INTEGRATED DEVELOPMENT PLAN

Draft 5TH GENERATION IDP

2022/23 – 2026/27

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FOREWORD: EXECUTIVE MAYOR

**To be included after approval by Council*

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OVERVIEW / PREFACE: MUNICIPAL MANAGER

**To be included after approval by Council*

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Municipal Manager

Mr Henry Prins

INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW DOCUMENT

Five year Integrated Development Planning

Introduction to Integrated Development Planning

Integrated Development Planning is a process through which a municipality can establish a development plan for the short, medium and long-term. In effect, the integrated development plan is a planning and strategic framework to help municipalities fulfil their developmental mandate:

- It enables municipalities to align their financial and institutional resources behind agreed policy objectives and programmes.
- It is a vital tool to ensure the integration of a municipality's activities with other spheres of development planning at provincial, national and international levels, by serving as a basis for communication and interaction.
- It serves as a basis for engagement between the municipality and the citizens of the district, as well as with various stakeholders and interest groups.
- It enables municipalities to weigh up their obligations and systematically prioritise programmes and resources allocations. In a context of great inequalities, integrated development plans serve as a framework for municipalities prioritise their actions around meeting urgent needs, while maintaining the overall economic, municipal and social infrastructure already in place.
- In assists municipalities to focus on the environmental sustainability of their delivery and development strategies.
- It helps municipalities to develop a holistic strategy for poverty alleviation.

Source: IDP Guidepacks, GTZ

In terms of section 25(1) of the Municipal Systems Act, 2000 (the MSA), each municipal council must, within a prescribed period after the start of its elected term and through a participative process, adopt a single, inclusive and strategic plan for the development of the municipality – the Integrated Development Plan (IDP).

An IDP is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regards to planning, management, and development in a municipality. An IDP provides the strategic direction for all the activities of a municipality over five years linked to the council term of office

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Map of Cape Winelands District

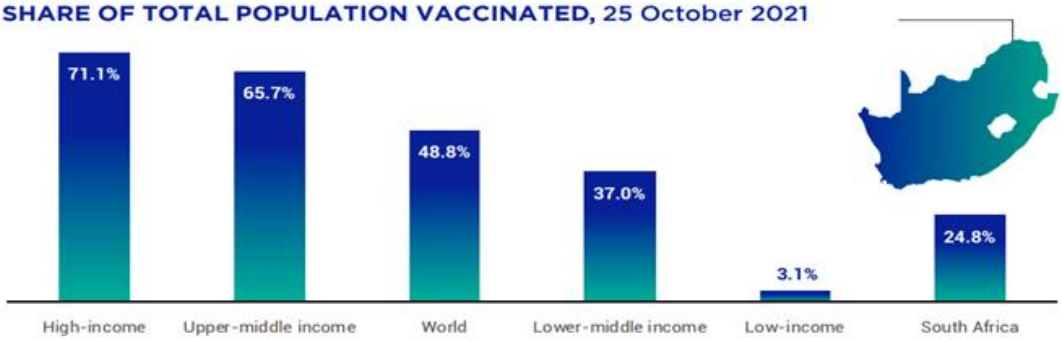
Cape Winelands District

The Cape Winelands District (CWD) is a landlocked area that borders five other districts and covers approximately 22 000 square kilometres, constituting 16.6% of the Western Cape's total area. The District is the heart of the provincial wine industry and consists of five local municipalities, namely Drakenstein, Stellenbosch, Witzenberg, Breede Valley and Langeberg. Furthermore, the area has an extensive agricultural industry that is mostly rural in nature. However, there are a number of small towns that function as highly developed nodes, such as Worcester, Paarl and Stellenbosch.

GLOBAL VACCINE ROLL-OUT

As of 31 October 2021, a total of 7.05 billion doses had been administered worldwide. Of this, 1.68 billion were administered by high-income economies and 34.3 million by low-income economies. Approximately 71.1 per cent of the population in high-income economies had been vaccinated (received at least one dosage), compared with 37.0 per cent in lower-middle-income economies and 3.1 per cent in low-income economies. Variance in vaccine coverage is expected to deepen inequality between developed and developing economies. Low vaccine administration is also associated with the emergence of new variants of the virus, thus posing many threats to the global economy.

Figure 2.1
SHARE OF TOTAL POPULATION VACCINATED, 25 October 2021



Note: This data is only available for countries that report the breakdown of doses administered by first and second doses. Source: Ourworldindata.org, 2021

Of the 54 African nations, only 15 managed to meet the September target of vaccinating 10.0 per cent of their citizens. However, there was a significant increase in the supply of vaccines to Africa between June and September, which assisted with improving vaccination numbers across the continent. Economic recovery speed is also impacted, accelerating in high-income economies while conditions worsen for lower-middle-income and lower-income economies. The damage to jobs and livelihoods is causing a further divergence between the fate of poor and rich countries.

The African Vaccine Acquisition Trust (AVAT) was forced to strategise after the West failed to honour its promise to deliver funding for 700 million vaccines to Africa by the end of 2021. The multinational Covax facility negotiated a deal with Johnson & Johnson (J&J) for 400 million single-shot vaccines. From October 2021, all J&J's future African-produced vaccines could remain in Africa. Now 30.0 per cent of Africa's adult population are guaranteed vaccination, even though it will take until September 2022.

Global co-operation and support to developing economies around the distribution of vaccines and boosters can help immunise the global population, reduce pressure on health systems and prevent the emergence of new waves and vaccine resistant coronavirus variants.

Source: WHO, IMF, The Guardian, *2021*

GLOSSARY OF ACRONYMS

AFS	Annual Financial Statements
AG	Auditor General
AGSA	Auditor General South Africa
AH	Agri-hub
B – Municipalities	Local Municipalities
BOWL	Breede Valley, Overberg, Witzenberg, Langeberg
C - Municipalities	District Municipalities
CFO	Chief Financial Officer
CoCT	City of Cape Town
CW	Cape Winelands
CWD	Cape Winelands District
CWDM	Cape Winelands District Municipality
CWDSDF	Cape Winelands District Spatial Development Framework
CW-IAOS	Cape Winelands Investment Attraction and Opportunities Strategy
CW-RLEDS	Cape Winelands Regional Local Economic Development Strategy
CW-TMS	Cape Winelands Tourism Marketing Strategy
DCAS	Department of Cultural Affairs and Sport
DEADP	Department of Environmental Affairs and Development Planning
DEDAT	Department of Economic Development and Tourism
DITP	District Integrated Transport Plan
DOA	Department of Agriculture
DPPCom	District Public Participation and Communication
DRDLR	Department of Rural Development and Land Reform
DUI	Driving Under the Influence
DWA	Department of Water Affairs
ECD	Early Childhood Development
EPWP	Expanded Public Works Programme
FPA	Fire Protection Association
FPSU	Farmer Production Support Unit
GDPR	General Data Protection Regulation
HIV/AIDS	Human Immune Virus/Acquired Immune Deficiency Syndrome
HR	Human Resources
HRIS	Human Resource Information System
HRM	Human Resource Management
ICLEI	International Council for Local Environmental Initiatives
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IGR	Integrated Government Relations
IPTN	Integrated Public Transport Network
ITC	International Training Centre
JDA	Joint District Approach
KPA	Key Performance Area
KPI	Key Performance Indicator
LAB	Local Action for Biodiversity
LED	Local Economic Development
LG	Local Government
LTA	Local Tourism Association
LUMS	Land Use Management System
MEC	Member of the Executive Council
MFMA	Municipal Financial Management Act
MPAC	Municipal Public Accounts Committee

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MSA	Local Government: Municipal Systems Act
MTREF	Medium-Term Revenue and Expenditure Framework
NGO	Non-Governmental Organisation
PMS	Performance Management System
PPPCom	Provincial Public Participation and Communication
RSA	Republic of South Africa
RTO	Regional Tourism Organisation
RUMC	Rural Urban Market Centre
SAMRAS	South African Municipal Resource System
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SMME	Small Medium & Micro Enterprises
SMT	Senior Management Team
SO	Strategic Objective
SONA	State of the Nation Address
SPC	Spatial Planning Categories
TB	Tuberculosis
TRANCRAA	Transformation of Certain Rural Areas Act
WBRA	Ward base risk assessment
WC	Western Cape
WC DOA	Western Cape Provincial Department of Agriculture

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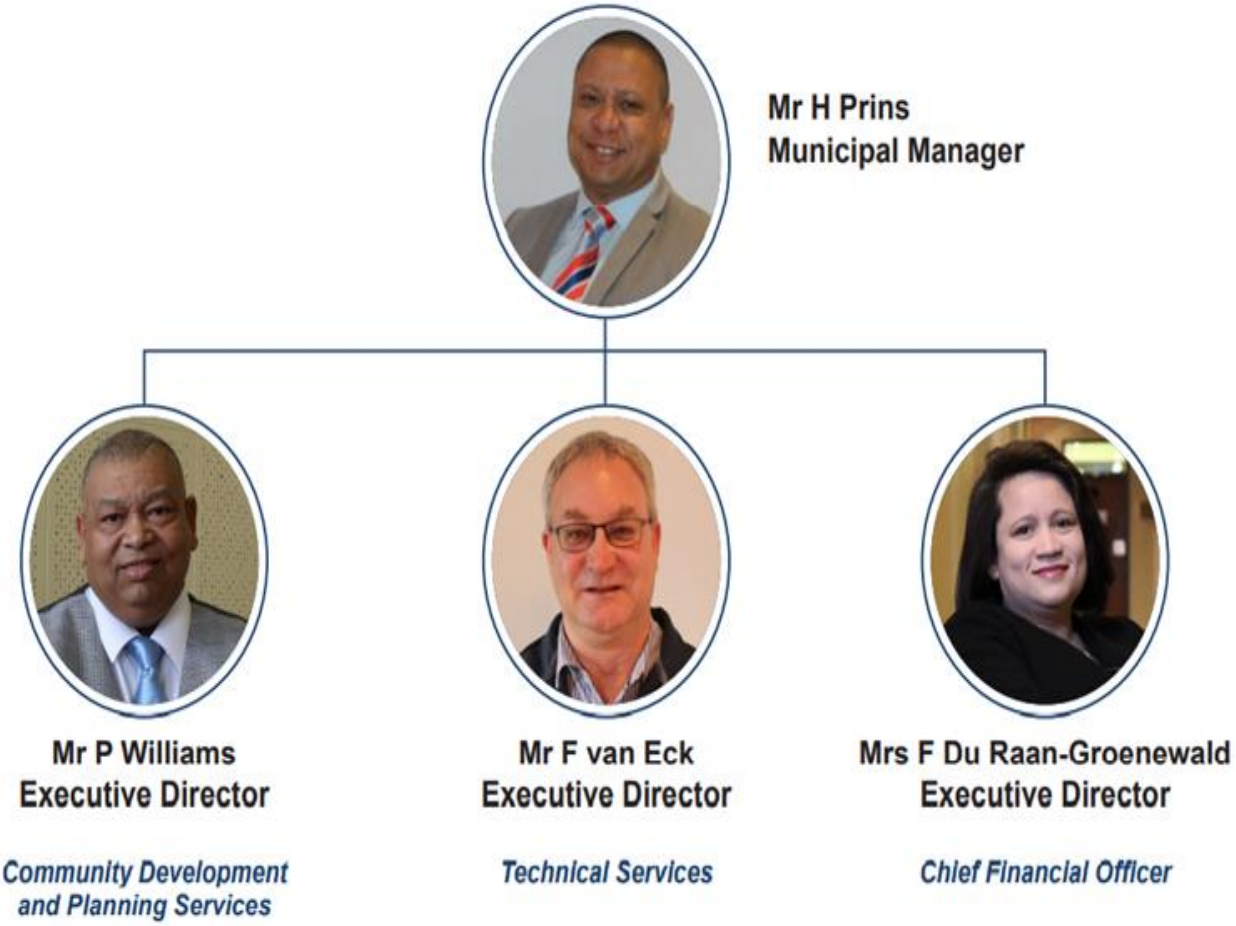
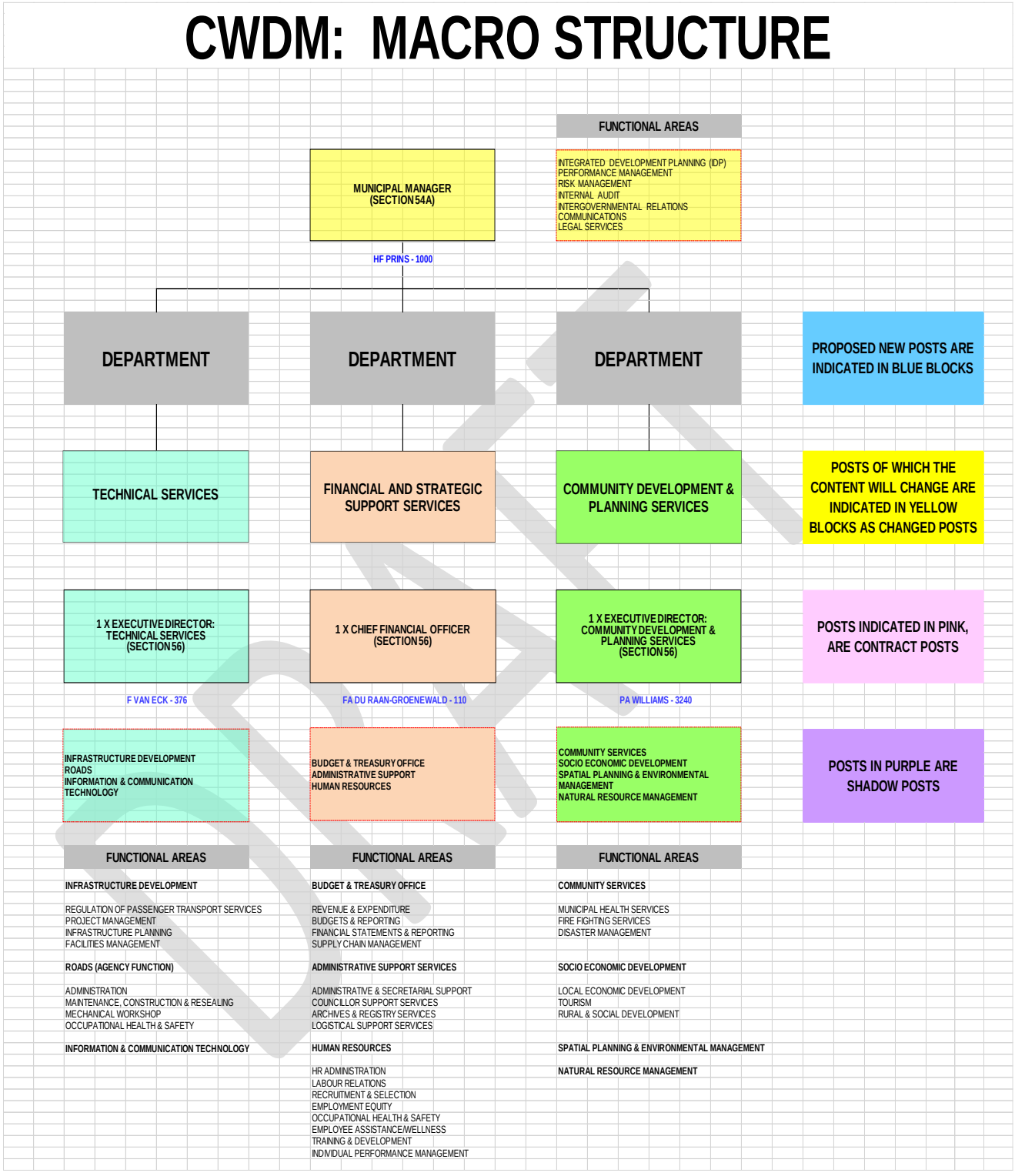
CHAPTER 1: INTRODUCTION AND OVERVIEW

1.1 Vision, Mission and Core values

1.2 Cape Winelands District Municipality - Top administrative structure



1.3 Cape Winelands Macro Structure



Approved by Council on 21 October 2020

1.4 Institutional/governance framework

The Cape Winelands District Municipality is an organ of state within the local sphere of government exercising legislative and executive authority within its area of jurisdiction as specified by the Local Government: Municipal Structures Act No. 117 of 1998. It consists of the political segment, an administrative component and the community.

Political segment

The political structure and composition is based on the Executive Mayoral Committee (MayCo) system.

The Mayoral Committee reports to the Municipal Council whose duties are defined so as to ensure proper decision making and appropriate allocation of funds. The Council must adhere to the Protocol of Corporate Governance in the Public Sector (1997) and a host of relevant legislation.

Council has the following decision-making structures:

1.5 Strategic Objectives

OFFICE OF THE MUNICIPAL MANAGER Integrated Development Planning Performance Management Risk Management Internal Auditing Communications	
STRATEGIC OBJECTIVES	PREDETERMINED DEVELOPMENT OBJECTIVES
SO 1 **Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District.**	1.1 Provide a comprehensive and equitable Municipal Health Service including Air Quality Management throughout the CWDM. 1.2 Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment and Response and Recovery 1.3 Effective planning and coordination of specialized fire-fighting services throughout the CWDM 1.4 To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development and information knowledgement. 1.5 To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.

SO 2 **Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities**	2.1 To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement. 2.2 To implement sustainable infrastructure services. 2.3 To increase levels of mobility in the whole of the CWDM area. 2.4 To improve infrastructure services for rural dwellers 2.5 To implement an effective ICT support system
SO 3 **Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality.**	3.1 To facilitate and enhance sound financial support services 3.2 To strengthen and promote participative and accountable IGR and governance. 3.3 To facilitate and enhance sound strategic support services

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1.6 Horizontal alignment with District and Local Municipalities

	Cape Winelands	Stellenbosch	Drakenstein	Witzenberg	Breede Valley	Langeberg
Vision	A Unified Cape Winelands of excellence for sustainable development.	An Integrated Valley of opportunity & innovation.	A city of excellence	A Municipality that cares for its community, creating growth and opportunities.	A caring valley of excellence.	To progress and grow from being one of the best municipalities, to be the best municipality
Mission	Working together towards effective, efficient and economically sustainable development	To deliver services in an enabling environment through sustainable, cost-effective and accountable services for our community.	a) Protecting and enhancing of the quality of life of our residents and the unique environment of our area; b) Providing efficient and effective delivery of services which is responsive to the community's needs; c)Promoting the principles of access, equity and social justice in the development of services; d)Delivering an effective organisational culture which strives for service excellence; e) Exercising regulatory functions of Council consistently and without bias; f) Encouraging community participation in the processes of Council by consulting widely on its activities and policies; g) Creating an enabling environment for economic growth, job creation and the alleviation of poverty; and h) Employing a future-oriented approach to planning.	The Witzenberg Municipality is committed to improve the quality of life of its community by: • Providing and maintaining affordable services. • Promoting Social and Economic Development; • The effective and efficient use of available resources; and • Effective Stakeholder and Community participation	To be a South African care capital by providing sustainable and affordable basic services in a safe and healthy environment which, promotes social and economic welfare through participative governance in a committed service orientated approach, and appreciates committed staff as the organisation's most valuable resource and key to service delivery.	By providing cost effective quality services to the Citizens, exercise good leadership, ensuring sound governance and financial management

	Cape Winelands	Stellenbosch	Drakenstein	Witzenberg	Breede Valley	Langeberg
Objectives	1. Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District. 2. Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities. 3. Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	1. Valley of possibility 2.Green and sustainable valley 3. Safe valley 4. Dignified Living 5. Good governance and compliance	1. Governance and compliance 2. Finance 3. Organisation and Human Capital 4. Infrastructure & Services 5. Planning and Development 6. Community Development	1.Essential Services 2.Governance 3.Communal Services 4.Socio-Economic Support Services	1.To provide, maintain and assure basic service and social upliftment for the Breede Valley community 2. To create an enabling environment for employment creation and poverty eradication through proactive economic development and tourism 3.To ensure a safe, healthy, clean and sustainable external environment for all Breede Valley's people 4.To actively participate in determining the future of our country (nation building 5.To ensure a healthy and productive workforce and an effective and efficient work environment 6.Assure a sustainable future through: sound financial management; continuous revenue growth; corporate governance and risk management practices; quality resources; and, value-adding partnerships	**1.Housing:** Effective approach to integrated human settlements and improve living conditions of all households **2.Basic Service Delivery**: Maintain infrastructure to provide basic services to all citizens **3. Local Economic Development**: Create an enabling environment for economic growth and decent employment **4.** An Efficient, effective, responsive and **accountable administration** **5.Sound Financial Management**: Adherence to all laws and regulations applicable to LG **6. Effective stakeholder engagements** to promote civic education

1.7 Alignment between National, Provincial & CWDM

Medium Terms Strategic Framework 2019 - 2024 (MTSF)	National Priorities (2019 – 2024)	Western Cape Vision-inspired Priorities (2019 – 2024)	Cape Winelands District Municipality Strategic Objectives	CWDM Pre-determined objectives
Priority 3: Education, skills and health **Priority 6:** Social cohesion and safe community	**National Priority 5**: Social cohesion & safe communities **National Priority 2:** Education, skills & health	**Vision-inspired priority 1:** Safe and Cohesive communities	**SO1:** Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District	**PDO 1.1** Provide a comprehensive and equitable Municipal Health Service including Air Quality Management throughout the area of Cape Winelands District Municipality. .
Priority 6: Social cohesion and safe community	**National Priority 5**: Social cohesion & safe communities	**Vision-inspired priority 1:** Safe and Cohesive Communities	**SO1:** Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District.	. **PDO 1.2:** Ensuring coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment, Response and Recovery.
Priority 6: Social cohesion and safe community	**National Priority 5**:Social cohesion & safe communities	**Vision-inspired priority 1:** Safe and Cohesive Communities	**SO1:** Creating an environment and forging partnerships that ensure social and economic development of all communities, including the	**PDO 1.3:** Effective planning and coordination of specialized fire-fighting services through the CWDM.

Medium Terms Strategic Framework 2019 - 2024 (MTSF)	National Priorities (2019 – 2024)	Western Cape Vision-inspired Priorities (2019 – 2024)	Cape Winelands District Municipality Strategic Objectives	CWDM Pre-determined objectives
			empowerment of the poor in the Cape Winelands District	
Priority 2: Economic transformation & job creation	**National Priority 1**: Economic transformation & job creation	**Vision-inspired priority 3:** Empowering people	**SO1:** Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District	**PDO 1.4:** To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development and information acknowledgement.
Priority 2: Economic transformation & job creation **Priority 3:** Education, skills and health **Priority 6:** Social cohesion and safe community	**National Priority 1**: Economic transformation & job creation **National Priority 1**: Education, skill & health **National Priority 5**:Social cohesion & safe communities	**Vision-inspired priority 1:** Safe and Cohesive Communities **Vision-inspired priority 2:** Economy and jobs **Vision-inspired priority 5:** Innovation and culture	**SO1:** Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District	**PDO 1.5:** To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.

Medium Terms Strategic Framework 2019 - 2024 (MTSF)	National Priorities (2019 – 2024)	Western Cape Vision-inspired Priorities (2019 – 2024)	Cape Winelands District Municipality Strategic Objectives	CWDM Pre-determined objectives
Priority 5: Social integration, human settlements and local government	**National Priority 4**: Spatial integration, human settlements & local government	**Vision-inspired priority 4:** Mobility and Spatial Transformation	**SO2:** Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities	**PDO 2.2:** To implement sustainable infrastructure services **PDO 2.4:** To improve infrastructure services for rural dwellers
Priority 2: Economic transformation & job creation **Priority 6:** Social cohesion and safe community	**National Priority 1**: Economic transformation & job creation **National Priority 5**:Social cohesion & safe communities	**Vision-inspired priority 4:** Mobility and Spatial Transformation	**SO2:** Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities	**PDO 2.3:** To increase levels of mobility in the whole of the CWDM area.

Medium Terms Strategic Framework (MTSF) 2019 -2024 - *The National Development Plan (NDP) 2030 issued in 2012 set out a long-term vision for the country and provides the programme through which South Africa can advance radical economic transformation through Development planning. The Medium Term Strategic Framework (MTSF) 2014-2019 outlined the plan and outcome-based monitoring framework for implementing the NDP during the country's fifth democratic administration. This MTSF 2019-2024 outlines the priorities to be implemented in the sixth administration. It also outlines the priorities and interventions across South Africa's national development pillars.*

National Priorities 2019 – 2024 - *President Cyril Ramaphosa announced in the State of the Nation Address for 2019 that government will concentrate on seven National Priorities that will fast track South Africa's path to prosperity, hence finding ourselves in a time of great economic difficulty. Everything comes down to implementation if the country is to realise the vision of the National Development Plan (NDP)*

Western Cape Vision Inspired Priorities 2019 – 2024 - *The Western Cape Government has developed a strategic plan to guide their work over the next 5 years. Our vision is "A safe Western Cape where everyone prospers". The interventions that will realise this vision are outlined in the Western Cape Strategic Plan, 2019-2024. The plan includes 5 Vision-inspired Priorities.*

CHAPTER 2: STRATEGIC SUBSTANCE OF THE IDP

2.1 IDP / Budget Public Participation Road Map

CWDM IDP/BUDGET Road Map for Public Participation 2021/22

MUNICIPALITY	VENUE	Public Participation DATES	IDP/Budget Consultation DATES
PUBLIC PARTICIPATION			
Stellenbosch	No physical IDP Meetings, the following approached was followed: • A link to pre-recorded video presentations and electronic submission form was made available and broadcast on the municipal communication platforms (Youtube, Facebook, Twitter, WhatsApp, Stellenbosch Citizen App, Municipal Website & Email) Community members were requested to complete the online written submission form which was used as basis to collate all community needs and priorities.	14 Nov 21 – 12 Jan 2022	4 -22 April 2022
Drakenstein	Open Days	7 – 26 April 2022	
Witzenberg	Wards	14 -17 March 2022	3 – 12 May 2022
Breede Valley	Wards	22 Nov – 9 Dec 2021	30 March – 18 April 2022
Langeberg	Wards	4 – 12 April 2022	
DISTRICT CONSULTATION MEETINGS			
CWDM Public Participation Meetings	Worcester Paarl	21 Feb 2022 3 March 2022	
Mayoral Business Engagement	Stellenbosch Town Hall	8 June 2022	
BUDGET PROCESS			
Financial analysis	CWDM Office Stellenbosch	September 2021	December 2022
Programmes, Projects & Preliminary Capital Budget	CWDM Office Stellenbosch	September 2021	December 2022
Priorities and Outputs	CWDM Office Stellenbosch	September 2021	December 2022
Operating Budget	CWDM Office Stellenbosch	September 2021	December 2022
Final Approval of IDP, PMS and Annual Budget	CWDM Office Stellenbosch	May 2022	

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Cape Winelands IDP Stakeholder engagement – 21 February 2022

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
Childcare SA	What special programs are available for foster children, especially in further studies? Why can't the CWDM avail resources for the development of youth?	Department of Social Development	
Hex Valley Community Resource Centre	I want to know how I can register my business to sell goods and train people?		
Worcester Ekumeniese	Are there training opportunities for NGO staff and what is the funding timeline for NGOs?		The department will contact person to explain the application process community support funding fund.
New World Initiative NPC	We have a major equipment need for the New Life Elderly Group.		The department will contact person to explain the application process for community support funding
Wonderland Day Centre	When can we receive a visit and train our staff?	Department of Social Development & Western Cape Education Department	Department of Social Development & Western Cape Education Department
	Computer literacy training in community, especially for the elderly.		CWDM is the Only Municipality that has a specific project Elderly with a budget
ACVV	How can we work together with regard to projects relating to youth and community?		Contact any official from Rural and Social division
Ilitha Church	As a church, what must I do to play my part in the development of my community?		The Church should register as an NPO and implement outreach programmes
Innovation for the Blind	Out of the R20 Million how much is available for the people with disabilities, and when and who can I contact for funding for the NGO?		Annually The municipality budget around R376 000 for the Disabled

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Rholhilahla Umzansi ECD	How can the CWDM help us with employment for the youth and training and equipment for the ECD?		The ECD should apply for Grant in Aid when its advertised each year around October
Stepping Stones	We need support in funding for equipment and staff training?		The Organization should apply for grant in aid around October of each Year
Ko' Bold Youth Organisation	Is there any youth and women projects we can partner with the CWDM?		Yes we have a youth Project and Women project which is budgeted every year
Juweeltjies Playgroup	Can't the department make a stipend for ECDs? There is a need for computer training at ECDs.		The ECD should apply for grant in Aid around October of each year
Limitless Faith Ministries	How can religious groups get help from the CWDM because we cover most of the community?		They must register as NPO's
Wonderland Day Centre	First aid training needed at ECDs.		ECD must apply on the grant in Aid and specify the need on the proposal
Worcester FM	How can a NGO apply for funding?		Through Grant In Aid which we advertise every year

ORGANISATION	**QUESTION**	**APPLICABLE PROVINCIAL DEPARTMENT, IF ANY**	**DEPARTMENT REPLY**
Private Business	How can I apply for funds for my small business?		The department will contact person to explain the application process for Seed fund.
BITA	Need help as an informal trader regarding training support. Is there help for an informal trader that have a NPO number.		The department will contact person to find out more detail in order to address the need.
Cushia Church of SA	How can township tourism be managed for sustainability?		The answer to this question is very technical and can never be absolutely correct or completely wrong. The concept of sustainable tourism covers the complete tourism experience, including concern for economic, social and environmental issues as well as attention to improving tourists' experiences and

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			addressing the needs of host communities. The three pillars of sustainable tourism are environmental sustainability, social sustainability and economic sustainability (sometimes referred to as planet, people and profits). According to the Environment Program and UN World Tourism Organization tourism that takes full account of its current and future economic, social and environmental impacts, address the needs of visitors, the industry, the environment and host communities. Management of township tourism therefore requires a business model of trust between Government, Business and Local Communities in which tourism is Government led, Business driven and Community owned. Tourism businesses are regarded as in full compliance with the South African laws and regulatory environment. Thus, they are eligible for funding and able to operate as a fully fledge tourism business.

ORGANISATION	**QUESTION**	**APPLICABLE PROVINCIAL DEPARTMENT, IF ANY**	**DEPARTMENT REPLY**
Pelican Food kitchen	How can we be helped with fire extinguishers at our creche and food kitchen?		If Council procure fire extinguishers, then it became assets of Council therefore only a Council decision can transfer an asset.
Johmina's Safe House	How can we be helped with fire extinguishers at		If Council procure fire extinguishers, then it became assets of Council therefore

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	our creche and food kitchen?		only a Council decision can transfer an asset.
Stepping Stones ECD	We kindly want the Fire Department to come visit our ECD, for the purpose of awareness?		Kindly forward your request to Fire Chief Mdluli at nmdluli@langeberg.gov.za for the Langeberg area or Fire Chief Botha at tbotha@bvm.gov.za for the Breede Valley area.
The Last Remnant NPO	Why can't Montague have their own fire depot?		The local Fire Chief of Langeberg would recommend and motivate to his Council the siting of Fire Stations in terms of SANS 10090. And its for the Council to decide to put finding to it.
Nonkululeko Diens Sentrum	Do you perform fire drills for the elderly and disabled persons equipping them with skills and knowledge?		Fire drills are conducted on request to the local Fire Chief. Kindly forward your request to Fire Chief Mdluli at nmdluli@langeberg.gov.za for the Langeberg area or Fire Chief Botha at tbotha@bvm.gov.za for the Breede Valley area.
Montague Volunteer Fire and Rescue	How do we apply for funding for PPE and Fire Fighting Equipment?		If the local Municipality of Langeberg decides to establish a registered reservist corps to assist with their legislated functions then they would access to the required PPE and Equipment.

ORGANISATION	**QUESTION**	**APPLICABLE PROVINCIAL DEPARTMENT, IF ANY**	**DEPARTMENT REPLY**
Montague Volunteer Fire and Rescue	How can we as a volunteer organisation assist with disaster risk management?		The Fire services do have volunteers policy whereby volunteer can join for fire fighting. The proposed policy on Disaster Management Volunteer is under discussion and requires consultation with local Municipalities.

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Hexvalley Community Resource Centre	How can the CWDM assist in helping those whose informal housing were burnt down?		The standard operating procedure for the provision of relief for community members requires all requests to the District to come through the local municipality to ensure that there is no duplication of relief. Any requests for relief that do not follow this channel, will be referred to the relevant local municipality for verification. Requests are required to be accompanied by the official fire report from the municipality.

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
Haasdaas ECD & Nuwe begin Skuiling	What support can you give us for a better sewage system because Haasdaas still have a septic tank?		A Septic Tank is still an approved sanitation system. The applicant must contact the Local Municipality who is the custodian of sanitation services to apply for connection to the municipal sewerage network.
Real Reform for ECD	Why are ECDs shut down after health inspection and not given the right training to know exactly what is the criteria?		The question that Mr Matje raised is about the support for infrastructure. We advised that this issue be directed to the local municipality for assistance.

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
ACVV	How can the roads be more visible/safe?		We are constantly trying to improve the roads with routine maintenance being done as and when maintenance teams are available
Innovation for the Blind	Will the sidewalks be safe and accessible for the blind?		We do assist schools with upgrading of sidewalks as part of the save schools project. The upgrading of sidewalks in area used by the

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			blind can be investigated and might be a project to implement by CWDM.

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
Stepping Stones	Can the CWDM come have a talk at our ECD about road safety?		Yes, please contact our Rural and Social office for more details. 021 888 5100

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
Real Reform for ECD	Request for the infrastructure department to assist ECDs.		I did phone the person and the assistance they need is for buildings etc and that we as CWDM can't assist with. This needs to be referred to the Local municipalities.

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
The last Remnant Community	There is a need for parks and sport grounds for children in Montague.		Langeberg Municipality
CCD 1L17 Clothing	Requested support from the clothing and textile industry in Drakenstein.		Meeting was help with the Executive Mayor and other senior officials from Cape Winelands District Municipality.

Cape Winelands IDP Stakeholder engagement – 3 March 2022

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
E-Connections	Proposal for skills development to assist with various tech skills for the youth in impoverished communities.		One of our officials will be in contact with the organization
Simondium Community	CWDM helped us in the past with First Aid training and when it was done a lot of these trained individuals fell back to bad habits due to no further training.		One of our officials will contact Nazleley and explained the process for funding
Khayamandi	Can the CWDM be more visible in Khayamandi in providing guidance to the Khayamandi community.		There are no contact details to contact Mr Mbongen but we will send our officials
Doorsho Foundation	How can the CWDM help us with programs for youth, men, GBV, women empowerment and more sport and ongoing personal development program to help us in our community?		The department will contact person to explain the application process for call for proposals
House of All Nations Church	Why is there no funding for faith-based organisations?		The department supports NPO's NGO's and community based organizations. It is required that organizations should be registered.

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Agter Paarl Windmeul	How does the CWDM assist the elderly and do they do awareness programs related to drugs and alcohol? Furthermore, how can the CWDM assist with equipment for sports teams?		The department will contact person to explain the application process for call for proposals
Flinestones	How can a local sports team be enrolled into sports and culture project?		The department will contact person to find out more detail in order to address the need.
Rural Development Wellington	We need help with the training of youth and teenage pregnancy. Can the CWDM assist in programs for the elderly?		The department will contact person to find out more detail in order to address the need.
	How can the CWDM help with the distribution of diapers for the elderly?	Department of Social Development	Department of Social Development
Masekheni	We need assistance in youth and women development.		The department will contact person to find out more detail in order to address the need.
FTREX Consulting	What is CWDM's plan to imporve ICT skills for youth?		The department will contact person to find out more detail in order to address the need.

ORGANISATION	**QUESTION**	**APPLICABLE PROVINCIAL DEPARTMENT, IF ANY**	**DEPARTMENT REPLY**
CTC Engineering Suppliers	Are there any funding to boost Klorksnop for the training of students?		The department has been in contact with the CWDM skills development facilitator to require what the business must do. Unfortunately the skills development facilitator do not know how the

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			MERSETA functions. The department then approach DEDAT at province to assist with the request. The process is still ongoing.
Mimi Soup Kitchen	Are there any seed funding for learnerships?		The department will contact person to find out more detail in order to address the need.
Masekheni	How can the CWDM assist with SMME seed funding ?		The department will contact person to explain the application process for Seed fund.
New Rest Youth Development	Is there seed funding for learnerships?		The department will contact person to find out more detail in order to address the need.

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
Rural Development Wellington	The Hexberg road needs to be cleared.		A 1.7km portion of this road forms part of our grass cutting tender to be awarded in April.
Rural Development Wellington	Proper lighting and cameras to prevent violence or theft. We need more speed bumps to curb road users for the safety of children.	Department of Community Safety	Department of Community Safety

ORGANISATION	QUESTION	APPLICABLE PROVINCIAL DEPARTMENT, IF ANY	DEPARTMENT REPLY
Rural Health	Shelter for when children wait for the bus alongside R45 Wellington.		We previously had shelter projects but the main problem is that we are not allowed to erect shelters in the road reserve and a lot of farmers do not want to allow us to erect a shelter on their property because it might cause security problems and become a nuisance for them.
Agter Paarl Windmill	Shelter for when High School pupils wait for the bus.		

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			We might look into it if a farmer give permission for such a shelter to be erected on their property.

Agter Paarl Windmill	We need help in transforming a plot on the farm into useful space suitable for sport.		Application for rural sport development projects is advertised during November each year. We can only assist in projects where existing clubs exist and schools and the community make use of such a facility. We can't finance only a club with small amount of members as these projects are not less than R 500 000 with a budget of only R 2.4 m.

ORGANISATION	**QUESTION**	**APPLICABLE PROVINCIAL DEPARTMENT, IF ANY**	**DEPARTMENT REPLY**
Drakenstein Agri Pty Ltd	Can the CWDM take the education of road safety to impoverished communities?		We are constantly trying to improve the roads with routine maintenance being done as and when maintenance teams are available. I hope you find the above in order

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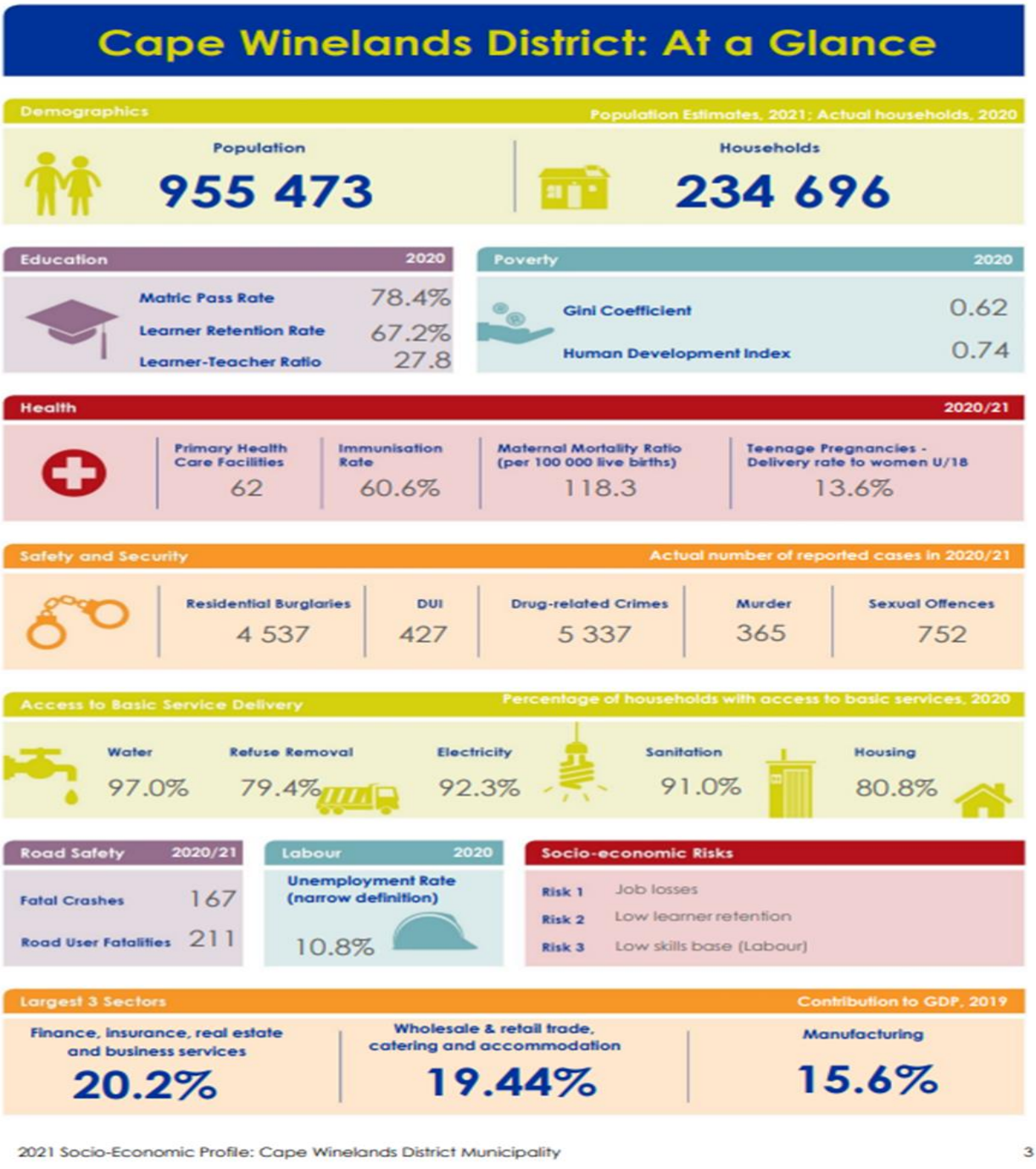
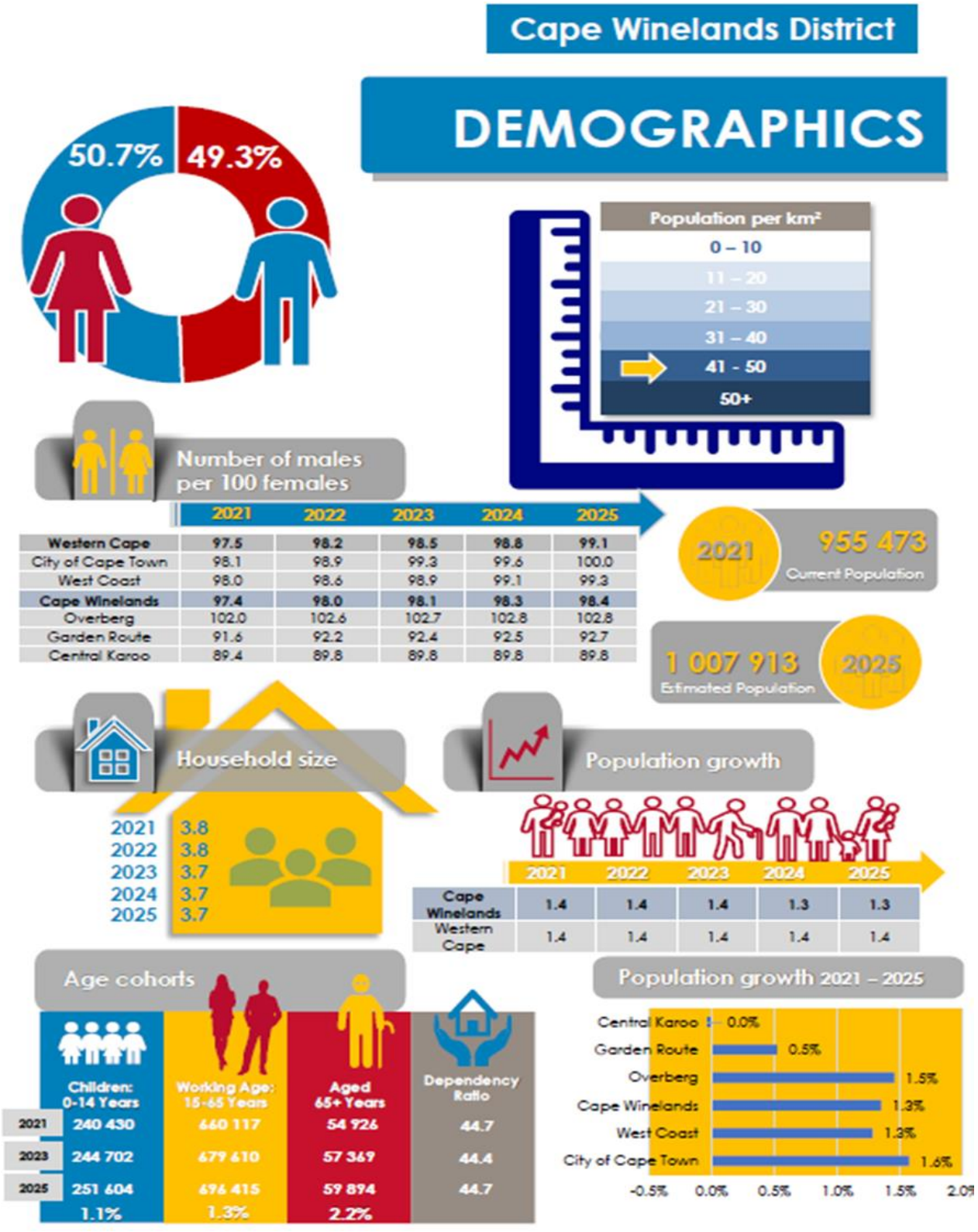
CHAPTER 3: SITUATION ANALYSIS

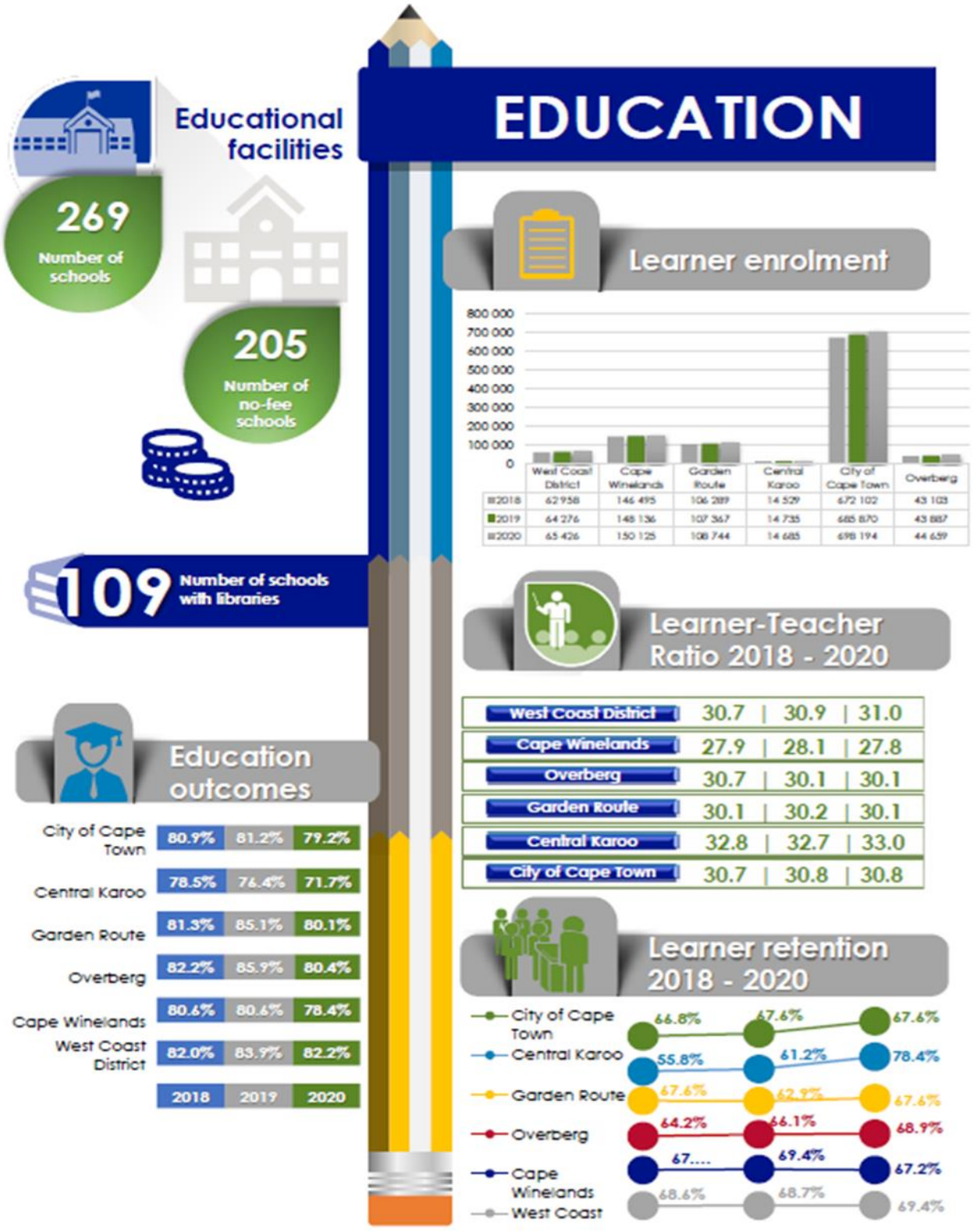
3.1 Cape Winelands Socio-Economic Snapshot



2021 Socio-economic Profile: Cape Winelands District Municipality



2021 Socio-economic Profile: Cape Winelands District Municipality

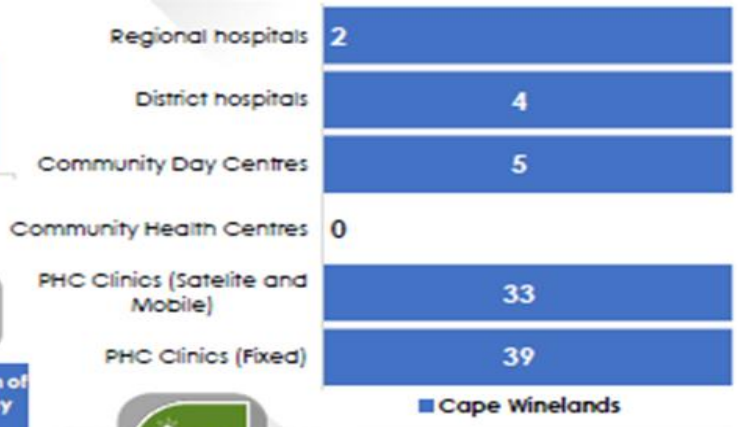


2021 Socio-economic Profile: Cape Winelands District Municipality

HEALTH

Tuberculosis

Healthcare facilities



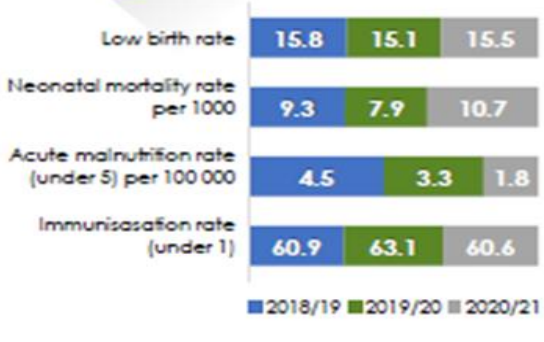
Maternal health

	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
Breede Valley	84.2	184.7	14.5	13.1	1.2	1.1
Drakenstein	50.4	69.6	14.4	13.5	1.2	0.8
Langeberg	0	123.2	17.2	15.3	0.5	0.4
Stellenbosch	0	57.3	13.5	11.4	0.6	0.6
Witzenberg	0	204.4	18.8	15.9	0.2	0.3
Cape Winelands District	42.7	118.3	15.1	13.6	0.8	0.7

Emergency medical services

Health Indicator	Cape Winelands	Breede Valley	Drakenstein	Langeberg	Stellenbosch	Witzenberg
EMS Operational Ambulances	38	11	6	9	6	6
No. of operational ambulances per 10 000 people	2	2	5	1	3	2

Child health

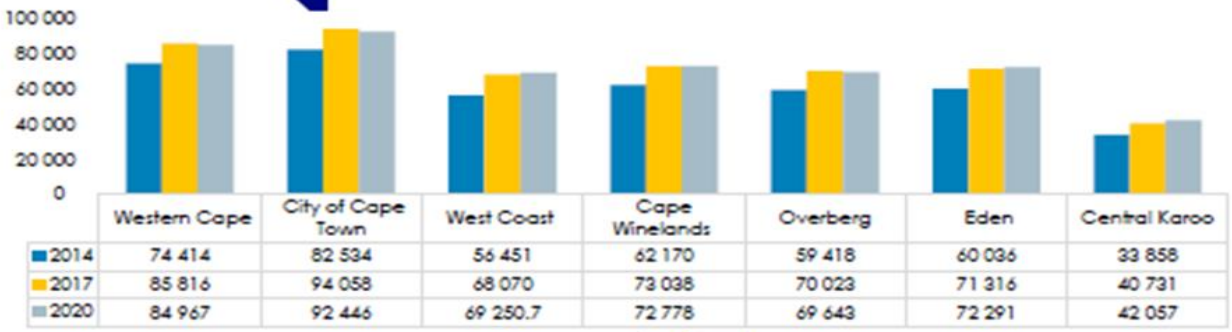


HIV/AIDS

Area	Registered patients receiving ART		Number of new ART patients	
	2019/20	2020/21	2019/20	2020/21
Breede Valley	5 890	6 346	846	781
Drakenstein	9 042	9 150	898	675
Langeberg	3 479	3 729	422	315
Stellenbosch	6 960	6 914	538	460
Witzenberg	6 995	6 810	730	594
Cape Winelands District	32 366	32 949	3 434	2 825

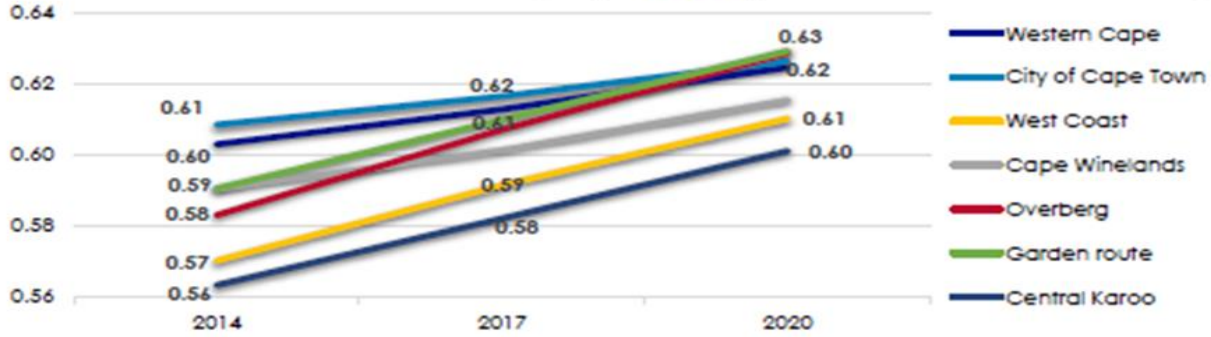
POVERTY

GDP per capita

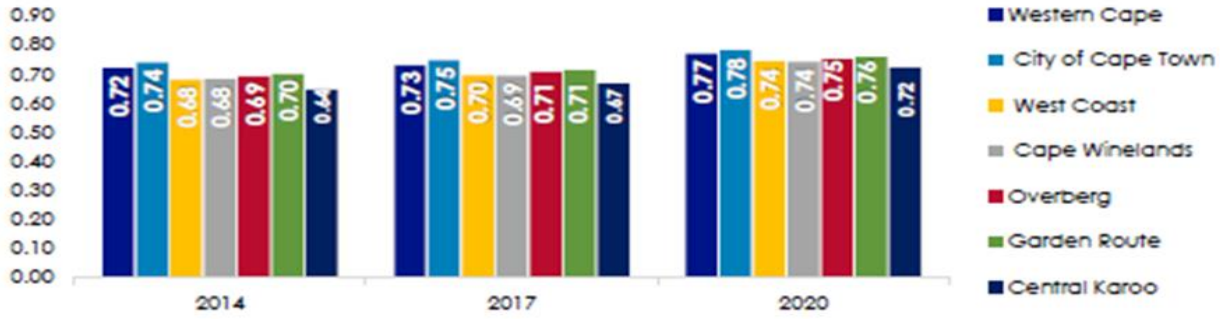


	Western Cape	City of Cape Town	West Coast	Cape Winelands	Overberg	Eden	Central Karoo
2014	74 414	82 534	56 451	62 170	59 418	60 036	33 858
2017	85 816	94 058	68 070	73 038	70 023	71 316	40 731
2020	84 967	92 446	69 250.7	72 778	69 643	72 291	42 057

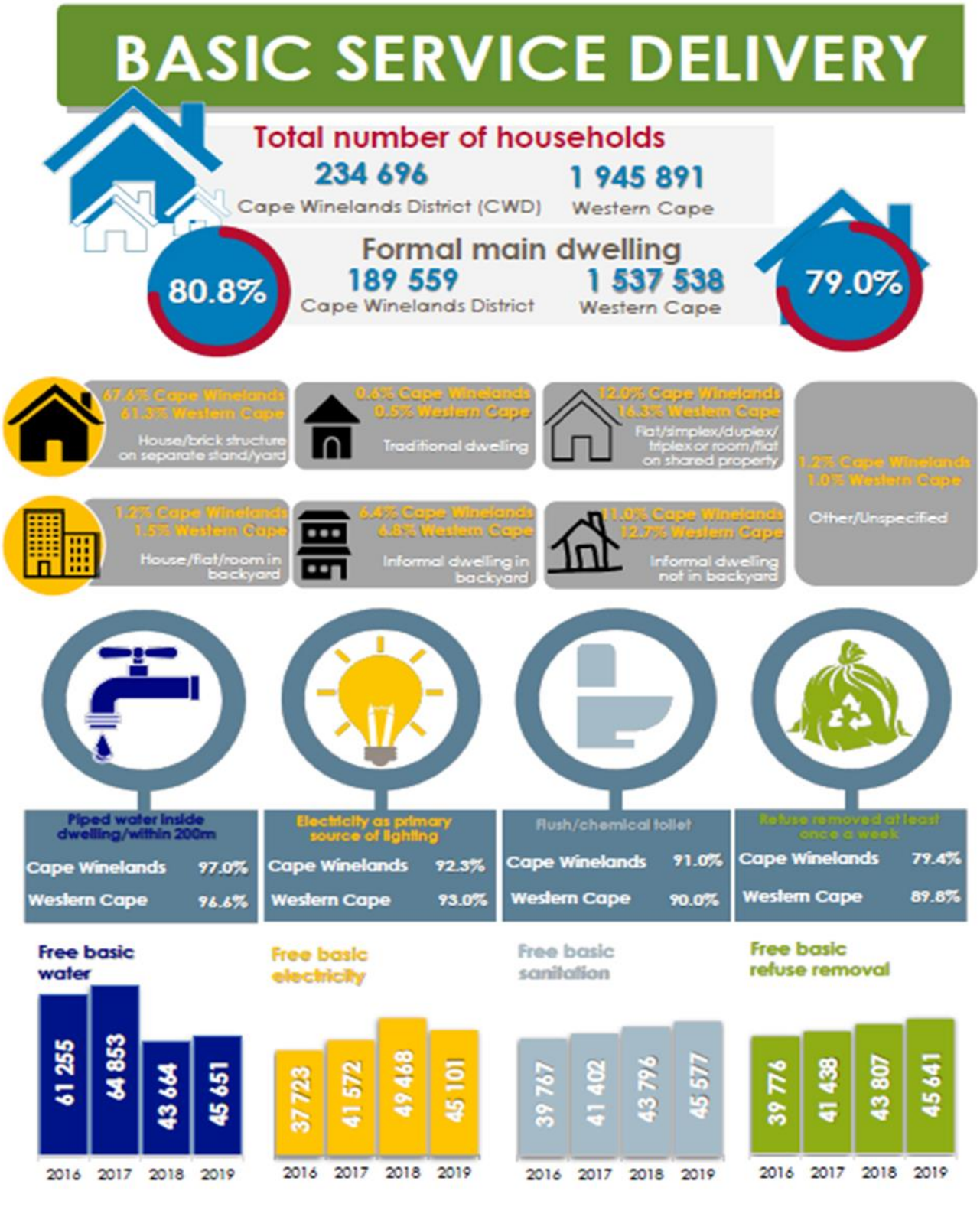
Income inequality



Human development



2021 Socio-economic Profile: Cape Winelands District Municipality



2021 Socio-economic Profile: Cape Winelands District Municipality

SAFETY AND SECURITY

MURDER		2018/19	2019/20	2020/21
Actual Number	Cape Winelands District	356	398	365
	Western Cape	3 959	3 962	3 803
Per 100 000	Cape Winelands District	38	42	38
	Western Cape	57	56	53

SEXUAL OFFENCES		2018/19	2019/20	2020/21
Actual Number	Cape Winelands District	885	969	752
	Western Cape	7 082	7 325	6 430
Per 100 000	Cape Winelands District	96	103	79
	Western Cape	103	104	90

DRUG-RELATED OFFENCES		2018/19	2019/20	2020/21
Actual Number	Cape Winelands District	11 181	7 864	5 337
	Western Cape	81 015	62 453	44 441
Per 100 000	Cape Winelands District	1 208	834	559
	Western Cape	1 176	890	625

DRIVING UNDER THE INFLUENCE		2018/19	2019/20	2020/21
Actual Number	Cape Winelands District	953	944	427
	Western Cape	12 510	12 290	3 746
Per 100 000	Cape Winelands District	103	100	45
	Western Cape	182	175	53

Fatal Crashes	Cape Winelands District	172	165	167
Road User Fatalities	Cape Winelands District	237	206	211

RESIDENTIAL BURGLARIES		2018/19	2019/20	2020/21
Actual Number	Cape Winelands District	5 776	5 518	4 537
	Western Cape	39 294	35 935	27 172
Per 100 000	Cape Winelands District	624	586	475
	Western Cape	571	512	382

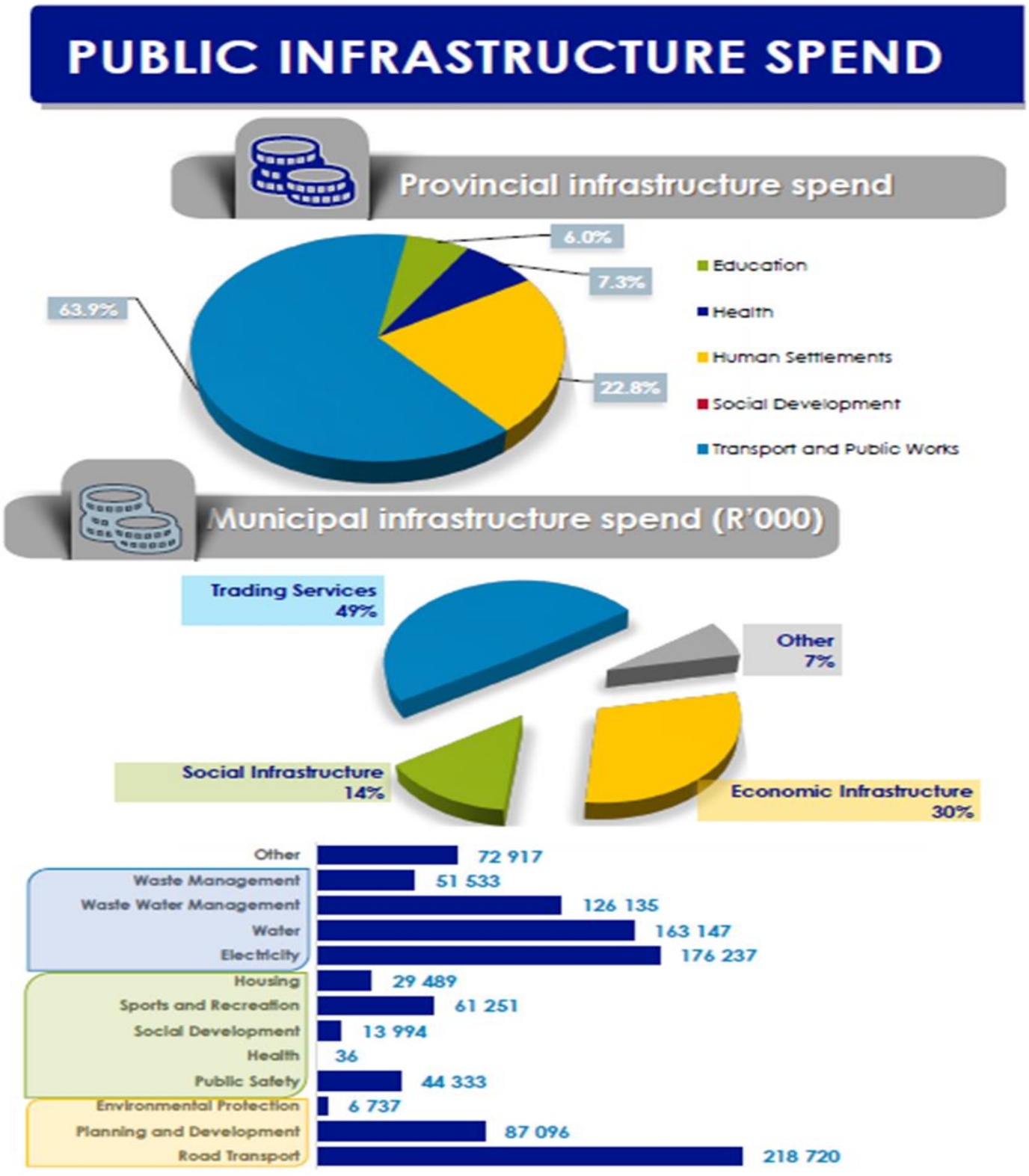
Economy and Labour Market Performance

	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	5 350.2	-3.6	10.9	83 341	1 532	-3 458
	Agriculture, forestry & fishing	5 211.6	-3.6	11.5	83 178	1 536	-3 443
	Mining & quarrying	138.7	-0.5	-18.5	163	-4	-15
SS	Secondary sector	16 983.0	-0.1	-12.6	53 985	359	-4 966
	Manufacturing	10 829.4	-0.6	-10.9	31 524	-22	-2 309
	Electricity, gas & water	1 643.3	0.0	-6.1	1 023	19	-23
	Construction	4 510.3	1.5	-19.8	21 438	362	-2 634
TS	Tertiary sector	47 242.9	2.3	-5.4	257 908	6 762	-3 126
	Wholesale & retail trade, catering & accommodation	13 501.5	2.1	-9.5	90 980	3 172	-5 501
	Transport, storage & communication	6 709.9	1.8	-14.3	14 546	405	-511
	Finance, insurance, real estate & business services	14 075.0	3.6	-2.7	59 560	2 003	-2 495
	General government	7 521.2	0.2	0.4	36 787	73	423
	Community, social & personal services	5 435.3	1.9	-1.9	56 035	1 108	-5 042
	Cape Winelands	**69 576.2**	**1.1**	**-5.5**	**395 234**	**8 653**	**-21 550**

Skill Levels Formal employment	Skill Level Contribution 2020 (%)	Average growth (%) 2016 - 2020	Number of jobs	
			2019	2020
Skilled	20.6	1.1	59 282	57 228
Semi-skilled	39.1	0.5	114 432	108 562
Low-skilled	40.4	-0.9	118 828	112 158
TOTAL	**100.0**	**0.1**	**292 542**	**277 948**

Informal Employment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Number of informal jobs	94 662	93 832	95 193	101 550	103 240	112 509	104 070	108 323	106 178	102 692	95 736
% of Total Employment	29.9	29.2	28.6	29.2	29.3	29.5	27.3	27.9	27.0	26.0	25.6

Unemployment rates	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
West Coast	10.0	10.4	10.1	9.6	10.2	9.1	10.1	10.9	11.1	12.0	11.7
Cape Winelands	**10.1**	**10.3**	**10.1**	**9.7**	**10.0**	**9.1**	**10.0**	**10.4**	**10.3**	**11.1**	**10.8**
Overberg	9.1	9.4	9.2	8.9	9.3	8.3	9.4	9.8	9.8	10.8	10.9
Garden Route	15.0	15.0	14.7	14.3	14.3	13.9	14.8	15.2	14.9	15.9	15.4
Central Karoo	23.0	22.7	22.3	21.6	21.7	20.4	21.3	22.0	21.5	22.3	20.3
City of Cape Town	18.2	18.3	18.6	18.7	19.1	19.8	21.1	21.9	21.7	23.2	22.4
Western Cape	15.9	16.1	16.1	16.0	16.4	16.5	17.7	18.4	18.3	19.6	18.9



2021 Socio-economic Profile: Cape Winelands District Municipality

CAPE WINELANDS DISTRICT MUNICIPALITY: PLANNED AND ESTIMATED PROVINCIAL INFRASTRUCTURE EXPENDITURE AND NATIONAL AND PROVINCIAL BUDGET ALLOCATIONS FOR THE MTEF PERIOD 2021/22 – 2023/24

Herewith the following information for consideration during the budgetary and integrated development planning cycle 2021/22:

Annexure A: Map showing the spatial distribution of Provincial Infrastructure Investment Projects (Individual Projects) in the District Municipality for the MTEF period 2021/22 – 2023/24.

Annexure B: A list of Provincial Infrastructure Investment Projects and Programmes in the District Municipality for the MTEF period 2021/22 – 2023/24.

Table 1: A summary of Provincial Infrastructure Projects & Programmes in the District Municipality for the MTEF period 2021/22 – 2023/24.

