical cabling and pipework. The wellfield should further be monitored and the water use license application is still to be completed. The contractor was apointed on 22 June 2021, but final appointment letter was only issued on 13 July 2022. The project reached practical completion on 23 November 2021. A final completion ispection was done on 13 December 2021, but some snags should still be dealth with.	2 600 000,00	1 886 929,22	713 070,78	73%	0	In construction, 90% completed

Municipal Land and Property

Land and Property can be used as an incentive for investment in the Kannaland area, it can also be utilised to encourage optimal land use. Moreover it creates a number of opportunities for land reform. In instances where the municipality is an arrangement with private sector companies or individuals leasing key municipal land or property, it is often found that these assets are not being used optimally. In order to prevent the sub-optimal use of land and property, Kannaland Municipality can prepare a special by-law to encourage the economically optimal use of municipal land and property [where this is not currently the case]. The strict principles of Broad-Based Black Economic Empowerment [B-BBEE] and community participation should then also be applied for future leasing arrangements'.

Public-Private Partnerships

Public-Private Partnerships [PPP's] can be a useful mechanism to deliver services in sustainable manner according to business principles at a local level. It can also be a tool for unlocking participation by the local private sector and B-BBEE groups in service delivery. However, the Municipality must guard against relinquishing strategic areas of service delivery to the private sector for the sake of practicality. Some municipal property lends itself to public-private partnership arrangements. This could also be considered for certain areas of service delivery. In pursuing public-private partnerships the Municipality need to guard against the following; apart from being generally guided by the Department of Co-operative Governance and Traditional Affairs "Municipal Services Partnership Policy" or any amendments made there to.



Accessing Government Incentives

There is plethora of economic incentives available to companies across the economic spectrum from a host of institutions. Kannaland Municipality will establish working relationships with these institutions in order to ensure direct contact for potential beneficiaries of these incentives in the Kannaland area. Most of these incentives will further be packaged in a user-friendly format in an information brochure and will be freely available. The Municipality will furthermore arrange workshops where institutions offering the incentives will be invited to inform the business

community of Kannaland of the modalities of the respective incentives.

Promotional and Branding Initiatives

Kannaland Municipality is practically unknown in the universe of brands. Branding initiatives of non-existing brands are normally costly and run over prolonged periods. Kannaland would be better served by giving impetus to existing brands of the area in the form of already known towns and products originating from there. Kannaland as a brand will develop naturally on this basis of this. This does not preclude the Municipality from promoting itself and the region which it governs. A critical need exists to develop promotional material pertaining to the attractions of Kannaland and investment opportunities. This could take the form of promotional brochures and internet website.

SECTION EIGHT : IMPLEMENTING AGENTS/STRUCTURES

Introduction

Kannaland Municipality will use Co-operative/Development Association model as the preferred structure for implementing projects. Youth Councils shall also be established and sector focus groups shall consist of all these structures for planning, collaborating and implementing projects identified in consultation with the Ward Councilor and Ward Committee members elected.

Co-operatives/Development Associations in Kannaland

Background Policy makers and community developers are increasingly interested in alternative models that will be both responsive to community needs as well as stimulate local economic growth. The co-operative form of business should be an obvious choice. Cooperatives have the potential to foster economic growth at the community level, building on the spirit of co-operation that is often prevalent in rural areas. Co-operatives also play a major self-help role in rural areas, particularly where private businesses are unable to go and public authorities do not provide adequate basic services. They are instrumental in providing opportunities for meaningful and sustainable employment, while giving a stronger “voice” to rural communities.

Definition of a Co-operative Co-operatives in this context and strategic plan is used synonymously with the concept of Development Association and has a universal definition, set of values and principles that have been established formally. The universally accepted definition of co-operatives has been promoted by the International Co-operative Alliance, the International Labour Organisation and the National Government Policy Framework which states that: “A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise”

In essence co-operatives are:

- Voluntary institutions based on conscious and free choice to associate by individuals;
- People centred and based on collective solidarity to achieve its objectives;
- Places member and worker owner needs at the centre of the activity of the institution;
- Economic, social and cultural institutions depending on the activity performed;
- Owned by its members for the benefit of all its members;
- Empowers every member/worker owner to input into the decision-making by an equal distribution of power through the principle of one-person-one-vote;
  Are member controlled, leadership driven and self- managed.

Strength of the Co-operative–Model

From a local development perspective, a critical feature of the co-operative model is that it can be owned and controlled by community residents. Therefore, a co-operative is more likely to be interested in promoting community growth than an investor-owned enterprise controlled by local or non-local investors. Since community residents control the enterprise they can ensure their own objectives are met, and not those of people who live elsewhere.

A case for promoting the establishment of Co-operatives in Kannaland Co-operatives.

- Create opportunity for employment, income generation, and increase the availability of goods and services, all of which also contribute to local economic growth;
- Are strongly rooted in their community, and are thus more likely to positively influence it;
- Are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity; as well as ethical values of honesty, openness, social responsibility, and caring for others;
- Can transform survival-type activities into legally protected and productive work;
- Balance the need for profitability with the broader economic and social development needs of their members and the larger community, because members are both producers and beneficiaries;
- Help address many social and economic concerns such as community identity and strengthen the social fabric;
- Offer an economic future for the youth in Kannaland;
- Are particularly valuable for women as they compensate for their often limited resources, mobility and "voice." This also applies for disadvantaged groups such as disabled persons and the elderly.

The Role of the Municipality in promoting the establishment of Co-operatives/Development Associations

The Municipality has a very important role to play in promoting the establishment of Cooperatives. In particular the Municipality has to ensure the following: ♣ Establish institutional administrative capacity in support of Co-operatives development; ♣ Align co-operatives development with the Municipality's poverty alleviation plans, IDPs and other developmental interventions; ♣ Establish participatory forums to build strong partnerships with the Public Sector [with regard to funding and support] including technical support and community organisations;

61 ♣ Facilitate partnerships with the private sector for access to markets and information; ♣ Co-ordinate its Co-operatives Development efforts very closely with National and Provincial Government; ♣ The Municipality may also encourage functional co-operatives in the area, to tender for municipal work. This principle should be captured in the municipality's IDP; ♣ The Municipality to consider developing a directory/data base of co-operative support organisations, mentors and trainers in the [National] Province and District; ♣ Municipality should also consider providing preferential municipal rates for services like water and electricity for co-operatives. This would assist in bringing down operating costs and creating a conducive environment for the establishment of cooperatives.

Note: Kannaland Municipality intends establishing co-operatives/development associations.

Establishment of a Kannaland Youth Council

Kannaland Municipality shall establish a Youth Council during 2022/2023. Development of a Youth Policy shall guide this process.

SECTION NINE: THE GREEN ECONOMY

The Green Economy and the Implications for Kannaland

The emergence of the green economy represents the next stage in the evolution of the environmental sector and is growing in step with increasing public awareness of environmental impact. It can be said that the green economy has experienced rapid growth, in part, as the result of changing demand, where greater emphasis is placed on the sustainability of products and services. Greater public awareness, together with government policy, regulatory requirements and financial incentives influence organisations to embrace green technology and adopt greener practices. Municipalities and Kannaland is no exception is now considering the 'greenness' of their operations in decisions that differentiate their services, realising that in many cases their decisions present long-term cost saving opportunities.

The Impact of the Green Economy on Employment

There is no doubt that greening of Kannaland's economy can involve large scale investments in new technologies, equipment, buildings and infrastructure and therefore will be a major stimulus to employment. Based on the definition, the green economy has an impact on employment through (a) the adaption and reallocation of existing jobs; and (b) the creation of new jobs.

Opportunities in the Green Economy

Kannaland Municipality can explore In energy efficiency, there is the local manufacture [or assembly] and installation of solar water heaters, including collectors, metal frames, glass, geysers and piping. In recycling, there are significant opportunities for the creation of small enterprises aimed at beneficiating waste at landfill sites-building rubble into bricks, plastic into planks and garden compost and agricultural fertiliser, extracting and using landfill gas. Waste management provides another source of opportunity in extracting re-usable resources from industrial waste streams. Retrofitting Municipal buildings with energy efficient equipment replacing incandescent lamps with compact fluorescent [CFL] lamps or next-generation light emitting diodes [LED] has job creation potential while contributing to energy saving.

SECTION TEN: PROPOSED MONITORING AND EVALUATION MECHANISMS

Introduction

A monitoring and evaluation plan is needed so that Kannaland Municipality can monitor and evaluate and report the findings on how well the local economy is performing against certain set benchmarks. The evaluation component is also intended to incorporate lessons learnt into the decision-making process of implementing further development programmes In order to monitor and evaluate the effective implementation of the LED Strategy, the following Monitoring and Evaluation template has been developed setting out different development indexes:

INDEX	INDICATOR	2022	2023	2024
LED Implementation Index	→ The number of LED projects successfully implemented			
	→ The number of LED actions successfully facilitated			
	→ The number of direct permanent employment opportunities created			
	→ The number of direct temporary employment opportunities created			
SMME Development Index	→ Number of SMME registered			
	→ Number of new SMME's and Co-operatives registered			

	→ Overall employment, formal and informal			
Agricultural Sector Development Index	→ Number of emerging farmers			
	→ Number of operational farmer/agricultural co-operatives			
	→ Agriculture Sector GDP			
	→ Agro-processing Employment			
	→ Agro-processing GDP (i.e. manufacturing)			
	→ Agriculture Sector Employment			
Tourism development and promotion index	→ Number of B-BBEE/Emerging tour operators			
	→ Number of Emerging tour guides			
	→ Number of established accommodation tourism products			
	→ Number of events held annually			
	→ Number of employment opportunities created according to tourism products			
Skills Development Index	→ Skills Audit			
	→ Number of LED training workshops undertaken			
	→ Number of LED awareness workshops undertaken			

SECTION TWELVE: CONCLUSION

Conclusion

LED is now recognised as a key component in broader efforts to alleviate poverty. There is also an emerging consensus that LED cannot bring about effective poverty alleviation without incorporating clear poverty easing actions. Therefore, a key challenge is to ensure the pursuit of inclusive economic development that provides for both the promotion of local wealth creation and poverty alleviation; this ensures that those traditionally left out are active participants and have access to opportunities resulting from development. This stresses the importance of implementing projects in Kannaland that are focused on poverty alleviation and human development.

Recommendations

→	Make use of experts for the drafting of the relevant project business plans, including the responsible parties, the amount of funding required, the timeframes for implementation, resources and equipment needed for implementation, etc.
→	Use the tourism and agricultural sectors as economic catalysts for stimulating development across all sectors of the local economy
→	Start LED by implementing the programmes and projects with the fastest anticipated impact on job creation, poverty alleviation ,B-BBEE, SMME development, increase in living conditions, human development, etc, followed by those with a medium and long term effect
→	Make sure all financial sources, equipment, human resources, etc are in place and available before starting with the implementation of a programme and/or project
→	Focus on stimulating economic development and empowerment of local people at the same time
→	Make sure that the implementation of projects are executed by local people and not imported labour

SECTION 13: ECONOMIC DEVELOPMENT PROJECTS

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities- Funding Requirement	Time Frame
P001	Establish strategic partnerships to lead LED in Kannaland; in which stakeholders are represented	To partner the Municipality with meaningful and productive role-players in Economic Development *[Membership: National& Provincial Government incl. the District, the Municipality , The established Private Sector in Kannaland and DFI representatives]*	Kannaland Municipal Area	To be determined through projects identified and implemented by the Partnership arrangement	DCOG, DBSA, the Municipality in form of administrative resources, and IDC ***[R 400,000-00]*** ***TOR to be Formulated***	*4 Months*
P002	*[The Establishment]* of a Kannaland Emerging Businesses Forum	To organise Entrepreneurs/SMME's into one structure in order for them to derive benefit from projects identified and implemented by the KLF and the Municipality and to have one unified voice representing SMME's	Kannaland Municipal Area	The Municipality to be secretariat [*to have administrative function]*	To be established concurrently with **P001** ***TOR to be Formulated***	
P003	Upgrade of Caravan Park	The re-development of Caravan Park- creating quality overnight accommodation, picnic/play spaces for locals and tourist and a cultural village *[Developing break-away packages]*	Ladismith	10 [direct] 10 [indirect] *Will also provide opportunities to Local Construction SMME's during the re-construction phases*	DTi's Tourism Support Programme or a PPP ***Initial R 250,000-00 for a Feasibility study to be conducted and TOR to be formulated [incl. Public consultations]***	*3 Months*

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities- Funding Requirement	Time Frame
P004	Neighbourhood Street Markets *[The iKasi Experience]*	Income generating initiative for poor neighbourhoods [communities]	Kannaland Municipal Area	Can create temporary income for families	The Private sector and the Municipality *[Partnership]* ***[R 200,000-00]***	*Annually*
P005	The Establishment of Renaissance Farms	The establishment of a mechanism that will assist emerging farmers in Kannaland to develop into more commercialised farmers. The establishment of co-operatives is a potential vehicle that can be utilised to capacitate communities who lack the financial resources and technical expertise	Kannaland Municipal Area	10 Emerging Farmers	Dept. Of Agriculture the Landbank and the DTi *[Co-op Incentive Scheme]*	
P006	Procurement and Promotion of SMME activities	Establishment of business linkages (funding access, technology, business opportunity, etc.), *emerging entrepreneurial business forums* ***[wth ref to P002]***	Kannaland Municipal Area		Various Sector Departments	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P007	Community Capacity Building	Skills audit, incubation associated with development potential of the municipality; training of the community on LED and its benefits; SMME training, co-operatives training; mentorship projects	Kannaland Municipal Area		Various Sector Departments /National Skills Development Fund ***[R300,000-00]***	*Bi-annually*
P008	Tourism Sector Development	This project aims to cluster the available Tourism opportunities in Kannaland. Economic opportunities in tourism will be matched with available Emerging entrepreneurs. These opportunities include tour operations, accommodation establishments and the promotion of eco-tourism	Kannaland Municipal Area	Project to include Unemployed Youth through training and capacity building	The Dept. Of Tourism, the Tourism Seta and NYDA ***[R 500,000-00]***	*Annually*
P009	The cleaning and Greening of Towns	The beautification/landscaping of Towns in Kannaland as one of the mechanisms to unlock Tourism and increase visitation	All Towns in Kannaland	*Contract Employment for emerging entrepreneurs*	DCOG's Cleaner Cities and Towns Project, CWP and the Cities support programme	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P010	Waste Management and Recycling	The creation of small enterprises aimed at beneficiating waste at landfill sites- building rubble into bricks plastics into planks and garden compost and agricultural fertiliser. Waste management can also provide another source of opportunity in extracting reusable resources from residential and industrial waste streams	Towns to be identified	Dependent on the size of the Small enterprise created	The IDC , the Dti and Dept. Of Mineral Resources	
P011	Arts and Craft development	The indigenous arts and craft trade has a role to play in economic development in that, is has a relatively high labour absorption potential and it can be used by the poor, rural women and marginalised groups as a means for survival. It will therefore provide an opportunity for commercialisation and development of small medium and micro enterprises (SMME's)	Kannaland Municipal Area	Dependent on the size of the Small enterprise created	The Dept. Of Arts and Culture and Dept. Of Tourism ***[300-000-00]***	*6 Months*

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P012	Urban Regeneration	The town of Ladismith serves as a regional service centre and an economic development hub. However, the visual character and quality of the environment remains the same. It was thus suggested that an urban renewal programme targeting the town area be initiated. The programme focus areas are the following: → Infrastructure upgrading in selected precincts and Town entrance areas → Landscaping → Urban design	Ladismith	Contract Employment for emerging entrepreneurs *[Increased work for local contractors]*	DCOG's Cleaner Cities and Towns Programme, the Private Sector and Neighbourhood development programme	
P013	The marketing of festivals and local villages as Tourist attractions		Kannaland Municipal Area	The creation of small scale enterprises	The private sector [Business Chambers], The Municipality and Department of Tourism	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P014	Upgrade of "Liggiepad" and "Towersig" pad	Hiking plays a big part in our community. The "Liggiepad" is a well know road by not only locals but also internationally	Ladismith	The training of unemployed youths as tour guides	SAN Parks, NYDA and other funding agencies to be determined	
P015	Ladismith "Lekka" weekend/ naweek	This is a community based festival with the big celebration on the 31st of May - 50 years of the "Liggie" in the Elandsberg. The festival looks closely at how to inform the community of Kannaland how to be eco friendly and display some art, culture and experience extreme 4X4	Ladismith	Temporary employment for local youths	The Private Sector , The Municipality and other funding agencies to be determined	
P016	ABSA Calitzdorp Port en Wine festival	Exploring the wine and port from Calitzdorp-spin-off projects can also be initiated e.g. local arts and crafts , the sale of indigenous food and beverages and township tours	Ladismith and Calitzdorp	Temporary employment	The Private Sector , The Municipality and other funding agencies to be determined	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P017	The marketing of the Zoar Heritage Festival	Community awareness about their heritage.	Zoar	Temporary employment	The Dept. Arts and Culture and the Private sector	
P018	SMME Incubation	The established private sector in Kannaland to incubate smaller related enterprises/ Training and Mentoring of these SMME's/Technology transfer/Management advice and services/Finance in the form of loans and providing markets	Kannaland Municipal area	Will enable SMME's to grow at a sustainable rate hence employing more people	To further engage the Private Sector	
P019	*Kannaland Investment Summit*	*One of the objectives of this summit is to create a platform for LED partners to engage on possible investment options for Kannaland. This summit must identify and promote such options.*	*Ladismith*		*The Municipality, Private Sector and other relevant Government Departments*	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P020	Medium Scale Arts and Craft Manufacturing Centre	The main aim of this project is to formalise the arts and crafts sector in Kannaland, thereby providing employment opportunities and inclusion of the second economy into the mainstream economy	Abandoned farmhouses on the opposite sides of the road between Ladismith and Calitzdorp	To be determined	The Department of Arts and Culture and The DTi *[Landowner also to be determined and engaged with]*	
Business Competiveness						
P021	SMME Development in Kannaland **Linkages** Development of twinning relationships *SMME Publicity Campaigns*	**Tender Reform:** → Investigate the splitting or unbundling of contracts to promote small business access → Develop simplified tender documentation and conditions where feasible → Widely Publicise tenders and contracts to ensure maximum exposure → Support Training and Capacity Building of emerging entrepreneurs	Growth orientated Small Businesses in Kannaland		The Municipality and the Private Sector	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
Business Competiveness						
P022	Graduate Into Business Programme	This programme is aimed at addressing the graduate entrepreneurial deficit across the Municipality by offering an integrated approach to supporting entrepreneurship, which will stimulate and promote an enterprising culture, increase levels of new start up businesses , and encourage existing new businesses to develop and grow through targeted support and access to information, advice and business networks	Graduates in Kannaland	New jobs can be created for the youth segment of the community	National Youth Development Agency, the Private Sector and other relevant Government Agencies	
P023	Retail Development Programme	This project is aimed at encouraging local retailers to participate in local business development and training initiatives	Ladismith and Calitzdorp	To be determined	The Municipality and The Private Sector	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
Business Competiveness						
P022	Graduate Into Business Programme	This programme is aimed at addressing the graduate entrepreneurial deficit across the Municipality by offering an integrated approach to supporting entrepreneurship, which will stimulate and promote an enterprising culture, increase levels of new start up businesses , and encourage existing new businesses to develop and grow through targeted support and access to information, advice and business networks	Graduates in Kannaland	New jobs can be created for the youth segment of the community	National Youth Development Agency, the Private Sector and other relevant Government Agencies	
P023	Retail Development Programme	This project is aimed at encouraging local retailers to participate in local business development and training initiatives	Ladismith and Calitzdorp	To be determined	The Municipality and The Private Sector	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
Agricultural Diversification						
P024	Diversification into non-agricultural activities	This measure will assist farm households to diversify into non agricultural activities on farm and, as a consequence maintain or increase the income of farm households and create employment opportunities	Farms in the Kannaland area	Self employment for farm households	National and Provincial Departments of Agriculture/ Farmers in the Kannaland area	
Additional Projects						
P025	Municipal Information Access Point	Online help-desk/query point for business start-ups for municipal related issues. Structured as an informative webpage added to the Kannaland Municipal website. The page would include contact details of municipal services branches as well as links to useful sites like SEDA	Promotion of municipal required information and the details of municipal offices and services for businesses at start-up phase	Additional information can result in the ease of opening of new businesses within the municipality	Internal	

Project Reference Number	Project Name *[Programmes]*	Project/Programme Description *[abridged]*	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
Additional Projects						
P026	Proudly Kannaland Buy-Local Campaign	Marketing campaign to raise awareness of local goods and services on offer in Kannaland Municipality, services advertising booklet and/or a annual calendar	Raise awareness of and encourage usage of local service providers and goods manufacturers	Share of Kannaland driven business increases as percentage of turnover for local industrial sector	Internal	
P027	Work in Kannaland Campaign	Three phased publicity campaign approach incorporating both a learners' retention strategy and annual job fair and hire local campaign:- → *A school goers campaign of visits to senior classes around the Municipality by SEDA and similar Organisations* → *Incentives for Local Businesses to hire local labour* → *Annual Jobs fair highlighting existing opportunities across all sectors*	Counter the emigration of skills out of Kannaland and act as an attraction factor for the immigration of skilled labour into Kannaland	Kannaland becomes viewed as an attractive municipality in which to work and attracts local skilled labour to remain in the area and take up economic opportunities	The Private Sector/NYDA and SEDA/Internal	

Section Thirteen [b]: To Grow SMME Participation within the Tourism Sector

Emerging entrepreneurs in Kannaland find entry into the tourism market exceedingly difficult due to a range of constraints – most notably the lack of access to capital and relevant skills is prohibitive. In response to this, the scope for enhancing SMME potential within the Tourism sector is broken into five key programmes, which are detailed in the table below:

Goal	Objectives	Programmes	Actions
To Grow SMME participation within the Tourism Sector	Improve skills of entrants into the sector	1. **Internships** *[Estimated Cost-R 20,000]*	▪ Identify existing businesses in the Municipality that will be able to absorb short term interns ▪ Promote the use of local interns
	Assist established SMMEs with growing their skills base	2. **Mentorships** *[Estimated Cost-R 15,500]*	▪ Identify established tourism businesses in the municipality that would be willing and able to provide mentorship to an emerging tourism businesses ▪ Run a mentorship workshop with both **established and emerging tourism businesses** in Kannaland ▪ Identify specific SMME's to partner specific businesses
	Assist emerging SMMEs in accessing funding	3. **Funding Access** *[Estimated Cost-R 30,000]*	▪ Generate data base of available funders and their full contact details ▪ Make data base available to the Kannaland Tourism Office and satellites ▪ Provide training for SMME's formal funding requests [e.g. letter writing and business plan formulation] ▪ Provide assistance to SMME's in drafting formal letters of request

Goal	Objectives	Programmes	Actions
To Grow SMME participation within the Tourism Sector	Growing the number of participants in this aspect of tourism	4. **Tour Guiding** *[Estimated Cost-R 45,000]*	▪ Identify training partner [THETA] ▪ Seek partnership with WESGRO , National Dept of Tourism , Provincial Department of Economic Development and Tourism and the Dti
	Improving the management of existing sites by raising awareness of the opportunities for SMME involvement	5. **Site Management** *[Estimated Cost-R 100,000]*	▪ Identify training partners ▪ Seek partnership with WESGRO , National Dept of Tourism , Provincial Department of Economic Development and Tourism and the Dti ▪ Identify specific sites that require upkeep

Chapter 9: Kannaland Performance Management

9.1 INTRODUCTION

Performance Management is a strategic approach to management. It is a process which leaders, managers, workers and stakeholders at different levels with a set of tools and techniques for regularly planning, continuously monitoring, and periodically measuring and reviewing the performance of the Municipality in terms of indicators and targets for efficiency, effectiveness and economy.