Department	No of Projects	Value (all amounts rounded to R'000)						
		Infrastructure Transfers – Capital	Maintenance and Repairs	New or Replaced Infrastructure	Non-Infrastructure	Rehabilitation, Renovations & Refurbishment	Upgrading and Additions	MTEF Total
Education	16			363000			11000	374000
Environ Affairs & Dev Plan (Cape Nature)	1						5000	5000
Health	51			103530	71229	51290	72417	298466
Human Settlements	37	478984						478984
Transport and Public Works	37		191010			2024687	233000	2448697
Total	**142**	**478984**	**191010**	**466530**	**71229**	**2075977**	**321417**	**3605147**

[1] Source: Integrated Reporting Model (IRM)
[1] Source: DEA&DP using data from Integrated Reporting Model (IRM)
[1] Source: Integrated Reporting Model (IRM)
[1] Source: National Treasury and Western Cape Provincial Treasury
[1] DEA&DP: Directorate Development Planning Intelligence Management & Research

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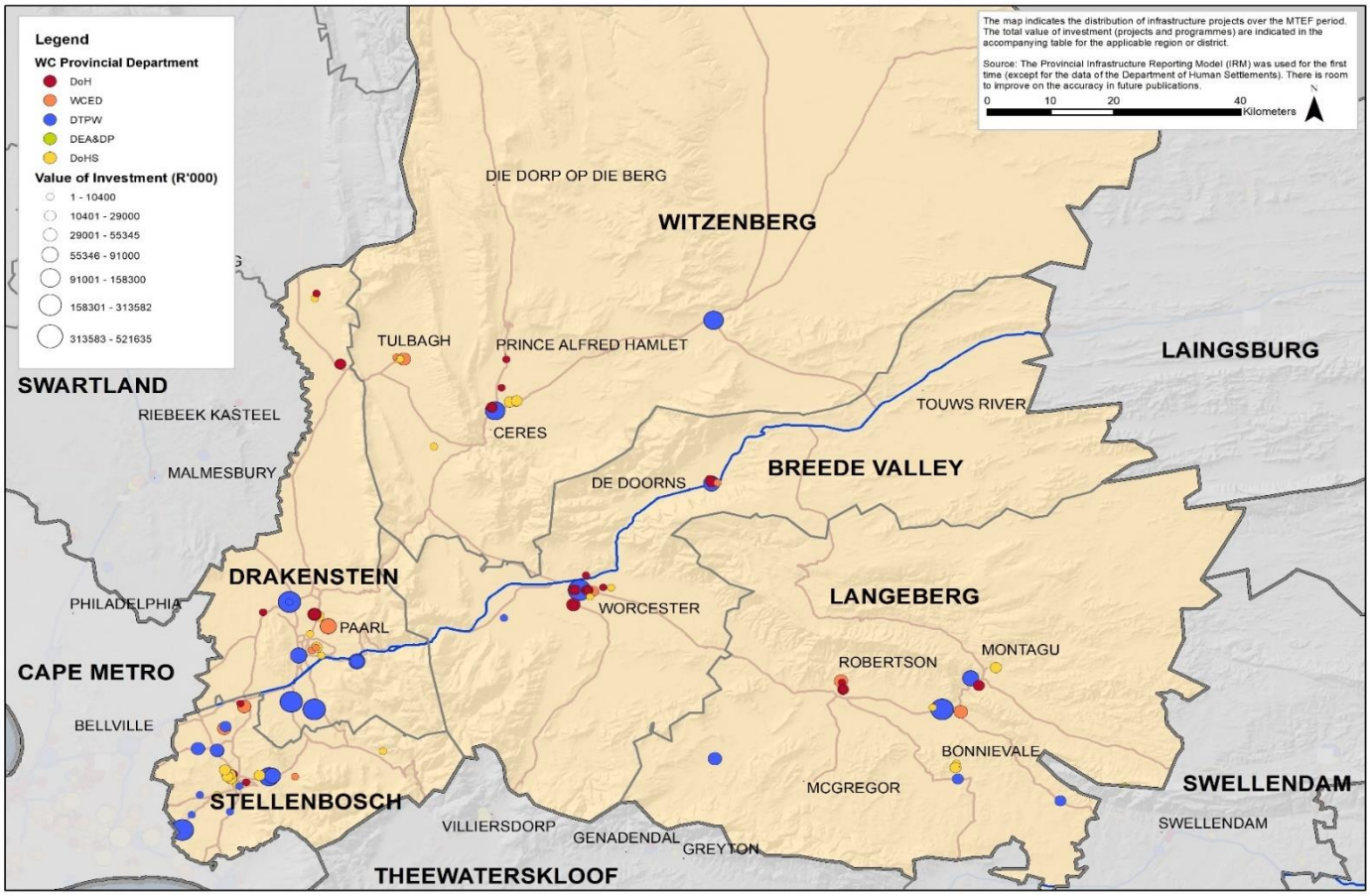
Annexure A: Spatial distribution of Provincial Infrastructure Investment (Individual Projects) in Cape Winelands District (MTEF 2021/22 – 2023/24).



Annexure B: Infrastructure Investment Projects and Programmes in the Municipality for the MTEF period 2022/23 – 2024/25.

Department	Nature of Investment	Funding Source	Local Municipality	Project Name	2021-22	2022-23	2023-24	MTEF Total
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Breede Valley	Roodewal PS	0	2000	15000	17000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Breede Valley	Stofland PS	5000	0	0	5000
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Breede Valley	De Doorns – De Doorns Ambulance Station – HT – Replacement	300	0	0	300
Health	New or Replaced Infrastructure	Health Facility Revitalisation Grant	Breede Valley	De Doorns – De Doorns Ambulance Station – Replacement	10	800	0	810
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Breede Valley	De Doorns – De Doorns CDC – HT – Upgrade and Additions	0	500	5500	6000
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Breede Valley	De Doorns – De Doorns CDC – Upgrade and Additions	2022	21205	10	23237
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Breede Valley	Worcester – Avian Park Clinic – HT – New	3000	1000	0	4000
Health	New or Replaced Infrastructure	Health Facility Revitalisation Grant	Breede Valley	Worcester – Avian Park Clinic – New	28554	797	849	30200
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Breede Valley	Worcester – Avian Park Clinic – OD QA – New	100	0	0	100
Health	Rehabilitation, Renovations & Refurbishment	Health Facility Revitalisation Grant	Breede Valley	Worcester – Brewelskloof Hospital – R & R (Alpha)	0	0	291	291
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Breede Valley	Worcester – Empilisweni Clinic – Upgrade and additions (Alpha)	0	0	216	216
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Breede Valley	Worcester – WCCN Boland – Additional Nurses accommodation – Erica Hostel	1	0	0	1
Health	Rehabilitation, Renovations	Health Facility Revitalisation Grant	Breede Valley	Worcester – WCCN Boland – Nurses accommodation	170	0	0	170

	& Refurbishment			at Erica Hostel, R & R				
Health	Non-Infrastructure	Equitable Share	Breede Valley	Worcester – Winelands & Overberg Maintenance Hub – Infrastructure Support	3609	3491	3491	10591
Health	Non-Infrastructure	Equitable Share	Breede Valley	Worcester – Winelands Overberg HT Hub – Infrastructure Support	1879	2002	2200	6081
Health	Rehabilitation, Renovations & Refurbishment	Health Facility Revitalisation Grant	Breede Valley	Worcester – Worcester Hospital – Fire compliance	7586	6399	621	14606
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Breede Valley	Worcester – Worcester Hospital – HT – Medical Waste	2400	0	0	2400
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Breede Valley	Worcester – Worcester Hospital – HT – Relocation of MOU	0	2000	1000	3000
Health	Rehabilitation, Renovations & Refurbishment	Health Facility Revitalisation Grant	Breede Valley	Worcester – Worcester Hospital – Relocation of MOU	3639	3897	282	7818
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Breede Valley	Avian Park Albatross Str-Rem-Erf 1 (500 services – 900 units) IRDP FLISP	0	2000	0	2000
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Breede Valley	Breede Valley: Worcester: Zwelethemba: Erf 1 North of Mandela: 2000 Sites – UISP	0	6000	0	6000
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Breede Valley	DHS: Breede Valley: Worcester: Transhex – 8280 Services – IRDP – Ph 1: 3231 Sites out of total of 8280 Sites	10581	0	0	10581
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Breede Valley	Worcester Fisher St Portion Erf 1-10253 (307 services – 307 units) IRDP FLISP	0	1000	0	1000

Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Breede Valley	Worcester Transhex Phase 1 (2546 of 3231) Services	74800	0	0	74800
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Breede Valley	Worcester Transhex Phase 1 Tops (800)	26000	26000	19500	71500
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Breede Valley	C1140 Reseal De Droons	0	0	20000	20000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Breede Valley	C1148 reseal De Droons	50000	21000	0	71000
Transport and Public Works	Upgrading and Additions	Equitable Share	Drakenstein	Haasekraal DM	1000	0	0	1000
Transport and Public Works	Upgrading and Additions	Equitable Share	Breede Valley	Rawsonville DM	6000	0	0	6000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Drakenstein	Dal Josaphat PS (CWXXS1)	20000	35000	25000	80000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Drakenstein	Ebenezer PS	0	0	2000	2000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Drakenstein	Paarlzicht PS	0	0	2000	2000
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Drakenstein	Gouda – Gouda Clinic – HT – Replacement	0	1000	400	1400
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Drakenstein	Gouda – Gouda Clinic – OD QA – Replacement	9	0	0	9
Health	New or Replaced Infrastructure	Health Facility Revitalisation Grant	Drakenstein	Gouda – Gouda Clinic – Replacement	4200	14137	10	18347
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Drakenstein	Paarl – Paarl Ambulance Station – Upgrade and additions incl wash bay	0	0	81	81
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Drakenstein	Paarl – Paarl CDC – Enabling work incl fencing to secure new site	9625	1238	577	11440
Health	New or Replaced Infrastructure	Health Facility Revitalisation Grant	Drakenstein	Paarl – Paarl CDC – New	2195	16500	34583	53278

Health	Non-Infrastructure	Health Facility Revitalisation Grant	Drakenstein	Paarl – Paarl Hospital – HT – New Obstetric Theatre in Maternity Unit	200	2000	800	3000
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Drakenstein	Paarl – Paarl Hospital – New Obstetric Theatre in Maternity Unit	2082	739	97	2918
Health	Non-Infrastructure	Equitable Share	Drakenstein	Paarl – Paarl HT Hub – Infrastructure Support	2375	2530	2700	7605
Health	Non-Infrastructure	Equitable Share	Drakenstein	Paarl – West Coast Maintenance Hub – Infrastructure Support	5636	5452	5452	16540
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Drakenstein	Wellington – Wellington CDC – Pharmacy Additions and Alterations	1	0	0	1
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Drakenstein	Wellington – Windmeul Clinic – HT – Upgrade and Additions (Alpha)	0	543	957	1500
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Drakenstein	Wellington – Windmeul Clinic – Upgrade and Additions (Alpha)	153	1563	82	1798
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	DHS: Drakenstein: Paarl: Vlakkeland: Planning – 3935 IRDP – Phase 1	6893	0	0	6893
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	Drakenstein: Paarl Dignified Informal Settlements – 298 – UISP	10800	6000	0	16800
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	Drakenstein: Paarl, Chester Williams: Planning 139 Sites – UISP	1476	5340	0	6816
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	Drakenstein: Paarl, Lovers Lane: Planning: 168 Sites – UISP	768	10080	0	10848
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	Fairylands	0	5200	0	5200

Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	Paarl Vlakkeland (Ph1.1 188 sites/188 units)	58110	0	0	58110
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	Saron (350)	0	6000	0	6000
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Drakenstein	Siyahlala	0	1950	0	1950
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Drakenstein	C1102 PRMG Reseal Windmeul	227000	0	0	227000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Drakenstein	C1105 PRMG Du Toit`s kloof Pass	0	85000	0	85000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Drakenstein	C1105 Reseal Du Toits Kloof	30000	0	0	30000
Transport and Public Works	Upgrading and Additions	Equitable Share	Drakenstein	C1120 Pearl Valley	25000	120000	45000	190000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Drakenstein	C1142 Rehab Simondium Reseal	0	0	87224	87224
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Drakenstein	C749.2 Paarl – Franschoek	35000	0	0	35000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Langeberg	Dagbreek LS	2000	15000	30000	47000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Langeberg	New Ashton HS	2000	10000	25000	37000
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Langeberg	Montagu – Montagu Hospital – HT – Rehabilitation	0	0	1	1
Health	Rehabilitation, Renovations & Refurbishment	Health Facility Revitalisation Grant	Langeberg	Montagu – Montagu Hospital – Rehabilitation	771	1000	9247	11018
Health	New or Replaced Infrastructure	Health Facility Revitalisation Grant	Langeberg	Robertson – Robertson CDC – New	0	0	894	894

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Health	Upgrading and Additions	Health Facility Revitalisation Grant	Langeberg	Robertson – Robertson Hospital – Acute Psychiatric Ward and New EC	641	1693	23958	26292
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Langeberg	Robertson – Robertson Hospital – HT – Acute Psychiatric Ward and New EC	0	2000	4000	6000
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Langeberg	Bonnievale Uitsig (68)	0	8840	0	8840
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Langeberg	Langeberg: Bonnievale: Boekenhoutskloof – 563 – UISP	1000	13440	0	14440
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Langeberg	Langeberg: Montagu: Mandela Square Remainder Erf 937: Planning 269 Sites – IRDP	1000	10380	0	11380
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Langeberg	Zandvliet (520)	0	1000	0	1000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Langeberg	C1141 Reseal Montagu – Barrydale	25000	0	0	25000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Langeberg	C1141 Reseal Montagu-Barrydale	0	80000	0	80000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Langeberg	C1205 Bonnievale	0	0	18000	18000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Langeberg	C818 Ashton – Montagu	202000	5000	0	207000
Transport and Public Works	Upgrading and Additions	Equitable Share	Langeberg	Wansbek DM	0	20000	16000	36000
Education	Upgrading and Additions	Education Infrastructure Grant	Stellenbosch	Aviation	1000	0	0	1000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Stellenbosch	Elsenburg Agri School	2000	10000	30000	42000

Education	New or Replaced Infrastructure	Education Infrastructure Grant	Stellenbosch	New Klapmuts HS	2000	15000	20000	37000
Education	New or Replaced Infrastructure	Equitable Share	Stellenbosch	New Klapmuts PS	2000	15000	20000	37000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Stellenbosch	P.C. Peterson PS	10000	0	0	10000
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Stellenbosch	Stellenbosch – Klapmuts Clinic – Upgrade and Additions (Alpha)	0	0	413	413
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Stellenbosch	Stellenbosch – Stellenbosch Hospital – EC Upgrade and Additions	1	0	0	1
Health	Rehabilitation, Renovations & Refurbishment	Health Facility Revitalisation Grant	Stellenbosch	Stellenbosch – Stellenbosch Hospital – Hospital and stores repairs and renovation	343	2000	500	2843
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Stellenbosch	Stellenbosch-Kayamandi CDC- Clinic Replacement	0	541	1102	1643
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Adam Tas Transit Oriented Development (3500)	0	0	3500	3500
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Droe Dyke (1000)	0	0	2000	2000
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	ISSP Kayamandi Zone 0 (711)	0	23140	0	23140
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	STELLENBOSCH : Kayamandi Watergang Basic Services UISP	6500	0	0	6500
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Stellenbosch Idas Valley (166) FLISP	11288	0	0	11288
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Stellenbosch: Enkanini: 1300 – Uisp	1500	17880	0	19380
Human Settlements	Infrastructure Transfers – Capital	Human Settlements	Stellenbosch	Stellenbosch: Franschoek:	4500	0	0	4500

		Development Grant		Langrug Ess: 1900 – Uisp				
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Stellenbosch: Kayamandi Zone 0 – 541 Services UISP	4680	9000	9000	22680
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Stellenbosch: Kayamandi: 1000 sites – UISP	3000	3000	6000	12000
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Stellenbosch: Northern Ext: Planning for 2500 Sites – IRDP – Phase 1	2000	0	0	2000
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Stellenbosch	Vlottenburg Longlands (106 incr to 144) IRDP	17940	0	0	17940
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	C1080 Stellenbosch reseal	2000	0	0	2000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	C1092 SOMERSET WEST-STELLENBOSCH	2000	0	0	2000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Stellenbosch	C1150 Helshoogte rd – Franshoek	0	0	100000	100000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Stellenbosch	C749.2 Reconstruct Paarl- F/hoek	0	130000	125000	255000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	C914 Spier road phase 3	30000	120000	52920	202920
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	C914.2 Spier Road	3000	0	0	3000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	CK DM regravel	29568	30750	32980	93298
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	CW DM regravel	32000	27000	28000	87000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	CYCC-Lindelani	0	4595	43467	48062

Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Stellenbosch	Modernisation Elsenburg- Main Building Phase2 (Labs)	0	1200	23983	25183
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Witzenberg	Ndluli PS	0	0	2000	2000
Education	Upgrading and Additions	Education Infrastructure Grant	Witzenberg	Tulbagh HS	10000	0	0	10000
Education	New or Replaced Infrastructure	Education Infrastructure Grant	Witzenberg	Waveren SS	15000	30000	0	45000
Environ Affairs & Dev Plan (Cape Nature)	Upgrading and Additions	Equitable Share	Witzenberg	Wolwekloof Recreational Facilities Upgrade	5000	0	0	5000
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Witzenberg	Ceres – Bella Vista Clinic – HT – General maintenance (Alpha)	155	512	0	667
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Witzenberg	Ceres – Ceres CDC – HT – General upgrade, extension and maintenance	0	0	1300	1300
Health	Rehabilitation, Renovations & Refurbishment	Health Facility Revitalisation Grant	Witzenberg	Ceres – Ceres Hospital – Hospital and nurses home repairs and renovations	359	1439	12746	14544
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Witzenberg	Ceres – Ceres Hospital – HT – New Acute Psychiatric Ward	113	250	0	363
Health	Upgrading and Additions	Health Facility Revitalisation Grant	Witzenberg	Ceres – Ceres Hospital – New Acute Psychiatric Ward	4169	1	206	4376
Health	New or Replaced Infrastructure	Health Facility Revitalisation Grant	Witzenberg	Prince Alfred Hamlet – Prince Alfred Hamlet Clinic – Replacement	1	0	0	1
Health	Non-Infrastructure	Health Facility Revitalisation Grant	Witzenberg	Tulbagh – Tulbagh Clinic – HT – Structural repair	372	0	0	372
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Witzenberg	Ceres Vredebes Phase H (529)	24540	0	0	24540

Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Witzenberg	Tulbagh (225) IRDP	0	730	0	730
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Witzenberg	Witzenberg: Ceres: Nduli: 188 Sites – UISP	1598	11280	0	12878
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Witzenberg	Witzenberg: Tulbagh: Chris Hani 427 T/S UISP Stage 4	750	0	0	750
Human Settlements	Infrastructure Transfers – Capital	Human Settlements Development Grant	Witzenberg	Wolseley Montana (700)	0	0	1000	1000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Witzenberg	C1091.1 Aston - Swellendam	15000	0	0	15000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Equitable Share	Witzenberg	C1102 Reseal Windmeul	0	2000	0	2000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Witzenberg	C1116 PRMG Ceres Towsriver	0	34000	110000	144000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Witzenberg	C1145 Voor Paardeberg rd	0	0	60000	60000
Transport and Public Works	Rehabilitation, Renovations & Refurbishment	Provincial Roads Maintenance Grant	Witzenberg	C1203 Trunnt & Divisional rd	0	0	100000	100000
Transport and Public Works	Maintenance and Repairs	Equitable Share	Witzenberg	Routine Maintenance CW DM	65580	62000	63430	191010
TOTAL					**1212543**	**1140034**	**1252570**	**3605147**

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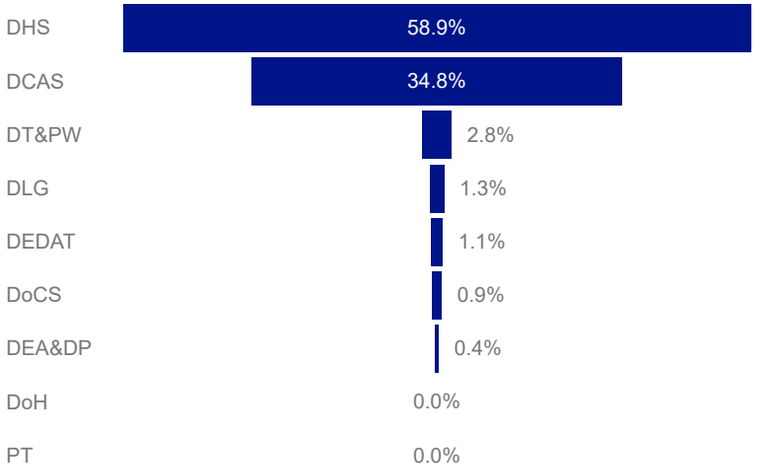
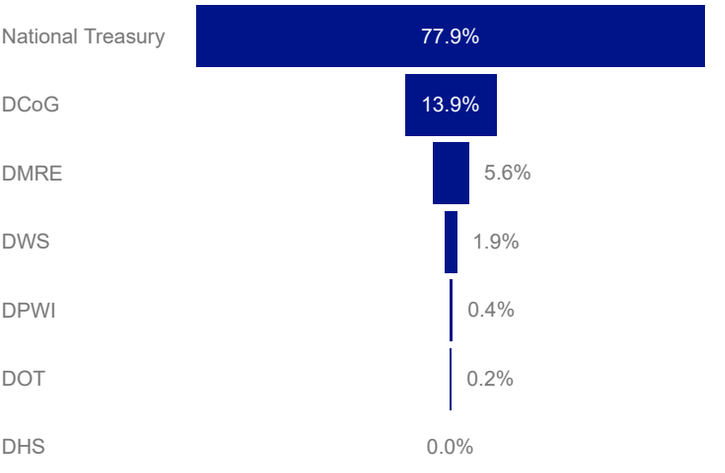
Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

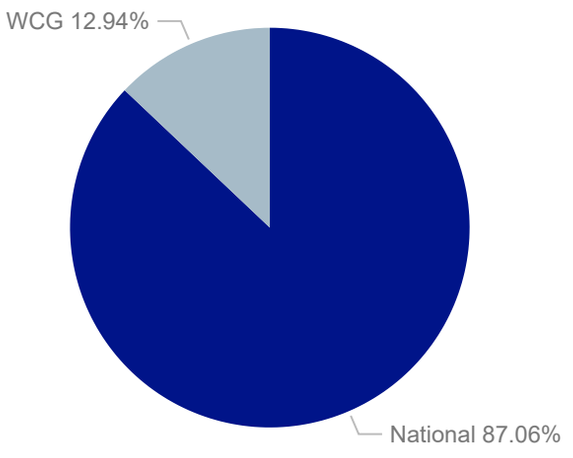
MTEF Total Provincial allocation budgets (%)



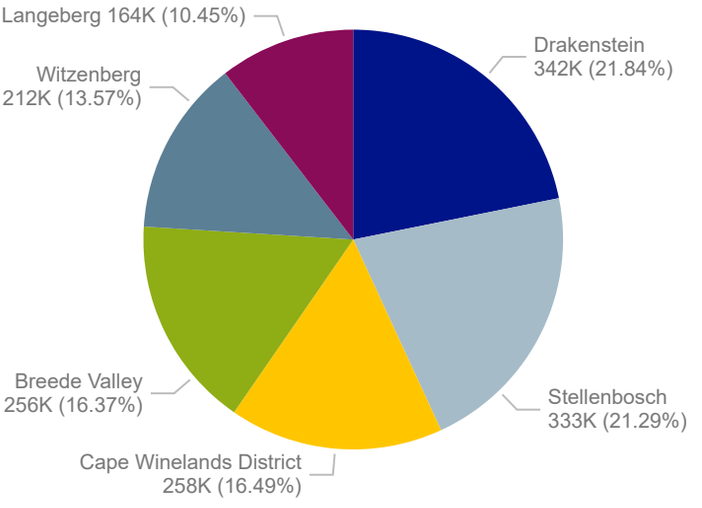
MTEF Total National allocation budgets (%)



2022/23 Budgeted Allocation by Source (%)



2022/23 Budgeted Allocation by Municipality



MTEF Allocation Budgets (R'000) & Number of grants

Source	Department	Total Number of grants	2022/23	2023/24	2024/25	MTEF Total
National	National Treasury	4	1006252	1080422	1160806	3247480
National	Cooperative Governance	2	222411	175662	182798	580871
WCG	Human Settlements	3	120753	140884	51284	312921
National	Mineral Resources and Energy	3	72506	85125	74316	231947
WCG	Cultural Affairs and Sport	3	67621	57308	59881	184810
National	Water and Sanitation	2	40047	40020	0	80067
National	Public works and Infrastructure	1	18621	0	0	18621
WCG	Transport and Public Works	2	2710	8710	3277	14697
National	Transport	1	2877	2888	2992	8757
WCG	Local Government	5	2378	3712	903	6993
WCG	Department of Economic Development and Tourism	2	5673	0	0	5673
WCG	Community Safety	1	1500	1560	1622	4682
WCG	Environmental Affairs and Development Planning	1	1900	0	0	1900
Total		**30**	**1565249**	**1596291**	**1537879**	**4699419**

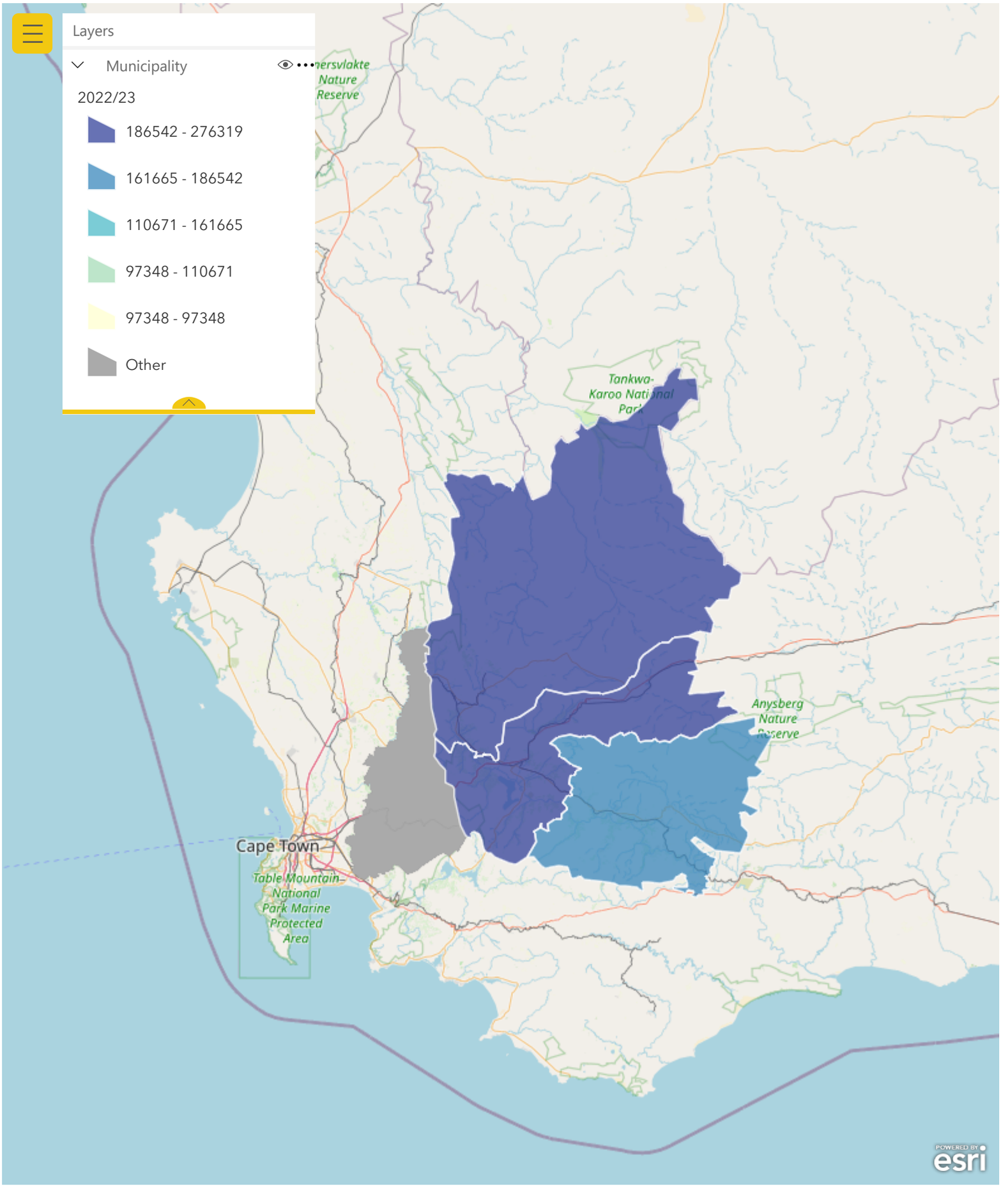
Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Budgeted National and Provincial Allocations (R'000) for 2022/23

Department	Transfer description	2022/23
National Treasury	Equitable Share	992302
Cooperative Governance	Integrated Urban Development Grant	127736
Cooperative Governance	Municipal Infrastructure Grant	94675
Human Settlements	Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	65210
Human Settlements	Human Settlements Development Grant (Beneficiaries)	54262
Mineral Resources and Energy	Integrated National Electrification Programme (Municipal) Grant	53350
Cultural Affairs and Sport	Community library services grant	52300
Water and Sanitation	Water Services Infrastructure Grant	20808
Water and Sanitation	Regional Bulk Infrastructure Grant	19239
Public works and Infrastructure	Expanded Public Works Programme Integrated Grant for Municipalities	18621
Mineral Resources and Energy	Integrated National Electrification Programme (Eskom) Grant	15156
Cultural Affairs and Sport	Library service: Replacement funding for most vulnerable B3 Municipalities	14072
National Treasury	Local Government Financial Management Grant	8750
National Treasury	Neighbourhood Development Partnership Grant (Capital)	5000
Mineral Resources and Energy	Energy Efficiency and Demand Side Management Grant	4000
Department of Economic Development and Tourism	Western Cape Municipal Energy Resilience Grant (WC MER GRANT)	3452
Transport	Rural Roads Asset Management Systems Grant	2877
Transport and Public Works	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	2710
Department of Economic Development and Tourism	Provide Resources for the development and/or upgrade of SMME infrastructure in Langeberg Municipality as part of the Department Economic Development and Tourism's SMME Booster Fund 2021	2221
Environmental Affairs and Development Planning	Regional Socio-Economic Projects (RSEP) Programme - Municipal Projects	1900
Community Safety	Safety initiative implementation - whole of society approach (WOSA)	1500
Human Settlements	Municipal accreditation and capacity building grant	1281
Cultural Affairs and Sport	Development of Sport and Recreation Facilities	1249
Local Government	Municipal Fire Service Capacity Building Grant	821
Local Government	Municipal Electricity Planning Grant	800
Local Government	Community Development Workers (CDW) Operational Support Grant	489
National Treasury	Neighbourhood Development Partnership Grant (Technical Assistance)	200
Local Government	Thusong Service Centres Grant (Sustainability: Operational Support Grant)	150
Local Government	Municipal Disaster Management Grant	118
Transport and Public Works	Integrated Transport Planning	0
Total		**1565249**

Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Spatial distribution of total budgeted allocations (National & Provincial) by Municipality for 2022/23



Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Cape Winelands District: Budgeted National and Provincial Allocations (R'000)

Source	Department	Municipality	Transfer description	2022/23	2023/24	2024/25
National	National Treasury	Cape Winelands District	Equitable Share	251295	256921	262730
National	Transport	Cape Winelands District	Rural Roads Asset Management Systems Grant	2877	2888	2992
WCG	Community Safety	Cape Winelands District	Safety initiative implementation - whole of society approach (WOSA)	1500	1560	1622
National	Public works and Infrastructure	Cape Winelands District	Expanded Public Works Programme Integrated Grant for Municipalities	1369	0	0
National	National Treasury	Cape Winelands District	Local Government Financial Management Grant	1000	1000	1000
WCG	Local Government	Cape Winelands District	Community Development Workers (CDW) Operational Support Grant	75	75	75
WCG	Transport and Public Works	Cape Winelands District	Integrated Transport Planning	0	0	940
Total				**258116**	**262444**	**269359**

Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Drakenstein: Budgeted National and Provincial Allocations (R'000)

Source	Department	Municipality	Transfer description	2022/23	2023/24	2024/25
National	National Treasury	Drakenstein	Equitable Share	194355	211292	229829
National	Cooperative Governance	Drakenstein	Integrated Urban Development Grant	61989	41344	43017
WCG	Human Settlements	Drakenstein	Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	27010	12210	0
WCG	Human Settlements	Drakenstein	Human Settlements Development Grant (Beneficiaries)	20192	18700	12000
WCG	Cultural Affairs and Sport	Drakenstein	Community library services grant	19954	16444	17182
National	Mineral Resources and Energy	Drakenstein	Integrated National Electrification Programme (Municipal) Grant	10000	19000	19853
National	Public works and Infrastructure	Drakenstein	Expanded Public Works Programme Integrated Grant for Municipalities	4139	0	0
National	National Treasury	Drakenstein	Local Government Financial Management Grant	1550	1550	1550
WCG	Local Government	Drakenstein	Municipal Electricity Planning Grant	800	0	0
WCG	Transport and Public Works	Drakenstein	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	780	780	780
WCG	Environmental Affairs and Development Planning	Drakenstein	Regional Socio-Economic Projects (RSEP) Programme - Municipal Projects	600	0	0
WCG	Human Settlements	Drakenstein	Municipal accreditation and capacity building grant	256	245	249
WCG	Local Government	Drakenstein	Community Development Workers (CDW) Operational Support Grant	113	113	113
National	National Treasury	Drakenstein	Neighbourhood Development Partnership Grant (Technical Assistance)	100	100	100
WCG	Local Government	Drakenstein	Municipal Fire Service Capacity Building Grant	0	985	0
WCG	Local Government	Drakenstein	Thusong Service Centres Grant (Sustainability: Operational Support Grant)	0	0	146
Total				**341838**	**322763**	**324819**

Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Stellenbosch: Budgeted National and Provincial Allocations (R'000)

Source	Department	Municipality	Transfer description	2022/23	2023/24	2024/25
National	National Treasury	Stellenbosch	Equitable Share	179634	196720	215547
National	Cooperative Governance	Stellenbosch	Integrated Urban Development Grant	65747	42114	43821
National	Mineral Resources and Energy	Stellenbosch	Integrated National Electrification Programme (Municipal) Grant	28350	6000	6269
WCG	Human Settlements	Stellenbosch	Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	20850	27180	6000
WCG	Human Settlements	Stellenbosch	Human Settlements Development Grant (Beneficiaries)	15040	30823	27900
WCG	Cultural Affairs and Sport	Stellenbosch	Community library services grant	14112	11629	12151
National	Public works and Infrastructure	Stellenbosch	Expanded Public Works Programme Integrated Grant for Municipalities	4928	0	0
WCG	Department of Economic Development and Tourism	Stellenbosch	Western Cape Municipal Energy Resilience Grant (WC MER GRANT)	1690	0	0
National	National Treasury	Stellenbosch	Local Government Financial Management Grant	1550	1550	1550
WCG	Transport and Public Works	Stellenbosch	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	495	495	495
WCG	Human Settlements	Stellenbosch	Municipal accreditation and capacity building grant	256	245	249
National	Mineral Resources and Energy	Stellenbosch	Integrated National Electrification Programme (Eskom) Grant	255	3366	253
WCG	Cultural Affairs and Sport	Stellenbosch	Development of Sport and Recreation Facilities	220	0	0
WCG	Local Government	Stellenbosch	Community Development Workers (CDW) Operational Support Grant	38	38	38
WCG	Transport and Public Works	Stellenbosch	Integrated Transport Planning	0	0	627
Total				**333165**	**320160**	**314900**

Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Breede Valley: Budgeted National and Provincial Allocations (R'000)

Source	Department	Municipality	Transfer description	2022/23	2023/24	2024/25
National	National Treasury	Breede Valley	Equitable Share	147822	159120	171374
National	Cooperative Governance	Breede Valley	Municipal Infrastructure Grant	44987	40614	42346
National	Mineral Resources and Energy	Breede Valley	Integrated National Electrification Programme (Municipal) Grant	15000	38000	39706
National	Mineral Resources and Energy	Breede Valley	Integrated National Electrification Programme (Eskom) Grant	14901	7759	920
WCG	Cultural Affairs and Sport	Breede Valley	Community library services grant	11114	9091	9499
National	Water and Sanitation	Breede Valley	Water Services Infrastructure Grant	5107	17000	0
National	Mineral Resources and Energy	Breede Valley	Energy Efficiency and Demand Side Management Grant	4000	4000	0
WCG	Human Settlements	Breede Valley	Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	3750	2500	0
National	Public works and Infrastructure	Breede Valley	Expanded Public Works Programme Integrated Grant for Municipalities	3301	0	0
WCG	Human Settlements	Breede Valley	Human Settlements Development Grant (Beneficiaries)	2830	0	0
National	National Treasury	Breede Valley	Local Government Financial Management Grant	1550	1550	1550
WCG	Environmental Affairs and Development Planning	Breede Valley	Regional Socio-Economic Projects (RSEP) Programme - Municipal Projects	800	0	0
WCG	Human Settlements	Breede Valley	Municipal accreditation and capacity building grant	513	491	497
WCG	Transport and Public Works	Breede Valley	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	190	190	190
WCG	Local Government	Breede Valley	Thusong Service Centres Grant (Sustainability: Operational Support Grant)	150	150	0
WCG	Local Government	Breede Valley	Municipal Disaster Management Grant	118	118	118
WCG	Local Government	Breede Valley	Community Development Workers (CDW) Operational Support Grant	94	94	94
WCG	Local Government	Breede Valley	Municipal Fire Service Capacity Building Grant	0	985	0
Total				**256227**	**281662**	**266294**

Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Witzenberg: Budgeted National and Provincial Allocations (R'000)

Source	Department	Municipality	Transfer description	2022/23	2023/24	2024/25
National	National Treasury	Witzenberg	Equitable Share	121668	132945	145345
National	Cooperative Governance	Witzenberg	Municipal Infrastructure Grant	25091	26054	27079
National	Water and Sanitation	Witzenberg	Regional Bulk Infrastructure Grant	19239	0	0
National	Water and Sanitation	Witzenberg	Water Services Infrastructure Grant	15701	14299	0
WCG	Human Settlements	Witzenberg	Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	11600	11280	0
WCG	Cultural Affairs and Sport	Witzenberg	Library service: Replacement funding for most vulnerable B3 Municipalities	7206	7307	7635
WCG	Cultural Affairs and Sport	Witzenberg	Community library services grant	3311	2729	2852
National	Public works and Infrastructure	Witzenberg	Expanded Public Works Programme Integrated Grant for Municipalities	2237	0	0
WCG	Department of Economic Development and Tourism	Witzenberg	Western Cape Municipal Energy Resilience Grant (WC MER GRANT)	1762	0	0
National	National Treasury	Witzenberg	Local Government Financial Management Grant	1550	1550	1550
WCG	Transport and Public Works	Witzenberg	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	1120	7120	120
WCG	Cultural Affairs and Sport	Witzenberg	Development of Sport and Recreation Facilities	1029	0	0
WCG	Environmental Affairs and Development Planning	Witzenberg	Regional Socio-Economic Projects (RSEP) Programme - Municipal Projects	500	0	0
WCG	Human Settlements	Witzenberg	Municipal accreditation and capacity building grant	256	245	249
WCG	Local Government	Witzenberg	Community Development Workers (CDW) Operational Support Grant	131	131	131
National	Mineral Resources and Energy	Witzenberg	Integrated National Electrification Programme (Municipal) Grant	0	4000	4180
WCG	Human Settlements	Witzenberg	Human Settlements Development Grant (Beneficiaries)	0	1065	2640
WCG	Local Government	Witzenberg	Municipal Fire Service Capacity Building Grant	0	985	0
WCG	Local Government	Witzenberg	Thusong Service Centres Grant (Sustainability: Operational Support Grant)	0	0	150
Total				**212401**	**209710**	**191931**

Cape Winelands District:
Spatial distribution of allocations to municipalities over MTEF period 2022/23 - 2024/25

Langeberg: Budgeted National and Provincial Allocations (R'000)

Source	Department	Municipality	Transfer description	2022/23	2023/24	2024/25
National	National Treasury	Langeberg	Equitable Share	97528	104474	112031
National	Cooperative Governance	Langeberg	Municipal Infrastructure Grant	24597	25536	26535
WCG	Human Settlements	Langeberg	Human Settlements Development Grant (Beneficiaries)	16200	12080	1500
WCG	Cultural Affairs and Sport	Langeberg	Library service: Replacement funding for most vulnerable B3 Municipalities	6866	6961	7274
National	National Treasury	Langeberg	Neighbourhood Development Partnership Grant (Capital)	5000	10000	15000
WCG	Cultural Affairs and Sport	Langeberg	Community library services grant	3809	3147	3288
National	Public works and Infrastructure	Langeberg	Expanded Public Works Programme Integrated Grant for Municipalities	2647	0	0
WCG	Department of Economic Development and Tourism	Langeberg	Provide Resources for the development and/or upgrade of SMME infrastructure in Langeberg Municipality as part of the Department Economic Development and Tourism's SMME Booster Fund 2021	2221	0	0
WCG	Human Settlements	Langeberg	Informal Settlements Upgrading Partnership Grant: Provinces (Beneficiaries)	2000	23820	0
National	National Treasury	Langeberg	Local Government Financial Management Grant	1550	1550	1550
WCG	Local Government	Langeberg	Municipal Fire Service Capacity Building Grant	821	0	0
WCG	Transport and Public Works	Langeberg	Financial assistance to Municipalities for maintenance and construction of transport infrastructure	125	125	125
National	National Treasury	Langeberg	Neighbourhood Development Partnership Grant (Technical Assistance)	100	100	100
WCG	Local Government	Langeberg	Community Development Workers (CDW) Operational Support Grant	38	38	38
National	Mineral Resources and Energy	Langeberg	Integrated National Electrification Programme (Municipal) Grant	0	3000	3135
National	Water and Sanitation	Langeberg	Water Services Infrastructure Grant	0	8721	0
Total				**163502**	**199552**	**170576**

CHAPTER 4: STRATEGIC PARTNERSHIPS AND PROJECTS

4.1 DISTRICT DEVELOPMENT MODEL AND ONE PLANS

Reference is made to Circular 11 of 2020 and 1 of 2021, the District Development Model (DDM) is an operational model for improving cooperative governance aimed at building a capable, ethical and developmental state. It embodies an approach by which the three spheres of government and state entities work collaboratively in an impact-oriented way, and where there is higher performance and accountability for coherent service delivery and development outcomes.
Circular No 2 of 2021 – This Circular is issued in terms of Cabinet approval of the District Development Model (DDM) concept and approach (21 August 2019), and subsequent launch and piloting of the DDM. It is a supplementary to Circular 1 of January 2021 issued by DCOG in January 2021. Therefore, the content of this circular should be read in conjunction with the Circular 1 of January 2021.

The DDM is an intergovernmental approach focusing on 52 district and metropolitan spaces as IGR impact zones for more effective joint planning, budgeting and implementation over multi-year planning and electoral cycles. This joint work is expressed through the formulation and implementation of a **"One Plan" which is a long-term strategic framework guiding investment, service delivery and development** in relation to each of the district and metropolitan spaces.

The institutional arrangements for the DDM are aimed at sustaining a programmatic approach to cooperative governance and IGR centred on the One Plan and the related reprioritisation processes to be undertaken by all spheres, departments, entities and municipalities. This will culminate in both political and technical work streams that will need to be managed at the level of district/metro hubs for the co-creation of the joined up one plans by and for all three spheres of Government.

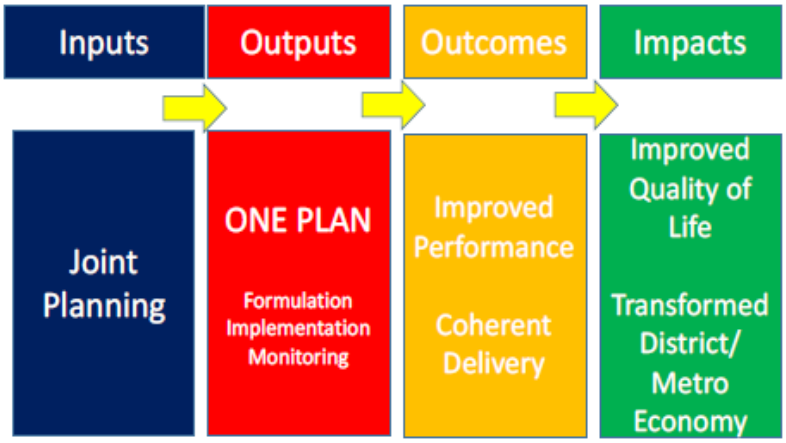
The management is undertaken by two key committees. At the level of the district/metro hub, the two committees will be responsible for the management of the one plan process, i.e.

- The One Plan Political Committee: Provides political leadership, oversight and support to the hubs.
- The District Coordination Steering Committee will oversee the technical work of the district hubs.

Each of these committees will interface with the rest of the institutional teams based on political and technical interfaces. In essence, these committees will drive the work of the district hubs including intergovernmental collaboration required to develop the joined up one plans.

The One Plan is also not a simple summation of entity plans but a strategic collaboratively synthesised plan that articulates development outcomes, targets and commitments. It is not in the same form or detail as existing long-term plans (Sector Plans, PGDSs, GDSs or CDSs) and does not play the same role as these plans. It is a strategic intergovernmental framework not belonging to any particular sphere or department. It is in the form of an intergovernmental and social compact that sets the broad direction, targets and synergies to inform all planning.

One Plan Development and Implementation Process



Following the support by the DCF as of 12 April 2021, the JDMA Implementation Plan or District Strategic Plan be adopted as the One Plan for Cape Winelands District Municipality.
Progress on project – implementation status can be reported as follows:

	Project	**Status**
1.	**Regional landfill site**	Finalisation of process underway. Site will be operational by October 2024, according to the Waste Management License
2. 2.1 2.2 2.3	**Resource Resilience** Climate Change Water Security Energy Security	Currently discussions are being held with various stakeholders 2.1 – Adaptation Strategy – completed - Risk and Vulnerability Assessments on sectors – will be considered - Sector response plans – completed 2.2 Draft Alien Clearing Map – in progress of being completed 2.3 Municipal Energy Resilience (MER) programme – next progress meeting and MoU first submission
3. 3.1	**Community Safety** CWDM Plan	3.1 Safety plan – Completed

3.2	Ward-based safety plan	3.2 Discussions underway to develop the Plan
4.	**Municipal Business Sustainability**	Financial Sustainability study is being conducted by DLG, PT and DEDAT with WC MM's and CFOs through University of Stellenbosch with Hanns Seidell Foundation funding.
4.1	Research	Report will be available once signed off.
4.2	Shared Services	4.2 – Shared Service Audit – completed - Models for 4 focus areas – under development
5.	**Unemployment Plan**	Economic Recovery Plan for CWDM – submitted to COGTA Progress on implementation – submitted to DEDAT Municipalities in conception phase of implementation plans
6.	**Communication**	Continuous feedback on progress made with the JDMA
7.	**Other focus areas**	
7.1	De Doorns N1	7.1 – Disaster Management equipment and smoke detectors – Ongoing project - Community Centre – Completed - Cameras – in process - Approximate of R3 million spent
7.2	Mega-human settlement projects	7.2 – Transhex - Vlakkeland - Vredebes DLG Infrastructure is monitoring progress – will set up discussions with DHS and Urbanisation Project Team
7.3	-N1 Eastern bypass -ESKOM – upgrading of infrastructure -Revenue Collection in ESKOM areas	Request DCF approval to add infrastructure projects to JDMA Implementation Plan that are currently on Operational Support Plans for Breede Valley and / or Witzenberg, in view of the strategic nature of these projects.
7.4	Land invasion – Kluitjieskraal wetland	7.4 Currently being investigated by DLG Infrastructure Unit

REVISED IDP GUIDELINES FOR MUNICIPALITIES – ROLL-OUT PLAN

- **Introduction and Background**

As per Circular 12 of 2020, the Revised Guidelines are aimed at providing guidance to municipalities for the development of IDPs that respond to key policy imperatives, which include the IUDF, NDP and most recently the District Development Model. The draft guidelines also provide guidance to other spheres of government and organs of state on how they should inform and support the development of municipal IDPs.

In this regard, the purpose of the revised IDP guidelines is to: • Assist municipalities to develop IDPs that are legally compliant, reassert the strategic nature of IDPs and ensure that they respond to key national and provincial policy imperatives. • Provide guidance on the adoption of IDPs during an election year. • Describe the process for transversal planning for municipal departments. • Clarify the roles and responsibilities of stakeholders in the development, review and implementation of IDPs. • Clarify the relationship between IDPs and One Plans.

- **Target Audience**

The primary audience for the Revised IDP Guidelines is all categories of municipalities for the development and implementation of IDPs in the context of the National Development Plan (NDP), Integrated Urban Development Framework (IUDF) and other policy imperatives.

- **Methodology**

The roll out plan focuses on how the Revised Guidelines will be rolled out to all municipalities for implementation. The guidelines are meant to support municipalities as they develop the next generation of IDPs (2022/23 – 2026/2027) given the expected Local Government Elections in 2021.

Virtual workshops will be conducted per province. A programme of the engagements for the roll out will be developed and shared with all participants. As far as possible, existing forums and meetings will be utilised to workshop the guidelines.

Circular 88 Reporting

Introduction

Circular 88 processes originated as a pilot introduction for metropolitan municipalities in 2017. The whole objective of this process is to create alignment and cohesive planning, budgeting and reporting purposes for all municipalities. Since the piloting of Circular 88 there have been major expansions and revisions done for the indicators provided to apply to all municipalities.

The Municipal Finance Management Act (MFMA) Circular No. 88 of 30 November 2017 provided guidance to metropolitan municipalities on a common set of performance indicators applied from the 2018/19 planning and reporting cycle onwards. The 1st addendum to MFMA Circular No. 88 of 4 December 2019 provided further guidance and clarity to metropolitan municipalities on the preparation of statutory planning and reporting documents required for the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). The 2nd addendum to MFMA Circular No. 88 of 17 December 2020 expanded the reform in four respects: 1) it more closely integrated and guided planning, budgeting and reporting reforms; 2) it significantly expanded and revised the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expanded the application of these reforms and the indicators to all municipalities differentially applied per category of municipality in a piloting phase; and 4) it introduced evaluations in the context of these reforms. This Addendum includes additional guidance, indicator revisions and expansions, as well as further clarification. It is reflective of the work to date on planning, budgeting, and reporting reforms that should be factored into municipal planning, budgeting, and reporting for the 2022/23 MTREF. The reforms will continue being incrementally implemented in the 2023/24 – 2026/27 MTREF and apply on a differentiated basis per municipal category.

NATIONAL TREASURY

Addendum 3 to MFMA Circular No. 88

Municipal Finance Management Act No. 56 of 2003

Rationalisation of Planning, Budgeting and Reporting Requirements for the 2022/23 MTREF: Addendum 3

This circular provides an update to all municipalities on the preparation of statutory planning and reporting documents required for the 2022/23 Medium Term Revenue and Expenditure Framework (MTREF). It is for the attention of all municipalities and **applies to all categories of municipalities**.

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1 Introduction

The Municipal Finance Management Act (MFMA) Circular No. 88 of 30 November 2017 provided guidance to metropolitan municipalities on a common set of performance indicators applied from the 2018/19 planning and reporting cycle onwards. The 1st addendum to MFMA Circular No. 88 of 4 December 2019 provided further guidance and clarity to metropolitan municipalities on the preparation of statutory planning and reporting documents required for the 2020/21 Medium Term Revenue and Expenditure Framework (MTREF). The 2nd addendum to MFMA Circular No. 88 of 17 December 2020 expanded the reform in four respects: 1) it more closely integrated and guided planning, budgeting and reporting reforms; 2) it significantly expanded and revised the set of MFMA Circular No. 88 indicators applicable to metropolitan municipalities; 3) it expanded the application of these reforms and the indicators to all municipalities differentially applied per category of municipality in a piloting phase; and 4) it introduced evaluations in the context of these reforms.

This Addendum includes additional guidance, indicator revisions and expansions, as well as further clarification. It is reflective of the work to date on planning, budgeting, and reporting reforms that should be factored into municipal planning, budgeting, and reporting for the 2022/23 MTREF. The reforms will continue being incrementally implemented in the 2023/24 – 2026/27 MTREF and apply on a differentiated basis per municipal category.

2 Planning and budgeting reforms and guidance

2.1 Institutionalisation of planning, budgeting, and reporting reforms

In 2021/22 all metros were no longer required to develop and submit Built Environment Performance Plans (BEPPs). However, noting the commitments made to institutionalising their BEPPs and planning, budgeting and reporting reforms during the Annual Assessment of BEPPs and City Plans in 2020, the 2021/22 MTREF plans and budgets were monitored to assess the institutionalisation and will continue to be monitored in the next MTREF (2022/23).

Criteria have been developed as depicted in Table 1 to assess the extent to which longer-term frameworks and strategies, as well as the IDP, incorporates planning reforms. The independent monitoring and evaluation process of the 2021/22 MTREF has shown some incremental improvement in terms of the institutionalisation. However, there is scope for further improvement. Additional areas of assessment have been included for the 2022/23 MTREF (see questions in italics below) to make the assessment toolkit more comprehensive.

Table 1: Criteria to assess incorporation of planning, budgeting, and reporting reforms in city plans

Criteria	Focus of assessment
1. Theory of Change (TOC) for City Transformation	• Evidence of a clear TOC to address city transformation in line with national policy directives – SPLUMA and IUDF. • Evidence of alignment with TOC in all plans and budget. • *Does the City's SDF redress the apartheid spatial form?* • *Is there evidence of the adoption of TOD within the City's spatial and sectoral plans?* • *Does the City have a mid-to long-term model for human settlements and informal settlements programme and pipeline planning that looks at demand and supply data in relation to resources land and fiscal constraints, as well spatial imperatives.*

	• *Do the metropolitan plans clearly promote and prioritise economic and residential activities and investments along existing public transport routes that link dormitory suburbs with other parts of the City?* • *Does the City have clear economic strategies in place for both its formal and informal sectors?* • *Is there evidence of the City adapting their strategies through learning and experimentation?*
2. Outcomes-Led Planning and Spatial Targeting	• Have outcome statements been used to directly influence planning? • Has the circle been closed by adopting the MFMA Circular No. 88 indicators? • Are the spatially targeted areas clearly evident from frameworks through to strategies and implementation plans? • *Do the built environment investments within the City (by both public and private sectors) support inclusive economic growth?* • *Has the Metro's Transit-Oriented Development managed to "stitch together" the peripheral, largely poor dormitory suburbs with mixed-use and industrial nodes where economic activity and employment opportunities exist?* • *Is the Metro aware of the key challenges that need to be addressed to ensure that the City is inclusive and foster social, racial and economic inclusion and access?*
3. Strategy-Led Budgeting	• Is there a longer-term financing strategy to resource the CIDMS? • Is the budget spatialised? • Has the minimum business processes and system specification required in term of the *m*SCOA Regulations (as articulated in Annexure B of MFMA Circular No 80) been implemented?
4. Alignment of Public Infrastructure Investment in spatially targeted areas in metros (Annexure 2 and Part C of BEPPs) – process and outputs	• Has the City managed to get intergovernmental stakeholders to disclose their Programmes and related Budgets? • Is there evidence that there is a move from disclosure to joint planning? • What is the extent of alignment of intergovernmental planning and budgeting?
5. Adoption of spatial planning, prioritisation, and budgeting tools	• Does the City have a process or system/tool in place to filter programmes and projects submitted for approval? • What criteria does the city use to approve projects for funding and Implementation? • Does the city distinguish between priority programmes and projects? • Do priority programmes and projects have a greater weighting than others? • Does the integrated financial system used by the municipality automate the process and incorporate workflows to enable the tracking of progress?
6. Does the City have longer term frameworks and strategies in comparison to the term-of-Office plan (IDP) or 5-year plans?	• Does the city have a SDF and/or CDS/GDS? • Are there longer-term sector strategies for Human Settlements, Public Transport, Economic Development, Climate Resilience, Financial Sustainability, Infrastructure Asset Management?

7. Other questions	• Does the Medium-Term Revenue and Expenditure Framework (MTREF) link directly to and supports the implementation of the IDP, MSDF and BEPP? • Does the Service Delivery and Budget Implementation Plan (SDBIP) link directly to and supports the implementation of the IDP, MSDF and BEPP? • Do the Supply Chain Management Regulations and procurement plans link directly to and support the implementation of the IDP, MSDF and BEPP? • Do the Reporting Requirements (MFMA and grants) link directly to and support the implementation of the IDP, MSDF and BEPP • *Does the integrated financial system used by the municipality enable these links?* • *Is there a credible long- or medium-term financial strategy in place, to ensure compilation of effective operational and capital budgets, or to spend in line with available financial resources?* • *Has the City developed and embedded a sustainable city framework, to operationalise and test the efficacy of its growth and development strategies?* • *Has the City invested in environmental data collection and monitoring, to provide a scientific basis for policy and strategy development, as well as compliance measurement against targets, to determine any enforcement responses?* • *Has the City begun to confront resource efficiency more aggressively, based on the concept of a circular economy, whereby products are designed for ease of re-use, disassembly and remanufacturing?* • *Is the City aware or conscious of the enabling conditions that need to be created so that it can become a dynamic system of innovation where all urban residents enjoy the benefits of agglomeration?* • *Are there any strategies in place to address the legacy of non-implementation of development strategies, where it exists?*

In August 2021 the Urban Reforms Online Training modules were launched. The Urban Reforms Knowledge Series reflects the reforms in the metropolitan municipalities since 2013/14 and is focused on the planning; budgeting, fiscal and financial; and reporting functions, led by the National Treasury (NT) in collaboration with the following national departments: Department of Cooperative Governance (DCoG); Agriculture, Land Reform and Rural Development (DALRRD); Planning, Monitoring and Evaluation (DPME); and more recently in 2020 the Public Service and Administration (DPSA). The Knowledge Series have been packaged into the Urban Reforms Online Training Modules accessible from the National Treasury's **GoMuni** portal. The intention is for the Urban Reforms Online Training modules to form part of the Continuous Professional Development (CPD) activities via the South African Council of Planners (SACPLAN). A spatial targeting toolkit is currently being developed in collaboration with the cities. The toolkit will provide technical guidance to metros and other municipalities to include spatial targeting in their development planning process, practice, approach, and content to realise their spatial transformation outcomes.

2.2 New metropolitan specific IDP Guideline and Assessment Framework

The metropolitan specific IDP Guideline and complementary metropolitan specific IDP Assessment Framework were approved by the DCoG and came into effect from 01 July 2021. Municipalities need to ensure that the next generation of IDPs are aligned to District Development Model (DDM) One Plans which have been developed as long-term strategic

frameworks to guide investment and delivery in each district and metro spaces by all spheres of government.

2.3 Longer-Term Intergovernmental Planning and Budgeting

The National Development Plan (NDP) recognises the potential of various places and spaces in the country to contribute to the achievement of the national goals of eradicating poverty and reducing inequality and unemployment. Due to the persistent legacy of apartheid spatial development patterns, levels of need and vulnerability differ from one place to the next. The NDP remains the lodestar of the country, and alongside long-term sector strategies, they are achieved systematically through actions to implement short-and medium-term plans. A unified approach is needed to fast-track development outcomes and achieve sustainable transformation. The DDM was introduced in this regard. Through the DDM, interventions and actions contained in the NDP, Medium Term Strategic Framework, National Spatial Development Framework and sector strategies should find expression in district-level impact zones.

DPME and DCoG developed a *Guideline for the localisation of government plans* in the context of the DDM. The rationale for the Guideline is to enable and facilitate a clear connection between plans at different levels, including the MTSF, Provincial Growth and Development Strategy, Annual Performance Plan and “One Plan" interventions towards implementation, where possible within the district and local government space. The guidelines are an attempt to close the gap and mitigate against the disconnect between the national developmental outcomes and impacts and actual service delivery outcomes in the country in support of integrated planning and alignment towards coherent implementation and impact within the district and local government space.

2.4 Municipal Spatial Development Frameworks and City Development Strategies/Growth and Development Strategies

Metropolitan municipalities have a tradition of planning for the longer term with metropolitan spatial development frameworks (MSDFs) based on at least a 10-year time horizon. Metropolitan municipalities have worked and continue to work with the South African Cities Network (SACN) to develop Growth Development Strategies/City Development Strategies. Having long term strategies and plans in place that go beyond a 10-year horizon in Cities is key in terms of providing certainty to other stakeholders and investors and should not be unduly influenced by the changes in the political leadership and term-of-office.

2.5 National Treasury Infrastructure Guidelines and Toolkits

National Treasury has clarified that the various infrastructure guidelines it has issued serves the functions as set out in Table 2 below. The Public Private Partnerships (PPP) Framework is currently being reviewed and extensive consultations have been held with relevant stakeholders including the municipalities.

Table 2: National Treasury Infrastructure Guidelines

Guideline	Purpose
Annual guideline on Budget Facility for Infrastructure	Criteria for accessing the Budget Facility for Infrastructure for very high value infrastructure projects
Annual Guideline for Capital Planning	Guidance to national sector departments on large infrastructure projects
PPP Framework	Guidance on how to design a PPP
Local Government Capital Asset Management Guide (2008)	Accounting treatment of infrastructure assets

The Infrastructure Delivery Management System (IDMS) is the Government's model of choice for the management of public sector infrastructure service delivery. The Local Government IDMS has been developed and is being rolled out in several municipalities. Currently, the implementation of the Cities IDMS is being supported in all the metropolitan municipalities. The CIDMS is based on the full life-cycle management of infrastructure assets and makes the important and direct link of the MSDF informing the spatial location of infrastructure development.

The Local Government Framework for the Infrastructure Delivery and Procurement Management (LG FIDPM) that is issued in terms of Section 168 of the MFMA and in support of Regulation 3(2) of the MFMA Supply Chain Management Regulations further guides and supports infrastructure delivery management in municipalities. All municipalities were required to commence with the implementation of the LG FIDPM with effect from 01 July 2021.

2.6 Long Term Financial Model and Strategy

Although some municipalities have long-term financial models, they are not always integrated with municipal plans. Municipalities need to develop long-term financial models (LTFM) that supports decisions on investment selection and assesses the financial impact of policy choices, by forecasting future financial performance and the impact of infrastructure projects on borrowing capacity. The LTFM needs to inform the municipalities long-term financial strategy, which must articulate a sustainable, efficient and effective borrowing strategy and practices for the municipality and provide a clear statement of intent for lenders and other stakeholders. The metropolitan municipalities and some intermediate city municipalities are being supported by National Treasury to develop LTFM and LTF strategies. Based on the piloting of this reform, guidance will be provided to all municipalities to develop and implement long term financial models and strategies.

2.7 Longer-Term Sector Strategies

The MSDF Guideline (2017) requires all sector strategies to be integrated and informed by the spatial strategy [SPLUMA s21 (m)]. In the metropolitan municipalities development of sector strategies for economic development and transport has been supported.

In the metros a spatialised approach to economic development planning, budgeting, investment and management is being driven through the township economic development, industrial space revitalisation, Central Business District (CBD) renewal and regional economic development nodal (e.g. ports and Special Economic Zones) support projects. An evidence-based approach to spatialised planning has been supported through the demonstration of participatory planning tools, making available anonymised and spatialised tax data through the provision of panel datasets directly to the metros, and pursuing other national administrative data sources that could enhance integrated and spatialised metro planning. A clear lesson that has emerged is the need for quality integrated and participatory planning to take place at all levels of the City – precinct, area-based, district and city-wide.

Little progress has, however, been achieved by metros in the preparation of their long-term public transport plans as outlined in the Integrated Public Transport Network Plan Development Technical Guideline (version 4) which was co-drafted by the National Department of Transport and National Treasury. The Guideline proposes three planning perspectives for Metros, namely (i) a long term (20+ years) strategic plan as referred to in the Public Transport Network Grant Framework; (ii) a medium term (10 years) program perspective consisting of projects and activities called a Public Transport Improvement Program; and (iii) an annualised project plan developed to the level of detail necessary for implementation. The Department of Transport had encouraged Metros to complete their long-term strategic plans as a matter of urgency. In preparing their long-term strategic plans Metros are encouraged to draw guidance from the IPTN Plan Development Technical

Guideline Reports, Toolkits & Guidelines (treasury.gov.za) to ensure the integration and incorporation of public transport initiatives into the SPLUMA as per the MSDF Guidelines (2017).

3 Reporting guidance and clarifications

3.1 Clarifying Outcome indicator targets for the local government term of office

One of the practical planning reforms introduced as part of the original MFMA Circular No 88 was to shift the target-setting horizon for Outcome indicators beyond annual targets. While this change and clarification has gone some way to addressing the unintended consequences of creating short-term accountability for medium-term change, there has been requests for clarity and guidance regarding the years for which Outcome indicator targets are set. This Addendum update has therefore simplified the guidance on Outcome indicator target-setting by addressing the source of confusion in the original 2017 circular.

At the time of introducing the reform in 2017, guidance was provided that Outcome indicators should "…include a medium-term target for both the end of the electoral term (5th year) and the outer year of the MTREF (3rd year shifting out)." This was reiterated with the following guidance "Where baseline data is already available, a target for the horizon of the MTREF should be set for these indicators … with performance tracked in relation to this target, as well as the last municipal year of the electoral term". Setting two outcome indicator targets for the end of the local government term and for the MTREF has proven confusing, particularly because the MTREF is a rolling target.

Thus, for the sake of simplicity and in applying the lessons learnt from the reform to date, the Outcome indicator target setting guidance is as follows:

Municipalities are expected to include a medium-term target for Outcome indicators for the electoral term (5th year). Following the 2021 Local Government Elections, this means that Outcome indicator targets should be set for the medium-term planning horizon: 2026/27. It should be noted that Outcome indicators will still be tracked on an annual basis in Annual Performance Reports for monitoring purposes, but that determinations of outcome 'performance' should be linked to medium-term target-setting for the outer year of the local government term of office.

This guidance has already reflected in the planning and reporting templates issued by the DCoG to municipalities other than metropolitan municipalities as part of the 2021/22 pilot process. Updated planning and reporting templates are provided as **Appendices C** and **D** to this update. Figure 1 below provides useful guidance to help understand the different accountability expectations associated with the different types of indicators:

Figure 1: Indicator target-setting and reporting guidance

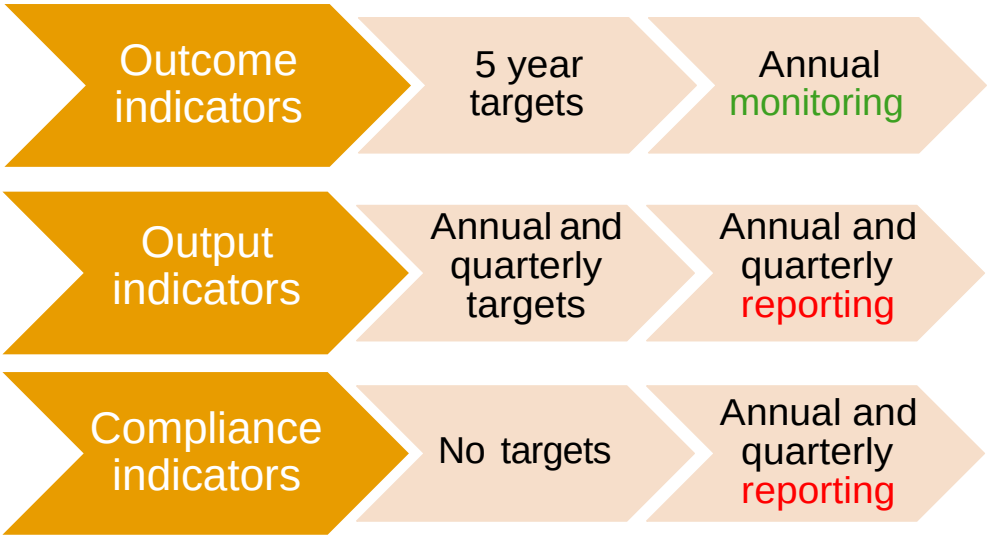

Figure 1 reiterates what was previously communicated in MFMA Circular No. 88 (2017) and the 2nd Addendum update (2020) with regards to Output and Compliance indicators. There are no further clarifications or revisions to the previous guidance.

3.2 Reflecting Compliance indicators in planning and reporting

Municipalities have asked via consultative fora for greater clarity regarding how to give expression to Compliance indicators. These requests include guidance as to where these should reflect in published planning and reporting documentation. Beyond the application of the templates circulated with this Addendum update, the following guidance is provided for clarity:

- Compliance indicators should reflect as part of the top-layer SDBIP in a separate table (or section of one table) which is clearly labeled. In the case of municipalities other than the metros, in an Annexure to the SDBIP, referring to item 4.4;
- Compliance indicators should include a baseline measure but should not have targets set for them;
- Compliance indicators should be reported on either a quarterly or annual basis as per their Technical Indicator Descriptions (TIDs);
- Reporting against Compliance indicators should reflect in the Annual Performance Reports (not yet in the case of municipalities other than the metros, referring to item 4.4); and
- Municipalities are encouraged to use the templates provided as **Appendices C** and **D** as examples for giving expression to Compliance indicators in their SDBIPs and Annual Performance Reports (or in the Annexure to their SDBIPs and APRs in the case of municipalities other than the metros, referring to item 4.4). Municipalities are further encouraged to automate and build these templates into their financial systems as this will become a requirement when the minimum *m*SCOA business processes and system specification are regulated.

3.3 Timeframes for reporting submissions

For planning and reporting purposes, all municipalities are directed to the following reporting deadlines for all MFMA Circular No. 88 (C88) indicators applicable to their category of municipality.

Table 3: Reporting timeframes for MFMA Circular No 88 reporting

Report Title	Due Date for C88 Reporting
Q1 C88 Report (July 2021 – Sept 2021)	31 October 2021
Q2 C88 Report (Oct 2021 – Dec 2021)	31 January 2022
Q3 C88 Report (Jan 2022 – March 2022)	30 April 2022
Q4 C88 Report (April 2022 – June 2022)	31 August 2022
Annual C88 Report Unverified (July 2021 – June 2022)	31 August 2022
Annual C88 Report Verified (July 2021 – June 2022)	31 January 2023

For the 2022/23 financial year, metropolitan municipalities will continue to follow the pre-existing online reporting protocol. All other categories of municipalities will continue to submit their quarterly reports as per the directives and guidance of the DCoG. All municipalities will be subject to the same submission timeframes and deadlines as per the above table.

4 Expanding and revising the indicator set

The sector and municipal consultations informing this update to MFMA Circular No. 88 were drawn from engagements via the Technical Working Groups (TWGs). The establishment of these structures is central to the institutionalising objectives of the reform and will be the basis through which future indicator expansions and revisions occur in the future. **TWGs have been established to provide an intergovernmental platform for addressing the technical formulation, definition and application of sector indicators applicable at municipal level. The TWGs provide technical recommendations on the introduction, selection, refinement and retiring of indicators for planning, monitoring and reporting in local government**. They have been established as part of the MFMA Circular No. 88 reform process with the intention that they continue to serve as an informant and institutional platform in relation to the review of the Planning and Performance Management Regulations of 2001 issued in terms of the Municipal Systems Act.

As a result of the inputs received from the sector TWGs, there are two important developments related to the indicator set: 1) Indicators with further definitional clarification and revision based on municipal feedback; and 2) The addition of a 'new' Financial Management sector indicator set.

4.1 Definitional clarification and indicator revisions

As a result of the TWG meetings and the specific purpose Task Teams formed in relation to municipality identified indicators, there are several indicators that have been identified for definitional revision and update. Please refer to **Appendices A** and **B** that set out the full list of the indicators, their updated Technical Indicator Definitions (TIDs) as well as the detailed clarification and changes per TID in **Appendix E**.

One cross-cutting revision reflected across all MFMA Circular No. 88 indicators in the 2021 Addendum 3 update relates to the convention of including "x 100" in the formula for all "Percentage" indicators. This formula provision has proven redundant and at odds with "%" conventions in the formatting settings on various software. As a result, all indicators that measure a "Percentage of…" have removed the "x 100" provision within their indicator formula as this is considered unnecessary in light of all units of measurement specified as "Percentage of…". All municipalities should please take note of this formula convention alteration for all such indicators.

4.2 The addition of a 'new' Financial Management sector indicator set

Following a series of internal consultations with National Treasury and a sector TWG convened with key centre of government and stakeholder representation, a set of Financial Management indicators is introduced consistent with the existing spirit and rationalization intention of the reform.

The Financial Management indicators contained in the MFMA Circular No.88 are intended to streamline and rationalize the most strategic indicators as it relates to overall financial management in municipalities. Most of these indicators have been extracted from the MFMA Circular No. 71, the State of Local Government Finances and Financial Management (SoLGF) Report and the Municipal Budgeting and Reporting Regulations (MBRR); and identified to align to the National Treasury's Six Game Changers or key elements (funded budgets, municipal Standard Chart of Accounts (*m*SCOA), revenue management, supply chain management, asset management and audit outcome).

It is important to note that the introduction of this set of indicators does not replace any existing reporting requirements and National Treasury's compliance monitoring tools. However, MFMA Circular No. 88 has consolidated and prioritised key indicators to provide definitional clarification in the TIDs as a basis for further rationalization and standardization. In the interim, all the pre-existing reporting protocols continue to apply until such time the level of data or credible reporting by municipalities has improved.

In line with the overall policy objective of the reform, it is planned that this initial process of parallel reporting for Financial Management indicators will eventually provide a more strategic, consolidated, and standardized indicator set for reporting in the future.

4.3 Overview of the MFMA Circular No. 88 indicator set for 2022/23

In light of the above additions and development, the following sectors and indicator totals are noted in terms of the overall indicator set given expression to in the latest Addendum update.

Table 4: Changes in Circular No. 88 indicators from 2020 to 2021 updates

	2020	**2021**	**NET**
Economic Development	25	25	0
Electricity & Energy	21	23	+2
Environment & Waste	24	24	0
Fire & Disaster	3	3	0
Governance	22	21	-1[1]
Housing & Co. Fac.	22	22	0
Transport & Roads	20	20	0
Water & Sanitation	25	25	0
Financial Management	0	44	+44
Lower ord./Compliance	91	97	+6
	253	304	**+51**

Table 4 above illustrates the maximum number of indicators per category, inclusive of all levels of readiness, based on the updated indicator set. As these indicators apply on a differentiated basis per municipal category, with the full indicator set originally designed for metropolitan municipalities, the expanded set of indicators does not apply in their entirety to any category of municipality and will be significantly less in each case.[2]

[1] This reflects a shift of one Governance Output indicator to Compliance.

[2] In the case of metropolitan municipalities, which have the greatest reporting burden, 149 indicators apply at Tier 1 and 2 readiness levels, 79 at the level of Compliance indicators - 228 indicators in total.

4.4 Institutionalising the reform in other categories of municipalities

The previous addendum 2 update of MFMA Circular No. 88 of 17 December 2020 introduced the MFMA Circular No. 88 indicators for application across local government for the 1st time. This entailed a piloting process of the indicators in all municipalities, except the metros, in the 2021/22 financial year. It is the intention of the DCoG that the piloting of the MFMA Circular No. 88 indicators will lead to replacing the Local Government: Planning and Performance Management Regulations of 2001.

The piloting process commenced in the categories of Intermediary Cities, District Municipalities and local municipalities, and municipalities were requested to first provide the planning information in terms of the baselines and targets for the indicators applicable to them, and to start reporting on these on a quarterly basis. Municipalities were requested to report to the provincial departments of Cooperative Governance and Traditional Affairs (CoGTA's) on Quarter 1 by the end of October 2021. Provincial CoGTAs had to provide consolidated information to the national DCoG by the end of November 2021.

The piloting of the indicators will continue in these categories of municipalities in the 2022/23 financial year. For clarity, some of the provisions of the Addendum 2 update are repeated in this addendum to outline what the continuing piloting process in the 2022/23 financial year will entail.

Each MFMA Circular No. 88 indicator has been differentially applied per category of municipality and in terms of the four-tier readiness system. Only Tier 1 and Tier 2 indicators applied to all municipalities from the 2021/22 financial year for the purposes of piloting.

4.5 Continuing special pilot provisions for rollout across local government

In order to get the process of planning and reporting on the indicators going, to test the indicators and for municipalities to get the related planning and reporting processes and systems in place, a staggered pilot process for the rest of local government has been followed in the 2021/22 financial year. This has been informed by audit considerations and in consultation with the Office of the Auditor-General of South Africa (AGSA) to support municipalities to adopt the reform without the risk of receiving audit findings as part of the pilot process.

The existing MFMA Circular No. 88 guidance to give expression to outcome indicators in the IDP (and annual IDP update) and output indicators in the SDBIPs will continue to apply to metropolitan municipalities only.

Due to the continuing pilot process in the 2022/23 financial year, intermediate cities, district and local municipalities, will not be required to incorporate the indicators in their existing performance indicator tables in the IDP and SDBIP. Instead, these indicators should again find expression in **a dedicated Annexure** to the IDP and SDBIP which clearly indicates the MFMA Circular No. 88 indicators applicable to the municipality at the Tier 1 and 2 levels of readiness.

For the continuing pilot process, the applicable indicators as included in the Annexures, will be monitored and reported on to the DCoG and the provincial CoGTAs on a quarterly and annual basis. **No reporting in the MSA section 46 statutory Annual Performance Report (APR) for municipalities other than metros will be required**.

Municipalities will continue to plan and report on their own KPIs adopted in the indicators tables of the IDP and SDBIP in the section 46 APR as required for 2022/23, but this should be distinct from reporting on the MFMA Circular No. 88 indicator annexure.

This "parallel" pilot process will continue to allow and encourage municipalities to plan, implement and report on the MFMA Circular No. 88 indicators, without limiting their statutory performance planning and reporting in fear of audit findings before they have not adequately institutionalized the process. It will further eliminate a situation where municipalities replace or remove existing indicators on a function in the official IDP and SDBIP, and only include the related MFMA Circular No. 88 indicators with no performance reporting on the function in the statutory section 46 APR due to the pilot process.

Practically, piloting for all categories of municipalities (except metros) means the following as it relates to municipal planning:

- Tier 1 and Tier 2 outcome, output, and Compliance indicators applicable to the municipality to be included in a dedicated Annexure to the IDP and SDBIP which clearly indicates the indicator;
- Baselines should be established for Tier 1 and Tier 2 Outcome[3], Output and Compliance indicators and reflected in the IDP reviews/updates from 2022/23 onwards;
- Targets for Outcome indicators have been set with a five-year horizon for local government (2026/27);
- Targets for Output indicators should be set on an annual basis (2022/23, with potential quarterly targets depending on the frequency of the indicator); and
- NO targets should be set for Compliance indicators as these are tracked for monitoring purposes only.

Practically, piloting for all categories of municipalities (except metros) means the following as it relates to municipal reporting:

- Quarterly and annual reports will be submitted to Provincial CoGTAs and DCoG for all Tier 1 and Tier 2 Output and Compliance (quarterly and/or annual) and Outcome indicators (annual only); and
- During the continuing pilot, NO reporting through the Section 46 Annual Performance Report (APR) will be required.

It is anticipated that the continued pilot rollout outside of established statutory planning and reporting requirements will provide valuable experience and insight to inform further updates ahead of eventual regulatory reform.

5 Conclusion

This Addendum and its appendices are an update to the MFMA Circular No. 88 dated 30 November 2017, the original circular, as well as the Addendums dated 4 December 2019 and 17 December 2020 – This Addendum must be read together with the original circular and the 2019 and 2020 updates and the relevant appendices. This Addendum provides guidance to all categories of municipalities.

[3] Baselines for Outcome indicators have been set in the 2021/22 FY, or need to be revised.

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20 December 2021

MUNICIPAL NAME:

Output Planning Template: 2021-22

Only when an indicator or data element is not reported

Performance indicator	Ref No.	Data element	Baseline (Annual Performance of 2020/21 estimated)	Annual target for 2021/2022	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTPUT INDICATORS FOR QUARTERLY REPORTING											
WS1.11	Number of new sewer connections meeting minumum standards										
	WS1.11(1)	(1) Number of sewer connections to consumer units									
	WS1.11(2)	(2) Number of new sewer connections to communal toilet facilities									
WS2.11	Number of new water connections meeting minimum standards										
	WS2.11(1)	(1) Number of new water connections to piped (tap) water									
	WS2.11(2)	(2) Number of new water connections to public/communal facilities									
WS3.11	Percentage of callouts responded to within 24 hours (sanitation/wastewater)										
	WS3.11(1)	(1) Number of callouts responded to withn 24 hours (sanitation/wastewater)									
	WS3.11(2)	(2) Total number of callouts (sanitation/wastewater)									
WS3.21	Percentage of callouts responded to within 24 hours (water)										
	WS3.21(1)	(1) Number of callouts responded to withn 24 hours (water)									
	WS3.21(2)	(2) Total water service callouts received									
TR6.12	Percentage of surfaced municipal road lanes which has been resurfaced and resealed										
	TR6.12(1)	(1) Kilometres of municipal road lanes resurfaced and resealed									
	TR6.12(2)	(2) Kilometres of surfaced municipal road lanes									
TR6.13	KMs of new municipal road lanes built										
	TR6.13(1)	(1) Number of kilometres of surfaced road lanes built									
	TR6.13(2)	(2) Number of kilometres of unsurfaced road lanes built									
TR6.21	Percentage of reported pothole complaints resolved within standard municipal response time										
	TR6.21(1)	(1) Number of pothole complaints resolved within the standard time after being reported									
	TR6.21(2)	(2) Number of potholes reported									
FD1.11	Percentage compliance with the required attendance time for structural firefighting incidents										
	FD1.11(1)	(1) Number of structural fire incidents where the attendance time was less than 14 minutes									
	FD1.11(2)	(2) Total number of distress calls for structural fire incidents received									
LED1.11	Percentage of total municipal operating expenditure spent on contracted services phyiscally residing within the municipal area										
	LED1.11(1)	(1) R-value of operating expenditure on contracted services within the municipal area									
	LED1.11(2)	(2) Total municipal operating expenditure on contracted services									
LED1.21	Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)										
	LED1.21(1)	(1) Number of work opportunities provided by the municipality through the Expanded Public Works									
	LED1.21(2)	(2) Number of work opportunities provided through the Community Works Programme and other related									
LED2.12	Percentage of the municipality's operating budget spent on indigent relief for free basic services										
	GG6.11(1)	(1) R-value of operating budget expenditure on free basic services									
	GG6.11(2)	(2) Total operating budget for the municipality									
LED3.31	Average number of days from the point of advertising to the letter of award per 80/20 procurement process										
	LED3.31(1)	(1) Sum of the number of days from the point of advertising a tender in terms of the 80/20 procurement									
	LED3.31(2)	(2) Total number of 80/20 tenders awarded as per the procurement process									
LED3.32	Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission										
	LED3.32(1)	(1) Number of municipal payments within 30-days of complete invoice receipt made to service providers									
	LED3.3(2)	(2) Total number of complete invoices received (30 days or older)									
GG1.21	Staff vacancy rate										
	GG1.21(1)	(1) The number of employees on the approved organisational structure									
	GG1.21(2)	(2) The number of permanent employees in the municipality									
GG1.22	Percentage of vacant posts filled within 3 months										
	GG1.22(1)	(1) Number of vacant posts filled within 3 months since the date (dd/mm/yyyy) of authority to proceed with									
	GG1.22(2)	(2) Number of vacant posts that have been filled									
GG2.31	Percentage of official complaints responded to through the municipal complaint management system										
	GG2.13(1)	(1) Number of official complaints responded to according to municipal norms and standards									
	GG2.13(2)	(2) Number of official complaints received									
GG4.11	Number of agenda items deferred to the next council meeting										
	GG4.11(1)	(1) Sum total number of all council agenda items deferred to the next meeting									
GG5.11	Number of active suspensions longer than three months										
	GG5.11(1)	(1) Simple count of the number of active suspensions in the municipality lasting more than three months									
GG5.12	Quarterly salary bill of suspended officials										
	GG5.12(1)	(1) Sum of the salary bill for all suspended officials for the reporting period									
OUTPUT INDICATORS FOR ANNUAL REPORTING											
WS5.31	Percentage of total water connections metered										
	WS5.31(1)	(1) Number of water connections metered									
	WS5.31(2)	(2) Number of connections unmetered									
ENV4.11	Percentage of biodiversity priority area within the municipality										
	ENV4.11(1)	(1) Total land area in hectares classified as "biodiversity priority areas"									
	ENV4.11(2)	(2) Total municipal area in hectares									
ENV4.21	Percentage of biodiversity priority areas protected										
	ENV4.21(1)	(1) Area of priority biodiversity area in hectares which is protected									
	ENV4.21(2)	(2) Total area identified as a priority biodiversity area in hectares									
TR5.11	Number of scheduled public transport access points added										
	TR5.11(1)	(1) Number of scheduled public transport service access points added									
TR6.11	Percentage of unsurfaced road graded										
	TR6.11(1)	(1) Kilometres of municipal road graded									
	TR6.11(2)	(2) Kilometres of unsurfaced road network									
GG3.11	Number of repeat audit findings										
	GG3.11(1)	(1) Simple count of the number of "repeat" findings itemised by the Auditor-General in the audit report of									
GG3.12	Percentage of councillors who have declared their financial interests										
	GG3.12(1)	(1) Number of councillors that have declared their financial interests									
	GG3.12(2)	(2) Total number of municipal councillors									
QUARTERLY COMPLIANCE INDICATORS											
C1.	Number of signed performance agreements by the MM and section 56 managers										
C2.	Number of ExCo or Mayoral Executive meetings held										
C3.	Number of Council portfolio committee meetings held										
C4.	Number of MPAC meetings held										
C6.	Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters										
C7.	Number of formal (minuted) meetings - to which all senior managers were invited- held										
C8.	Number of councillors completed training										
C9.	Number of municipal officials completed training										
C10.	Number of work stoppages occurring										
C11.	Number of litigation cases instituted by the municipality										
C12.	Number of litigation cases instituted against the municipality										
C13.	Number of forensic investigations instituted										
C14.	Number of forensic investigations conducted										
C15.	Number of days of sick leave taken by employees										
C16.	Number of permanent employees employed										
C17.	Number of temporary employees employed										
C18.	Number of approved demonstrations in the municipal area										
C19.	Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings										
C20.	Number of permanent environmental health practitioners employed by the municipality										
C22.	Number of Council meetings held										
C23.	Number of disciplinary cases for misconduct relating to fraud and corruption										
C24.	Number of council meetings disrupted										
C25.	Number of protests reported										
C26.	R-value of all tenders awarded										
C27.	Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations										
C28.	R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations										
C30.	Number of business licenses approved										
C32.	Number of positions filled with regard to municipal infrastructure										
C33.	Number of tenders over R200 000 awarded										
C34.	Number of months the Municipal Managers' position has been filled (not Acting)										
C35.	Number of months the Chief Financial Officers' position has been filled (not Acting)										
C36.	Number of vacant posts of senior managers										

C38.	Number of filled posts in the treasury and budget office									
C40.	Number of filled posts in the development and planning department									
C42.	Number of registered engineers employed in approved posts									
C43.	Number of engineers employed in approved posts									
C44.	Number of discliplinary cases in the municipality									
C45.	Number of finalised disciplinary cases									
C47.	Number of waste management posts filled									
C49.	Number of electricians employed in approved posts									
C51.	Number of filled water and wastewater management posts									
C59.	Number of municipal buildings that consume renewable energy									
C61.	Total number of chemical toilets in operation									
C63.	Total volume of water delivered by water trucks									
C67.	Number of paid full-time firefighters employed by the municipality									
C68.	Number of part-time and firefighter reservists in the service of the municipality									
C69.	Number of 'displaced persons' to whom the municipality delivered assistance									
C70.	Number of volunteer responders in the service of the municipality									
C71.	Number of procurement processes where disputes were raised									
C73.	Number of structural fires occurring in informal settlements									
C74.	Number of dwellings in informal settelements affected by structural fires (estimate)									
C75.	Number of people displaced within the municipal area									
C76.	Number of SMMEs and informal businesses benefitting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders									
C77.	B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based									
C78.	B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned									
C79.	B-BBEE Procurement Spend from all Empowering Suppliers based on the B-BBEE Procurement									
C86.	Number of households in the municipal area registered as indigent									
C89.	Number of meetings of the Excutive or Mayoral Committee postponed due to lack of quorum									

ANNUAL COMPLIANCE INDICATORS

C5.	Number of recognised traditional leaders within your municipal boundary									
C21.	Number of approved environmental health practitioner posts in the municipality									
C31.	Number of approved posts in the municipality with regard to municipal infrastructure									
C37.	Number of approved posts in the treasury and budget office									
C39.	Number of approved posts in the development and planning department									
C41.	Number of approved engineer posts in the municipality									
C46.	Number of approved waste management posts in the municipality									
C48.	Number of approved electrician posts in the municipality									
C50.	Number of approved water and wastewater management posts in the municipality									
C52.	Number of maintained sports fields and facilities									
C53.	Square meters of maintained public outdoor recreation space									
C54.	Number of municipality-owned community halls									
C60.	Total number of sewer connections									
C62.	Total number of Ventilation Improved Pit Toilets (VIPs)									
C72.	Date of the last municipal Disaster Management Plan tabled at Council									
C90.	Date of the last Climate Change Needs and Response Assessment tabled at Council									
C91.	Date of the last Climate Change Response Implementation Plan tabled at Council									

COMPLIANCE QUESTIONS

Q1.	Does the municipality have an approved Performance Management Framework?									
Q2.	Has the IDP been adopted by Council by the target date?									
Q3.	Does the municipality have an approved LED Strategy?									
Q4.	What are the main causes of work stoppage in the past quarter by type of stoppage?									
Q5.	How many public meetings were held in the last quarter at which the Mayor or members of the Mayoral/Executive committee provided a report back to t									
Q6.	When was the last scientifically representative community feedback survey undertaken in the municipality?									
Q7.	What are the biggest causes of complaints or dissatisfaction from the community feedback survey? Indicate the top four issues in order of priority.									
Q9.	Does the municipality have an Internal Audit Unit?									
Q10.	Is there a dedicated position responsible for internal audits?									
Q11.	Is the internal audit position filled or vacant?									
Q12.	Has an Audit Committee been established? If so, is it functional?									
Q13.	Has the internal audit plan been approved by the Audit Committee?									
Q14.	Has an Internal Audit Charter and Audit Committee charter been approved and adopted?									
Q15.	Does the internal audit plan set monthly targets?									
Q16.	How many monthly targets in the internal audit plan were not achieved?									
Q17.	Does the Municipality have a dedicated SMME support unit or facility in place either directly or in partnership with a relevant roleplayer?									
Q18.	What economic incentive policies adopted by Council does the municipality have by date of adoption?									
Q19.	Is the municipal supplier database aligned with the Central Supplier Database?									
Q21.	What is the organisational location of the disaster risk management function within your municipality? (Specify the placement and highest level filled pos									
Q22	Please list the name of the structure and date of every meeting of an official IGR structure that the municipality participated in this quarter:									
Q23.	Where is the organisational responsibility for the IGR support function located within the municipality (inclusive of the reporting line)?									
Q24.	Is the MPAC functional? List the reasons why if the answer is not 'Yes'.									
Q25.	Has a report by the Executive Committee on all decisions it has taken been submitted to Council this financial year?									

MUNICIPAL NAME:

Outcome Indicator Planning Template:2021-22

Only when an indicator or data element is not reported

Performance indicator	Ref No. (sub)	Data element	Baseline (Annual Performance of 2020/21 estimated)	Medium term target for 2026/27	Reasons for no data, if not provided	Steps undertaken, or to be undertaken, to provide data in the future	Estimated date when data will be available
OUTCOME INDICATORS FOR ANNUAL MONITORING							
ENV2.1	Tonnes of municipal solid waste sent to landfill per capita						
	ENV2.1(1)	(1) Tonnes of municipal solid waste disposed of in sanitary/licensed landfills					
	ENV2.1(2)	(2) Total population of the municipality					
ENV2.2	Tonnes of municipal solid waste diverted from landfill per capita						
	ENV2.2(1)	(1) Tonnes of municipal waste diverted from landfill through municipal facilities					
	ENV2.2(2)	(2) Total population of the municipality					
WS3.1	Frequenc of sewer blockages per 100 KMs of pipeline						
	WS3.1(1)	(1) Number of blockages in sewers that occurred					
	WS3.1(2)	(2) Total sewer length in KMs					
WS3.2	Frequency of water main failures per 100 KMs of pipeline						
	WS3.2(1)	(1) Number of water mains failures (including failures of valves and fittings)					
	WS3.2(2)	(2) Total mains length (water) in KMs					
WS3.3	Frequency of unplanned water service interruptions						
	WS3.3(1)	(1) Number of unplanned water service interruptions					
	WS3.3(2)	(2) Total number of water service connections					
WS4.1	Percentage of drinking water samples complying to SANS241						
	WS4.1(1)	(1) Number of water sample tests that complied with the SANS241 requirements					
	WS4.1(2)	(2) Total number of water samples tested					
WS4.2	Percentage of wastewater samples compliant to water use licence conditions						
	WS4.2(1)	(1) Number of wastewater samples tested per determinant that meet compliance to specified water use					
	WS4.2(2)	(2) Total wastewater samples tested for all determinants over the municipal financial year					
WS5.1	Percentage of non-revenue water						
	WS5.1(1)	(1) Number of Kilolitres Water Purchased of Purified					
	WS5.1(2)	(2) Number of kilolitres water sold					
WS5.2	Total water losses						
	WS5.2(1)	(1) System input volume					
	WS5.2(2)	(2) Authorised consumption					
	WS5.2(3)	(3) Number of service connections					
WS5.4	Percentage of water reused						
	WS5.4(1)	(1) Volume of water recycled and reused (VRR)					
	WS5.4(2)	(2) 1.a Direct use of treated municipal wastewater (not including irrigation)					
	WS5.4(3)	(3) 1.b Direct use of treated municipal wastewater for irrigation purposes					
	WS5.4(4)	(4) System input volume					
TR6.2	Number of potholes reported per 10kms of municipal road network						
	TR6.2(1)	(1) Number of potholes reported					
	TR6.2(2)	(2) Kilometres of surfaced municipal road network					
GG1.1	Percentage of municipal skills development levy recovered						
	GG1.1(1)	(1) R-value of municipal skills development levy recovered					
	GG1.1(2)	(2) R-value of the total qualifying value of the municipal skills development levy					
GG1.2	Top management stability						
	GG1.2(1)	(1) Total sum of standard working days, in the reporting period, that each S56 and S57 post was occupied					
	GG1.2(2)	(2) Aggregate working days for all S56 and S57 Posts					
GG2.2	Attendance rate of municipal council meetings by recognised traditional and Khoi-San leaders						
	GG2.2(1)	(1) Sum of the total number of recognised traditional and Khoi-San leaders in attendance at municipal					
	GG2.2(2)	(2) The total number of traditional and Khoi-San leaders within the municipality					
	GG2.2(3)	(3) Total number of Council meetings					
GG4.1	Percentage of councillors attending council meetings						
	GG4.1(1)	(1) The sum total of councillor attendance of all council meetings					
	GG4.1(2)	(2) The total number of council meetings					
	GG4.1(3)	(3) The total number of councillors in the municipality					

CHAPTER 5: PRIORITIES AND KEY INTERVENTIONS

STRATEGIC OBJECTIVE 1

COMMUNITY DEVELOPMENT AND PLANNING SERVICES DEPARTMENT

Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District.

1.1 **Provide a comprehensive and equitable Municipal Health Service including Air Quality Management throughout the CWDM.**

1.2 **Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment and Response and Recovery**

1.3 **Effective planning and coordination of specialized fire-fighting services throughout the CWDM**

1.4 **To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development and information knowledgement.**

1.5 **To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.**

1.1 Municipal Health Services

Planned projects for 2022/2023

Water and Sanitation Project – R 1 000 000

This is an innovative programme implemented within the Municipal Health Services Division, which has attracted national commendation. The subsidy scheme serves as an incentive to farmers for improving the water and sanitation services provided to farm workers.
Subsidies to a maximum of R 45,000 per annum is provided per farm for this purpose.

The CWDM through this project also intervenes directly in Hot Spot areas through the provision of dry sanitation systems on farms and the rehabilitation of toilet facilities.

Environmental Health Education Programme - R 521 537

This project aims to create environmental awareness amongst the communities of the CWDM to change negative behavioural patterns.
This is done through:

- live theatre performances in schools;
- the development of educational material; and
- formal health education at industries/businesses and organisations.

CHALLENGES	SOLUTIONS
Burning of domestic waste on farms	Find a solution to the waste burning on farms will require an intergovernmental approach at National and Provincial level. At Provincial level this would include DEADP (NEMA inclusive of AQA & Waste Act), DEFF (Agricultural), local municipalities (waste removal & fire services), Districts & Metro's (Municipal Health Services and air quality) and the farming sector.
MHS is responsible for the monitoring of a number of services rendered by B-municipalities. Inadequate service delivery or failures in service delivery by B municipalities are a source of concern for the MHS division. It has been the experience that matters are brought to the attention of B	MHS requires a formal structure within the CWDM where they can table matters requiring intergovernmental collaboration, once the MHS division has exhausted all other avenues available to it. This structure should meet once every 3 months and should be represented by the ED and portfolio head or any other political heads deemed necessary. The purpose of the structure will be to update the ED and political office bearers about MHS matters of concern, actions taken, and barriers

municipalities by the division, but B municipalities simply ignore or fail to deal with these matters satisfactorily. In light of the IGR legislation, MHS often get to a point where they exhaust all avenues available to them and that these matters than need to be escalated to another level for political intervention via IGR processes. Currently there are no clear mechanisms in place for MHS to escalate these matters to such a level.	experienced. These matters should than be taken forward via the IGR process.

1.2 Disaster Management

Disaster Management is a Schedule 4A function in terms of the Constitution Act, 1996. In terms of Section 159(4) of the Constitution, Schedule 4A & 5A functions must be assigned to local government by means of an agreement which would naturally include funding arrangements.

A challenge facing the disaster management function is the persistent mind-set that it is primarily a response entity and seemingly not focussing enough on a preventative, mitigation and risk reduction approach as is intended by the Disaster Management Act, 2002 (Act 56 of 2002). This is especially relevant at municipal level, the closest form of government to communities.

Whilst disaster management is intended to be primarily a co-ordination and planning function, intergovernmental relations are therefor of the utmost importance. The Cape Winelands District Disaster Management Forum has at least two meetings annually, while quarterly meetings are held with the five local municipalities. The latter besides daily interaction with a wide variety of role-players.

The District Disaster Management Centre is not always fully informed by other spheres of government of their programmes and projects within the District. Challenges do exist, for example, the sharing of external departments' individual risks. The Disaster Management Division is working towards addressing this situation.

Challenges:

- Staff capacity constraints
- Lack of understanding regarding the function of Disaster Management
- Procurement challenges is hampering operational activities:
    - Slow awarding of written price quotations
    - Time consuming, slow and lengthy process to get tenders advertised

Solutions:

- Utilizing interns to assist within the Division
- Training programmes regarding the function is rolled out
- Finance Department needs to relook at the Written Price Quotation and Tender process to ensure that our activities are not hampered.

1.3 Fire-Fighting Services

The Municipal Structures Act, 1998 (Act 117 of 1998) (as amended) Section 84(1) (j) states that a district municipality has the following functions and powers –

- planning, co-ordination, and regulation of fire services;
- specialised firefighting services such as mountain, veld and chemical fire services;
- co-ordination of the standardisation of infrastructure, vehicles, equipment and procedures; and
- training of fire officers

Fire and Rescue Training Academy

- The Cape Winelands District Municipality (CWDM) is legislated to provide training for fire personnel in terms of Section 84(1) (j) of the Local Government: Municipal Structure Act, 1998 (Act 117 No 1998) and has established the Cape Winelands Fire and Rescue Training Academy to fulfil this mandate.
- The Training Academy has accreditation with the South African Emergency Services Institute (SAESI) / the International Fire Service Accreditation Congress (IFSAC) and has its head office in Stellenbosch, which is a traditionally and culturally a town synonymous with education and training. Over time, considerable investments were made in the Training Academy, thus resulting in it being one of the leading training centres in Western Cape Province.
- The National Fire Protection Association (NFPA) 1001 program which consists of Firefighter I, Firefighter II, Hazmat Awareness and Hazmat Operations is being conducted at the Academy annually, attended by Fire Fighters from various Municipal Fire Departments, SA Navy, ACSA and Transnet from March to December.
- To sustain the Cape Winelands Fire and Rescue Training Academy and the good work it is doing in the Western Cape, Council has to revise its current staffing structure of 1 Regional Commander: Training and Development and appoint at least 2 Fire Instructors and continue to maintain and improve training facilities, resources and equipment.

FIRE SERVICES CHALLENGES AND SOLUTIONS

- The current organisational structure does not meet the needs of the Fire Service. A new structure must be approved, that makes the Service more effective and efficient servicing all the sections within it such as Operations, Training and Support.

- Most of our Fire Depots do not have adequate facilities to house our staff and vehicles in a suitable manner. Funding has been requested for architectural and renovation works for our Robertson and Nuiwedrift Fire Depots for the 2023/2024 and 2024/2025 financial years, as they have the biggest need.

1.4 Socio-Economic Development

Local Economic Development – Planned Projects 2022/2023

ENTERPRISE DEVELOPMENT AND SMALL BUSINESS SUPPORT PROGRAMME

ENTREPRENEURIAL SEED FUND (R500 000)

Investing in small business by 'Grow your own' through provision of seed funding for small businesses. The Entrepreneurial Seed Fund programme has been a partnership programme between the CWDM and its five local municipalities. Through a selection process promising and locally-driven start-up SMMEs working primarily in historically disadvantaged areas within the District are selected.

SMALL FARMER SUPPORT (R500 000)

Supporting small farmers and Small and Medium Agro-enterprises (SMAEs) with seed funding. Value-added processing and manufacturing give Cape Winelands producers and agri-businesses exponential benefit from the raw products and services they produce. Facilitate rural diversification through small and medium agro-enterprises (SMAEs) and employment in the rural non-farm economy can help to build resilient livelihoods in rural areas. Value-addition for agricultural products will seriously be considered to advance diversification of the rural economy.

TRAINING AND MENTORSHIP (R975 000)

The CWDM training and mentorship programme was developed to assist the SMMEs, SMAEs and small farmers that were receiving Entrepreneurial Seed Funding and small farmer funding from the municipality through providing business training and one-on-one mentorship to these SMMEs.

INVESTMENT ATTRACTION, RETENTION AND OPPORTUNITIES PROGRAMME

The primary goal of the Cape Winelands Investment Attraction and Opportunities Strategy (CW-IAOS) as contained within the Cape Winelands Regional Socio-Economic Strategy 2019/20 is to provide guidelines that would promote investment in the Cape Winelands District, by focusing on:

Business Retention and Expansion

It is generally understood that any strategy or programme designed to help existing business to grow or prevent them from shutting down falls under the broad definition of business retention and expansion. The process seeks to understand the business environment of the locality by looking at business obstacles and challenges as well as unrealised business opportunities.

Investment Opportunities

The most appropriate tools to market Cape Winelands as an investment destination are dependent on the target market (audience) and the message being conveyed to that targeted market or the business sector decision-makers. The tools to market Cape Winelands must therefore be appropriate to communicate the advantages of investing in Cape Winelands to those decision-makers in a way that appeals to them.

Creating Competitiveness

Productivity is an important determinant of competitiveness and it relates to how governments utilises it human, capital and natural resources. Improving productivity and innovation is key to creating a competitive environment. Improving competitiveness does not require new resources but rather using current resources at its' optimal level. For municipalities to improve on creating an enabling environment for business it needs the private sector as a key strategic partner.

INVESTMENT ATTRACTION, RETENTION AND OPPORTUNITIES PROGRAMME

INVESTMENT ATTRACTION/OPPORTUNITES: TRADE SHOWS – NAMIBIA TOURISM EXPO

The Namibian Tourism Expo is not a tourism show but rather a trade show. This means that it is a show where businesses are given the platform to market and sell their products in order to generate income. Municipalities, provincial and national departments/ investment agencies (e.g. WESGRO) attends trade shows in order to promote areas as investment destinations as well as to promote established businesses products and services to a new market. One of the main reasons for businesses to attend trade shows in foreign countries is to find a new market for their products and thus generate a new revenue stream for their business.

The CWDM attends trade shows like the Namibia Tourism Expo as a means of providing SMEs in the District with a platform to market their products and services to foreign buyers/consumers/investors. The ultimate aim is for these Cape Winelands SMEs to find new markets for their products (exporting) which leads to more production and can in turn lead to job creation.

INVESTMENT RETENTION: BUSINESS RETENTION & EXPANSION FOR TOURISM SECTOR (R700 000)

The Cape Winelands District Municipality understand that existing businesses are the foundation of any economic growth strategy. By building on what already exists, the district can support current businesses and create a strong foundation on which to attract new businesses, residents, and employment.

It is generally understood that any strategy or programme designed to help existing business to grow or prevent them from shutting down falls under the broad definition of business retention and expansion. The process seeks to understand the business environment of the locality by looking at business obstacles and challenges as well as unrealised business opportunities.

The Local Tourism Associations (LTAs) were chosen by the tourism business community to be the implementing agents for the Cape Winelands BR&E programme for the Tourism Sector.

INVESTMENT OPPORTUNITIES: WINE TOURISM PROJECTS IN PARTNERSHIP WITH VINPRO (R250 000)

There is a need to develop targeted sector strategies with relevant stakeholders and role-players to that identify investment opportunities, trade development needs, research and commercialisation potential, workforce needs in the Cape Winelands District. A few strategic sectors have been identified during the strategy development process. Wine tourism being one of the sub-sectors. CWDM continues to fund programmes in partnership with Vinpro to support innovative developments within wine tourism.

INVESTMENT OPPORTUNITIES: DIGITAL TOURISM (R430 000)

The CWDM and its LTA's understands that an effective mobile strategy involves more than just a mobile-friendly website. Developing apps for mobile phones would give the CWDM and LTAs visibility that extends beyond the Internet and literally into our visitors' pockets and purses. It gives the LTAs and CWDM a direct marketing channel. Meaning that, all the information we want to convey to our visitors – including specials and promotions – is right at their fingertips.

In the Cape Winelands District we have realized that it's time to go back to making a true and sincere connection with our visitors, and making them a loyal lover of our destination, products and services. Mobile apps offer a way of staying closer to our visitors and being just a "fingertip" away at all times.

The Cape Winelands District Municipality funded the development of 15 Tourism Town Apps in its District. This was done in collaboration with the 15 Local Tourism Associations and these Apps are the OFFICIAL Tourism Apps for these towns.

LOCAL ECONOMIC DEVELOPMENT CHALLENGES AND SOLUTIONS

- Business closures that led to many residents losing employment and becoming unemployed – how do we support businesses affected by the pandemic through creating an enabling environment for business to thrive again?
- Tourism sector and services sector adversely affected by the pandemic during lockdown and needs to rebuild – how do we support sectors that were the worst affected by the pandemic and help rebuild better
- Higher unemployment – how do we support the unemployed through our training and skills development programmes
- High school drop-out rates – how do work together with province to prevent drop-outs with programmes such "leave no child behind"

Tourism planned projects 2022/2023

PROJECT	BUDGET	PROJECT Description
1.LTA Projects	**R450 000**	Tourism Development projects implemented by LTA's.
2.Tourism Training	**R900 000**	Tourism Training programmes rolled out across the district to upskill unemployed youth and staff working within the tourism hospitality Sector.
3.Township Tourism	**R500 000**	Support of route development projects and products across the District. Product Development support for SMME's on developing routes.
4.Tourism Events	**R477 000**	Supporting of Local Tourism Events to increase visits of domestic tourists into the region with a special focus on the hinterland areas.
5.Media Educationals	**R300 000**	The aim is to promote hidden tourism gems and experiences within the Cape Winelands region through the scheduling of media, tour operators and staff educational trips that is aligned with the seven destination promotion themes into the five B-Municipal areas.
6.Sports Tourism Campaign	**R528 000**	The project is to promote and market Cape Winelands District Municipality through various media houses including digital, Radios News-papers, Printed and Digital Media
7.Tourism Month	**R36 000**	To encourage all stakeholders within the tourism industry of the Cape Winelands region to continue rendering an excellent service to local and international tourists**.**

SPATIAL PLANNING AND ENVIRONMENTAL MANATEMENT SERVICE DELIVERY CHALLENGES AND SOLUTIONS:

CHALLENGES

Regional, urban and rural related structural challenges that the category B and Cape Winelands District municipalities and provincial government Western Cape are confronted with as per the Greater Cape Metro Regional Spatial Implementation Framework (GCM RSIF) and the CWDM SDF are;

- Pervasiveness of socio-spatial segregation,
- Sprawling and low-density multi-nodal network of settlements,
- Mismatches between where people live and work,
- Isolated concentrations of poverty severed from economic opportunities, and
- Underinvestment in public transport and freight infrastructure, making the region inaccessible to most residents and inefficient for business to operate in.

Other challenges as per the CWDM SDF are;

- Loss of biodiversity
- Climate change

RESPONSE: PROPOSED SOLUTIONS THROUGH FORWARD PLANNING

The CWDM's approach is to assist with solving these challenges. This requires maximum effort from the other spheres of government as well. The approach adopted in the CWDM SDF is to strategically, in the context of **human settlements** (Chapter in SDF), emphasise the functionality of settlements, their economic growth potential, migration and urbanisation challenges (bulk services, transport modes, solid waste disposal etc.). The aim is to create a framework in which rational decisions can be made in terms of capital investment and social support programs.

The **district space economy** chapter highlights the strength of economic growth sectors that are located within the urban space economy, it also acknowledges the importance of the primary sector (agriculture). The industries that perform strongly in the urban space economy has backward linkages to agriculture. Strategically, this chapter emphasise the importance of integrated planning and the coordination of public sector investment within the urban space economy.

The agri parks programme from the National Department of Rural Development and Land Reform will be implemented in each district municipality. In the case of the CWDM, the agri hub will be located in Ceres (Witzenberg Municipality). Various other towns were selected as farmer productions support unit

points. The farmer production support unit points are aligned to poverty pockets. According to the Draft Rural Development Plan (19/12/2016) various projects were proposed for the farmer production support unit points. The CWDM SDF, from a strategic perspective supports the proposed investment into the farmer production support unit points and agri hub (Ceres, Witzenberg Municipality).

Biodiversity conservation remains a challenge in the CWDM area. Rapid urbanisation, agricultural expansion and the impact of climate change poses a major threat to the Cape Floristic Region as well as ecosystem sources (water, air, biodiversity and soil). The CWDM area consist of Fynbos, Succulent Karoo, Albany Thicket an Afro-temperate Forest biomes. The CWDM SDF spatially reflects the important areas for protection and refers users to the Western Cape Biodiversity Spatial Plan and its accompanying handbook.

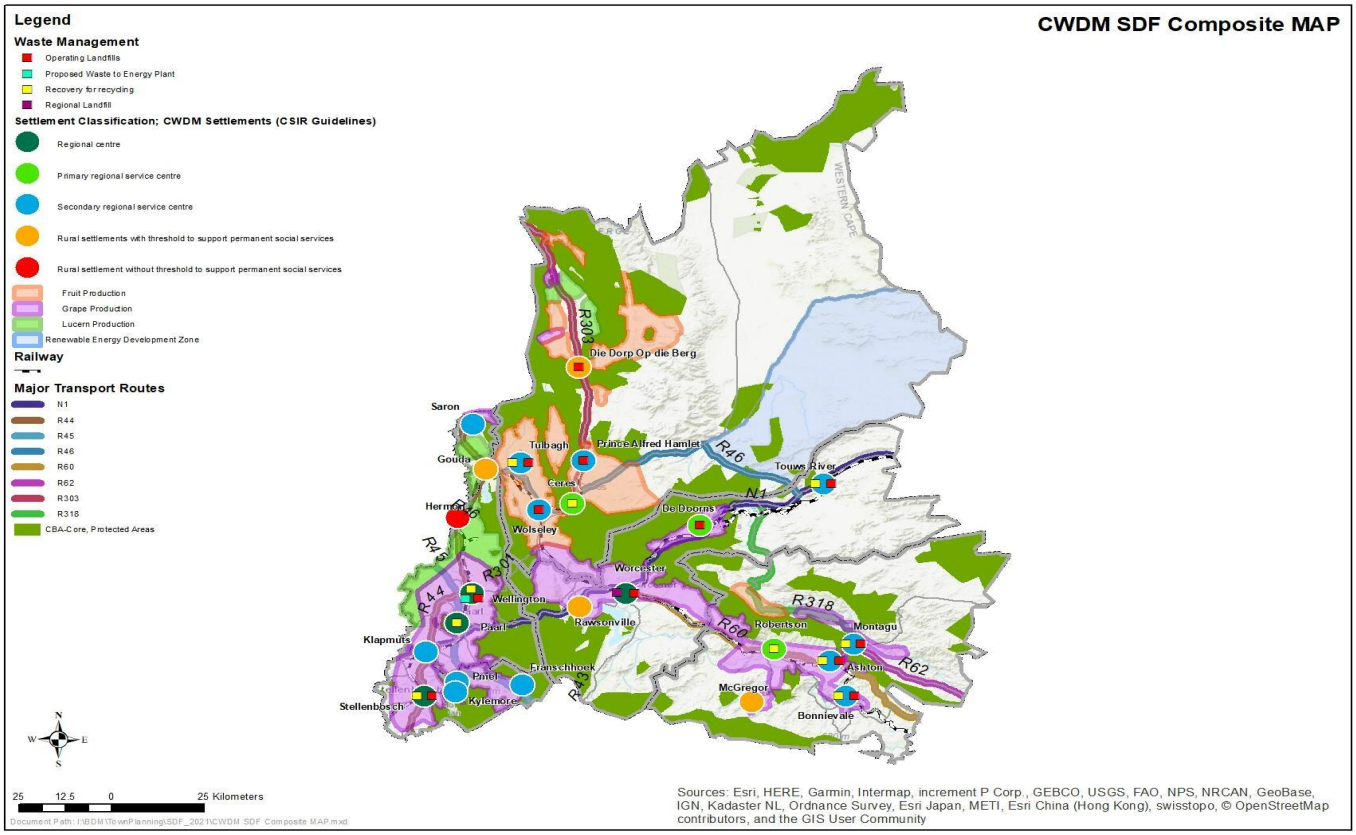
The impact of **climate change** has already been felt with the recent and potential ongoing drought as well as rain surges that causes flooding. From a land use planning perspective various site-specific measures needs to be put in place as well as disaster risk related systems that relates more to adaptation to anticipated and un anticipated occurrences. Strategically, adaptation and mitigation measures are prioritised.

The purpose of the CWDM SDF is to assist with;

- Interpreting and applying higher-order spatial policy within the Cape Winelands district.
- Guide regional and local policy interventions.
- Act as a strategic forward-planning tool to guide planning and decisions on land use and land development.
- Develop a spatial logic that guides public and private-sector investment.
- Ensure the social, economic, built and environmental sustainability of the area, and
- Formulate proposals to redress the spatial legacy of apartheid.

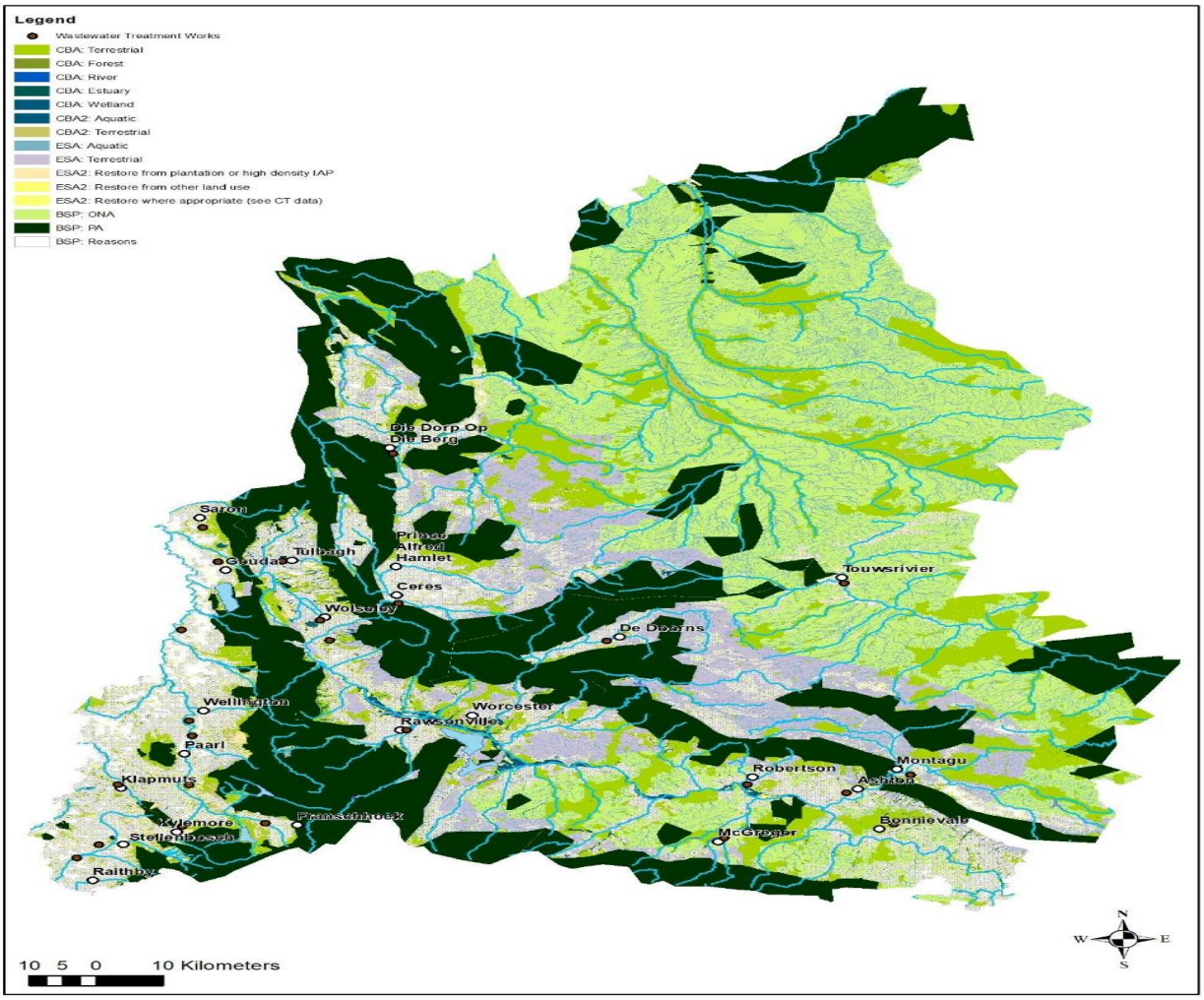
The objectives of the CWD SDF are;

- To improve the quality of life for the people of the region by ensuring principle led responses
- To plan in advance by considering future population growth, economic and climatic changes
- To manage the impact and exposure of external and internal threats to growth and development
- To restructure urban settlements through compaction and densification
- To promote sustainable resource use and responsible rural development
- To improve and conserve the district’s natural environment



The composite map indicates the following:

- CWDM Settlement Classifications 2016 (based on Community Survey). The settlement classifications classifies settlements based on population thresholds and public/social services required based on population threshold.
- Critical biodiversity core areas/protected areas
- The N1 rail and road corridor and the Breede River Valley corridor are two major strategic corridors in the CWDM, they are major distributors of people, goods and services from the CWDM to other municipalities within the Western Cape and to other provinces.
- Major roads (R44, R45, R46, R318, R303, R60, and R62) which distribute goods and services to the people within the district municipality.
- Renewable energy development zone.
- District space economy pertaining to agricultural production.
- The status quo of waste management in the CWDM.



The map above indicates areas important for the protection of biodiversity and ecosystem services (WCBSP 2017).

1. ENVIRONMENTAL MANAGEMENT: CLIMATE CHANGE ADAPTATION THROUGH NATURAL RESOURCE MANAGEMENT; WATER & BIODIVERSITY CONSERVATION AND PLANNING COORDINATION

CHALLENGES

Climate change projections:

- Higher mean annual temperature and a general drying trend in the Cape Winelands district.
- Higher maximum temperatures, more hot days and more heat waves.

REPSONSE: IMPLICATIONS FOR WATER AND BIODIVERSITY AND SOLUTIONS THROUGH NATURAL RESOURCE MANAGEMENT

Water Security

The CWDM falls within three water catchments namely the Bergriver, Breede and Oliphants/Gouritz River Catchments where water supply is largely insufficient. The impacts of climate change in the district, in terms of precipitation and temperature, will contribute strain to an already water-stressed

environment. The climate change projections point towards a drying trend which makes water security a primary concern. Key interventions by the CWDM are as follow;

Project/Activity:	Cost Account:	Responsible:	Duration:
Cape Winelands Invasive Alien Vegetation Management Programme	11521200160000	Spatial Planning and Environmental Management	Annually
Cape Winelands River Rehabilitation Programme	11521200160000	Spatial Planning and Environmental Management	Annually

Biodiversity Conservation

The Cape Floristic Region (CFR) is classified as a "global biodiversity hotspot" by Conservation International and some of the protected areas in the CFR have been given World Heritage status by UNESCO and the International Union for Conservation of Nature (IUCN). The CFR is not only the smallest of the world's floral kingdoms but also has the highest plant diversity; with a high proportion of endemic and threatened Red Data List species (68% of South Africa's threatened species are located in the Western Cape. The Western Cape's biological diversity and natural resources are under threat from climate change, pollution, overexploitation of natural resources, invasion by alien species and escalating development. It is, therefore, imperative to address these threats and their impacts.

According to the IUCN World Heritage Sites Case Studies (2007) climate change might be the most significant threat facing biodiversity in the Cape Floristic Region over the next 50 to 100 years. The most threatening aspects of climate change to the conservation of the biodiversity of this area are:

- Shrinking of optimal bioclimatic habitats with warming and potential drying;
- Changes in ecosystem structure and composition in response to modification of environmental conditions;
- Increase of fire frequency;
- Impact on freshwater ecosystems (floods and droughts);
- Sea level rise impacting on marine organisms and coastal ecosystems infrastructure (not applicable to the Cape Winelands District);
- Soil biodiversity especially related to soil fertility and the production landscape.

It is thus important for the district to assist in strengthening ecosystem resilience to climate change. Biodiversity conservation is not a primary function of the CWDM, but it is influenced through both policy interventions and practical application. The CWDM developed a Strategic Environmental Assessment (2007), District Spatial Development Framework (2011), Draft Environmental Management Framework (pending approval from MEC of the Western Cape Province) and a Cape Winelands Biosphere Spatial Development Framework Plan (2011) which has a strong focus on biodiversity conservation and

elements related to biodiversity conservation such as bioregional planning etc. Practical application in terms of biodiversity conservation refers to the clearing of alien vegetation in municipal nature reserves within the CWDM. Key interventions by the district municipality are listed below:

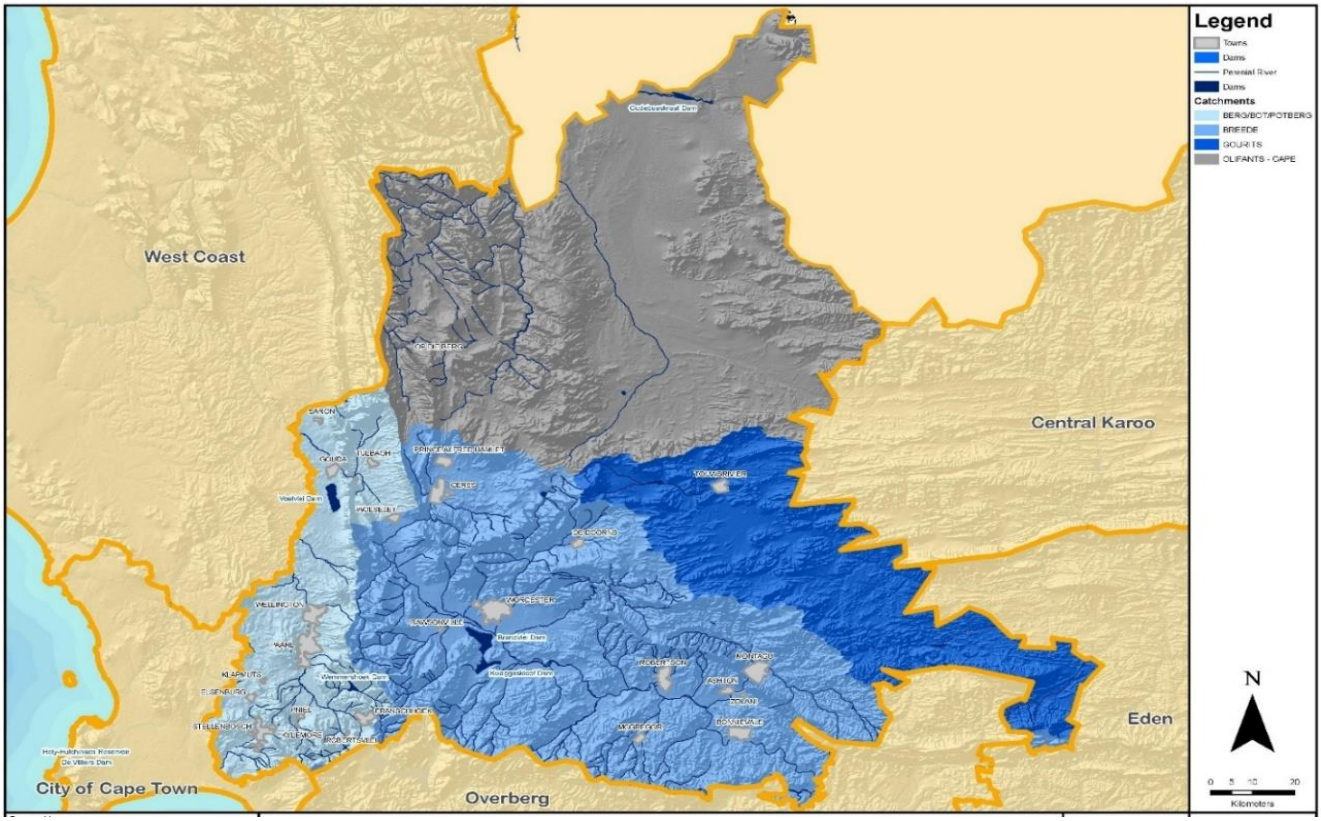
Project/Activity:	Cost Account:	Responsible:	Duration:
CW Invasive Alien Vegetation Management Programme	11521200160000	Spatial Planning and Environmental Management	Annually
Cape Winelands River Rehabilitation Programme	11521200160000	Spatial Planning and Environmental Management	Annually
Cape Winelands Biosphere Reserve Service Delivery Agreement	11521278440000	Spatial Planning and Environmental Management	Annually

***RESPONSE*: PROPOSED SOLUTION THROUGH PLANNING COORDINATION;**

A) INVASIVE ALIEN VEGETATION CLEARING COORDINATION FRAMEWORK

The purpose of alien clearing coordination is to understand and present alien clearing activities that are planned for and implemented by various role players in the geographic area of the Cape Winelands District Municipality. This will assist the CWDM and partners with site selection, planning and budgeting and prevent partners planning and budgeting for the same areas/sites.

The CWDM consist of four catchments, the Berg, Breede, Gouritz and Olifants river catchments. The Breede and Berg river catchments provide water to the bulk of the CWDM settlements as indicated on map 1 below with the exception of Touwsriver that falls within the Gouritz river catchment and Op die Berg within the Olifants-Cape.



The Berg and Breede river catchments are the main priority, all clearing activities are planned for these catchments.

Objectives

The CWDM does alien clearing in partnership with category B municipalities. This initiative is referred to as the district municipality's natural resource management support programme.

The main objectives of the natural resource management support programme are:

a). Biodiversity conservation in partnership with category B municipalities.

b). Catchment management specifically in local municipal water supply catchments in partnership with category B municipalities.

c). Contributing to clearing invasive alien plant species in the broader water catchments of the CWDM to ensure greater water runoff into rivers.

d). To create work opportunities as part of the Environmental Sector Expanded Public Works Programme (EPWP).

e). Supporting municipalities with clearing fire risk areas from invasive alien plant species as per the wildland urban interface maps from WCPG.

The CWDM 's partners are the five (5) category B municipalities in the district, Breede Valley, Drakenstein, Langeberg, Stellenbosch and Witzenberg Municipalities, Cape Nature, the catchment management agencies Breede Overberg Catchment Management Agency and Wolseley Water Users Association, Department of Environment, Water and Fisheries's Working for Water Division and the Department of Agriculture's Landcare Division.

The CWDM does clearing on state owned land, in certain instances, where a catchment overlaps with a priority portion of private land that provides substantial water runoff into the water source, an exception will be made.

Standard Operating Procedure:

This procedure is followed annually, linked to the financial year of local government which runs from 1 July to 30 June.

a). Consultations and Working Groups:

Consultations are done annually with the category B municipalities. Separate consultations are scheduled due to the different priorities and geographic areas that are discussed.

A joint session is scheduled between Department of Environment, Water and Fisheries Working for Water division and the Breede Overberg Catchment Management Agency and Wolseley Water Users Association or other implementing agents that are funded through the Working for Water programme.

The draft map is circulated to Cape Nature for updates, depending on overlapping priority areas identified by category B municipalities, meetings are scheduled with Cape Nature to discuss these matters.

Further platforms includes:

- Upper Breede Collaborative Extension Group Alien Clearing Working Group
- Proposed Berg River Working Group

The purpose of the consultation process is to:

- Update priority areas that will be cleared by the relevant partner within 1 to 3 years.
- Identify new priority areas that will be cleared by the CWDM through the CWDM's natural resource management support programme.

b). Procurement of services:

The CWDM is responsible for procuring services of contractors through the district municipalities Supply Chain Management division who is responsible for the procurement process.

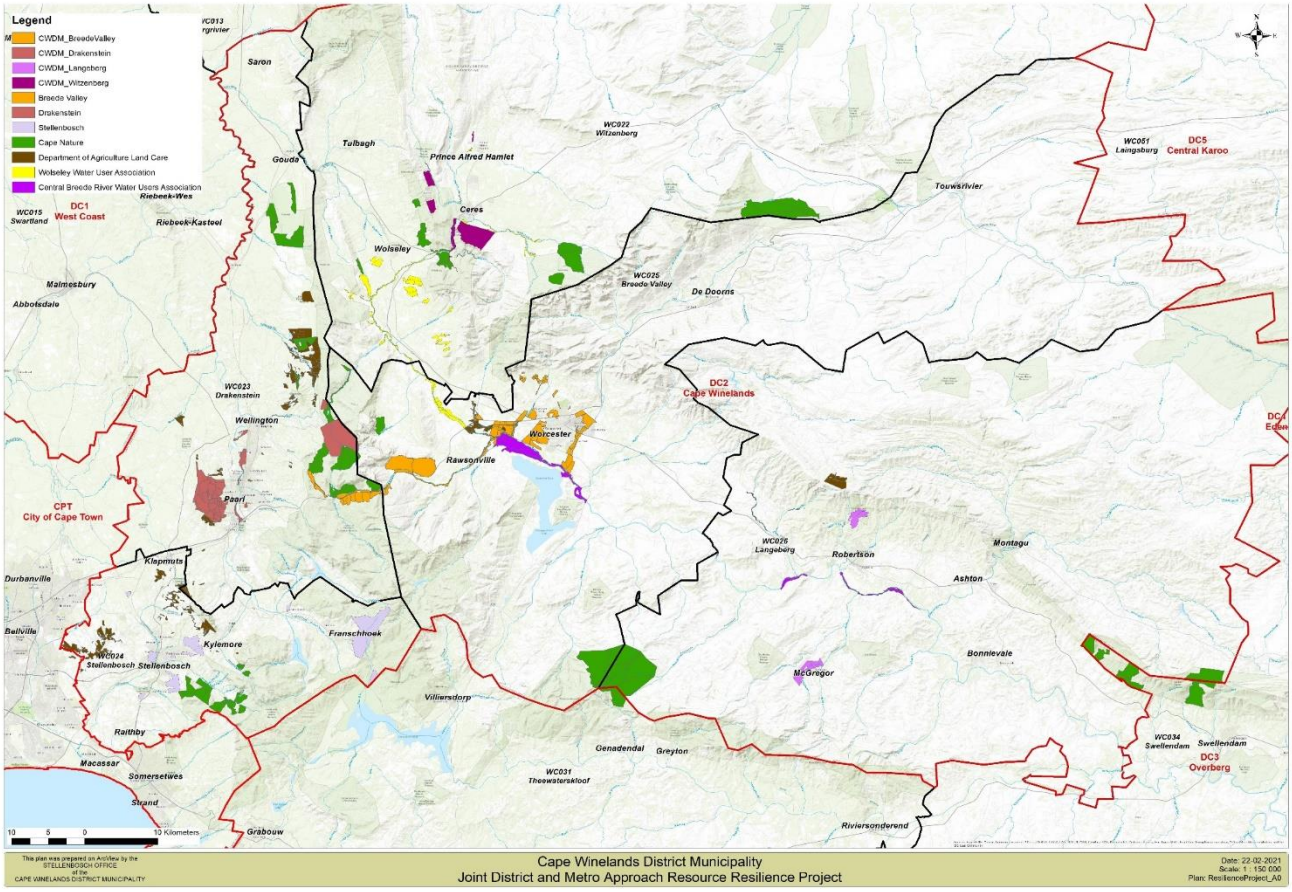
A Tender process is used. A single Tender is advertised per category B municipal area. Tenders are subject to the provisions of the Municipal Financial Management Act 2004. The priority sites advertised per Tender is agreed upon by the relevant partner.

c). Reporting on work completed or sites cleared:

- CWDM's internal performance management system
- DEA EPWP IT based website. The CWDM must report on work opportunities created. DEA National gives EPWP funding to the CWDM.
- Collaborative platforms; Upper Breede Collaborative Extension Group (UBCEG) and the Drakenstein Reference Group.

d). Annual update of alien clearing coordination map for CWDM area:

The map (below) is updated annually by the CWDM after successful consultations with the relevant partners.



B) THE CAPE WINELANDS BIOSPHERE RESERVE (CWBR)

A Service Delivery Agreement was signed between the Cape Winelands Biosphere Reserve (CWBR) Management Company (NPO) and the Cape Winelands District Municipality.

The Cape Winelands Biosphere Reserve (CWBR) 3220km² in extent was registered by UNESCO during September 2007. The CWBR Non-Profit Organisation whom manages the CWBR affairs must ensure that the following functions are met;

- A conservation function – to contribute to the conservation of landscapes, ecosystems, species and genetic variation;
- A development function – to foster economic and human development which is socio-culturally and ecologically sustainable; and
- A logistics function – to provide support for research, monitoring, education and information exchange related to local, national and global issues of conservation and development.

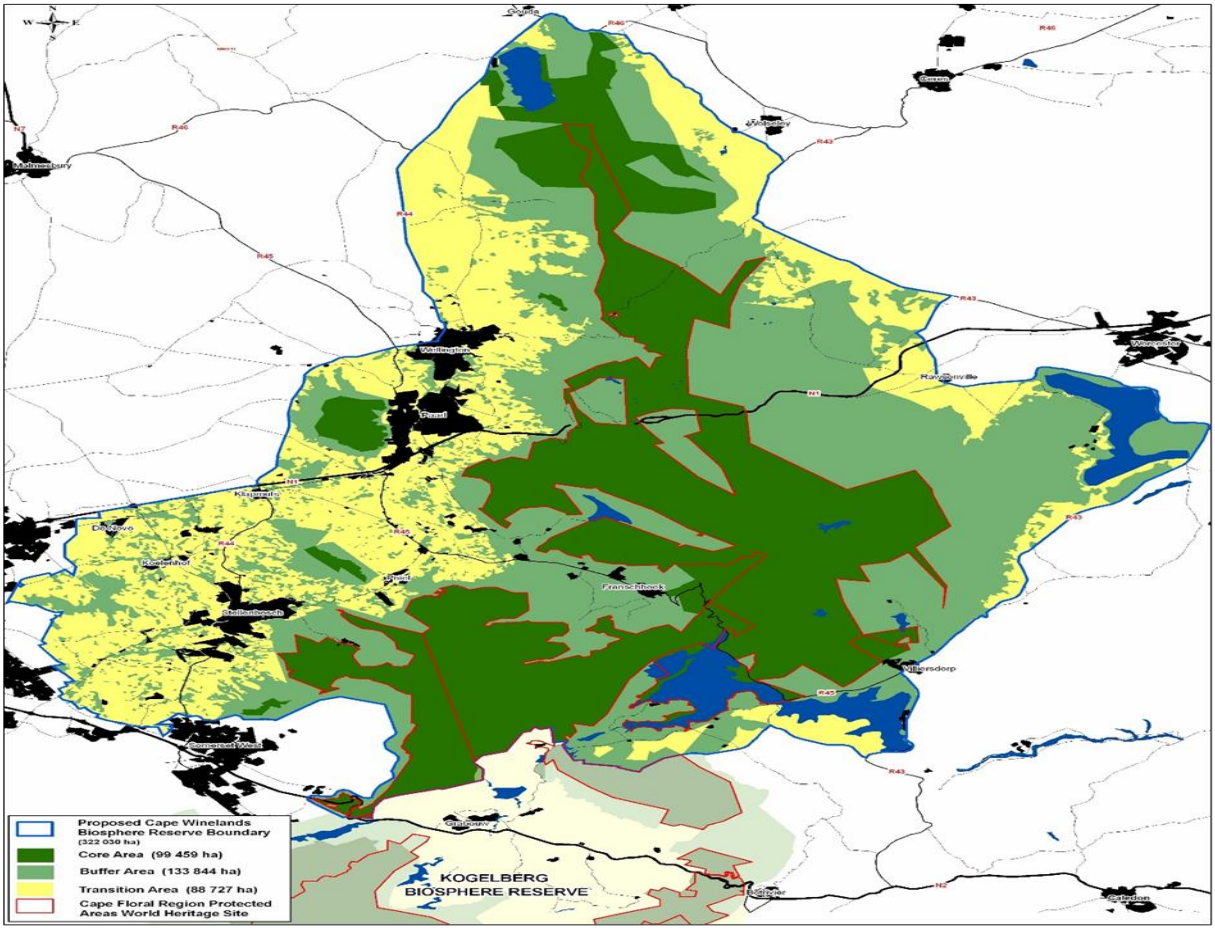
The Biosphere Reserve aims to achieve the delivery of programmes that shall be all-inclusive but not limited to the following areas:

- Co-operation on and implementing thematic projects (e.g. agricultural practices, climatic change, poverty alleviation) or on ecosystem types (e.g. fynbos);
- Help create and maintain a healthy environment for people;
- Maintain productive and healthy landscapes;

- Reduce conflict among people;
- Encourage diverse local economies to revitalise rural areas;
- Increase the involvement of communities in land use decisions and thus the connection to the land and to support and facilitate interconnected scientific studies and monitoring;
- Research programmes on analysis of ecosystem services;
- Build partnerships with other Reserves and Landscape Initiatives;
- Strengthen the Tourism Sector (e.g. Eco-Tourism, Heritage, Cultural etc.)
- Facilitating youth environment and life skills programmes

The CWBR is dually a platform that enables cooperative governance where all spheres of government and private initiatives take part in the Man and the Biosphere Programme.

As illustrated by the figure below, the CWBR consists of three broad land use area (zones), namely core conservation areas, buffer areas and transition areas.



1.5 Rural and Social Development

Projects planned for 2022/2023

Community Support Programme

Funding is provided to support civil society organizations in rendering services focusing on poverty alleviation and rural development amongst rural poor and impoverished households. This programme enhances the capacity of beneficiary organisations to render service that will contribute to the achievement of our strategic objectives.

Disability

This project aims to improve the livelihoods of people with disabilities and to address social barriers that exclude people with disabilities from the various systems of society. Accessibility is important to achieve the principles of full inclusion, equality and participation in mainstream society. Skills training programmes for persons with disabilities provides access to employment in the open Labour market. The provision of assistive devices enhance removes social and educational barriers that exclude persons with disabilities on the basis of their hearing, visual and physical impairments. The commemoration of the International Day for Persons with Disabilities was implemented as part of the interventions in support of breaking barriers and stigma posed to people with disabilities in the district.