Performance Management is aimed at ensuring that Municipality's monitor their Integrated Development Plan's and continuously improve their operations and in terms of Section 19 of the
Local Government: Municipal Structures Act No. 117 of 1998 that they annually review their overall performance in achieving their constitutional objectives.

It also forms the basis for aligning the Integrated Development Plan (IDP) with the operational business plans, performance areas and performance indicators of the various departments of the Kannaland Municipality. Performance Management provides the vital link to determine whether the Municipality is delivering on its objective and to alert managers to areas where corrective action is required.

9..2 KANNALAND PERFORMANCE MANAGEMENT FRAMEWORK (PMPF)

Kannaland Municipality's council adopted a PMPF on 31 August 2021.

The Performance Management Policy Framework describes and represents how the Municipality's cycle and processes of performance planning, monitoring, measuring, reviewing, reporting and improvement will be conducted, organised and managed.

Acknowledgement is given to Mossel Bay Municipality as their system and policy document shall be explored and imitated as forming best practice for implementation in Kannaland. Kannaland Municipality acknowledges the difference in financial and resources capabilities between the two municipalities and shall aim to incrementally implement this policy and report on progress being made in relation thereto.

9.2.1 Aim of PMPF

The aim of the Performance Management Policy Framework is:

a) to provide a clear overview and description of the Performance Management system;
b) to clarify the role of the Performance Management System within the Municipality;
c) to guide the implementation and functioning of both the Organisational and Individual Performance Management system;
d) to assign responsibility to individuals with regards to Performance Management;
e) to give effect to the legislative obligations, (including reporting) of the Municipality in a transparent and focused manner;
f) to incorporate the performance management processes applicable to Directors and how these relate to and link with the system in a holistic, institution wide, policy;
g) to provide a firm foundation from which to steer the process of performance management through all phases of implementation and devolvement; and
h) to link the IDP, the Budget and a Performance Management System in a cycle of prioritised, affordable and accountable municipal planning and effective service delivery involving all staff and the local community.
i) manifest a culture of performance within the Kannaland Municipality – Change management
j) to cascade performance management to the departmental layer
k) to promote Departmental training/induction/capacity building
l) to create a supportive working environment
m) to establish clear performance standards
n) to provide regular and constructive performance feedback to employees
o) to encourage career development – discussing advancement and promotion
p) to Improved communication – establishing mutual goals
q) to establish a framework linking remuneration to performance
r) to improve the quality of services rendered by the municipality
s) to promote the active participation of communities in setting targets and monitoring performance

9.2.2 Objectives of the Performance Management System (PMS)

Kannaland Municipality is committed and determined to create an efficient and effective Performance Management System to:

a) translate its vision, mission and IDP into clearly measurable outcomes, indicators and performance levels that define success, and that are shared throughout the Municipality and with its customers and stakeholders;

b) provide a tool for assessing, managing, and improving the overall health and success of business processes and systems;

c) continue to shift from prescriptive and simply audited oversight to ongoing, forward-looking and compliance-based strategic partnerships involving communities, citizens and other stakeholders;

d) promote accountability;

e) include measures of quality, cost, speed, customer service, and employee alignment, motivation, and skills to provide an in-depth, performance management system;

f) provide services in an efficient, effective and economic manner;

g) understand the role, duties and responsibilities of employees;

h) implement focused management linked to an early warning system; and

i) adequate provision for community consultation and the opportunity to have a clearer insight in the performance of the Municipality.

Currently Kannaland Municipality is investigating the future installation of an automated PMS. Ignite was previously used.

9.3 LEGISLATIVE FRAMEWORK

The Kannaland Municipality Performance Management Policy Framework has been developed in accordance with the prescriptions of recently promulgated local government legislation, regulations and other guidelines. For further information on the PMPF, visit Kannaland Municipality website. Specifically, the following are relevant to the development of this Performance Management Policy -

a) Constitution of the Republic of South Africa (1996)
b) White Paper on Local Government (1998) and Batho Pele (1998)
c) The Local Government: Municipal Structures Act No. 117 of 1998 and its amendments
d) The Local Government: Municipal Systems Act, No. 32 and its amendments (MSA)
e) The Local Government: Financial Management Act, No. 56 of 2003 and its amendments (MFMA)
f) The Local Government: Municipal Planning and Performance Regulations, 2001
g) The Local Government: Municipal Performance Regulation for Municipal Managers andManagers directly accountable to Municipal Managers, 2006
h) Local Government: Regulations on Appointment and Conditions of Employment of SeniorManagers, 2014
i) Public Administration Management Act 2014 / Gazette No.38374. Government Notice No.1054
j) Notice 464: Directive: Performance information public audit act (2007)
k) MFMA Circulars: (11: Annual Report / 13: SDBIP / 32: Oversight Report)
l) MFMA Circulars: (42: Funding budget / 54: Municipal budget / 63: Annual Report Update)
m) National Treasury: 2007 Framework for managing performance information

For further information on the PMPF, visit Kannaland Municipality website.

9.4 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

The Service Delivery and Budget Implementation Plan (The SDBIP) provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, municipal manager, senior managers and community. It is the intention of the Kannaland Municipality to formulate a well-informed SDBIP in order to ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic goals of the municipality as set out in the Integrated Development Plan Review 2021/2022.

It will ensure that the Administrative Head (Municipal Manager) is able to monitor the performance of senior managers, the mayor in turn, to monitor the performance of the Municipal Manager and more importantly, it will ensure that the community is able to monitor the performance of the municipality. In order to achieve this, the SDBIP should therefore determine the performance agreements between the Mayor and the Municipal Manager and, again in turn, between the Municipal Manager and senior managers (Strategic Managers) formulated and signed at the start of every financial year and approved by the mayor.

9.4.1 The Concept of the SDBIP

Whilst the budget, which is informed by the IDP, sets the yearly service delivery and budget targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the Municipal Manager must ensure that the budget is built around quarterly and monthly information. Being a start-of-year planning and target tool, the SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly reporting), section 72 (mid-year report) and end of year annual reports.

The SDBIP is essentially the management tool which links each service delivery output to the budget of the municipality and also indicates the responsibilities and outputs for each of the senior managers in the top management team. Being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by Council – However, it is required to be tabled before Council and made public for information and for purposes of monitoring.

9.4.2 Process of SDBIP formulation

Section 1 of the MFMA defines the SDBIP as:
"a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality's delivery of services and the execution of its annual budget and which must include (as part of its top layer) the following:

(a) Projections for each month of – (i) Revenue to be collected, by source: and
(ii) Operational and capital expenditure, by vote:
(b) Service delivery targets and performance indicators for each quarter".

The Municipal Manager is responsible for the preparation of the SDBIP, which must be legally submitted to the mayor for approval once the budget has been approved by the council (around end-May or early-June of any financial year). Once the budget is approved by Council, the Municipal Manager should submit to the Mayor, the SDBIP together with the necessary performance agreements for final approval within 14 days after the approval of the budget. Upon approval of the SDBIP and the performance agreements by the Mayor, it is imperative that the plan and agreements are made public within 14 days, preferably before 01 July of the financial year. It is noted that it is only the top layer (or high-level) details of the SDBIP that is required to be made public.

9.4.3 Timing and methodology for preparation of SDBIP

The Municipal Finance Management Act, Act 56 of 2003, in specific, Section 69(3) (a) of the MFMA requires the Accounting Officer to submit a draft SDBIP to the mayor no later than 14 days after the approval of the budget and draft of the performance agreement as required in terms of Section 57(1) (b) of the Municipal Systems Act. The mayor must subsequently approve the SDBIP no later than 28 days after the approval of the budget in accordance with section 53(1) (c) (ii) of the MFMA. Strategic direction and priorities are set by Council.

Note:

Kannaland Municipality has formulated the 2021/2022 SDBIP which was signed by the Executive Mayor on 5 August 2021. This 2021/2022 SDBIP was subsequently amended, amendment being tabled to Council on 31 January 2022 and again with corrections on 28 February 2022 under the guidance of the WC Provincial Treasury..

9.4.4 Performance reporting on the SDBIP

Performance must be reported in terms of the Municipal Systems Act (MSA), MFMA and the circulars and regulations issued in terms of the aforementioned legislation. The monitoring and evaluation of organisational performance are reported on as follow:

Quarterly reviews

On a quarterly basis, the Executive Mayor should engage in an intensive review of municipal performance against both the directorate's scorecards and the municipal scorecard, as reported by the Municipal Manager.

These reviews will take place in October (for the period July to end of September), January

(for the period October to the end of December), April (for the period January to the end of March) and July (for the period April to the end of June).

The review in January will coincide with the mid-year performance assessment as per Section 72 of the Municipal Finance Management Act. Section 72 determines that by 25 January of each year the accounting officer must assess the performance of the municipality and report to the Council on, inter alia, its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators set in the service delivery and budget implementation plan. Many of the indicators in the municipal scorecard are measured on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance in terms of all the scorecards.

The Executive Mayor will need to ensure that targets committed to in the municipal scorecard are being met, in instances where targets are not met; satisfactory and sufficient reasons should be provided together with the necessary corrective actions to address poor performance.

Council reviews

At least annually, the Executive Mayor will be required to report to the full council on the overall municipal performance. It is proposed that this reporting takes place using the municipal scorecard in an annual performance report format as per the Municipal Systems Act. The said annual performance report will form part of the municipality's Annual Report as per Section 121 of the Municipal Finance Management Act.

It is important that Directors use these reviews as an opportunity to reflect on the attainment of the objectives of their respective directorates. The review should also focus on reviewing the systematic compliance to the performance management system, by directorates, departments, Portfolio Councillors and the Municipal Manager.

The review will also include:

- An evaluation of the validity and suitability of the Key Performance Indicators.
- An evaluation of the annual and 5 year targets to determine whether the targets are over stated or understated. These changes need to be considered.

- Changes to KPI's and 5 year targets for submission to council for approval. (The reason for this is that the original KPI's and 5 year targets would have been

published with the IDP, which would have been approved and adopted by council at the beginning of the financial year.)

- An analysis to determine whether the Municipality is performing adequately or underperforming.

It is important that the Executive Mayor not only pays attention to poor performance but also to Exceptional/Good performance. It is expected that the Executive Mayor will acknowledge good performance, where directorates or departments have successfully met targets in their directorate/departmental scorecards.

Note:

Kannaland Municipality has conducted all quarterly reviews and also tabled the 2021/2022 Mid year Performance assessment to council on 31 January 2022. The quarterly and mid-year assessment is available for perusal on the municipal website.

9.5 2021/2022 SDBIP AMENDMENT

Certain amendments were effected to the 2021/2022 SDBIP during February 2022 to ensure that:

- Specified objectives and targets are clearly defined;
- Performance targets set are practical and realistic
- Key performance indicators are measurable, relevant, objective and precise;
- These objectives and targets are communicated to employees and that the Employers' expectations are communicated and clearly understood;
- Performance targets are consistent with the municipality's development priorities and objectives set out in its IDP and commensurate with available resources;
- Timeframe adjustments and targets affected by the timing of local government elections are reviewed to ensure continuity in service delivery.

The amended 2021/2022 SDBIP is available on the municipal website for perusal.

9.6 IMPLEMENTATION, MONITORING AND REVIEW

The Local Government: Municipal Finance Management, 2003 (Act No. 56 of 2003) (MFMA)

requires that municipalities prepare a Service Delivery and Budget Implementation Plan

(SDBIP) as a strategic financial management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their strategic planning tool, the Integrated Development Plan (IDP). The SDBIP is a contract between Council, administration and the community. It gives effect to the IDP and budget of the municipality.

The SDBIP is a one – year detailed implementation plan which gives effect to the IDP and Budget of the Municipality. It is a contract between the administration, Council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis of measuring the performance in service delivery against end year targets and implementing budget.

The five necessary components are:

1. Monthly projections of revenue to be collected for each month;
2. Monthly projections of expenditure (operating and capital) and revenue for each vote;
3. Quarterly projections of service delivery targets and performance indicators;
4. Ward information for expenditure and service delivery; and
5. Detailed capital works plan broken down by ward over three years.

Note:

The amended 2021/2022 is available for perusal on the municipal website. After various stakeholder engagements held in Kannaland Municipality during March 2022, new Key Performance Indicators (KPI's) and targets have been proposed by the community and these shall be scrutinized and included into the Final 2022-2027 IDP.

9.7 FIVE YEAR 2022 – 2027 SDBIP

The fifth generation 2022 – 2027 SDBIP is hereto attached marked Annexure 11.

Note:

There is much refinement still required in terms of finalizing this Draft five-year SDBIP. The five year 2022 – 2027 SDBIP will also seek to address some of the concerns as raised in the AG report.

An attempt has been made to respond to community needs and priorities raised at the IDP Stakeholder engagements held during March 2022 as well as the comments received from the WC Provincial Treasury.

9.8 CONCLUSION

Kannaland Municipality is an under-performing municipality plagued by political and administrative instability, infighting among political leaders, non-functional oversight committee, lack of financial resources, little or no accountability and a non-existence of consequence management, capacity constraints and a high vacancy rate with on-going court cases. Invoking the S139, the implementation of a recovery plan and the appointment of an administrator did little to improve performance in this embattled municipality.

The following actions are recommended to improve performance at Kannaland Municipality:

1. That the court case reach finality and a verdict be passed; - (Concluded on 7 October 2021)
2. That disputes in future be dealt with through Inter governmental Relations mechanisms;
3. That performance management policy framework be adopted by Council; - completed
4. That critical vacancies be filled; - After organizational staff structure is approved.
5. That performance management be cascaded to departmental level; - Install an automated PMS - IGNITE
6. That a culture of performance be instilled throughout the organization and that the Municipal Manager be tasked to ensure this happens;
7. That workshops and staff induction sessions be held with all staff on the performance management policy framework;
8. That consequence management for non-performance be implemented;
9. That job descriptions be updated and tasked;
10. That the Manager: IDP and PMS report to Council each month on progress made in relation to the implementation of the Performance Management Policy.
11. That the Performance Management Policy which is modelled upon that of Mossel Bay Municipality be implemented incrementally.

OPERATIONAL STRATEGY: CONSOLIDATED OVERVIEW OF KANNALAND MUNICIPALITY PROJECT STATUS BUDGET IMPLICATIONS AND IMPLEMENTATION

OFFICE OF THE MUNICIPAL MANAGER							
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
1.	Integrated Development Planning and Performance Management	Integrated Development Planning: Handover Report	Handover Report finalised for incoming council	Table report to Council for deliberation	None	None	Municipal Manager/Manager: IDP and PMS
2.		Integrated Development Planning: Process Plan and Time Schedule	2022 - 2027 IDP Process Plan and Time Schedule tabled to Council on 12 August 2021	That a Council workshop be arranged with the incoming council to jointly deliberate on the process plan and and unpack projects/catalytic projects and project plans identified in the Final adopted IDP for implementation.	Annual tabling of Time Schedule to Council.	Council strategic workshop R30 000 1 Laptop for IDP Co Ordinator (R30 000)	Municipal Manager/Manager: IDP and PMS
3.		Integrated Development Planning: Joint District Metropolitan Approach -JDMA (One District Plan)	JDMA tabled to Mayco on 20 September 2021.	JDMA wase tabled to the incoming council and adopted.	None	None	Municipal Manager/Manager: IDP and PMS
4.		Draft and Final 2022 - 2027 IDP	Draft tabled on 31 March 2022 Final tabled on 31 May 2022	Workshop Draft IDP with Council during March 2021. Council to adopt Final IDP during May 2022.	None	Council workshop on Final IDP and Budget and Time Schedule Process Plan R30 000	Municipal Manager/Manager: IDP and PMS
5.		Performance Management: SDBIP signed by Executive Mayor SDBIP Adjusted during February 2022	2021/2022 SDBIP signed by Executive Mayor on 5 August 2021 and adjusted. All quarterly reports submitted to council with the exception of the third quarterly report.	Finalise the 2022/2023 SDBIP Cascade PM to line departments Salga meeting arranged on 14 June 2022. Ensure that KPI descriptions are accurate.	All departments to submit KPI adjustments for 2022/23 by 30 June 2022.	None	Municipal Manager/Manager: IDP and PMS
6.	Integrated Development Planning and Performance	Performance Management Policy	Kannaland Performance Management Policy adopted: 31 August 2021.	Departmental performance management; MM: 0ngoing performance awareness campaigns; Staff induction sessions; Consequence management for non-performance; Update and task job descriptions; Submit monthly PMS progress report to Council on incremental implementation of PMS Policy.	None	None	Municipal Manager: Manager: IDP and PMS/HR Manager/SALGA

OFFICE OF THE MUNICIPAL MANAGER							
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
7.	Integrated Development Planning and Performance Management	Performance Management Automated system	PMS is manually implemented and is subject to human error.	Acting CFO tasked by Council to Investigate the implementation of an automated PMS. (Reinstate Ignite)	None	To be investigated by Acting CFO.	Municipal Manager: Manager: IDP and PMS
8.		Performance Management Reporting	S52 Quarter 1 and 2 PM Report submitted to PT and NT. Annual Performance Report submitted to AG on 30 September 2021.	Corrective measures implemented in reporting as per RFI submissions.	None	None	Municipal Manager: Manager: IDP and PMS
9.	Communication	Communication	Mayco adopted the Kannaland Communication Strategy and action implementation plan	Table Communication Strategy to iincoming council for further input and deliberation; Upgrade website Training: Communication Officer (graphic design); Implement Communication Strategy and Action Plan 2 Laptops Photocopy machine	None	R300 000	Municipal Manager/Communication Officer
10..	LED	Local Economic Development	LED Strategy is outdated. No dedicated staff	Review LED Strategy and submit to Council; Fill critical vacancy	None	Fill critical vacancy: IDP PMS and LED Coordinator LED Officer	Mun Man/ Manager: IDP and PMS/Manager: HR

OFFICE OF THE MUNICIPAL MANAGER							
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
11..	Tourism	Tourism: • Promote tourism in Kannaland • Market Kannaland as a tourist destination • Review Tourist Strategy	Kannaland does not have any MOU and MOA for 2021/2022 with the existing Tourist Bureaus in Ladismith and Calitsdorp. Tourism Strategy has not been reviewed. No dedicated staff.	Council to take a principled decision on the future of utilising the services of the Tourism Bureaus and promotion of tourism in Kannaland. Council to adopt a tourism strategy. Fill critical vacancy	To be ascertained after Council provides strategic direction regarding the future utilisation of tourism bureaus.	To be ascertained after Council provides strategic direction regarding the future utilisation of tourism bureaus. Critical vacancy: Tourism Officer	Municipal Manager: Manager: IDP and PMS
		Tourism • Develop Tourism Strategy	Currently Tourism strategy is part of LED Strategy but a separate strategy stand alone should be developed	Source funding	None	R200 000	Municipal Manager: Manager: IDP and PMS
		Tourism Implement Tourism Strategy	MOAs entered into with 2 Tourism Bureaus (Ladismith and Calitzdorp)	Implement Tourism Bureaus Action Plans and include Zoar and Van Wyksdorp as Tourism Bureaus	None	R800 000	Municipal Manager: Manager: IDP and PMS
12..	Public Participation/Ward Committees	Public Participation Outreach	Non public participation held during October 2021 in drafting the fifth generation IDP. PP Policy outdated	Update PP Policy	None	None - WCPG PP unit to assist	Municipal Manager: Manager: IDP and PMS
13..		Ward Committees • Conducting regular ward committee meetings • Re-establish ward committees within 120 days after LG elections	Ward Committees established in each of the 4 wards within 120 days after LG Eelections. Ward Committees Induction training on 28 May 2022. WC were disestablished on 1 November 2021.	• Implement WC Operational Plans • Monthly meetings • Develop WC Policy • Conduct WC Summit • Know your ward committee campaign	None	WC Summit R30 000 Loud Hailer and sound system R30 000 Corporate Banners 1 Lap tops R30 000	Municipal Manager: Manager: IDP and PMS

OFFICE OF THE MUNICIPAL MANAGER							
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	2022/23 Budget implications	Project Owner
14.	Internal Audit	• Prepare three years risk based rolling internal audit plan • Conducting legislative audits as per section 165/MFMA Circular 65 • Secretariat to the Audit Committee • Training • Advisory • Effective execution of the Audit Action Plan External Auditor (AGSA) Liaison	• Procurement and contract management internal audit in progress • Internal Control environment assessment is done • Standby, Overtime, Motor vehicle and Acting Allowances done • Internal Audit Charter done • Internal Audit Methodology is done • Finalisation of all section 165/MFMA Circular 65 audits	• Co-funding from Provincial Treasury for internal audits • Council to appoint Audit Committee • Council to adopt internal audit charter • Council to adopt the three years rolling risk based internal audit plan Council to assist with capacity building of the internal audit unit	To be discussed with the Municipal manager	• Co-funding with Provincial Treasury of R50 000 Professionalization of the internal audit unit	• Municipal Manager Internal Auditor
	RISK AND CONTRACT MANAGEMENT	Risk Management • Compiling a risk register • Identify top 10 risks Contract Management • Compiling and management of contract register • Draft and interpret Contracts and SLAs	The Organisational and Departmental Risk register remains incomplete. Top 10 Risks have not been identified.	Garden Route DM to assist with co-ordinating the Risk Management function for local municipalies.	None	• None	Municipal Manager/ • Manager: Legal, Risk and Compliance.
16.	LEGAL SERVICES	Legal Services	Legal costs are high and council cannot afford this	Resolve disputes through Intergovernmental or other alternative dispute resolution mechanisms.	NA	NA	Manager: Legal, Risk and Compliance.