Elderly

Through the implementation of such a project, the Municipality strives to maintain and protect the status, wellbeing, safety and rights of older persons. This project also aims to promote and create an enabling environment for elderly to participate actively in healthy lifestyle, wellness and cultural activities. The vibrant partnership with Service Centres, Western Cape Older Persons forum, Age –in-Action; B-Municipalities; Department of Health, Department of Social Development and Department of Cultural Affairs and Sport contributes to the successful implementation of this project.Elderly persons have made valuable contributions in building communities in the Cape Winelands District. 1500 Elderly persons from Service Centres across the district annually participate in the Regional Golden Games. The finalists of this event participate in the Provincial Golden Games where after a team is selected for the National Golden Games. The More Living – Active Age programme provide opportunities for elderly persons from the district to participle in cultural heritage programmes, health, recreational, wellness and capacity building programmes.

Families and Children

The project aims to strengthen the capacity of families and communities to care for and protect children. Through this project poor rural schools were afforded opportunities to embark on educational excursion which are related to the school curriculum.

Holiday Programmes

Holiday programmes are implemented in order to create a safe space for children during school holidays. Partnerships were formed with various NGOs to implement these programmes which included educational Tours, life skills training; leadership camps and arts and culture activities

Victim Empowerment Programmes Project

Victim empowerment is an approach to facilitate access to a range of services for all people who have individually or collectively suffered harm, trauma or material loss due to violence, crime, natural disaster human accident or through socio-economic conditions. It aims to restore the loss or damages. Through these types of programmes they learn to understand and mange emotions, set and achieve positive goals feel and show empathy for other. It also teaches them to establish and maintain positive relationships and make responsible decisions.

Educational Excursions Project

Learners of rural schools are afforded opportunities to embark on educational excursions which enhanced learning outside of the classroom. They are mostly from low income households which cannot afford the fees attached to educational excursions but through the support of the municipality, they can attend the excursions.

Sanitary Ware

Cape Winelands District Municipality (CWDM) in partnership with Department of Education in our district encourage the nation that education as a tool for a better future. Both CWDM and DOE ensure that the education of young girls is not hindered because of lack of the basic necessity of feminine hygiene products, they visited rural schools across the district to handover sanitary towels packs.

- The Division Rural and Social Development of the Cape Winelands District Municipality focuses on building and maintaining social capital through access to programmes and services. Department of Health is currently busy with Health and Hygiene awareness programme at senior centres within the Cape Winelands District. Some of the challenges was the need for sanitary ware for school leaners across the district .The success of this programme is based on the strong and vibrant partnership with Department of education in our district.

HIV/AIDS

• HIV and AIDS impact on the sustainability of communities and their development conditions. The implementations of interventions are crucial in ensuring that the vulnerability of infected and affected persons are increased. The interventions namely HIV/Aids awareness campaigns, World Aids day, HIV/Aids &Male circumcision; HIV & breastfeeding and 16

• Days of Activism against the Abuse of Women and Children are implemented in partnership with the Multi Sectoral Action Team (MSAT) structures in each B -Municipal area. These programmes focus on reversing the effects of the HIV/AIDS pandemic and support to infected and affected families in the district. Educational items were provided for children living with HIV/AIDS ECD programme.

First 1000 Days Programme

The project activity formed part of the province's campaign to raise awareness of the crucial first 1 000 days of your child's life. The first 1 000 days in a child's development, starting from conception, moving through pregnancy, birth, and after the first 2 years of life, are crucial for securing a child's bright future. The most important aspects of the First 1000 days programme are health and nutrition, which both mom and baby need; love and attention that baby's needs, and all the support that the mom needs; and play and stimulation that babies need for learning as well as the protection of a safe environment.

16 Days of Activism Project

The Municipality facilitates joint planning and collates the inputs of all partners to produce a District calendar of events that are implemented across the district. The calendar provides a 16-day window (25 November -10 December) of opportunity in communities for intense awareness-making and education to reduce levels of women and child abuse. Catalytic Events includes the Launch of the 16 Days Campaign, World Aids Day and the International Day for People with Disabilities. The objectives of the 16 days of Activism Campaign Against Women and Child Abuse are to change behaviour through public awareness & education on the rights of people living with HIV/AIDS and those who are HIV positive; to generate awareness to the incidence of violence against women and children; to highlight the stories of survivors of gender-based violence and the impact that the campaign has had on their lives; to create awareness around the link between HIV/AIDS and gender-based violence.

Skills development programme

Skills development is identified as one of the priority needs for sustainable development in rural communities within the Cape Winelands District Municipality. Violence, social isolation and low education levels makes young unemployed women more vulnerable and increases their risks of sexual exploitation. Economic empowerment opportunities reduce conditions of vulnerability and improve the resilience of young women.

Driver's License Training Project

Cape Winelands District Municipality in partnership with the Health, Education, Social Development sector departments and B- Municipalities embarks on an Integrated Governmental Relations programme for 15 interns in the Cape Winelands District. The programme affords the participants the opportunity to obtain a Driver's License. Training consists out of 10 (ten) Practical driving lessons and a Driver's License test. The training will be rotated among the B- Municipalities.

Women

Women month's programmes are implemented in partnership with various stakeholders during August. These programmes focus on empowerment of women and raise awareness on issues of Gender Based Violence. The partners included the Worcester Thuthuzela Care Centre, Department of Social Development, Legal Aids South Africa-Worcester; ACVV,FAMSA, BADISA,SAPS and the Women's Network. Material support is provided to survivors of sexual offences through the Thuthuzela Care Centre and SAPS.

Youth

Youth Development initiatives are crucial for the economy and the prevention of social crimes. The municipality implement Youth Dialogues; Life Skills Camps; Young People @ Work Workshops; Media Training Workshops for unemployed youth in partnership with Government Departments; Koinonia; B-Municipalities and Civil society organisations. These programmes are implemented to address issues that are affecting youth. Activities like career exhibitions, honouring of the Grade 12 Top Achievers awards, Matric Motivation programmes and Spring school programmes are supported in order to enhance opportunities for Grade 11 and 12 Learners. Youth month initiatives are implemented to raise awareness on available skills training, employment and SMME development opportunities.

Sport, Recreation and Culture

Sports Statistics have shown that sport and recreation participation play a big role in the decrease of the crime rate and crime activity in communities who regularly participate in sport and recreation. Community based mass participation recreation, cultural and sports development programmes focus more non-competitive fun rather than competitive sport so as to create and build social cohesion among youth and in communities. The objectives of these programmes are to promote social development, youth empowerment, social cohesion and community upliftment. Sports, recreational and cultural programmes provide opportunities for vulnerable groups to participate in mass participation programmes. It allows children, families, senior citizens, disabled, men and women to participate in and attend numerous events that would have otherwise been denied. The Cape Winelands Sports Awards: Freedom Run; Rieldans regional competitions; Business Against Crime Tournaments; co-hosting of FNB Cup for Secondary Schools; Sports Derby's, Arts Cape Rural Outreach Programme; Heritage Day programmes; Cape Winelands Dominoes Tournament and Cape Winelands Drama Festival are some of the key programmes that were implement. A call for proposals is advertised annually and funding is provided to approved organisations to host mass participation Sports and Culture events or to purchase equipment.

Sports and Cultural Events Funding Programme

Funding is provided to support sports and cultural organisations in implementing mass participation sports and cultural events. The funding maximized the participation of healthy lifestyles impact of community organisations across the Cape Winelands Municipal district. This programme also enhanced the capacity of beneficiary organisations to render services that will contribute to the achievement of our strategic objectives. The programme provides opportunities to vulnerable groups to advance to local, provincial and national sport and cultural programmes..

Business against Crime Tournament

CWDM in partnership with Breede Valley Municipality, SAPS Department of Education, De Jagers Outfitters and other local businesses joined hands in the fight against crime that is consuming the Youth of today. Rugby and Netball tournaments were implemented as an alternative recreational programme where learners of gang infested areas could participate in a safe environment.

Freedom Run

February 9th of February 2019 marked the 29Th anniversary of former President Nelson Mandela's historic release from the then Victor Verster Prison (now Drakenstein Correctional Services) and his internationally acclaimed and revered 'walk to freedom' after 27 years in prison. Cape Winelands District Municipality through the 17.3 J list has transferred 100 000 rand to Drakenstein Club in order to fund all the necessary activities of the event e.g. entry fees, transport, medals and catering for young people and schools around Cape Winelands that partake in this historic event.

Vlakkie Cricket

Vlakkie Cricket programmes provide opportunities for vulnerable groups in communities to participate in mass sport in the wider community of the Cape Winelands region. That change the social cohesion amongst communities and it allow so many youngsters, families. Men and women to participate in attend to be active and to make the communities a better place to live.

The Vlakkie Cricket event is initiated by the Cape Winelands Sport Council in conjunction with the Cape Winelands District Municipality. Various sportsmen and women showcase their talent during this community program. The Purpose of the CWDM and CWSC is to give the community the opportunity to get involved in community sport and, must be given equal and fair opportunities to play sport and not be disadvantaged because of where they stay.

Dominoes and Tug-of-War Tournaments

The purpose of the tournament is to provide an opportunity for the respective farming communities to participate in sports and to socialize. These programme promotes social cohesion and strengthen relations between farmers and farm workers.

Easter Tournaments

Cape Winelands District Municipality focuses on implementing various Easter Tournaments in partnership with various Rugby, Netball, Vlakkie Cricket and Soccer clubs. These tournaments enhance social cohesion and aim to address crime in the respective communities. Winning teams received trophies and medals.

Clubs Supported

A number of Clubs and organization will be supported to honour their league games across the district. Rugby clubs, Soccer clubs and NPO's supported are supported through this programme

Drama Festival

The Cape Winelands Drama Festival is a drama development programme of the Western Cape Government's Department of Cultural Affairs and Sport and is presented in partnership with the Cape Winelands District Municipality's Department of Community Development and Planning Services. This programme has been

particularly successful in the CWDM, as partnerships were also forged with Stellenbosch Municipality, Langeberg Municipality and Breede Valley Municipality, as well as with professional artists, tertiary institutions and the private sector. This facilitated the growth of the drama programme at various levels and provided the youth with opportunities to learn from and be guided by professionals in the field. A Cape Winelands Drama festival was implemented to where various groups competed for the best drama performance.

ECD Support

Cape Winelands District Municipality has invested on various programs to better the education of Early Childhood Development, because it's not about care and protection of children but also the development of young children. Also to ensure that these babies and toddlers go to crèche that has the facilities to give children a good start in life. The building of human capital puts a specific focus on opening doors of learning and culture by providing grant in Aid.

STRATEGIC OBJECTIVE 2

TECHNICAL SERVICES

Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities

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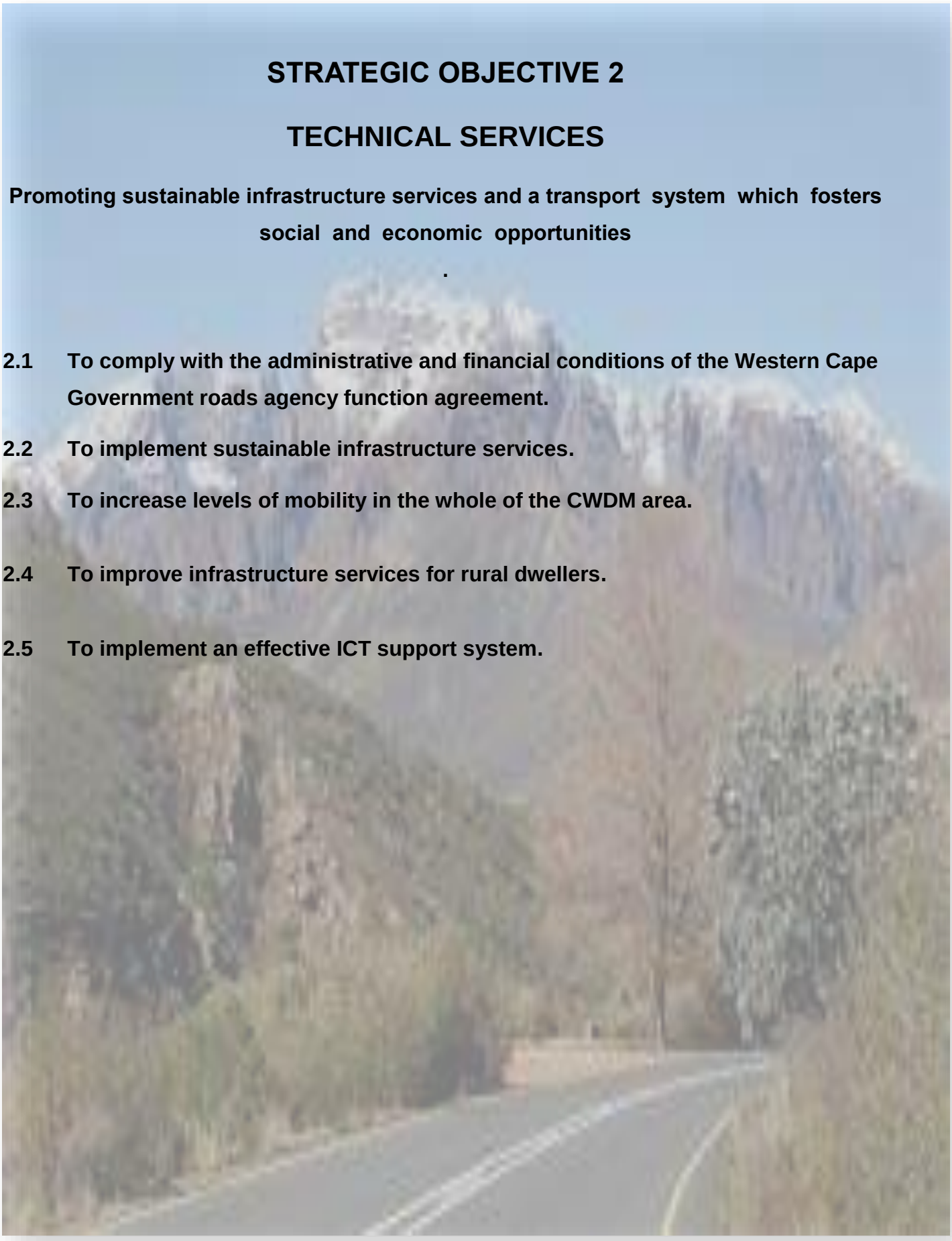
2.1 To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.

2.2 To implement sustainable infrastructure services.

2.3 To increase levels of mobility in the whole of the CWDM area.

2.4 To improve infrastructure services for rural dwellers.

2.5 To implement an effective ICT support system.



2.1 To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.

Maintenance of proclaimed roads:

The first objective is to comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.

Cape Winelands District Municipality does not have ownership of any of the public roads in its area. Proclaimed National Roads are managed by the SANRAL (South African Roads Agency for the National Department), Provincial proclaimed Roads are owned by the Western Cape Provincial Government (Department of Transport and Public Works) and municipal streets by the different Local Authorities.

A service delivery (MOA: memorandum of agreement) and financial level agreement exists between the Cape Winelands District Municipality (CWDM) and The Western Cape Provincial Government, Department of Transport and Public Works. The emphasis of the MOA is on provincial road maintenance activities performed by CWDM in conjunction with the Provincial Paarl Regional Office. (88% of the road network in CWDM jurisdiction area are maintained by CWDM and the remaining 16% by Provincial Paarl Regional Office making use of their own staff and maintenance contracts.)

Other functions that are also performed under the MOA include:

- Delegated management duties;
- Preparation of technical reports regarding land use application received from local B municipalities together with their Provincial Paarl Regional Office and Head Office;
- Various administration duties are adhered to including dealing with the general public (road user) regarding all road matters (e.g. road safety, road maintenance, etc.); and
- Assistance with capital infrastructure improvement, example re-gravel and resealing to complement such work performed by provincial contracts. The main objective is to encourage technical skills transfer relating to road maintenance and upgrading activities.

The planning, funding and provision of new provincial road infrastructure or major upgrading and rehabilitation contracts are the function of the Provincial Roads Authority. A Provincial Pavement Management System is used by the Provincial Government to manage the technical requirements of their road network.

Although the main, high volume provincial road network in the Western Cape appears to be well maintained, funding shortages and maintenance backlogs are a concern as it is critical to always maintain a high level of service. Of great concern to the CWDM is the poor condition and lack of maintenance relating to the provincial low order minor gravel road network as this is affecting the social and economic opportunities in the CWDM region. The second objective therefore for CWDM is to facilitate with the different role players a process to start attending to the maintenance and upgrading needs of the provincial minor roads in the CWDM taking into account the following:

- Current legislation stipulates that the Road Authority shall only be responsible for all construction and maintenance costs relating to trunk, main and divisional roads (not minor roads) and that any construction and maintenance costs (whole or a percentage) relating to any proclaimed minor roads can be recovered from the owners of properties that benefitted from a minor road;

- To understand the current legislation's requirements relating to minor roads, it is important to understand their establishment history during the 1950's when trek paths went through a process (as described in the then Divisional Council Ordinance, 1952) to be privatised or to be proclaimed as public minor roads or public paths during the time when the Divisional Councils were the Road Authorities and received an income from rural property tax. This income was suspended when Divisional Councils were replaced with Regional Services Councils and Road Authority status changed to the Western Cape Government, Department of Transport and Public Works;

- Finalising the process involved for property owners to obtain written permission from the Western Cape Government, Department of Transport and Public Works to perform such activities on their minor road network; and

- Requesting the Road Authority to revisit their current approved geometric standards where lower traffic volumes are involved to ensure the lowest financial implications for the property owners funding any minor road upgrading.

2.2 To implement sustainable infrastructure services

Waste management

Council has developed an Integrated Waste Management Plan (IWMP) for the district as a whole and has also assisted some municipalities in the compilation of their IWMP. This integrated strategic document gives a holistic view of waste management processes in the district. Through this, management issues of a district nature can be identified, investigated and implemented.

Waste management in the local municipalities are generally well done insofar as the collection of domestic municipal waste is concerned with waste collection provided for the vast majority of urban residents. However, the management of waste disposal is generally poor. Waste avoidance is not significantly practiced anywhere in the district except for at certain private enterprises. Reference must be made that certain municipalities within the district do use a clear bag system to enhance separation at source and improve recycling. Waste avoidance will only be achieved through the implementation of public awareness campaigns.

Waste Recovery of any significance is only done at the Materials Recovery Facilities (MRFs) at Paarl and Touws River. Scavenging takes place at a number of the waste disposal sites in the area, contributing to operational difficulties. It is recommended that MRF's be constructed in all larger towns with populations larger than 50 000. The Cape Winelands District Municipality is in the process of assisting local municipalities with the compilation of Organic Waste Diversion Plans to establish procedures to minimize all organic waste in the municipality.

Composting is done successfully near Stellenbosch, Klapmuts and Robertson and should be extended to all larger towns in the district.

The Stellenbosch area and in a lesser extent the Witzenberg and Langeberg areas are in critical need for landfill airspace. A Service Provider has been appointed for the identification and licensing of regional landfill sites in the Cape Winelands District Municipality's area. One site has been identified and a license was issued for the eastern side of Cape Winelands District Municipality. The Cape Winelands District Municipality will continue with the process of design and construction of the regional landfill site with anticipated full operation of the site in November 2024. Another investigation will be lodged to identify a regional site with all associated waste minimization processes for the Western part of the Cape Winelands District Municipality.

Planning of services

Municipalities sometimes find it difficult to make provision for planning projects in their budgets due to financial constraints and the public pressures of delivering services. The Cape Winelands District

Municipality has over the years engaged in supporting municipalities in this regard by completing master planning projects for water and sanitation, storm water, certain waste management plans and pavement management systems. Access to these master plans, allows municipalities the opportunity to invest in the most critical elements of these services and thereby making the investment sustainable and effective.

2.3 To increase levels of mobility in the whole of the CWDM area

Section 84 of the Local Government: Municipal Structures Act, Act 117 of 1998, lists the function "Regulation of Passenger Transport Services" as a district municipal competency. The Cape Winelands structured their administration such that the Sub-Directorate Public Transport Planning and Regulation would be responsible for the administration of this function.

The Act however does not offer a definition for "regulation" neither "passenger transport services". The word "regulate" is defined in the Shorter Oxford Dictionary as "to bring into conformity with a rule, principle or usage".

In terms of the Constitution of the Republic of South Africa, Act 108 of 1996, section 156 and Part B of Schedule 4, a Municipality has executive authority in respect of "Municipal Public Transport".

Section 155 of the Constitution, Establishment of municipalities, lists the three Categories of municipalities being Categories A, B and C. Thus, all municipalities have the responsibility of "Municipal Public Transport".

The National Land Transport Act (NLTA), 2009 (Act No 5 of 2009), was promulgated on 27th November 2009, thus repealing in full the previous Act, namely, the National Land Transport Transition Act, 2000 (Act 22 of 2000. Chapter 2 of Act 5 of 2009) addresses the institutional arrangements for land transport and the responsibilities of the three spheres of Government are listed in Section 11. Section 11(1) c (i to xxviii), addresses the responsibilities of the municipal sphere of government. The National Land Transport Act (NLTA) defines "municipality" as including all types of municipalities contemplated in section 155 of the Constitution, thus Metropolitan (category A) municipality, District Municipality (category C) and Local Municipality (category B).

Based on the definition of the word "regulate" in the Shorter Oxford Dictionary, it is possible that the functions listed under section 11(1) c xviii to xxvii of the NLTA could possibly fall within the ambit of this definition.

A determination of the function should therefore be done to establish the responsibilities of the District Municipality now that the NLTA is quite explicit in defining the role Local Government in Section 11 of such Act.

An avenue to be followed is to involve SALGA in such an endeavour. The MEC could also be prompted as follows – Section 85(1) of the Local Government: Municipal Structures Act, Act 117 of 1998, provides that the MEC for local government may adjust the division of functions and powers between District – and Local Municipalities by allocating powers vested in a Local Municipality to the District Municipality or vice versa, excluding certain powers. The power to regulate passenger transport services is not excluded, so an adjustment may take place. The MEC may so allocate functions only if the municipality in which the power is vested lacks the capacity to perform it and the MEC has consulted the Municipal Demarcation Board (MDB), which must have assessed the capacity of the municipality concerned.

Supportive Statutory and Non-statutory Plan

District Integrated Transport Plan (DITP)

Cape Winelands District Municipality is in a process of drafting the new generation of District Integrated Transport Plan an assessment of the status of Public Transport in the district as a whole will be recorded as well as stating a long-term vision (5-20 year) for public transport in the CWDM. The validity of the current DITP dated 2016-2021 is outdated.

KEY INTERVENTIONS PLANNED

A. Rationalisation of Routes

To assess the functionality of existing registered Minibus Taxi Routes in Breede Valley, Langeberg and Witzenberg Municipal Areas and subsequent restructuring and rationalisation of these routes.

B. Safer Journeys to Schools Strategy

The implementation of this strategy is currently two-fold -

B1 Development of educational material

Distribution of road safety themed learner peak Caps, lunch box and eco-friendly shopper bags developed by the CWDM duly assisted by the Law Enforcement units of the Local Municipalities and the Western Cape Government. The major thrust of this intervention is to improve the visibility of learners walking to their respective schools.

B2 Upgrading Public Transport Facilities at rural and urban schools

The construction of sidewalks, bus embayments and shelters and upgraded access off the road network to the respective schools

2.4 To improve infrastructure services for rural dwellers.

A vital aspect of the function of CWDM is the provision of high-level basic services and the infrastructure that can underpin economic and social development in the region. Below we analyse the situation with regards to various services:

- **Water and Sanitation**

  The responsibility to eradicate the water and sanitation backlogs is the responsibility of the Water Service Authorities supported by the DW&S and the national water and sanitation task team. In the case of the CWDM, the Water Services Authorities are the B-Municipalities.

  The responsibility of the CWDM is to ensure that proper planning is done and to co-ordinate and oversee these processes and make sure that capacity exists within the B-Municipalities to ensure effective delivery. It is estimated that the amount needed to eradicate the existing bulk and internal backlogs in the district is in excess of R 1.2 billion. Careful technical planning and financial management will need to be employed to eradicate these backlogs.

  This Council assists rural schools in upgrading and/or improving the potable water supply and sanitation facilities at the schools. In some cases, the toilet facilities are extended to cater for additional learners while water storage facilities and purification of water is regularly attended too.

- **Electricity**

  In most instances electricity in the rural areas is provided by ESKOM. Although the grid is comprehensive, it does not cover all areas. This Council has a subsidy scheme for the provision of solar hot water systems. The installation of these systems in rural dwellings improves the living conditions of poor rural dwellers tremendously and also contributes to the use of renewable energies.

- **Rural sport facilities**

  There is a dire need for the upgrading of existing and/or the development of sport facilities in the rural areas. Partnerships with Landowners, Sport Organisations and the Department of Sport and Culture will be fostered in the provision of these facilities. Recently various tennis/netball courts, rugby fields, clubhouses and flood lights and movable pavilions at sport fields were completed.

2.5 To implement an effective ICT support system

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Changing the traditional way of doing things at an organisation may be a huge adjustment, but ICT has taken on the challenge of undergoing a transformation that will:

- Drive operational efficiency through technological advancement
- provide technological leadership and digital transformation
- maintain and continue to develop the current ICT infrastructure
- make sure that ICT enables people to be effective and efficient

Building on the existing motto which is to enable people, the new strategy will look to transform ICT so that there is stronger engagement, continuous improvement and innovation.

To ensure continued alignment of the Municipality's business and ICT strategy, the critical success factors for the implementation of the ICT plan and roadmap can be stated as follows:

- The Municipal management take ownership of ICT as a strategic enabler.
- The ICT Plan is reviewed annually to ensure that it supports the strategic direction of the Municipality and is integrated with the Integrated Development Plan (IDP) planning process.
- A process and governance structure for implementing and monitoring the ICT Plan is established.
- A strong ICT representation on strategic forums is established.
- Formal communication channels are established between the Municipality and the ICT organisation.
- Management should prioritise and focus investment in the areas deemed as the highest priority.
- Capacity is developed in the ICT organisation to ensure success of ICT initiatives.
- An operational ICT Plan is developed immediately after the Strategic ICT planning process to outline the budget and resource requirements.

KEY ICT CHALLENGES

- Lack of policy alignment with ICT opportunities
- Inadequate change management capacity
- Lack of integration of systems
- District wide Data architecture limitations
- Duplication of data on systems
- Core processes tied to legacy systems
- Low appetite for research and development budget

BUSINESS VIEW OF ICT ROLE

The CWDM management structures the current CWDM ICT organisation to be reactive and playing a technical and systems support role. However, in future, CWDM ICT organisation is required to play a more proactive and strategic role. ICT will be reposition and capacitated reflecting its new role. The role will include tactical recommendations to future and current business processes.

Perceived role of the ICT Business Unit:

a) Real role: services are rendered by the ICT organisation to the business.
b) Technical (hardware/software) support: the ICT organisation provides desktop and server (hardware and software) support.
c) System support: the ICT organisation provides support on the business applications.
d) Systems development and maintenance: the ICT organisation develops and maintains business applications.
e) Key source of management information: the ICT organisation provides the means for business to extract key information for decision making.
f) Enhancing service delivery: the ICT organisation identifies areas for using ICT to enhance service delivery initiatives implemented within the municipality.

It is evident that the CWDM management views ICT as a key enabler and thus requires more interaction with the ICT organisation. This perspective will be taken into account when the future role of the ICT organisation is established.

STRATEGIC OBJECTIVE 3

FINANCIAL AND STRATEGIC SUPPORT SERVICES

Provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.

3.1 To facilitate and enhance sound financial support services

3.2 To strengthen and promote participative and accountable governance

3.3 To ensure skilled and competent workforce in order to realise organisational strategic objectives

Information to be included.

FINANCIAL AND STRATEGIC SUPPORT SERVICES

Provide effective and efficient financial and strategic support services to the Cape Winelands District Municipality.

PRE-DETERMINE OBJECTIVE .3.1: ***To facilitate and enhance sound financial support services***

LONG TERM FINANCIAL PLAN (LTFP)

The LTFP is a financial framework that combines and integrates financial strategies to achieve the main objective of the financial viability of the municipality. i.e. the ability of the municipality to meet the current and future service delivery needs of the community whilst remaining financial sustainable on the long term. The LTFP must integrate revenue and expenditure streams to give effect to the Integrated Development Plan (IDP).

Furthermore, the financial plan assists the municipality to effectively manage the financial position of the municipality in accordance with the Integrated Development Plan (IDP) and secure sound and sustainable management of its financial affairs of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA). The said plan provides for democratic, accountable and effective governance of finances.

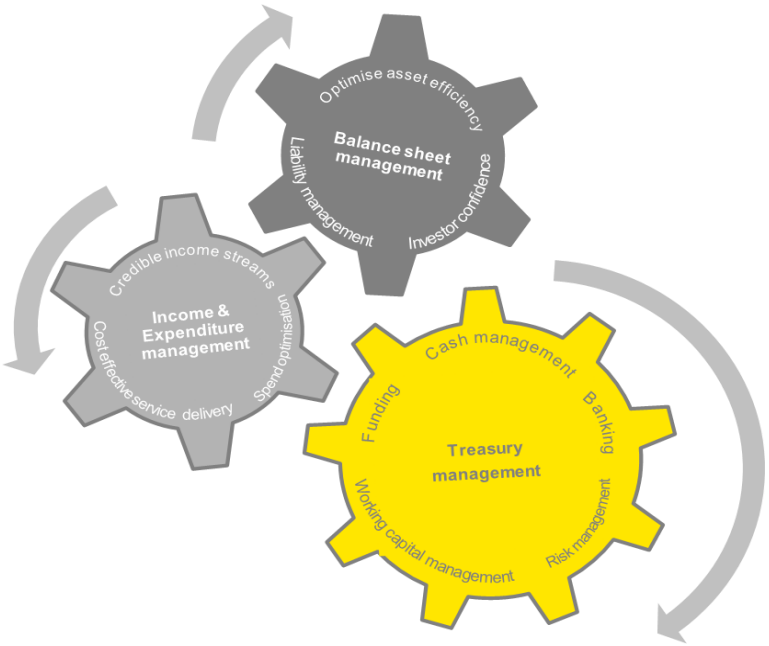
The development of the LTFP is an output of financial and other strategies and aims to identify financial imbalances or opportunities and to develop strategies to counteract the imbalances. As a first step, conceptualising a LTFP involved understanding how the various elements of financial management are conducted at the CWDM, that is balance sheet management, income and expenditure management and treasury management. Diagram 1 below, describes

this interaction where effectively the components are interdependent and therefore need to work together as a system to support the financial viability and sustainability of the CWDM.

Diagram 1: Interdependent components of various components of financial management at CWDM

A financial model and forecasting are utilised to demonstrate insights into the overall financial sustainability of CWDM by modelling the funding requirements, in addition to the relevant budget related policies and decisions. The model will be updated to incorporate the latest reforms and legislated requirements. The tool provides the ability to model different scenarios which are then forecasted for a period by means of different statistical methods. The model provides the functionality to view the financial impact and sustainability of budget decisions and policies instantly. These modelled results are presented within the prescribed formats per the Municipal Budget and Reporting Regulations and the inputs are reconciled with the financial statements.

A treasury maturity assessment was undertaken a few years ago at a high level of the CWDM treasury function, to identify how well the district manages their financial needs. Considering the results of the maturity assessment, various recommendations will be instituted to evolve CWDM's treasury function from its current state to one that, in alignment with leading practice and legislative requirements, enables the CWDM financial strategy.



An Indicative credit rating that has been obtained several years ago for CWDM was between zaBBB and zaA. Such a rating is an estimate of the credit rating likely to be assigned by an international ratings agency to CWDM on a South African national scale. The Ratings Methodology is based on international best practice criteria as applied by Moody's and Fitch Ratings. The rating methodology has been adapted to suit South African municipalities and takes note of the unique characteristics of the South African local government structure.

Financial management measures are focused on how well the district manages its financial needs, with particular focus on the capital funding strategy, cash management, borrowing capacity and investment levels. The CWDM strives to improve on financial management practices, in alignment with leading practices and legislative requirements.

1) Financial overview

The long-term financial plan provides strategic direction and support the objectives of the Municipality. The aim thereof is to realise government grants & other relevant allocations, private finance and interest income to accomplish budgeting in a viable, sustainable and credible manner and simultaneously compile the three-year budget as per MFMA requirements.

The organisational structure outlines functional areas and direct activities in order to achieve the goals of the Budget and Treasury Office.

Sound finances are required to support the Municipality's ability to deliver on its IDP objectives; hence the financial context for CWDM is therefore critical – government grants, including the equitable share, that accounts for 57% of the total income appropriation whilst the rendering of the Roads Services, and other contributions account for a further 28% of the total income appropriation. Seen in this context, the Municipality is collectively (approximately) 85% reliant on funding from government grants and external sources. The sketched scenario places the CWDM at risk of changes made to policy, especially at a national level.

2) Financial Policy Instruments

Good governance entails effective leadership that is characterised by the ethical values of responsibility, accountability, fairness and transparency. Therefore, the Local Government's Regulatory framework composed in the policy instruments of the Municipality has been directed to ensure efficient and effective financial management of the municipality.

The following policy instruments, amongst others, direct strategic objectives and business operations with the view to achieve sustainable economic, social and environmental performance.

Document	Purpose	Status
System of Delegations	To maximize administrative and operational efficiency. Ensure that the Municipality's affairs are administered in an economical, effective, efficient and accountable manner.	Approved
Credit Control and Debt Collection Policy	To provide a framework within which the municipal Council can exercise its executive and legislative authority with regard to credit control and debt collection. Ensure that all monies due and payable to the municipality are collected and used to deliver municipal services in the best interests of the community in a financially sustainable manner.	Approved
Tariff Policy	The objective of the tariff policy is to ensure the following: • Certainty on how the tariffs will be determined; • That tariffs conform to policy principles; • That Municipal services are financially sustainable; and • That the tariffs comply with applicable legislation.	Approved
Supply Chain Management Policy	The objective of this policy is to provide a policy framework within which the Municipal Manager and Chief Financial Officer can institute and maintain a supply chain management system which is transparent, efficient, equitable,	Approved

Document	Purpose	Status
	competitive, which ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.	
Cash Management and Investment Policy	To ensure compliance with the relevant legal and statutory requirements relating to cash management and investments. To ensure that cash resources (public revenues) collected are managed effectively and efficiently; The investment policy is aimed at gaining the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes.	Approved
Asset Management Policy	The policy is aimed at improving the custodianship overall categories assets and institute steps for the proper administration and accounting of assets.	Approved
Budget Policy	The objective of the budget policy is to set out: • The principles which the municipality will follow in preparing each medium term revenue and expenditure framework budget; • The responsibilities of the Executive Mayor, the Accounting Officer, the Chief Financial	Approved

Document	Purpose	Status
	Officer and other senior managers in compiling the budget; and • To establish and maintain procedures to ensure adherence to the Cape Winelands District Municipality's IDP review and budget processes in terms of relevant legislation.	
Virement Policy	To allow limited flexibility in the use of budgeted funds to enable management to act on occasions such as disasters, unforeseen expenditure or savings, etc. as they arise to accelerate and improve service delivery in a financially responsible manner.	Approved
Funding and Reserves Policy	The policy intends to set out the assumptions and methodology for estimating the following: • Projected billings, collections and all direct revenues; • The provision for revenue that will not be collected; • The funds the municipality can expect to receive from investments; • The proceeds the municipality can expect to receive from the transfer or disposal of assets; • The municipality's borrowing requirements; and • The funds to be set aside in reserves.	Approved

3.) Strategy

The CWDM financial strategy is an integral component of the IDP with the following key elements, contributing to a successful strategy:

- The optimal use of available resources;
- The maximising of revenue; and
- The sustainable delivery of services.

The Financial Strategy integrates all strategies as outlined below that contributes to optimal use of resources, maximising of revenue and sustainable service delivery.

The Municipality's key financial strategies are illustrated in the table below:

Strategy	Description
• Revenue Management Strategy	• To collect all Government Grants and Subsidies as published in the Annual Division of Revenue Act • To ensure optimal billing for services rendered and cash collection • To ensure effective credit control and debt collection • Maintain realistic tariff structuring to allow full cost recovery
• Expenditure Management Strategy	• Effective follow up of outstanding commitments • To ensure the approval, authorisation, withdrawal and payment of funds
• Budget process strategy	• Credible budget to minimise under spending, unauthorised expenditure and virements. • Align adjustments budget to the Service Delivery and Budget Implementation Plan • Utilise available funding effectively, efficiently and economicaly.

• Asset management strategy	• Effective and efficient asset stock takes • Updating an improved asset register
• Cash management strategy	• Continued cash flow management • Centralised pay-point
• Capital financing strategy	• Maintain acceptable levels of Own Capital Reserves (CRR)
• Liability management strategy	• Investigate the continued affordability of future medical aid and pension fund liabilities
• Pricing strategy	• Investigate the implementation of continued Fire Fighting tariff structure
• Strategies to enhance cost-effectiveness	• Investigating strategic sourcing initiatives through product research, understanding of economic conditions, and the use of price indices. • Investigation to utilise current systems optimally
• Investment strategy	• Optimise return on investments in terms of Cash Management and Investments policy
• Supply Chain Management strategy	• Investigating the proper utilization of supply chain management as a strategic enabler for service delivery, value creation, socio-economic transformation, and fiscal prudence.
• Asset Management Strategy	• Maintaining and implementation of the asset management action plans and objectives to ensure that all assets are managed effectively and efficiently

The Municipality envisage to review its Financial Strategy, including the investigation of a more robust Investment Strategy to ensure that -

- The municipality optimises the use and return of its cash in accordance with the municipality's risk appetite. Apply the Municipalities investment policy to utilise the surplus cash holdings in accordance with Section 13(1) and (2) of the Local Government Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- Enhance the Long Term Financial Plan to articulates a comprehensive finance strategy by integrating all finance strategies that contributes to optimal use of resources, maximum rising of revenue and sustainable service delivery;
- Develop a funding strategy that ensures the Municipality is in a position to meet both its current and future capital expenditure and service delivery goals in a sustainable manner by identifying the appropriate funding mix in accordance with the municipality's risk appetite;
- Enhance the investment strategy that ensures the municipality optimises the use and return of its cash in accordance with the municipality's risk appetite;
- Develop a revenue enhancement and management strategy that identifies methods to increase and manage CWDM revenue streams and address expected operational expenses;
- Enhance the cost reduction strategy and programme that focuses on cost management and the improvement of cost controls regarding operational and IDP expenditures;
- Explore the potential options to reduce employee liabilities (post retirement and leave liabilities) and allowances;
- Design fit-for-purpose treasury operating model that safeguards the municipality's financial health and embeds financial control and strategic focus throughout the municipality in an integrated / co-ordinated manner; and
- Implement data management and version control procedures that ensures that reconciled data resides at a single source.

PRE-DETERMINE OBJECTIVE 3.2: ***To strengthen and promote participative and accountable governance***

To provide an effective and efficient support services to the Cape Winelands District Municipality's departments so that the organisational objectives can be achieved through the provision of –

- Human Resources; and
- Administrative Support Services.

INTRODUCTORY REMARKS

The lead department responsible for achieving Strategic Objective 3 is the Department: Financial and Strategic Support Services which is the portal of entry to the Cape Winelands District Municipality's vision of "A Unified Cape Winelands of Excellence for sustainable development!" and is guided by the following core values:

- Good Governance,
- Professionalism,
- Integrity, Impartiality,
- Quality,
- Honesty,
- Effectiveness,
- Transparency,
- Openness; and
- Consistency in providing support services.

Human Resources ensures that the Cape Winelands District Municipality employs the best and suitable qualified employees to serve our communities, within the context of relevant legislative arrangements, policies and collective agreements, taking into account the following values –

- *Respect*: we value a workplace culture where people respect one another in their interactions with co-workers and members of the public;
- *Integrity*: we value a workplace culture where personal and professional integrity cause us to behave in a non-partisan and ethical way and to make the best use of the resources entrusted to us;

- *Diversity*: we value a workplace where diversity in all forms is encourage and recognised for its contribution to a more creative, rewarding, and productive force to our broader community; and
- *Accountability*: we value a workplace where accountability for our actions, our interactions, the objective and wise use of resources, and responsibilities for our successes and failures is reflected in how we conduct ourselves. We are accountable to the citizens of the district, to our co-workers, and to our many partners in service delivery.

Administrative Support Services provides Secretarial, Archives, Registry and Logistical Support Services to all Departments of the Cape Winelands District Municipality.

PRE-DETERMINE OBJECTIVE 3.3: ***To ensure skilled and competent workforce in order to realise organisational strategic objectives***

Cape Winelands District Municipality has realized that skilling of its own workforce is key in achieving its strategic objectives as noted in the Integrated Development Plan by developing and building the capacity of employees to perform their tasks in an effective, economic and accountable manner and to report on training bi-monthly, as well as the annual submission of the Workplace Skills Plan.

Cape Winelands District Municipality's will ensure the development of the workforce in order to improve productivity in the workplace and the competitiveness of the employees. Cape Winelands District Municipality (CWDM), Council and employees are fully committed to educate, train and develop all employees within the financial muscle and resources available by:

- Development of Training and Skills Development Strategy in line with the stipulations of the Skills Development Act, 1998 (Act No 97 of 1998), as amended and other relevant legislation;
- Introduce fair, reasonable and objective principles for education, training and development of employees in the employment of Council;
- Provide guidelines for training and development of employees in the employment of Council.

- Conduct thorough skills audits and identify gaps existing and devise strategies in terms of the broader vision of Council;
- Allocate significant training resources, within the means of Council;
- Ensure that people with disabilities have easy access to all learning opportunities by removing any learning barriers; and
- Put up comprehensive education, training and development programmes that focus on literacy, numeracy, technical competencies and management and development programmes

IMPROVED LABOUR RELATIONS AND INFORMED WORKFORCE

Cape Winelands District Municipality recognizes that in order for service delivery to be maintained and improved, every employer requires labour peace, hence continuously promotes a sound and dynamic labour relations environment by facilitating an atmosphere of collective bargaining at the workplace and employer-employee relations. In addition, to this also to promote equal opportunities and fair treatment to all in the workplace by eliminating unfair discrimination; and to implement affirmative action measures to redress the disadvantages in employment experienced in the past by members from designated groups.

Employee relations at the Cape Winelands District Municipality are enhanced by continuous interaction between management and employees through executive management road shows at least once annually, and through publication in the internal newsletter and regular staff circulars. Maintaining good employee relations helps to reduce workplace conflict, raise staff morale and increase overall productivity.

ORGANISATIONAL DEVELOPMENT

Organisational development within the Cape Winelands District Municipality (CWDM) continuously focus on the increase of the District Municipality's effectiveness and efficiency in order to develop the CWDM to its full potential and seeking to increase effectiveness in terms of the strategic objectives as defined in the Integrated Development Plan.

The objective of organisational development is to improve the District Municipality's capacity to handle its internal and external functioning and relationships, inclusive of more effective communication, enhanced ability to cope with organisational challenges, more effective

decision-making processes, more appropriate leadership styles, improved skills and higher levels of trust and cooperation among employees.

Organizational development further focuses on improving performance at individual and organisational level and improving the District Municipality's ability to effectively respond to changes in its external environment, and increasing internal capabilities by ensuring the organisational structures, human resources systems, communication systems, and leadership/managerial processes fully harness human motivation and help employees function to their full potential.

Cape Winelands District Municipality (CWDM) embarked on a comprehensive process to have all posts on the approved staff establishment evaluated in terms of the TASK Job Evaluation System. The purpose of the implementation of the TASK Job Evaluation Systems is to:

- Achieve uniform norms and standards in the description of similar posts and their grading;
- Provide for the necessary structures, institutional arrangements and procedures for the evaluation of posts at the Cape Winelands District Municipality;
- Ensure that a single job evaluation system is implemented;
- Monitor adequate implementation of the TASK Job Evaluation System in order to achieve uniform remuneration within the Cape Winelands District Municipality;
- Provide guidelines for job evaluation at the Cape Winelands District Municipality; and
- Ensure that objective job descriptions are compiled for all posts on the approved staff establishment of the Cape Winelands District Municipality which will be to the advantage of both the employer and the employees.

Implementation of the TASK grading outcomes were affected with effect from 01 November 2014 on acceptance of the Final Outcomes Report by the Municipal Manager. The TASK job evaluation process is a continuous process that are being instituted in the event where posts change, reporting lines change or when new posts are being approved on the staff establishment of the CWDM.

In terms of Chapter 7 (Local Public Administration and Human Resources) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), the Minister for Cooperative Governance and Traditional Affairs promulgated the Local Government: Municipal Staff

Regulations No. 890 and issued the Local Government: Guidelines for the Implementation of the Municipal Staff Regulations No. 891 in Government Gazette No. 45181, dated 20 September 2021 in terms of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) setting uniform standards for municipal staff systems and procedures for all municipal staff and senior managers, where applicable. This Regulation and Guidelines for implementation takes effect from 01 July 2022.

The aforementioned is also supported by Chapter 13 of the National Development Plan in terms of the Building of a Capable and Developmental State, and clause 154(1) of the Constitution of the Republic of South Africa, 1996 that, inter alia, stipulates that national and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

All municipalities are required to develop Human Resources policies consistent with these Regulations. The Human Resources policies must be developed/reviewed and adopted by municipal councils before 01 July 2022.

In respect of the Local Government: Municipal Staff Regulations No. 890 and issued the Local Government: Guidelines for the Implementation of the Municipal Staff Regulations No. 891, the Cape Winelands District Municipality's performed an in-house readiness review analysis by the Divisions: IDP and Performance Management and Human Resources and drafted a dynamic road map to guide the successful implementation of the Municipal Staff Regulations.

CHAPTER 6: SUPPORT TO LOCAL MUNICIPALITIES – FINANCIAL IMPACT (2022/23)

All projects, planning initiatives and programmes are implemented within the jurisdiction areas of the applicable local municipality's or district wide, as illustrated in the following table:

District Wide Support			
Type of support	**Deliverable**	**Financial Impact**	
Subsidies – Water & Sanitation	Number of farms serviced (44) – Educationals (20)	R	1000 000
Environmental Health Education	Number o f theatre performances	R	521 537
Clearing of road reserves	643 km cleaned	R	1 300 000
Rural infrastructure support	Provision of water services to schools	R	500 000
Renewable Infrastructure – Rural Areas	Solar systems supply to farmers	R	1 000 000
Upgrading of Sport Facilities	Number of Sport Facilities upgraded	R	2 692 000
Entrepreneurial Seed Funding	Number of SMME's supported	R	500 000
Business Retention Expansion Programme	Number of action plans for tourism sector	R	700 000
Investment Attraction Programme	Number of projects implemented	R	680 000
Small Farmers Support Programme	Number of small farmers supported	R	500 000

SMME Training and Mentorship	Number of processes implemented	R	975 000
Tourism Business Training	Number of training and mentoring sessions	R	950 000
Tourism Educational	Number of educational	R	300 000
Tourism Month	Tourism month activities	R	71 000
Township Tourism	Number of SMME’s linked with formal economy	R	500 000
LTA Projects	Number of LTA’s participating	R	450 000
Tourism Events	Number of tourism events	R	477 000
Sport Tourism Winter Campaign	Campaign implemented	R	528 000
EPWP Invasive Alien Management Programme	Number of hectares cleared	R	1 986 000

HIV/AIDS Programme	Number of HIV/AIDS Programmes Implemented	R	122 500
Elderly	Number of Active Age programmes implemented	R	342 240
Disabled	Number of interventions implemented which focus on the rights of people with disabilities	R	396 000
Community Support Programme	Number of Service Level Agreements signed with community-based organisations	R	400 000
Families and Children (Substance Abuse)	Programmes and support for vulnerable children Provision of sanitary towels Support for ECDs	R	601 500
Early Childhood Development	Number of Early Childhood Development Toolkits distributed	R	200 000
Sport, Recreation and Culture Programmes	Number of programmes	R	2 992 420
Youth	Number of youth development programmes	R	451 900
Women	Number of awareness programmes	R	101 890
Sidewalks and Embayment's	Number of sidewalks and Embayment's completed	R	2 200 000
Road Safety Education	Number of Road Safety Education programmes	R	928 000
River rehabilitation (EPWP)	Hectares cleared	R	100 000

Skills Development (EPWP)	Number of skills development initiatives implemented	R	150 000

CHAPTER 7: ORGANISATIONAL PERFORMANCE SCORECARD (PER STRATEGIC OBJECTIVE) AND FINANCIAL PLAN

CAPE WINELANDS DISTRICT MUNICIPALITY – STRATEGIC OBJECTIVES:	
Office of the Municipal Manager:	Strategic Support to the organisation to achieve the objectives as set out in the Integrated Development Plan through: • A well-defined and operational IDP Unit; • A well-defined and operational Performance Management Unit; • A well-defined and operational Risk Management Unit; • A well-defined and operational Internal Audit Unit; and • A well-defined and operational Communication Unit.

CAPE WINELANDS DISTRICT MUNICIPALITY: PREDETERMINED OBJECTIVES	
SO 1 Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District.	
1.1	Provide a comprehensive and equitable Municipal Health Service including Air Quality Management throughout the area of the Cape Winelands District Municipality.
1.2	Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment and Response and Recovery.
1.3	Effective planning and coordination of specialized fire-fighting services throughout the area of the Cape Winelands District Municipality.
1.4	To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development and information knowledgement.
1.5	To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.
SO 2 Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities.	
2.1	To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.
2.2	To implement sustainable infrastructure services throughout the area of the Cape Winelands District Municipality.
2.3	To increase levels of mobility throughout the area of the Cape Winelands District Municipality.
2.4	To improve infrastructure services for rural dwellers throughout the area of the Cape Winelands District Municipality.
2.5	To implement an effective ICT support system.
SO 3 Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	
3.1	To facilitate and enhance sound financial support services.
3.2	To strengthen and promote participative and accountable Governance.
3.3	To facilitate and enhance sound strategic support services.

BUDGET ALLOCATION FOR 2022/2023 FINANCIAL YEAR

1.	To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment	**R148 276 149**	1.1	Provide a comprehensive and equitable Municipal health Service including Air Quality Management throughout the CWDM.	**R 42 290 531**
			1.2	Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment and Response and Recovery	**R 9 926 033**
			1.3	Effective planning and coordination of specialized fire-fighting services throughout the CWDM	**R 63 369 813**
			1.4	To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development and information knowledgement.	**R 20 129 190**
			1.5	To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.	**R 12 560 582**
2.	Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities.	**R 157 359 048**	2.1	To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.	**R 111 338 118**
			2.2	To implement sustainable infrastructure services.	**R 7 825 053**
			2.3	To increase levels of mobility in the whole of the CWDM area.	**R 6 378 087**
			2.4	To improve infrastructure services for rural dwellers	**R 15 141 444**
			2.5	To implement an effective ICT support system.	**R 16 676 346**

3.	To provide an effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	**R 121 444 383**	3.1	To facilitate and enhance sound financial support services	**R 30 333 596**
			3.2	To strengthen and promote participative and accountable IGR and governance.	**R 32 088 122**
			3.3	To facilitate and enhance sound strategic support services	**R 59 022 665**
Total		**R 427 079 580**			**R 427 079 580**

BUDGET ALLOCATION FOR 2023/2024 FINANCIAL YEAR

1.	To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment	**R 152 663 431**	1.1	Provide a comprehensive and equitable Municipal Health Service including Air Quality Management throughout the CWDM.	**R 44 006 335**
			1.2	Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment and Response and Recovery	**R 8 795 531**
			1.3	Effective planning and coordination of specialized fire-fighting services throughout the CWDM	**R 66 866 765**
			1.4	To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development and information knowledgement.	**R 19 948 547**
			1.5	To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.	**R 13 046 253**

2.	Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities.	**R 176 222 849**	2.1	To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.	**R 127 378 968**
			2.2	To implement sustainable infrastructure services.	**R 8 044 443**
			2.3	To increase levels of mobility in the whole of the CWDM area.	**R5 537 702**
			2.4	To improve infrastructure services for rural dwellers	**R 18 383 006**
			2.5	To implement an effective ICT support system.	**R 16 878 731**
3.	To provide an effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	**R 126 020 644**	3.1	To facilitate and enhance sound financial support services	**R 30 407 046**
			3.2	To strengthen and promote participative and accountable IGR and governance.	**R 36 406 491**
			3.3	To facilitate and enhance sound strategic support services	**R 59 207 107**
Total		**R 454 906 924**			**R 454 906 924**

BUDGET ALLOCATION FOR 2024/2025 FINANCIAL YEAR

1.	To create an environment and forge partnerships that ensures the health, safety, social and economic development of all communities including the empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment	**R 155 161 644**	1.1	Provide a comprehensive and equitable Municipal health Service including Air Quality Management throughout the CWDM.	**R 45 809 799**
			1.2	Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk management, Disaster Risk Assessment and Response and Recovery	**R 9 059 925**
			1.3	Effective planning and coordination of specialized fire-fighting services throughout the CWDM	**R66 530 483**
			1.4	To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development and information knowledgement.	**R 20 421 986**
			1.5	To facilitate, ensure and monitor the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities.	**R 13 339 451**
2.	Promoting sustainable infrastructure services and a transport system which fosters	**R 180 257 800**	2.1	To comply with the administrative and financial conditions of the Western Cape Government roads agency function agreement.	**R 131 208 116**

	social and economic opportunities.		2.2	To implement sustainable infrastructure services.	**R 8 274 706**
			2.3	To increase levels of mobility in the whole of the CWDM area.	**R 6 591 000**
			2.4	To improve infrastructure services for rural dwellers	**R 17 087 255**
			2.5	To implement an effective ICT support system.	**R 17 096 723**
3.	To provide an effective and efficient financial and strategic support services to the Cape Winelands District Municipality.	**R 130 769 623**	3.1	To facilitate and enhance sound financial support services	**R 31 528 796**
			3.2	To strengthen and promote participative and accountable IGR and governance.	**R 37 465 078**
			3.3	To facilitate and enhance sound strategic support services	**R 61 775 749**
Total		**R 466 189 067**			**R 466 189 067**

CHAPTER 8: MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK

8.1 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 viable 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. The municipality also strives to deliver sustainable services to its community without overburdening the consumers with excessive tariffs.

Current strategic risks identified by the annual risk assessments can be summarised as follows:
• Compromised financial sustainability of the municipality;
• Increasing employee costs year on year;
• Insufficient electricity supply(load shedding);
• Loss of provincial roads services function;
• Deteriorating employee wellness.

Current emerging risks:
• Limitations to attract and retain skilled staff;
• Climate change/ extreme weather conditions;
• Escalating social ills within the district;
• Inability to deliver services;
• Cyber crime;
• Supply chain vulnerabilities.

For each of the above risk areas the municipality has put mitigating measures in place aligned to the specific department in the budget. These measures will be implemented over the MTREF period.
Due to the decreasing Equitable Share Allocation the municipality could not budget for a surplus, which will have a negative effect on its Accumulated Surplus. In addressing the key considerations contained in National Treasury's MFMA Circular 74, the following are highlighted in the budget:

- The municipality cut back on capital and operating expenditure related to the upgrading of rural roads (which is the property of the Provincial Government) to maintain accumulated reserves and ensure long term sustainability of the municipality
- Capital projects were spread out over the MTREF to avoid large fluctuations in spending and ensure that priority is given to projects with high importance

- Tariff increases were kept as low as possible to ensure affordability thereof, whilst keeping in mind the cost of delivering services of a high quality.
- The municipality recognizes the importance of cash reserves and therefor strives to maintain a current ratio of not lower than 2.1(Current Assets: Current Liabilities)

In view of the aforementioned, the following table is a consolidated overview of the proposed 2021/2022 Medium-term Revenue and Expenditure Framework.

OPERATING BUDGET

YEAR	EXPENDITURE	INCOME	SURPLUS (-) /DEFICIT
2022/2023	427.079.580	-427.079.580	0
2023/2024	454.906.924	-454.906.924	0
2024/2025	466.189.067	-466.189.067	0

CAPITAL BUDGET

YEAR	EXPENDITURE	INCOME	SURPLUS (-) /DEFICIT
2022/2023	124.183.400	-124.183.400	0
2023/2024	66.634.000	-66.634.000	0
2024/2025	17.737.000	-17.737.000	0

OPERATING BUDGET – REVENUE

The Cape Winelands District Municipality is reliant on Grant funding as its main source of revenue.

This is as a result of the abolishment of the RSC Levi.

The following table reflects the revenue sources for the 2021/2022 to 2024/2025 financial years:

Sources of Income	2021/2022	2022/2023	% Inc./-Dec. Between 2021/22 & 2022/23	2023/2024	2024/2025
Ex Rev: Operational Revenue	-10.621.482.00	-13.345.860.00	26%	-13.683.064	-14.032.807
Ex Rev: Rental Fixed Assets	-240.000.00	-240.000.00	0%	-240.000	-240.000
Ex Rev: Agency Services	-111.355.442.00	-111.299.920.00	0%	-125.866.500	-128.883.900
Ex Rev: Sales Goods and Services	-374.800.00	-477.800.00	27%	-477.800	-477.800
Ex Rev: Service Charges	-	-	0%	-7.595.560	-7.595.560
Ex Rev: Int Divident Rent on Land	-41.000.000.00	-43.000.000.00	5%	-44.000.000	-45.000.000
Non-Ex Rev:	-600.000.00	-600.000.00	0%	-600.000	-600.000
Non-Ex Rev: Transfers & Subsidies	-259.352.729.00	-258.116.000.00	0%	-262.444.000	-269.359.000
- RSC Replacement Grant	-242.546.000.00	-248.404.000.00	2%	-253.850.000	-259.462.000
- Equitable Share	-2.662.000	-2.891.000	9%	-3.071.000	-3.268.000
- LG Finance Management Grant	-1.000.000.00	-1.000.000.00	0%	-1.000.000	-1.000.000
- Fire Services Capacity Grant	-1.046.000.00	-	100%	0	0
- CWDM Integrated Transprot Plan	-1.722.456.00	-	-100%	0	-940.000.00
- Community Development Workers	-245.127.00	-75.000.00	0%	-75.000.00	-75.000.00
- Local Government Internship Grant	-101.545.00	-	-100%	0	0

- Public Employment Support Grant	-200.000.00	-	-100%	0	0
- Joint District and Metro Approach	-2.000.000.00	-	-100%	0	0
- Subs. DOW.: Hiring of Toilets	-1.051.000.00	-	-100%	0	0
- Expanded Public Works Programme	-1.413.000.00	-1.369.000.00	-3%	0.00	0.00
- Safety Plan Implementation Grant	-2.617.601	-1.500.000.00	-43%	-1.560.000.00	-1.622.000
- Rural Roads Asset Man, System (Dora)	-2.748.000	-2.877.000.00	5%	-2.888.000.00	-2.992.000.00
Discontinued Operations	-46.087	-	-100%	-	-
Seta Refund	-334.800	0.00	-100%	-	-
Total	-423.925.340	-427.079.580	1%	-454.906.924	-466.189.067

OPERATING EXPENDITURE

The table below illustrates the operating Expenditure for 2020/2021 to 2023/2024 financial years:

Expenditure Categories	2021/2022	2022/2023	% Inc./-Dec. Between 2021/22 & 2022/23	2023/2024	2024/2025
Employee Related Costs	233.482.967	234.207.892	0%	247.570.521	258.577.464
Remuneration of Councillors	13.232.003	13.824.831	4%	14.446.948	15.097.061
Operational Cost	68.650.509	71.140.380	4%	79.564.592	82.281.663
Contracted Services	57.106.660	58.248.954	2%	59.263.854	56.497.509
Interest	0	2.789.696	100%	7.595.560	7.595.560
Operating Leases	300.000	300.000	0%	300.000	300.000
Bad Debt Written Off	150.000	500.000	233%	500.000	500.000
Depreciation and Amortisation	9.976.320	9.560.700	-4%	9.557.110	9.557.100
Inventory	22.202.381	19.455.487	-12%	21.876.698	21.489.070
Transfers and Subsidies	18.812.500	17.039.640	-9%	14.219.640	14.281.640
Gains and Losses	12.000	12.000	0%	12.000	12.000
Total	423.925.340	427.079.580	1%	454.906.924	466.189.067

EMPLOYEE RELATED COST:

Remuneration of Councilors is budgeted for in terms of the Public Office Bearers Act and the approval of the MEC

OPERATIONAL COST:

The decrease in Operational Cost is mainly due to savings identified during the budget process.

CAPITAL BUDGET

The capital budget increased from R 15 506 977 in 2021/2022 to R 117 573 400 in 2022/2023.

In terms of the MFMA, the Mayor must at least 90 days before commencement of the new financial year, table a draft budget for consideration. The budget must be approved in May 2022 after the completion of the public participation process. The Annual Budget of a municipality must be prepared in terms of Section 17 of the MFMA. Council's Budget must be in line with the Government's spending priorities. Key legal provisions are to be Strictly Enforced.

All grants, including national, provincial and local allocations, should be included in the 2022/23 budget of the municipality as reflected under both the revenue and expenditure budget components. A three-year capital and operating budgets for 2022/2023, 2023/24 and 2024/25 MTREF period should be prepared. Reporting requirements for conditional grants must be satisfied.

The budget must be tabled for consultation at least 90 days before the start of the Budget year (Section. (16)(2)) of the MFMA. There must be a clear link between the Budget, IDP and Performance Targets. Municipalities are required to seriously assess their revenue situation and financial health for purposes of determining whether or not they have sufficient revenue and adequate financial stability to fund and deliver on their proposed budget.

The Cape Winelands District Municipality will implement a five-year Medium-Term Revenue and Expenditure Framework, aligned to the five-year Integrated Development Plan for the 2022/23 - 2026/27 cycle.

8.2 TOTAL ACTUAL BUDGET

	2022/2023	2023/2024	2024/2025
Operating Expenditure	402.462.593	434.290.837	445.432.980
Project Expenditure	24.616.987	20.616.087	20.756.087
Sub Total	**427.079.580**	**454.906.924**	**466.189.067**
Capital Expenditure	124.183.400	66.634.000	17.737.000
Total Budget	551.262.980	521.540.924	483.926.067

8.3 COMPARISON BETWEEN THE ADJUSTMENT BUDGET AND THE 2022/2023 BUDGET

	Adjustment budget Feb 2022	2022/2023	% Variance
Operating Expenditure	406.658.702	402.462.593	-1%
Project Expenditure	17.266.638	24.616.987	43%
Sub Total	**423.925.340**	**427.079.580**	1%
Capital Expenditure	15.506.979	124.183.400	701%
Total Budget	439.432.319	551.262.980	25%

8.4 FUNDING OF THE BUDGET

Definition of a Reserve:

A reserve is part of retained earnings set aside for a specified purpose, and hence, unavailable for disbursements

The only reserves disclosed in Council's financial statements are the following:

- Capital Replacement Reserve – to finance Property Plant and Equipment
- Revaluation reserve – to offset depreciation on the re-valued portion of building and de-valuation of buildings

(*Both the above reserves are non-distributable reserves*)

Definition of a Provision:

Provisions are made to make future payments towards liabilities that you already have (Future Medical Aid Liability).