CATALYTIC / SPECIAL PROJECTS in OFFICE OF MUNICIPAL MANAGER

1. Leadership and ethical innovative training	4. Implement Risk Management
2. Cascading Performance Management to all levels	5. Develop Organisational Internal Transformation Plan
3. Improve Communication through Strategy implementation	6. Automated PM System

TOTAL BUDGET FOR PROJECT IMPLEMENTATION: (EXCLUDING CATALYTIC PROJECTS) R 1500 000

	OFFICE OF THE CHIEF FINANCIAL OFFICER: BUDGET AND TREASURY						
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
	Budget and Treasury	Budget	• Responsible to submit to the council a credible budget and sound budget related policies. • Ensure compliance with mSCOA requirements. • Appointed a permanent BTO and support staff.	• Organise training for staff. • Relook at the overall organisational structure in order to ensure it is fit for purpose.	None.		CFO.
		SCM	• SCM Manager position still vacant. • Ensure compliance with SCM Regulations.	• Appoint a permanent SCM Manager. • Organise training for staff.	None.	R631 000	CFO.
		Procurement	• Appointed permanent staff. • Ensure compliance with SCM regulations.	• Organise training for the staff.	None.	R100 000	CFO.
		Stores	• Stores Manager position still vacant. Currently training a staff member to take over.	• Appoint a permanent stores manager. • Organise training for the staff.	None.	R300 000	CFO.
		Creditors	• Payroll vacancy still vacant.	• Appoint a permanent clerk for payroll. • Organise training for the staff.	None.	R200 000	CFO.
		Reporting	• Appointed permanent staff.	• Organise training for the staff.	None.		CFO.
		Revenue enhancement	• Accountant: Property Rates position still vacant. • Refer to the Budget Funding Plan for more activities.	• Appoint a permanent accountant to bolster the revenue enhancement team. • Implement the Budget Funding Plan.	None.		CFO.

TOTAL BUDGET **R1 231 000**

CATALYTIC / SPECIAL PROJECTS IN OFFICE OF ACTING CFO

MSCOA IMPLEMENTATION	
BUDGET FUNDING PLAN IMPLEMENTATION	

OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES							
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
1.	CORPORATE SERVICES	Council Activities: • Committees of council • Election of political office bearers • Rules of order • Election of MPAC • Code of conduct • Declaration of interests • SALGA Councillor Induction and training	First council meeting to inaugurate councillors to be held before 14 November 2021. Establishment of committees of council	Councillor induction training: SALGA	None	None	Municipal Manager/ Manager: Corporate Services
2.		Policy Register	Policy register has not been updated	That policy register be submitted to council each quarter	None	None	DCCI/Manager: Corporate Services
3.		Archives • Retrieval of records • Safekeeping of records • Storing of records • Filing of records • Maintaining a Record management system • Disposal of records	Ongoing	Records clean up and disposal	None	None	Manager: Corporate Services
4.		Spatial Development • Receive and process applications for land use Advertising land use applications	The SDF is outdated	Review the SDF to include economic development zones and agricultural farm land/commonage.	None	Cabinet storage facilities for town planning applications received. Alternative office accommodation R1 200 000 Source funding	Manager: Corporate Services/Senior Clerk Town Planning

OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES							
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
5.	Human Resources	Human Resources • Labour relations • Skills development • Employment equity • Recruitment selection and placement • Job evaluation • Local labour forum • Review microstructure • Policy review • Depart Perf Management • Rewards/Incentives • Induction	Organisational Microstructure adopted on 28 May 2020. Performance agreements signed with S56 and S57 Acting Municipal Manager, Director: Corporate, Community Services and Infrastructure Services and CFO Local labour forum to be established	Review organisational microstructure by May 2022. Council representatives to be nominated on local labour forum. Review all HR policies Four pending disciplinary hearings outstanding	None	R500 000 Source funding	DCCI/Manager: Human Resources
10.	Building Plans	Building Plans • Receiving and processing of building plan applications • Evaluation of building plans received • Recommendations of approval of building plans • Building inspections Liase with various departments for comments	Building plans received for 2021/2022 to date: 52. Average is about 95 building plans per year. Manual processing.	Automated collaborator system to be used by architects in progress. Education and training of architects on collaborator system.	None	Update computers; storage facilities for building plans (cabinets) (R50 000)	
6.	ICT	IT • All ICT Polocies have been approved by council. • Disaster Recovery plan submitted for funding est. R2000000. • ICT STEERCOM meetings a priority for all managers to attend the ICT Steercom meetings. • Fibre to be funded for the roll-out of fibre to all Satelite offices. Funding to be determined.	All ICT Related policies last updated in 2013/14 financial book year. Council Approved these policies in August 2021 Disaster recovery remains a priority ICT Steering Committee not active. All Stakeholders needs to have engagement. Rollout of satellite office	Update and review ITC policies and submit to council annually. If Kannaland do not receive the R2000000 for funding this project I have asked the service provider to roll the project out in phases. All line managers and Senior Managers need to be part of the ICT steering Committee. This platform first need a Terms of Reference for the Steercom. On this platform ICT can get a better understanding of what needs there are in each department relating to ICT.		R2 000 000 for Disaster Recovery	DCCI/Manager: Corporate Services/ICT Technician

OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES							
No.	Unit	Project Description	Current Status	Council future interventions	KPI Adjustment	Budget implications	Project Owner
7.	Community Services: Human Settlements	Human Settlements Current Projects • Parmalat 280 Ladismith • Infill 100 Zoar • Upgrading of Informal Settlement 65 (UISP) Zoar • Middleton Street Finance Linked Individual Subsidy (FLISP) 78 Ladismith • September Street Finance Linked Individual Subsidy (FLISP) 29 Ladismith • 179 Top Structures in Calitzdorp	Funding has been reserved by the Western Cape Provincial Department of Human Settlements (WC DoHS) for professional services to be conducted under Tranche 1.1 and Tranche 1.2 Serviced sites are available and can be sold to potential FLISP beneficiaries 179 top structure in Calitzdorp contact with beneficiaries is a problem	Payment should be made by WC DoHS to the Implementing Agent for services rendered under Tranche 1.1 The Implementing Agent will proceed to Tranche 1.2 after payment for Tranche 1.1 was received Municipality should advertise ervens which are for sale and conclude sales with potential FLISP beneficiaries Request WC DoHS to add these projects on our Housing Pipeline	None	External funding source	Manager: Corporate Services/ Senior Housing Officer
8.	Community Services: Human Settlements	Planned Projects (not on Housing Pipeline and not funded) • Upgrading of Informal Settlements - Ladismith, Calitzdorp and Van Wyksdorp • Declaring cemeteries as Heritage Sites - Zoar • Reviewing of the Spatial Development Framework (SDF) - Van Wyksdorp • Emergency Housing Project (EHP) - Zoar	Request Implementing Agent to apply for funding to upgrade informal settlements Arrange a meeting with WC DLG and DHS for funding Commitment from WC DHS that all informal settlements will be approved and upgraded simultaneously Funding application: Upgrade cemeteries and declare them as heritage sites SDF Review Application: Van Wyksdorp Request Implementing Agent to apply for funding towards Zoar EHP Outstanding supporting documents hamper the registration of title deeds	Request WC DoHS to add these projects on our Housing Pipeline Get approval from the relevant authorities that the SDF can be reviewed Request WC DoHS to add these projects on our Housing Pipeline Eliminate all outstanding matters	None	External funding source	Manager: Corporate Services/ Senior Housing Officer

OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES							
No.	Unit	Project Description	Current Status	Council support/ Future interventions	KPI Adjustment	Budget implications	Project Owner
9.	Human Settlements	Title Restoration Project Housing Project 179 - Calitzdorp	Request the Minister for the DHS to include the project on the Province's business plan and to allocate funding to the project	To enable the Implementing Agent to start with the construction of the 179 houses	None	External funding source	Manager: Corporate Services/ Senior Housing Officer
11.	Traffic Services	Traffic Services • Develop Traffic By-Laws • Law enforcement • Learners License Testing • Registration and licensing of vehicles • Roadworthy of vehicles	Staff capacity remains a challenge Investigating the future procurement of Speed cameras and K53 test yard to be revived and reconsidered.	Critical vacancies: Traffic officers (3) and law enforcement (4) Adjustment budget to include speed cameras and K53 test yard. Council to prioritise implementation within budget. Training interventions	Submission of monthly reports to Council on traffic services rendered. Conduct monthly personnel meetings and submit to council Promulgation and implementatio n of by laws Traffic education at schools	Placement of existing staff into critical vacancies Vehicle examination training Law enforcement/Traffic officer training Grade L training for law enforcement	Chief: Protection Services/Traffic Chief
12.	Disaster Management	Disaster management Update disaster management plan	2021/2022 Disaster Management Plan reviewed.	Disaster management plan to be tabled to council. 4x4 bakkie to access disaster points/Starter packs/Food parcels/Matresses and blanket. Disaster Control room and internet connectivity/2 way radios at fire dept	None		DCCI/Chief Protection Services

OFFICE OF THE DIRECTOR: CORPORATE SERVICES, COMMUNITY SERVICES AND INFRASTRUCTURE SERVICES							
No.	Unit	Project Description	Current Status	Council support/ Future interventions	KPI Adjustment	Budget implications	Project Owner
13.	Fire Services	Fire Services • S78 Investigation • Fire suppression • Rescue services • Water delivery • Fires awareness campaign • Fire prevention • Implementing Law enforcement (Fire Services)	Successfully extinguished bush fires and structural fires. Successfully applied rescue services Weekly schedule implemented for water delivery Educational campaigns ongoing Investigating purchasing vehicles from CoCT. 10 EPWP fire fighters and 2 law enforcement officers appointerd.	Ongoing programmes of education and awareness Rendering on fire- services - fire breaks Substation required in Calitzdorp, Zoar and Van Wyks dorp to improve on response time. Vehicles protective clothing, equipment and personnel.	Conduct monthly personnel meetings and submit to council Submission of monthly reports to Council on fire services.	To be communicated by 30 Nov 2021. Sub stations in Zoar Calitzdorp and Van wyksdorp	Director: CCI/ Head Protection Services
14.	LIBRARY SERVICES	Outreach	Covid prevented outreach. This is resuming now.	The SDBIP was adjusted to include outreach as a KPI. 1/library/month	Conduct outreach	None	Acting Manager: Community Services (Senior Librarian)
		Digitalise all libraries (5 with one new in Bergsig currently under construction)	Ladismith is fully digitalised. This needs to be expanded to other libraries.	This needs to be expanded to other libraries.	N/A	R200 000	Acting Manager: Community Services (Senior Librarian)
	CEMETERIES	Development of a new cemetery in Ladismith and in Calitzdorp	Identify a suitable site	Construction of the cemeteries Apply through MIG Funding	N/A	R5million for both	Acting Manager: Community Services (Senior Librarian)
14.	Infrastructure Services	Electrical and mechanical					
15.		Technical Services • Roads • Water • Sanitation	Pothole repairs - ongoing Water testing conducted Treatment of sanitation plants	Pothole repairs ongoing Funding for service provider None	None None None	Additional funding Additional funding None	Acting Technical Manager
16.		WSIG Projects 2021/2022 • Roll over project (Calitzdorp Deep borehole)	• In construction (35%) Drilled 301meters found water	None Finalise handover agreement	To be reviewed and establish a	External Grant funding	PMU Manager

		• Klein Karoo Rural water scheme	• Investigations for additional water to supply scheme user	with Oudtshoorn municipality	new and separate KPI for WSIG Projects		
17.		RBIG Projects • Swartberg New Dam • Ladismith waste water treatment works	• Applied for waving of co-funding and awaiting feedback for both projects	Council engage with National government	None	External Grant funding awaited	PMU Manager
18.		MIG Projects 2021/2022 • Zoar Cemetery • Ladismith waste water treatment works • Ladismith water treatment works • Kannaland Installation of water meters • Zoar new Sport field lights	• Completed/ In retention period • In construction (40%) • In construction (44%) • In construction (30%) awaiting fittings • Awaiting additional funding	N/A	To be reviewed and input submitted by PMU Manager to Manager: IDP/PMS	External Grant funding	PMU Manager
19.		EPWP • Temporary workers appointed	123 temporary workers appointed on 1 October 2021	None	None	Grant funding	PMU Manager
16.		Roads	To be completed- Engineer				
17.		Water Services	To be completed- Engineer				
18.		Sanitation	To be completed- Engineer				

CATALYTIC PROJECTS: COMMUNITY SERVICES/LED/INFRASTRUCTURE

Upgrade of municipal swimming pools	Art and Culture Development Centre – Ladismith
Upgrade caravan and camping site - Ladismith	Art and Craft Centre - Calitzdorp
Restoration of Heritage municipal owned buildings - Synagogue	Land for Kleinboere Vereniging (Ladismith
Land for factories in Calitzdorp	Water security in Zoar
Swartberg Dam in Ladismith	Amalienstein Smart Farm transfer
WWTW throughout Kannaland	Stadium in Zoar Sportfields
K53 Testing Centre Ladismith/Calitzdorp	Netball fields in Vanwyksdorp
Upgrade Ladismith Rugby field, netball fields and tennis courts	Sewearge works - Ladismith

The MIG infrastructure project allocation for the 2022/2023 financial year is R10 528 850.00. According to the DoRA MIG Framework all project should be registered and approved by Council for implementation.

The priorities identified by Management for the 2022/2023 financial year is as follow:

Ladismith Waste Water Treatment Works	R 1 074 463
Ladismith Water Treatment Works	R 2 440 804
Zoar Sport Field Lighting	R 1 980 496
Zoar Upgrade Sewer Works	R 3 000 000
Van Wyksdorp Upgrade Sewer Works	R 1 033 087
Van Wyksdorp Upgrade Water Works	R 1 000 000
Total	**R10 528 850**

ADDITIONAL FUNDING APPLICATION FOR MIG PROJECT: ZOAR NEW SPORT FIELD LIGHTING

During the 2021/22 financial year the abovementioned project was prioritized to be implemented, but due to the estimated budget limit it could not commence. We received one tender back after the second time of advertisement and the tender came in higher than the anticipated budget. The project was registered during the 2013/2014 financial year and the cost estimated was based on rates for that year. The increase of budget is due to the inflation over an 8 year period and the escalated construction cost over this time. We submitted a request that the initial approved amount to be contributed by MIG for the direct and indirect cost be increased with the amount of R787 212.75. Please see table below:

Items	Original Budget 2013/14 (R)	Budget adjustment 2021/22 (R)	Requested budget increase with (R)
Direct Cost	992 000.00	1 601 872.83	609 872.83
Indirect Cost	156 000.00	230 660.00	74 660.00
Sub Total	**1 148 000.00**	**1 832 532.83**	**684 532.83**
VAT (14% / 15%)	160 720.00	274 879.92	102 679.92
Total	**1 308 720.00**	**2 107 412.75**	**787 212.75**

This increase will only effect the budget for the project, but will be funded by the MIG.

Chapter 10: Financial analysis

MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK 2022/2023

5.1 Introduction

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially sustainable and that municipal services are provide sustainably, economically and equitably to all communities. The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process.

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.

The Municipal Budget and Reporting Regulations (MBRR) (part 2: "Budget-related policies of municipalities") require the accounting officer to see to it that budget-related policies are prepared and submitted to Council. One of these is the long-term financial plan policy, which aims to ensure that all long-term financial planning is based on a structured and consistent methodology, thereby securing the Municipality's long term financial affordability and sustainability.

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.

5.2 Financial strategy

This section provides an overview of the Kannaland Municipality's 2022/2023 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 encompassed the following:

- Framework for and strategic direction of the budget;
- 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.
- Key Financial Drivers

Ensuring congruence between the Municipality's strategy and budget included alignment with the:

- IDP;
- Development Strategies;
- Core economic, financial and technical data obtained at local and national level; and
- Other issues, policies and strategies stemming deemed important in this regard.

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)

5.3 OVERVIEW OF THE 2022/23 MTREF

Kannaland Municipality still finds itself in a challenging financial position while having to manage itself past shortages and inappropriate financial management decisions towards a position of financial viability and sustainability. The Municipality service delivery priorities form part of the planning and budgeting process. The 2022/2023 budget has been prepared to address the immediate and long-term service delivery targets. The compliance with legislative process remains a key priority for the municipality. The quest toward financial sustainability and improved financial management remain a priority and key area of focus. The challenges experienced by the municipality in its quest for financial sustainability during the completion of the 2022/2023 budget are explained in the following sections.

5.3.1 Forecaster framework

According to MFMA Circular No. 115, the following headline inflation forecasts underpin the 2022/2023 national budget. The projected real economic growth of 2.1 percent in 2022. The real GDP growth is anticipated to be in the range of 1.8 per cent over the next MTREF. The inflation is expected to be around 3 to 6 percent over the next MTREF.

The continued risk of loadshedding, plays a major impact in the municipal and local business operations. The disruption of electricity supply to households and business impact the revenue framework of the municipality. The pressure affects the Kannaland Municipality in its effort in the revenue collections and the ability of residents to pay their municipal bills, which also is further affected by the COVID-19 pandemic impact.

5.3.2 Consolidated Revenue and Expenditure Framework

Description	Adjustment budget 2021/2022 '000	Budget year 2022/2023 '000	Budget Year 2023/2024 '000	Budget year 2024/2025 '000
Total Operating Revenue	176 492	192 782	213 005	235 047
Total Operating Expenditure	204 637	218 716	231 597	248 435
Total Capital Budget	25 622	10 529	24 805	36 176

The municipal budget for the 2022/2023 MTREF budgeted for a deficit, which is a challenge that is planned on being addressed through a credible Kannaland Municipality Funding Plan that has been adopted for implementation in the next MTERF. The budget deficit for the respective years

is R 25.6 million, R 18.5 million and R 13.4 million. The revenue has increased from the adjustment budget by 9.1 %, respectively and the expenditure has increase by 6.5 %. The municipality manages to keep the increase of expenditure at a minimum; however, this still shows the financial constrains within the budgeting.

The continued funding constraints with regards to the low available funding, affected the Capital Budget Spending..

Kannaland Municipality strive to make continued improvement in the quality of life of its communities through the delivery of quality affordable services, it remains a priority for the municipality to maximise revenue collection strategies for sufficient revenue base to fund services. In the current economic frailty in South Africa and struggling local economic growth, the municipality take proper care of its billing and revenue collection strategies.

5.3.4 Operating Revenue

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 scares 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 taking into account 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

Revenue enhancement and maximizing the revenue base remain key focus for the municipality. An improvement in the in-revenue management, which aims to ensure a 85-90% collection of property rates and service charges. The tariff increases for electricity are approved by the National Electricity Regulator of South Africa (NERSA); Cost-reflective tariffs increases for service charges remain a concern due to non-payment of municipal services. The municipality fully subsidises all

indigent households in terms of the relief offered by the municipality

5.3.4.1 Rates charges, tariffs and timing of revenue collections:

The Budget Committee made use of tariff modelling to calculate realistic tariff increases.

TRADING SERVICES:

- Electricity 7.47%
- Water 6%
- Refuse 6%
- Sanitation 6%
- Sundries Tariffs 5% on average

NON-TRANDING SERVICES

- Property Rates 4.5% on average

5.3.5 Operating expenditure framework

The municipality has a budget deficit for the next MTREF We have a deficit of R 25.6 million, R 18.5 million and R 13.4 million, when taking into consideration of the total expenditure against the total budgeted revenue. However, taking out non-cash items such as deprecation and impairment, in the 2022/2023 the deficit is R 16.4 million. The municipal budget funding plan has been established and will be driven the municipality from an unfunded position to a funded budget. This is realised to be a task ahead and the administration is focused on improving financial management and straight budgetary control processes. The following are the risk expenditure areas in the MTREF

- Employee Related Costs remain the biggest expenditure of R80 million which represents 36% of the total budget expenditure. This item which needs to be further scrutinized to curtail this budget. However, this needs to be carefully done as some of these vacancies are critical and are needed to improve the level of service delivery.
- Bulk Purchases also is the biggest contributing expenditure in the budget by R 58 million which comprise of 26 % pf the total budgeted expenditure.
- Other expenditure also takes a big chunk of the municipal budget of R 18 million which represents 8 % of the total budgeted expenditure.

5.3.6 Capital Expenditure

The capital expenditure amounts to R 12 million, which comprise of R 10 million from MIG only and R 2 million own funding.

CAPITAL BUDGET BREAK DOWN			
	FINANCIAL YEAR		
GRANT	2022 / 2023	2023 / 2024	2024 / 2025
MIG	10 528 850,00	10 805 300,00	11 100 750,00
WSIG	-	11 000 000,00	21 940 000,00
INEG	-	3 000 000,00	3 135 000,00
Laptops-MM Kantoor	130 000,00		
Laptops - IT	50 000,00		
Bersig Saal	860 000,00		
K 53 Testing track	500 000,00		
Repair of Calitzdorp and Ladismi	650 000,00		
Speed Cameras	200 000,00		
MIG Projekte	2022 / 2023		
Ladismith Waste Water Treatmer	1 074 463,00		
Ladismith Water Treatment Work	2 440 804,00		
Zoar Sport Field Lighting	1 980 496,00		
Zoar Upgrade Sewer Works	3 000 000,00		
Van Wyksdorp Upgrade Sewer W	2 033 087,00		

5.3.7 Transfers and Subsidies

The below tables spatial distribution of allocations to the Municipality:

			Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25
Grant	Municipality	Source				
Equitable Share	Kannaland	National	30 553 000,00	33 259 000,00	35 040 000,00	36 934 000,00
FMG (Audit)	Kannaland	National	2 293 900,00	2 332 000,00	2 332 000,00	2 332 000,00
FMG (Intern Salaries)	Kannaland	National	600 000,00	600 000,00	600 000,00	600 000,00
MIG - PMU	Kannaland	National	529 700,00	554 150,00	568 700,00	584 250,00
EPWP	Kannaland	National	1 359 000,00	1 031 000,00	-	-
Human Settlement	Kannaland	Provincial	1 721 000,00	1 800 000,00	9 900 000,00	19 000 000,00
WC: Transport Infrastruct	Kannaland	Provincial	50 000,00	50 000,00	50 000,00	50 000,00
Library (Replacement)	Kannaland	Provincial	3 506 520,00	3 281 000,00	3 328 000,00	3 477 000,00
communiy development w	Kannaland	Provincial	175 944,00	112 000,00	112 000,00	112 000,00
Water Serv Infrastructure	Kannaland	National	10 000 000,00	-	11 000 000,00	21 940 000,00
INEG	Kannaland	National	2 699 000,00	-	3 000 000,00	3 135 000,00
MIG - Capital	Kannaland	National	10 064 300,00	10 528 850,00	10 805 300,00	11 100 750,00

Budget Funding Plan

5.4 The main Budget supporting Schedules

5.4.1 2022/2023 Budget summary schedule

WC041 Kannaland - Table A1 Budget Summary

Description	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Financial Performance										
Property rates	**15 549**	16 692	19 337	24 562	25 522	25 522	21 716	24 836	25 929	27 095
Service charges	69 672	86 195	87 941	104 162	100 680	100 680	89 817	110 480	119 126	127 807
Investment revenue	669	1 014	1 150	864	880	880	1 028	680	714	757
Transfers recognised - operational	33 803	40 064	42 601	45 128	42 097	42 097	38 129	43 164	52 076	63 234
Other own revenue	17 519	12 846	6 358	11 704	7 313	7 313	6 010	13 621	15 160	16 154
Total Revenue (excluding capital transfers and contributions)	137 213	156 810	157 387	186 419	176 492	176 492	156 701	192 782	213 005	235 047
Employee costs	55 504	58 588	66 653	65 553	71 649	71 649	64 859	80 239	81 955	85 272
Remuneration of councillors	3 323	3 146	3 184	3 637	3 637	3 637	3 347	3 357	3 504	3 662
Depreciation & asset impairment	26 698	13 551	12 039	12 698	12 698	12 698	9 524	13 222	13 804	14 425
Finance charges	2 921	4 386	3 188	382	2 318	2 318	784	2 072	2 160	2 254
Materials and bulk purchases	36 457	43 118	49 813	56 133	58 412	58 412	46 344	63 094	67 662	71 333
Transfers and grants	1 899	96	246	838	448	448	200	450	334	349
Other expenditure	42 266	44 511	46 911	52 589	55 475	55 475	56 447	56 283	62 178	71 141
Total Expenditure	169 068	167 397	182 033	191 830	204 637	204 637	181 505	218 716	231 597	248 435
Surplus/(Deficit)	(31 855)	(10 586)	(24 646)	(5 411)	(28 145)	(28 145)	(24 804)	(25 934)	(18 592)	(13 388)
Transfers and subsidies - capital (monetary allocations) (	10 820	21 608	19 524	22 763	25 622	25 622	13 175	10 529	24 805	36 176
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	382	–	34	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	(20 653)	11 022	(5 088)	17 352	(2 522)	(2 522)	(11 629)	(15 405)	6 213	22 788
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	(20 653)	11 022	(5 088)	17 352	(2 522)	(2 522)	(11 629)	(15 405)	6 213	22 788
Capital expenditure & funds sources										
Capital expenditure	**18 776**	19 178	8 490	23 767	26 639	26 639	11 202	12 919	24 805	36 176
Transfers recognised - capital	**16 125**	18 962	(909)	22 763	25 622	25 622	10 934	10 529	24 805	36 176
Public contributions & donations	**–**	–	–	–	–	–	–	–	–	–
Borrowing	**–**	–	–	–	–	–	–	–	–	–
Internally generated funds	**985**	98	614	1 004	1 004	1 004	268	2 390	–	–
Total sources of capital funds	**17 111**	19 060	(295)	23 767	26 626	26 626	11 202	12 919	24 805	36 176
Financial position										
Total current assets	**(15 205)**	16 577	(12 526)	(17 989)	(47 354)	(47 354)	(13 644)	(50 258)	(36 611)	(32 016)
Total non current assets	**(7 507)**	11 199	(11 970)	351 292	342 195	342 195	1 678	325 969	11 002	21 751
Total current liabilities	**(4 957)**	7 859	(11 742)	29 011	14 755	14 755	(128)	8 584	(30 454)	(31 685)
Total non current liabilities	**2 452**	13 992	7 751	37 082	44 833	44 833	–	44 757	(1 368)	(1 368)
Community wealth/Equity	**645**	(5 096)	(15 416)	249 857	237 775	237 775	(209)	237 775	–	–
Cash flows										
Net cash from (used) operating	**(33 548)**	(93 565)	338	38 899	27 941	27 941	(63 348)	(4 587)	18 433	35 278
Net cash from (used) investing	**(835)**	1 597	6 949	–	(13)	(13)	–	(2 441)	–	–
Net cash from (used) financing	**11**	63	91	–	–	–	97	(648)	(648)	(648)
Cash/cash equivalents at the year end	**(34 374)**	(91 905)	7 379	81 387	125 538	125 538	(63 255)	41 129	58 914	93 543
Cash backing/surplus reconciliation										
Cash and investments available	**9 985**	30 856	6 317	24 503	19 086	19 086	(4 331)	19 236	(21 660)	(16 574)
Application of cash and investments	**7 844**	21 856	18 619	92 661	124 589	124 589	(14 477)	125 252	(19 055)	(19 785)
Balance - surplus (shortfall)	**2 141**	9 000	(12 302)	(68 158)	(105 503)	(105 503)	10 146	(106 016)	(2 606)	3 211
Asset management										
Asset register summary (WDV)	**(7 471)**	11 199	(11 970)	351 292	342 195	342 195		325 969	11 002	21 751
Depreciation	**26 698**	13 551	12 039	12 698	12 698	12 698		13 222	13 804	14 425
Renewal of Existing Assets	**–**	–	1 538	–	–	–		–	–	–
Repairs and Maintenance	**24 487**	22 964	29 631	22 898	23 198	23 198		20 028	20 895	21 804
Free services										
Cost of Free Basic Services provided	**(1 477)**	7 496	10 519	21 714	18 128	18 128	20 274	20 274	21 531	22 908
Revenue cost of free services provided	**4 383**	7 456	4 995	4 973	3 944	3 944	8 409	8 409	8 779	9 174
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

6.4.2 2022/2023 Functional Classification

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

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional										
Governance and administration		**47 263**	**53 966**	**59 433**	**40 973**	**42 232**	**42 232**	**43 561**	**46 560**	**49 753**
Executive and council		20 220	28 324	34 237	6 402	7 365	7 365	12 201	13 982	15 876
Finance and administration		27 043	25 642	25 196	34 571	34 867	34 867	31 360	32 578	33 877
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**17 058**	**14 385**	**15 409**	**20 827**	**17 541**	**17 541**	**16 689**	**24 084**	**33 631**
Community and social services		5 569	12 204	15 193	14 727	15 820	15 820	14 889	14 184	14 631
Sport and recreation		–	–	–	–	–	–	–	–	–
Public safety		10 699	2 181	251	–	–	–	–	–	–
Housing		790	–	(36)	6 100	1 721	1 721	1 800	9 900	19 000
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**5 862**	**7 356**	**1 677**	**7 047**	**2 151**	**2 151**	**8 170**	**9 501**	**10 299**
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		5 862	7 356	1 677	7 047	2 151	2 151	8 170	9 501	10 299
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**78 231**	**102 712**	**100 426**	**140 336**	**140 190**	**140 190**	**134 891**	**157 666**	**177 540**
Energy sources		44 940	53 144	56 671	74 321	68 974	68 974	75 292	84 547	90 828
Water management		21 316	34 429	27 712	35 358	37 908	37 908	30 332	42 691	55 063
Waste water management		6 174	7 682	8 188	15 079	16 137	16 137	15 135	15 724	16 342
Waste management		5 801	7 457	7 855	15 578	17 170	17 170	14 131	14 704	15 306
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Revenue - Functional	2	**148 415**	**178 419**	**176 945**	**209 182**	**202 114**	**202 114**	**203 311**	**237 810**	**271 223**
Expenditure - Functional										
Governance and administration		**59 197**	**54 051**	**56 053**	**57 383**	**68 435**	**68 435**	**72 679**	**73 989**	**76 062**
Executive and council		24 733	14 811	14 176	17 062	23 700	23 700	20 288	20 520	21 281
Finance and administration		34 464	39 241	41 877	40 321	44 735	44 735	52 391	53 470	54 781
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**12 782**	**11 126**	**10 562**	**17 233**	**13 240**	**13 240**	**13 346**	**20 708**	**30 165**
Community and social services		6 849	6 317	7 726	9 166	9 856	9 856	9 826	9 014	9 293
Sport and recreation		684	379	380	549	379	379	448	468	488
Public safety		3 208	3 629	1 579	375	220	220	231	241	250
Housing		2 040	801	877	7 143	2 785	2 785	2 841	10 986	20 134
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**10 914**	**13 555**	**8 845**	**16 083**	**11 749**	**11 749**	**17 823**	**19 172**	**20 207**
Planning and development		21	–	–	–	–	–	–	–	–
Road transport		10 894	13 555	8 845	16 083	11 749	11 749	17 823	19 172	20 207
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**86 175**	**88 664**	**106 574**	**101 131**	**111 212**	**111 212**	**114 868**	**117 727**	**122 000**
Energy sources		46 368	48 918	56 175	59 169	63 538	63 538	68 326	72 991	76 921
Water management		16 647	26 477	29 635	18 684	21 254	21 254	20 485	19 954	20 492
Waste water management		13 509	5 710	5 754	9 711	10 995	10 995	12 251	11 402	11 254
Waste management		9 652	7 560	15 010	13 566	15 425	15 425	13 806	13 380	13 334
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Expenditure - Functional	3	**169 068**	**167 397**	**182 033**	**191 830**	**204 637**	**204 637**	**218 716**	**231 597**	**248 435**
Surplus/(Deficit) for the year		**(20 653)**	**11 022**	**(5 088)**	**17 352**	**(2 522)**	**(2 522)**	**(15 405)**	**6 213**	**22 788**

6.4.3 Operating and Revenue Framework

WC041 Kannaland - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2018/19	2019/20	2020/21		Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source											
Property rates	2	15 549	16 692	19 337	24 562	25 522	25 522	21 716	24 836	25 929	27 095
Service charges - electricity revenue	2	44 924	52 825	55 432	67 946	62 578	62 578	57 500	70 503	76 752	82 892
Service charges - water revenue	2	12 773	19 619	18 013	20 787	20 746	20 746	17 772	21 841	23 151	24 540
Service charges - sanitation revenue	2	6 174	7 008	7 456	8 019	8 738	8 738	7 346	9 219	9 772	10 358
Service charges - refuse revenue	2	5 801	6 743	7 040	7 410	8 617	8 617	7 200	8 918	9 451	10 017
Rental of facilities and equipment		533	516	606	631	533	533	456	607	608	608
Interest earned - external investments		669	1 014	1 150	864	880	880	1 028	680	714	757
Interest earned - outstanding debtors		49	2 432	3 541	3 087	4 628	4 628	3 973	4 968	5 167	5 348
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		15 314	7 428	142	5 547	15	15	8	6 007	7 207	7 807
Licences and permits		173	164	217	378	361	361	141	364	420	527
Agency services		828	828	1 083	1 087	1 200	1 200	978	1 200	1 260	1 336
Transfers and subsidies		33 803	40 064	42 601	45 128	42 097	42 097	38 129	43 164	52 076	63 234
Other revenue	2	622	1 477	769	974	576	576	453	475	499	528
Gains		–	–	–	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**137 213**	**156 810**	**157 387**	**186 419**	**176 492**	**176 492**	**156 701**	**192 782**	**213 005**	**235 047**
Expenditure By Type											
Employee related costs	2	55 504	58 588	66 653	65 553	71 649	71 649	64 859	80 239	81 955	85 272
Remuneration of councillors		3 323	3 146	3 184	3 637	3 637	3 637	3 347	3 357	3 504	3 662
Debt impairment	3	25 922	26 594	21 016	20 723	24 401	24 401	38 611	23 594	21 815	20 442
Depreciation & asset impairment	2	26 698	13 551	12 039	12 698	12 698	12 698	9 524	13 222	13 804	14 425
Finance charges		2 921	4 386	3 188	382	2 318	2 318	784	2 072	2 160	2 254
Bulk purchases	2	35 307	40 539	44 054	48 940	52 650	52 650	42 859	58 024	62 536	65 975
Other materials	8	1 150	2 579	5 759	7 193	5 762	5 762	3 486	5 071	5 127	5 357
Contracted services		7 849	8 276	8 030	17 971	15 403	15 403	8 734	13 749	21 526	31 028
Transfers and subsidies		1 899	96	246	838	448	448	200	450	334	349
Other expenditure	4, 5	8 100	9 616	17 815	13 895	15 670	15 670	9 102	18 939	18 837	19 671
Losses		395	25	50	–	–	–	–	–	–	–
Total Expenditure		**169 068**	**167 397**	**182 033**	**191 830**	**204 637**	**204 637**	**181 505**	**218 716**	**231 597**	**248 435**
Surplus/(Deficit)		**(31 855)**	**(10 586)**	**(24 646)**	**(5 411)**	**(28 145)**	**(28 145)**	**(24 804)**	**(25 934)**	**(18 592)**	**(13 388)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		10 820	21 608	19 524	22 763	25 622	25 622	13 175	10 529	24 805	36 176
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		382	–	34	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**(20 653)**	**11 022**	**(5 088)**	**17 352**	**(2 522)**	**(2 522)**	**(11 629)**	**(15 405)**	**6 213**	**22 788**
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		**(20 653)**	**11 022**	**(5 088)**	**17 352**	**(2 522)**	**(2 522)**	**(11 629)**	**(15 405)**	**6 213**	**22 788**
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**(20 653)**	**11 022**	**(5 088)**	**17 352**	**(2 522)**	**(2 522)**	**(11 629)**	**(15 405)**	**6 213**	**22 788**
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		**(20 653)**	**11 022**	**(5 088)**	**17 352**	**(2 522)**	**(2 522)**	**(11 629)**	**(15 405)**	**6 213**	**22 788**

6.4.4 The Capital Budget Framework

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

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Vote											
Multi-year expenditure *to be appropriated*	2										
Vote 1 - MUNICIPAL MANAGER		–	–	–	–	–	–	–	130	–	–
Vote 2 - CORPORATE SERVICES		–	–	817	–	833	833	1 369	1 710	–	–
Vote 3 - FINANCIAL SERVICES		–	–	(138)	–	–	–	–	–	–	–
Vote 4 - TECHNICAL SERVICES		–	1 645	–	–	2 026	2 026	3 888	9 454	–	–
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total		**–**	**1 645**	**679**	**–**	**2 859**	**2 859**	**5 256**	**11 294**	**–**	**–**
Single-year expenditure *to be appropriated*	2										
Vote 1 - MUNICIPAL MANAGER		–	–	–	192	192	192	105	–	–	–
Vote 2 - CORPORATE SERVICES		3 161	1 763	(12 115)	1 023	1 023	1 023	159	500	–	–
Vote 3 - FINANCIAL SERVICES		2 095	118	9 618	1 664	1 664	1 664	1 387	50	–	–
Vote 4 - TECHNICAL SERVICES		13 520	15 653	10 308	20 888	20 901	20 901	48 021	1 074	24 805	36 176
Vote 5 - CALITZDORP SPA		–	–	–	–	–	–	–	–	–	–
Vote 6 - CORPORATE SERVICES (Continued)		–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**18 776**	**17 534**	**7 811**	**23 767**	**23 780**	**23 780**	**49 672**	**1 624**	**24 805**	**36 176**
Total Capital Expenditure - Vote	3,7	**18 776**	**19 178**	**8 490**	**23 767**	**26 639**	**26 639**	**54 928**	**12 919**	**24 805**	**36 176**
Capital Expenditure - Functional											
Governance and administration		**2 095**	**118**	**9 480**	**2 001**	**2 001**	**2 001**	**515**	**180**	**–**	**–**
Executive and council		–	–	–	192	192	192	105	130	–	–
Finance and administration		2 095	118	9 480	1 809	1 809	1 809	410	50	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		**2 945**	**1 763**	**(11 297)**	**378**	**1 211**	**1 211**	**684**	**1 510**	**–**	**–**
Community and social services		–	–	(11 467)	–	833	833	684	860	–	–
Sport and recreation		2 945	1 262	170	378	378	378	–	650	–	–
Public safety		–	500	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		**215**	**–**	**–**	**500**	**513**	**513**	**16**	**700**	**–**	**–**
Planning and development		–	–	–	–	–	–	–	–	–	–
Road transport		215	–	–	500	513	513	16	700	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		**13 520**	**17 297**	**10 308**	**20 888**	**22 915**	**22 915**	**9 987**	**10 529**	**24 805**	**36 176**
Energy sources		2 208	605	797	2 699	2 699	2 699	235	1 980	3 000	3 135
Water management		10 972	14 599	9 510	18 189	20 216	20 216	9 751	2 441	21 805	33 041
Waste water management		–	2 094	–	–	–	–	–	6 108	–	–
Waste management		340	–	–	–	–	–	–	–	–	–
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total Capital Expenditure - Functional	3,7	**18 776**	**19 178**	**8 490**	**23 767**	**26 639**	**26 639**	**11 202**	**12 919**	**24 805**	**36 176**
Funded by:											
National Government		14 094	12 901	10 245	22 763	22 763	22 763	8 306	10 529	24 805	36 176
Provincial Government		2 031	6 061	(11 154)	–	2 859	2 859	2 628	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**16 125**	**18 962**	**(909)**	**22 763**	**25 622**	**25 622**	**10 934**	**10 529**	**24 805**	**36 176**
Public contributions & donations	5	–	–	–	–	–	–	–	–	–	–
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		985	98	614	1 004	1 004	1 004	268	2 390	–	–
Total Capital Funding	7	**17 111**	**19 060**	**(295)**	**23 767**	**26 626**	**26 626**	**11 202**	**12 919**	**24 805**	**36 176**

6.4.5 2022/2023 Financial Cash Flow

WC041 Kannaland - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	7 496	20 213	20 227	20 227	(9 652)	20 366	21 859	23 169
Service charges		–	–	26 341	89 407	86 739	86 739	(49 417)	100 478	111 547	121 444
Other revenue		–	–	1 379	9 833	3 895	3 895	(833)	10 583	12 254	13 258
Transfers and Subsidies - Operational	1	–	–	43 137	44 598	41 567	41 567	(23 086)	43 164	52 076	63 234
Transfers and Subsidies - Capital	1	–	–	22 164	22 763	25 622	25 622	(6 546)	10 529	24 805	36 176
Interest		–	–	9	3 961	3 905	3 905	(15)	3 664	4 059	4 402
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(33 548)	(89 731)	(100 051)	(151 876)	(154 015)	(154 015)	26 201	(193 371)	(208 167)	(226 405)
Finance charges		–	–	–	–	–	–	–	–	–	–
Transfers and Grants	1	–	(3 834)	(137)	–	–	–	–	–	–	–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(33 548)**	**(93 565)**	**338**	**38 899**	**27 941**	**27 941**	**(63 348)**	**(4 587)**	**18 433**	**35 278**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		36	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		(871)	1 597	6 949	–	(13)	(13)	–	(2 441)	–	–
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(835)**	**1 597**	**6 949**	**–**	**(13)**	**(13)**	**–**	**(2 441)**	**–**	**–**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		11	63	91	–	–	–	97	–	–	–
Payments											
Repayment of borrowing		–	–	–	–	–	–	–	(648)	(648)	(648)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**11**	**63**	**91**	**–**	**–**	**–**	**97**	**(648)**	**(648)**	**(648)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(34 372)**	**(91 905)**	**7 379**	**38 899**	**27 928**	**27 928**	**(63 251)**	**(7 676)**	**17 785**	**34 630**
Cash/cash equivalents at the year begin:	2	**(2)**	**–**	**–**	42 488	97 609	97 609	**(5)**	**48 805**	**41 129**	**58 914**
Cash/cash equivalents at the year end:	2	**(34 374)**	**(91 905)**	**7 379**	**81 387**	**125 538**	**125 538**	**(63 255)**	**41 129**	**58 914**	**93 543**

6.4.6 2022/2023 Financial Position

WC041 Kannaland - Table A6 Budgeted Financial Position

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS											
Current assets											
Cash		1 732	1 381	3 943	(13 359)	(21 150)	(21 150)	(637)	(21 000)	(21 660)	(16 574)
Call investment deposits	1	8 289	29 476	2 374	37 862	40 236	40 236	(3 694)	40 236	–	–
Consumer debtors	1	(101)	1 634	(532)	6 755	3 083	3 083	(19 475)	3 919	(3 616)	(3 321)
Other debtors		(26 043)	(16 326)	(19 106)	(46 381)	(67 939)	(67 939)	9 609	(72 689)	(7 200)	(7 800)
Current portion of long-term receivables		(5)	(5)	–	–	–	–	–	–	–	–
Inventory	2	924	418	794	(2 867)	(1 584)	(1 584)	554	(724)	(4 135)	(4 321)
Total current assets		**(15 205)**	**16 577**	**(12 526)**	**(17 989)**	**(47 354)**	**(47 354)**	**(13 644)**	**(50 258)**	**(36 611)**	**(32 016)**
Non current assets											
Long-term receivables		–	–	–	–	–	–	–	–	–	–
Investments		(36)	–	–	–	–	–	–	–	–	–
Investment property		(211)	(124)	(114)	1 364	1 250	1 250	–	1 250	–	–
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	(7 208)	11 330	(11 845)	349 890	340 916	340 916	1 702	324 691	11 002	21 751
Agricultural		–	–	–	–	–	–	–	–	–	–
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		(52)	(7)	(10)	38	28	28	(24)	28	–	–
Other non-current assets		–	–	–	–	–	–	–	–	–	–
Total non current assets		**(7 507)**	**11 199**	**(11 970)**	**351 292**	**342 195**	**342 195**	**1 678**	**325 969**	**11 002**	**21 751**
TOTAL ASSETS		**(22 712)**	**27 776**	**(24 495)**	**333 303**	**294 841**	**294 841**	**(11 966)**	**275 711**	**(25 609)**	**(10 264)**
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	(566)	(504)	(127)	586	459	459	(534)	459	–	–
Consumer deposits		11	63	91	1 027	1 119	1 119	97	1 119	–	–
Trade and other payables	4	(4 045)	10 305	(12 675)	14 780	5 880	5 880	308	(291)	(30 454)	(31 685)
Provisions		(357)	(2 006)	968	12 619	7 296	7 296	–	7 296	–	–
Total current liabilities		**(4 957)**	**7 859**	**(11 742)**	**29 011**	**14 755**	**14 755**	**(128)**	**8 584**	**(30 454)**	**(31 685)**
Non current liabilities											
Borrowing		0	–	(446)	(429)	(875)	(875)	–	(950)	(1 368)	(1 368)
Provisions		2 452	13 992	8 197	37 511	45 708	45 708	–	45 708	–	–
Total non current liabilities		**2 452**	**13 992**	**7 751**	**37 082**	**44 833**	**44 833**	**–**	**44 757**	**(1 368)**	**(1 368)**
TOTAL LIABILITIES		**(2 505)**	**21 851**	**(3 992)**	**66 094**	**59 588**	**59 588**	**(128)**	**53 341**	**(31 822)**	**(33 053)**
NET ASSETS	5	**(20 206)**	**5 926**	**(20 504)**	**267 209**	**235 253**	**235 253**	**(11 837)**	**222 370**	**6 213**	**22 788**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		1 347	(5 044)	(15 886)	238 953	237 306	237 306	–	237 306	–	–
Reserves	4	(701)	(52)	470	10 904	470	470	(209)	470	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	**645**	**(5 096)**	**(15 416)**	**249 857**	**237 775**	**237 775**	**(209)**	**237 775**	**–**	**–**

6.5 Reconciling the 2021/2022 budget with 2022/2023 Integrated Development Plan

The following tables shows what is the budget in term of IDP priorities for the 2022/23 financial year.