	2022/2023	2023/2024	2024/2025
RSC Replacement Grant	-248.404.000	-253.850.000	-259.462.000
Equitable Share	-2.891.000	-3.071.000	-3.268.000
Finance Management Grant	-1.000.000	-1.000.000	-1.000.000
EPWP Incentive	-1.369.000	0	0
Other National Dora Grants	-2.877.000	-2.888.000	-2.992.000
Provincial Dora Grants	-1.575.000	-1.635.000	-2.637.000
Other income	-14.663.660	-22.596.424	-22.946.167
Interest Received	-43.000.000	-44.000.000	-45.000.000
Agency Services:	-111.299.920	-125.866.500	-128.883.900
Total Budget	-427.079.580	-454.906.924	-466.189.067

8.5 FINANCIAL POSITION

	Adjustment Budget Feb 2022	2022/2023	2023/2024	2024/2025
Operating Expenditure	423.925.340	427.079.580	454.906.924	466.189.067
Operating Income	-423.925.340	-427.079.580	-454.906.924	-466.189.067
(Surplus) / Deficit	-	0	-	-

8.6 LIQUIDITY AND DEBT- EQUITY RATIO'S

Current Ratio = Current Assets / Current Liabilities

2019/20	2020/21
15.24:1	16:39:1

This ratio indicates that Council's Current Assets exceed its Current Liabilities

Cash Ratio = Cash and Cash Equivalents / Current Liabilities

2019/2020 2020/21

14.58:1 15.83:1

This ratio indicates that Council will be able to honour current payments

8.7 CAPITAL REPLACEMENT RESERVE FOR THE 2022/2023 - 2024/2025 MTREF

Capital Replacement Reserve	2022/2023	2023/2024	2024/2025
Opening Balance	71.928.015	24.389.615	17.805.615
Acquisitions for the year	-117.538.400	-66.584.000	-17.737.000
Contributions to Reserve	70.000.000	60.000.000	30.000.000
Closing Balance	24.389.615	17.805.615	30.068.615

8.8 KEY PROJECTS

					Annexure "H"	
PROJECTS BUDGET 2022/2023, 2023/2024 & 2024/2025						
				BUDGET 2022/2023	**BUDGET 2023/2024**	**BUDGET 20234/2025**
LOCAL ECONOMIC DEVELOPMENT						
	Unique Key	**Cost Account**	**Item Description**			
Small Farmer support						
Small Farmer Support_Stellenbosch	20210706013974	11004262930000	Allocations_in-kind: Private Enterprises	180.000	180.000	180.000
Small Farmer Support_Witzenberg	20210706013980	11004262930000	Allocations_in-kind: Private Enterprises	150.000	150.000	150.000
Small Farmer Support_Langeberg	20210706013979	11004262930000	Allocations_in-kind: Private Enterprises	170.000	170.000	170.000
				500.000	500.000	500.000
Entreprenurial Seed funding						
Entrepreneurial Seed Funding_Stellenbosch	20210706013977	11004262930000	Allocations_in-kind: Private Enterprises	109.000	109.000	109.000
Entrepreneurial Seed Funding_Drakenstein	20210706013976	11004262930000	Allocations_in-kind: Private Enterprises	108.000	108.000	108.000
Entrepreneurial Seed Funding_Breede Valley	20210706013978	11004262930000	Allocations_in-kind: Private Enterprises	154.000	154.000	154.000
Entrepreneurial Seed Funding_Witzenberg	20210706013975	11004262930000	Allocations_in-kind: Private Enterprises	74.000	74.000	74.000
Entrepreneurial Seed Funding_Langeberg	20210706013981	11004262930000	Allocations_in-kind: Private Enterprises	55.000	55.000	55.000
				500.000	500.000	500.000
Investment Programme						
Wine Tourism	20210706014051	11004277880000	Tourism	250.000	250.000	250.000

Digital Tourism_Stellenbosch	20210706014073	11004278430000	Monetary Allocations:Local Tourism Boards	70.000	70.000	70.000
Digital Tourism_Drakenstein	20210706014076	11004278430000	Monetary Allocations:Local Tourism Boards	50.000	50.000	50.000
Digital Tourism_Breede Valley	20210706014072	11004278430000	Monetary Allocations:Local Tourism Boards	60.000	60.000	60.000
Digital Tourism_Witzenberg	20210706014075	11004278430000	Monetary Allocations:Local Tourism Boards	50.000	50.000	50.000
Digital Tourism_Langeberg	20210706014071	11004278430000	Monetary Allocations:Local Tourism Boards	70.000	70.000	70.000
Digital Tourism_District Wide	20210706014074	11004278430000	Monetary Allocations:Local Tourism Boards	130.000	130.000	130.000
				680.000	680.000	680.000
Mentorship Programme						
SMME Training and mentorship_Stellenbosch	20210706012577	11004200790000	Project Management	202.650	202.650	202.650
SMME Training and mentorship_Drakenstein	20210706012580	11004200790000	Project Management	121.650	121.650	121.650
SMME Training and mentorship_Breede Valley	20210706012590	11004200790000	Project Management	387.150	162.150	162.150
SMME Training and mentorship_Witzenberg	20210706012579	11004200790000	Project Management	141.900	141.900	141.900
SMME Training and mentorship_Langeberg	20210706012576	11004200790000	Project Management	121.650	121.650	121.650
				975.000	750.000	750.000
Business retention expansion						
Business Retension Expansion_Stellenbosch	20210706014028	11004277880000	Tourism	225.000	225.000	225.000
Business Retension Expansion_Drakenstein	20210706014030	11004277880000	Tourism	70.000	70.000	70.000
Business Retension Expansion_Breede Valley	20210706014027	11004277880000	Tourism	170.000	170.000	170.000

Business Retension Expansion_Witzenberg	20210706014050	11004277880000	Tourism	160.000	160.000	160.000
Business Retension Expansion_Langeberg	20210706014020	11004277880000	Tourism	75.000	75.000	75.000
				700.000	700.000	700.000
TOTAL: LOCAL ECONOMIC DEVELOPMENT				3.355.000	3.130.000	3.130.000
TOURISM						
Tourism training						
Tourism Training_Stellenbosch	20210706012528	11103200480000	Professional Staff	200.000	200.000	200.000
Tourism Training_Stellenbosch	20210706012722	11103201270000	Catering Services	10.000	10.000	10.000
Tourism Training_Drakenstein	20210706012519	11103200480000	Professional Staff	200.000	200.000	200.000
Tourism Training_Drakenstein	20210706012703	11103201270000	Catering Services	10.000	10.000	10.000
Tourism Training_Breede Valley	20210706012511	11103200480000	Professional Staff	200.000	200.000	200.000
Tourism Training_Breede Valley	20210706012702	11103201270000	Catering Services	8.300	8.300	8.300
Tourism Training_Witzenberg	20210706012518	11103200480000	Professional Staff	100.000	100.000	100.000
Tourism Training_Witzenberg	20210706012701	11103201270000	Catering Services	6.700	6.700	6.700
Tourism Training_Langeberg	20210706012532	11103200480000	Professional Staff	200.000	200.000	200.000
Tourism Training_Langeberg	20210706012727	11103201270000	Catering Services	15.000	15.000	15.000
				950.000	950.000	950.000
Tourism month						
Launch of Tourism Month						
	20210706013697	11103222630000	Transport Provided as Part of Departmental Act.	6.000	6.000	6.000
	20210706013925	11103223080000	Hire Charges	12.000	12.000	12.000
	20210706012637	11103201200000	Artists and Performers	2.000	2.000	2.000

	2021070601 2818	1110320167 0000	Stage and Sound Crew	3.000	3.000	3.000
	2021070601 2765	1110320127 0000	Catering Services	10.000	10.000	10.000
	2021070601 2649	1110320122 0000	Audio-visual Services	3.000	3.000	3.000
				36.000	36.000	36.000
Mayoral Tourism Awards						
	2021070601 3926	1110322308 0000	Hire Charges	35.000	35.000	100.000
	2017060102 3101	1110320120 0000	Artists and Performers	-	-	35.000
				35.000	35.000	135.000
TOTAL: TOURISM MONTH				71.000	71.000	171.000
Educationals						
Visit Stellenbosch	NEW VOTE	1110327788 0000	Tourism	20.000	20.000	20.000
Hexriver Valley Toursim	2021070601 4061	1110327788 0000	Tourism	20.000	20.000	20.000
Franschhoek Wine Tourism	2021070601 4056	1110327788 0000	Tourism	20.000	20.000	20.000
Drakenstein Tourism Association	2021070601 4025	1110327788 0000	Tourism	20.000	20.000	20.000
Breedekloof Wine & Tourism	2021070601 4042	1110327788 0000	Tourism	20.000	20.000	20.000
Worcester Wine & Olive Tourism	2021070601 4065	1110327788 0000	Tourism	20.000	20.000	20.000
Tulbagh Wine & Tourism	2021070601 4041	1110327788 0000	Tourism	20.000	20.000	20.000
Wolseley Tourism	2021070601 4024	1110327788 0000	Tourism	20.000	20.000	20.000
Ceres Tourism	2021070601 4060	1110327788 0000	Tourism	20.000	20.000	20.000
McGregor Tourism	2021070601 4023	1110327788 0000	Tourism	20.000	20.000	20.000
Robertson Tourism Office	2021070601 4047	1110327788 0000	Tourism	20.000	20.000	20.000
Ashton-Montague Tourism office	2021070601 4022	1110327788 0000	Tourism	20.000	20.000	20.000
Wellington	2021070601 4059	1110327788 0000	Tourism	20.000	20.000	20.000
Dwarsriver tourism	2021070601 4021	1110327788 0000	Tourism	20.000	20.000	20.000
Touwsriver tourism	2021070601 4046	1110327788 0000	Tourism	20.000	20.000	20.000

				300.000	300.000	300.000
LTA Projects						
LTA Projects_Stellenbosch	20210706014026	11103277880000	Tourism	90.000	90.000	90.000
LTA Projects_Drakenstein	20210706014029	11103277880000	Tourism	60.000	60.000	60.000
LTA Projects_Breede Valley	20210706014032	11103277880000	Tourism	120.000	120.000	120.000
LTA Projects_Witzenberg	20210706014036	11103277880000	Tourism	90.000	90.000	90.000
LTA Projects_Langeberg	20210706014031	11103277880000	Tourism	90.000	90.000	90.000
				450.000	450.000	450.000
Tourism Campaign						
	20180704051102	11103221430000	Achievements and Awards	20.000	20.000	20.000
	20180704051118	11103221490000	Gifts and Promotional Items	29.000	29.000	29.000
	20170601023068	11103222630000	Transport Provided as Part of Departmental Act.	20.000	20.000	20.000
	20210310003154	11103221810000	Radio and TV Transmissions	439.000	20.000	20.000
	20180704050805	11103201270000	Catering Services	20.000	20.000	20.000
				528.000	109.000	109.000
Tourism Events						
Kayamandi Gospel Choir	20210706014053	11103277880000	Tourism	18.000	18.000	18.000
Youth Cultural Festival	20210706014043	11103277880000	Tourism	18.000	18.000	18.000
Franschhoek arts and Culture festival	20210706014034	11103277880000	Tourism	18.000	18.000	18.000
Stellenbosch Stadsaal Soiree	20210706014058	11103277880000	Tourism	18.000	18.000	18.000
EseltjiesrusDonkey Sanctuary Book Fair	NEW VOTE	11103277880000	Tourism	14.000	14.000	14.000
Montagu Art Deco Festival	20210706014045	11103277880000	Tourism	14.000	14.000	14.000
Montagu Book Festival	20210706014033	11103277880000	Tourism	14.000	14.000	14.000
Montagu Local is Lekker Indaba	20210706014044	11103277880000	Tourism	14.000	14.000	14.000

The Hills Challenge Mountain Bike & Trail Run	20210706014040	11103277880000	Tourism	14.000	14.000	14.000
Montagu Youth Arts Festival 2021	20210706014049	11103277880000	Tourism	14.000	14.000	14.000
Witzenville Festival Faire	20210706014039	11103277880000	Tourism	15.000	15.000	15.000
Tulbagh Vintage and Vine Faire	20210706014064	11103277880000	Tourism	15.000	15.000	15.000
Christmas in Winter	20210706014055	11103277880000	Tourism	15.000	15.000	15.000
Ceres Heritage Festival	20210706014063	11103277880000	Tourism	15.000	15.000	15.000
The Ceres Mitcells pass Half Marathon	20210706014038	11103277880000	Tourism	15.000	15.000	15.000
Ceres Cherry Fair	20210706014062	11103277880000	Tourism	15.000	15.000	15.000
Ceres Jazz Festival	20210706014037	11103277880000	Tourism	15.000	15.000	15.000
Drakenstein Jazz Festival	20210706014048	11103277880000	Tourism	19.000	19.000	19.000
Visit Stellenbosch	20210706014054	11103277880000	Tourism	19.000	19.000	19.000
PO-0435_Visit Stellenbosch	20210706014057	11103277880000	Tourism	19.000	19.000	19.000
McGregor Bake Off	NEW VOTE	11103277880000	Tourism	14.000	14.000	14.000
Celebrating the Arts	NEW VOTE	11103277880000	Tourism	14.000	14.000	14.000
Christmas Night market	NEW VOTE	11103277880000	Tourism	14.000	14.000	14.000
Robertson Heritage Festival	NEW VOTE	11103277880000	Tourism	14.000	14.000	14.000
Robertson Fermentable Festival	NEW VOTE	11103277880000	Tourism	14.000	14.000	14.000
Zwelethemba Heritage Picnic	NEW VOTE	11103277880000	Tourism	17.800	17.800	17.800
Boss Breakfast Event	NEW VOTE	11103277880000	Tourism	17.800	17.800	17.800
Christmas Market	NEW VOTE	11103277880000	Tourism	17.800	17.800	17.800
Heritage Farm Fair	NEW VOTE	11103277880000	Tourism	17.800	17.800	17.800
Grassroots Golf Tournament	NEW VOTE	11103277880000	Tourism	17.800	17.800	17.800
				477.000	477.000	477.000
Township Tourism						
Township Tourism_Stellenbosch	20210706012578	11103200790000	Project Management	50.000	50.000	50.000

Township Tourism_Drakenstein	20210706012597	11103200790000	Project Management	100.000	100.000	100.000
Township Tourism_Breede Valley	20210706012592	11103200790000	Project Management	100.000	200.000	200.000
Township Tourism_Witzenberg	20210706012596	11103200790000	Project Management	50.000	50.000	50.000
Township Tourism_Worcester Tourism			Tourism	50.000	-	-
Township Tourism_Drakenstein			Tourism	150.000	-	-
				500.000	400.000	400.000
TOTAL: TOURISM				3.276.000	2.757.000	2.857.000
LAND-USE AND SPATIAL PLANNING						
EPWP Invasive Alien Vegetation						
Invasive Alien Vegetation_BVM	20210706012467	11521200160000	Alien Vegetation Control	507.500	520.000	520.000
Invasive Alien Vegetation_Drakenstein	20210706012465	11521200160000	Alien Vegetation Control	507.500	520.000	520.000
Invasive Alien Vegetation_Langeberg (EPWP Grant)	20210706012461	11521200160000	Alien Vegetation Control	369.000	-	-
Invasive Alien Vegetation_Langeberg	20210706012466	11521200160000	Alien Vegetation Control	94.500	490.000	490.000
Invasive Alien Vegetation_Witzenberg	20210706012468	11521200160000	Alien Vegetation Control	507.500	-	-
				1.986.000	1.530.000	1.530.000
River Rehabilitation						
	20170601022895	11521200160000	Alien Vegetation Control	100.000	100.000	100.000
				100.000	100.000	100.000
TOTAL: LAND-USE AND SPATIAL PLANNING				2.086.000	1.630.000	1.630.000

PROJECTS AND HOUSING						
Infrastructure Rural Area Farmers						
	20180704051403	11330247970000	Monetary Allocations:Farmer Support Households	1.000.000	1.000.000	1.000.000
				1.000.000	1.000.000	1.000.000
Provision of water to Schools						
PO-0334_Provision of Water Schools_Langeberg	20210706013967	11330247970000	Monetary Allocations:Farmer Support Households	200.000	200.000	200.000
PO-0334_Provision of Water Schools_Breede Valley		11330247970000	Monetary Allocations:Farmer Support Households	150.000	150.000	150.000
PO-0334_Provision of Water Schools_Witzenberg		11330247970000	Monetary Allocations:Farmer Support Households	150.000	150.000	150.000
				500.000	500.000	500.000
Upgrade of Sport Facilities						
PO-0330_Construction of Clubhouses_Witzenberg	20210706014002	11330276075200	SPORT AND RECREATION	550.000	-	-
PO-0331_Construction of Clubhouses_Breede Valley	20210706014001	11330276075200	Capacity Building and Other	530.000	-	-
PO-0332_Construction of Netball Court_Drakenstein	20210706014000	11330276075200	SPORT AND RECREATION	600.000	-	-
Construction of Netball Court_Langeberg	20210706013998	11330276075200	SPORT AND RECREATION	600.000	-	-
Sprinkler systems_Langeberg		11330276075200	SPORT AND RECREATION	300.000		
Sprinkler systems_Breedevalley		11330276075200	SPORT AND RECREATION	100.000		
PO-0333_Building Plans	20210706013999	11330276075200	SPORT AND RECREATION	12.000	12.000	12.000

	2018070405 0816	1133020145 0000	Maintenance of Buildings and Facilities	-	12.000	12.000
	2019092500 3221	1133022263 0000	Events	-	-	40.000
				2.692.0 00	24.000	64.000
Clearing of Road Reserves						
PO-0336_Clearing of Road Reserves_Witzenberg	2021070601 2497	1133020035 0000	Outsourced Services:Clearing and Grass Cutting	343.000	345.000	345.000
PO-0337_Clearing of Road Reserves_Langeberg	2021070601 2498	1133020035 0000	Outsourced Services:Clearing and Grass Cutting	240.000	250.000	250.000
PO-0338_Clearing of Road Reserves_Stellenbosch	2021070601 2494	1133020035 0000	Outsourced Services:Clearing and Grass Cutting	37.000	40.000	40.000
PO-0397_Clearing of Road Reserves_Stellenbosch _EPWP	2021070601 2495	1133020035 0000	Outsourced Services:Clearing and Grass Cutting	200.000	-	-
PO-0339_Clearing of Road Reserves_Breede Valley	2021070601 2496	1133020035 0000	Outsourced Services:Clearing and Grass Cutting	260.000	270.000	270.000
PO-0396_Clearing of Road Reserves_Drakenstein	2021070601 2493	1133020035 0000	Outsourced Services:Clearing and Grass Cutting	220.000	230.000	230.000
				1.300.0 00	1.135.0 00	1.135.00 0
TOTAL: PROJECTS AND HOUSING				5.492.0 00	2.659.0 00	2.699.00 0
PUBLIC TRANSPORT REGULATION						
Road Safety Education						
Learner Peak Caps	2021070601 3429	1161522149 0000	Gifts and Promotional Items	300.000	200.000	200.000

Smart Shopper Bags	20210706013431	11615221490000	Gifts and Promotional Items	78.000	78.000	78.000
Cooler / Lunch Boxes	20210706013428	11615221490000	Gifts and Promotional Items	50.000	50.000	50.000
Transport Month Event	20210706012581	11615200790000	Project Management	500.000	600.000	600.000
				928.000	928.000	928.000
Sidewalks and Embayments						
	20181207004243	11615220180000	Standard rated	200.000	200.000	200.000
	20170601023679	11615200950000	Civil	2.000.000	2.000.000	2.000.000
				2.200.000	2.200.000	2.200.000
TOTAL: PUBLIC TRANSPORT REGULATION				3.128.000	3.128.000	3.128.000
MUNICIPAL HEALTH SERVICES						
Subsidy:Water/Sanitation-Farms						
Health & Hygiene Education - Breede Valley	20210706012527	11441200480000	Professional Staff	21.000	27.000	27.000
Health & Hygiene Education - Drakenstein	20210706012526	11441200480000	Professional Staff	20.000	9.000	9.000
Health & Hygiene Education - Langeberg	20210706012524	11441200480000	Professional Staff	20.000	27.000	27.000
Health & Hygiene Education - Stellenbosch	20210706012510	11441200480000	Professional Staff	5.000	4.500	4.500
Health & Hygiene Education - Witzenberg	20210706012509	11441200480000	Professional Staff	24.000	22.500	22.500
Subsidy allocations Breede Valley	20210706014018	11441277340000	Farmer Support Households (Cash)	174.000	166.000	166.000

Subsidy allocations Drakenstein	20210706014014	11441277340000	Farmer Support Households (Cash)	126.000	90.000	90.000
Subsidy allocations Langeberg	20210706014016	11441277340000	Farmer Support Households (Cash)	126.000	144.000	144.000
Subsidy allocations Stellenbosch	20210706014013	11441277340000	Farmer Support Households (Cash)	45.000	36.000	36.000
Subsidy allocations Witzenberg	20210706014015	11441277340000	Farmer Support Households (Cash)	157.000	174.000	174.000
Hot Spot Interventions Breede Valley	20210706014012	11441277340000	Farmer Support Households (Cash)	-	21.429	21.429
Hot Spot Interventions Drakenstein	20210706014017	11441277340000	Farmer Support Households (Cash)	80.000	214.286	214.286
Hot Spot Interventions Langeberg	20210706014011	11441277340000	Farmer Support Households (Cash)	100.000	64.285	64.285
Hot Spot Interventions Witzenberg	0	11441277340000	Farmer Support Households (Cash)	102000	-	-
				1.000.000	1.000.000	1.000.000
Annual Environmental Health Educ. Prog.						
	20170601023087	11441221490000	Gifts and Promotional Items	17.440	22.000	22.000
	20170601023088	11441222470000	Printing, Publications and Books	37.437	46.537	46.537
	20170601023084	11441201400000	Graphic Designers	-	3.000	3.000
Pre-Production District Wide	20210706012633	11441201200000	Artists and Performers	194.500	50.000	50.000
Theatre Performances Breede Valley	20210706012634	11441201200000	Artists and Performers	60.480	62.139	62.139
Theatre Performances Drakenstein	20210706012632	11441201200000	Artists and Performers	60.480	62.145	62.145
Theatre Performances Langeberg	20210706012639	11441201200000	Artists and Performers	45.360	62.145	62.145
Theatre Performances Stellenbosch	20210706012635	11441201200000	Artists and Performers	60.480	70.431	70.431
Theatre Performances Witzenberg	20210706012638	11441201200000	Artists and Performers	45.360	33.140	33.140
				521.537	411.537	411.537

TOTAL: MUNICIPAL HEALTH SERVICES				1.521.537	1.411.537	1.411.537
SOCIAL DEVELOPMENT						
Skills Development						
PO-0305_Drivers Licence	20210706012530	11475200480000	Outsourced Services:Professional Staff	150.000	150.000	150.000
TOTAL: SKILLS DEVELOPMENT				150.000	150.000	150.000
HIV/AIDS						
Aids Day Event						
	20210706013420	11475221490000	Gifts and Promotional Items	5.000	5.000	5.000
	20210706013682	11475222630000	Transport Provided as Part of Departmental Act.	5.000	5.000	5.000
	20210706012512	11475200480000	Outsourced Services:Professional Staff	2.000	2.000	2.000
	20210706012664	11475201220000	Audio-visual Services	2.200	2.200	2.200
	20210706012734	11475201270000	Catering Services	30.700	30.700	30.700
	20210706013262	11475220180000	Consumables:Standard Rated	8.200	8.200	8.200
				53.100	53.100	53.100
Aids Awareness Programme Drakenstein						
	20210706013700	11475222630000	Transport Provided as Part of Departmental Act.	10.000	10.000	10.000
	20170626045452	11475223080000	Hire Charges	-	-	-
	20210706012728	11475201270000	Catering Services	7.500	7.500	7.500
				17.500	17.500	17.500

Aids Awareness programme Breede Valley						
	20210706013704	11475222630000	Transport Provided as Part of Departmental Act.	10.000	10.000	10.000
	20210706012761	11475201270000	Catering Services	7.500	7.500	7.500
				17.500	17.500	17.500
16 days of Activism Launch						
	20210706013681	11475222630000	Transport Provided as Part of Departmental Act.	19.400	19.400	19.400
	20180704050739	11475201200000	Artists and Performers	-	-	-
	20210706012736	11475201270000	Catering Services	15.000	15.000	15.000
				34.400	34.400	34.400
TOTAL: HIV/AIDS				122.500	122.500	122.500
ELDERLY						
Active Age Programme District wide						
	20210706013705	11475222630000	Transport Provided as Part of Departmental Act.	20.000	20.000	20.000
	20210706012763	11475201270000	Catering Services	26.000	26.000	26.000
	20210706012816	11475201670000	Stage and Sound Crew	1.600	1.600	1.600
				47.600	47.600	47.600
District Golden Games Event						
	20210706013381	11475221430000	Achievements and Awards	20.000	20.000	20.000
	20210706013689	11475222630000	Transport Provided as Part of Departmental Act.	30.000	30.000	30.000
	20210706012723	11475201270000	Catering Services	89.000	89.000	89.000

	2021070601 2854	1147520167 0000	Stage and Sound Crew	5.000	5.000	5.000
				144.000	144.000	144.000
Elderly Grant in Aid						
	2021070601 4008	1147527726 0000	Social Assistance: Old Age Grant	150.640	150.640	150.640
				150.640	150.640	150.640
TOTAL: ELDERLY				342.240	342.240	342.240
FAMILIES AND CHILDREN						
Families and Children						
	2021070601 2730	1147520127 0000	Catering Services	50.000	50.000	50.000
	2021070601 2807	1147520153 0000	Plants, Flowers and Other Decorations	2.700	2.700	2.700
	2021070601 2776	1147520143 0000	Interior Decorator	6.800	6.800	6.800
	2021070601 3690	1147522263 0000	Transport Provided as Part of Departmental Act.	30.000	30.000	30.000
				89.500	89.500	89.500
Holiday Programmmes						
	2021070601 3667	1147522263 0000	Transport Provided as Part of Departmental Act.	70.000	70.000	70.000
	2021070601 2753	1147520127 0000	Catering Services	35.000	35.000	35.000
	2021070601 2841	1147520167 0000	Stage and Sound Crew	3.000	3.000	3.000
				108.000	108.000	108.000
Substance Abuse Awareness						
	2021070601 3683	1147522263 0000	Transport Provided as Part of Departmental Act.	30.000	30.000	30.000
	2021070601 2672	1147520122 0000	Audio-visual Services	3.000	3.000	3.000
	2021070601 2681	1147520127 0000	Catering Services	35.000	35.000	35.000
				68.000	68.000	68.000

Victim Empowerment Programmes						
	2021070601 3706	1147522263 0000	Transport Provided as Part of Departmental Act.	30.000	30.000	30.000
	2021070601 2726	1147520127 0000	Catering Services	35.000	35.000	35.000
				65.000	65.000	65.000
Teenage Pregnancy						
	2018070405 1127	1147522149 0000	Gifts and Promotional Items	-	-	-
	2021070601 3653	1147522263 0000	Transport Provided as Part of Departmental Act.	10.000	10.000	10.000
	2021070601 2747	1147520127 0000	Catering Services	15.700	15.700	15.700
				25.700	25.700	25.700
Life skills workshops						
	2021070601 3713	1147522263 0000	Transport Provided as Part of Departmental Act.	28.600	28.600	28.600
	2021070601 3896	1147522297 0000	Non-employees	29.800	29.800	29.800
	2021070601 2654	1147520122 0000	Audio-visual Services	3.000	3.000	3.000
	2021070601 2741	1147520127 0000	Catering Services	10.600	10.600	10.600
				72.000	72.000	72.000
Educational Excursions Drakenstein						
	2021070601 3665	1147522263 0000	Transport Provided as Part of Departmental Act.	28.250	28.250	28.250
	2021070601 2759	1147520127 0000	Catering Services	7.500	7.500	7.500
	2021070601 3276	1147522019 0000	Consumables: Zero Rated	900	900	900
				36.650	36.650	36.650
Educational Excursions Breede Valley						

	2021070601 3703	1147522263 0000	Transport Provided as Part of Departmental Act.	28.250	28.250	28.250
	2021070601 2762	1147520127 0000	Catering Services	7.500	7.500	7.500
	2021070601 3275	1147522019 0000	Consumables: Zero Rated	900	900	900
				36.650	36.650	36.650
Sanitary Ware						
	2021070601 3265	1147522018 0000	Standard rated	100.000	100.000	100.000
				100.000	100.000	100.000
TOTAL: FAMILIES AND CHILDREN				601.500	601.500	601.500
EARLY CHILDHOOD DEVELOPMENT						
PO-0295_ECD Grant_Breede Valley	2021070601 3986	1147527607 5100	Community and Social Services	45.000	45.000	45.000
PO-0296_ECD Grant_Witzenberg	2021070601 3983	1147527607 5100	Community and Social Services	10.000	10.000	10.000
PO-0297_ECD Grant_Langeberg	2021070601 3985	1147527607 5100	Community and Social Services	40.000	40.000	40.000
PO-0298_ECD Grant_Drakenstein	2021070601 3991	1147527607 5100	Community and Social Services	55.000	55.000	55.000
PO-0299_ECD Grant_Stellenbosch	2021070601 3984	1147527607 5100	Community and Social Services	50.000	50.000	50.000
				200.000	200.000	200.000
COMMUNITY SUPPORT PROJECT						
PO-0300_Community Support Grant_Breede Valley	2021070601 3966	1147527607 5100	Community and Social Services	87.926	87.926	87.926
PO-0301_Community Support Grant_Drakenstein	2021070601 3963	1147527607 5100	Community and Social Services	153.852	153.852	153.852
PO-0302_Community Support Grant_Langeberg	2021070601 3965	1147527607 5100	Community and Social Services	71.284	71.284	71.284
PO-0303_Community Support Grant_Witzenberg	2021070601 3962	1147527607 5100	Community and Social Services	51.284	51.284	51.284

PO-0304_Community Support Grant_Stellenbosch	20210706013964	11475276075100	Community and Social Services	35.654	35.654	35.654
TOTAL: COMMUNITY SUPPORT PROJECT				400.000	400.000	400.000
YOUTH						
Youth Camp						
	20180704051273	11475222630000	Transport Provided as Part of Departmental Act.	-	203.100	203.100
	20201104042723	11475201270000	Catering Services	-	9.000	9.000
				-	212.100	212.100
Youth Day						
	20210706013427	11475221490000	Gifts and Promotional Items	10.000	10.000	10.000
	20210706013674	11475222630000	Transport Provided as Part of Departmental Act.	25.000	25.000	25.000
				35.000	35.000	35.000
Top Achievers Awards						
	20210706013456	11475221490000	Gifts and Promotional Items	50.000	50.000	50.000
	20210706013626	11475222470000	Printing, Publications and Books	5.000	5.000	5.000
	20210706012808	11475201530000	Plants, Flowers and Other Decorations	16.450	16.450	16.450
	20210706013922	11475223080000	Hire Charges	120.000	-	-
	20210706012655	11475201220000	Audio-visual Services	10.000	10.000	10.000
	20210706012745	11475201270000	Catering Services	120.000	120.000	120.000
	20210706012777	11475201430000	Interior Decorator	10.550	10.550	10.550
	20210706012821	11475201670000	Stage and Sound Crew	5.000	5.000	5.000
	20210706012538	11475200590000	Translators, Scribes and Editors	9.000	9.000	9.000

				346.000	226.000	226.000
Career Exhibitions						
	2021070601 3680	1147522263 0000	Transport Provided as Part of Departmental Act.	68.300	68.300	68.300
	2021070601 2665	1147520122 0000	Audio-visual Services	2.600	2.600	2.600
				70.900	70.900	70.900
TOTAL: YOUTH				451.900	544.000	544.000
WOMEN						
Sexual offence Awarness campaign						
	2021070601 3678	1147522263 0000	Transport Provided as Part of Departmental Act.	20.000	20.000	20.000
	2021070601 2678	1147520127 0000	Catering Services	29.000	29.000	29.000
	2021070601 3263	1147522018 0000	Consumables:Standard Rated	16.000	16.000	16.000
				65.000	65.000	65.000
Women's Day Event						
	2021070601 3658	1147522263 0000	Transport Provided as Part of Departmental Act.	10.000	10.000	10.000
	2021070601 2514	1147520048 0000	Outsourced Services:Professional Staff	2.000	2.000	2.000
	2021070601 2671	1147520122 0000	Audio-visual Services	750	750	750
	2021070601 2692	1147520127 0000	Catering Services	22.940	22.940	22.940
	2021070601 2840	1147520167 0000	Stage and Sound Crew	1.200	1.200	1.200
				36.890	36.890	36.890
TOTAL: WOMEN				101.890	101.890	101.890
TOTAL: SOCIAL DEVELOPMENT				2.370.030	2.462.130	2.462.130
RURAL DEVELOPMENT						

SPORTS, RECREATION AND CULTURE						
Sport,Recreation and culture events						
	20210706013395	11477221430000	Achievements and Awards	116.200	116.200	116.200
	20210706013430	11477221490000	Gifts and Promotional Items	14.600	14.600	14.600
	20210706013664	11477222630000	Transport Provided as Part of Departmental Act.	124.800	144.800	144.800
	20210706012504	11477200370000	Hygiene Services	35.000	35.000	35.000
	20210706012693	11477201270000	Catering Services	150.000	180.000	180.000
	20210706012650	11477201220000	Audio-visual Services	10.000	10.000	10.000
	20210706012835	11477201670000	Stage and Sound Crew	54.000	54.000	54.000
	20210706013267	11477220180000	Consumables:Standard Rated	5.000	5.000	5.000
	20210706013280	11477220190000	Consumables: Zero Rated	2.300	2.300	2.300
				511.900	561.900	561.900
Sport And Rec support grant_Clubs_Witzenberg	20210706014005	11477276075200	Sport and Recreation	25.000	25.000	25.000
Sport And Rec support grant_Clubs_Langeberg	20210706013996	11477276075200	Sport and Recreation	100.000	100.000	100.000
Sport And Rec support grant_Clubs_Stellenbosch	20210706014004	11477276075200	Sport and Recreation	350.000	350.000	350.000
Sport And Rec support grant_Clubs_Breede Valley	20210706014003	11477276075200	Sport and Recreation	125.000	125.000	125.000
Sport And Rec support grant_Clubs_Drakenstein	20210706013997	11477276075200	Sport and Recreation	100.000	100.000	100.000
Cape Winelands Sport Council	20210706014067	11477277910000	Sport Councils	200.000	200.000	200.000
Drakenstein General Club	20210706014069	11477277910000	Sport Councils	100.000	100.000	100.000
Boland Cricket	20210706014066	11477277910000	Sport Councils	500.000	500.000	500.000

Boland Rugby Union	20210711080749	11477277920000	Boland Rugby	100.000	100.000	100.000
SAFA Capewinelands	20210706014068	11477277910000	Sport Councils	100.000	100.000	100.000
Cape Winelands Farmworkers Association	20210706014006	11477276076500	Specify (Add grant description)	50.000	50.000	50.000
				1.750.000	1.750.000	1.750.000
Vlakkie Cricket						
	20210706013393	11477221430000	Achievements and Awards	20.000	20.000	20.000
	20210706012699	11477201270000	Catering Services	30.000	30.000	30.000
	20210706013660	11477222630000	Transport Provided as Part of Departmental Act.	100.000	100.000	100.000
				150.000	150.000	150.000
Business Againts Crime						
	20210706013382	11477221430000	Achievements and Awards	6.000	6.000	6.000
	20210706013693	11477222630000	Transport Provided as Part of Departmental Act.	51.000	51.000	51.000
	20210706012721	11477201270000	Catering Services	30.000	30.000	30.000
	20210706012855	11477201670000	Stage and Sound Crew	10.000	10.000	10.000
				97.000	97.000	97.000
Tug of War						
	20210706013394	11477221430000	Achievements and Awards	15.000	15.000	15.000
	20210706013661	11477222630000	Transport Provided as Part of Departmental Act.	100.000	100.000	100.000
	20210706012700	11477201270000	Catering Services	25.000	25.000	25.000
	20210706012832	11477201670000	Stage and Sound Crew	10.000	10.000	10.000
				150.000	150.000	150.000
Easter Tournament						

	2021070601 3383	1147722143 0000	Achievements and Awards	33.320	33.320	33.320
	2021070601 3694	1147722263 0000	Transport Provided as Part of Departmental Act.	24.000	24.000	24.000
	2021070601 2647	1147720122 0000	Audio-visual Services	20.000	20.000	20.000
	2021070601 2718	1147720127 0000	Catering Services	61.000	61.000	61.000
				138.320	138.320	138.320
Drama Festival						
	2021070601 3659	1147722263 0000	Transport Provided as Part of Departmental Act.	60.000	60.000	60.000
	2021070601 2834	1147720167 0000	Stage and Sound Crew	5.200	5.200	5.200
	2021070601 2697	1147720127 0000	Catering Services	30.000	30.000	30.000
	2019112705 0033	1147722308 0000	Hire Charges			
				95.200	95.200	95.200
Rieldans						
	2021070601 3692	1147722263 0000	Transport Provided as Part of Departmental Act.	60.000	60.000	60.000
	2021070601 2720	1147720127 0000	Catering Services	20.000	20.000	20.000
	2021070601 2856	1147720167 0000	Stage and Sound Crew	20.000	20.000	20.000
				100.000	100.000	100.000
TOTAL: SPORTS, RECREATION AND CULTURE				2.992.4 20	3.042.4 20	3.042.42 0
Disabled						
	2021070601 2724	1147720127 0000	Catering Services	40.000	40.000	40.000
	2021070601 2810	1147720163 0000	Transportation	66.000	66.000	66.000
	2021070601 2857	1147720167 0000	Stage and Sound Crew	10.000	10.000	10.000
				116.000	116.000	116.000

PO-0275_Disability Grant_Breede Valley	20210706013970	11477261980000	Social Assistance: Disability Grant	31.000	31.000	31.000
PO-0276_Disability Grant_Stellenbosch	20210706013971	11477261980000	Social Assistance: Disability Grant	32.000	32.000	32.000
PO-0277_Disability Grant_Drakenstein	20210706013969	11477261980000	Social Assistance: Disability Grant	117.000	117.000	117.000
PO-0274_Disabled adult diapers	20210706013257	11477220180000	Consumables:Standard Rated	100.000	100.000	100.000
				280.000	280.000	280.000
TOTAL: DISABLED				396.000	396.000	396.000
TOTAL: RURAL DEVELOPMENT				**3.388.420**	**3.438.420**	**3.438.420**
TOTAL PROJECTS				**24.616.987**	**20.616.087**	**20.756.087**

8.9 AREAS OF POTENTIAL SAVING

There is a strong strategic understanding that Cape Winelands District Municipality must exercise its functions as a Planning and Co-ordinating authority and not as an Executing authority. Therefore, these areas of potential savings must be contextualized accordingly:

- Don’t spend funds on unnecessary items such as:
    - Catering for meetings between officials and officials and councillors;
    - Excessive traveling; and
    - Replacement of old office furniture still in good condition.
- Save on Salary Bill;
- Co-operational agreements between councils;
- Excessive use of stationery;
- Decrease the use of consultants;
- Attend only necessary congresses; and
- Alienate under-utilized buildings.

CHAPTER 9: MONITORING AND EVALUATION

CWDM Performance Calendar – 2022/23 Financial Year:

No	Activity	Responsible Person	Action Due Date
1.	IDP Update	IDP Office	January/February 2022
2.	Budget Review	Finance	February/March 2022
3.	Review of Organisational KPI	PMS Office	April/May 2022
4.	Individual Scorecards Review	PMS Office/Management	April/May 2022
5.	Organisational KPI (SDBIP) Finalisation and Approval	Mayor	May 2022
6.	Budget approval	Council	May 2022
7.	IDP Approval	Council	May 2022
8.	Performance Agreements reviewed, signed by Executive Management and approved by Mayor	Municipal Manager/Executive Directors/Mayor	May 2022
9.	Monthly Monitoring of Performance (including update of SAMRAS)	PMS Office	Monthly effective 30 June 2022
10.	Quarterly Performance Reporting	PMS Office	15th day following the end of the quarter: • September 2021 • December 2021 • March 2022 • June 2022
11.	Quarterly Performance Report to Council	PMS Office	At the end of each quarter (1st following Council meeting): • September 2021 • December 2021 • March 2022 • June 2022
12.	Internal Audit Report on Performance Management System	Chief Audit Executive/Internal Audit	Internal audit each quarter: • September 2022 • December 2022 • March 2023 • June 2023
13.	Revisit budget and link to SDBIP	PMS Office/Finance	December 2022 - January 2023
14.	Annual Performance Report	PMS Office	31 August 2022
15.	Oversight Report to Council	MPAC	February/March 2022

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District										
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Annual Targets				
						Annual target Year 1 2022/23	Annual target Year 2 2023/24	Annual target Year 3 2024/25	Annual target Year 4 2025/26	Annual target Year 5 2026/27
1.1	1.1.1	To administer an effective environmental health management system in order to achieve the environmental health objectives set.	1.1.1.1	Monthly report to PGWC on all MHS matters by the 15th of the following month (Sinjani report).	12	12	12	12	12	12
	1.1.2	To facilitate effective environmental pollution control through identification, evaluation and/or monitoring to prevent air pollution.	1.1.2.1	Submission of the annual Air Quality Officer Report to PGWC.	1	1	1	1	1	1

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District										
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5-year Projection***				
						Annual target Year 1 2022/23	**Annual target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
1.1	**1.1.1**	To administer an effective environmental health management system in order to achieve the environmental health objectives set.	**1.1.1.1**	Monthly report to PGWC on all MHS matters by the 15th of the following month (Sinjani report).	12	12	12	12	12	12
	1.1.2	To facilitate effective environmental pollution control through identification, evaluation and/or monitoring to prevent air pollution.	**1.1.2.1**	Submission of the annual Air Quality Officer Report to PGWC.	1	1	1	1	1	1
	1.1.3	To improve the livelihoods of citizens in the Cape Winelands District.	**1.1.3.1**	Number of water and/or sanitation subsidies granted to citizens in the Cape Winelands District.	20	20	20	20	20	20

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District										
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5-year Projection***				
						Annual target Year 1 2022/23	**Annual target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
1.2	**1.2.1**	To coordinate an effective disaster management division in order to achieve the disaster management objectives set.	**1.2.1.1**	Number of bi-annual Disaster Management Advisory Forums held.	2	2	2	2	2	2
1.3	**1.3.1**	Effective planning and co-ordination of specialized fire-fighting services.	**1.3.1.1**	Pre-fire season and post-fire season reports submitted to Council for consideration for approval.	2	2	2	2	2	2
	1.3.2	Build fire-fighting capacity.	**1.3.2.1**	Number of the officials trained by the CWDM Fire Services Academy.	40	60	60	60	60	60

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District										
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5-year Projection***				
						Annual target Year 1 2022/23	**Annual target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
1.4	**1.4.1**	To fulfil a coordinating role in terms of town and regional planning within the Cape Winelands District.	**1.4.1.1**	Annual review of CWDM's SDF, submitted to Council for consideration for approval.	1	1	1	1	1	1
	1.4.2	Implement environmental management activities to achieve environmental sustainability.	**1.4.2.1**	Number of hectares cleared through the EPWP Invasive Alien Vegetation Management Project.	2250	2550	2550	2550	2550	2550
	1.4.3	To fulfil a coordinating role in terms of Economic and Tourism Development within the Cape Winelands District.	**1.4.3.1**	Number of LTA Forums coordinated by the CWDM.	4	4	4	4	4	4
			1.4.3.2	Number of LED Forums coordinated by the CWDM.	4	4	4	4	4	4

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District										
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5-year Projection***				
						Annual target Year 1 2022/23	**Annual target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
1.5	**1.5.1**	To improve the livelihoods of citizens in the Cape Winelands District.	**1.5.1.1**	Number of ECD centres supported by the CWDM.	40	34	34	34	34	34
			1.5.1.2	Number of youths who complete the skills development project.	11	11	11	11	11	11

STRATEGIC OBJECTIVE 2 - Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities										
CW DM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5 year Projection***				
						Annual target Year 1 2022/23	**Annual target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
2.1	**2.1.1**	Roll-out and implementation of the maintenance function and activities for proclaimed roads as an agent on behalf of the Western Cape Department of Transport and Public Works.	**2.1.1.1**	Conclude the annual MOA or addendum with PGWC.	1	1	1	1	1	1
			2.1.1.2	Kilometres of roads re-sealed.	0	10.69	10.69	10.69	10.69	10.69
			2.1.1.3	Kilometres of roads bladed.	5 000	5000	5000	5000	5000	5 000
			2.1.1.4	Kilometres of roads re-gravelled.	12	4.5	4.5	4.5	4.5	4.5
2.2	**2.2.1**	Coordinate and improve the planning of infrastructure services in the Cape Winelands District.	**2.2.1.1**	Annual review, and alignment with review outcome, of the IWMP and submit to Council for consideration for approval.	1	1	1	1	1	1

STRATEGIC OBJECTIVE 2 - Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities										
CW DM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5 year Projection***				
						Annual target Year 1 2022/23	**Annual target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
2.1	**2.1.1**	Roll-out and implementation of the maintenance function and activities for proclaimed roads as an agent on behalf of the Western Cape Department of Transport and Public Works.	**2.1.1.1**	Conclude the annual MOA or addendum with PGWC.	1	1	1	1	1	1
			2.1.1.2	Kilometres of roads re-sealed.	0	10.69	10.69	10.69	10.69	10.69
			2.1.1.3	Kilometres of roads bladed.	5 000	5000	5000	5000	5000	5 000
			2.1.1.4	Kilometres of roads re-gravelled.	12	4.5	4.5	4.5	4.5	4.5
2.2	**2.2.1**	Coordinate and improve the planning of infrastructure services in the Cape Winelands District.	**2.2.1.1**	Annual review, and alignment with review outcome, of the IWMP and submit to Council for consideration for approval.	1	1	1	1	1	1
2.3	**2.3.1**	Improve pedestrian safety throughout	**2.3.1.1**	Annual review, and alignment with review outcome, of the DITP and submit to Council for	1	1	1	1	1	1

		the Cape Winelands District.		consideration for approval.						
			2.3.1.2	Number of sidewalks and/or embayments and/or bus shelters completed or upgraded.	0	22	22	22	22	22
2.4	**2.4.1**	To improve infrastructure services for citizens in the Cape Winelands District.	**2.4.1.1**	Percentage of project budget spent on rural projects.	90%	90% (Cumulative)	90% (Cumulative)	90% (Cumulative)	90% (Cumulative)	90% (Cumulative)
	2.4.2	To improve the livelihoods of citizens in the Cape Winelands District.	**2.4.2.1**	Number of schools assisted with ablution facilities and/or improved water supply.	2	3	3	3	3	3
			2.4.2.2	Number of solar geysers installed.	200	220	220	220	220	220
			2.4.2.3	Number of sport facilities upgraded or completed and/or supplied with equipment.	2	6	6	6	6	6
2.5	**2.5.1**	To improve ICT governance in the Cape Winelands District.	**2.5.1.1**	Annual review, and alignment with review outcome, of the ICT Governance Framework and/or the ICT Strategic Plan and submit to Council for consideration for approval.	1	1	1	1	1	1

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)										
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	*Annual Targets – 5 year Projection*				
						Annual target Year 1 2022/23	Annual Target Year 2 2023/24	Annual target Year 3 2024/25	Annual target Year 4 2025/26	Annual target Year 5 2026/27
3.1	3.1.1	To compile a budget that is available before the start of the financial year.	3.1.1.1	Compilation of a budget and submitted to Council by 31 May.	1	1	1	1	1	1
	3.1.2	Transparent and accountable reporting to all stakeholders.	3.1.2.1	Compilation of a mid-year assessment (section 72 report), submitted to Council by 31 January.	1	1	1	1	1	1
	3.1.3	Fair, equitable, transparent, competitive and cost-effective SCM practices.	3.1.3.1	Submit to Council a report on the implementation of SCM (within 30 days after financial year-end).	1	1	1	1	1	1
	3.1.4	To promote the financial viability of the CWDM through sound financial management practices	3.1.4.1	Maintaining a sound liquidity ratio as at financial year-end.	10,5:1	10,5:1	10,5:1	10,5:1	10,5:1	10,5:1
			3.1.4.2	Maintaining a sound Impairment of Property, Plant and Equipment and Investment Property and Intangible Assets Ratio	0%	0%	0%	0%	0%	0%

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)										
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5 year Projection***				
						Annual target Year 1 2022/23	**Annual Target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
			3.1.4.3	Maintain a sound Cash / Cost Coverage Ratio as at financial year-end.	1 to 3 months	1 to 3 months	1 to 3 months	1 to 3 months	1 to 3 months	1 to 3 months
			3.1.4.4	Maintain a sound Level of Cash Backed Reserves Ratio as at financial year-end.	100%	100%	100%	100%	100%	100%
			3.1.4.5	Maintain a sound Net Operating Surplus Margin Ratio as at financial year-end.	Equal to and greater than 0%	Equal to and greater than 0%	Equal to and greater than 0%	Equal to and greater than 0%	Equal to and greater than 0%	Equal to and greater than 0%
			3.1.4.6	Maintain a sound Creditors Payment Period Ratio as at financial year-end.	30 days	30 days	30 days	30 days	30 days	30 days
3.2	**3.2.1**	To coordinate functional statutory and other committees	**3.2.1.1**	Number of Council meetings that are supported administratively	7	7	7	7	7	7
			3.2.1.2	Number of MAYCO meetings that are supported administratively	9	9	9	9	9	9

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)										
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5 year Projection***				
						Annual target Year 1 2022/23	**Annual Target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
3.3	**3.3.1**	To capacitate a skilled and competent workforce in order to realise organisational SO's	**3.3.1.1**	Number of WSP submissions to the LGSETA.	1	1	1	1	1	1
			3.3.1.2	The percentage of CWDM's training budget actually spent on implementing its WSP.	90%	90%	90%	90%	90%	90%
	3.3.2	Facilitate an administrative function in so far as it relates to labour relations	**3.3.2.1**	Number of Employment Equity report submissions to the Department of Labour.	1	1	1	1	1	1
3.3	**3.3.3**	To manage the capital funds spent in relation to the receipt thereof for improved service delivery	**3.3.3.1**	The percentage of CWDM's capital budget actually spent by the end of the financial year	80%	80%	80%	80%	80%	80%

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)										
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	***Annual Targets – 5 year Projection***				
						Annual target Year 1 2022/23	**Annual Target Year 2 2023/24**	**Annual target Year 3 2024/25**	**Annual target Year 4 2025/26**	**Annual target Year 5 2026/27**
	3.3.4	To promote a corruption-free CWDM.	**3.3.4.1**	Establishment of an externally managed corruption hotline	1	1	1	1	1	1
	3.3.5	To transform the work force of the CWDM in terms of representation	**3.3.5.1**	Number of people from employment equity target groups employed in the 3 highest levels of management in compliance with CWDM's approved Employment Equity Plan	90%	90%	90%	90%	90%	90%
	3.3.6	To improve the livelihoods of citizens in the CWDM area	**3.3.6.1**	Number of work opportunities created (in person days) through CWDM's various initiatives	7 500	9340	9340	9340	9340	9340
	3.3.7	To improve inter-governmental relations within the district as with other districts.	**3.3.7.1**	Improve inter-governmental relations within the district by initiating and participating in the DCF and JDMA meetings.	6	8	8	8	8	8

QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS (ORGANISATIONAL KPI's)

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District															
CWDM PDO	**PDO Nr**	**Outcome Indicator**	**KPI Nr**	**Key Performance Indicator**	**Baseline**	**Quarterly Targets**									
						Target Q1	**Actual Q1**	**Target Q2**	**Actual Q2**	**Target Q3**	**Actual Q3**	**Target Q4**	**Actual Q4**	**Annual Target**	**Comments**
1.1	**1.1.1**	To administer an effective environmental health management system in order to achieve the environmental health objectives set.	**1.1.1.1**	Monthly report to PGWC on all MHS matters by the 15th of the following month (Sinjani report).	12	3		3		3		3		12	
	1.1.2	To facilitate effective environmental pollution control through identification, evaluation and/or monitoring to prevent air pollution.	**1.1.2.1**	Submission of the annual Air Quality Officer Report to PGWC.	1	0		0		0		1		1	

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District																
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets								Annual Target	Comments
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4		
	1.1.3	To improve the livelihoods of citizens in the Cape Winelands District.	**1.1.3.1**	Number of water and/or sanitation subsidies granted to citizens in the Cape Winelands District.	20	5		5		5		5		20	
1.2	**1.2.1**	To coordinate an effective disaster management division in order to achieve the disaster management objectives set.	**1.2.1.1**	Number of bi-annual Disaster Management Advisory Forums held.	2	0		1		0		1		2	
1.3	**1.3.1**	Effective planning and co-ordination of specialized fire-fighting services.	**1.3.1.1**	Pre-fire season and post-fire season reports submitted to Council for consideration for approval.	2	0		1		0		1		2	

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District																
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets								Annual Target	Comments
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4		
	1.3.2	Build fire-fighting capacity.	**1.3.2.1**	Number of the officials trained by the CWDM Fire Services Academy.	40	20		20		0		20		60	
1.4	**1.4.1**	To fulfil a coordinating role in terms of town and regional planning within the Cape Winelands District.	**1.4.1.1**	Annual review of CWDM's SDF, submitted to Council for consideration for approval.	1	0		0		0		1		1	
	1.4.2	Implement environmental management activities to achieve environmental sustainability.	**1.4.2.1**	Number of hectares cleared through the EPWP Invasive Alien Vegetation Management Project.	2250	0		0		1000		1550		2550	

STRATEGIC OBJECTIVE 1 - Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District															
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets									
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4	Annual Target	Comments
1.5	1.4.3	To fulfil a coordinating role in terms of Economic and Tourism Development within the Cape Winelands District.	1.4.3.1	Number of LTA Forums coordinated by the CWDM.	4	1		1		1		1		4	
			1.4.3.2	Number of LED Forums coordinated by the CWDM.	4	1		1		1		1		4	
	1.5.1	To improve the livelihoods of citizens in the Cape Winelands District.	1.5.1.1	Number of ECD centres supported by the CWDM.	40	0		0		34		0		34	
			1.5.1.2	Number of youths who complete the skills development project.	11	0		0		11		0		11	

STRATEGIC OBJECTIVE 2 - Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities																
CW DM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets										
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4	Annual Target	Comments
2.1	2.1.1	Roll-out and implementation of the maintenance function and activities for proclaimed roads as an agent on behalf of the Western Cape Department of Transport and Public Works.	**2.1.1.1**	Conclude the annual MOA or addendum with PGWC.	1	0		0		1		0		1	
			2.1.1.2	Kilometres of roads re-sealed.	0	0		0		10.69		2		10.69	
			2.1.1.3	Kilometres of roads bladed.	5 000	1 300		1 300		1 200		1 200		5 000	
			2.1.1.4	Kilometres of roads re-gravelled.	12	1		1		1		1.5		4.5	
2.2	2.2.1	Coordinate and improve the planning of infrastructure services in the Cape Winelands District.	**2.2.1.1**	Annual review, and alignment with review outcome, of the IWMP and submit to Council for consideration for approval.	1	0		0		0		1		1	

2.3	**2.3.1**	Improve pedestrian safety throughout the Cape Winelands District.	**2.3.1.1**	Annual review, and alignment with review outcome, of the DITP and submit to Council for consideration for approval.	1	0		0		0		1		1	
			2.3.1.2	Number of sidewalks and/or embayments and/or bus shelters completed or upgraded.	0	0		0		2		20		22	
2.4	**2.4.1**	To improve infrastructure services for citizens in the Cape Winelands District.	**2.4.1.1**	Percentage of project budget spent on rural projects.	90%	5% (Cumulative)		20% (Cumulative)		40% (Cumulative)		90% (Cumulative)		90% (Cumulative)	
	2.4.2	To improve the livelihoods of citizens in the Cape Winelands District.	**2.4.2.1**	Number of schools assisted with ablution facilities and/or improved water supply.	2	0		0		0		3		3	
			2.4.2.2	Number of solar geysers installed.	200	0		70		80		70		220	
			2.4.2.3	Number of sport facilities upgraded or completed and/or supplied with equipment.	2	2		0		2		2		6	

2.5	2.5.1	To improve ICT governance in the Cape Winelands District.	2.5.1.1	Annual review, and alignment with review outcome, of the ICT Governance Framework and/or the ICT Strategic Plan and submit to Council for consideration for approval.	1	0		0		0		1		1	

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)																
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets										
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4	Annual Target	Comments
3.1	3.1.1	To compile a budget that is available before the start of the financial year.	3.1.1.1	Compilation of a budget and submitted to Council by 31 May.	1	0		0		0		1		1	
	3.1.2	Transparent and accountable reporting to all stakeholders.	3.1.2.1	Compilation of a mid-year assessment (section 72 report), submitted to Council by 31 January.	1	0		0		1		0		1	
	3.1.3	Fair, equitable, transparent, competitive and cost-effective SCM practices.	3.1.3.1	Submit to Council a report on the implementation of SCM (within 30 days after financial year-end).	1	1		0		0		0		1	
	3.1.4	To promote the financial viability of the CWDM through sound financial management practices	3.1.4.1	Maintaining a sound liquidity ratio as at financial year-end.	10,5:1	0		0		0		10,5:1		10,5:1	
			3.1.4.2	Maintaining a sound Impairment of Property, Plant and Equipment and Investment Property and Intangible Assets Ratio	0%	0		0		0		0%		0%	

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)																
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets										
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4	Annual Target	Comments
			3.1.4.3	Maintain a sound Cash / Cost Coverage Ratio as at financial year-end.	1 to 3 months	0		0		0		1 to 3 months		1 to 3 months	
			3.1.4.4	Maintain a sound Level of Cash Backed Reserves Ratio as at financial year-end.	100%	0		0		0		100%		100%	
			3.1.4.5	Maintain a sound Net Operating Surplus Margin Ratio as at financial year-end.	Equal to and greater than 0%	0		0		0		Equal to and greater than 0%		Equal to and greater than 0%	
			3.1.4.6	Maintain a sound Creditors Payment Period Ratio as at financial year-end.	30 days	0		0		0		30 days		30 days	
3.2	**3.2.1**	To coordinate functional statutory and other committees	**3.2.1.1**	Number of Council meetings that are supported administratively	7	1		1		3		2		7	
			3.2.1.2	Number of MAYCO meetings that are supported administratively	9	2		2		3		2		9	

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)																
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets										
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4	Annual Target	Comments
3.3	3.3.1	To capacitate a skilled and competent workforce in order to realise organisational SO's	3.3.1.1	Number of WSP submissions to the LGSETA.	1	0		0		0		1		1	
			3.3.1.2	The percentage of CWDM's training budget actually spent on implementing its WSP.	90%	5% (cumulative)		20% (cumulative)		40% (cumulative)		90% (cumulative)		90%	
	3.3.2	Facilitate an administrative function in so far as it relates to labour relations	3.3.2.1	Number of Employment Equity report submissions to the Department of Labour.	1	0		0		1		0		1	
3.3	3.3.3	To manage the capital funds spent in relation to the receipt thereof for improved service delivery	3.3.3.1	The percentage of CWDM's capital budget actually spent by the end of the financial year	80%	0		0		0		80%		80%	

STRATEGIC OBJECTIVE 3 - Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (Chief Financial Officer and Municipal Manager)																
CWDM PDO	PDO Nr	Outcome Indicator	KPI Nr	Key Performance Indicator	Baseline	Quarterly Targets										
						Target Q1	Actual Q1	Target Q2	Actual Q2	Target Q3	Actual Q3	Target Q4	Actual Q4	Annual Target	Comments
	3.3.4	To promote a corruption-free CWDM.	**3.3.4.1**	Establishment of an externally managed corruption hotline	1	0		0		0		1		1	
	3.3.5	To transform the work force of the CWDM in terms of representation	**3.3.5.1**	Number of people from employment equity target groups employed in the 3 highest levels of management in compliance with CWDM's approved Employment Equity Plan	90%	0		0		0		90%		90%	
	3.3.6	To improve the livelihoods of citizens in the CWDM area	**3.3.6.1**	Number of work opportunities created (in person days) through CWDM's various initiatives	7 500	1260		1260		3410		3410		9340	
	3.3.7	To improve inter-governmental relations within the district as with other districts.	**3.3.7.1**	Improve inter-governmental relations within the district by initiating and participating in the DCF and JDMA meetings.	6	2		2		2		2		8	

Annexures

Annexure A - Regional Socio-Economic Strategy

Annexure B - Cape Winelands Disaster Management Plan

The following Annexures are included on a flash drive with the Budget item:

Annexure O - Air Quality Management Plan

Annexure P - Draft CWDM Spatial Development Framework 2021 – 2025

Annexure Q - Integrated Waste Management Plan

Annexure R - Corporate Disaster Management Plan

2019

CAPE WINELANDS REGIONAL SOCIO-ECONOMIC DEVELOPMENT STRATEGY

CAPE WINELANDS DISTICT MUNICIPALITY

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FOREWORD

This Socio-Economic Development Strategy articulates the District Municipality's commitment to advance economic participation and opportunities for all communities in the District. In coming together around a common goal of creating: **"a unified Cape Winelands of Excellence and Sustainable Development",** the concerted effort of our multiple stakeholders and strategic partners culminated in creating this robust strategy.

The Cape Winelands District Municipality is able to invest in its people, environment, communities and partner with business, thanks to the municipality's fiscal discipline and strong economic leadership.

This Cape Winelands Regional Socio-Economic Development Strategy (CW RSEDS, 2019/20) and Action Plans endeavour to deliver on the promise we made to the communities, during our Integrated Development Plan (IDP) stakeholder sessions, in the Cape Winelands District.

Executive Mayor: Cape Winelands District Municipality
Alderman (Dr) H. von Schlicht

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List of acronyms and abbreviations

AIDS	Acquired Immune Deficiency Syndrome
B & B	Bed and Breakfast
BFAP	Bureau for Food and Agriculture Policy
CBD	Central Business District
COGTA	Cooperative Governance Trading Affairs
CSIR	Council for Scientific and Industrial Research
GCMRSIF	Greater Cape Metro Regional Spatial Implementation Framework
CWD	Cape Winelands District
CWD SDF	Cape Winelands District Spatial Development Framework
CWDM	Cape Winelands District Municipality
DAFF	Department of Agriculture, Forestry and Fisheries
DBSA	Development Bank of South Africa
DEAT	Department of Environmental Affairs and Tourism
DEDAT	Department of Economic Development and Tourism
DPLG	Department of Provincial and Local Government
dti	Department of Trade and Industry
DM	District Municipality
e	Estimate
e.g.	Exempli gratia (for example)
etc	Et cetera
FDI	Foreign Direct Investment
FET	Further Education and Training
FPL	Food Poverty Line
GBH	Grievous Bodily Harm
GDP	Gross Domestic Product
GDPR	Gross Domestic Product for a Region
GDS	Gross Domestic Savings
GGP	Gross Geographic Product
GNI	Gross National Income
GNP	Gross National Product
GVA	Gross Value Added
GPS	Growth Potential Study
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
HSRC	Human Sciences Research Council
i.e.	Id est (that is)
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IFSOP	Investment Facilitation Standard Operating Procedure
ILO	International Labour Organisation
JAN	January
KZN	Kwa Zulu Natal
LBPL	Lower Bound Poverty Line
LED	Local Economic Development
LM	Local Municipality

LQ	Location Quotient
MERO	Municipal Economic Review and Outlook
MLL	Minimum Living Level
MTB	Mountain Bike
N/A	Not Applicable
n.e.c	Not elsewhere classified
NDP	National Development Plan
NDT	National Department of Tourism
NRTS	National Rural Tourism Strategy
NSDF	National Spatial Development Framework
NTSS	National Tourism Sector Strategy
NGP	New Growth Path
P	Product/ Place/ Promotion/ Price/ People
p.a.	Per annum
PERO	Provincial Economic Review and Outlook
PSDF	Provincial Spatial Development Framework
PPP	Private Public Partnership
Pty Ltd	Proprietary Limited
R	Rand
RLED	Regional Local Economic Development
RSA	Republic of South Africa
SA	South Africa
SAMPI	South African Multidimensional Poverty Index
SAT	South African Tourism
SMART	Specific, Measurable, Agreed, Realistic and Timed
SMME	Small, Medium and/ or Micro Enterprise
SO	Strategic Objectives
StatsSA	Statistics South Africa
Std	Standard
UBPL	Upper Bound Poverty Line
UK	United Kingdom
US	United States
USA	United States of America
USP	Unique Selling Proposition
VFR	Value for money
VIC	Visitor Information Centres
vs	Versus
WC	Western Cape
WESGRO	Western Cape Investment and Trade Promotion Agency
WOSA	Wines of South Africa

01

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Local Economic Development (LED) encompasses all economic activities by stakeholders within a defined geographical region, working together in partnership to create economic development (Meyer, 2014). LED is an approach towards economic development which supports local collaborations, thereby achieving sustainable economic growth and development and bringing economic benefits for all residents in a local municipal area (COGTA, 2016; Swinburn et al, 2006). The partners collaborate to harness local resources, encourage investments and stimulate local commercial activities, particularly that of micro, small and medium-sized enterprises. These local commercial activities lead to gains in job creation, business development and, ultimately, quality of life for citizens (CARILED, 2017).

LED means more than just economic growth. It is concerned with **promoting participation** and **local dialogue**, and **connecting people** and their **resources** for **better employment** and a **higher quality of life** for both men and women.

LED is thus a participatory process and can be regarded as the process whereby the wealth in local communities is created not by government alone, but by the complement of private enterprise. These enterprises depend on favourable local business conditions to create prosperity, while the local governments have the key role of providing the enabling environment for businesses to succeed.

According to the International Labour Organization (ILO, 2006), local economies need to find solutions and alternatives to improve and strengthen local competitiveness and comparative advantages to compete on a global scale. The challenge of LED is to find ways to maximise local resources and local knowledge to benefit all inhabitants within a specific geographical area.

1.2 PURPOSE AND OBJECTIVES OF LOCAL ECONOMIC DEVELOPMENT

The evolution of LED policy in post-1994 South Africa is closely associated with the transition to developmental local government (DPLG, 2006). Prior to 1994, Municipalities had a lesser role to play with regards to economic planning and development, with limited scope beyond certain town planning responsibilities. The post-1994 government however placed

a far greater emphasis on community and grassroots initiatives and participation. Local government has since been allocated a range of roles and responsibilities with respect to economic and social development, and this is confirmed in the Constitution and the Local Government: Municipal Systems Act of 2000.

A fundamental objective of local government as per the Constitution is to promote social and economic development in localities.

The main goal of economic development is the improvement of the economic well-being of a community through efforts that entail job creation, job retention, tax base enhancements and improvement of quality of life. Economic development, in the broadest sense, comprise of three major areas: policies that government undertakes to attain broad economic objectives such as high employment and sustainable growth; policies and programmes to provide services; and policies and programmes specifically aimed at improving the business climate.

Local Economic Development is an outcome of actions and interventions resulting from local good governance and the constant improvement and integration of national priorities and programmes in local spaces (DPLG, 2006). Improving the economic climate should enable sustainable growth and job creation, which will increase per capita income and ideally lead to an acceptable distribution in income that would, in turn, support improvements in quality of life and broadening the tax base.

Effective LED strategies encompass the generation of informed local responses to local problems, aligned with broad overall development guidelines provided by provincial and national spheres. An appropriate local economic development (LED) strategy could, through appropriate policies and programmes, serve as a guideline to facilitate multiple benefits like job creation, an economic climate that supports growth, improvement of quality of life and tax base enhancement.

The aim of this project was to develop a comprehensive LED Strategy in order to harness the resources and skills of all stakeholders in a uniform and coherent manner to achieve agreed aims and objectives.

1.3 METHODOLOGY USED IN DRAFTING OF THE REGIONAL SOCIO-ECONOMIC DEVELOPMENT STRATEGY

1.3.1 APPROACH

Each community differs in terms of strengths and capabilities, and each also faces unique challenges. An appropriate local economic development strategy should therefore find the optimal balance to capitalise on strengths and address development needs.
A simple approach to understanding the complexity of strategic thinking involves finding the answers to three questions:

- Where are we now?

- Where do we want to go?
- How do we get there?

Developing a strategy involves an analysis of the current situation, a clear vision of the desired outcomes and then developing a roadmap to move from the status quo to the desired future state, through considering macro-economic factors and unique internal strengths and weaknesses.

Strategy Development is about creating the optimal synergy between the strengths and weaknesses and the external or macro-economic environment. This is called achieving Strategic Fit and is achieved by capitalising on strengths and opportunities and developing weaker areas.

In the development of this local economic strategy, such a process was followed.

1.3.2 DATA COLLECTION

Both quantitative data and qualitative data was gathered to provide a firm foundation for the development of the LED strategy. Quantitative data is information about quantities; that is, information that can be measured and written down with numbers. Qualitative data is a categorical measurement expressed not in terms of numbers, but rather by means of a natural language description.

Data was gathered from primary and secondary data sources. Primary data is information which is sourced directly from respondents and was not previously published. This allows for the experiences and perceptions of respondents to be captured directly. Secondary data refers to all sources of data that are already published, such as previous research reports, academic and journal articles, and published statistics. "Secondary" therefore means that it the data was obtained from previously published research, and not that it is of lesser importance.

The study found that there was congruence between the results of the primary and secondary data, indicating that the experience of the community confirms the statistical data.

1.3.2.1 Primary data

Primary data, through engagement with role-player and stakeholders, was gathered through administering questionnaires. The questionnaires were carefully designed, observing the guidelines for constructing proper questionnaires, avoiding negative statements and avoiding leading the respondents. The questionnaires were compiled using recognised and accepted standards and approved by the project management team before they were administered.

The questionnaires were administered through semi-structured interviews, either individually or in group settings during stakeholder workshops. The process was therefore participatory, and stakeholders were involved in both workshop-level and individual-level engagement.

The following stakeholder groups were included:

- All stakeholders invited to workshop sessions by the Municipality and who attended the workshops.
- The top 100 businesses were identified and those who agreed to participate were engaged individually
- Important stakeholders, identified by the municipality, who agreed to participate were engaged individually.

A number of stakeholder engagement sessions were conducted in order to gain inputs and share information regarding the process. Stakeholder workshops were conducted on the following dates:

- 2 November 2017
- 7 November 2017
- 9 November 2017
- 24 April 2018
- 25 April 2018
- 4 May 2018

1.3.2.2 Secondary data

Secondary data comprised of a desktop study of published literature, official records, academic papers and peer-reviewed articles. A literature search was conducted to source applicable theoretical information and relevant published documents, including peer-reviewed articles. The literature was reviewed in order to integrate available data and highlight important trends and themes.

Secondary data was sourced from sources such as StatsSA and other reputable and established sources. The Municipality also shared previous research studies and other internal documents.

Statistics South Africa is responsible for conducting a nation-wide statistical survey every ten (10) years. The previous census was in 2011 and in 2001 before then. The next census will be in 2021 and until then, the latest statistical data available is for 2011 and this data is used by all reputable institutions. There was a household survey in 2007 and again in 2016 and therefore some data could be updated.

1.3.3 ANALYSIS OF DATA

Analysis is a critical element of all planning processes. The success of development planning dependents on the quality of analysis of all the elements contributing to development (DBSA, 2001). Economic strategy cannot be made haphazardly and has to be evidence-based.

Economic trends provide important information that describes the health and vitality of the surrounding community and region. This information is useful for business operators and investors make informed decisions regarding development in the community.

1.3.3.1 Analysis of primary data

Once all data was gathered and captured, the responses could be coded for analysis and interpretation. Qualitative data were quantified by counting the frequency of occurrences of particular responses to questions. This allowed for the use of statistical methods to analyse the data. The data was coded by grouping responses according to the predominant themes and trends that emerged from individual responses.

1.3.3.2 Analysis of secondary data

The secondary data was analysed using accepted and recognised theoretical models and tools. Once appropriate dimensions/ measures were identified, suitable variables were selected, information was extracted from the data, trends were identified, performance comparisons were conducted, and the results were interpreted. The report frequently displays statistical data graphically in order to communicate results clearly and simply.

1.3.4 VALIDITY AND RELIABILITY OF THE RESEARCH

In order to ensure optimal credibility of research, triangulation was employed to enhance reliability and validity. Denzin (1970) describes triangulation as being a combination of methodologies used to study the same phenomenon. He argues that the use of different methods should lead to greater validity and reliability than a single method approach.

Easterby-Smith, Thorpe and Lowe (1991) identified four types of triangulation, which were all applied in the research methods:

Table 1: Research triangulation

Triangulation types	How it was applied in this research
Collecting data from different sources (data triangulation)	Data were gathered from various stakeholders involved in the process from various perspectives. Statistical data were sourced from different, independent sources to eliminate bias.
Investigator triangulation	The project was completed by a team of researchers who worked independently as not to influence one another. However, team members reviewed and critiqued one another's work to improve the final product.
Methodological triangulation, using both qualitative and quantitative data collection methods	Qualitative data were collected through semi-structured interviews. The interview questions were carefully developed to meet the criteria for unbiased and reliable research. Quantitative data were collected through desk research, as well as a carefully designed questionnaire to produce qualitative data that could be quantified.
Triangulation of theories – using theory of one discipline to explain a phenomenon in another discipline	For this research, relevant theories from various disciplines were combined through the collaboration of a diverse and skilled research team.

1.4 CAPE WINELANDS REGIONAL SOCIO-ECONOMIC DEVELOPMENT STRATEGY (CW RSEDS) REPORT STRUCTURE

The CW-RSEDS is intended to provide an achievable, evidence-based plan for the future while responding to the challenges and opportunities presented by the local economic and social context.

This report is structured to provide a practical and understandable review of the current status of the regional economy and propose practical implementation steps that are rooted in solid theoretical and academic principles.

1.4.1 FACTORS OF PRODUCTION

For the purpose of sound economic analysis, the issues to be considered for the development of the Socio-Economic Development Strategy were grouped in accordance to the four factors of production.

Factors of production:

1. Human Capital (Labour)
2. Entrepreneurship
3. Capital
4. Natural Resources

Human Capital (Labour)

Labour refers to the physical and mental ability, as well as the needs of the local population of an area. This can also be referred to as human capital. The report will look at:

- The type of human capital available, including educational levels
- The state of human capital, including factors used to measure human development such as health and living conditions (i.e. demographics and social development).

Entrepreneurship

- The private sector (formal)
- The informal sector
- SMME development

Capital

- Infrastructure
- Economic clusters
- Investment climate

Natural Resources (Rural Development)

This factor of production pertains to resources that occur naturally in the region. The following subsections pertain to the first factor of production:

- The primary sectors, including Agriculture
- Tourism (as tourism in the region is based mostly on natural resources)
- Sustainability: the availability of natural resources, including water and the impact of the current drought and the conservation of the natural resources available in the area.

The concept of Rural Development encompasses the elements associated with natural resources, and this section of the report therefore focusses on rural development.

Each section is discussed against the backdrop of regional, provincial and national targets as well as the regulatory framework.

1.4.2 CONTENTS OF THE REPORT

Chapter 1 outlines the **methodology** used in drafting the CW-RSEDS. A simple approach to understanding the complexity of strategic thinking involves finding the answers to three questions:

- Where are we now?
- Where do we want to go?
- How do we get there?

Developing a strategy involves an analysis of the current situation, a clear vision of the desired outcomes and then developing a roadmap to move from the status quo to the desired future state, through considering macro-economic factors and unique internal strengths and weaknesses.

Chapter 2 highlights the **legislative and policy framework** which provides a guideline to the relevant legislation and policies that guide and impact on economic and social development, as well as the targets set out on local, provincial and national level.

Chapter 3 gives a brief introduction to **regional economic planning and spatial planning** in the economic context. This chapter explains basic principles of economics, economic growth and economic development. The background offers an understanding of why certain factors are important and explains their relevance to economic growth. This provides insight into accepted and recognised models for economic development and explain how and why they are important. It serves as a key to understanding the analyses and recommendations contained in this strategy.

The following sections of the report contain the socio-economic analyses, grouped according to the applicable factors of production. The factors of production (natural resources, labour, capital and entrepreneurship) enable an economy to meet demand for goods and services. Therefore, if the supply of these production factors increases, the production of goods and services should also increase. Thus, the fundamental prerequisite for economic growth is the increase of the supply of production factors.

Each of the subsequent sections considers the progress of the region compared to the applicable targets and will aim to address issues relevant to the applicable factor of production. The various sections of the report each explain what the various factors mean and what their implications are for economic growth. Each section provides a brief explanation of the aspect under evaluation and stipulates how and why it is relevant to local economic development. The region's progress against targets is discussed and the most pressing issues identified.

Chapter 4 specifically examines the **human resources (labour) factor of production**. This section of the report deals with the demographic and social profile of the Cape Winelands

Municipal District. The people of the district are both the purpose of LED and a contributing factor to LED. This section therefore considers the factors that impact on the individuals who live in the Cape Winelands. This includes their health, skills/ educational levels, poverty, living conditions and safety.

Chapter 5 examines **the factor of production of entrepreneurship**. Entrepreneurship refers to all the businesses in an area, both formal and informal. Entrepreneurship is the driving force that puts labour, natural resources and capital to productive use. Businesses create employment for local residents, provide families with livelihoods and ignite local economic development. This section considers the business environment and entrepreneurship in the Cape Winelands District Municipality. It contains an analysis of the structure of the local economy and includes the factors that impact on the growth and trends of the local economy.