Revenue:

WC041 Kannaland - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)												
Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens				148 415	178 419	176 945	209 182	202 114	202 114	136 526	158 285	178 174
KPA 2: To Provide adequate Services and improve our Public relations										11 018	11 312	11 629
KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks										7 316	8 582	9 265
KPA 4: To Facilitate Economic Growth and Social and Community development										5 088	13 235	22 485
KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation										12 201	13 982	15 876
KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy										–	–	–
KPA 7: To Strive towards a financially sustainable municipality										31 162	32 414	33 794
										–	–	–
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	148 415	178 419	176 945	209 182	202 114	202 114	203 311	237 810	271 223

Expenditure:

WC041 Kannaland - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)												
Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
KPA 1: To Provide access to reliable infrastructure that will contribute to a higher quality of life for Kannaland citizens				169 068	167 397	182 033	191 830	204 637	204 637	100 061	102 465	106 128
KPA 2: To Provide adequate Services and improve our Public relations										2 991	3 117	3 250
KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks										1 737	1 646	1 721
KPA 4: To Facilitate Economic Growth and Social and Community development										3 546	11 723	20 905
KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation										8 713	9 081	9 474
KPA 6: To Provide an efficient workforce by aligning our institutional arrangements to our overall strategy										80 406	82 120	85 588
KPA 7: To Strive towards a financially sustainable municipality										21 261	21 446	21 369
										–	–	–
										–	–	–
										–	–	–
Allocations to other priorities												
Total Expenditure			1	**169 068**	**167 397**	**182 033**	**191 830**	**204 637**	**204 637**	**218 716**	**231 597**	**248 435**

References
1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Balance of allocations not directly linked to an IDP strategic objective

5.6 Conclusion

It is against the 2022 financial performance that Kannaland Municipality shall benchmark its performance and overcome the financial concerns which had been raised in the AG Report. A budget operational strategy and funding plan is included and attached

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Budget Funding Plan

1. Introduction

The Budget Funding Plan sets out the measures that the Municipality will take in order to achieve a funded budget over the 2022/2023 to 2025/2026 MTREF.
Kannaland Municipality understands that a realistic, credible, viable and sustainable budget is achieved through simultaneous alignment of projected financial performance, financial position, and cash flows. The municipality is committed in achieving this goal but realistically this objective can only be achieved over multiple financial years. It is therefor that the municipality propose the funding plan as set out below.

2. Legislative requirement for a funded budget

The Municipal Finance Management Act No.56 of 2003 ("MFMA") requires that a municipality's budget must be credibly funded. Section 18(1) of the MFMA states that an "*annual budget may only be funded from –*

a) realistically anticipated revenues to be collected;
b) cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
c) borrowed funds, but only for the capital budget referred to in section 17(2)."

Section 18(2) adds that "*revenue projections in the budget must be realistic, taking into account-*

a) projected revenue for the current year based on collection levels to date; and
b) actual revenue collected in previous financial years."

The Municipal Budget and Reporting Regulations ("MBRR") further clarifies in paragraph 10(1)(b) that "the funding of an annual budget must be consistent with the trends, current and past, of actual funding collected or received." It, further states in paragraph 10(4) that "the cash flow budget required in terms of Schedule A must reflect all funds realistically forecast to be collected, including arrears."
The requirement for municipal budgets to be prepared based on realistically anticipated estimates of revenue and expenditure is therefore clearly established in legislation.

3. Changes to achieve a funded budget

This section outlines the specific pillars that the Municipality will implement in order to close the gap between revenue and expenditure and achieve a credible funded budget.

REVENUE MANAGMENT	Improved capacity in the revenue department
	Ensure and confirm billing completeness and accuracy
	Improved the collection rate
	Improved Indigent management
	Improved customer care
	Improved losses management
	Improved contract management
	Improved performance of the traffic department

Cost Containment	Efficient HR and remuneration (allowances) management
	Management of consultants (performance and need)
	Fleet Management
	Meetings and Subsistence & Travel

Asset & Liability Management	Compliance with section 65 of the MFMA – Expenditure Management
	Evaluate, confirm liability, and enter into only viable payment arrangements
	Ringfencing of conditional grants
	Improved internal controls and assurance
	Evaluate all municipal housing assets
	Draft a repairs and maintenance plan (reduce asset impairment)
	Identify and dispose of uneconomical assets

3.1. Positive cash flows with a focus on revenue from trading services

Short to medium term actions to improve liquidity (3-6 months)

- The revenue department capacity is limited, and it is without any accountants and vacancies needs to be advertised and filled. The following appointments will be made in the short to medium term:

- Accountant Debtors, Credit Control & Meter Management – To be responsible for the collection rate, management of indigent processes, monthly reconciliations, and losses management.

- Accountant Property Rates – Take responsibility for the completeness of billing (including the monitoring of services linked to properties), maintenance of the valuation roll, property register and valuation processes (planning execution of general and annual supplementary processes).

- Senior Clerk Customer Care – a recent vacancy that needs to be filled and support a depleted revenue department.

The above is important to ensure that the necessary controls are implemented, monthly reconciliations are in place, segregation of duties and will reduce year-end AFS related costs by addressing disclosure requirements and dealing with debt impairment. It should be noted that none of the last three accountants that resigned were replaced in the revenue department and consequently it became a department that is heavily dependent on individuals and not structures, that is a risk that should be managed without delay.

- <u>Data collection and meter verification project</u>

  - Verify the use of residential properties that will have an impact on rates revenue;
  - Verify services connected to the property to ensure all services are billed correctly according to use and ensure billing completeness;
  - Debtor cleansing and introduce the use of SG coding as a control to check for billing completeness as part of a continuous process;
  - Verify service consumer / user compared to municipal records to enable auxiliaries and improve credit control (also address prudent use of scare resources, like water);
  - Confirm owner detail and contact details (email etc.);
  - TID verification;
  - Evaluate potential status as indigent and if confirmed the installation of a pre-paid water meter.

  This will have a significant impact on the collection rate, enable the municipality to manage over and above subsidized use and control the use of scares resources. Establishing the correct category of use will without a doubt have a positive impact on revenue and for the first time since amalgamation have a standardized debtors database that can be linked to a property. The cost will be recovered within six months if implemented as envisaged.

- Quarterly rates, billing, and valuation roll reconciliation to ensure completeness of billing and correctly in terms of use. This will greatly assist in the maintenance of the valuation roll and enable more accurate revenue forecasting.

- Improved losses management will include activities like improved exception reporting due to the availability of additional capacity, control measures and with the meter verification project detecting unmeasured consumption. It is well documented that the municipality has a significant problem with broken meters that were by-passed and never replaced as well as connections that were made without installing meters at all. Consumers that are being held accountable for their consumption will also be subject to improved demand control and be less oblivious to water leaks etc.

The item above will be supported by addressing the lack of communication between various departments that includes building control, the technical and the revenue department. Bulk meters need to be calibrated annually and the top 10 consumers should be monitored monthly to enable timeous detection of any issues.

- The repeat audit finding pertaining to municipal rental contracts that are either outdated or does not exist at all will be addressed. The municipality will manage their assets with care and ensure that they remain economical. Legislation dictates that no municipal asset can be leased out without a fee being charged, even if not market related, like in the case of clubs performing a community service function on behalf of the municipality. The municipality will address non-compliance in this regard and will establish the balance between what is reasonable but being mindful at the same time of the function or operational needs.

- Revenue from the rental of community halls and facilities dropped significantly in the post Covid era and the marketing, control and management of this function will be addressed and restored as a revenue source.

- The traffic department that generated a surplus of R3-R4million until recently is running on a loss of almost R3 million. This is the municipal function with the most revenue potential and can reduce an annual loss and turn it into a profit of up to R5 million by addressing obvious issues with little effort. Activities will include:

  - Introducing speed-fines by obtaining cameras and identifying best practices to ensure that the collection rate of 22-25% can be increased;
  - Start issuing section 56 spot-fines again;
  - Establish improved customer relations (trucking companies, earthmoving, etc.);
  - Increase in licensing revenue; and
  - K53 testing.

Revenue management value chain activities will be prioritised, with the focus that will be on revenue from rates, trading services electricity and water, economic services like sanitation and refuse, as these are revenue generating items that are under the control of the municipality and are not incidental in nature.

In achieving positive cash flows and short-term liquidity the municipality realize that it is imperative that the cash flows in the cash flow statement shows positive net cash flows. To be included in the cash flow will be the fixed obligations for bulk service providers that must be included, and revenue will be aligned to realistically anticipated estimates for billable services and in taking into consideration the impact of the budget funding plan on the budget assumptions.

Focus on cash and short-term liquidity will include that great emphasis will be placed on the restructuring of the cash flows and ensuring, they are positive. To ensure further sustainability, the budget funding plan will work towards the objective of an incremental increase in the cash flows of the municipality that will be set at:

- Year 1 – At least 15 days cash on hand (dependent on the circumstances of the municipality)
- Year 2 – At least 30 days cash on hand (dependent on the circumstances of the municipality)
- Year 3 – At least 2 months cash on hand (dependent on the circumstances of the municipality)

Improved revenue management is not enough to address the short-term problems, the strategy should be an organisational effort where all departments contribute and where all stakeholders understand and are in agreement on what needs to be done.

3.2. Realistic debtors' collection rates with incremental improvements year on year

Credit control measures will include the use of bulk SMS's, the full use of the SAMRAS credit control module and the appointment of a vendor to deal with the summonsing. The addition of pre-paid water meters to indigent households will provide additional methods of credit control that was not previously available to the municipality. It can address the over and above subsidized use that has led to annual indigent write-offs of on average R5 million per annum in recent years.

Collection rate improvement and indigent management will include that the municipality will establish additional pay points and additional registration options pertaining to indigent management. Van Wyksdorp will get an official once a week to support indigent registrations and to serve the public that wants to make payments on their accounts. Zoar and Bergsig will also get a once a week official to facilitate a much more accessible option to indigent registrations. The municipality will also target the top 20 outstanding debtors and ensure that all government accounts are accurate

and up to date.

The stringent credit control measures that the municipality intends to implement are intended to have the following impact:
The current year baseline – 78%

- Year 1 – 85%
- Year 2 – 88%
- Year 2 – 90%

3.3. Implementation of cost containment measures and a reduction of expenditure

- Reducing non-core expenditure - Cost containment measures will be fully implemented in line with Treasury directives and additional cost containment measures specific to the municipality. The target will be to reduce by at least 60% and planned over the MTREF as follow:

  - Year 1 – 30%
  - Year 2 – 20%
  - Year 3 – 10%

  Items and activities to be included will be the following:
  - Review and update HR policies, strengthen organisational discipline and apply consequence management;
  - Notch increases are discretionary and are to be linked to performance management and affordability;
  - Review T-gradings and where incorrect, apply the principle of "occupier of the position" with not being eligible for notch increases until T-grading are in line with the position;
  - Table a Contract Management Policy that will ensure that a needs analysis needs to be submitted before appointment and that performance will be monitored in terms of a set criteria;
  - Investigate telephone costs and consider the viability of voice to IP;
  - Reduce fleet related expenditure without compromising the underlying asset and monitor the use of wet fuel;
  - Meetings, entertainment, travel and subsistence to be cut to only the essential.

3.4. Creditors payment rates that ensure that all fixed obligations, including obligations for bulk purchases, are met

- The municipality will develop a control checklist to ensure that the legislative requirements of section 65 of the MFMA will be met. This will include expenditure to be incurred in terms of the municipal cash flow plan and timeously accounted for on the accounting system. In other words, expenditure will be recognized when incurred and

not only when paid as the current practice dictates and refrain from incurring interest charges due to late payment.

- All payment arrangements will be assessed, and the municipality will only enter into viable payment arrangements. Before entering a payment arrangement, the municipality will first evaluate the credibility of the liability. Payment arrangements will be prioritised as in terms of their importance to service delivery.

- All statutory payment obligations will be timeously met.

- Operational expenditure will be prioritised according to service delivery demands and preventative maintenance will be considered a priority with the budget steering committee constantly monitoring the implementation of the budget and react to any potential risks and deviations.

- A SCM manager will be appointed, and the internal capacity of the department will be strengthened. Procurement will be a planned activity in terms of needs and cash flow. Value for money will be pursued with the effective, efficient, and economic approach to acquisition and demand management in the way as envisaged by section 2017 of the Constitution.

3.5. Ring fencing of conditional grants and ensuring that conditional grant funding is cash backed

- All municipal conditional grants are cash back and this practice of ringfencing will be persisted with and constantly being monitored to ensure that the status quo remain the same.

- A budget steering committee will be established to ensure that a procurement plan will be in place, being implemented and that grant funding are not only being spent but also will be spent within the parameters of the conditions of the applicable grant.

3.6. Other measures

- The municipality will develop an asset management and maintenance plan to ensure the optimal use of assets. The objectives are to reduce asset impairment costs, extent the economic life of assets, reduce overtime and standby associated with unreliable assets and ultimately maximize the asset performance.

- Assets will be assessed with the assistance of the provincial deployed officials and MISA with uneconomical assets to be disposed of. This will include municipal housing where maintenance costs exceed the benefit.

4. Implementation plan (timelines and targets)

An implementation plan with measurable targets (Annexure B) will be implemented, responsibility allocated and will be monitored to ensure a funded sustainable budget.
If targets are not realized, reasons must be provided to Council and Provincial Treasury and the budget funding plan adjusted accordingly. If there is continued non-adherence of the budget funding plan, consequence management must follow.

5. Monitoring

The implementation of this plan will be monitored monthly by the budget steering committee, with reports on the achievement of the targets set under the pillars to be reported to Council and the Provincial Treasury submitted 14 working days after the end of each month.

6. Conclusion

Appendix A – Revenue background and challenges

MUNICIPAL RATES & SERVICES ASSESSMENT				
	REVENUE SOURCE	STATUS QUO	CAN BE DONE TO IMPROVE	RISKS
1.	PROPERTY RATES	• GV - Billing According to Category as per valuation • Quarterly reconciliations being done on billing completeness & actuals vs theoretical	• With a meter verification the use / category classification can be confirmed • Restore tariff ratio's between categories of billing • Credit Control / collect revenue - Appoint vendor to deal with summons'	• Balance between tariffs / ability to pay
2.	SERVICE CHARGES ELECTRICITY	• Billing completeness guided by non-technical losses • Industry norm with an aged infrastructure 8- 9% • Means non-technical losses - Lds with 2% and Czd with 7% • Consultant dependent reading of meter - river pumps Czd (3phase) • Remote reading & when offline elect dept must reset • fire risk (burn-out history) - not sure if all meters were replaced	• Remove dormant meters from pre-paid system • Improve exception reporting • Meter verification needed to improve effectivity • TOU needs to be restructured & tariffs in general reviewed • Auxiliary charges - dependent meter verification (increase effectiveness)	• Cost recovery and dependence on cross subsidisation • Credit Control - prescription debt • Liability / risk damages claims • TID verification and process
3.	SERVICE CHARGES WATER	Billing completeness impacted by: • bulk meters @ source (control meters) not functioning • Property cannot be linked to service (LPI / SG Code needed) • Huge Zoar consumption with a lot of accumulating debt • Many properties broken meters not replaced or still not functioning	• Bulk meters at reservoirs to be replaced / calibrated • Pre-paid water meters (already part of indigent policy & to be extended Zoar • Replace faulty meters / absence of meters • Meter verification should address / assist	• Credit Control - prescription debt • Indigents use over & above subsidised 6kl (BIG Problem) • Communication between fin & technical dept • Cost recovery / Tariffs reviewed
4.	SERVICE SANITATION / WASTE WATER	Billing completeness impacted by: • Property cannot be linked to service (LPI / SG Code) • Bad communication between techn dept & billing • Different sewerage systems (3 systems in use) • Bill per toilet cannot bill according to water due to issues raised under water	• Meter verification can address • CZD & VWD changes / connections not communicated • Role to play by building control	• Cost recovery • Credit Control - prescription debt • Health risks
5.	SERVICE CHARGES REFUSE	Billing completeness impacted by: • Property cannot be linked to service (LPI / SG Code) • Service not provided to all residential areas (difficult what service where?)	• Improved planning (no overtime - planned service?) • Establish service areas • Verification will assist in mapping • Improved management of landfill sites	• Cost recovery • Credit Control - prescription debt • Landfill site related risks
6.	RENTAL FASCILITIES & EQUIPMENT (BILLED)	• Limited rental contracts - rental listing dependent on contract info • No reconciliation between municipal properties rented out and asset register • Rent not always market related and lack updates in terms of increases	• Contracts to be reconciled with rental listing • evaluate asset and economical value • Reconcile asset register to municipal rentals • Evaluate all municipal assets and revenue generating capacity	• Cost of maintaining assets more than revenue generation • Maintenance - no strategy / plan
7.	INTEREST ON OUTSTANDING DEBTORS	• Increasing on a monthly basis as debtors grow (Outstanding debtors increase R3m + / mnth) • Credit Control an issue - interest on interest	• Pre-paid water • Meter verification (service account holder establish) • Frequent write-offs (in terms of policy) • Manage debtors book - needs additional capacity	• Excessive debt impairment • Growth in outstanding debtors cumulative • Duplim rule - non-compliance credit act potentially
8.	BILLING GENERAL	• Meter verification will resolve issue as to what service is connected to what property and who is the occupant (service acc holder) • Transfer of municipal property (low cost housing) into name of occupant - rates not billed name of municipality and if indigent have to register • Building control - no communication -re-zoning, new buildings or improvements (impact rates & services impacted by re-zoning) • Credit Control - tools of trade (Bytes credit control module / summons vendor / bulk sms's) • Re-establish a customer service & pay point at VWD (1-2 / week) • Additional options to pay account and communicate an account (emails / platform to download account) • EASY PAY to be considered		• Bill rates low cost housing • Understating true cost of FBS • Consider cost reflectiveness of tariffs but in context of quality of service provided. • Political & stakeholder buy-in • Public trust issues • Disinvestment & inability to meet industry service requirements

ANNEXURE II KANNALAND MUNICIPALITY
SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN 2022-2023

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
KPI 1	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Appointment of Executive Director: Technical Services	**Number of Executive Director: Technical Services appointed**	1								1		**2023-06-30**
KPI 2	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Review of Infrastructure Master Plan	Number of Infrastructure Master Plans reviewed	1								1		**2023-06-30**
KPI 3	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Develop a Water Services Plan	Number of water services master plans developed and adopted	1								1		**2023-06-30**
KPI 4	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Develop an Electricity Master Plan	Number of Electricity Master Plans developed and adopted	1								1		**2023-06-30**
KPI 5	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Compile an Electricity Network Assessment Report and a Power Network Distribution Upgrade Plan to be completed in a 4-year timeframe.	Number of Power network assessment reports submitted to council And Number of Power Network Distribution upgrade Plans submitted to council	1								1		**2023-06-30**
KPI 6	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Compile an upgrade and repair plan to complete road infrastructure upgrades in a 4-year timeframe.	Number of Ladismith Road Network assessments and road network upgrader and repair plans submitted to council	1								1		**2023-06-30**
KPI 7	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Repair potholes within seven days after being reported	Number of quarterly pothole repairs progress reports submitted to council	1		1		1		1		4		**2023-06-30**
KPI.1	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Complete 98% of all MIG infrastructure to the stage where were issued with Prractical Completion certificates by 30 June 2022	Percentage (%) of the MIG grant spent i.t.o. budget allocations	18%		40%		65%		98%		98%		**2023-06-30**

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
KPI.2	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Complete 95% of all PMU infrastructure projects (MIG, WSIG, (Drought relief) to the stage where were issued with Practical Completion certificates by 30 June 2022	Percentage (%) of the MSIG, WSIG, Drought Relief grant spent i.t.o. budget allocations completed projects that was issued wit Practical completion certificates	Progress Report to Mayco		Progress report to Mayco		Progress report to Mayco		Progress report to Mayco		95%		**2023-06-30**
KPI.3	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Infrastructure Services	Complete 95% of all Electricity infrastructure projects (INEP, EEDM) to the stage where were issued with Practical Completion certificates by 30 June 2022	% of INEP, EEDM completed and issued with Practical Completion certificates	Progress Report to Mayco		Progress report to Mayco		Progress report to Mayco		Progress report to Mayco		95%		**2023-06-30**
KPI.4	KPA 1: To Provide access toreliable infrastructure that will contribute to a higher qualityof life for Kannaland citizens	7 An inclusivedistrict economy	Innovation and Culture	Outcome 6: Efficient, competitive and responsive economic infrastructure network	Corporate Services	Complete the upgrade of the library in Bergsig, Calitzdorp by end June 2022	Number of libraries completed (listedl as a phased project)	-		-		-		1		1		**2023-06-30**
KPI.5	KPA 2: To Provide adequateServices and improve our Public relations	7 An inclusivedistrict economy	Innovartion and culture	Outcome 10: Protection and enhancement of environmentalassets and natural resources	Infrastructure Services	Limit total of electricity losses in distribution network to less than 12% accumulated over the financial year until 30 June 2022	Percentage (%) of electricity losses calculated in distribution network on a twelve-month rolling period as kWh sold/kWh purchased	12%		12%		12%		12%		12%		**2023-06-30**
KPI.6	KPA 2: To Provide adequateServices and improve our Public relations	7 An inclusivedistrict economy	Innovartion and culture	Outcome 10: Protection and enhancement of environmentalassets and natural resources	Infrastructure Services	75% of water samples comply with SANS-241 micro biological indicators {(Number of water samples that comply with SANS-241 indicators/Number of water samples tested)x100}	% of water samples that complies with SANS-241 standards	75%		75%		75%		75%		75%		**2023-06-30**
KPI.7	KPA 2: To Provide adequateServices and improve our Public relations	7 An inclusivedistrict economy	Innovartion and culture	Outcome 10: Protection and enhancement of environmentalassets and natural resources	Infrastructure Services	Limit accumulated unaccounted for water to less than 30%annually until30 June 2022	% of water losses in distribution networks in all of Kannaland towns	Less than 30%		Less than 30%		Less than 30%		Less than 30%		Less than 30%		**2023-06-30**
NKPI 1	KPA 2: To Provide adequate Services and improve ourPublic relations	3 Bulk Infrastructure Co-ordination	10. Integrating service delivery for maximumimpact	Outcome 8: Sustainable human settlements and improvedquality of household live.	FinancialServices	Number of formal residential properties that receive piped water connected to the municipal water infrastructure network as at 30 June 2022	Number of formal residential properties which are billed for water services as at 30 June 2022	4935		4942		4945		4950		4950		**2023-06-30**