Chapter 6 examines **the factor of production of capital (investment).** The accumulation of capital (investment) is important for economic growth and development. This section considers investment trends in the CWDM and how investment can be increased.

Chapter 7 examines **the factor of production of natural resources**. The Cape Winelands District Municipality enjoys an abundance of natural resources. This section of the report deals with the activities linked to natural resources such as Rural Development, Agriculture and Tourism. Climate change is also examined and its effect on the natural resources of the Cape Winelands region.

In Chapter 8 the Socio-Economic Development Strategy is formulated based on the preceding analyses. The overall Socio-Economic Strategy includes the following individual Strategy Plans:

- Social Development Strategy;
- Economic Development and Investment Strategy;
- Rural Economic Development Strategy; and
- Tourism Strategy.

This chapter of the report considers the engines of growth and results of the analyses, and makes recommendations that are aligned to sound, academic, accepted and recognised economic development principles. It introduces the strategic goals, priority areas and key drivers of the overall Socio-Economic Development Strategy.

Chapter 9 examines how a Social Development Strategy for the CWDM will be develop in specific reference to opportunities for social cohesion, self-reliance of vulnerable groups and sustainable livelihoods. The Cape Winelands Social Development Strategy is aimed at:

- Inclusion – putting marginalised people at the centre of development;
- Social Cohesion – strengthening the community fabric so that people can work together and collaborate; and

- Social Investment - facilitating the continued investment in the people of the Cape Winelands region.

In Chapter 10 the Local Economic Development Strategy is formulated. The main challenge facing the Cape Winelands economy is the slow economic growth rate. Although the economic growth rate is in line with national trends and not necessarily within the sole control of local government, the region would benefit from accelerated economic growth. Businesses create employment for local residents, provide families with livelihoods and ignite local economic development. The focus of the Local Economic Development Strategy is therefore on creating an enabling environment for the private sector to thrive and facilitate the economic growth.

In Chapter 11 the Investment Attraction, Retention and Opportunities Strategy is formulated. Countries, regions and cities benefit from attracting investment (capital formation in the area) by the private sector as it enhances the economic base of the area and promotes economic development. The strategy specifically focus on how an enabling environment for competitiveness can be created as well as how existing businesses can be supported as they are the primary engine of growth in a locality.

In Chapter 12 the Rural Economic Development Strategy is formulated. The Rural Economic Development Plan focuses on economic, social and environmental sustainability in rural areas of the Cape Winelands District. Rural Development, and in particular the development of agriculture, is recognised by both the National Development Plan (NDP) and the New Growth Path (NGP) as critical for employment and food security. The Cape Winelands District is a rural area, and agriculture forms the backbone of the Cape Winelands economy. The key driver of the Cape Winelands Rural Economic Development Strategy centres around uplifting **Rural Places, Economy and People.** It advocates for continued support for projects that improve competitiveness, encourage diversification of the rural economy, improve quality of life in rural areas and that protect and enhance the natural environment.

In Chapter 13 the **Tourism Strategy** is formulated. The Cape Winelands District Municipality is the Regional Tourism Organisation (RTO) for the Cape Winelands Tourism Region. As a RTO, the CWDM plays an important role in supporting this competitive and sustainable tourism region. It is expected that the CWDM provides regional leadership and coordination and works with industry partners, such as the Local Tourism Associations, to grow tourism through activities like strategic planning, research, product development, training and marketing. The Tourism Strategy demonstrates how the CWDM will grow tourism in the Cape Winelands together with its tourism partners.

Each of the strategies mentioned above is accompanied with a series of action plans that have been developed.

In Chapter 14 the **Monitoring and Evaluation** framework is explained. The CWDM Local Economic Development Unit subscribes to the Local Economic Development Management System. The Local Economic Development tool (EzyED) is the monitoring and evaluation tool that will be utilise to monitor and evaluate the implementation of the Regional Socio-Economic Development Strategy. This monitoring and evaluation tool are mainly implemented to review progress, identify problems in planning and to make adjustments to the current situation. It is understood that good monitoring and evaluation plan result in better decision making, since risks and challenges will be identified in the early stage of implementation.

Conclusion. In the conclusion the CWDM urges all stakeholders, strategic partners and communities to work together and ensure that we implement the Cape Winelands Regional Socio-Economic Development Strategy.

02

LEGISLATIVE AND POLICY CONTEXT

2.1 LEGISLATION

The Constitution of the Republic of South Africa (1996) determines how government works. There are three spheres of government: National government, Provincial government and Local (Municipal) government. These spheres are distinctive, interrelated and interdependent.

The overarching role of local government is to create a platform and environment to engage stakeholders in implementing strategies and programmes. There is clear implication given by the Constitution (1996) and the National Framework for Local Economic Development that municipalities have a key role in creating a conducive environment for investment through provision of infrastructure and quality services, rather than by developing programmes and attempting to create jobs directly.

The following statutes are important for LED and must be adhered to.

2.1.1 THE CONSTITUTION (1996)

The Constitution is the most supreme law of South Africa and sets out the rights and duties of its citizens. The Constitution defines the structures of government as well as their relationships with each other. Anything in contrast with the Constitution is unlawful and must be changed or set aside.

Section 152 of the Constitution outlines the objectives of local government. The Municipality is legally compelled to promote social and economic development in its area of jurisdiction.

The specific sections of relevance, are:

Sec 152 of Constitution (Act 108 of 1996) – (1) The objects of local government are:

- 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
- To encourage the involvement of communities and community organisations in the matters of local government

(2) A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1).

Sec 153 of Constitution – A municipality must –

(a) Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and

(b) Participate in national and provincial development programmes

Sec 156 of Constitution – (1) A municipality has executive authority in respect of, and has the right to administer –

(a) The local government matters listed in Part B of Schedule 4 and Part B of Schedule 5; and

(b) Any other matter assigned to it by national or provincial legislation

(2) A municipality may make and administer by-laws for the effective administration of the matters it has the right to administer.

(5) A municipality has the right to exercise any power concerning a matter reasonably necessary for, or incidental to, the effective performance of its functions.

Local government matters listed in Parts B of Schedules 4 and 5 include: (list not complete)

- **Local tourism**
- Municipal health services
- Municipal public transport
- Municipal public works
- Trading regulations
- Billboards and the display of advertisements in public places
- Cleansing
- Control of public nuisances
- Local amenities
- Local sport facilities
- Markets
- Municipal parks and recreation
- Municipal roads
- Public places
- Refuse removal, refuse dumps and solid waste disposal
- Street trading
- Traffic and parking

2.1.2 THE WHITE PAPER ON LOCAL GOVERNMENT (1998)

The White Paper on Local Government has been described as a "mini Constitution for local government." It sets "the basis for a new developmental local government system, which is committed to working with citizens, groups and communities to create sustainable human settlements which provide for a decent quality of life and meet the social, economic and material needs of communities in a holistic way" (WPLG, 1998).

According to this White Paper policy, the strategies of developmental local government must result in these sustainable outcomes:

- *Maximising social development and economic growth* (stimulating social cohesion and entrepreneurship, community networks, local economies and job creation)
- *Integrating and co-ordinating developmental projects* (mainly through the Integrated Development Plans and budgets, seeking local solutions and shared learning)
- *Democratising development* (facilitating and co-ordinating the inputs, commitment, expertise and energies of local citizens and institutions, towards self-reliance).

2.1.3 THE NATIONAL SPATIAL DEVELOPMENT FRAMEWORK (2006)

The NSDP was developed to reform apartheid spatial relations and implementing spatial priorities in a manner that aligns with the Constitution. The NSDF sets out principles that enables and promotes Local Economic Development.

The NSDP will assists in bringing investment and growth in the area. It also provides a common reference point for the spheres of government to analyse and debate the comparative development potentials of localities in SA.

2.1.4 THE MUNICIPAL STRUCTURES ACT (1998)

The Municipal Structures Act sets out the types and categories of Municipalities to be established as well as the functions and powers they possess.

2.1.5 THE MUNICIPAL SYSTEMS ACT (2000)

The Municipal Systems Act sets out a framework to guide a municipality's performance through the development of a performance management system.
The purpose of the Act is to:

- Provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities.
- Provide for community participation.

- Establish a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government.

2.2 THE ROLE OF DISTRICT MUNICIPALITIES

2.2.1 LEGISLATIVE ROLE OF DISTRICT MUNICIPALITIES

When district councils were initially established, their functions were not clearly defined in legislation. The Structures Act brought about greater clarity around the functions of district municipalities by giving them responsibility over key service delivery areas such as water, sanitation, electricity, municipal health services and other district-wide functions (e.g. fire-fighting, passenger transport, and promotion of tourism). The Structures Act further allows for the adjustment of the division of powers between the district and local municipalities.

The role of a District Municipality according to the Constitution is as follows:

- Redistribute resources within a district according to need;
- Assist and capacitate local municipalities to enable them to provide, and sustain the provision of services in their areas; and
- Promote economic development in the district, because sustainability of service provision (as well as the general wellbeing of the inhabitants) is dependent on a productive local economy.

The White paper on Local Government (1998) further distils the role of a District Municipality to four key aspects:

1. District integrated development planning (a statutory mandate of all district governments)
2. To serve as infrastructural development agents, involving planning and developing bulk infrastructure in non-metro municipalities;
3. The provision of technical assistance to local municipalities, including facilitation of the sharing of specialised capacity and equipment between municipalities, assisting in the development of cooperative relations between municipalities, assistance in the preparation of the budgets, consolidated municipal infrastructure programme applications, tenders, and drafting by-laws;
4. Coordination for national and provincial capacity building programmes and location of support and training infrastructure.

Section 88 of the Local Government: Structures Act of1998, calls for cooperation between district and local municipalities in that:

- A district municipality and local municipalities within the area of that district municipality must co-operate with one another by assisting and supporting each other;

- A district municipality on request by a local municipality within its area may provide financial, technical and administrative support services to that local municipality to the extent that that district has the capacity to provide those support services;
- A local municipality may provide financial, technical or administrative support services to another local municipality within the area of the same district municipality to the extent that it has the capacity to provide those support services, if the district municipality or the local municipality so requests;
- The MEC for local government in a province must assist a district municipality to provide support services to a local municipality.

2.2.2. ROLE OF GOVERNMENT IN SOCIO-ECONOMIC DEVELOPMENT

The National Development Plan (NDP) was develop by the national government to address the socio-economic development challenges the country is experiencing. The NDP outlines goals and objectives identified as important by national government. These goals and objectives should filter down from national level to provincial level and to local municipal level.

2.2.2.1 Role of Government in Economic Development

The Draft Framework for LED (2018) also sets out its understanding of the role and responsibilities of the different spheres of government in terms of LED.

Table 2: LED role and responsibilities of the different spheres of government

Sphere	Function
National Government	❑ Provide an overall policy and strategic framework for economic development at national, provincial and local government levels; ❑ Provide a legislative framework for local economic development; ❑ Provide a Framework for provincial and municipal capacity-building and support systems; ❑ Provide coordinated support in the implementation of LED strategies and projects in various economic sectors. ❑ Support for municipalities and key economic institutions; ❑ Support for local economic development funding; and ❑ Monitor and evaluate local economic development at national level
Provincial Government	❑ Provide a strategic vision and strategy for integrated economic, social and community development through the Provincial Growth and Development Strategy; ❑ Is responsible for the formulation of the provincial economic development plan that is aligned to the PGDS; ❑ Vertical and horizontal integration of the municipal IDPs and the district economic development strategies; ❑ Train and build capacity for local economic development; ❑ Facilitate LED through financial support to municipalities; and ❑ Monitor and evaluate role at provincial level.

Metro and District Municipalities	❑ Strategic planning by means of the IDPs; ❑ Formulate regional economic development strategies; ❑ Vertical and horizontal co-ordination through the preparation of district economic plans and sectorally based cluster plans; ❑ Implementation of the public sector process of economic intervention actions; ❑ Initiation of economic development opportunities when appropriate through special purpose vehicles created for the initiative; ❑ Management and control of local economic initiatives in accordance with the expressed role and function of the municipality; ❑ Monitoring and review of economic development initiatives at local government level; ❑ District municipalities create the guiding Framework for local economic development and direct and co-ordinate implementation by the establishment of metro and district wide economic development organisations and agencies; ❑ Metro municipalities, as the owners of land and assets, are responsible for local economic development project implementation. ❑ Metros will utilise STI in their LED planning to ensure that South Africa becomes more competitive globally
Local Municipalities	❑ Strategic planning by means of the IDPs; ❑ Participation in the formulation of the district economic development plans; ❑ Participation in the implementation of economic projects through special purpose vehicles that are established including local government established development agencies; ❑ Responsible for the formulation of local municipal economic development initiatives and the alignment and integration thereof with the district development initiatives. ❑ Local municipalities, as the owners of land and assets, are responsible for local economic development project implementation. ❑ Responsible for LED planning at local level ❑ Ensuring that they integrate STI in their LED planning and their localities become more competitive and more innovative ❑ Ensuring that their LED plans are embedded in their social contexts

Source: Draft Framework for LED, 2018: 79-80

2.2.2.2 District Municipality's Role in Economic Development

The role of the District Municipality is to facilitate an economic climate that supports growth, improvement of quality of life and tax base enhancement. Improving the economic climate should enable sustainable growth and job creation, which will increase per capita income and improve an acceptable distribution in income. This will, in turn, support improvements in quality of life and broadening the tax base.

Provision of public safety, cleansing services, maintenance or upgrading of the urban public environment and infrastructure, and social services that address social issues in the area, allow individual property owners to benefit from a well-managed and safe neighbourhood.

A supportive business environment also attracts investment to the area. Therefore, the private sector can be supported through service delivery in terms of:

- Uninterrupted basic service delivery
- Reducing crime and therefore losses due to criminal behaviour
- Reducing litter and enhancing cleanliness
- Lighting & marking of streets and pavements
- Maintenance of the public environment
- Creating a safe and clean public environment by addressing issues of maintenance and cleaning of streets, pavements and public spaces
- Manage existing and new public infrastructure for the future benefit of all of the users of the area
- Support the promotion of the area as a safe and clean environment by promoting greening, energy efficiency and recycling
- Support and promote social responsibility in the area
- Effective management of traffic flow and parking spaces.

The Municipality can work with private sector to launch co-operative projects to enhance the business environment to the benefit of all stakeholders.

2.2.2.3 The Governments' Role in Social Development

Social Development concerns all three spheres of government. National and provincial government has clear mandates that they need to fulfil in terms of social development. Social development is not a core competency of local government. However, local government is tasked by the Constitution to "promote social and economic development of the community" (**Section 153** of the *South African Constitution (Act 108 of 1996)*.

The Cape Winelands District Municipality has adopted the strategic partnership approach in which our social development services are to be planned, co-ordinated, delivered and evaluated in the Cape Winelands District. This means that programmes developed will be done in a **targeted, collaborative** and **developmental** manner with our strategic partners.

2.2.2.4 The Governments' Role in Tourism Development

The state's role is primarily to create an enabling environment for development of the tourism sector (NRTS, 2012). Local government is responsible for promoting and supporting local tourism products (NRTS, 2012). According to the White Paper on Development and Promotion of Tourism (DEAT, 1996), local government plays a critical role in providing leadership and the required planning to ensure that their local communities and businesses optimally benefit from tourism, whilst minimising any negative effects tourism might have. It further emphasises that just as the behaviour of local residents can enhance the

experiences of visitors, thus promoting the area as a tourist destination, so too can bad behaviour spoil the experience of the area for visitors and discourage them from visiting again or recommending the area to others.

In addition, tourism can either enrich or degrade the lives of local residents, depending on how it is managed (DEAT, 1996).

2.2.2.5 The Cape Winelands District Municipality's Role in Tourism Development

The Cape Winelands District Municipality is the Regional Tourism Organisation (RTO) for the Cape Winelands Tourism Region. As a RTO, the CWDM plays an important role in supporting this competitive and sustainable tourism region. It is expected that the CWDM provides regional leadership and coordination and works with industry partners, such as the Local Tourism Associations, to grow tourism through activities like strategic planning, research, product development, training and marketing. Furthermore, the RTO facilitates a more coordinated and collaborative approach that maximises resources, encourages strategic planning and tourism investment, and results in stronger marketing with better reach.

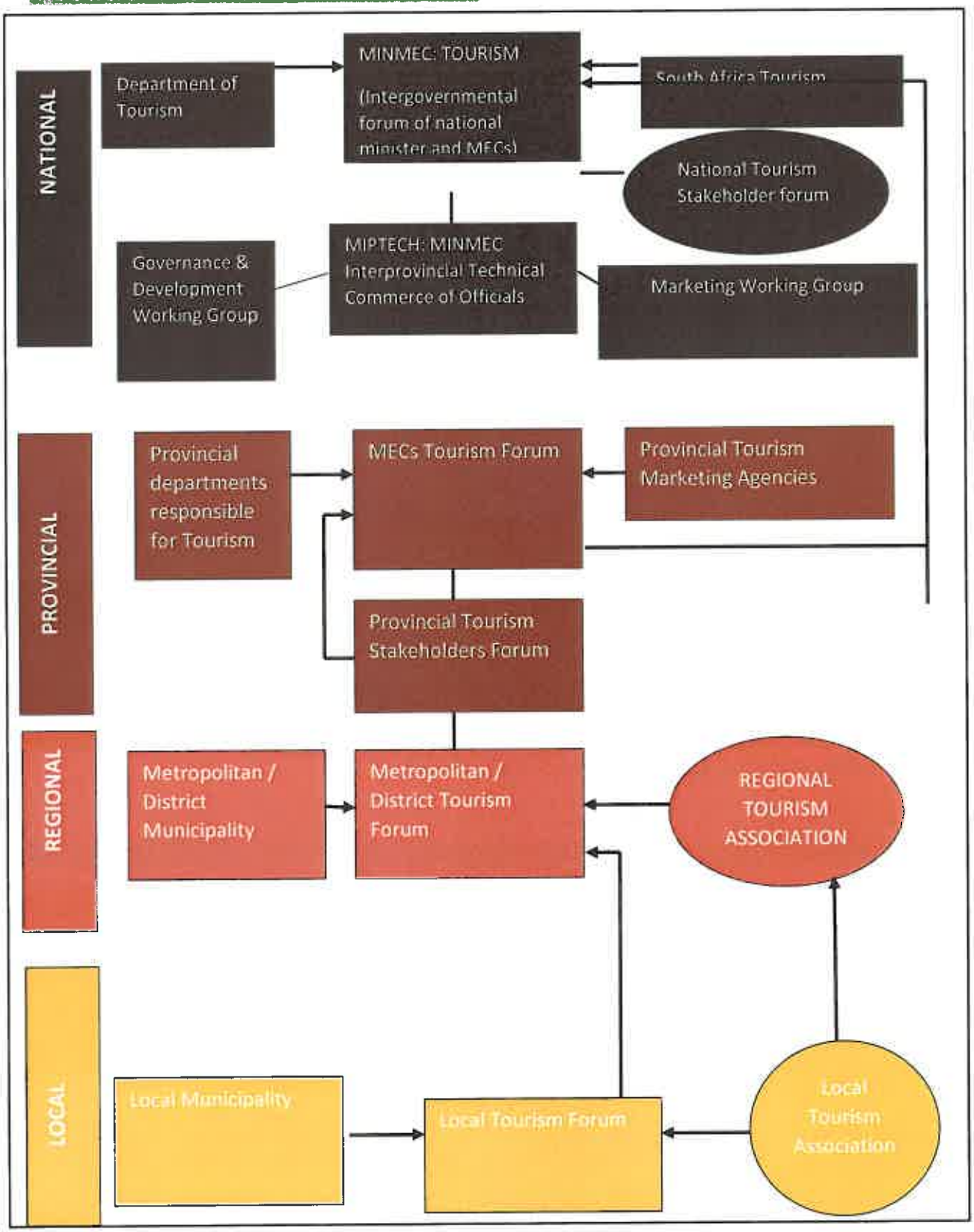
Even the most blessed and vibrant of destinations, such as the Cape Winelands District, is in need of credible strategies to realise its full tourism potential. Investing extra time and effort in strategic planning is about knowing where you are going and how to get there. It is *ultimately about doing smart things for the right reasons in order to get the best possible outcomes.*

Strategy relies on cutting-edge research and market intelligence to inform and guide decision-making. The quality of the decision-making is directly linked to the accumulated intelligence from markets, insights from partners and stakeholders. Information and analysis to inform insights and strategy need to be very current.

2.2.2.6 Institutional Framework for Tourism Development

The National Tourism Sector Strategy (NTSS) 2016-2026 outlines on p 41 the South African Tourism Institutional Structure:

Figure 1: South Africa's Tourism Institutional Structure



03 PLANNING FRAMEWORKS

3.1 PLANNING FOR ECONOMIC GROWTH AND DEVELOPMENT

Strategy relies on cutting-edge research and market intelligence to inform and guide decision-making. The quality of the decision-making is directly linked to the accumulated intelligence from markets, insights from partners and stakeholders. Information and analysis to inform insights and strategy need to be very current.

3.1.1 ECONOMICS, ECONOMIC GROWTH AND ECONOMIC DEVELOPMENT

Roux (2014) defines Economics as "the study of the way in which human beings employ scarce resources to satisfy their many needs" (Roux, 2014:4). Therefore, economics is about dividing available resources to satisfy a variety of needs. The demands on government spending must be prioritised, and economics is thus about making choices. Economic analysis is aimed at determining how well an economic system is functioning.

There are four economic factors of production (Roux, 2014:2):

- Human Capital (Labour)
- Entrepreneurship
- Capital
- Natural Resources

Human Capital (Labour) refers to the physical and mental ability, and the well-being of the local population of an area. This can also be referred to as human capital.

Entrepreneurship refers to the efforts of those who run businesses in the private sector, be it formal or informal. Entrepreneurship is very important for putting labour, natural resources and capital to productive use. The under-performance of the South African economy over the past two decades can partially be attributed to a lack of entrepreneurship (Roux, 2014:3).

Capital refers to investment in physical assets, such as factories, machinery and infrastructure that assist in the production of goods and services.

Natural resources refer to resources that are naturally available in an area. These may include mineral deposits, water and agricultural land.

The four factors of production are the "ingredients" required to develop the local economy.

3.1.1.1 The quantity and quality of the four production factors in South Africa

Human Capital and Entrepreneurship

South Africa's population is categorised by rapid urbanisation over the last few decades. The reason for this can be partly attributed to the declining importance of agriculture. This trend is in line with trends throughout the world. As the economy becomes more developed and the population increases, fewer people are able to make a reasonable living from agriculture and are therefore forced to find work in urban centres (Roux, 2014).

A rise in population means more mouths to feed, more bodies to clothe and more accommodation or housing to be built. A rise in population therefore means increased pressure on basic resources such as food. The increased demand can only be adequately met if the increase in the population is accompanied by a corresponding increase in production of goods and services. An increase in population should imply a growing number of economically active people (factors of production). As the South African population is growing, our labour force is expanding. The question is whether the South African labour force has adequate skills and sufficient training to produce enough goods and services to meet the growing demands of the increasing population.

Currently the level of education and appropriate skills in South Africa is too low to generate the desired levels of growth for a sustained period (Roux, 2014:44). South Africa will be able to exploit our economic growth potential by successfully raising the level of education and skills in our country.

Human capital can be measured in terms of the Human Development Index (HDI) that includes the following dimensions:

- Living a long and healthy life (life expectancy)
- Being educated
- Having a decent standard of living (income)

The World Bank (1991) defines development as an increase in living standards, which refers to:

- Material consumption
- Education
- Health
- Environmental protection

Capital

The supply of capital in an economy increases when government and businesses (i.e. public and private sector) invest in goods such as machinery, equipment and factories. These

goods are assets that are used to produce consumer goods and services. If capital goods increase, the economy's ability to produce products rises. Rising production translates to an increase in Gross Domestic Product (GDP), which in turn means economic growth.

Capital formation is measured by the annual rate of gross capital formation. There is therefore a correlation between gross capital formation and economic growth. Savings by households, government and businesses form a pool of savings known as gross domestic savings (GDS). Economic theory dictates that savings in an economy are channelled towards financing capital formation. Therefore, the acquisition of investment goods for any year is financed by the gross domestic savings for that year. Without adequate investment, an economy cannot grow to its full potential. Therefore, investment is an important engine of growth. Typical sources of productivity include trade, import substitution and export led growth.

Land and natural resources

The primary sector (i.e. agriculture and mining) is greatly dependent on the availability of natural resources. South Africa is considered the mineral treasure house of the world, but the contribution of agriculture and mining (the primary sector) to the South African economy has been steadily declining over time. Although the primary sector plays a vital role in our economy, this role is diminishing over time and is unlikely to increase again in the years ahead (Roux, 2014:42).

3.1.1.2 Economic Growth versus Economic Development

Economic *growth* occurs by an increase in Gross Domestic Product (GDP) or Gross National Product (GNP). Therefore, economic growth means an increase in real per capita income. GDP per person is associated with the levels of poverty, and an increase in per capita income translates to lower levels of poverty. Economic *development*, however, includes more than the limited objective of increased average income to include higher employment rates, improving the business climate, social development and infrastructure development. Economic *development* can be defined as economic growth plus improvement in human welfare as well as social and structural transformation.

Improvement in quality of life includes economic growth and improvement in human welfare. Economic growth can occur without economic development, but development without growth is unlikely. Economic growth is therefore a prerequisite for economic development. Economic Development includes more than just economic growth and is measured in terms of:

- Life expectancy
- Educational attainment
- GDP per capita or GNP per capita

It is argued that to attain economic development, there must not only be growth in aggregate output, but also equitable distribution thereof (Nnadozie, 2003: 66). In some instances, economic growth can even exacerbate income inequalities and therefore may have adverse effects on certain vulnerable groups (Kuznets,1955; Kanbur,1997). While it is important for an increase in income to be equitably distributed, growth must first occur, because there must be resources to distribute before consideration can be given to how this distribution will take place (Dollar & Kraay, 2000). Through creating employment and a nurturing economic climate, job creation and inequality can be addressed.

3.1.2 PRINCIPLES OF ECONOMIC DEVELOPMENT

Local Economic Development (LED) has gained widespread acceptance across the world as a locality-based response to the challenges posed by globalisation, devolution and local-level opportunities and crises (Glasmeier, 2000). The South African national government recognises local government as key agents for change, and therefore specifically tasked them to respond to the developmental needs faced in their localities, with a specific focus on the poorest members of society (RSA, 1998).

LED strategies, as opposed to traditional development policies, empower local communities and generate local dialogue. Citizens, who previously had little or no control over economic activities in their territory, usually adopt a more proactive stance towards their own economic future. This leads to a general improvement in the quality and quantity of jobs because of the involvement of local stakeholders in the economic activity within their territory (Rodriguez-Pose, 2001). A main driving force behind decentralisation is the fact that every city, area or community is unique. It has its own advantages and disadvantages, possesses certain assets that others do not have, or has the highest cost advantage. Competitive advantages are not simply strength and weaknesses which all communities have, but those characteristics of an area and its community which can be exploited for that community's benefit (VNG International, 2007).

Communities differ in their geographical, political and economic landscapes. Each community will therefore have a unique set of challenges and corresponding strategies to address this uniqueness and create better conditions for economic growth, poverty reduction and employment generation. A successful LED programme is based on basic principles such as the identification and exploitation of a community's natural endowments, the forging of public-private partnerships, and participatory decision-making and social dialogue.

3.1.2.1 Definition Local Economic Development

LED is defined by Zaaijer and Sara (1993) as "essentially a process in which local government and/or community-based groups manage their existing resources and enter into

partnership arrangements with the private sector, or with each other, to create new jobs and stimulate economic activity in an economic area". The involvement of local stakeholders in the process of developing their own territory is a prerequisite for sustainable growth. Creating a forum for social dialogue and participatory decision-making helps to build trust, encourages innovation and promotes the creation of social networks and activities, fostering social cohesion and decreasing the risk of conflict.
Decentralisation presents local leaders with the challenge to find innovative ways to respond to poverty, to encourage development, to provide infrastructure and to facilitate growth.

As a programme, LED is intended to maximise the economic potential of all municipal localities throughout the country, and to enhance the resilience of the macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development.

3.1.2.2 Dual nature of Local Economic Development

LED has a dual nature in that both pro-growth and pro-poor interventions should occur in harmony to achieve inclusive economic development. LED is therefore characterised by both growth-orientation and welfarist orientation, also known as pro-poor, interventions (Rogerson, 2003).

A draft policy paper issued in 2000 lists defining criteria that form the basis of LED:

- To balance local economic strategies so that they achieve increased competitiveness, poverty alleviation and job creation
- To address service delivery demands, particularly where services have not reached the most vulnerable members of society, as well as sever affordability constraints
- To engage in more open, transparent and mutually respectful state-society relations
- To forge new and reformed inter-governmental relationships

3.1.2.3 Goals of Local Economic Development

The goals of LED tend to revolve around a set of common issues of job creation, empowerment, the pursuit of economic growth, community development, the restoration of economic vitality and diversification in areas subject to recession. Additionally, it involves establishing the locality as a vibrant, sustainable economic entity, often within a global context (World Bank, 2001). Meyer-Stamer (2003) contends that LED should focus on markets and that competitive business and community development interventions should be used to deal with social problems.

South Africa's Department of Trade and Industry links LED firmly to mainstream economic development and to small business promotion in particular (Rogerson, 2002). South Africa's

focus on small business development and poverty relief parallels international experience in terms of community-based LED. While LED must be focussed on development and growth, it also needs to be responsive to the needs of the poor. The official conception of LED in South Africa therefore accommodates elements of market-led and market-critical approaches towards LED.

3.1.2.4 Local Economic Development Interventions

The World Bank (2001; 2002) suggests the following ten issues as representative of the most important and frequent sets of LED interventions:

- Ensuring that the local investment climate is functional for local enterprises
- Supporting Small and Medium sized enterprises
- Encouraging new enterprises
- Attracting inward investment
- Investing in physical (hard) infrastructure by improving the built environment for businesses
- Investing in soft infrastructure including human resource development, institutional support, and regulatory issues
- Supporting the growth of business clusters
- Targeting particular geographical areas for regeneration of growth (i.e. spatial targeting)
- Supporting survivalist, primarily informal sector enterprise
- Targeting certain disadvantaged groups

The core concepts of LED therefore include partnership, economic sustainability, job creation and improvement of well-being, taking place at local or community level. LED initiatives can be constrained by a lack of available resources and a lack of private sector participation.

Direct applications of LED include issues of service delivery, public works, shelter provision, livelihood support, urban agriculture, and affirmative procurement. Tourism is emerging as one of the most rapidly growing focus areas for the evolution of LED strategies in South Africa. The Department of Provincial and Local Government has identified the following as key principles underlying LED:

- Poverty and unemployment are the main challenges facing South Africa. LED strategies must prioritise job creation and poverty alleviation
- LED must target previously disadvantaged people, marginalised communities and geographical regions, black economic empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country
- There is no single approach to LED. Each locality may develop an approach that is best suited to its local context

- LED promotes local ownership, community involvement, local leadership and joint decision making
- LED involves local, national, and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build local areas
- LED uses local resources and skills and maximises opportunities for development
- LED involves the integration of diverse economic initiatives in an all-inclusive approach to local development
- LED relies on flexible approaches to respond to changing circumstances at local, national and international level

LED is a means to achieve the effective mobilisation of local resources by encouraging investments with the highest rate of socio-economic return. Partnerships between private, public and non-profit stakeholders become crucial for a sustainable development process, allowing the convergence in investment programming between the different local role players, while supporting the legitimacy and sustainability of the development process. LED initiatives can be constrained by a lack of available resources and a lack of private sector participation. In order for LED to be successfully implemented, the involvement of the local business community is essential. Partnership formation is critical to applied LED.

3.1.2.5 Potential Benefits of Local Economic Development

The basic benefits of LED according to the United Nations (2009) are:

- LED is a shared process in which local citizens from all sectors work together to stimulate local business, producing a resilient and sustainable economy. LED is a way to create decent jobs and improve the quality of life for everyone, including the poor and marginalised.
- LED encourages public, private, academic and civil societies to establish partnerships and together find local solutions to common economic problems. The LED process tries to empower local people to effectively use business enterprise, labour, capital, and other local resources to achieve goals that are of local importance (e.g. to reduce poverty, provide quality jobs and use municipal taxes to provide better services)
- LED is focussed on sustainable development in the long term. It takes time to change local conditions, build ability, organise shared processes and empower stakeholders such as the marginalised and the poor.
- Creating an LED strategy is a collaborative effort. It uses local values such as poverty reduction, increased self-reliance, satisfying basic human needs and integrated social and environmental goals, and combines these values with economic drivers such as growth in jobs, income and business-activity. It also considers development in the form of structural change for the benefit of all people in the community.

Benefits of LED also include creating vocational education opportunities, strengthening political leadership and stability at local and regional level, promoting economic opportunities in regions outside metropolitan districts, reducing poverty through SMME development, expanding employment opportunities at local level, strengthening the local tax base, creating healthy competition between local communities and preserving cultural heritage.

3.2 INTERNATIONAL, NATIONAL, PROVINCIAL AND LOCAL PLANNING FRAMEWORKS

The regional and local economic strategies adopted by municipalities have to be aligned with the national and provincial planning frameworks in order to ensure that development initiatives are aligned and cohesive. South Africa is a signatory to the United Nations Sustainable Development Goals.

3.2.1 INTERNATIONAL

3.2.1.1 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

In 2015 the United Nations adopted a sustainable development 2030 agenda and 17 Sustainable Development Goals being the centre of the development. The 2030 agenda is aimed at ending poverty in all its forms. The Agenda's 17 Sustainable Development Goals, and their 169 targets, aim at eradicating poverty and *"seek to realize the human rights of all and achieve gender equality"* (United Nations, 2015).

The SDGs were developed to succeed the Millennium Development Goals (MDGs) which ended in 2015. The goals are broad and interdependent, yet each has a separate list of targets to achieve. Achieving all 169 targets would signal accomplishing all 17 goals. The 169 targets are measured with 232 indicatorsThese areas are: social, economic and environmental development issues including poverty, hunger, health, education, gender equality, clean water, sanitation, affordable energy, decent work, inequality, urbanisation, global warming, environment, social justice and peace.

Figure 2: United Nations Sustainable Development Goals
Source: United Nations, 2015

Table 3: United Nations Sustainable Development Goals

GOAL	DESCRIPTION
Goal 1:	No poverty - this goal aims to end extreme poverty globally by 2030.
Goal 2:	Zero hunger - this goal states that by 2030 we should end hunger and all forms of malnutrition.
Goal 3:	Good health and well-being for people - this goal aims to reduce child mortality to at least as low as 25 per 1,000 live births and maternal mortality to less than 70 deaths per 100,000 live births. This goal also aims to ensure accessibility to health facilities and essential medicines and vaccines.
Goal 4:	Quality Education - this goal is trying to ensure that, by 2030, all girls and boys complete free, equitable, and quality primary and secondary education.
Goal 5:	Gender Equality - this goal aims to achieve gender equality and to empower women and girls and the goal also aims to eliminate child marriage by 2030.
Goal 6:	Clean water and sanitation -this goal has three targets healthy drinking water, sanitation and hygienic toilets.
Goal 7:	Affordable and clean energy- this goal targets access to reliable and affordable energy
Goal 8:	Decent work and economic growth- this goal aims to promote sustained, inclusive and sustainable economic growth
Goal 9:	Industry, Innovation and infrastructure – this goal tries to build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.
Goal 10:	Reducing inequalities- this aims at reducing income inequalities within and amongst countries
Goal 11:	Sustainable cities and communities-the target by 2030 is to ensure access to safe and affordable housing.
Goal 12:	Responsible consumption and production- the target include using eco-friendly production methods and reducing the amount of waste.
Goal 13:	Climate action – Taking urgent action to combat climate change and its impacts
Goal 14:	Life below water - Conserve and sustainably use the oceans, seas and marine resources for sustainable development.
Goal 15:	Life on Land – this goal targets for preserving biodiversity of forest, desert, and mountain eco-systems, as a percentage of total land mass.
Goal 16:	Peace, justice and strong institutions – reducing violent crime, sex trafficking, forced labor, and child abuse
Goal 17:	Partnerships for the goals - Increasing international cooperation is seen as vital to achieving of the goals.

Source: United Nations, 2015

3.2.2 NATIONAL
3.2.2.1 The National Development Plan 2030

The National Development Plan (NDP) is a planning framework developed by national government with the objective of eliminating poverty and reducing inequality by 2030.The NDP aims to address key challenges and develop the capabilities required for the South African economy to grow and raise the living standards for all, particularly the poor (NDP, 2012). Unemployment, the need for education, infrastructure, health services and public services are identified as priorities.

The NDP highlights four important objectives believed to be crucial to achieving the desired growth objectives, namely: raising employment through faster economic growth; improving the quality of education, skills development and innovation; protection of natural resources; and building the capability of the state to play a developmental and transformative role.

The NDP shortlists key objectives and corresponding actions as follows:

Table 4: NDP objectives

Objective	2012 level	Target for 2030
1. Economy and Employment		
Unemployment rate	24.9%	14% by 2020 6% by 2030
Proportion of adults working (urban)	41%	61%
Proportion of adults working in rural areas	29%	40%
Labour force participation rate	54%	65%
Average annual GDP growth rate	-	5.4% p.a.
GDP per capita	R 50 000 (in 2010)	R 110 000
Proportion of national income earned by the bottom 40%	6%	10%
Export volume annual growth rate	-	6% p.a
Increase in national savings as % of GDP	16%	25%
Level of gross fixed capital formation	17%	30%
Public sector fixed investment as % of GDP	-	10%
In order to achieve the above objectives, the NDP proposes the following actions: • Reduce the cost of living for poor households • Reduce the cost of doing business • Achieve an acceptable standard of living for all • Remove most pressing constraints on growth (investment, job creation) • Attract offshore business services and build on advantage provided by telecommunications, banking and retail sectors in other countries • Increase rail, water and energy infrastructure • Structure a taxation regime that is fair, equitable and recognises the non-renewable nature of mineral resources		

- Broaden the expanded public works programme to create employment
- Offer a tax incentive to employ young people
- Provide a subsidy to place matric graduates into jobs
- Reduce youth unemployment
- Expand the supply of high-level skills

2. Economic Infrastructure

- 90% of people with access to the electricity grid by 2030
- Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry
- Ensure public transport that is user-friendly, less environmentally damaging, cheaper and integrated
- Competitively priced and widely available broadband
- Move to less carbon-intensive electricity production (renewable energy), including solar water heating
- Develop a strategy for water resource management
- Improve public transport infrastructure and systems
- Establish a national, regional and municipal fibre-optic network to provide the base for broadband access and attract private investment

3. Environmental Sustainability and Resilience

- Absolute reduction in the total volume of waste disposed to landfill each year
- Improved disaster preparedness for extreme climate events
- Increased investment in new agricultural technologies, research and the development of strategies for the protection of rural livelihoods and the expansion of commercial agriculture
- A regulatory framework for land use to ensure the conservation and restoration of protected areas
- Municipal regulations to stimulate renewable energy, waste recycling and in retrofitting buildings
- All new buildings to meet the energy-efficiency criteria set out in South African National Standard 204
- Channel public investment into research, new agricultural technologies for commercial farming as well as for the development of adaption strategies and support services for small-scale rural farmers

4. Inclusive Rural Economy

- Create additional jobs in the agriculture, agro-processing and related sectors by 2030
- Maintain positive trade balance for primary and processed agricultural products
- Improved infrastructure and service delivery to activate rural economies
- Create tenure security for commercial farmers

5. Improving Education, Training and Innovation

- Prioritise early childhood development. Children should be well cared for from an early age
- Ensure that all children have at least two years of pre-school education
- By 2030, 80%-90% of learners should complete twelve (12) years of schooling, with at least 80% successfully passing their exit exams
- Provide learning opportunities through Community Education and Training Centres

- Design and implement nutrition programmes for pregnant women and young children
- Promote access to educational institutions and build capacity of FET colleges

6. Health Care for All

- Increase average male and female life expectance at birth to 70 years by 2030
- Reduce maternal, infant and child mortality
- Reduce the prevalence of communicable chronic disease
- Reduce injury, accidents and violence by 50% from 2010 levels by 2030
- Improve the availability of health personnel in the public sector and improve the quality of care in public facilities
- Prevent and control epidemic burdens through deterring HIV/ AIDS and alcohol abuse

7. Social Protection

- Address problems such as hunger, malnutrition and deficiencies that affect physical growth in children
- Ensure access for all children to nutrition, health care and education
- Provide income support to the unemployed through labour market initiatives such as public works programme, training and skills development
- Mechanisms to foster self-employment
- Create and support an effective social welfare system
- Launch and support food security campaigns
- Design and implement mechanisms to assist the unemployed to access the labour market

8. Building safer communities

- Promote safety in all communities
- Increase community participation in crime prevention and safety initiatives
- Implement the National Rural Safety Strategy Plan in high-risk areas
- Prevent and eradicate corruption

(Adapted from: NDP, 2012)

The following important objectives are highlighted by the 2030 Vision of the NDP (2012):

- Access to high-quality basic services that enable people to be well-nourished, healthy and increasingly skilled;
- Rural economies are to be supported by agriculture, tourism and agro-processing (and where possible also mining and fisheries);
- Better integration of rural areas through land reform, job creation and poverty alleviation.

The main priorities of creating an Inclusive Rural Economy highlighted by the NDP are:

- Creating additional job opportunities
- Reducing water demand, energy usage and the generation of waste
- Producing renewable energy
- Improving service delivery
- Supporting small and micro farmers
- Improving and securing access and accommodation for people living in poverty
- Efficient use of land and existing services
- Identifying the developmental role of small towns
- Inclusion of women and youth in the rural economy
- Improving access and the quality of education and training
- Protection of the environment, heritage and culture

(Source: Rural Development Plan for Cape Winelands, 2016)

3.2.2.2 Draft National Framework for LED 2018

The draft Framework for LED articulates its vision for LED planning and implementation. The department of Cooperative Governance through the Framework encourages government, in particular local government, business and civil society to use the framework as a guide to further develop local economies.

According to draft National Framework for LED (2019) "One of the bold objectives of this revised Framework is to position municipalities as critical factors in national economic development planning and in strengthening the National Systems of Innovation (NSI). The Framework asserts municipalities as critical factors in the NSI discourse. As all development occurs on space, the LED Framework highlights the critical role of local government in the implementation of national economic and industrial policies" (p16).

The framework for LED has 4 policy pillars:

- Building diverse & innovation-driven local economies;
- Developing inclusive economies;
- Developing learning and skilful economies; and
- Enterprise development and support.

Schematic Overview of the 2018 Draft National Framework for Local Economic Development

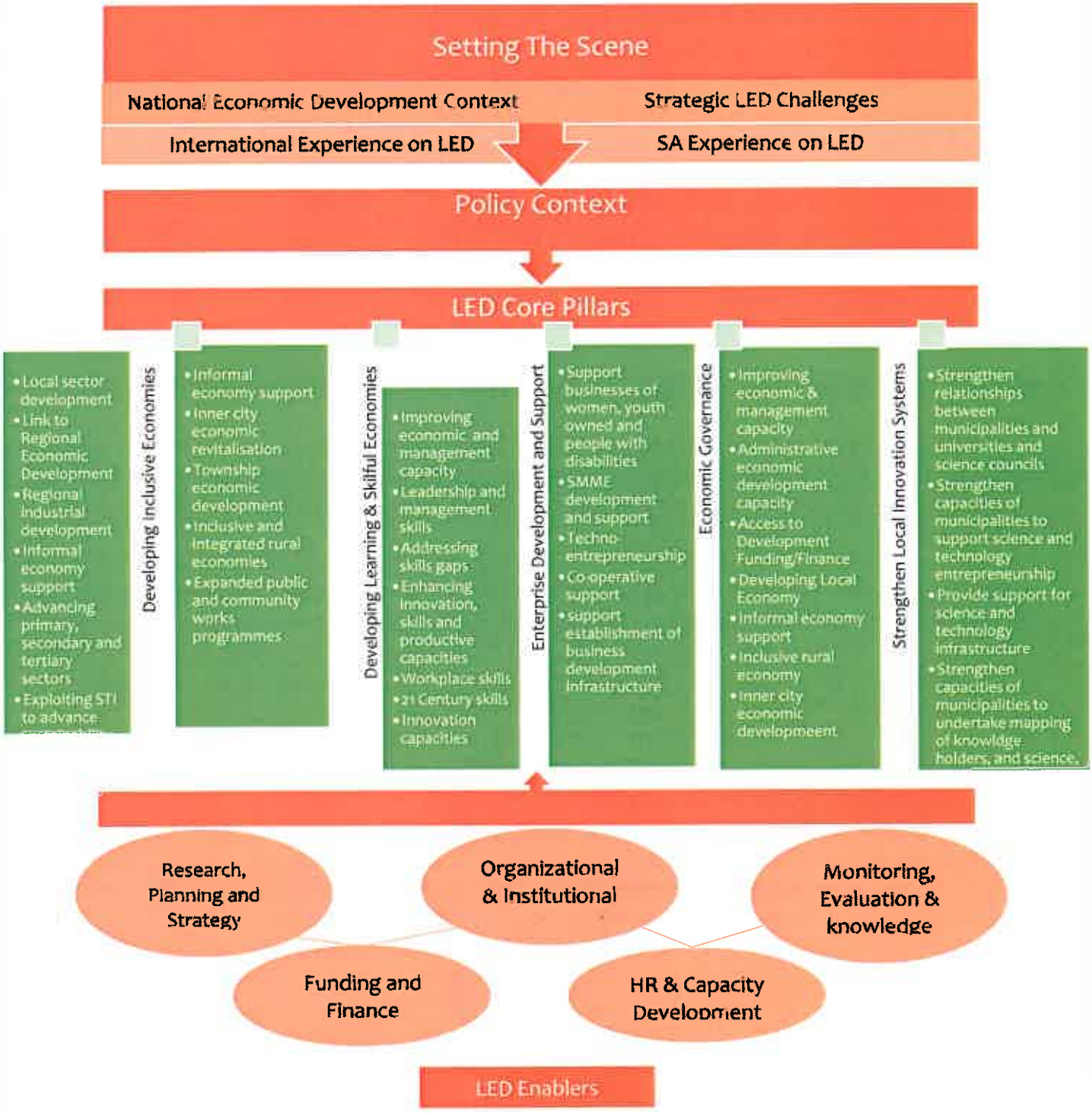


Figure 3: Schematic overview of the Draft National Framework for Local Economic Development (2018)
(Source: Draft National Framework for Local Economic Development, 2018)

3.2.2.3 The New Growth Path (NGP), 2011

The intention of the New Growth Path (NGP) is to increase growth, create employment and foster equity. The policy's principal objective is employment creation. This framework reflects government's obligation to prioritising employment creation in all economic sectors (Dataworld, 2016).

With this plan government attempts to create decent employment, sustainable livelihoods and eradicate poverty and income inequality to build an inclusive economy. It sets out the key jobs drivers and the priority sectors that must be focussed on.

Employment Drivers identified in the NGP:

- Infrastructure for employment and development: "Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy."
- Improving Job Creation in Economic Sectors: Targeting more labour-absorbing activities across the main economic sectors, namely the agricultural and mining value chains, manufacturing and services.
- Seizing the potential of New Economies: Taking advantage of new opportunities in the knowledge and green economies.
- Investing in Social Capital: Leveraging social capital in the social economy and the public services.
- Spatial Development: Fostering rural development and regional integration.
- The focus on the youth of South Africa as they are vulnerable.

3.2.2.4 The Industrial Policy Action Plan (IPAP)

The Industrial Policy Action Plan (IPAP) main focus is on the productive sectors of the economy, particularly the manufacturing sector (industrial growth) and reducing unemployment. This is done by focusing on growing exports through value-added products. The plan also considers a stronger set of interventions to support:

- self-employment and entrepreneurship e.g. provision of a subsidised, locally-manufactured toolkit for auto repairs, plumbing, construction and basic infrastructure maintenance;
- Improving and expanding economic infrastructure (industrial parks, ICT Hubs, waste/recycling sites) in Townships;
- Expand Black Industrialist programme to include identifying people with potential to initiate new industries in the un-served sectors; and
- Ensure already designated SEZ's are fully operational and fast- track investment into SEZs.

The responsibility for South Africa's industrial effort is a collective one, requiring all departments and agencies to take responsibility for fully aligning their policy and programmes with the broader industrial agenda

3.2.2.5 Agricultural Policy Action Plan (APAP)

The Agriculture Policy Action Plan (APAP) is aligned to the NDP and NGP and also strives to achieve the following outcomes of the Medium Term Strategic Framework (MTSF) (2014-2019):

- Decent employment through inclusive growth
- Comprehensive rural development and food security
- The protection and continuous enhancement of environmental assets and natural resources

3.2.2.6 Comprehensive Rural Development Programme (CRDP)

Another national initiative that advocates the creation of vibrant, equitable and sustainable rural communities is the Comprehensive Rural Development Programme (CRDP). The CRDP also focuses on, among other things, redistribution of agricultural land, food security, the creation of business opportunities and expanding opportunities for rural women, youth, older persons and disabled persons living in rural communities.

3.2.2.7 Spatial Planning and Land Use Management Act (SPLUMA), 2013

The Spatial Planning and Land Use Management Act provides a single national framework for spatial planning and land use management in South Africa. It seeks to promote consistency and uniformity in procedures and decision-making in this field. SPLUMA applies to the governance of how land is used.

Municipalities will exclusively be responsible for processing and dealing with land use applications and the appeals relating thereto. Therefore, Municipal Planning Tribunals should be established to decide on cases and deal with appeals. Although it is a national regulation, local authorities have the right to promulgate their own SPLUMA by-laws.

3.2.2.9 The National Tourism Sector Strategy

The National Tourism Sector Strategy (NTSS, 2017) was first drafted in 2011 and recently reviewed with the updated version published in 2017. The NTSS focuses on inclusive growth and links promoting tourism to broader development objectives. The NTSS identifies **five (5) strategic pillars** for developing the tourism sector, namely:

1. Effective Marketing
2. Facilitate Ease of Access
3. The Visitor Experience
4. Destination Management
5. Broad-based Benefits

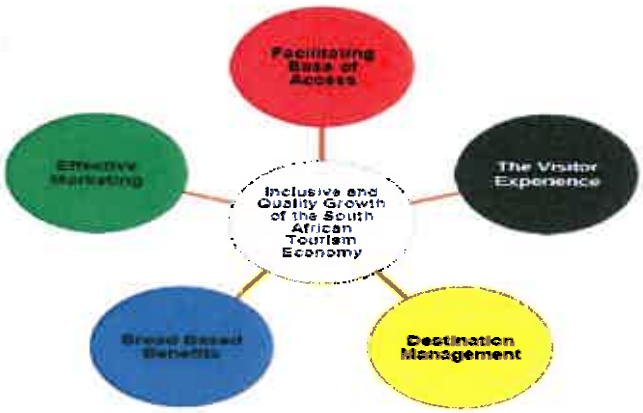


Figure 4: Tourism sector strategy

Due to the global trend of urbanisation, rural areas face the threat of decreased economic activity and the resulting decrease of job opportunities. However, urban lifestyle has given rise to an increased interest in rural tourism. Through developing rural tourism, the economic effects or urbanisation can be countered to some extent. In 2012, the National Department of Tourism (NDT) developed a Rural Tourism Strategy which envisions establishing a "developed rural tourism economy." The focus for rural tourism development emphasises sustainability, responsible tourism and pro-poor tourism (NDT, 2012). The focus of rural tourism should therefore be on developing the rural communities, thus assisting in a balanced development of the area.

The national Rural Tourism Strategy identified three problem areas that hamper rural tourism development, five goals and objectives emanating from the challenges, and five strategic themes to address the problem areas:

Table 5: National Rural Tourism Strategy, Problem Areas, Goals and Objectives and Strategic Themes

Problem areas	Goals and objectives	Strategic themes
Inadequate resources and funding allocated to tourism in rural areas	Create a platform to share knowledge of best practice, development opportunities and challenges in rural areas for tourism development	Product Development, including but not limited to funding models and innovation schemes
Some tourist attractions and World Heritage Sites located in rural areas are not receiving the	Facilitate the coordination of rural tourism development initiatives amongst relevant stakeholders	Tourism Marketing, including but not limited to visitation of less visited areas

benefits stemming from the tourism industry	Create an enabling environment for rural tourism development to stimulate job creation	Tourism Skills and Development, including service standards
Limited involvement of local communities in tourism in rural areas	Identify and recommend strategic areas/ nodes for tourism development in rural areas within the sector	Tourism Support Infrastructure, including but not limited to roads and basic services
	Guide strategy development within key documentation generated for tourism development and management in South Africa	Tourism Research and Information, including tourism market intelligence

(Source: NDT, 2012)

3.2.3 PROVINCIAL
3.2.3.1 oneCape 2040

One Cape is an attempt to stimulate a more inclusive and resilient economic future for the Western Cape region. It has a long-term perspective focused on the big 'step changes'. At the same time, while the long-term perspective is important, One Cape 2040 is geared to catalysing short-term action and collaboration. It is designed to complement national planning while reflecting on the specifics of the Western Cape region.

The vision of oneCape 2040 is: "*A highly skilled, innovation-driven, resource-efficient, connected, high opportunity and collaborative society*" *(Western Cape Provincial Government)*. The following *six qualities* emerged as key ingredients of our vision. We need to be a society that is:

- Highly skilled – as the basis for both economic competitiveness as well as social progress;
- Innovation-driven – to solve our challenges and to ensure our economic future in a knowledge era;
- Resource-efficient - to mitigate environmental and regulatory risk and seize the opportunities of a post-carbon future;
- Connected – to each other and to the world;
- High opportunity – as a product of an enabling physical, services and regulatory environment geared to quality living and enterprise.
- Collaborative – as a key to achieving the required social, economic and environmental impact required.

Although these attributes are to some extent already present, they are not yet the predominant qualities. This is therefore a vision of change – about how we work together to ensure that these attributes are generally reflected throughout the province and all its private, public and civil institutions.

3.2.3.2 Provincial Strategic Goals

In addition to key National development objectives, each province, including the Western Cape Province, also highlights important provincial strategic goals. The Western Cape Provincial Strategic Plan (WCPSP) outlines the province's strategic priorities for 2014-2019. Economic priorities include, but are not limited to:

- Building an appropriately skilled workforce; and
- Prioritising Green Economy.

Priorities specifically relevant to rural development are tourism, agro-processing, increasing the quality of education in poorer communities, providing more economic opportunities for the youth and improving family support.

The Provincial Economic Review and Outlook (PERO) serves as a source of information to inform policy makers about key economic issues that impact planning, policy making and budgeting, thus enabling them to engage in evidence-based planning and budgeting practices.

- Provincial Strategic Goal 1: Create opportunities for growth and jobs;
- Provincial Strategic Goal 2: Improve education outcomes and opportunities for youth development;
- Provincial Strategic Goal 3: Increase wellness and safety and tackle social ills;
- Provincial Strategic Goal 4: Enable a resilient, sustainable, quality and inclusive living environment; and
- Provincial Strategic Goal 5: Embed good governance and integrated service delivery through partnerships and spatial alignment.

(Source: PERO, 2017)

From provincial level, key goals and objectives filter down to municipal level.

3.2.3.3 The Provincial Tourism Strategy: Project Khulisa

The provincial tourism strategy, Project Khulisa was launched in 2014. Project Khulisa (DEDAT, 2015) identified three (3) key strategic intentions:

1. Boost awareness of the Western Cape in key markets
    a. Delegate boosting and conversion programme
    b. Develop and implement an Africa and Gulf Co-operation Council countries growth strategy
    c. Develop data and real-time business intelligence capacity

2. Improve accessibility to Cape Town and the regions
    a. Improve direct air routes
    b. Lobby for friendlier visa regulations

3. Boost the attractiveness of the region through competitive product offerings and compelling packaging
    a. Position Western Cape as the cycling capital in Africa
    b. Maximise cultural and heritage tourism through the Madiba Legacy Tourism Route
    c. Position the Western Cape as an international business and leisure events destination
    d. Develop and implement a service level improvement programme

3.2.4 MUNICIPAL
3.2.4.1 CWDM IDP Strategic Goals, 2017/2018 - 2021/2022

Local Municipal objectives are outlined in an Integrated Development Plan (IDP) which is reviewed annually. An IDP acts as a tool to measure performance and track progress in order to enable municipalities to remain on track to reach their goals. It is this plan that guides and focuses the Municipality's attention on the development priorities as identified by the community and businesses.

The strategic planning vision of the CWDM for 2017/ 2018 is: "A unified Cape Winelands of excellence for sustainable development," which will be demonstrated in the following strategic goals:

1. Creating an environment and forging partnerships that ensure social and economic development of all communities, including the empowerment of the poor in the Cape Winelands District;
2. Promoting sustainable infrastructure services and a transport system which fosters social and economic opportunities; and
3. Providing effective and efficient financial and strategic support services to the Cape Winelands District Municipality (CWDM).

The guidelines presented by the National Development Plan, together with the 2017 State of the Province Address by Premier Helen Zille, will collectively be the key drivers to deliver on the strategic objectives of the CWDM. These include factors such as economic inclusion of all, skills development, job creation, agri-processing, tourism, the energy economy and SMME's as potential contributors to the decreasing rural unemployment rate.

CWDM Strategic Objectives

S.O. 1: To ensure the health and safety of communities and to facilitate the social and economic empowerment of the poor in the Cape Winelands District through economic, environmental and social infrastructure investment

- Pre-determined Objective 1.1: Ensure a comprehensive and equitable Municipal Health Service within the CWDM.
- Pre-determined Objective 1.2: Ensure coordination of multi-disciplinary and sectoral disaster risk reduction through integrated institutional capacity for Disaster Risk Management, Disaster Risk Assessment and Response and Recovery.
- Pre-determined Objective 1.3: Provision of effective planning and coordination of fire prevention, safety and fire-fighting services throughout the Cape Winelands.
- Pre-determined Objective 1.4: To facilitate environmentally sustainable economic development planning through the development and maintenance of strategic partnerships, investment attraction, retention and opportunities, SMME support and development, skills development, and information and knowledge management.
- Pre-determined Objective 1.5: To facilitate and ensure the development and empowerment of the poor by graduating people out of poverty, social inclusion and improving the livelihood of the poor, vulnerable groups, rural farm dwellers and rural communities

S.O. 2: *To promote sustainable infrastructure services and a transport service which fosters social and economic opportunities*

- Pre-determined Objective 2.1: Promoting sustainable infrastructure services and transport system which fosters social and economic opportunities.
- Pre-determined Objective 2.2: To implement sustainable infrastructure services
- Pre-determined Objective 2.3: To increase levels of mobility in the whole of the CWDM area
- Pre-determined Objective 2.4: To improve infrastructure services for rural dwellers
- Pre-determined Objective 2.5: To implement an effective ICT support system

S.O. 3: *To provide effective and efficient financial and strategic support services to the CWDM*

- Pre-determined Objective.3.1: To facilitate and enhance sound financial support services.
- Pre-determined Objective 3.2: To strengthen and promote participative and accountable governance.
- Pre-determined Objective 3.3: To ensure a skilled and competent workforce in order to realise organisational strategic objectives.

3.3 REGIONAL SPATIAL PLANNING FOR SPACE ECONOMY

The Cape Winelands District Municipality (CWDM), a Category C municipality, is situated in the Western Cape Province, and is one of the five district municipalities in the province. The CWDM comprises an area of 22 309 km² and is bordered by the four other district municipalities and the City of Cape Town Metropole. The district is comprised of the following local municipalities:

- Drakenstein Local Municipality
- Stellenbosch Local Municipality
- Witzenberg Local Municipality
- Langeberg Local Municipality
- Breede Valley Local Municipality

The Cape Winelands District is a landlocked area in between the West Coast and Overberg coastal districts, and shares its northern border with the Northern Cape Province. The CWDM is strategically located within the Western Cape Province, and bordering on the Northern Province, it provides a link to that province as well.

Map 1: the Cape Winelands
(Source: www.wikipedia.org)

The CWDM consists of five local municipalities, namely Breede Valley Local Municipality, Drakenstein Local Municipality, Langeberg Local Municipality, Stellenbosch Local Municipality and Witzenberg Local Municipality. Major towns situated in the CWDM include Ceres, Franschhoek, Paarl, Robertson, Stellenbosch and Worcester.

The area has a Mediterranean climate, with hot, dry summers and cool, damp winters with occasional snow on the mountain peaks during August and September. The region is generally mountainous, with mountain ranges and peaks reaching towards 2 000m, and it has broad, fertile valleys that are home to some of the country's finest vineyards.

The diverse geography includes rivers, pools, cliffs, waterfalls, forests and other natural features that provide much of the wealth of the Cape Winelands economy. The CWDM encloses an area with high agricultural potential.

The area is regarded as one of the "pearls of South Africa's rural and small-town sub regions, but disparate with a relatively high and diverse level of development" (CWDM website). It

is a superb wine-producing area with the magnificent mountain ranges around Stellenbosch and Franschhoek providing ideal microclimates for the vines.

CWDM has the second largest population of all districts in the Western Cape after the Cape Metro. CWDM has a population of 895 529 (Quantec, 2017) with Drakenstein Local Municipality having the largest population in the district (227 899) and Langeberg Local Municipality the smallest population of 117 167.

The main economic sectors, and main contributors to the total GGP of the district, are finance, insurance, real estate and business services, wholesale & retail, catering and accommodation, manufacturing and agriculture, forestry and fishing (Quantec, 2017).

3.3.1 CAPE WINELANDS DISTRICT SPATIAL DEVELOPMENT FRAMEWORK (CWD SDF)

3.3.1.1 Key focus areas of the draft CW-SDF

The Cape Winelands Spatial Development Framework identifies eighteen (18) key focus areas for intervention:

Table 6: CWD SDF Focus Areas

Chapters:	Key Focus areas:
A. HUMAN SETTLEMENTS:	1. Population growth & migration 2. Hierarchy of towns 3. Growth potential of towns 4. Municipal services financial model 5. Integrated district public transport network 6. Cultural landscapes: Sense of place 7. Water infrastructure 8. Energy & telecommunications infrastructure 9. Solid waste disposal 10. Disaster management
B. DISRTICT SPACE ECONOMY:	11. Economic growth sectors 12. Municipal space economy linkages 13. Agri parks
C. BIODIVERSITY & ECOSYSTEMS: SERVICES	14. Biodiversity 15. Ecosystem services 16. Invasive alien species 17. Cape Winelands Biosphere Reserve
D. CLIMATE CHANGE:	18. Rain and temperature

Source: Draft CWD-SDF, 2019

The key focus areas were chose based on the functions of the Cape Winelands District Municipality in terms of Section 84 (1) of the Municipal Structures Act (117 of 1998), assigned functions i.e. Disaster Management and relevant issues and concerns that have an impact on the Cape Winelands District and broader Cape Metropolitan Functional Region landscape.

3.3.1.2 Objectives of the CWD SDF

The objectives of the CWD SDF are:

- To improve the quality of life for the people of the region by ensuring principle led responses;
- To plan in advance by considering future population growth, economic and climatic changes;
- To manage the impact and exposure of external and internal threats to growth and development;
- To restructure urban settlements through compaction and densification;
- To promote sustainable resource use and responsible rural development; and
- To improve and conserve the district's natural environment.

3.3.3 THE SPACE ECONOMY

3.3.3.1 Hierarchy of towns

Settlement classification based on the Council for Scientific and Industrial Research (CSIR) guidelines remains an important indicator of the distribution of existing primary social facilities in relation to settlement thresholds.

Table 7: PSDF 2014, Settlement Classifications; CWDM Settlements (CSIR Guidelines), Projections based on "Draft Data Estimate percentages, Data source: Statistics South Africa & Western Cape DEA&DP".

Settlements Classifications based on 2011 populations statistics (Stats SA)	Population Thresholds	Population, Community Survey (2016)	Population projection (2026)	Population projection (2036)
REGIONAL CENTRE Paarl, Stellenbosch, Wellington, Worcester,	**>70 000**	**REGIONAL CENTRE** **Paarl:** 126 975 **Stellenbosch:** 89 903 **Wellington:** 63 557+35 089 **Worcester:** 104 527	**REGIONAL CENTRE** **Paarl:** 162 539 **Stellenbosch:** 112 858 **Wellington:** 83 771+45 357 **Worcester:** 121 308	**REGIONAL CENTRE** **Paarl:** 208 063 **Stellenbosch:** 141 673 **Wellington:** 110 414+58 630 **Worcester:** 140 783
PRIMARY REGIONAL SERVICE CENTRE Ceres, Robertson	**>20 000-70 000**	**PRIMARY REGIONAL SERVICE CENTRE** Ceres: 36 043 Robertson: 30 675 De Doorns: 20 586	**PRIMARY REGIONAL SERVICE CENTRE** Ceres: 42 243 Robertson: 37 761 De Doorns: 26 352 Franschhoek: 21 692 Montagu: 23 587	**PRIMARY REGIONAL SERVICE CENTRE** Ceres: 49 510 Robertson: 46 484 De Doorns: 33 373 Franschhoek: 26 966 Montagu: 31 699 Klapmuts: 22 038 Prince Alfred Hamlet: 20 004 Wolseley: 27 328
SECONDARY REGIONAL SERVICE CENTRE Ashton, Bonnievale,	**>5000-20 000**	**SECONDARY REGIONAL SERVICE CENTRE** Ashton: 14 133 Bonnievale: 10 229	**SECONDARY REGIONAL SERVICE CENTRE** Ashton: 15 924 Bonnievale: 12 967	**SECONDARY REGIONL SERVICE CENTRE** Ashton: 17 941 Bonnievale: 16 437

De Doorns, Montagu, Klapmuts, Kylemore, Pniel Lyndoch Prince Alfred Hamlet, Saron, Touwsriver, Tulbagh, Wolseley, Franschhoek		Montagu: 17 551 Klapmuts: 9 495 Kylemore, Pniel, Lyndoch:12 031 Prince Alfred Hamlet: 8 455 Saron: 8 781 Touwsriver: 8 768 Tulbagh: 10 307 Wolseley: 14 276 Franschhoek: 17 450	Klapmuts: 14 466 Kylemore, Pniel, Lyndoch: 15 552 Prince Alfred Hamlet: 13 005 Saron: 11 023 Touwsriver: 13 231 Tulbagh: 13 585 Wolseley: 19 752 Rawsonville: 5047	Kylemore, Pniel, Lyndoch: 20 102 Saron: 13 837 Touwsriver: 19 964 Tulbagh: 17 906 Gouda: 6232 McGregor: 5398 Rawsonville: 6983
RURAL SETTLEMENTS WITH THRESHOLD TO SUPPORT PERMANENT SOCIAL SERVICES Gouda, McGregor, Op Die Berg, Rawsonville,	**>1000-5000**	**RURAL SETTLEMENTS WITH THRESHOLD TO SUPPORT PERMANENT SOCIAL SERVICES** Gouda: 3878 McGregor: 3493 Op Die Berg: 1843 Rawsonville: 3648	**RURAL SETTLEMENTS WITH THRESHOLD TO SUPPORT PERMANENT SOCIAL SERVICES** Gouda: 4916 McGregor: 4342 Op Die Berg: 2676	**RURAL SETTLEMENTS WITH THRESHOLD TO SUPPORT PERMANENT SOCIAL SERVICES** Op Die Berg: 3886
RURAL SETTLEMENT WITHOUT THRESHOLD TO SUPPORT PERMANENT SOCIAL SERVICES Hermon	**< 1000**	Hermon	Hermon	Hermon

Source: Draft CWD-SDF, 2019

3.3.3.2 Regional Centres

The Draft Greater Cape Metro Regional Spatial Implementation Framework (GCMRSIF) highlights the importance and functionality of regional nodes within the greater cape metro region. Stellenbosch, Paarl/ Wellington and Worcester are in the CWDM. In the context of the CWDM, four regional centres exist:

- **Stellenbosch:** Southern Winelands service & admin centre, tertiary education & research, agri processing, multi-national HQs, tourism destination, tech industry, very high growth potential;
- **Paarl-Wellington**: Northern Winelands service & admin centre, tertiary education, agri processing & distribution, tourist destination, very high/high growth potential;
- **Worcester:** Northern Boland service centre, admin centre, N/S & E/W regional logistics hub, specialist disability treatment, tertiary education, agri processing & distribution, high growth potential.

Both Stellenbosch and Drakenstein Municipalities have identified Klapmuts as a prospective sub-regional urban node along the N1. Residential and industrial development opportunities have been identified north and south of the N1, and the area has also been identified as having potential to serve as a regional freight logistics hub. Stellenbosch and Paarl/Wellington falls within the functional region of the metro economy. These nodes function more as an extension of the metropolitan area rather than being significant centres

for services and goods to the surrounding countryside. Worcester remains an important, and probably the only, 'major regional service centre' due to easy accessibility from surrounding towns and towns located in the Langeberg & Witzenberg municipal area.

3.3.3.3 Growth Potential of Towns

The Growth Potential Study (2013) determined the following growth potential for municipalities and towns in the Cape Winelands district based on assessing five thematic indices, namely: human capital, infrastructure availability, economy, physical attributes, and institutional capacity.

The Growth Potential Study (GPS) provides a comprehensive profile for each settlement based on 85 individual indicators. The information generated from these assessments can inform strategies and projects aimed at addressing the weaknesses of individual settlements and optimising the strengths to unlock opportunities for growth and development. These assessments are crucial and must be prioritised. Detail planning and broad consultations that include all stakeholders (private sector, government etc.) must have parity on the way forward.