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
NKPI 2	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximum impact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Provision of electricity to formal residential account holders connected to the municipal electrical infrastructure network for both credit and prepaid electrical metering. Number of formal residential properties connected to the municipal electrical infrastructure network (excluding Eskom areas) as at 30 June 2022	Number of formal residential properties which are billed for electricity/have pre-paid electricity (excluding Eskom areas) as at 30 June 2022	3820		3830		3833		3840		3840		**2023-06-30**
NKPI 3	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximum impact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Provision of sanitation/sewerage services to formal residential account holders which are connected to the municipal waste water/sanitation/sewerage network and billed for services as at 30 June 2022	Number of formal residential properties which are billed for sewerage services in accordance with the SAMRAS financial system as at 30 June 2022	4465		4470		4473		4478		4478		**2023-06-30**
NKPI 4	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximum impact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Number of formal residential properties for which refuse is removed at least once per week and billed for the service as at 30 June 2022.	Number of formal residential properties which are billed for refuse removal services as at 30 June 2022	4805		4810		4813		4820		4820		**2023-06-30**
NKPI 5	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximumimpact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Provision of electricity to informalresidential account holders in the designated informal areas which are connected to the municipal electrical infrastructure network for prepaid electrical metering	Number of residential pre-paid meters registered on the Syntell/ Utilities World Financial system in the designated informal areas	150	103	150	103	150		150		150		**2023-06-30**
NKPI 6	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximumimpact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Number of Households with access tofree basic services (as per Indigent Register) by 30 June 2022	Number of Households with accessto free basic services (as per Indigent Register)	2340		2540		2550		2560		2560		**2023-06-30**
NKPI 7	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximumimpact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Provision of free basic electricity to indigent account holders connected to the municipal electrical infrastructure network	Number of indigent account holders receiving free basic electricity which are connected to the municipal electrical infrastructure network	2100		2540		2550		2560		2560		**2023-06-30**
NKPI 8	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximumimpact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Provision of free basic sanitation services to indigent account holders which are connected to the municipal waste water (sanitation/sewerage) network & are billed for sewerage service, irrespective of the number of water closets (toilets)	Number of indigent account holders receiving free basic sanitation in terms of Equitable share requirements.	2100		2540		2550		2560		2560		**2023-06-30**

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
NKPI 9	KPA 2: To Provide adequateServices and improve our Public relations	3 Bulk Infrastructure Co-ordination	10. Integrating servicedelivery for maximumimpact	Outcome 8: Sustainable humansettlements and improved quality of household live.	FinancialServices	Provision of clean piped water to indigent account holders which are connected to the municipal water infrastructure network	Number of indigent accountholders receiving free basic water.	2100		2540		2550		2560		2560		**2023-06-30**
KPI.8	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Review of the disaster management plan by March 2023	Number of plans reviewed and submitted to council quarterly	-		-		1		1		2		**2023-06-30**
KPI 9	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Review Integrated Waste Management Implementation plan by 30 June 2023	Number of IWMIP reviewed							1		1		**2023-06-30**
KPI 10	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Develop and adopt an Alien Invasive Control Management Plan	Number of Alien Invasive Control Management Plans adoptd	1		1								**2023-06-30**
KPI 11	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Clean up all public spaces by removing dumped refuse, broken fittings, dead trees and broken road signs.	Number of quarterly clean up reports submitted to council	3		3		3		3		12		**2023-06-30**
KPI 11	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Plant 200 indigenous and waterwise trees	Number of trees planted	50		50		50		50		200		**2023-06-30**
KPI 22	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Construct a K53 License testing facility	Number of K53 Traffic license testing facility constructed							1		1		**2023-06-30**

IDP REF	IDP KPA	District Output	PSP: VIP (Very Inspired Priorities)	National Output	Department	Indicator description	How indicator is measured	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	ANNUAL TARGET	ANNUAL ACTUAL	Annual Target Date
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
	health, fire and disaster risks																	
KPI 22	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Develop traffic by-laws	Number of traffic by laws developed			1						1		**2023-06-30**
KPI 22	KPA 3: To strive towards a safe community in Kannaland through the proactive management of traffic, environmental health, fire and disaster risks	4. Environmental management and public safety	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Review community safety plan	Number of community safety plans reviewed							1		1		**2023-06-30**
NKPI.10	KPA 4: To Facilitate Economic Growth and Social and Community development	7. An inclusive district economy	Growth and Jobs	Outcome 5: A skilled and capable workforce to support inclusive growth	Infrastructure Services	Create job opportunities through the Expanded Public Works Programme (EPWP)	Number of job opportunities created	80		100		150		184		184		**2023-06-30**
KPI.10	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6 Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Ensuring performance by the timeous development and signing of the Section 57 performance agreements in adherence to the Performance Framework	Percentage (%) of signed performance agreements of Section 57 managers within 14 days of approval of the SDBIP or appointment in the case of vacancies	100%		-		-		-		100%		**2023-06-30**
KPI.11	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6 Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Corporate Services	(Minimum number of General Councilmeetings to be held per annum)	(Number of meetings convened)	1		1		1		1		4		**2023-06-30**
KPI.12	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	CorporateServices	(Minimum number of Mayoral Committee meetings to be held per annum.)	Number of Mayoral Committee meetings convened per annum	1		1		1		1		4		**2023-06-30**
KPI.13	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and,accountable, effective and efficient local government system	Office of the Municipal Manager	Conduct an Annual Strategic risk Assessment	Number of risk assessments conducted through the reviewed risk register compiled.	-		-		-		1		1		**2023-06-30**

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
KPI.14	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6 Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Revise the communication strategy by means of approval by the mayor and or council	Number of strategies approved	-		-		1		-		1		**2023-06-30**
KPI.15	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	12. Building the best-run regional government in the world	Outcome 6: Efficient, competitive and responsive economic infrastructure network	CorporateServices	Number of reviewed policies updated on the Council policy register.	Number of policy registers indicating outdated policies submitted to council	-		-		1		-		1		**2023-06-30**
KPI.16	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6 Good Governance	10. Integrating servicedelivery for maximumimpact	Outcome 6: Efficient, competitive and responsive economic infrastructure network	FinancialServices	ICT governance framework adopted by council by June 2023	Number of ICT frameworks adopted	-		-		-		1		1		**2023-06-30**
KPI 17	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	10. Integrating servicedelivery for maximumimpact	Outcome 6: Efficient, competitive and responsive economic infrastructure network	FinancialServices	Install an ICT Disaster Recovery	Number of Disaster Recovery installed							1		1		**2023-06-30**
KPI.17	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and,accountable, effective and efficient local government system	Office of the Municipal Manager	Review a LED strategy for the Kannaland Municipality by June 2023	Number of strategies approved	-		-		-		1		1		**2023-06-30**
KPI 18	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and,accountable, effective and efficient local government system	Office of the Municipal Manager	Review tourism master plan strategy for the Kannaland Municipality by June 2023	Number of strategies approved	-		-		-		1		1		**2023-06-30**
KPI.19	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Annual review of Performance management policy by September 2023	Number of policies approved	1		-		-		-		1		**2023-06-30**
KPI.20	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Complete and produce a draft Annual report to council within seven months after the end of the financial year.	Number of annual reports completed	-		-		1		-		1		**2023-06-30**
KPI.21	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Produce a final annual report with oversight to council within nine months after the end of the financial year.	Number of annual reports completed	-		-		1		-		1		**2023-06-30**
KPI.22	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Prepare and submit a draft and final IDP to Council for approval.	Number of IDP approved	-		-		1		1		2		**2023-06-30**

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
KPI.23	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Prepare and submit a section 46 report to the Auditor-General by end August 2020	Number of section 46 reports submitted	1		-		-		-		1		**2023-06-30**
KPI.24	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6. Good Governance	12. Building the best-run regional government in theworld	Outcome 9: A responsive and, accountable, effective and efficient local government system	CorporateServices	Number of audit and performance committee meetings held.	Number of meetings convened	-		1		1		1		3		**2023-06-30**
KPI 25	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of Municipal Manager/	Risk based audit plan approved by Audit Committee	No of risk based audit plans approved by audit committee					1				1		**2023-06-30**
KPI.26	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Quarterly Ward Committee meetings with consolidated quarterly reports to council until 30 June 2023	Number of ward committee meetings convened	4		4		-		4		8		**2023-06-30**
KPI 27	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Office of the Municipal Manager	Review Ward Committee Policy	Number of ward committee policies reviewed.							1		1		**2023-06-30**
KPI.29	KPA 5: To Promote efficient and effective Governance with high levels of stakeholderparticipation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	FinancialServices	100% Reporting compliance by submitting s71, s72 and s52d reports within legislated timeframes 30 June 2022.	% of reporting on all compliance documents	100%		100%		100%		100%		100%		**2023-06-30**
KPI 30	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6. Good Governance	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	Community Services	Promote library services to community through outreach and awareness	No of community outreach engagements conducted in each of the four libraries in Kannaland					4		4		8		**2023-06-30**
KPI.31	KPA 6: To Provide an efficientworkforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-useefficiency	Outcome 5: A skilled and capable workforce to supportinclusive growth	CorporateServices	Vacancy rate of the entire approvedstaff establishment	% of vacancy rate to be not more than 20%	-		-		-		20%		20%		**2023-06-30**
KPI.32	KPA 6: To Provide an efficientworkforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	7. Mainstreaming sustainability and optimising resource-useefficiency	Outcome 5: A skilled and capable workforce to supportinclusive growt	CorporateServices	The number of people from employment equity target groups employed in the three highest levelsof management in compliance with a municipality's approved employment equity plan	Number of people employed as per employment equity	–		–		–		3		3		**2023-06-30**

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
KPI.33	KPA 6: To Provide an efficientworkforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	12. Building the best-run regional government in the world	Outcome 9: A responsive and,accountable, effective and efficient local government system	Technical Services	Spend 65% of the municipality's budget on implementing its workplaceskills plan.	% budget spend on wsp	-		-		25%		40%		65%		**2023-06-30**
KPI 34	KPA 6: To Provide an efficientworkforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	12. Building the best-run regional government in the world	Outcome 9: A responsive and,accountable, effective and efficient local government system	Technical Services	Re-develop and adopt a Human Resources Strategy plan by 30 June 2023.	Number of Human Resource Strategy Plans developed and adopted.							1		1		**2023-06-30**
KPI 34	KPA 6: To Provide an efficientworkforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	12. Building the best-run regional government in the world	Outcome 9: A responsive and,accountable, effective and efficient local government system	Technical Services	Commission a qualified Electrical Engineer to assess the Ladismith Power Network	Number of Electrical Engineers commissioned	1								1		**2023-06-30**
KPI 34	KPA 6: To Provide an efficientworkforce by aligning our institutional arrangements to our overall strategy	2 A skilled workforce and communities	12. Building the best-run regional government in the world	Outcome 9: A responsive and,accountable, effective and efficient local government system	Technical Services	Commission a qualified Civil Engineer to assess the Ladismith Road Network	Number of Civil Engineers commissioned to compile an upgrade and repair plan to complete road infrastructure upgrades in a 4-year timeframe.	1								1		**2023-06-30**
KPI.34	KPA 5: To Promote efficient and effective Governance with high levels of stakeholder participation	6 Good Governance	10. Integrating servicedelivery for maximum impact	Outcome 6: Efficient, competitive and responsive economic infrastructure network	FinancialServices	Budget for 2023/2024 financial year approved by Council by 31 May 2023.	Number of budgets approved	-		-		-		1		1		**2023-06-30**
KPI.35	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	10. Integrating servicedelivery for maximumimpact	Outcome 6: Efficient, competitive and responsive economic infrastructure network	FinancialServices	Achieve 80% year to date collection rate of revenue billed by 30 June 2022 (Total revenue collected / total billed)x100	YTD percentage on debtors payment rate	-		-		78%		~~85%~~ 80%		~~85%~~ 80%		**2023-06-30**
NKPI.11	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	1. Creating opportunitiesfor growth and job	Outcome 4: Decent employment through inclusivegrowth	FinancialServices	Financial Viability measured in terms of Cost coverage ratio for the financial year	((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)).	-		-		-		1:00		1:00		**2023-06-30**
NKPI.12	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	7. Mainstreaming sustainability and optimising resource-useefficiency	Outcome 5: A skilled and capable workforce to supportinclusive growth	FinancialServices	Financial Viability measured in terms of debt coverage ratio for the financial year	Debt coverage ratio calculated as follows: (Total revenue received - Total grants)/debt service payments due within the year)	-		-		25%		25%		25%		**2023-06-30**

IDP REF	*IDP KPA*	*District Output*	*PSP: VIP (Very Inspired Priorities)*	*National Output*	*Department*	*Indicator description*	*How indicator is measured*	Q1 TARGET	Q1 ACTUAL	Q2 TARGET	Q2 ACTUAL	Q3 TARGET	Q3 ACTUAL	Q4 TARGET	Q4 ACTUAL	*ANNUAL TARGET*	*ANNUAL ACTUAL*	*Annual Target Date*
IDP Reference	KPA	District Objective	Provincial Outcome (Very inspired priorities)	National Outcome	Department	Indicator	Unit of measurement											
KPI.36	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	FinancialServices	Conduct monthly reconciliation of the bank account within 10 working days	Number of reconciliations completed	3		3		3		3		12		**2023-06-30**
KPI.37	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	FinancialServices	Financial Statements submitted to the Auditor-General by end of August 2022.	Number of completed annual financial statements to be submitted to the Auditor-General	1		-		-		-		1		**2023-06-30**
KPI.38	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	FinancialServices	Submit an adjustment budget to Council for approval by 28 February 2023	Number of adjustment budget approved	-		-		1		-		1		**2023-06-30**
KPI.39	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	FinancialServices	Develop a procurement Plan	Number of procurement plans developed	1								1		**2023-06-30**
KPI 40	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	FinancialServices	Procure and purchase a refuse removal truck	Number of refuse removal trucks purchased	1								1		**2023-06-30**
KPI 40	KPA 7: To Strive towards afinancially sustainable municipality	5 Financial Viability	12. Building the best-run regional government in the world	Outcome 9: A responsive and, accountable, effective and efficient local government system	FinancialServices	Develop an Asset Register	Number of Asset Registers compiled	1								1		**2023-06-30**

ANNEXURE 111 KANNALAND BUDGET FUNDING PLAN

IMPLEMENTATION PLAN TOWARDS A FUNDED BUDGET										
Main Pillars	Key priority areas	Milestone/Output	Responsible	Target		Did the municipality meet the target?		Activities (To be implemented immediately to 30 November 2021)	Activities (To be implemented longer term Dec 2021 - Jul 2022)	SHORT TERM TARGETS & GENERAL PROGRESS
				Short to Medium Term - July 2021 to 30 Nov 2021	Long Term (Dec 2021 to June 2022)	Medium Term (July 2021 to Nov 2021)	Long Term (Dec 2021 to June 2022)			
Positive cash flows from revenue from trading services	Revenue Management	Improve the monthly Debt Collection Rate	Revenue Manager/ CFO	• Meet budget assumptions target pertaining to a 85% Collection Rate on billed services. • Needs to improve 6% from the ytd collection rate. (76% to 85%) Note: Collection rate higher during Q1&Q2 • Policies adjustments were made in support of activities • R3.1 million addtional revenue (4 months)	• Maintain at least an average collection rate of 85% for the full financial year. • R6.2 million additional revenue in total R9.3 additional / annum	Yes/No	Yes/No	Award tenders in support of activity including: • Pre-paid water & Electricity tender with auxiliary function • Tender for issuing of summonses • Bulk SMS's / account notifications	• Expand the implementation of pre-paid water meters • Address non-technical losses via exception reporting on pre-paid after system clean-up (impact of new pre-paid tender clearing dormant meters)	• Pre-Paid vendor appointed and operational - auxiliary functions only be active from 31 Jan. • Bulk SMS's are being sent out to inform the public on account status • Collection rate missed the target and is currently on ytd basis 77.3% • Summons tender - budget was secured. specifications were finalized and currently in the procurement process. • Policy deficiencies to be addressed by the newly appointed council - impact on collection rate
								Resolve outstanding queries - • Public works • Account disputes (farms) • address issue of unpaid fire levies / disputes • Policy (CreditC) implementation	• Continuous strengthening & improvement in credit control actions + monitoring of progress	• Disputes are being handled and government account issues were addressed - will need a council resolution to address some of the issues raised. • Council must advise on debtors book items and cleaning of debtors • Management of debtors will need policy support and a council resolution will be needed to change rebate on property rates to include RDP houses. • Council support for fair and equitable credit control will be needed. • Summons tender imperative to be finalised - impacting credit control negatively
								• Implement Auxiliary Services • Introduce pre-paid water to indigent households • Monitor over /above FBS consumption of indigent households	• Avoid prescription debt & meet requirements of an official demand for payment	• Auxiliary services will be implemented with the pre-paid electricity contract - start later than expected 31 Jan 2022 • Council support needed pertaining to indigent households and indigent management
		Improve Accuracy of Monthly Billing	Revenue Manager/ CFO / Technical Director / Manager Technical Services	• Improve Revenue generation by R500 000	• Improve Revenue generation by 2% • Additional revenue of R 2.6 million	Yes/No	Yes/No	• Award a tender for TID & Meter Verification	• Water and Electricity meters to be recorded correctly and linked to the financial system	• TID & Meter verification - will be delayed due to a lack of funding • Dormant meters were removed from the pre-paid system and will allow for improved exception reporting and curb non-technical elec losses. • Pre-paid water meter installations - phase one indigent households - New council will advise on how to proceed. Item will need political support
								• Ensure Accurate Monthly Meter Reading & Address system billing parameters	• Ensure that correct details of accountholder are on record and have been verified.	• Corrective journals been passed to address misallocations and parameters will be fixed before the next billing cycle. Exception reporting is being done and will improve with the new pre-paid system being implemented. • Debtors cleansing still needed
								• Communication between departments - Meter installation & reporting of broken meters	• Improved access to accounts at a lower cost - email / download account	• Initially delayed due to critical vacancies in technical dept. managerial positions. System in place will be improved and formalized. • A portal was established to improve access to accounts and has been very successful - less account queries and positive impact payment of accounts • Imperative that the pay-point at VWD will be restored. • An analysis of the different sewerage systems will be needed in due course to support completeness of billing as well - Technical dept function/ building control regulations • LT goal addressed. ST goal still WIP

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Positive cash flows - Revenue from other Sources	Other Revenue	Improved Contract Management	Legal / CFO / Manager Revenue / Asset Accountant	• Improved / complete rent register that reconciles to actual billing for rent • Improved recordkeeping • Additional revenue - R30k	• Continuous strengthening of activity • Improved Revenue 5% (R30K) - Full year R60k • Evaluate where applicable market related rent & economical viability of rent-generating /underlying asset	Yes/No	Yes/No	• Ensure all lease contracts are in place & up to date • market related rent where applicable. • Apply credit control	• Ensure all lease contracts are in place & up to date • market related rent where applicable. • Apply credit control	• Rental contracts for all properties are a WIP. • Corrections on rental in addressing prior year audit findings were made • Municipal properties in context of cost of up-keep should be evaluated and to consider disposal if uneconomical (R&M on municipal houses vs rent income makes them uneconomical to keep) - a WIP • Asset Account vacant and management of lease contracts - no progress
		Traffic Department	Head: Traffic Services / CFO / Manager Community Services	• Realize budget relating to traffic fines - • AARTO implementation - at an cost effective cost and ensuring administrative costs are minimised. • Revenue projection first 4 months R1.5 million	• Revenue target Dec - Jun 2022 = R3.5 million • Continuous improvement & increase in productivity	Yes/No	Yes/No	• Appoint vendor • Obtain experienced support on AARTO implementation & effective management practises of administrative demands • spot fines to improve collection rate • Increase section 56 fines	• Improved productivity & Performance • incorporate best practice practises	Impacted by leadership instability - currently extremely low income and procurement process to appoint vendor will be fast-tracked. Financial impact is significant - no AARTO much easier to address but progress to slow • No revenue from speed camera fines - targets will be missed and revenue can be reduced to minimum (still interest charges to be removed then less than R20k of R5 mil budget
			Head: Traffic Services / CFO / Manager Community Services	• Improve vehicle testing experience & improve service • Additional revenue potential R100k • Not to be subsidised - break-even	• Transport Cpy's use local • Issuing of drivers licenses • Additional revenue R250k • Become profitable	Yes/No	Yes/No	• Appoint a Head of Traffic Services • Increase staff discipline & productivity + clear targets • Laisse with transport & earthmoving cpy's • Analyse current performance	• Build K53 test course • Improve customer relations • Monitor progress	Manager Traffic Services has been appointed
2. Implementation of cost containment measures and a reduction of expenditure	Human Resource	Review and strengthen the implementation of HR policies.	HR Manager / Manager Technical Services / Director Technical Services /CFO	• Manage Overtime, Stand-by, • Cut Empl costs by R500k • Leave, Allowances, S&T • Reduce leave liability • Increase productivity & • Improved org. culture	• Continues improvement in effectiveness & productivity in the use of HR • Cut Empl cost by R1.5mil Y/E	Yes/No	Yes/No	• Review all HR policies in context of the cost containment measures • Phased-in implementation of cost cutting measures on allowances • Ensure completeness of HR records and related party transactions	• Ensure that all policies be workshopped and well understood • promote implementation. To be monitored on a monthly basis • Cost containment measures implemented & report upon	• All municipal officials service account details communicated and monitored to be paid on a monthly basis / HR monitor - no progress • Ensure that payroll data correspond with HR records - WIP - was done for the 2020/21 audit • Cost Containment Measures Policy to be strengthened by HR policies. Reporting quarterly on implementation as required in terms of regulation • Progress not sufficient
	Contract Management	Appointment & Monitoring of the contract function.	Legal / SCM / CFO / Director Technical Services	• Manage cost of consultants & legal expenses. • All outsourced contract costs justifiable • Build internal capacity & reduce dependence • R100k reduction	• Ensure completeness of contracts in place • Performance measures in place - improved performance • Y/E reduction of R500k	Yes/No	Yes/No	• Policy for the appointment of consultants, stringent monitoring and see to value for money. • A "need" analysis must be completed and ensure that the appointment is justifiable.	• Monitoring of consultant performance on a regular base • ensure capacity building • In-house activities instead of using consultants to do the job of officials	• Draft Contract Management Policy with a value for money and needs assessment checklist was drafted and stands to be workshopped and approved. • Consultant performance to be monitored and not to overlap with current employee functions / or replace - WIP
4. Creditors payment rates that ensure that all fixed obligations, including obligations for bulk purchases, are met	Liability Management	Compliance to section 65 of the MFMA	BTO / CFO	• Pay all current creditors on 30 days • Affordable Eskom payment arrangement • Reduction of Finance charges	• Pay Current creditors and reduce old outstanding debt • R800k saving in finance charges (F&W)	Yes/No	Yes/No	• Recognise expenditure when incurred and capture immediately on the system / Use GRN's • Improve accuracy of reporting • Monthly cash flow planning & address straight lining of cash flows in the budget • Establish a budget steering committee in line with MBRR	• Monthly payable reconciliations • Develop a strategy to deal with creditors in arrears and interest charges • AG fees to 1% of Exp	• Recognition of expenditure on an accrual basis will be addressed with the help of Ducharme (to be funded out of cost saving on AFS tender) • Budget Steering committee to be establish by new council - sit once a month & monitor budget implementation • Little progress to date - significant impact on planning and ability to manage finances
5. Ring fencing of conditional grants and ensuring that conditional grant funding is cash backed			BTO / CFO / PMU / Technical Director	• Spending of conditional grants • Improved grant and retention management practices • No grants to revert back to PT /NT	• Ensure mSCOA compliance and transactional accuracy on SAMRAS	Yes/No	Yes/No	• An accurate grant and retention registers in place. • Account cash & accrual basis to accommodate dept reporting. Trace old grant owners and request recognition of revenue • Administration responsibilities of PMU allocated	• Ensure mSCOA compliance and transactional accuracy on SAMRAS • Get assistance if necessary - prioritised reporting accuracy - seamless transacting no Jnl's	• Retention register accurate and functional, grant register to be improved and linked to projects • Role of PMU i.t.o retention, grant and contract register be defined • Progress but improvement needed

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6. Other measures	Losses Management	Reduce water distribution losses	CFO / Technical Director / Manager Technical Services	• Reduce water losses to 30%	• Reduce water losses to 25%	Yes/No	Yes/No	• Reduce theft through exception reporting and monitoring of use. • Technical losses managed by isolating areas of high losses and fix • Pre-Paid meters indigent households	• Meter verification & TID process • Expansion of Pre-paid water metering system • Calibration of bulk meters	Water losses was reduced to 15.1% during Q2 • Water losses dropped to 21.6% but Zoar bulk meter is impacting accuracy. • Pre-paid water meters is much needed - assist credit control and management of water
		Reduce Electricity distribution losses	CFO / Technical Director / Manager Technical Services	• Reduce elec losses by 1% • R130 k reduction in bulk account	• Reduce elec losses by 2% for the full year • R950K	Yes/No	Yes/No	• Reduce theft through exception reporting and monitoring of use. • Technical losses managed by isolating areas of high losses and fix • Removing dormant meters from pre-paid system	• Meter verification & TID process	Pre-paid electricity contract will address dormant meter issue and improve exception listing capabilities Czd Losses (16.7%) to be addressed as it pulled down the average losses to 12.9% - above the target. • significant progress towards addressing non-technical losses - results to be reported
	Asset Management	Improved fleet management	SCM Manager / CFO /	• Reduce fleet opex by R10K	• Reduce fleet opex by R30k full year	Yes/No	Yes/No	• Award fleet monitoring contract • Manage fuel and vehicle usage. (tyres / licensing etc.) • Monthly reporting • Review policy considerations	• Improved monitoring • Manage condition and care of municipal fleet • accurate logbooks and records of use	• Draft policy in place to be adjusted according to fleet management contract • Fleet Management contract - no progress
		Ensure assets reach expected economic life & only maintain economic assets	CFO / Technical Director / SCM Manager	• Improve use of municipal assets • Evaluate economical use of municipal assets • reduce cost R&M especially on municipal houses	• Cost reduction on maintenance and revenue disposal of assets R2 million • Review & accommodate Adj Budget	Yes/No	Yes/No	• Identify uneconomical assets. • Identify indicators of impairment and reason. • Maintain through maintenance plans and avail finances for financing	• Develop a R&M Policy • Improved reporting on asset management & use • Dispose of all uneconomical assets • review municipal houses and economical viability to maintain	• high maintenance cost of municipal houses and lack of contracts an issue that will be dealt with. • Asset verification revealed areas of concern to be investigated and reported to MM • Asset management function currently standing still - no staff
	Staff Expenditure	Staff Expenditure maintained at affordable ratio to Expenditure (funded budget)	CFO / BTO Manager	• Review effectiveness of org structure & organogram • Prioritise vacancies & manage risks / return on investment in staff	• Reduced to 35% of total opex expenditure (in deficit express in terms of revenue) • Realize a R1.5 million saving	Yes/No	Yes/No	• Ensure expense justify the output - performance management and • filling of critical vacancies will improve revenue. •Prioritise expense.	• Review grading of positions (T-Gradings) • Structure council to ensure savings (Sec 79 Chair combine with Dep Mayor position - R400k/annum saving)	New Council to advise - cost to be evaluated against disposal income and operational costs needs to be reduced. YTD employee and council expenditure contributed to 64% of all cash expenditure transactions relative to the financial year (Income Statement related)

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List of Statutory, Strategic and Operational Plans

STATUTORY PLANS

- ✓ IDP and Process Plan (Budget Time Schedule of Events for the Approval of the Budget andIDP) (2021)
- ✓ Spatial Development Framework (2014)
- ✓ Municipal Disaster Risk Management Plan (2022)
- ✓ Integrated Human Settlements Plan (2016)
- ✓ Comprehensive Integrated Transport Plan (inclusive in document)
- ✓ Integrated Waste Management Plan (IWMP) (2022)
- ✓ Performance Management Policy Framework (2021)

STRATEGIC AND OPERATIONAL PLANS (can be obtained on request)

- ✓ Economic Development Strategy (2022)
- ✓ Water Services Departmental Sector Plan
- ✓ 2020/21 Annual Report and oversight report
- ✓ Air Quality Management Plan (AQMP)
- ✓ Comprehensive Integrated Transport Plan
- ✓ Integrated Waste Management Plan (IWMP)(2021)

NOTE:

Some of the plans are outdated and require review.

ANNEXURE 1

President Cyril Ramaphosa: 2022 State of the Nation Address

10 Feb 2022

State of the Nation Address (SoNA) by President Cyril Ramaphosa, Cape Town City Hall, Thursday, 10 February 2022

Speaker of the National Assembly, Ms Nosiviwe Mapisa-Nqakula,
Chairperson of the National Council of Provinces, Mr Amos Masondo,
Deputy President David Mabuza,
Former President Thabo Mbeki,
Former Deputy President Phumzile Mlambo-Ngcuka,
Former Deputy President Baleka Mbete,
Former Speaker of the National Assembly, Mr Max Sisulu,
Acting Chief Justice Raymond Zondo,
Mayor of the City of Cape Town, Mr Geordin Hill-Lewis,
Dean of the Diplomatic Corps, Mr Bene M'Poko,
Members of the Judiciary,
Heads of Institutions Supporting Democracy,
Members of Parliament,
Fellow South Africans,

This year, for the first time since the dawn of our democracy, the SoNA is not being delivered in the Chamber of the National Assembly.

As we entered this new year, a huge fire engulfed the seat of our democracy.

We all watched in outrage and sadness as the flames devoured the buildings in which our democratic Constitution was born, in which laws of transformation and progress have been passed, in which the freely-chosen representatives of the people have shaped our young nation.

For many, what happened in Parliament speaks to a broader devastation in our land.

For many, the fire was symbolic of the devastation caused by the COVID-19 pandemic, by rising unemployment and deepening poverty.

It spoke to the devastation of a pandemic that over the past two years has taken the lives of tens of thousands of South Africans, put two million people out of work and brought misery to families.

The fire in Parliament reminded us of the destruction, violence and looting that we witnessed in parts of the country in July last year, of the more than 300 lives lost and many more livelihoods ruined.

As we reflect on the past year, we recall the words of President Thabo Mbeki who reminded us that: “Trying times need courage and resilience. Our strength as a people is not tested during the best of times”.

That we are gathered together in the Cape Town City Hall instead of the National Assembly

Chamber reflects the extraordinary circumstances of this time.

It reflects the determination of the Presiding Officers of Parliament and indeed all the members of our two houses that the work of this democratic institution should continue without interruption.

There are moments in the life of a nation when old certainties are unsettled and new possibilities emerge.

In these moments, there is both the prospect of great progress and the risk of reversal.

Today, we are faced with such a moment.

The path we choose now will determine the course for future generations.

That is why we are taking steps to strengthen our democracy and reaffirm our commitment to a Constitution that protects us all.

We are working together to revitalise our economy and end the inequality and injustice that impedes our progress.

We are standing together against corruption and to ensure that those who are responsible for state capture are punished for their crimes.

We are rebuilding the State and restoring trust and pride in public institutions.

If there is one thing we all agree on, it is that the present situation – of deep poverty, unemployment and inequality – is unacceptable and unsustainable.

There is agreement among a broad and diverse range of South Africans that fundamental reforms are needed to revive economic growth.

There is a need both to address the immediate crisis and to create conditions for long-lasting stability and development.

To achieve this, South Africa needs a new consensus.

A consensus that is born out of a common understanding of our current challenging situation and a recognition of the need to address the challenges of unemployment, poverty and inequality.

This should be a new consensus which recognises that the State must create an environment in which the private sector can invest and unleash the dynamism of the economy.

But equally, an environment in which South Africans can live a better life and unleash the energy of their capabilities.

This should also be a new consensus which embraces our shared responsibility to one another, and acknowledges that we are all in this together.

As the social partners – government, labour, business and communities – we are working to determine the actions we will take together to build such a consensus.

We have begun discussions on what trade-offs are needed and what contribution we will each need to make.

We have given ourselves 100 days to finalise a comprehensive social compact to grow our economy, create jobs and combat hunger.

This work will build on the foundation of the Economic Reconstruction and Recovery Plan (ERRP), which remains our common programme to rebuild the economy,

We remain focused on the priorities we identified in the SoNA last year:

- overcoming the COVID-19 pandemic,
- a massive rollout of infrastructure,
- a substantial increase in local production,
- an employment stimulus to create jobs and support livelihoods,
- the rapid expansion of our energy generation capacity.

To be effective, this social compact needs to include every South African and every part of our society.

No one must be left behind.

Fellow South Africans,

When I last addressed the state of our nation, we were deep in the throes of the worst pandemic in more than a century.

Since COVID-19 reached our shores, we have endured successive waves of infection, the emergence of new variants and the devastating cost of nearly 100 000 recorded COVID-19 deaths.

South Africans have responded to this grave threat with courage and resilience, with compassion and restraint.

Over the past two years, we have taken unprecedented actions to strengthen our health system, build laboratory capacity and prevent infections.

The nation owes a great debt of gratitude to the dedicated healthcare workers and other frontline staff who put their health and their lives at risk to care for the ill and vulnerable during this pandemic.

Within weeks of the first reported infection in our country, I announced the establishment of the Solidarity Fund, with the goal of uniting the country in the fight against the pandemic.

In a wave of generosity that swept the country, the fund raised R3.4 billion from more than 300 000 individuals and 3 000 companies and foundations. More than 400 individuals and 100 companies volunteered their time and services.

The fund has played a pivotal role in supporting the national health response and alleviating the humanitarian crisis.

I would like to thank everyone who contributed to the Solidarity Fund and the great many who came together in countless other initiatives to support those affected by the pandemic.

As the trajectory of the pandemic has continued to change, we have had to adapt and evolve.

Our approach has been informed throughout by the best available scientific evidence, and we have stood out both for the quality of our scientists and for their involvement in every step of our response.

During the past year, we have focused on accelerating our vaccine rollout.

So far, we have administered 30 million doses of COVID-19 vaccines. Consequently, nearly 42% of all adults and 60% of everyone over 50 is fully vaccinated.

We are now ready to enter a new phase in our management of the pandemic.

It is our intention to end the national state of disaster as soon as we have finalised other measures under the National Health Act, 2003 (Act 61 0f 2003) and other legislation to contain the pandemic.

Nearly all restrictions on economic and social activity have already been lifted.

Vaccines have proven to be the best defence we have against illness and death from COVID-19.

If we all get vaccinated, continue to observe basic health measures and remain ever vigilant, we will be able to get on with our lives even with the virus in our midst.

The state of the nation is linked inextricably to the state of our economy.

In addition to the divides of race, geography and education, COVID-19 has exacerbated the divide between those who are employed and unemployed.

Last year, our unemployment rate reached its highest recorded level.

Unemployment has been caused by low growth, which has in turn resulted from a long-term decline in investment.

In the last year, we have benefited from a clear and stable macroeconomic framework, strong commodity prices and a better-than-expected recovery.

However, we have been held back by an unreliable electricity supply, inefficient network industries and the high cost of doing business.

We have been taking extraordinary measures to enable businesses to grow and create jobs alongside expanded public employment and social protection.

We all know that government does not create jobs. Business creates jobs.

Around 80% of all the people employed in South Africa are employed in the private sector.

The key task of government is to create the conditions that will enable the private sector – both big and small – to emerge, to grow, to access new markets, to create new products, and to hire

more employees.

The problems in the South African economy are deep and they are structural.

When electricity supply cannot be guaranteed, when railways and ports are inefficient, when innovation is held back by a scarcity of broadband spectrum, when water quality deteriorates, companies are reluctant to invest and the economy cannot function properly.

With a view to addressing these challenges we are accelerating the implementation of far-reaching structural reforms to modernise and transform these industries, unlock investment, reduce costs and increase competitiveness and growth.

The electricity crisis is one of the greatest threats to economic and social progress.

In the last few days, we have once again been reminded of the fragility of our electricity system.

Load shedding continues to have a huge impact on the lives of all South Africans, disrupting business activities, and placing additional strains on families and communities.

Due to our aging power stations, poor maintenance, policy missteps and the ruinous effects of state capture, our country has a shortfall of around 4000 MW of electricity.

During the past year, we have taken firm steps to bring additional generation capacity online as quickly as possible to close the shortfall.

As a result, several new energy generation projects will be coming online over the next few years. This includes:

- Over 500 MW from the remaining projects in Bid Window 4 of the renewable energy programme, which are at advanced stages of construction.
- 2 600 MW from Bid Window 5 of the renewable energy programme, for which the preferred bidders were announced last year,
- up to 800 MW from those risk mitigation power projects that are ready to proceed,
- 2 600 MW from Bid Window 6 of the renewal energy programme, which will soon be opened,
- 3,000 MW of gas power and 500 MW of battery storage, for which requests for proposals will be released later this year,
- an estimated 4 000 MW from embedded generation projects in the mining sector,
- approximately 1 400 MW currently in the process of being secured by various municipalities.

In addition to closing the energy supply shortfall, we are implementing fundamental changes to the structure of the electricity sector.

Eskom has established a separate transmission subsidiary, and is on track to complete its unbundling by December 2022.

The utility has continued with its intensive maintenance programme, to reverse many years of neglected maintenance and underperformance of existing plants.

To regulate all of these reforms, Cabinet yesterday approved amendments to the Electricity Regulation Act, 2006 (Act of 2006) for public comment.

These far-reaching amendments will enable a competitive market for electricity generation and the establishment of an independent state-owned transmission company.

Our economy cannot grow without efficient ports and railways.

Over several years, the functioning of our ports has declined relative to ports in other parts of the world and on the African continent. This constrains economic activity.

The agricultural sector, for example, relies heavily on efficient, well-run ports to export their produce to overseas markets.

Fresh produce cannot wait for days and even weeks stuck in a terminal.

This hurts businesses and compromises our country's reputation as an exporter of quality fresh produce.

Transnet is addressing these challenges and is currently focused on improving operational efficiencies at the ports through procuring additional equipment and implementing new systems to reduce congestion.

Transnet will ask for proposals from private partners for the Durban and Ngqura Container Terminals within the next few months, which will enable partnerships to be in place at both terminals by October 2022.

Transnet will start the process of providing third-party access to its freight rail network from April 2022 by making slots available on the container corridor between Durban and City Deep in Gauteng.

Transnet has developed partnerships with the private sector to address cable theft and vandalism on the freight rail network through advanced technologies and additional security personnel.

This collaborative effort is already showing results in reduced disruptions to rail operations.

The poor state of passenger rail in South Africa has a direct and detrimental impact on the lives of our people.

We are therefore working hard to rehabilitate the passenger rail network in 10 priority corridors.

The Southern Line in Cape Town and the Mabopane Line in Pretoria have been re-opened to be followed by the remaining lines in the next year.

One of the greatest constraints on the technological development of our economy has been the unacceptable delay in the migration of broadcasting from analogue to digital.

The switch-off of analogue transmission has been completed in a number of provinces.

As I announced in the SoNA last year, the other provinces will move to digital signal by the end of March 2022.

As part of this process, government will continue to subsidise low-income households so that they can access a set-top box and make the switch to digital TV.

Our communications regulator, ICASA, will commence with the auctioning of the high frequency communications spectrum in about three weeks from now.

This will unlock new spectrum for mobile telecommunications for the first time in over a decade.

In addition, we will facilitate the rapid deployment of broadband infrastructure across all municipalities by establishing a standard model for the granting of municipal permissions.

These reforms will revolutionise the country's technological development, making faster broadband accesible to more people and reducing the costs of digital communications.

The world over, the ability to attract skilled immigrants is the hallmark of a modern, thriving economy.

We are therefore streamlining and modernising the visa application process to make it easier to travel to South Africa for tourism, business and work.

As we committed last year, the eVisa system has now been launched in 14 countries, including China, India, Kenya and Nigeria.

The revised Critical Skills List has been published for the first time since 2014, following detailed technical work and extensive consultations with business and labour. The updated list reflects the skills that are in shortage today, to ensure that our immigration policy matches the demands of our economy.

A comprehensive review of the work visa system is currently underway, led by a former Director-General of Home Affairs, Mr Mavuso Msimang.

This review is exploring the possibility of new visa categories that could enable economic growth, such as a start-up Visa and a remote working visa.

Water is the country's most precious natural resource.

It is vital to life, to development and to economic growth.

That is why we have prioritised institutional reforms in this area to ensure future water security, investment in water resources and maintenance of existing assets.

We have embarked on the process of institutional reform in capacitating the Department of Water and Sanitation (DWS) and reviewing water boards in as far as their mandates are concerned and ensuring that they serve municipalities in terms of the District Development Model (DDM).

These reforms are being championed by the Minister of Water and Sanitation, who has visited every water source in the country.

A comprehensive turnaround plan is being implemented to streamline the process for water use

license applications. The target is to clear the backlog of applications by June 2022 and to process 80% of all applications within 90 days during the next financial year.

Legislation has been prepared for the establishment of the National Water Resources Infrastructure Agency, and will be published for public comment within the next month.

The water quality monitoring system has been reinstated to improve enforcement of water standards at municipal level, and enable the DWS to intervene where water and sanitation services are failing.

We will review the policy and regulatory framework for industrial hemp and cannabis to realise the huge potential for investment and job creation.

While structural reforms are necessary for us to revive economic growth, they are not enough on their own.

This year, we are undertaking far-reaching measures to unleash the potential of small businesses, micro businesses and informal businesses.

These are the businesses that create the most jobs and provide the most opportunities for poor people to earn a living.

We have started discussions with social partners as part of the social compact process to review labour market regulations for smaller businesses to enable them to hire more people, while continuing to protect workers' rights.

A new, redesigned loan guarantee scheme is being introduced to enable small businesses to bounce back from the pandemic and civic unrest.

This new bounce-back scheme incorporates the lessons from the previous loan guarantee scheme.

It will involve development finance institutions and non-bank SME providers in offering finance, expand the types of financing available and adjust eligibility criteria to encourage greater uptake.

The National Treasury is working with industry stakeholders to finalise the scheme and will provide details soon.

We are reviewing the Business Act, 1991 (Act 71 of 1991) – alongside a broader review of legislation that affects small, medium and small-enterprises (SMMEs) – to reduce the regulatory burden on informal businesses.

There are too many regulations in this country that are unduly complicated, costly and difficult to comply with. This prevents companies from growing and creating jobs.

We are, therefore, working to improve the business environment for companies of all sizes through a dedicated capacity in The Presidency to reduce red tape.

If we are to make progress in cutting unnecessary bureaucratic delays for businesses, we need dedicated capacity with the means to make changes.

I have therefore appointed Mr Sipho Nkosi to head up a team in my office to cut red tape across government.

Mr Nkosi has extensive experience in business, including as the CEO of Exxaro Resources, and is currently the chairperson of the Small Business Institute.

The red tape team will identify priority reforms for the year ahead, including mechanisms to ensure government departments pay suppliers within the required 30 days.

The team will also work with other departments and agencies to unblock specific obstacles to investment and business growth. It will support current initiatives to simplify processes relating to property registration, cross-border trade and construction permits.

Infrastructure is central to our economic reconstruction and recovery.

Through innovative funding and improved technical capabilities, we have prioritised infrastructure projects to support economic growth and better livelihoods, especially in energy, roads and water management.

The Infrastructure Fund is at the centre of this effort, with a R100 billion allocation from the fiscus over 10 years.

The fund is now working with state entities to prepare a pipeline of projects with an investment value of approximately R96 billion in student accommodation, social housing, telecommunications, water and sanitation and transport.

Several catalytic projects to the value of R21 billion are expected to start construction this year. Of this, R2.6 billion is contributed by government and the balance from the private sector and developmental finance institutions.

Government will make an initial investment of R1.8 billion in bulk infrastructure, which will unlock seven private sector projects to the value of R133 billion.

For millions of South Africans in rural areas, roads and bridges provide access to markets, employment opportunities and social services.

Yet, many children still have to brave overflowing rivers to reach schools and motorists have to battle impassable roads to reach the next town.