Table 8: Growth Potential and Socio-Economic Needs of CWDM Towns (GPS 2013)

B Municipalities:	Growth Potential: Settlement level	Growth Potential: Municipal level	Socio-economic needs
WITZENBERG		Low	
Ceres	*Medium (GPS 2013)* Very High (PSDF2014)		**High** Very High (PSDF2014)
Prince Alfred Hamlet	Medium		Medium
Op die Berg	Low		Medium
Tulbagh	Low		Medium
Wolseley	Low		Medium
LANGEBERG		Medium	
Montagu	Medium		Medium
Ashton	Medium		Medium
Robertson	Medium		**High**
MgGregor	Medium		Very low
Bonnievale	Medium		Medium
BREEDE VALLEY		Medium	
Worcester	**High**		**Very high**
Rawsonville	Medium		Low
De Doorns	Low		Low
Touwsrivier	Very low		Low
DRAKENSTEIN		Very high	
Paarl	**Very high**		**Very high**
Wellington	*Medium* Medium -High (PSDF 2014)		**Very high**
Gouda	Medium		Very low
Saron	Medium		Low
STELLENBOSCH		Very high	
Stellenbosch-Jamestown	**Very-high**		**Very high**
Pniel-Kylemore	**High**		Low
Franschhoek	Medium		Medium
Klapmuts	*Medium (GPS 2013)*		Low

	Very High (PSDF 2014)		Very High (PSDF 2014)

Source: Draft CWD-SDF, 2019

The Provincial Spatial Development Framework (2014) identifies Stellenbosch, Klapmuts, Paarl, Ceres and Worcester as settlements that have very high growth potential and very high social needs. This is a deviation from the GPS (2013). The deviation is specifically aimed at Ceres and Klapmuts. Reasons given are based on the relationship between areas of urban growth pressure and important natural and agricultural resources.

Ceres as a primary regional service centre's growth outlook is strengthened by the proposed R45 000 000, 00 Agri-Park development that will be developed within the next five (5) years and as having a strong agricultural sector. Klapmuts, on the other hand, is near Stellenbosch, Paarl and the City of Cape Town. Klapmuts together with Paarl and Stellenbosch is located within the functional region of the Metro Economy.

Wellington is viewed by the Draft Greater Cape Metro Regional Spatial Implementation Framework (GCMRSIF) as a regional node in tandem with Paarl and has a very high/ high growth potential. This regional node fulfils a service, tertiary education, agri processing & distribution, tourist destination and administrative center function for the northern winelands region.

3.3.3.4 Spatial Logic

The spatial logic as per the Provincial Space Economy is to:

1. **Capitalise** on the Knowledge Economy
2. **Consolidate** investment in economically vibrant areas
3. **Connect** regional economic infrastructure
4. **Cluster** investment of economic infrastructure.

The above spatial logic can be applied within the growth potential forecast of the CWDM towns with the five (5) regional centres (Stellenbosch, Paarl-Wellington, Worcester, Ceres and Robertson) being the main growth centres.

04

FACTOR OF PRODUCTION: HUMAN RESOURCES (LABOUR)

This section of the report deals with the demographic and social profile of the Cape Winelands Municipal District. The people of the district are both the purpose of LED and a contributing factor to LED. This section therefore considers the factors that impact on the individuals who live in the Cape Winelands. This includes their health, skills/ educational levels, poverty, living conditions and safety.

4.1 DEMOGRAPHIC PROFILE

4.1.1. POPULATION

The population of a region forms part of the ultimate objective of the development process, as well as being a factor in the process (DBSA, 2001). Labour, or Human Capital, is the second economic factor of production. In addition, the demographic characteristics of an area have an influence on the socio-economic conditions and should therefore be taken into account for future planning.

The population (people who live in an area) is arguably one of the most important resources that drive the local economy. Both the quantity and the quality of the human capital in an area have an impact on economic growth and development. The quantity (size of the population) is important, because each resident can be viewed as a production factor who contributes to economic activity in an area. In addition, the size of the population has an impact on food, shelter, health care and other resources required.

In addition to the number of people, the health and welfare of the people are also important, because in order to be optimally productive, people need to be healthy, well-fed and generally taken care of. The needs of a population are also relevant to planning the support needed to provide for the basic needs of a community.

4.1.1.1 Population Size and Growth

Population growth is useful for planning purposes in terms of projecting the needs of the population. Strong population growth indicates inward migration, which is indicative of job opportunities resulting from economic growth. Inversely, below average population growth indicates outward migration, which may be due to very slow or negative economic growth resulting in reduced job opportunities.

The population of the Cape Winelands District has grown between 2012 and 2017 as shown in the table below.

Table 9: Population per municipality Cape Winelands

Total population per Municipal area						
	2012	**2013**	**2014**	**2015**	**2016**	**2017**
Municipality						
Langeberg	103 496	106 599	108 789	113 542	115 175	117 167
Witzenberg	110 552	113 841	116 103	121 514	125 037	127 442
Stellenbosch	158 744	162 436	165 630	170 028	173 092	176 279
Breede Valley	176 104	180185	183 157	189 739	193 369	196 743
Drakenstein	250 696	255 968	260 770	267 549	273 221	277 899
Cape Winelands	799 592	819 029	834 449	862 372	879 894	895 529

(Source: Quantec, 2017)

The Langeberg Local Municipality has the lowest population (in numbers) in the Cape Winelands District, the Witzenberg Local Municipality has the second lowest, and the Drakenstein Local Municipality the highest. The population size and growth rate of all the municipalities relative to the district are shown in the figure below.

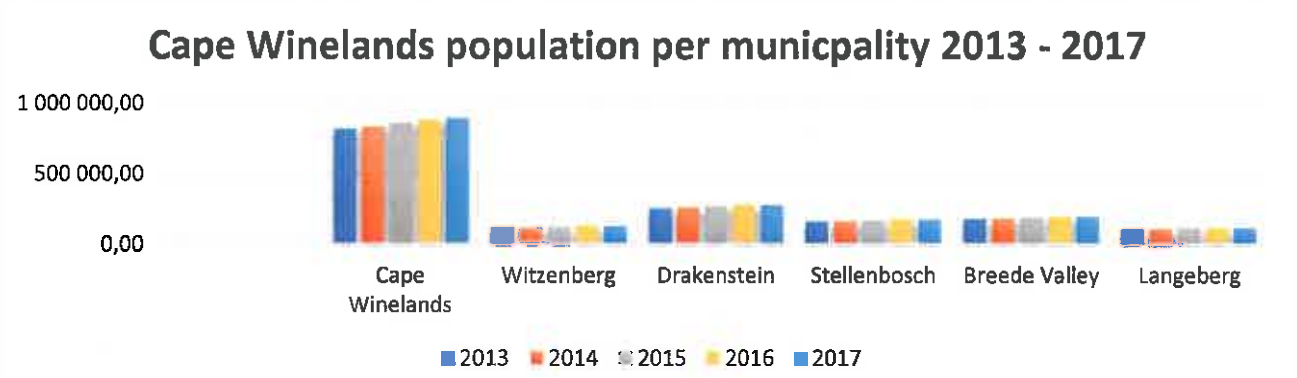


Figure 5: Cape Winelands population by municipality
(Source: Quantec, 2017)

All the municipal areas in the district's population have grown steadily between 2013 and 2017.

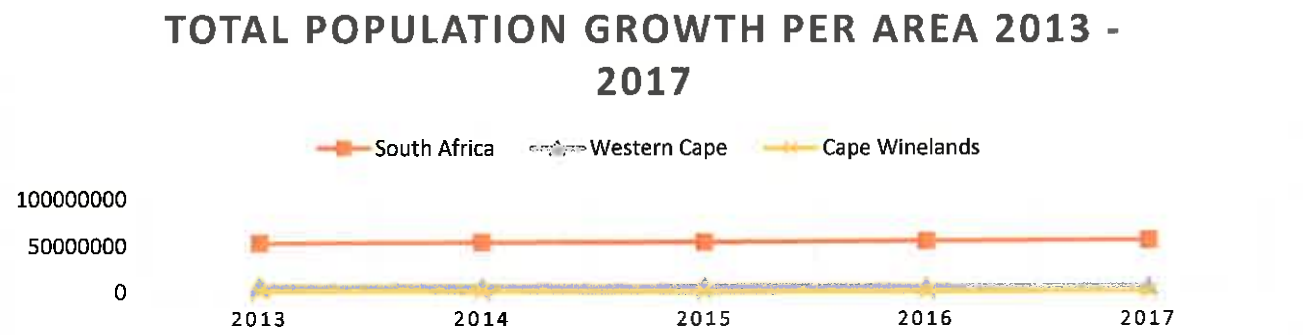


Figure 6: Population growth per area
(Source: Quantec, 2017)

The figure above shows the population growth trend for South Africa, the Western Cape and the Cape Winelands District. Nationally, there was a steady increase in population between 2013 and 2017. Population in the Western Cape and the Cape Winelands district have been following a similar growth trend when compared to the aggregate for South Africa, although the growth rate in the Cape Winelands District has slowed down over recent years.

The population growth for the Cape Winelands District (per municipality) compared to South Africa and the Western Cape Province is as follows:

Table 10: Percentage population growth per region

Region	Percentage Population growth (%)			
	2014-2015	2015-2016	2016-2017	Average
South Africa	1,55	1,59	1,68	1,60
Western Cape	2,09	2,11	2,17	2,12
Cape Winelands	*3,35*	*2,03*	*1,78*	*2,38*
Witzenberg	4,66	2,90	1,92	3.16
Drakenstein	2,60	2,12	1,71	2,14
Stellenbosch	2,66	1,80	1,84	2,10
Breede Valley	3,59	1,91	1,74	2,42
Langeberg	4,37	1,44	1,73	2,51

(Source: calculations based on population figures)

The table above shows that the population growth rate for South Africa and the Western Cape have been steadily increasing between 2014 and 2017. The average national and provincial population growth between 2014 and 2017 is 1.6% and 2.1% respectively.

The average growth rate for the Cape Winelands District is higher than the national and provincial average at 2.38%, although there was a marked reduction in the population growth rate for the Cape Winelands District between 2014 and 2016. In contrast to South Africa and the Western Cape, the Cape Winelands District's population growth rate has been slowing down. The population is therefore still growing, but at a slower rate than the provincial average, albeit at a higher rate than the national average. Above average population growth may indicate relatively stronger economic growth, and vice versa.

The population growth trends can be graphically displayed as follows (note that the population is growing; it is the rate at which it is growing that has slowed down):

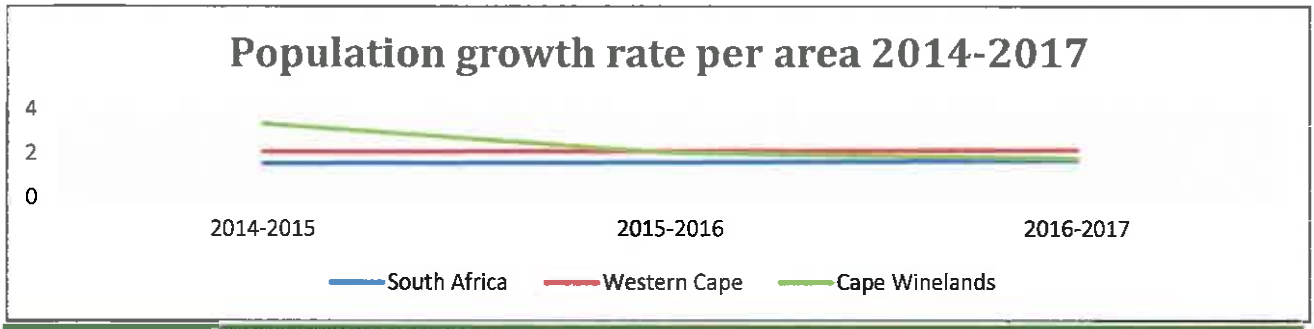


Figure 7: Population growth rate per area
(Source: own calculations)

The size of the population, and particularly the number of households, is an indication of the magnitude of the need for infrastructure and social services, housing, sanitation and health care. The number of households in the Cape Winelands District is illustrated in the table below.

Table 11: Number of households per municipality

Number of households					
Municipal district	**2013**	**2014**	**2015**	**2016**	**2017**
Cape Winelands	*205 750*	*209 576*	*216 430*	*220 747*	*224 293*
Witzenberg	27 240	27 745	29 010	29 820	30 337
Drakenstein	60 531	61 643	63 203	64 510	65 493
Stellenbosch	45 374	46 180	47 29	48 075	48 754
Breede Valley	45 204	46 063	47 806	48 835	49 730
Langeberg	27 401	27 945	29 115	29 506	29 980

(Source: Quantec, 2017)

The Langeberg Municipal area has the lowest number of households, and the Witzenberg Municipal area has the second lowest number of households in the Cape Winelands District. The Drakenstein Municipal area, followed by the Breede Valley Municipal area, have the highest number of households.

The percentage increase in number of households in each of the municipal areas between 2013 and 2017 was as follows:

Table 12: Percentage growth in the number of households:

Municipality	% growth in number of households 2013-2017
Cape Winelands	9%
Witzenberg	11.4%
Drakenstein	8.2%
Stellenbosch	7.5%
Breede Valley	10%
Langeberg	9.4%

(Source: Quantec, 2017)

Between 2013 and 2017, the number of households in the Witzenberg Municipal area increased by just over 11%, compared to an increase of 9% for the total Cape Winelands District. The Breede Valley area showed an increase of 10% in the number of households over the same period, followed by the Langeberg area at an increase of 9.4% in the number

of households. The municipalities with lower populations are growing at a faster rate, because a similar increase in numbers has a greater impact in terms of percentage when applied to a lower base.

An age and gender pyramid displays gender and age composition of a region and gives a useful picture of the population characteristics. A smaller number of younger age groups suggest a constrictive (slow) growth profile. A large proportion of younger age groups are typical of an expansive (rapid growth) profile. A higher representation of males in a population may represent that there are migrant workers present.

The population characteristics in terms of age, gender and population group for each of the local municipalities in the Cape Winelands district are as follows:

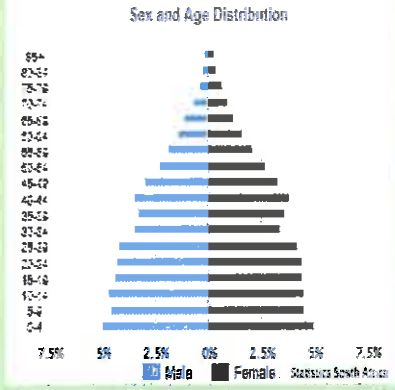


Figure 8 Langeberg population pyramid

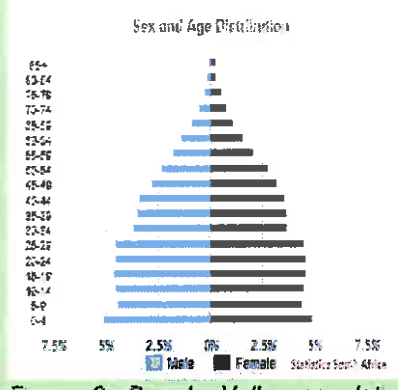


Figure 9 Breede Valley population pyramid

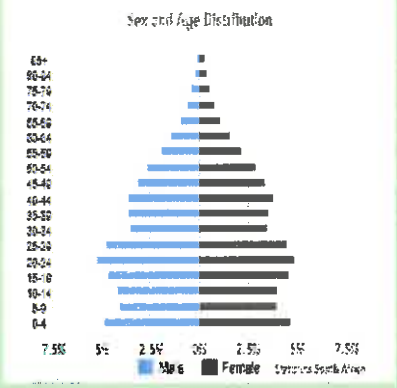


Figure 10 Drakenstein population pyramid

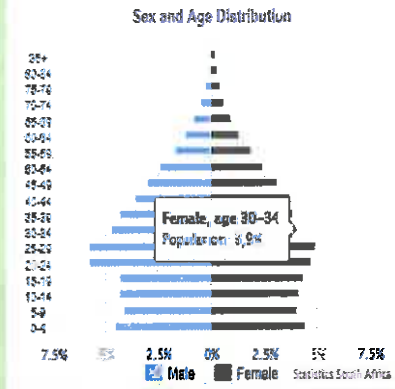


Figure 11 Witzenberg population pyramid

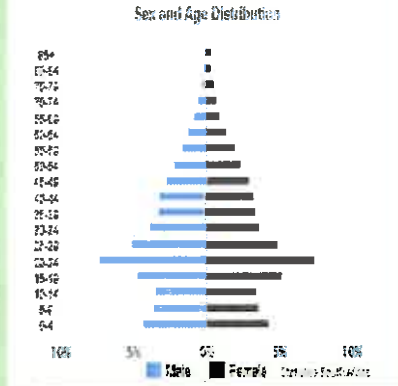


Figure 12 Stellenbosch population pyramid

Source: Statistics South Africa, 2017 – based on Census 2011

The population pyramids for all of the local municipalities within the Cape Winelands District display a typical population composition, tapering off at higher ages. The base of children below 19 years is notably smaller in Stellenbosch and also, to a lesser extent, in Witzenberg.

In the Witzenberg Municipal area, the increased number of working-aged males may indicate migrant workers, and the disproportionate number of individuals between 20-24 in Stellenbosch is likely due to the high number of students who reside in Stellenbosch.

4.1.1.2 Dependency Ratio

The dependency ratio refers to the number of persons on average dependent on every working person in a region, i.e. the number of people supported by each economically active person. The lower the dependency ratio, the better, because it means that fewer people are reliant on a single job opportunity and the community is therefore less vulnerable to shifts in the economy. It also means that the income of one job opportunity has to feed fewer mouths, and is therefore not so thinly distributed as it would be if the dependency ratio was higher. The Cape Winelands District has a significantly lower dependency ratio that the average for South Africa, as is illustrated in the table below.

Table 13: Dependency ratio per area

Dependency ratios					
Year	**2013**	**2014**	**2015**	**2016**	**2017**
Geography					
Total: South Africa	53	53	53	53	53
Cape Winelands	45	45	44	44	44
Witzenberg	45	45	43	43	43
Drakenstein	46	46	45	45	45
Stellenbosch	38	38	38	38	38
Breede Valley	48	48	47	47	47
Langeberg	49	49	47	48	48

(Source: Quantec, 2017)

Whilst the dependency ratio for South Africa has remained constant between 2013 and 2017, the Cape Winelands District managed to marginally reduce its dependency ration from 45 in 2013 to 44 in 2017.

Stellenbosch maintained the lowest dependency ratio in the region at 38, and Langeberg the highest at 48. All the local municipal areas in the district have a dependency ratio lower than the national average.

4.1.2 HUMAN DEVELOPMENT

Human development is measured in terms of the three dimensions of human development, namely:

- living a long and healthy life (expressed as life expectancy);
- being educated (measured in terms of adult literacy rates and gross enrolment); and
- having a decent standard of living (in terms of income or purchasing power).

Human Development Index (HDI) scores can be classified as follows:

- Very high: 0.8 or above
- High: above 0.7
- Medium: 0.55 to 0.69
- Low: below 0.54

South Africa's HDI in 2015 was 0.666, putting the country in the medium range.
Between 2011 and 2016, all local municipalities in the Cape Winelands District increased their HDI score as can be seen in the figure below.

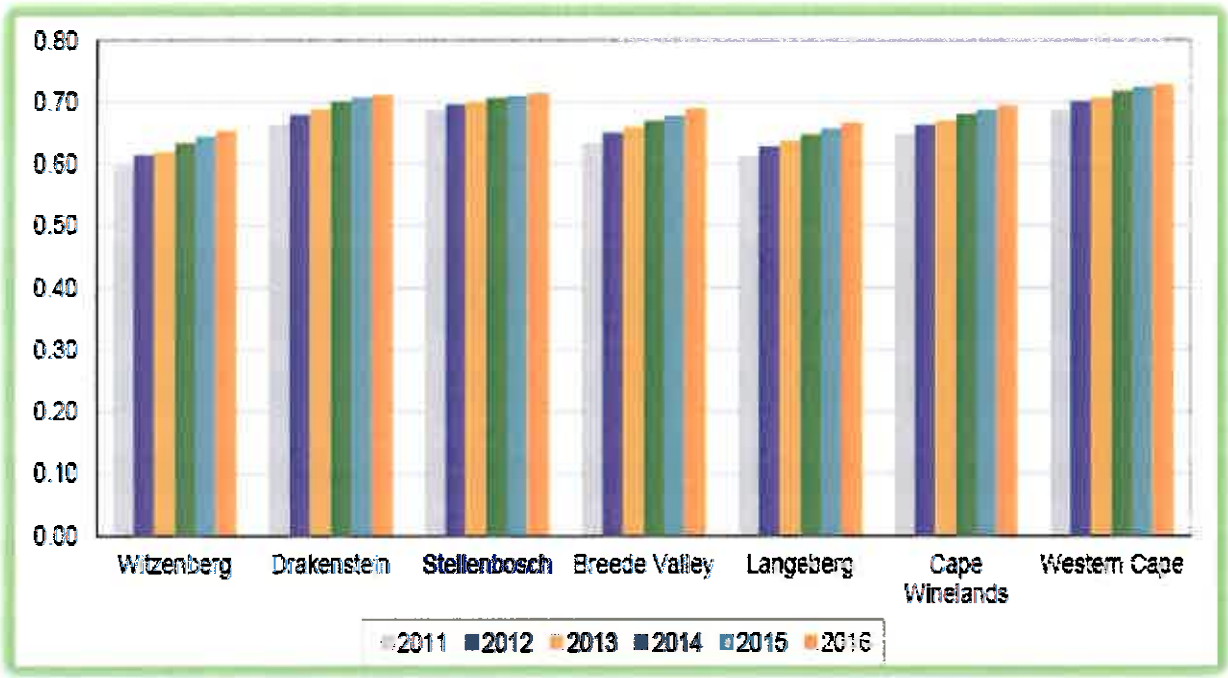


Figure 13: Human Development Index for Cape Winelands
(Source: MERO, 2017)

The Western Cape Province achieved an HDI of 0.73 in 2016. The top performers in the Cape Winelands District in terms of HDI were Stellenbosch at 0.72 and Drakenstein at 0.71, while Witzenberg scored the lowest in the district at 0.66 in 2016, followed by Langeberg at second lowest. The improvement in HDI in the district slowed between 2015 and 2016, with the HDI for Drakenstein, Langeberg and Breede Valley remaining constant.

4.1.3 HEALTH

The health status of a region remains a vital dimension of the welfare of a community. Improving the health status of the population has important benefits as poor health can affect people's ability to be productive and earn an income. Poor health therefore threatens the ability of people to escape the poverty cycle. Curative treatment costs far more than preventing illness.

The NDP targets a life expectancy at birth of 70 years by 2030. Life expectancy at birth in South Africa compared to the global average is displayed in the table below.

Table 14: Life expectancy at birth, SA vs World average

Life expectancy at birth, total (years)						
	2010	**2011**	**2012**	**2013**	**2014**	**2015**
World	70,7	71	71,2	71,5	71,7	71,9
South Africa	55,9	57,2	58,5	59,8	61	62

(Adapted from Quantec, 2017)

South Africa lags behind the world average, but life expectancy in South Africa has been increasing at a faster rate than the worldwide average. The figure below indicates a gradual increase in life expectancy at birth globally as well as nationally. Although at a lower level, South Africa was closing the gap between national and global life expectancy between 2010 and 2015.

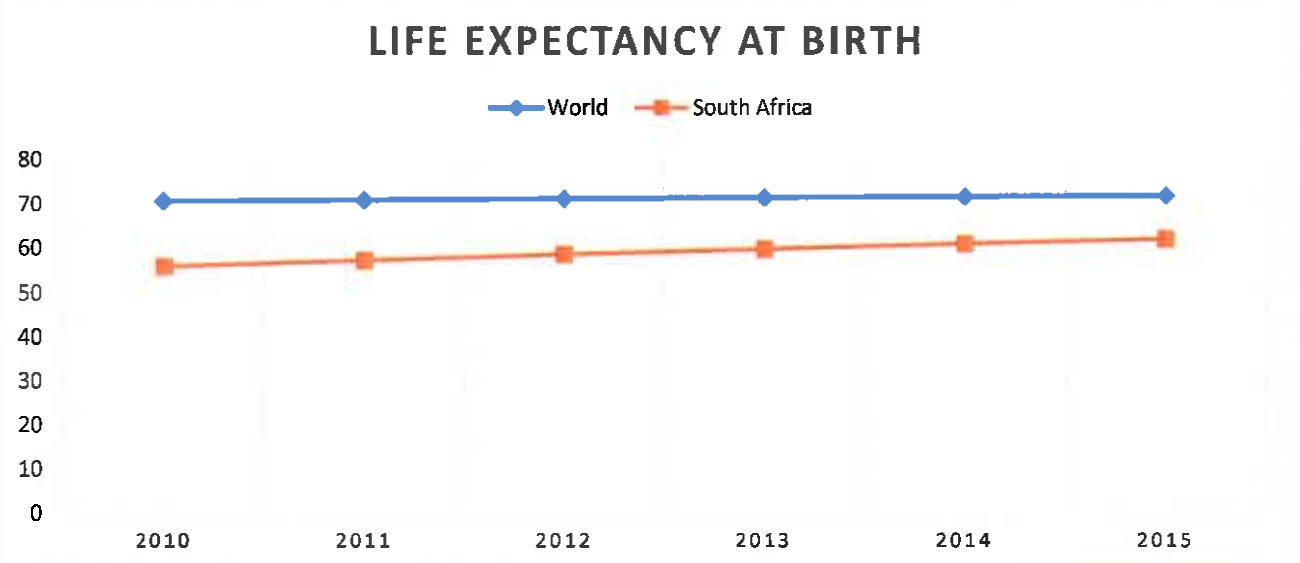


Figure 14: Increase in Life Expectancy at birth
(Source: Quantec, 2017)

Reducing child mortality is another priority targeted in the NDP. Child mortality (death of children under four years of age) in the Cape Winelands District has declined slightly from 2.65% in 2013 to 2.35% in 2017 as shown in the table below.

Table 15: Child (under 4 years) mortality rate Cape Winelands

Child (under 4 years) mortality rate in Cape Winelands					
	2013	2014	2015	2016	2017
South Africa	5,47%	5,31%	5,20%	5,09%	5,10%
Western Cape	2,83%	2,74%	2,65%	2,56%	2,55%
Cape Winelands	2,65%	2,55%	2,46%	2,37%	2,35%
Witzenberg	2,58%	2,48%	2,39%	2,30%	2,27%
Drakenstein	2,65%	2,55%	2,46%	2,37%	2,35%
Stellenbosch	2,76%	2,66%	2,57%	2,49%	2,47%
Breede Valley	2,66%	2,56%	2,47%	2,38%	2,36%
Langeberg	2,54%	2,43%	2,34%	2,25%	2,23%

(Source: Quantec, 2017)

The child mortality rate in the Cape Winelands District was well below the national average of 5.10% in 2017. Stellenbosch had the highest child mortality rate at 2.47% in 2017, and Witzenberg had the lowest rate in the Cape Winelands District at 2.27%.

The main causes of death in the Cape Winelands District in 2015 were diseases of the circulatory system (20.2%) followed by neoplasms (18.5%) and certain infectious and parasitic diseases (17.6%). The smallest proportions of deaths in the District were due to diseases of the blood and immune mechanism (0.7%) (MERO,2017).

4.1.4 EDUCATION

Having an education expands the range of options open to an individual, thereby creating opportunities to live a fulfilling life. Education therefore satisfies the basic human need for knowledge and skills.

Important indicators of the education and skills provision in a population include literacy rate, teacher-pupil ratio, classroom-pupil ratio and the extent of training received by individuals. Low educational levels mean that the productivity of labour is lower than what it could be.

The table below outlines learner enrolment, dropout rate, learner-teacher ratios and the matric pass rate per municipality in the Cape Winelands District for 2016.

Table 16: Learner enrolment and matric pass rates Cape Winelands, 2016

Municipality	Learner enrolment 2016	Grade 12 dropout rate	Learner- teacher ratio	Number PO schools March 2016	Proportion no-fee schools, March 2016	Number of schools with Libraries, 2016	Matric pass rate 2016%
Breede Valley	32 558	32.7	37.47	58	77.59	33	**84.2**
Drakenstein	47 601	26.0	36.45	68	67.65	49	**86.7**
Langeberg	17 838	46.8	40.54	55	87.27	21	**85.7**
Stellenbosch	26 085	23.0	32.36	39	64.10	29	**86.9**
Witzenberg	**18 048**	**35.5**	**34.57**	**54**	**83.33**	**14**	**74.5**

(Source: MERO, 2017)

The Drakenstein- and Stellenbosch areas had the highest matric pass rates and lowest teacher-learner ratios in the district. In 2016, all municipal areas, with the exception of the Witzenberg area, already surpassed the NDP target of an 80% matric pass rate by 2030. The Witzenberg area had the second-lowest enrolment rate and also the second-lowest drop-out rate in the district. Additionally, the Witzenberg area had the lowest matric pass rate of 74.5% in 2016. The Langeberg area suffered the highest dropout rate and smallest number of learners enrolled in the Cape Winelands District. The Langeberg area also had the highest learner-teacher ratio and a matric pass rate of 85.7% in 2016.

The education levels per municipality in the Cape Winelands District, represented in the table below, show that a significant proportion of the population is inadequately educated.

Table17: Education levels in the Cape Winelands district

	Cape Winelands		Witzenberg		Drakenstein		Stellenbosch		Breede Valley		Langeberg	
Education levels	Number	% of total adult population	Number	% of total adult population	Number	% of total adult population	Number	% of total adult population	Number	% of total adult population	Number	% of total adult population
No schooling	57 350	7.6	10 223	8.8	16 680	6.9	8 684	6.2	13 199	8.3	8 585	9.0
Some primary	165 386	22.0	30 001	25.7	48 163	20.0	27 358	19.6	34 594	21.8	25 324	26.6
Complete primary	55 114	7.3	10 230	8.8	16 309	6.8	9 239	6.6	11 485	7.2	7 866	8.3
Some secondary	269 344	35.8	44 325	38.0	85 533	35.5	46 808	33.5	59 442	37.4	33 367	35.0
Grade 12/ Std 10	145 051	19.3	17 115	14.7	53 126	22.0	28 741	20.6	30 407	19.1	15 774	16.6
Higher	59 150	7.9	4 873	4.2	21 139	8.8	19 007	13.6	9 838	6.2	4 356	4.6
Total	**751 401**	**100**	**116 767**	**100**	**240 952**	**100**	**139 837**	**100**	**158 907**	**100**	**95 272**	**100**

Source: MERO, 2017

In 2017, 7.6% of people aged 20 years and older had no formal education at all, and 22% only had some primary school education. In the Cape Winelands District only 19.3% of adults have a matric certificate and 7.9% a higher qualification. This means that 72.8% of adults in the Cape Winelands District do not have matric and are becoming more unemployable in an economic environment where manual labour is becoming less important, whilst appropriate skills are becoming increasingly more important (Roux, 2014). The primary sectors that traditionally absorbed low-skilled labour are declining. In addition, it is very difficult to teach people skills if they do not have a solid educational background. For example, teaching someone computer skills if they cannot read and write fluently poses a great challenge.
The figure below illustrates the number of adults with matric or higher per municipality in the Cape Winelands District between 2011 and 2017.

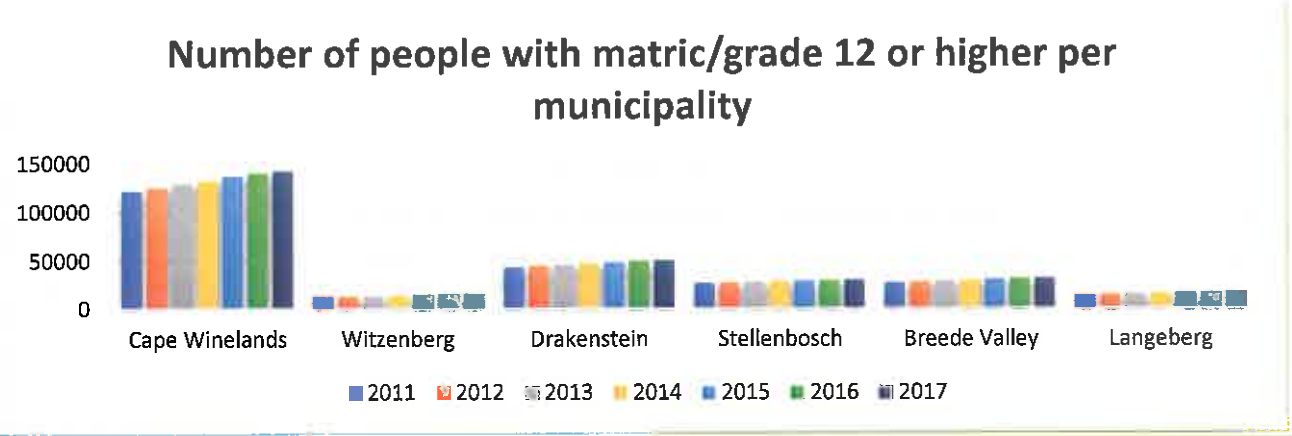


Figure 15: Number of people with matric per municipality (Source: Quantec, 2017)

In terms of educational levels at local municipal level, Witzenberg and Langeberg have the lowest educational levels, and Stellenbosch the highest, likely attributable to the University being located in Stellenbosch.

Although not out of line with the national trend, educational levels in the Cape Winelands District are alarming and a cause of great concern for future job creation and poverty alleviation efforts. Solving the current educational crisis in South Africa is likely to take more than ten years and requires urgent attention at national level. Poor education levels result in poor productivity that, in turn, leads to slow economic growth. This means that there are less resources to invest in human capital, which further exacerbates the problem of poor education. It is a vicious circle that needs to be addressed through improved educational levels and stronger economic growth.

The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centers could have a positive impact on educational outcomes.

The Cape Winelands District had 272 schools in 2015, which had to accommodate 141 263 learners. Given the tough economic climate, schools have been reporting an increase in parents being unable to pay their school fees. Nevertheless, the proportion of no-fee schools have remained relatively unchanged between 2014 and 2015, which could in future further increase the drop-out rate. The number of schools equipped with a library increased from 143 in 2014 to 151 in 2015 (Cape Winelands, 2016 Socio-Economic Profile).

4.2 POVERTY AND INEQUALITY

4.2.1 INCOME

Household income is one of the most important determinants of social welfare in a region. The ability of the population to meet their basic needs such as food, clothing, shelter and basic amenities is largely determined by the level of income of households.
Gross National Income per capita is the total national gross income divided between the number of people. The GNI per capita for the Cape Winelands District, South Africa and the Western Cape are depicted in the figure below.

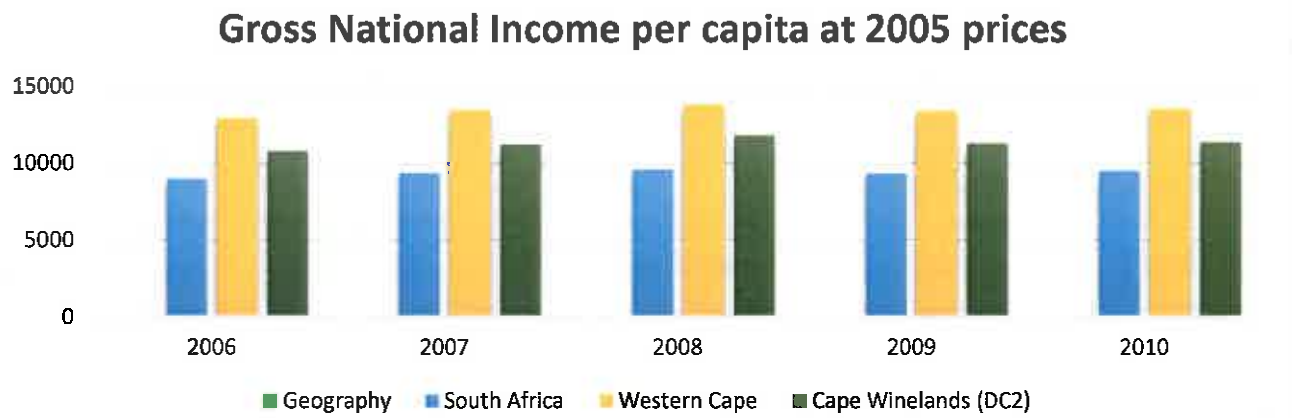


Figure 16: GNI per capita, Cape Winelands, 2006-2010
(Source: Quantec, 2017)

Although the Cape Winelands District lags behind the Western Cape average in terms of GNI per capita, it performed better than the national average between 2006 and 2010.

4.2.2 POVERTY

Poverty is defined as the inability to attain a minimal standard of living. Poverty can be measured by means of the "Human Poverty Index" or as a percentage of the population living below the poverty line. According to the Poverty Trends report released by Statistics SA (2017), poverty is increasing in South Africa. The report notes that children, women, black Africans, people living in rural areas and those with little or no education are most affected by poverty.

The table below shows inflation-adjusted poverty lines, from 2006 to 2017 (per person per month in rands):

Table18: Inflation-adjusted poverty lines per person per month in rands (2006-2017)

Year*	Food poverty line (FPL)	Lower-bound poverty line (LBPL)	Upper-bound poverty line (UBPL)
2006	219	370	575
2007	237	396	613
2008	274	447	682
2009	318	456	709
2010	320	466	733
2011	335	501	779
2012	366	541	834
2013	386	572	883
2014	417	613	942
2015 (April)	441	647	992
2016 (April)	498	714	1 077
2017 (April)	531	758	1 138

(Source: Stats SA, 2017)

The South African multidimensional poverty index (SAMPI) was developed considering which variables capture deprivation in pre-determined dimensions. The dimensions that were found to be the most suitable indicators of multi-dimensional poverty are outlined in the table below.

Table19: Indicators of multidimensional poverty

Dimension	Indicator	Deprivation cut-off
Health	Child mortality	If any child under the age of 5 has died in the past 12 months
Education	Years of schooling	If no household member aged 15 or older has completed 5 years of schooling
	School attendance	If any school-aged child (aged 7 to 15) is out of school
Standard of living	Fuel for lighting	If household is using paraffin/candles/nothing/other
	Fuel for heating	If household is using paraffin/wood/coal/dung/other/none
	Fuel for cooking	If household is using paraffin/wood/coal/dung/other/none
	Water access	If no piped water in dwelling or on stand
	Sanitation type	If not a flush toilet
	Dwelling type	If an informal shack/traditional dwelling/caravan/tent/other
	Asset ownership	If household does not own more than one of radio, television, telephone or refrigerator and does not own a car
Economic activity	Unemployment	If all adults (aged 15 to 64) in the household are unemployed

(Source: Statistics South Africa, 2014)

The table below compares the poverty headcount (percentage of households classified as multi-dimensionally poor) and intensity of poverty (the average proportion of indicators in which poor households are deprived) between 2011 and 2016 per municipality.

Table 20: Poverty headcount and intensity 2011 vs 2016 per municipality

District/ Local Municipality	Poverty			
	2011		2016	
	Poverty headcount	Intensity of poverty	Poverty headcount	Intensity of poverty
Western Cape	3.6%	42.6%	2.7%	40.1%
Cape Winelands	*2.5%*	*42.0%*	*3.1%*	*41.3%*
Witzenberg	1.8%	40.6%	2.5%	40.8%
Drakenstein	2.1%	42.5%	2.5%	42.7%
Stellenbosch	3.8%	42.1%	6.1%	39.8%
Breede Valley	2.8%	41.8%	2.4%	44.3%
Langeberg	1.7%	42.4%	1.0%	39.8%

(Source: Stats SA, 2016)

The poverty headcount for the Western Cape Province was 2.7%, with the intensity of poverty at 40.1% in 2016. In the Cape Winelands District, the poverty headcount increased from 2.5% in 2011 to 3.1% in 2016. Over the same period, the intensity of poverty in the district decreased from 42% to 41.3%. The Cape Winelands District therefore suffers higher levels of poverty and more intense poverty than the average for the Western Cape Province.

Another important indicator of poverty in a region is the number of households with an income below the minimum living level (MLL). The MLL is calculated for different regions, household sizes, etc. and reflects the minimum amount a household needs to earn to meet its basic needs.
The MLL for the Western Cape was determined to be R 1 606 per month in 2017, as shown in the table below:

Table 212: UNISA BMR Minimum Living Levels

	MLL (Rand per capita per month)				
Date	2013	2014	2015	2016	2017
Western Cape	1 281	1 359	1 427	1 516	1 606

(Source: Quantec, 2017)

It is important to bear in mind that a region's average income can conceal significant disparities, depending on the distribution of income. Most regions will have groups of people in all income categories. The skewness of income distribution becomes clear when the average income for different population groups are compared. There may also be marked differences between male- and female-headed households and rural and urban households.

4.2.3 UNEMPLOYMENT

Unemployment means a lack of income, and therefore implies the absence of the means to fulfil one's basic needs. Unemployment is one of the dimensions of multi-dimensional poverty and often a contributing factor to the other dimensions of poverty.
The table below outlines unemployment rates in South Africa and the municipalities in the Cape Winelands District.

Table 223: Unemployment rate (percentage) per municipality

Unemployment rate (Percentage)					
Date	**2012**	**2013**	**2014**	**2015**	**2016**
Geography					
Total: South Africa	24,85	24,62	24,91	25,19	26,55
Cape Winelands	*10,38*	*10,05*	*10,28*	*9,94*	*10,68*
Witzenberg	7,15	6,83	6,97	6,57	6,98
Drakenstein	13,28	12,98	13,28	13,05	13,94
Stellenbosch	10,19	9,94	10,19	10,08	10,92
Breede Valley	10,64	10,27	10,50	10,03	10,75
Langeberg	6,98	6,65	6,80	6,37	6,99
(Source: Quantec, 2017)					

The unemployment rate in the Cape Winelands District, at 10.68% in 2016, was significantly lower than the national average of 26.55% at the time. It is, however, notable that the unemployment rate in the Cape Winelands District has increased from 10.38% in 2012 to 10.68% in 2016. Unemployment in the district was at its lowest level at 9.94% in 2015.
Drakenstein was the local municipality that suffered the highest unemployment rate at 13.94% in 2016, while Witzenberg had the lowest unemployment rate at 6.98% in 2016.

4.3 ACCESS TO SERVICES

According to the World Bank (1991), development entails a sustainable increase in living standards that include:

- material consumption;
- education;
- health; and
- environmental protection

Environmental protection includes access to facilities such as shelter, water and electricity and protection from crime. People who enjoy a higher level of environmental protection

are more likely to be economically productive, thereby stimulating economic growth and initiating a virtuous cycle of increased productivity and prosperity.

4.3.1 HOUSING

The types and number of dwellings in the Cape Winelands District are outlined in the table below.

Table 23: Type of dwelling Cape Winelands district

	2013	2014	2015	2016	2017
Total number of dwellings CWDM	205 750	209 576	216 430	220 747	224 293
House or brick structure on a separate stand or yard	140 362	142 818	147 369	150 049	152 225
Traditional dwelling/hut/structure made of traditional materials	1 531	1 495	1 489	1 472	1 451
Flat in a block of flats	11 540	11 699	11 969	12 128	12 236
Town/cluster/semi-detached house (simplex, duplex or triplex)	11 949	12 257	12 737	13 064	13 334
House/flat/room, in backyard	2 520	2 558	2 629	2 671	2 705
Informal dwelling/shack, in backyard	11 997	12 410	12 984	13 423	13 811
Informal dwelling/shack, NOT in backyard, e.g. in an informal/squatter settlement	20 927	21 590	22 571	23 351	24 038
Room/flatlet not in backyard but on a shared property	1 312	1 338	1 380	1 410	1 433
Other/unspecified/NA	3 611	3 413	3 302	3 180	3 060

(Source: Quantec, 2017)

The types of dwelling can also be graphically displayed as in the figure below.

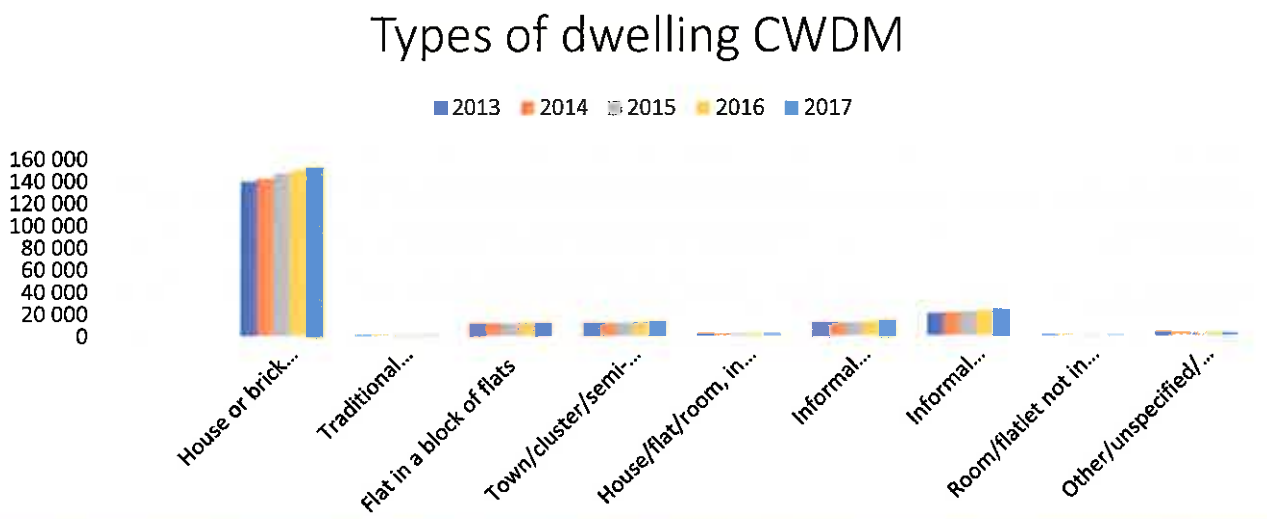


Figure 17: Dwelling types CWDM: (Source: Quantec, 2017)

The percentage of households residing in each type of dwelling were as follows in 2017:

Table 24: Percentage of households per type of dwelling in Cape Winelands in 2017

Percentage of households per type of dwelling in Cape Winelands in 2017	
Type of dwelling	Percentage of households in 2017
House or brick structure on a separate stand or yard	67.87%
Traditional dwelling/ hut/ structure made of traditional materials	0.65%
Flat in a block of flats	5.46%
Town/ cluster/ semi-detached house (simplex, duplex or triplex)	5.94%
House/ flat/ room, in backyard	1.2%
Informal dwelling/ shack, in backyard	6.16%
Informal dwelling/ shack, NOT in backyard, e.g. in an informal/ squatter settlement	10.72%
Room/ flatlet not in backyard but on a shared property	0.64%
Other/ unspecified/ NA	1.36%

(Source: Own calculations from Quantec, 2017)

More than two-thirds (67.87%) of households in the Cape Winelands District live in a brick structure on a separate stand and 16.88% of households live in informal dwellings or shacks. The NDP targets 90% of South Africans to have access to the electricity grid by 2030.

4.3.2 ELECTRICTY

Electricity was the energy source for lighting in 92% of households in the Cape Winelands District in 2017 and the district therefore already surpassed the national target set for 2030 by the NDP.

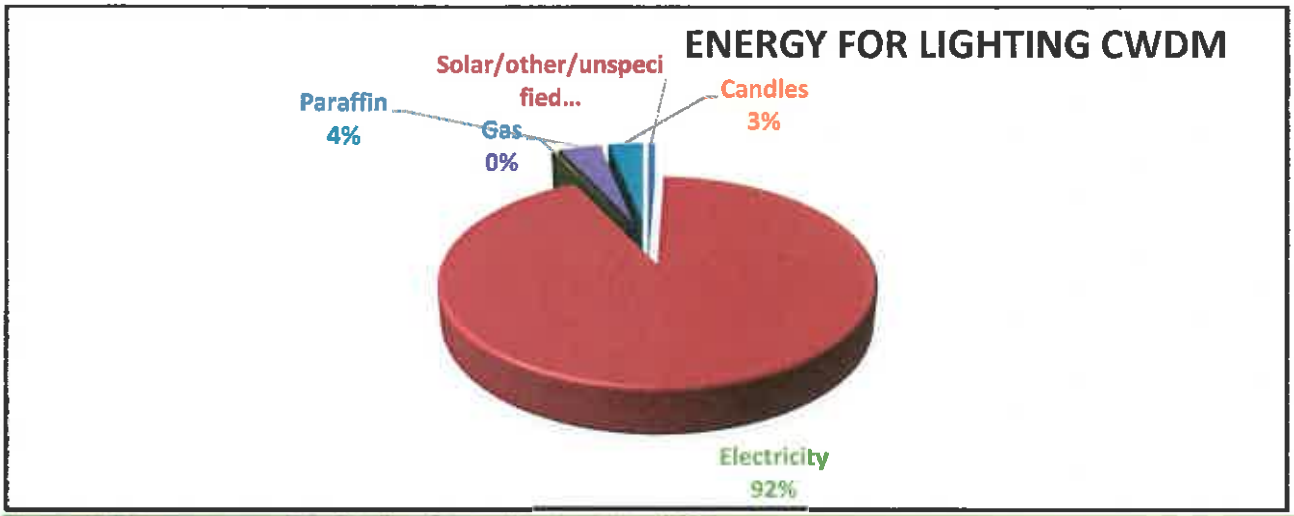


Figure 18: Energy source for lighting Cape Winelands in 2017
(Source: Quantec, 2017)

4.3.3 ACCESS TO COMMUNICATIONS

4.3.3.1 Telephones

The majority of residents (83%) in the Cape Winelands District have access to a phone inside the dwelling, with 12% reporting to not having any phone access in 2017.

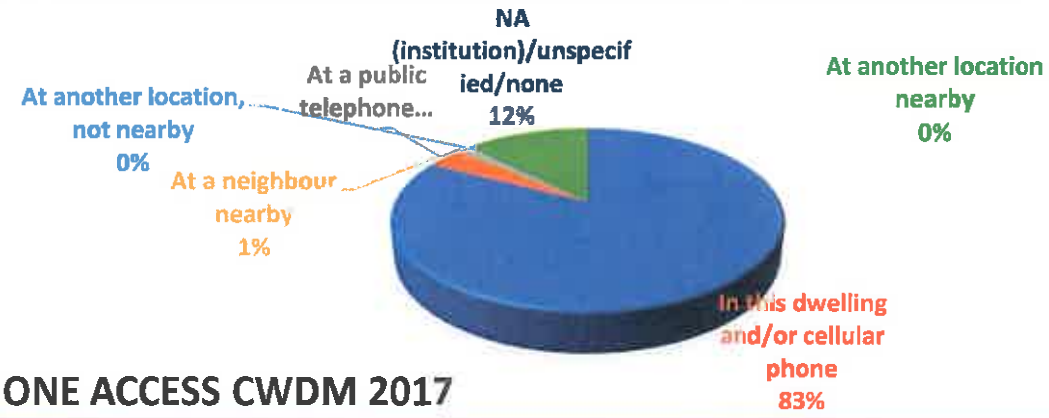


Figure 19: Access to a phone: Cape Winelands in 2017
(Source: Quantec, 2017)

4.3.3.2 Household usage of internet services

According to STATSSA most housholds usage of internet services occurs through their cellphone (44%) at any place followed by inside their dwelling (15.97); then the library (14.96%) and place of work 8.19%.

	In the dwelling (15.97%)

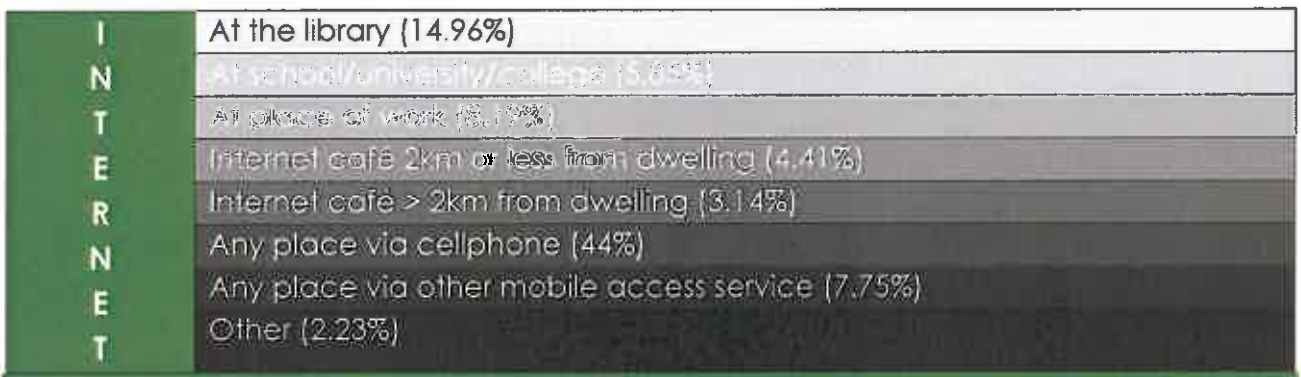


Figure 201: Household usage of internet services
Source: STATSSA (2017), Cape Winelands Factsheet, Q3

4.3.4 WATER AND SANITATION

Sanitation, such as access to toilets and ablution facilities, is important for health and human dignity. The percentage of households with access to different types of toilets at their dwellings is depicted in the figure below.

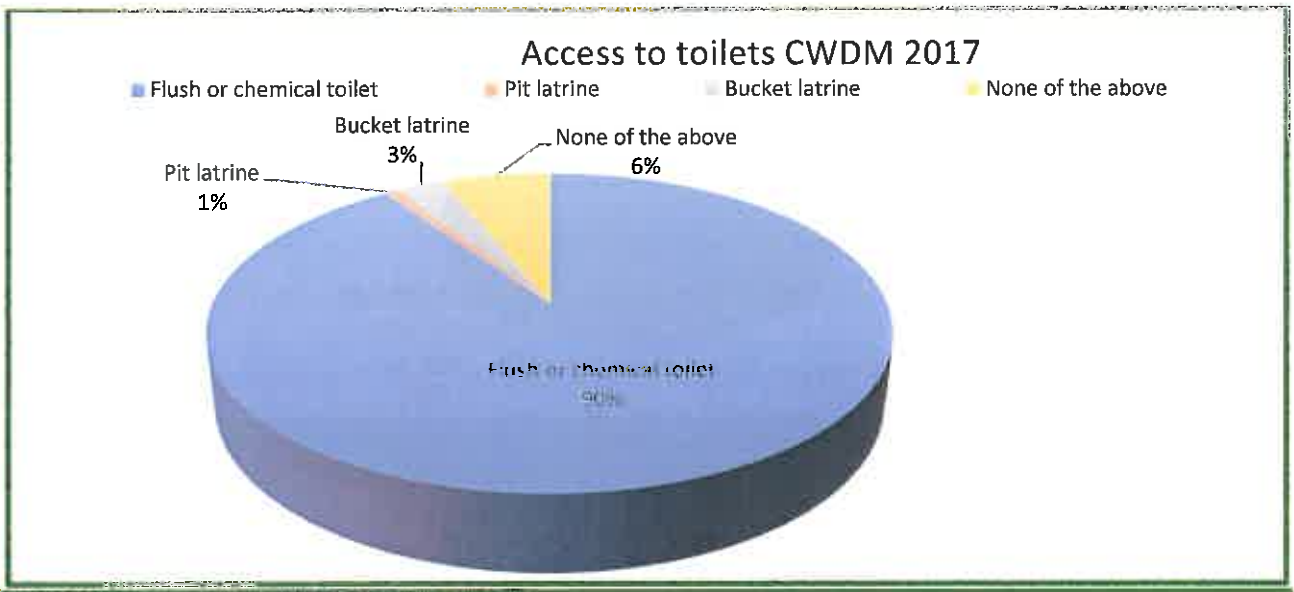


Figure 212: Access to toilets, Cape Winelands
(Source: Quantec, 2017)

In the District, 1% reported using a pit latrine at their household, 3% reported using a bucket latrine and 6% responded "none of the above" which indicates no access to a toilet in the dwelling. 90% of households in the Cape Winelands District had a flush of chemical toilet in their homes in 2017.

74% of households in the Cape Winelands District had access to piped water inside their dwelling, 14% reported having access to piped water inside the yard and 9% had access to piped water on a community stand less than 200 metres from the dwelling in 2017. Two percent (2%) of households had to access water more than 200 metres from the dwelling, and 1% accessed water by means of a borehole, water tank or well.

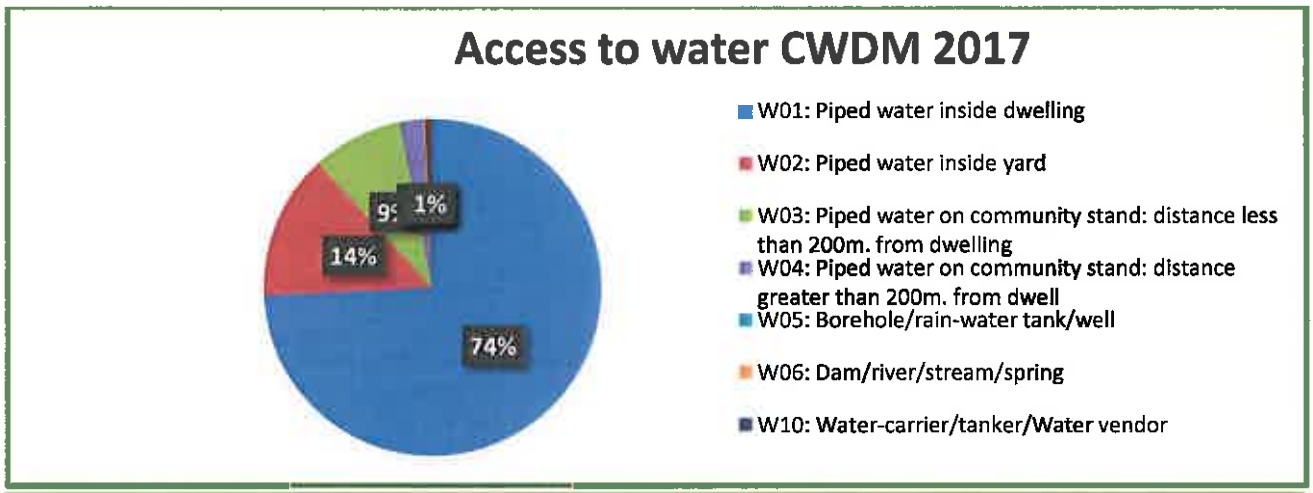


Figure 22: Access to water Cape Winelands district
(Source: Quantec, 2017)

4.3.5 INDIGENT HOUSEHOLDS

Indigent households receive free basic services from the municipality. The table below describes the number of indigent households who received free services in the Cape Winelands District in 2015 and 2016.

Table 25: Indigent households and provision of basic services in Cape Winelands

	No. of indigent households		Free basic water		Free basic electricity		Free basic sanitation		Free basic refuse removal	
Municipality	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Witzenberg	2 794	2 574	2 794	2 574	2 794	2 574	2 794	2 574	2 794	2 574
Drakenstein	15 095	17 971	15 095	17 971	15 095	15 452	15 095	17 971	15 095	17 971
Stellenbosch	5 757	6 486	5 757	6 486	5 757	6 486	5 757	6 486	5 757	6 486
Breede Valley	7 593	6 996	7 593	6 996	7 593	6 996	7 593	6 996	7 593	6 996
Langeberg	7 495	6 215	7 248	5 757	7 495	6 215	6 910	5 740	6 917	5 749

(Source: Stats SA, 2017)

The number of indigent households in the Cape Winelands District decreased between 2015 and 2016, and therefore, so did the number of households receiving free basic water,

electricity, sanitation and refuse removal. The lower the number of indigent households, the higher the number of households that contribute to municipal service fees and the lower the number of households that need to be serviced for free.

The table below provides an overview of socio-economic indicators in the Cape Winelands District.

Table 26: Overview of socio-economic indicators per municipality

Indicator	Cape Winelands District	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
GDPR growth (2005 - 2015)	3.3%	5%	2.8%	2.8%	3.4%	3.6%
Population growth (2005 - 2015)	1.72%	1.88%	1.65%	1.88%	1.49%	1.84%
Real GDPR per capita (2005 - 2016)	R46 827	R43 865	R52 413	R61 193	R42 406	R38 006
Gini coefficient (2010 - 2016)	Increase	Increase	Increase	Decrease	Increase	Increase
Household expenditure	Services/ non-durables	Services/ non-durables	Services/ non-durables	Services/ non-durables	Services/ non-durables	Services/ non-durables
HDI (2010 - 2016)	Increase	Increase	Unchanged	Increase	Unchanged	Unchanged
No schooling (2016)	7.60%	8.80%	6.90%	6.20%	8.30%	9.00%
Grade 12 dropout rates (2016)	Increase	35.50%	25.00%	23.00%	32.70%	46.80%
Informal dwelling (2016)	17%	12.40%	13.40%	25.40%	21.90%	8.80%
Indigent households (2015 - 2016)	Increase	Decrease	Increase	Increase	Decrease	Decrease
Free basic water (2015 - 2016)	Increase	Decrease	Increase	Increase	Decrease	Decrease
Free basic electricity (2015 - 2016)	Decrease	Decrease	Increase	Increase	Decrease	Decrease
Free basic refuse removal (2015 - 2016)	Increase	Decrease	Increase	Increase	Decrease	Decrease
Free basic sanitation (2015 - 2016)	Increase	Decrease	Increase	Increase	Decrease	Decrease
Main causes of death			Diseases of the circulatory system			
Age group with highest death rate	45 - 65+	45 - 65+	45 - 65+	45 - 65+	45 - 65+	45 - 65+

(Source: MERO, 2017)

4.4 SAFETY AND SECURITY

The right to safety (freedom) and personal security is a basic human right included in the Constitution of South Africa. Crime has a negative impact on every aspect of the community: personal wellbeing, social welfare, the economy, employment, investment and tourism.

4.4.1 MURDER

Murder is a crime where the victim loses his/ her life. The murder rate is measured per 100 000 people, i.e. the number of people out of 100 000 that were murdered. In 2015 statistics, the Western Cape Province was shown to be the fourth worst affected province by murder (SAPS, 2015). The Cape Winelands District maintains a lower murder rate than the average

for the province and managed to decrease the number of murders from 37 to 34 out of a 100 000 people between 2015 and 2016. The murder rate in the Western Cape Province remained stable over the same period.

Table 27: Murder rates in Cape Winelands and the Western Cape

Area	2015	2016	% Change
Cape Winelands District (per 100 000)	37	34	-7.0
Western Cape (per 100 000)	52	52	0.0

(CWDM IDP, 2017)

The South African Police Service (SAPS) releases statistics on the top 10 (highest incidence) precincts per crime. There are 150 police precincts in the Western Cape Province, and none of the precincts in the Cape Winelands District featured on the top ten list for murders in 2015.

4.4.2 ASSAULT WITH INTENT TO CAUSE GRIEVOUS BODILY HARM (ASSAULT GBH)

Out of all 150 precincts nationally, Worcester (located in the Cape Winelands District) was placed second on the list of the top ten precincts in terms of assault with intent to cause grievous bodily harm (SAPS, 2015).

Table 28: Western Cape Top 10 Precincts: Assault GBH 2012-2015

NO	STATION	2012 /13	2013 /14	% Δ	2014 /15	DIFF	% Δ	% CONTRIBUTION
1	Nyanga	950	918	-3.4%	878	-40	-4.4%	**3.4%**
2	Worcester	853	746	-12.5%	839	93	12.5%	**3.2%**
3	Gugulethu	645	737	14.3%	668	-69	-9.4%	**2.5%**
4	Khayelitsha	706	686	-2.8%	640	-46	-6.7%	**2.4%**
5	Harare	630	604	-4.1%	610	6	1.0%	**2.3%**
6	Oudtshoorn	537	572	6.5%	608	36	6.3%	**2.3%**
7	Delft	480	519	8.1%	605	86	16.6%	**2.3%**
8	Mitchells Plain	756	573	-24.2%	567	-6	-1.0%	**2.2%**
9	Kraaifontein	467	500	7.1%	534	34	6.8%	**2.0%**
10	Mfuleni	514	522	1.6%	525	3	0.6%	**2.0%**

TOTAL	6,538	6,377	-2.5%	6,474	97	1.5%	24.7%

(Source: SAPS, 2015)

The highest increase (in number) of assault GBH between 2014 and 2015 in the Western Cape Province was recorded in Worcester, where there were 93 more incidents reported than in 2014.

4.4.3 COMMON ROBBERY

In terms of common robbery, Worcester again features on the top 10 list, ranked fifth of all precincts in the Western Cape Province.

Table 29: 8estern Cape Top 10 Precincts: Common Robbery 2012-2015

NO	STATION	2012 /13	2013 /14	% Δ	2014 /15	DIFF	% Δ	% CONTRIBUTION
1	Cape Town Central	933	954	2.3%	991	37	3.9%	**7.4%**
2	Mitchells Plain	955	929	-2.7%	897	-32	-3.4%	**6.7%**
3	Parow	458	552	20.5%	679	127	23.0%	**5.1%**
4	Bellville	487	482	-1.0%	485	3	0.6%	**3.6%**
5	*Worcester*	*384*	*411*	*7.0%*	*422*	*11*	*2.7%*	**3.1%**
6	Nyanga	427	441	3.3%	391	-50	-11.3%	**2.9%**
7	Bishop Lavis	296	328	10.8%	334	6	1.8%	**2.5%**
8	Athlone	255	271	6.3%	296	25	9.2%	**2.2%**
9	Lentegeur	0	225	0.0%	296	71	31.6%	**2.2%**
10	Elsies River	256	226	-11.7%	275	49	21.7%	**2.0%**
		4457	4819	8.3%	5066	247	5.1%	37.7%

(Source: SAPS, 2015)

4.4.4 SEXUAL OFFENCES

The number of sexual offences reported in the Western Cape Province and the Cape Winelands District decreased between 2014 and 2015. However, the rate in the Cape Winelands District (measured as number of sexual offences per 100 000 people) was slightly higher than that of the province.

Table 304: Sexual offences reported in the Western Cape and Cape Winelands in 2015 and 2016

Area	2015	2016	% Change
Cape Winelands District (per 100 000)	137	122	-10.8
Western Cape (per 100 000)	120	115	-4.4

(Source: CWDM IDP, 2017)

Worcester ranked ninth on the list of top ten precincts for sexual offences in the Western Cape Province in 2015, despite the number of such crimes reported having declined from the previous year (2014).

Table 31: Western Cape top ten precincts 2012 - 2015: Sexual offences

NO	STATION	2012 /13	2013 /14	% Δ	2014 /15	DIFF	% Δ	% CONTRIBUTION
1	Nyanga	412	321	-22.1%	292	-29	-9.0%	**4.0%**
2	Harare	263	234	-11.0%	235	1	0.4%	**3.2%**
3	Gugulethu	264	236	-10.6%	229	-7	-3.0%	**3.1%**
4	Khayelitsha	241	230	-4.6%	229	-1	-0.4%	**3.1%**
5	Delft	248	214	-13.7%	225	11	5.1%	**3.1%**
6	Mitchells Plain	380	257	-32.4%	213	-44	-17.1%	**2.9%**
7	Kraaifontein	198	161	-18.7%	182	21	13.0%	**2.5%**
8	Mfuleni	164	190	15.9%	177	-13	-6.8%	**2.4%**
9	Worcester	204	170	-16.7%	163	-7	-4.1%	**2.2%**
10	Conville	147	139	-5.4%	160	21	15.1%	**2.2%**
TOTAL		2,521	2,152	-14.6%	2,105	-47	-2.2%	28.6%

(Source: SAPS, 2015)

4.4.5 BURGLARY AT RESIDENTIAL PREMISES

Two towns based in the Cape Winelands District were included in the top ten list for burglaries at residential premises in 2015. Worcester placed at the top of the list, and Stellenbosch ranked tenth.

Table 32: Western Cape top ten precincts, 2012 - 2015, burglaries at residential premises

NO	STATION	2012/13	2013/14	% Δ	2014/15	DIFF	% Δ	% CONTRIBUTION
1	Worcester	1322	1192	-9.8%	1220	28	2.3%	2.6%
2	Mitchells Plain	1689	1417	-16.1%	1177	-240	-16.9%	2.5%
3	Kraaifontein	1118	1247	11.5%	1096	-151	-12.1%	2.3%
4	Kuils River	886	1050	18.5%	1024	-26	-2.5%	2.1%
5	Bellville	1036	1193	15.2%	1013	-180	-15.1%	2.1%
6	Somerset West	838	1130	34.8%	984	-146	-12.9%	2.1%
7	Knysna	931	1081	16.1%	973	-108	-10.0%	2.0%
8	Table View	1156	1233	6.7%	947	-286	-23.2%	2.0%
9	Parow	955	1017	6.5%	944	-73	-7.2%	2.0%
10	Stellenbosch	1276	1137	-10.9%	917	-220	-19.3%	1.9%
TOTAL		11,207	11,697	4.4%	10,295	-1,402	-12.0%	21.5%

(Source: SAPS, 2015)

The number of burglaries at residential premises increased between 2014 and 2015, but the number in Stellenbosch decreased over the same period. However, the number of residential burglaries again declined between 2015 and 2016 in the Cape Winelands District. There was also a slight decrease in the incidence of residential burglaries in the Western Cape Province between 2015 and 2016

Table 33: Burglaries at residential premises Western Cape and Cape Winelands 2015 and 2016

Area	2015	2016	% change
Cape Winelands District (per 100 000)	817	797	-2.5
Western Cape (per 100 000)	780	768	-1.6

(Source: CWDM IDP, 2017)

4.4.5 BURGLARIES AT NON-RESIDENTIAL PREMISES

Paarl, Worcester and Stellenbosch were under the top ten precincts for reported burglaries at non-residential premises in 2015. Paarl ranked first with the highest number, Stellenbosch ranked third, and Worcester seventh.

Table 34: Western Cape top ten precincts: Burglaries at non-residential premises

NO	STATION	2012 /13	2013 /14	% Δ	2014 /15	DIFF	% Δ	% CONTRIBUTION
1	Paarl	337	399	18.4%	587	188	47.1%	4.3%
2	Bellville	440	433	-1.6%	417	-16	-3.7%	3.0%
3	Stellenbosch	414	479	15.7%	410	-69	-14.4%	3.0%
4	Parow	386	467	21.0%	390	-77	-16.5%	2.8%
5	Mitchells Plain	424	402	-5.2%	383	-19	-4.7%	2.8%
6	George	478	462	-3.3%	366	-96	-20.8%	2.7%
7	Worcester	363	360	-0.8%	340	-20	-5.6%	2.5%
8	Oudtshoorn	349	278	-20.3%	311	33	11.9%	2.3%
9	Milnerton	254	261	2.8%	294	33	12.6%	2.1%
10	Cape Town Central	382	346	-9.4%	272	-74	-21.4%	2.0%
TOTAL		3,827	3,887	1.6%	3,770	-117	-3.0%	27.5%

(Source: SAPS, 2015)

There was a decrease in the number of reported burglaries between 2014 and 2015 in Worcester and Stellenbosch. However, the number of reported cases in Paarl increased with 188 between 2014 and 2015.