We are therefore upscaling the Welisizwe Rural Bridges Programme to deliver 95 bridges a year from the current 14.

Our South African National Defence Force (SANDF) is the implementing agent of the Welisizwe programme, and has demonstrated the expertise of SANDF engineers in bridge construction.

Earlier this week, I was in Thakgalane village Limpopo to launch a new road that is going to make a huge difference in the lives of neighbouring communities. This road was constructed using block paving and other materials, which is a method that enables us to build durable roads faster and more cost-effectively.

The rural roads programme will use labour intensive methods to construct or upgrade 685 kilometres of rural road over the next three years. This social enterprise programme includes access roads in Limpopo and Eastern Cape, gravel to surface upgrades in the Free State and North West, and capacity and connectivity improvements in the Western Cape.

Government has initiated the process of delivering the uMzimvubu Water Project.

The project is made of the Ntabelanga Dam and Lalini Dam, irrigation infrastructure and hydo-electric plant, Ntabelanga water treatment works and bulk distribution infrastructure to reticulate to the neighboring communities.

The closing date for the first of the two-stage procurement process is scheduled to close later this month, with the preferred bidder likely to be announced in September 2022.

Government is introducing an innovative social infrastructure delivery mechanism to address issues that afflict the delivery of school infrastructure.

The mechanism will address the speed, financing and funding, quality of delivery, mass employment and maintenance.

The new delivery mechanism will introduce a Special Purpose Vehicle, working with prominent Development Finance Institutions and the private sector, to deliver school education infrastructure.

This approach is being piloted in schools in the Northern Cape and Eastern Cape.

Over the past year, government has built on its successful Hydrogen SA strategy to make major strides in positioning South Africa as a global leader in this new market.

This includes the development of a Hydrogen Society Roadmap for the next 10 years as well as a Green Hydrogen Strategy for the Northern Cape, supporting the development of a green hydrogen pipeline worth around R270 billion.

The damage caused by the theft of scrap metal and cable on our infrastructure like electricity, trains and other vital services is enormous. We will take decisive steps this year both through improved law enforcement and by considering further measures to address the sale or export of such scrap metal.

An important pillar of our ERRP is to revitalise our manufacturing base and create globally competitive export industries.

In the past year, we launched new master plans in the steel industry, furniture and global business services.

Through these plans, business, government and labour are working together to increase production and create more jobs in the sector.

In the clothing industry, a number of retailers have announced ambitious localisation sourcing plans.

One of these retailers, Foschini, kindly made the suit that I am wearing today at its new formal wear factory, Prestige Epping.

Five years ago, more than 80% of all Foschini Group merchandise came from the East. Today, nearly half of the merchandise is locally made.

The genuine leather shoes I am wearing were made by members of the National Union of Leather and Allied Workers from Bolton Footwear in Cape Town and Dick Whittington Shoes in Pietermaritzburg.

Nearly four years ago, we set ourselves a target of mobilising R1.2 trillion in new investment over five years.

By the time of the third South Africa Investment Conference in November 2020, we had reached R776 billion in investment commitments.

Next month, on the 24th of March, we will be holding the fourth South Africa Investment Conference in Johannesburg.

We will showcase the many investment opportunities available as South Africa continues its recovery from the COVID-19 pandemic, and report back on the progress of previous commitments.

Following the resolutions of the African Union Summit over the past weekend, trading can now begin under the African Continental Free Trade Area agreement

South African companies are poised to play a key role in taking up the opportunities that this presents for preferential access to other African markets.

The Free Trade agreement is about Africa taking charge of its destiny and growing its economies faster.

We will continue to pursue Africa's health sovereignty, working with other African countries and international partners to support the strengthening of the continent's capacity to respond to pandemics.

We will increase our efforts to develop Africa's ability to manufacture vaccines.

We have made significant progress here in South Africa.

We now have two South African companies – Aspen and Biovac – with contracts to produce COVID-19 vaccines. Two additional vaccine projects have also been announced.

In addition, we have full local production capability for ventilators, hand sanitisers, medical-grade face masks and gloves and therapeutic drugs and anaesthetics.

This production capability worth many billions of rand of production annually, has been put in place in less than two years.

South African products have been exported to other African countries, securing them vital supplies and expanding jobs for young South Africans.

While we help existing industries to grow, we are also nurturing new opportunities for growth and jobs.

Government and the private sector have worked closely together to grow the global business services sector from a small group of companies to one of the world's leading players.

The global business services sector is on track to create 500 000 new jobs over the next few years.

The hemp and cannabis sector has the potential to create more than 130 000 new jobs.

We are therefore streamlining the regulatory processes so that the hemp and cannabis sector can thrive like it is in other countries such as Lesotho.

Our people in the Eastern Cape, KwaZulu-Natal and elsewhere are ready to farm with this age-old commodity and bring it to market in new and innovative forms.

The social economy, including early childhood development, nursing, social work and community services, has significant potential not only to create jobs, but to provide vital services that communities need.

Some of the country's mature industries also have a lot to offer in revamping the industrial and manufacturing potential of our country.

The agriculture sector has significant potential for job creation in crops such as citrus, table and dried grapes, subtropical fruit, avocadoes, berries and nuts.

Masterplans in the sugar and poultry industries are contributing significantly to increased investment, improved production and transformation.

To attract investors into the mining minerals needed in the new global economy, we will soon be finalising our mining exploration strategy.

We will continue to support the development of the upstream gas industry, as it holds huge potential for job creation and broader economic development.

We will ensure that this is done in strict accordance with the environmental and other laws of our country, and that where there are differences, we work together to resolve them in the interest of our country and its people.

We live in one of the regions of the world that is most affected by climate change.

We frequently experience droughts, floods and other extreme weather events associated with global warming. Recently floods have affected a number of provinces, including KwaZulu-Natal, Gauteng and the Eastern Cape.

These have already caused enormous damage to infrastructure and livelihoods.

In the last year, we have made important strides in the fight against climate change, and, at the same time, securing our economic competitiveness.

For the first time, our climate targets are compatible with limiting warming to 1.5°C.

This is the goal that all countries agreed to as part of the Paris Climate Agreement, and is essential to prevent the worst effects of climate change.

Since I established the Presidential Climate Commission a little more than a year ago, it has done much work to support a just transition to a sustainable, inclusive, resilient and low-carbon economy.

At the international climate conference in Glasgow last November, South Africa struck a historic R131 billion deal with the European Union, France, Germany, United Kingdom and the United States.

This first-of-its-kind partnership will involve repurposing and repowering some of the coal plants that are reaching the end of their lives, and creating new livelihoods for workers and communities most impacted by this change.

To ensure that South Africa is able to derive the full benefit of this and other partnerships, I have appointed Mr Daniel Mminele, a former Deputy Governor of the Reserve Bank, as Head of the Presidential Climate Finance Task Team to lead the mobilisation of funds for our just transition.

Properly managed, the energy transition will benefit all.

Renewable energy production will make electricity cheaper and more dependable, and will allow our industries to remain globally competitive.

Investments in electric vehicles and hydrogen will equip South Africa to meet the global clean energy future.

We will be able to expand our mining industry in strategic minerals that are crucial for clean energy, like platinum, vanadium, cobalt, copper, manganese and lithium.

We also have a unique opportunity in green hydrogen, given our world-class solar and wind resources and local technology and expertise.

All of these measures – from structural reforms to support for SMMEs, investments in infrastructure and the emergence of new sectors – will drive a turnaround in economic growth driven by the private sector growth over the coming years.

We know, however, that even with the best business environment and much faster rates of economic growth, it will take time for the private sector to create enough jobs for the millions of South Africans who need them.

Our intent is to leave no one behind.

That is why we are expanding public and social employment.

The first two phases of the Presidential Employment Stimulus programmes, which we launched in October 2020 have supported over 850 000 opportunities.

More than 80 per cent of participants were young people, and over 60% were women.

It has supported young women like Tracy Nkosi from Springs, who was employed as an education assistant at Welgedag Primary School, and who says this opportunity has motivated her to further her studies in the educational sphere.

It has also supported Mama Nosipho Cekwana from Impendle in KwaZulu-Natal who used her farming input voucher to buy maize, manure and supplements for her livestock.

The total number of direct beneficiaries will soon rise to over one million South Africans.

This includes over half a million young people appointed as education assistants, making it the largest youth employment programme ever undertaken in our history.

The employment stimulus will also enable the Department of Home Affairs to recruit 10 000 unemployed young people for the digitisation of paper records, enhancing their skills and contributing to the modernisation of citizen services.

The Social Employment Fund will create a further 50 000 work opportunities using the capability of organisations beyond government, in areas such as urban agriculture, early childhood development, public art and tackling gender-based violence.

In addition to expanding public employment, we are providing support to young people to prepare them for work and link them to opportunities.

To encourage hiring by smaller businesses, we will be increasing the value and expanding the criteria for participation in the Employment Tax Incentive.

For several years, this has been an effective way to encourage companies to hire new work seekers. The changes to the incentive will make it easier for small businesses in particular to hire young people.

The Minister of Finance will announce the details of these changes in the budget.

We call on companies to support this effort, take up the incentive and give young people a place in the world of work.

The SAYouth.mobi platform for young work seekers to access opportunities and support now has more than 2.3 million young South Africans registered.

Of these over 600 000 have been placed into employment opportunities.

A revitalised National Youth Service will recruit its first cohort of 50 000 young people during the next year, creating opportunities for young people to contribute to their communities, develop their skills and grow their employability.

The Department of Higher Education and Training will place 10,000 unemployed TVET graduates in workplaces from April 2022.

In preparing this SoNA, I was assisted by two young South Africans who are working as interns in The Presidency, Ms Naledi Malatji and Ms Kearabetswe Mabatle.

They told me about the pain felt by young people who find themselves with a qualification, but are unemployed because of lack of experience.

This forces many into jobs that have little or nothing to do with what they studied.

All of the measures I have outlined are essential to provide young people with the work experience that they need to take their first step into the labour market.

We are calling on the private sector to support these measures – and, wherever possible, to drop experience as a hiring requirement – to give as many young people as possible their first job.

As we work to grow the economy and create jobs, we will expand support to poor families to ensure that no person in this country has to endure the pain and indignity of hunger.

Our social protection system is among the greatest achievements of the democratic government,

reaching more than 18 million people every month.

Without this support, millions more people would live in dire poverty.

Since the onset of COVID-19, the Social Relief of Distress Grant has provided support to more than 10 million unemployed people who were most vulnerable to the impact of the pandemic.

Some people used that money to start businesses.

Mr Thando Makhubu from Soweto received the R350 grant for seven months last year, and saved it to open an ice-cream store that now employs four people.

Mr Lindokuhle Msomi, an unemployed TV producer from KwaMashu Hostel, saved the R350 grant he received for nine months to start a fast food stall and to support his family.

As much as it has had a substantial impact, we must recognise that we face extreme fiscal constraints.

A fiscal crisis would hurt the poor worst of all through the deterioration of the basic services on which they rely.

Mindful of the proven benefits of the grant, we will extend the R350 grant for one further year, to the end of March 2023.

During this time, we will engage in broad consultations and detailed technical work to identify the best options to replace this grant.

Any future support must pass the test of affordability, and must not come at the expense of basic services or at the risk of unsustainable spending.

It remains our ambition to establish a minimum level of support for those in greatest need.

Expanding access to land is vital for our efforts to reduce hunger and provide people with meaningful livelihoods.

We are moving ahead with land reform in terms of the Constitution, and anticipate the approval of the Expropriation Bill during this year.

The establishment of the Agriculture and Land Reform Development Agency will be finalised this year.

The Department of Public Works and Infrastructure will finalise the transfer of 14 000 hectares of state land to the Housing Development Agency.

We have enough arable land to support millions of thriving small-scale farmers in poultry, livestock, fruit and vegetables.

Through the Presidential Employment Stimulus and the Solidarity Fund, over 100 000 farmers have already received input vouchers to expand their production.

This scheme has proven to be effective and impactful.

The agriculture sector has also recognised the importance of supporting small-scale farmers and integrating them into value chains.

Through the sugar master plan, the industry has provided R225 million to over 12 000 small-scale sugar cane growers as part of a R1 billion commitment to support black farmers.

We will be expanding the provision of input vouchers and calling on other sectors to join this effort, so that we can collectively reach up to 250 000 small-scale farmers this year.

None of our efforts to revive our economy will succeed if we do not tackle the scourge of corruption once and for all.

Since the beginning of the year, I have been provided with the first two parts of the report of the Commission of Inquiry into State Capture headed by Acting Chief Justice Raymond Zondo.

While the definitive conclusion has yet to be delivered at the end of this month, the first two parts of the report make it plain that there was indeed 'state capture'.

This means that public institutions and state-owned enterprises (SOEs) were infiltrated by a criminal network intent on looting public money for private gain.

The reports have detailed the devastating effects of this criminal activity on South African Airways, Transnet, Denel, South African Revenue Service (SARS) and Government Communications.

State capture had a direct and very concrete negative impact on the lives of all South Africans, but especially the poorest and most vulnerable members of our society.

It has weakened the ability of the State to deliver services and to meet the expectations and constitutional rights of people.

We must now do everything in our power to ensure that it never happens again.

My responsibility is to ensure that the commission report is properly and carefully considered and then acted upon.

By no later than 30 June, I will present a plan of action in response to the commission's recommendations.

We will, as the commission's first report recommends, strengthen the system to protect whistle-blowers, who are a vital safeguard in the fight against corruption and who take huge personal risk in reporting wrongdoing.

We are doing a detailed review of all applicable legislation and a comparative study of other jurisdictions to strengthen whistle-blower protection.

The relevant law enforcement agencies are taking the necessary steps to address the immediate concern about the safety of whistle blowers.

Many individuals and companies that the commission has found were responsible for state capture must now be held to account.

I have every confidence that the National Prosecuting Authority (NPA) will carry out the further

investigations that the commission has recommended, and that it will bring the members of the criminal network that infiltrated government and captured the State swiftly to justice.

The Investigating Directorate in the NPA is now poised to deliver on its crucial mandate, and a dedicated team has been established to pursue these cases.

We will be appointing a new head of the Investigating Directorate following the departure of Adv Hermione Cronje from that position.

An amendment to the State Capture Commission regulations in June 2020, empowered the sharing of information between the Commission and law enforcement agencies.

This amendment also permitted the employment of the State Capture Commission personnel by law enforcement agencies.

These empowering provisions has geared the Investigating Directorate to more effectively pursue the investigations emanating from the commission.

We have gratefully acknowledged the offer of support from the private sector to assist in providing those skills which we lack in government to enable investigation and prosecution of crime.

To ensure that the prosecuting authority remains true to its constitutional obligation and to ensure transparency, we are developing a framework for private sector cooperation that will be managed through National Treasury.

There are also discussions underway with the Judiciary for the creation of special court rolls for state capture and corruption cases.

While we have taken decisive steps to end the era of state capture, we know that the fight against corruption is far from over.

Even as the country was suffering the devastation of the COVID-19 pandemic, companies and individuals were conspiring with public officials to defraud the government of billions of rand in COVID-related contracts.

As soon as evidence emerged of this corruption we acted.

We withdrew certain emergency procurement regulations, set up a fusion centre that brought together various law enforcement agencies, published the details of all COVID-related contracts online and instituted the most extensive investigation that the Special Investigating Unit (SIU) has undertaken since its formation.

In December, the SIU submitted its final report on its investigation into COVID-related contracts.

As a result, 45 matters, with a combined value of R2.1 billion, have been enrolled with the Special Tribunal.

The SIU has referred 224 government officials for disciplinary action and referred 386 cases for possible prosecution to the NPA.

The Presidency has set up mechanisms to monitor implementation of the recommendations of the SIU and ensure that government departments and entities act against those who have

violated regulations and broken the law.

The fight against corruption will take on a new intensity thanks to the outcomes of the State Capture Commission, the strengthening of law enforcement agencies and the implementation of new anti-corruption practices in the public service.

SOEs play a vital role in our economy.

From water and roads, to energy and ports, to defence and aviation, these strategic assets are necessary to keep our country running.

It is essential that we reverse their decline, and position them to contribute positively.

We have therefore embarked on several immediate measures to restore these companies to health, at the same time as we undertake far-reaching reforms that will make our SOEs more efficient, competitive, accountable and sustainable.

The Presidential SOE Council, which I appointed in 2020, has recommended that government adopt a centralised shareholder model for its key commercial state-owned companies. This would separate the State's ownership functions from its policy-making and regulatory functions, minimise the scope for political interference, introduce greater professionalism and manage state assets in a way that protects shareholder value.

As part of this, preparatory work has begun for the establishment of a state-owned holding company to house strategic SOEs and to exercise coordinated shareholder oversight.

To ensure that SOEs are effectively fulfilling their responsibilities, the Presidential SOE Council is preparing recommendations on SOEs to be retained, consolidated or disposed of.

Any recommendations would be subject to extensive consultation with all stakeholders.

We are taking steps to safeguard our democracy, protect our economic infrastructure and build safer communities for all.

Earlier this week, we released the report of the expert panel into the civil unrest in July last year.

The report paints a deeply disturbing picture of the capabilities of our security services and the structures that exist to coordinate their work.

The report concludes that government's initial handling of the July 2021 events was inept, police operational planning was poor, there was poor coordination between the state security and intelligence services, and police are not always embedded in the communities they serve.

The expert panel said that if the violence has exposed anything it was the poverty and inequality that is the root cause of the desperation of the people of South Africa.

The expert panel found that Cabinet must take overall responsibility for the events of July 2021.

This is a responsibility that we acknowledge and accept.

We will, as recommended by the panel, develop and drive a national response plan to address the weaknesses that the panel has identified.

We will begin immediately by filling critical vacancies and addressing positions affected by suspensions in the State Security Agency and Crime Intelligence.

We will soon be announcing leadership changes in a number of security agencies to strengthen our security structures.

The staffing of the public order policing unit of the South African Police Service will be brought to an appropriate level, with appropriate training courses in place.

The ongoing damage to and theft of economic infrastructure has damaged confidence and severely constrained economic growth, investment and job creation.

At the same time, we need to confront the criminal gangs that invade construction sites and other business places to extort money from companies.

This requires a focused and coordinated response.

Government has therefore established specialise multi-disciplinary units to address economic sabotage, extortion at construction sites and vandalism of infrastructure.

We will make resources available to recruit and train an additional 12 000 new police personnel to ensure that the South African Police Service urgently gets the capacity it needs.

Another area of immediate attention will be the re-establishment of community policing forums to improve relations and coordination between local police and residents of the areas they serve.

It is clear from the observations of the expert panel that we need to take a more inclusive approach to assessing the threats to our country's security and determining the necessary responses.

I am calling on all South Africans through their various formations to participate in developing our National Security Strategy.

I will be approaching Parliament's presiding officers to request that Parliament plays a key role in facilitating inclusive processes of consultation.

The security services have been tasked by the National Security Council to urgently develop implementation plans that address the range of recommendations made by the expert panel.

These measures will go a long way to address the serious concerns about the breakdown of law and order in society.

This year, we are intensifying the fight against gender-based violence and femicide through implementation of the National Strategic Plan on Gender-Based Violence and Femicide, and other measures to promote the empowerment of women.

Earlier this month, I signed into law three new pieces of legislation, which has strengthened the criminal justice system, promoting accountability across the State and supporting survivors.

The implementation of this legislation will go a long way to ensuring that cases are successfully prosecuted, that survivors are protected and that there are more effective deterrents in place.

We have made significant progress in reducing the backlog in DNA processing, reducing it from

210 000 exhibits in April 2021 to around 58 000 at present.

However, the fight against gender-based violence will never be won unless, as society, we mobilise all formations and all citizens behind a sustained programme of social action.

As the COVID-19 pandemic has starkly demonstrated, a nation's health is inextricably linked with its economic progress and social development.

We will therefore continue with the work underway to ensure universal health coverage for everyone in South Africa, regardless of their ability to pay.

While public hearings on the National Health (NHI) Bill are continuing in Parliament, much progress is being made in preparing for the introduction of NHI.

More than 59 million people are registered in the Health Patient Registration System.

By September 2021, more than 56 000 additional health workers had been recruited and more than 46 000 community health workers integrated into the public health system.

For the last two years, the education of our children and young people has been severely disrupted.

As we return to normal educational activity, we will work harder to ensure that all learners and students get the quality education they need and deserve.

Fellow South Africans,

Government must work for the people.

That is why our foremost priority is to build a capable, ethical and developmental state.

We will soon be finalising a framework for the professionalisation of the public service.

This will include tighter measures for recruitment of public servants, continuous professional development through the National School of Government and partnerships between state bodies, professional associations and universities.

Lifestyle audits are already being implemented across the Public Service.

This year, we will continue with the implementation of the DDM.

This model brings all three spheres of government together with other social partners in every district to grow inclusive local economies and improve the lives of citizens.

In particular, the DDM facilitates integrated planning and budgeting across spheres of government and improves integration of national projects at a district level.

While there are many parts of the state that require much work, there are institutions that continue to serve the people of this country effectively and efficiently.

One such institution is the SARS, which will be 25 years old this year.

While SARS was badly damaged by state capture, it has made remarkable progress in restoring its integrity, credibility and performance.

Since its formation, SARS has collected some R16 trillion for the country's social and economic development. This revenue has enabled government to improve the lives of millions through the provision of healthcare, education, social grants and other basic services.

A capable state is not only about the quality of public servants and the efficiency of institutions.

It is also, fundamentally, about how citizens are empowered to participate.

We must work together to ensure that platforms like schools governing bodies and community policing forums are more active and inclusive.

A vibrant civil society is crucial for a capable state and for development.

We will therefore be working with social partners to convene the long-awaited social sector summit.

This summit will seek to improve the interface between the state and civil society and address the challenges that non-governmental organisations and community-based organisations face.

Our country has suffered several damaging blows in recent times.

A confluence of forces, many of them outside of our control, has brought us to where we are now.

We face steep and daunting challenges.

Indeed, we are engaged in a battle for the soul of this country.

But there can be no doubt that we will win.

I ask every South African to rally together in our fight against corruption, in our fight to create jobs, in our fight to achieve a more just and equal society.

We have faced many crises in our past, and we have overcome them.

We have been confronted with difficult choices, and we have made them.

In trying times, we have shown courage and resilience

Time and time again, we have pulled ourselves back from the brink of despair and inspired hope, renewal and progress.

Now, we must do so again.

Let us forge a new consensus to confront a new reality, a consensus that unites us behind our shared determination to reform our economy and rebuild our institutions.

Let us get to work.

Let us rebuild our country.

And let us leave no one behind.

I thank you.

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