4.4.6 THEFT OF MOTOR VEHICLES

Stellenbosch, Worcester and Paarl were numbers two, nine and ten respectively on the list of top ten precincts for theft from motor vehicles in 2015, which refers to stealing not the vehicle itself, but items out of the vehicle. The incidence of theft from motor vehicles in Paarl increased with 61.1% between 2014 and 2015.

Table 35: Western Cape top 10 Theft out of Motor Vehicles 2012 - 2015

NO	STATION	2012 /13	2013 /14	% Δ	2014 /15	DIFF	% Δ	% CONTRIBUTION
1	Cape Town Central	3294	3612	9.7%	3441	-171	-4.7%	8.1%
2	Stellenbosch	1698	1852	9.1%	1819	-33	-1.8%	4.3%
3	Bellville	1490	1465	-1.7%	1732	267	18.2%	4.1%
4	Mitchells Plain	2045	1699	-16.9%	1366	-333	-19.6%	3.2%
5	Parow	1021	1091	6.9%	1196	105	9.6%	2.8%
6	Sea Point	1181	1099	-6.9%	1118	19	1.7%	2.6%
7	Woodstock	1061	1210	14.0%	1106	-104	-8.6%	2.6%
8	Claremont	848	866	2.1%	1084	218	25.2%	2.6%
9	Worcester	1072	1001	-6.6%	1007	6	0.6%	2.4%
10	Paarl	540	552	2.2%	889	337	61.1%	2.1%
TOTAL		14,250	14,447	1.4%	14,758	311	2.2%	35.0%

(Source: SAPS, 2015)

4.4.7 DRUG-RELATED CRIME

Drug-related crimes have a detrimental impact on society and also the health and well-being of all those involved. None of the precincts based in the Cape Winelands District were listed under the top ten precincts in the province. There was, however, an increase in the number of drug-related crimes in the Cape Winelands District, although the incidence was still lower than that of the Western Cape Province on average.

Table 36: Drug-related crimes in the Western Cape and Cape Winelands in 2015 and 2016

Area	2015	2016	% Change
Cape Winelands District (per 100 000)	1 412	1 456	3.1
Western Cape (per 100 000)	1 449	1 517	4.7

(Source: CWDM IDP, 2017)

4.4.8 DRIVING UNDER THE INFLUENCE

The number of driving under the influence cases declined in the Cape Winelands District between 2015 and 2016. The Western Cape Province also experienced a decrease in the number of cases. The rate for the Cape Winelands District remained significantly lower than that of the province in 2015 and 2016.

Table 375: Driving under the influence, Western Cape and Cape Winelands, 2015 and 2016

Area	2015	2016	% Change
Cape Winelands District (per 100 000)	118	110	-7.0
Western Cape (per 100 000)	216	189	-12.4

(Source: CWDM IDP, 2017)

4.5 SUMMARY

In Summary:

- The population growth rate of the Cape Winelands District is above the national and provincial average. However, the growth rate has been slowing down in line with slower economic growth.
- The number of households in the Cape Winelands District increased on average with 9% per year between 2013 and 2017. The growth rate is expected to slow down slightly in line with the trend in population growth.
- The dependency ratio in the Cape Winelands District is lower than the national average, and the district also managed to modestly decrease its dependency ratio.
- In line with the NDP, the mortality rate for children under four (4) in the Cape Winelands District is declining. All municipalities in the district also maintained a lower rate than the national and provincial average between 2013 and 2017.
- The South African multi-dimensional poverty index (SAMPI) identifies factors that determine the level of deprivation of poor households. Even when challenges regarding economic growth and job opportunities are complex to address, some of the dimensions can be more readily addressed at local governmental level.
- The Cape Winelands District had a significantly lower unemployment rate than the national average in 2016. However, there was an increase in the unemployment rate between 2015 and 2016. Efforts to address increasing unemployment levels are valuable in eradicating poverty and increasing economic growth.
- Assisting households who do not have access to the most basic facilities should be a high priority in order to improve quality of life in the district.
- The number of murders, sexual offences, residential burglaries and incidents of driving under the influence all reduced in the Cape Winelands District between 2015 and 2016.
- Worcester, Stellenbosch and Paarl are among the top ten precincts in the Western Cape Province in terms of the number of certain crimes reported. The crime categories where towns based in the Cape Winelands District were among the top ten include:
    - Assault with the intent to cause grievous bodily harm
    - Common robbery
    - Sexual offences
    - Residential burglaries
    - Burglaries at non-residential premises
    - Theft of possessions out of motor vehicles
- Although lower than the provincial rate, the number of drug-related crimes in the Cape Winelands District increased between 2015 and 2016. Due to the negative social, economic and health impact, substance abuse should be a priority to address.

05

FACTOR OF PRODUCTION: ENTREPRENEURSHIP

Entrepreneurship is one of the factors of production. This section considers the business environment and entrepreneurship in the Cape Winelands District Municipality.

5.1 STRUCTURE AND PERFORMANCE OF THE DISTRICT ECONOMY

This section contains an analysis of the structure of the local economy and includes the factors that impact on the growth and trends of the local economy.

An appropriate local economic strategy should be developed from evidence-based analysis to reveal the current economic landscape within the district. Economic analysis provides insight into the overall performance of the local economy. The insight into the economic conditions can assist policy makers, decision makers and management in planning processes.

The objective of the economic overview is to:

- Identify regional economic strengths and weaknesses.
- Identify strategic opportunities and priorities for strategic investments.
- Examine how regional, social and economic strengths may be linked together to create unique competitive advantages.

The factors of production (natural resources, labour, capital and entrepreneurship) enable an economy to meet demand for goods and services. Therefore, if the supply of these production factors increases, the production of goods and services should also increase. Thus, the fundamental prerequisite for economic growth is the increase of the supply of production factors.

5.1.1 ECONOMIC GROWTH

Economic Growth is important, because it is a prerequisite for economic development. Economic growth is measured in terms of an increase in Gross Domestic Product (GDP), referred to as the GDP growth rate. GDP can be defined as the monetary value of all the finished goods and services produced within a country's borders during a specific time period.

GDP is measured in real terms, which means that an adjustment for inflation is made to enable comparing one year's GDP with another's. Economic growth is calculated by the percentage change in the real GDP between one year and the previous (or the next) year.

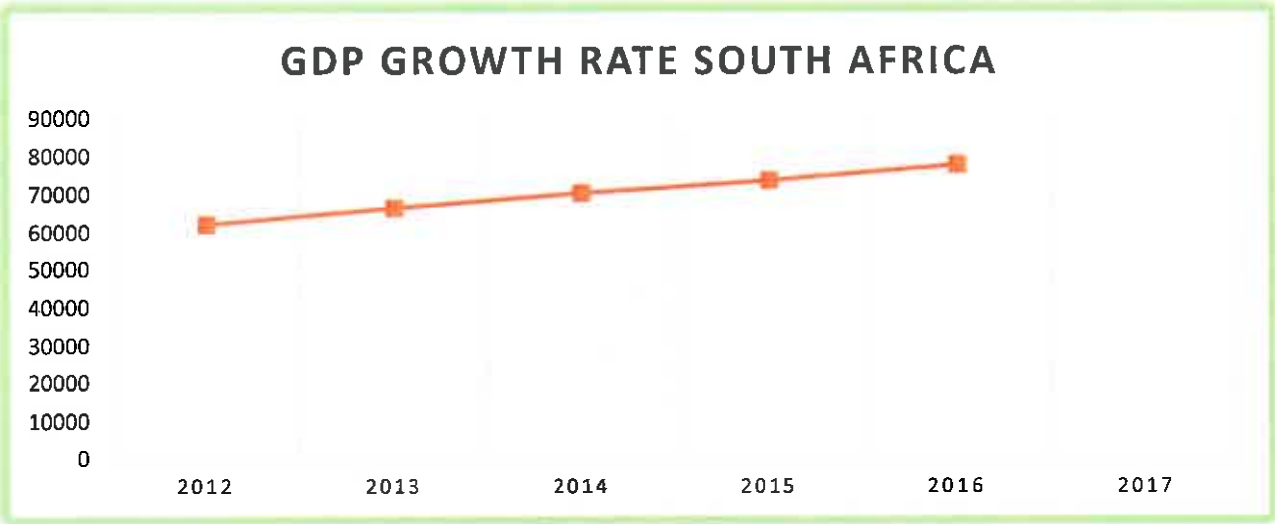


Figure 233: National GDP growth rate
(Source: Quantec, 2017)

The figure above shows that there has been a slow increase in the value of South Africa's GDP between 2012 and 2016. The NDP sets a target of 5.4% average annual growth in GDP, and the country needs to speed up GDP growth in order to meet that target. Statistics SA (2018) reported GDP growth of 1.3% for 2017, which is slightly higher than the 1% GDP growth rate expected for 2017. It is, however, still a far cry from the targeted 5.4% average annual GDP growth targeted by the NDP.

Labour (human capital) is a factor of production, and an increase in population should translate to an increase in GDP since an increased population means there are more factors of production in an economy of a region. The economic growth rate (year-on-year change in GDP) should therefore exceed the population growth rate in order to translate to actual economic growth.

A rise in population means more mouths to feed, more bodies to clothe and more accommodation or housing to be built. A rise in population therefore means increased pressure on basic resources such as food. The increased demand can only be adequately met if the increase in the population is accompanied by a corresponding increase in production of goods and services. It is therefore important to consider the increase in GDP relative to the increase in population.

Per capita GDP is a measure of the total output of a country that takes gross domestic product (GDP) and divides it by the number of people in the country. GDP per person is

associated with the levels of poverty, and an increase in per capita income translates to lower levels of poverty.

The GDP per capita growth rate for South Africa has been declining since 2013 as can be seen in the figure below, indicating a failure to increase production to correspond with the increase in the population.

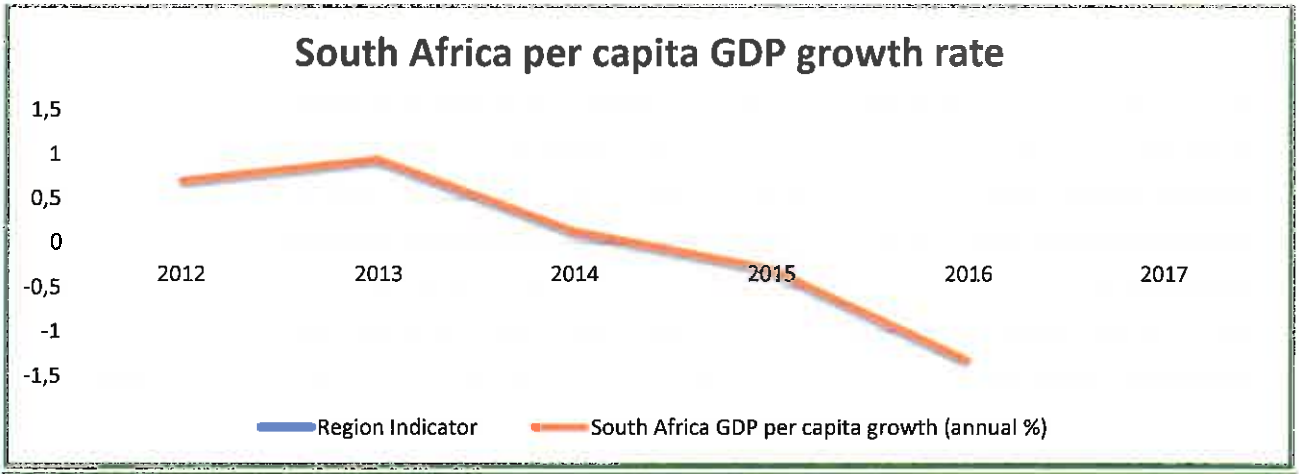
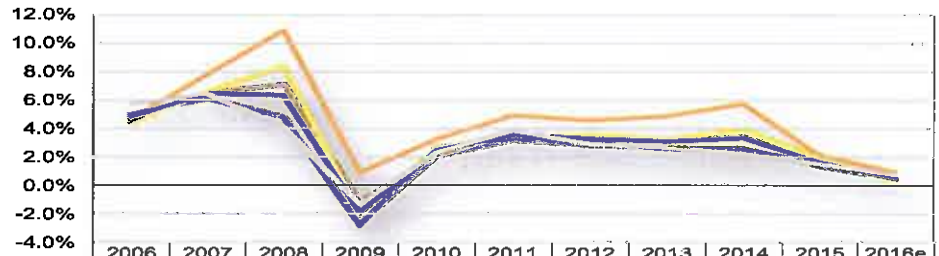


Figure 24: SA per capita GDP growth rate
(Source: Quantec, 2017)

The gross domestic product of a region (GDPR) is used to measure the size of a region's economy. The Cape Winelands District's regional GDP (GDPR) has averaged an annual growth rate of 2.9% between 2010 and 2015 as shown in the figure below. However, the growth rate was expected to fall to 0.5% in 2016 (PERO, 2017).

CWDM GDPR growth per municipal area, 2005 - 2016



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016e
Witzenberg	4.6%	7.8%	10.9%	0.9%	3.2%	4.9%	4.6%	4.8%	5.7%	2.1%	0.9%
Drakenstein	4.9%	6.2%	4.8%	-2.7%	2.1%	3.2%	2.8%	2.6%	2.6%	1.3%	0.4%
Stellenbosch	5.0%	6.0%	4.7%	-2.9%	2.7%	3.2%	3.0%	2.5%	2.5%	1.6%	0.5%
Breede Valley	4.3%	6.5%	7.1%	-1.1%	2.0%	3.7%	3.3%	3.2%	3.4%	1.5%	0.4%
Langeberg	4.3%	6.5%	8.3%	-2.1%	2.6%	3.5%	3.5%	3.2%	3.9%	1.9%	0.1%
Cape Winelands District	4.7%	6.4%	6.3%	-1.9%	2.4%	3.5%	3.2%	3.1%	3.3%	1.6%	0.5%
Western Cape Province	5.7%	6.4%	4.1%	-1.3%	2.3%	3.8%	2.9%	2.6%	2.2%	1.5%	0.7%

(e denotes estimate)

Figure 25: GDPR growth rate per municipality
(Source: Quantec, 2017)

The NDP sets a national target of 5.4% annual GDP growth rate. The Cape Winelands District outperformed the Western Cape Province's average GDPR growth rate since 2012, but was expected to fall behind the provincial growth rate in 2016. Since 2010, Witzenberg has been the district's top performer in terms of economic growth. Witzenberg and Langeberg are the district's smallest economies, and the above average growth rate can in part be attributed to the fact that a relatively small increase in value has a significant impact on the percentage growth rate. Langeberg is forecast to experience the most dramatic decrease in GDPR growth, with its contribution forecast to drop to 0.1% in 2016.

The real economic growth rate (GDPR) has to exceed the population growth rate in order to yield an increase in per person (per capita) GDPR.

The real GDPR per capita growth rate in the Cape Winelands District shows that the district, on average, performed poorer than the average for the Western Cape Province in terms of GDPR value. All local municipalities followed a similar trend in terms of GDPR per capita growth as can be seen in the figure below.

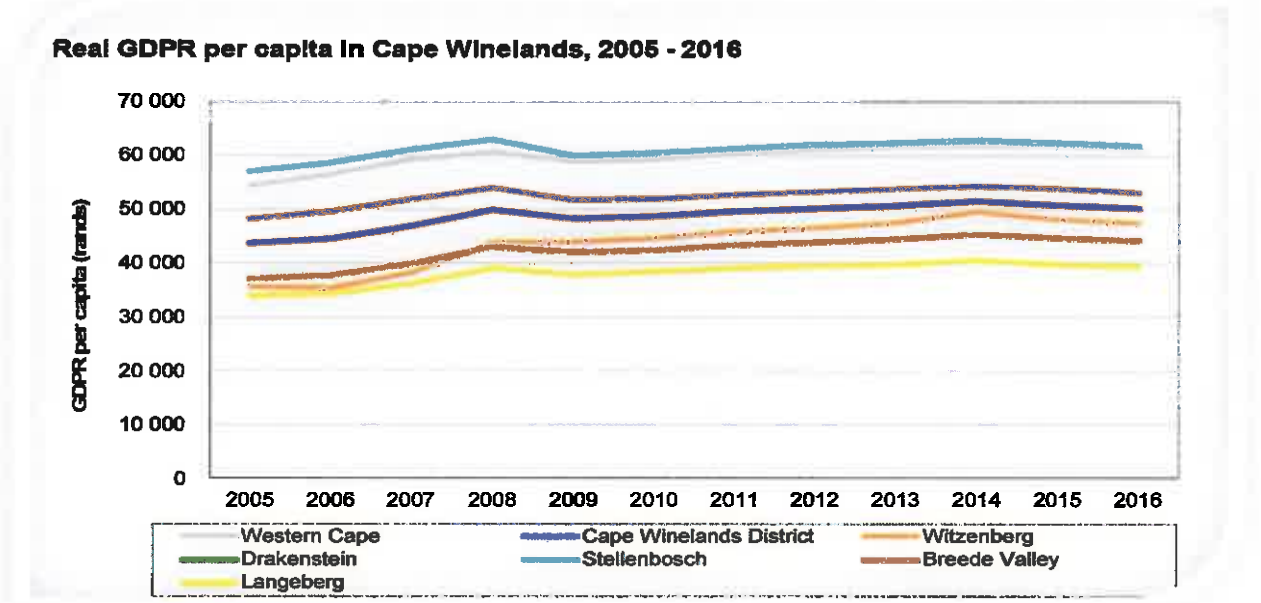


Figure 26: Real GDPR per capita in Cape Winelands 2005 - 2016
(Source: MERO, 2017

Although the economy did show a slow recovery after the 2009 financial crisis, growth since 2014 has been declining. The NDP sets a target of R110 000 per capita GDP by 2030.

The real GDPR per capita for the province and district in 2016 were as follows:

Table 38: Real GDPR per Municipality in Western Cape 2016

Western Cape	**R 61 199**
Cape Winelands District	*R 50 239*
Stellenbosch	R 61 871
Drakenstein	R 53 135
Breede Valley	R 44 200
Witzenberg	R 47 393
Langeberg	R 39 237

(Source: Quantec, 2017)

The real per capita GDP of the Cape Winelands district lags behind that of the Western Cape Province, with only Stellenbosch exceeding the provincial average GDPR per capita. Langeberg has the lowest real GDPR per capita, lagging behind the district average along with Breede Valley and Witzenberg.

This means that, on average, people in the Cape Winelands have less money to spend (and thus contribute to the economy) than the average per person in the Western Cape.

Economic development implies not only an increase in income (economic growth), but also equitable distribution thereof. This means that, in order for a region to develop economically, there must not only be growth in terms of the average per capita income, but also equitable distribution thereof (Nnadozie, 2003: 66).

The Gini Coefficient is a statistical measure of distribution used to gauge income inequality in an area. It ranges between 0 and 1, with 0 representing completely equal distribution of income; this means that in an area where everyone earns the same, the Gini coefficient would be 0. The more unequal the distribution of income, the higher the Gini coefficient will be. The target according the NDP is to reduce South Africa's Gini coefficient to 0.6 by 2030.

The Gini coefficient per area can be displayed as follows:

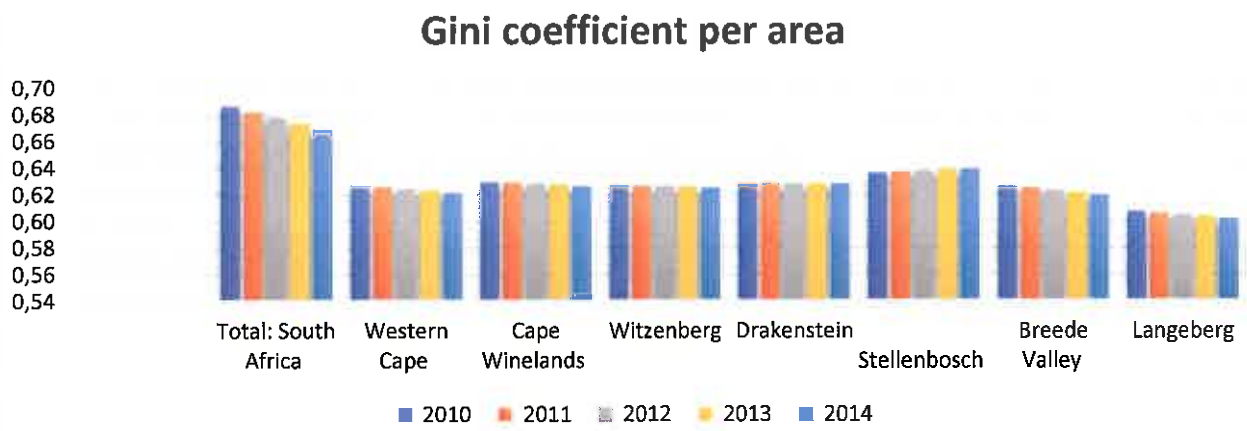


Figure 2.4: Gini coefficient 2010 - 2014
(Source: Quantec, 2017)

The Western Cape Province and Cape Winelands District's Gini coefficients are lower (more favourable) than the average for South Africa. However, the Gini coefficient for the Cape Winelands District has stagnated between 2010 and 2014, closing the gap between the district and national score. The Cape Winelands District also has a higher (less favourable) Gini Coefficient than the average for the Western Cape Province. The difference is slight, but developed due to the stagnation of the district's score since 2010. Langeberg and Breede Valley both managed to reduce their Gini coefficients. However, Drakenstein, Witzenberg and Stellenbosch's Gini coefficients remained stagnant at a level higher than that of the provincial aggregate.

The Gini coefficient (number) per area between 2010 and 2014 was as follows:

Table 39: Gini coefficient per area 2010 - 2014:

	2010	2011	2012	2013	2014
Total: South Africa	0,69	0,68	0,68	0,67	0,67
Western Cape	0,63	0,63	0,62	0,62	0,62
Cape Winelands	*0,63*	*0,63*	*0,63*	*0,63*	*0,63*
Witzenberg	0,63	0,63	0,63	0,63	0,63
Drakenstein	0,63	0,63	0,63	0,63	0,63
Stellenbosch	0,64	0,64	0,64	0,64	0,64
Breede Valley	0,63	0,62	0,62	0,62	0,62
Langeberg	0,61	0,61	0,60	0,60	0,60

(Source: Quantec, 2017)

5.1.2 STRUCTURE OF THE ECONOMY

The structure of an economy can be described in terms of the relative contribution of the primary, secondary and tertiary sectors. The structure of an economy determines the dependence of that economy on specific sectors.

The primary sectors are those involved with using or extracting natural resources and consist of the agriculture, forestry and fishing sectors, as well as the mining and quarrying sector. Secondary sectors are those that use the raw materials obtained from the primary sectors in production, and include manufacturing, electricity, water, gas and construction. The tertiary sector includes services sectors such as wholesale and retail trade, finance, insurance, business services, transport, catering real estate, government and personal services sectors.

5.1.2.1 National Economy

The contribution of agriculture and mining (primary sectors) to the South African economy has been steadily declining over time. Although the primary sector plays a vital role in our

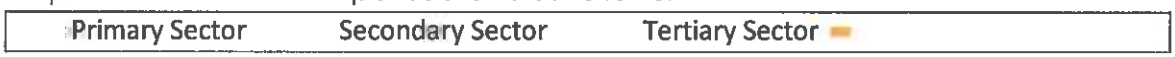
economy, this role is diminishing over time and is unlikely to increase again in the years ahead (Roux, 2014:42). This is in line with global trends. The fastest growing sector in the South African economy over the last few decades has been tertiary (services) sector. The major components of the services sector are:

- Wholesale, retail, catering and accommodation
- Transport, storage and communication
- Finance, insurance, real estate and business services
- General government services

Developing the secondary (manufacturing) sector is a key macro-economic strategy in South Africa.

5.1.2.2 The structure of the Cape Winelands District Economy

The composition in terms of the contribution of the three sectors in the Cape Winelands District is not dissimilar to that of the national economy. The contribution to GDPR in the Cape Winelands District per sector is as follows:



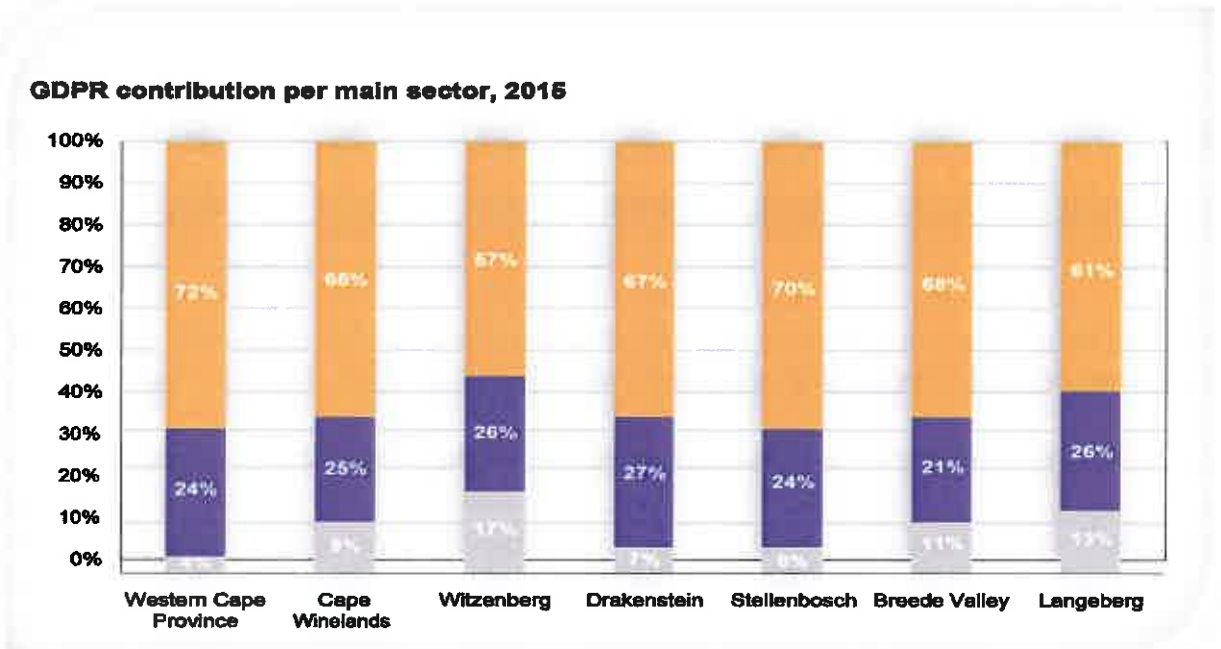


figure 285: GDPR contribution per main sector 2015 (source: MERO, 2017).

In 2015, the tertiary sector was the greatest contributor to GDPR in the entire Cape Winelands region, followed by the secondary sector, and lastly, the primary sector. The structure of the Winelands economy is therefore in line with provincial, national and global

trends. The primary sector has a higher contribution in the Cape Winelands District than in the rest of the province, and the highest relative contribution in Witzenberg and Langeberg. In 2015 the percentage GDPR contribution per sector was as follows:

Table 40: Cape Winelands GDPR per sector 2015

Cape Winelands District GDPR contribution per sector, 2015 (%)

Sector	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
Primary Sector	**9.3**	**17.4**	**6.6**	**5.7**	**10.6**	**12.9**
Agriculture, forestry and fishing	9.1	17.3	6.4	5.5	10.4	12.8
Mining and quarrying	0.2	0.0	0.2	0.2	0.2	0.1
Secondary Sector	**24.9**	**26.1**	**26.6**	**24.1**	**21.4**	**25.9**
Manufacturing	15.7	14.2	16.0	17.0	13.4	18.2
Electricity, gas and water	2.2	3.3	2.6	1.4	2.0	1.8
Construction	6.9	8.5	8.0	5.6	5.9	5.9
Tertiary Sector	**65.9**	**56.5**	**66.8**	**70.3**	**68.0**	**61.2**
Wholesale and retail trade, catering and accommodation	18.4	16.9	17.7	20.2	18.3	19.2
Transport, storage and communication	9.8	7.0	8.9	11.0	11.0	11.1
Finance, insurance, real estate and business services	19.8	15.4	21.2	21.6	20.4	16.2
General government	10.2	10.4	10.6	10.6	10.2	8.0
Community, social and personal services	7.5	6.9	8.4	6.8	8.0	6.6

(Source: MERO, 2017)

In the Cape Winelands District, the tertiary sector contributes almost two thirds of total GDPR, the secondary sector contributes about a quarter and the primary sector just under 10%. The proportional contribution of the primary sector (agriculture) is more than twice that of the provincial average.

5.1.3 GROSS VALUE ADDED

GDPR is the aggregate of gross value added (GVA) of all resident producer units in the region. Gross value added (GVA) is a measure of the value of goods and services produced in an area, industry or sector of an economy. It is the difference between the economic output of an area and the direct inputs used to produce the output. GVA is used in the calculation of gross domestic product (GDP), and is therefore an important indicator of the economic performance of an area.

The figure below shows that there has been growth in terms of real GVA between 2010 and 2016 in the Cape Winelands District.

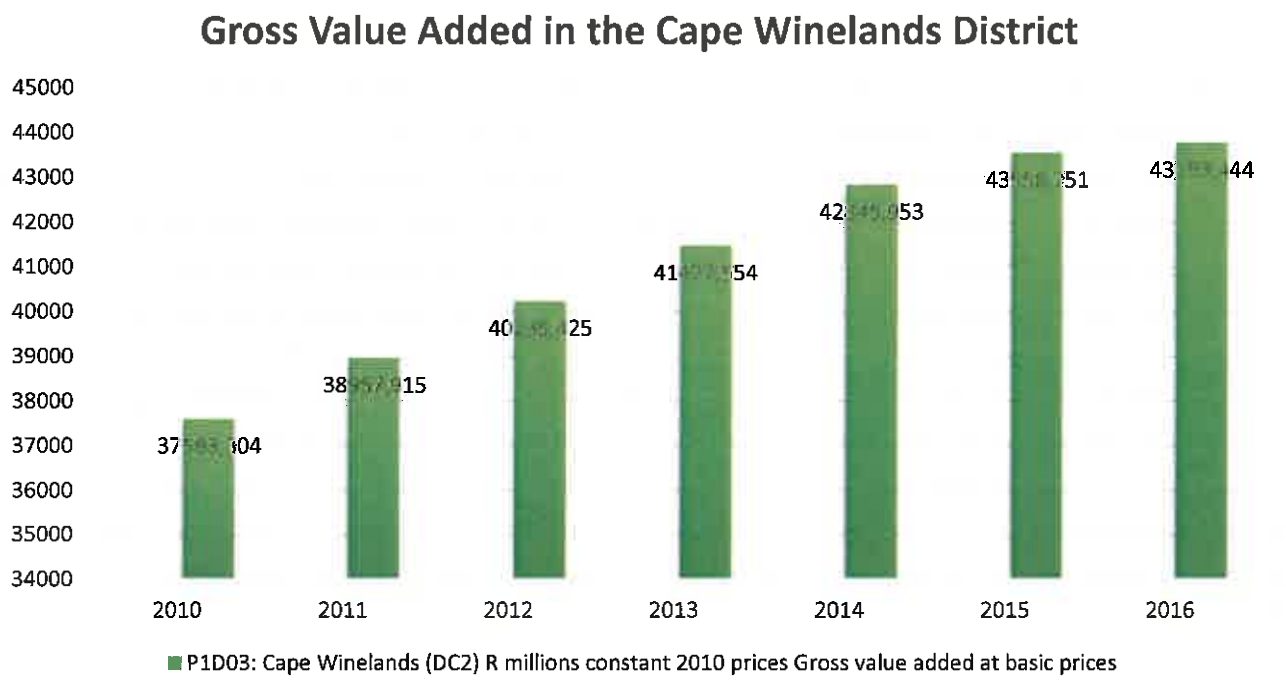


Figure 29: Cape Winelands GVA 2010 - 2016
(Source: Quantec, 2017)

Between 2010 and 2016 the district's real GVA increased by about 2.6% year-on-year. The district outperformed the Western Cape and the South African national GVA growth rate.

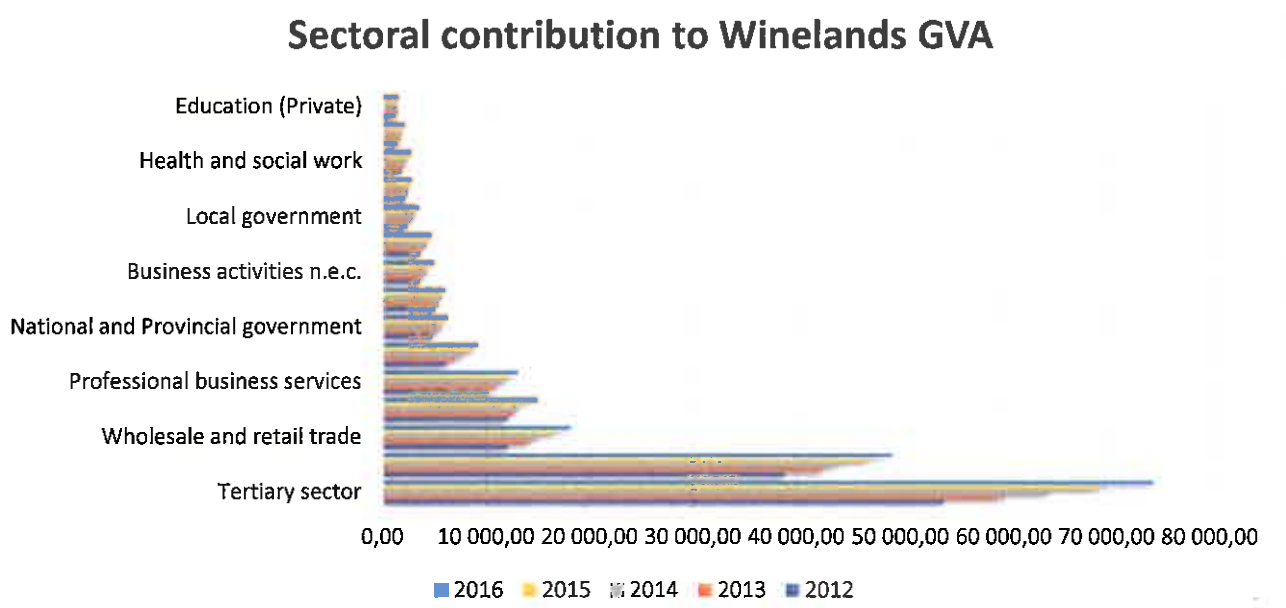


Figure 30: Sectoral contribution to GVA in Cape Winelands, 2012 - 2016
(Source: Quantec, 2017)

The figure above shows that the tertiary sector contributed the most to GVA and has shown the greatest increase in its contribution between 2012 and 2016. The primary sector has shown slower growth than the secondary and tertiary sectors between 2012 and 2016.

The contribution from primary sectors between 2012 and 2016 is as follows:

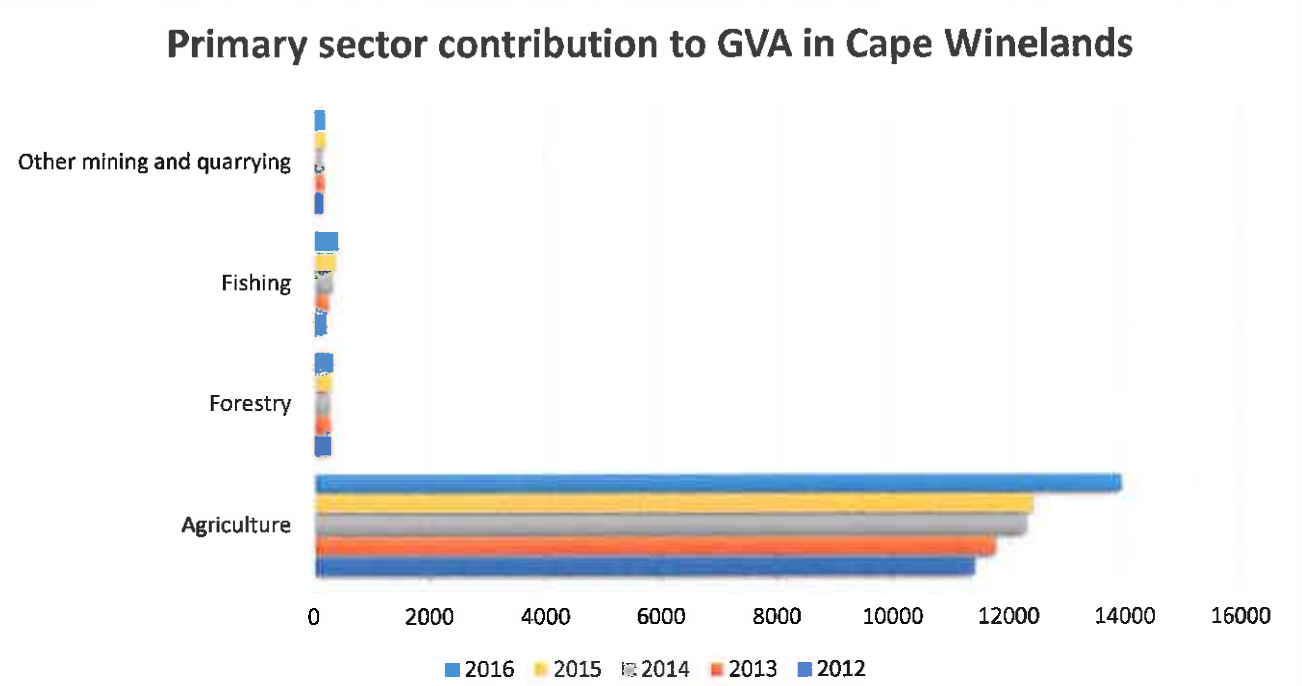


Figure 317: Primary sectors contribution to GVA 2012 - 2016
(Source: Quantec, 2017)

The primary sectors have grown relatively slowly between 2012 and 2016 with little or no growth in terms of value between 2014 and 2015. While the contribution (in value) of the mining and forestry industries have remained stable, the fishing and agricultural industries have grown in terms of value between 2012 and 2016. The agricultural industry is by far the greatest contributor towards primary sector GDPR and has also shown the greatest growth of all industries within the primary sector.

The value contribution of the secondary sectors in the Cape Winelands District between 2012 and 2016 can be depicted as follows:

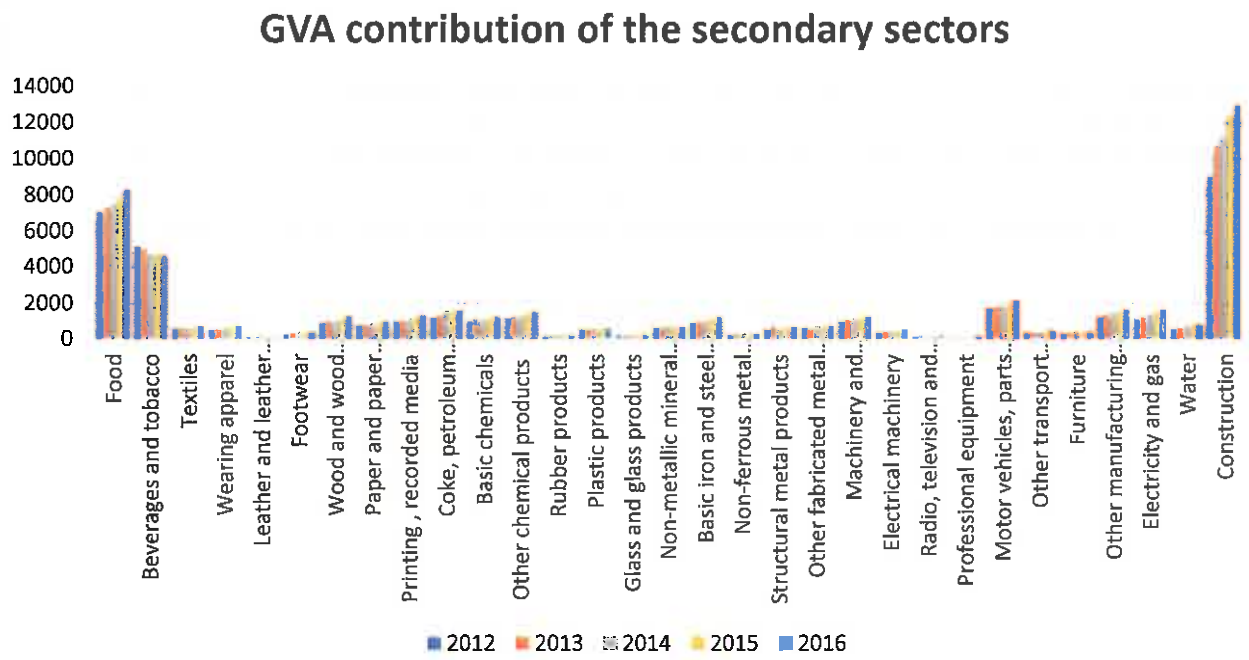


Figure 328: GVA contribution of secondary sectors in Cape Winelands 2012 - 2016 (Source: Quantec, 2017)

The secondary sectors grew its contribution across the board between 2012 and 2016, with the greatest contribution to GVA coming from the construction sector, followed by food industries.

The GVA contribution from the tertiary sectors in the Cape Winelands District between 2012 and 2016 were as follows:

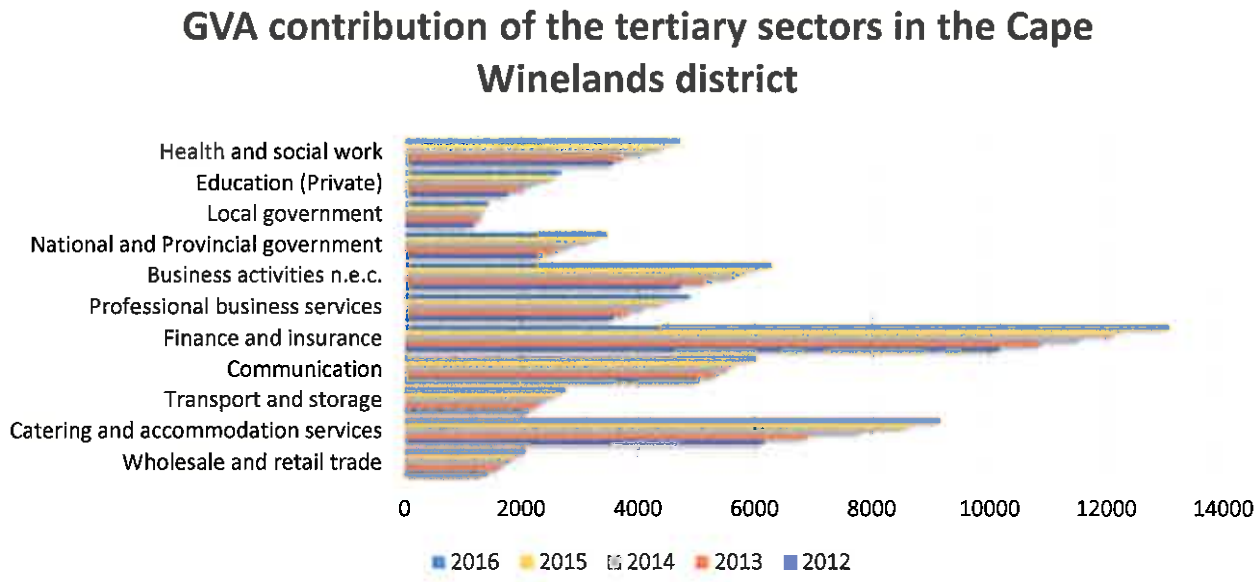


Figure 33: Contribution of tertiary sectors to GVA in Cape Winelands, 2012 - 2016 (Source: Quantec, 2017)

All the tertiary sectors in the Cape Winelands grew in terms of GVA. The finance and insurance industry contributed the most to the district's aggregate GVA between 2012 and 2016, followed by the catering and accommodation services sector. The slowest growth was from the local government sector.

Industry GVA for the Cape Winelands District at basic prices by industry, 2012-2016, are shown below:

Table 41: Industry GVA at basic prices for Cape Winelands, 2012 - 2016

	2012	2013	2014	2015	2016
Industry					
Primary sector	12 078,73	12 497,45	13 086,10	13 229,87	14 859,92
Agriculture	11 423,10	11 767,67	12 302,64	12 390,61	13 940,74
Forestry	285,55	287,86	289,01	287,66	319,04
Fishing	212,35	255,54	328,73	361,79	407,19
Other mining and quarrying	157,74	186,37	165,71	189,82	192,94
Secondary sector	38 962,41	42 476,20	43 961,83	46 990,52	49 312,32
Food	6 986,10	7 317,48	7 447,16	7 815,91	8 256,36
Beverages and tobacco	5 129,19	4 994,25	4 701,05	4 767,88	4 604,27
Textiles	565,59	609,23	618,95	661,79	707,53
Wearing apparel	497,39	539,66	586,73	654,26	712,44
Leather and leather products	116,27	137,73	133,16	131,10	111,99
Footwear	298,28	331,22	326,16	355,56	388,76
Wood and wood products	878,27	964,42	1 021,09	1 156,81	1 255,58
Paper and paper products	737,57	781,42	818,72	898,20	965,70
Printing, recorded media	934,06	1 010,89	1 093,82	1 209,22	1 307,03
Coke, petroleum products and nuclear fuel	1 160,91	1 303,14	1 510,61	1 539,70	1 595,98
Basic chemicals	985,99	1 083,39	1 086,30	1 174,18	1 248,34
Other chemical products	1 157,89	1 237,34	1 295,03	1 396,67	1 495,86
Rubber products	168,82	198,89	216,20	223,20	238,48
Plastic products	542,71	562,40	595,03	589,03	618,97
Glass and glass products	201,69	208,98	213,38	219,97	240,48
Non-metallic mineral products	636,46	668,90	708,47	670,98	681,09
Basic iron and steel products; casting of metal	868,50	978,77	1 000,31	1 115,39	1 191,21
Non-ferrous metal products	226,76	256,71	254,13	258,58	286,44
Structural metal products	523,29	696,40	537,14	645,01	680,66
Other fabricated metal products	624,49	529,21	666,81	679,59	733,23
Machinery and equipment	970,76	1 038,36	1 089,89	1 153,04	1 200,06
Electrical machinery	367,06	407,52	437,98	485,31	504,83
Radio, television and communication apparatus	132,29	145,21	170,59	162,93	179,26
Professional equipment	101,24	115,70	124,46	132,42	145,12

Motor vehicles, parts and accessories	1 670,76	1 771,49	1 865,55	1 926,15	2 137,12
Other transport equipment	329,28	368,17	395,20	432,77	468,23
Furniture	322,72	331,48	338,64	360,63	373,22
Other manufacturing groups	1 216,50	1 353,06	1 462,93	1 535,13	1 652,24
Electricity and gas	1 105,40	1 224,81	1 357,05	1 520,42	1 618,21
Water	555,62	633,53	717,96	780,89	810,29
Construction	8 950,56	10 676,46	11 171,33	12 337,80	12 903,39
Tertiary sector	54 216,28	59 811,65	64 426,71	69 364,30	74 660,88
Wholesale and retail trade	12 085,42	14 065,31	15 050,02	16 545,98	18 173,02
Catering and accommodation services	1 411,13	1 634,04	1 755,03	1 885,02	2 062,95
Transport and storage	6 166,94	6 907,23	7 844,08	8 624,64	9 149,85
Communication	2 121,03	2 268,67	2 412,33	2 607,00	2 749,24
Finance and insurance	5 053,94	5 353,44	5 522,24	5 661,17	6 009,88
Professional business services	10 184,34	10 882,20	11 565,73	12 183,49	13 079,92
Business activities n.e.c.	3 583,11	3 841,32	4 102,51	4 445,06	4 903,46
National and Provincial government	4 724,04	5 205,20	5 652,91	5 890,96	6 262,18
Local government	2 347,12	2 598,32	2 855,26	3 193,04	3 442,76
Education (Private)	1 189,52	1 305,26	1 322,68	1 375,40	1 442,18
Health and social work	1 781,82	2 003,80	2 215,98	2 530,35	2 679,74
Other community, social and personal services	3 567,89	3 746,86	4 127,94	4 422,20	4 705,70

(Source: Quantec, 2017)

From the table above, it is evident that the greatest contributing sectors toward GVA in the Cape Winelands District between 2012 and 2016 were:

1. Wholesale and retail trade
2. Agriculture
3. Professional Business service
4. Construction
5. Transport and storage
6. Food
7. National and Provincial Gov.
8. Finance and Insurance
9. Business Activities
10. Other Community, social and personal services

The figure below depicts the top contributing sectors to GVA in the Winelands District between 2012 and 2016.

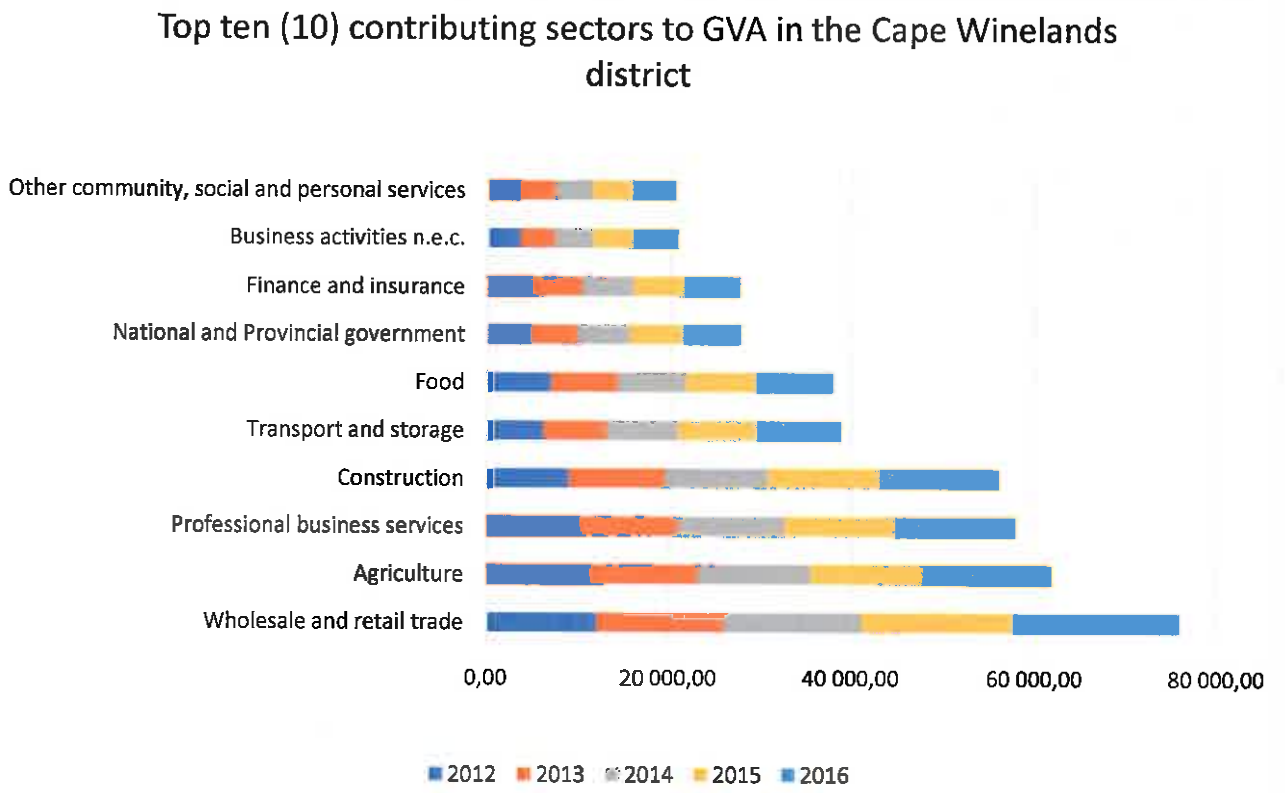


Figure 349: Top contributing sectors to GVA in Cape Winelands (Source: Quantec, 2017)

5.1.4 EMPLOYMENT PER SECTOR

The table below shows that the majority of jobs in the Cape Winelands District are created by the wholesale and retail trade, catering and accommodation sector, followed by the agriculture, forestry and fishery sector. Wholesale and retail trade, catering and accommodation contributed 22.8% to employment in 2015. Agriculture, forestry and fisheries contributed 20.5% to employment in the district in 2015. However, employment numbers in the sector fluctuated dramatically year-on-year. There was a dramatic increase in the number of job opportunities between 2014 and 2015 due to additional apple and pear production during that time (BFAP, 2016) as well as a large grape harvest that created seasonal employment. The current drought in the Western Cape, however, poses a serious threat to job opportunities in the agricultural sector.

Table 42: Employment per sector Cape Winelands

Sector	Contribution to employment (%) 2015	Number of jobs 2015	Trend 2005 - 2015	Trend -2010 2015	Employment (net change) 2011	2012	2013	2014	2015	2016e
Primary Sector	20.5	77 472	-22 900	16 458	-2 731	3 598	3 134	-4 245	16 702	-997
Agriculture, forestry and fishing	20.5	77 321	-22 833	16 505	-2 730	3 593	3 191	-4 245	16 696	-1 000
Mining and quarrying	0.0	151	-67	-47	-1	5	-57	-	6	3
Secondary Sector	15.5	58 538	4 222	5 134	850	161	1 898	916	1 309	781
Manufacturing	8.2	30 851	-5 179	-1 396	-368	-1 251	923	-910	210	-509
Electricity, gas and water	0.2	933	341	192	44	36	16	33	63	31
Construction	7.1	26 754	9 060	6 338	1 174	1 376	959	1 793	1 036	1 259
Tertiary Sector	64.0	241 559	86 416	46 252	7 662	8 341	10 729	9 323	10 197	3 319
Wholesale and retail trade, catering and accommodation	22.8	86 033	31 018	16 315	3 171	3 526	2 944	3 082	3 592	1 318
Transport, storage and communication	4.7	17 616	8 915	4 643	440	1 080	1 296	176	1 651	-961
Finance, insurance, real estate and business services	13.2	49 990	17 382	9 122	1 669	1 298	1 949	1 381	2 825	1 170
General government	9.5	36 055	10 065	4 244	1 584	712	621	2 123	-796	781
Community, social and personal services	13.7	51 865	19 036	11 928	798	1 725	3 919	2 561	2 925	1 011
Total Cape Winelands District	100	377 569	67 738	67 844	5 781	12 100	15 761	5 994	28 208	3 103

(Source: MERO, 2017)

In the years that the agricultural sector shed jobs, sectors linked to agriculture (such as storage, transport and communication) also shed jobs. This phenomenon highlights the importance of the agricultural sector in the Cape Winelands District.

The Winelands District is a nett importer, with the value of imported products exceeding that of exported products. Imports are mostly mining and quarrying products and exports are mostly manufactured products. The value of exported products increased relative to imported products between 2013 and 2016 as a result of the weaker Rand and increased demand for South African products.

The trade balance of the Cape Winelands is shown in the figure below.

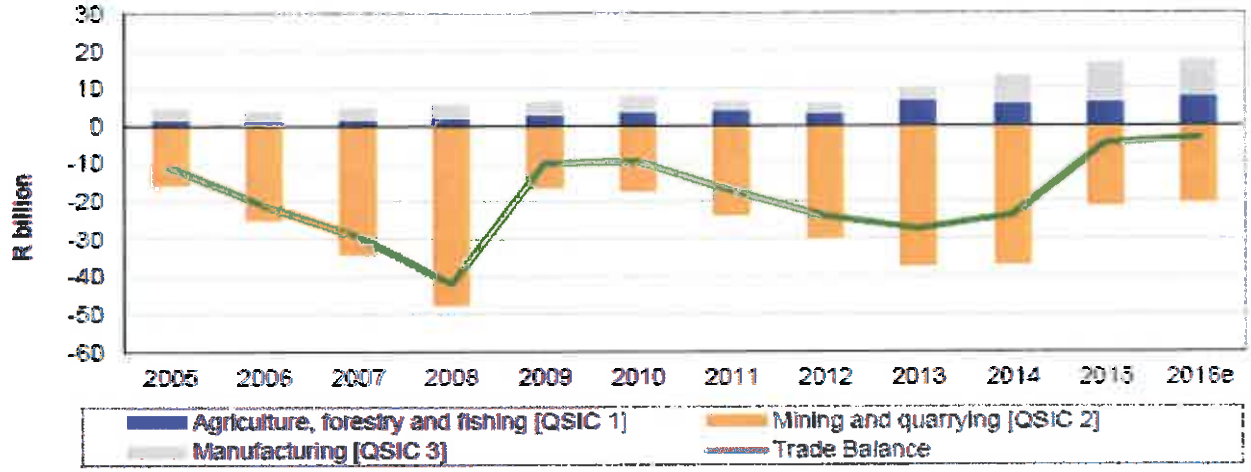


Figure 3510: Cape Winelands trade balance 2005 - 2016
(Source: MERO, 2017)

The NDP sets a target of an annual export growth rate of 6%. Growing exports is also important for improving the district's trade balance.

5.2. CAPE WINELANDS SWOT ANALYSIS

Below find the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis for the social, economic, rural and tourism development in the Cape Winelands District.

Table 43: SWOT Analysis, CWD Social, Economic, Rural and Tourism Development

SOCIAL DEVELOPMENT SWOT	
STRENGHTS	**WEAKNESSES**
➢ The Cape Winelands district has a lower dependency than the average for the country, dependency ratio lower than the one for South Africa and decreasing. ➢ All local municipalities increased their HDI between 2011 and 2016. ➢ The districts child mortality rate is lower than the average for the country and the Province and has decreased between 2013 and 2017. ➢ 92% of households use electricity for lighting. ➢ 90% of households have access to a flush or chemical toilet. ➢ Reduction in the number of murders in the district between 2015 and 2016, murders also at lower level than provincial average. ➢ Diversity of local and international cultures ➢ Good international networks and economic linkages ➢ English speaking schools	➢ Although not out of line with national trends, learner enrolment, drop-out rates and matric rates remain problematic. ➢ Low educational levels which means that a significant portion of the population is inadequately educated. ➢ High crime levels in Worcester specifically. ➢ High level of sexual offences; higher level of than the province of sexual offences reported (although incidence has declined). ➢ Paarl, Stellenbosch and Worcester ranked under the top 10 precincts in the Western Cape for burglaries at non-residential premises (business premises). ➢ Stellenbosch, Worcester and Paarl ranked under the top 10 precincts for theft out of motor vehicles. ➢ Vulnerability of farmworkers in the District. ➢ Increasing levels of poverty

➢ World Class University in Stellenbosch ➢ Training and education institutions (primary, secondary and tertiary) ➢ National Centres of research excellence ➢ Skilled labour force linked to university and/or business ➢ Environment conducive to attract highly skilled labour	➢ Increasing instances of HIV, FAS, TB, drugs ➢ High levels of alcohol abuse amongst farm workers ➢ High dependency on social grants and wage income by the poor ➢ Low levels of education amongst labour force ➢ Youth problems (teen pregnancies, high dropout rate, drug and alcohol abuse) ➢ Decrease in demand for low skilled labourers on farms
OPPORTUNITIES	**THREATS**
➢ Strengthening strategic partnerships within the social development arena ➢ Greater alignment of interventions between different spheres of government	➢ Main cause of death in the district was diseases of the circulatory system, indicating unhealthy lifestyles. ➢ Increase in poverty headcount between 2011 and 2016. ➢ Intensity of poverty higher than provincial average in 2016. ➢ Worcester precinct ranked under the top 10 in the province for common robbery and assault GVH and sexual offenses. ➢ Worcester and Stellenbosch ranked in the top 10 precincts for residential burglaries. ➢ The District also reported a higher incidence of residential burglaries than the Province. The District on average reported a higher incidence of residential burglaries.

ECONOMIC DEVELOPMENT SWOT

STRENGHTS	WEAKNESSES
➢ Strongest economy in the province next to the Cape Metropole ➢ Well maintained regional road transport infrastructure ➢ Strong domestic tourism market linked to wine sector ➢ Well organised and globally competitive wine and deciduous fruit sectors ➢ Strong food processing cluster ➢ Well-developed linkage to Cape Town economy ➢ Well established brand names, globally ➢ Competitive commercial farmers ➢ R&D capacities are well developed in specifically the agriculture sector (e.g. production techniques & new cultivars)	➢ Lags behind province in terms of GDPR per capital ➢ Unemployment ➢ Economy vulnerable to exogenous factors ➢ Seasonality of employment opportunities ➢ Skills gap in basic business techniques ➢ SETA's not being utilised optimally ➢ Lack of intergovernmental alignment ➢ Lack of alignment between LM's and DM strategies ➢ Fragmentation of tourism industry ➢ Farm workers have poor access to health facilities ➢ Poor quality and bad conditions within some farm schools ➢ High cost of land ➢ High debt level of farmers ➢ Poor public transport network

OPPORTUNITIES	THREATS
➢ Improve Gini Coefficient to be lower than provincial aggregate ➢ Expansion and growth of existing businesses ➢ Establishment of new businesses ➢ Fostering innovation ➢ Growing the agricultural sector ➢ Growing the tourism sector ➢ Increase economic growth rate ➢ Improve trade balance ➢ Proximity and location to Cape Town economy ➢ Procurement by government and business ➢ Expand on Extended Public Works Programmes ➢ Addressing inefficiencies in local government business processes ➢ Expand on and coordinate SMME support services ➢ Enter into Public Private Partnerships to improve efficiencies ➢ Link to provincial strategies and programmes ➢ New product development and differentiation ➢ Brand development ➢ Develop and link to sector specific plans	➢ Slow economic growth rate of national economy ➢ Drought in the Western Cape ➢ Economic inequality ➢ Political dynamics ➢ Lack of unity within businesses ➢ International subsidies for agriculture ➢ Steep increases in land value ➢ Volatile exchange rate ➢ Narrowing agriculture profit margins ➢ Fluctuations in tourism industry ➢ South Africa's credit status (currently just above junk status)

RURAL DEVELOPMENT SWOT	
STRENGHTS	**WEAKNESSES**
➢ High quality & unspoiled natural environment attractive to skilled labour ➢ Diversity of scenic landscapes ➢ Soil & Climate favourable for grape and deciduous fruit production	➢ Property development negatively affecting environment ➢ Land reform taking place at very slow rate ➢ Municipal owned land not being used for best strategic uses ➢ Water shortages ➢ River water pollution
OPPORTUNITIES	**THREATS**
➢ Growth in tourism markets (domestic and internationally) ➢ Green technologies ➢ Developing programmes to mitigate against the impact of climate change	➢ Climate change impacting on existing agricultural production activities ➢ Drought ➢ Water supply ➢ Water quality

TOURISM DEVELOPMENT SWOT	
STRENGHTS	**WEAKNESSES**
➢ Natural beauty ➢ Strong tourism sector established in some Local Municipal areas ➢ Brand "Cape Winelands" is world renown ➢ Growing popularity of wine tourism ➢ Growing popularity of gastronomy tourism ➢ Growing popularity of cultural tourism	➢ Lack of transformation in the tourism sector ➢ Seasonality of the tourism industry ➢ Underdevelopment of tourism in outlying areas
OPPORTUNITIES	**THREATS**
➢ Opportunity to grow tourism for families (multi-generational tourism) ➢ Opportunity to grow cultural tourism ➢ Opportunity to develop new innovative tourism products ➢ Opportunity to extend the length of stay of tourists ➢ Increased online footprint for businesses in the tourism sector.	➢ Decreasing local tourism due to slow economic growth. ➢ Crime ➢ Drought

5.3. ENTREPRENEURSHIP

The businesses in an area constitute the fourth factor of production, namely Entrepreneurship. Entrepreneurship refers to the efforts of those who run businesses in the private sector, be it formal or informal. Entrepreneurship is essential for putting labour, natural resources and capital to productive use, and is thus the driving force behind the first three factors of production.

5.3.1 THE CONTRIBUTION OF THE PRIVATE SECTOR (LOCAL BUSINESSES)

5.3.1.1 The formal sector

Businesses create employment for local residents, provide families with livelihoods and ignite local economic development. Without businesses, there would not be employment opportunities in the private sector.

The table below outlines the number of people employed per economic sector and sub-sector in each municipal area.

Table 44: Employment (number) per industry 2016

Employment (Number) Total for 2016						
Industry	CWDM	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
Total (all sectors)	376 029	59 006	108 595	76 295	80 685	51 448
Primary sector total	70 704	16 140	16 001	9 270	17 520	11 773
Agriculture	66 294	14 974	14 886	8 238	16 798	11 398
Forestry	1 692	521	404	499	152	116
Fishing	2 556	640	634	504	536	242
Other mining and quarrying	162	5	77	29	34	17
Secondary sector total	59 155	8 510	18 589	12 859	11 170	8 027
Food	5 627	1 223	1 399	1 024	1 093	888
Beverages and tobacco	3 847	362	1 239	1 126	488	632
Textiles	1 383	59	426	394	254	250
Wearing apparel	2 076	54	331	715	504	472
Leather and leather products	99	14	50	25	10	0
Footwear	485	214	112	85	29	45
Wood and wood products	1 411	290	557	274	183	107
Paper and paper products	537	50	167	135	147	38
Printing, recorded media	1 781	86	445	604	365	281
Coke, petroleum products and nuclear fuel	310	102	75	57	50	26
Basic chemicals	291	34	70	68	77	42
Other chemical products	848	69	251	236	176	116
Rubber products	164	13	43	48	41	19
Plastic products	771	0	259	252	164	96
Glass and glass products	223	19	65	60	49	30
Non-metallic mineral products	1 018	205	376	182	158	97
Basic iron and steel products; casting of metal	298	57	81	65	59	36
Non-ferrous metal products	118	0	50	32	27	9
Structural metal products	885	75	241	206	192	171
Other fabricated metal products	1 272	131	348	306	275	212
Machinery and equipment	1 797	116	696	482	367	136
Electrical machinery	560	33	274	172	57	24
Radio, television and communication apparatus	109	8	41	26	23	11
Professional equipment	205	7	75	87	24	12

Motor vehicles, parts and accessories	1 274	111	364	363	270	166
Other transport equipment	505	21	208	127	134	15
Furniture	655	58	233	159	97	108
Other manufacturing groups	1 537	226	473	320	282	236
Electricity and gas	703	151	231	109	132	80
Water	268	66	107	39	39	17
Construction	28 098	4 656	9 302	5 081	5 404	3 655
Tertiary sector	246 170	34 356	74 005	54 166	51 995	31 648
Wholesale and retail trade	76 816	10 501	21 488	18 052	15 069	11 706
Catering and accommodation services	10 523	1 576	3 155	2 217	2 387	1 188
Transport and storage	14 022	1 437	3 680	3 320	3 280	2 305
Communication	2 731	205	689	763	510	564
Finance and insurance	7 773	831	2 674	2 044	1 414	810
Professional business services	19 453	2 181	6 643	4 713	3 855	2 061
Business activities n.e.c.	24 102	2 955	6 647	5 024	6 589	2 887
National and Provincial government	28 499	4 591	9 539	6 055	5 691	2 623
Local government	8 337	2 100	2 610	1 639	1 300	688
Education (Private)	4 022	478	1 270	957	760	557
Health and social work (Private)	6 981	1 042	2 240	1 454	1 466	779
Other community, social and personal services	42 911	6 459	13 370	7 928	9 674	5 480

(Source: Quantec, 2017)

Of the three main sectors, the Tertiary Sector creates the highest number of jobs in the Cape Winelands District Municipality, including all the respective Local Municipalities. However, per sub-sector, the highest number of people in the Witzenberg, Breede Valley and Langeberg Local Municipalities are employed in the agricultural sector. This is reflective of the high level of economic specialisation in the Agricultural sector as indicated by the Location Quotient.

In the Cape Winelands District Municipality, Stellenbosch Local Municipality and Drakenstein Local Municipality, the highest number of people are employed in the Wholesale and Retail trade industry (sub sector). Of the 376 029 people employed in the formal sector in the Cape Winelands District in 2016, 36 836 were employed in the public sector (national, provincial and local government) and 339 193 in the private sector. This emphasises the important role the private sector plays in creating employment in the Cape Winelands District.

5.3.1.2 Compensation per sector

The tertiary sector makes the greatest contribution in terms of nominal compensation in the district and all the local Municipalities respectively. This can be attributed not only to the sector employing the highest number of individuals, but also to higher compensation per person associated with higher skills levels.

Table 456: Nominal compensation (R million in current prices) 2016

Nominal compensation (R million current prices) 2016						
	Cape Winelands	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg
Industry						
Total	**34 574**	**4 466**	**11 576**	**8 650**	**6 567**	**3 315**
Primary sector	**1 676**	**347**	**436**	**276**	**378**	**239**
Secondary sector	**8 541**	**1 100**	**2 921**	**2 150**	**1 444**	**925**
Tertiary sector	**24 357**	**3 018**	**8 219**	**6 224**	**4 745**	**2 150**

(Source: Quantec, 2017)

In addition to creating employment and capital formation, local businesses also contribute toward municipal income. The table below outlines the various revenue streams (sources of income) per municipality.

Table 46: Income for Rates and General Services in R'000 for 2016

Geography Income	Breede Valley LM	Cape Winelands DM	Drakenstein LM	Langeberg LM	Stellenbosch LM	Witzenberg LM
Property rates from Residential	58 660	0	172 988	19 797	159 772	22 441
Property rates from Commercial or Business	21 786	0	67 352	5 196	128 904	10 207
Property rates from State	11 657	0	26 723	1 034	0	6 639
Property rates from Other (includes agriculture, municipal etc.)	27 885	0	41 155	24 272	14 310	23 233
Property rates - penalties imposed and collection charges	1 001	0	353	0	2 067	1 435
Interest earned from external investments	10 919	42 792	19 255	4 392	49 713	6 772
Interest earned from outstanding debtors	3 162	0	7 533	1 955	671	116
Interest earned from dividends received	0	0	15	0	0	0

Interest earned from fines	68 284	0	52 687	20 679	90 554	8 559
Grants and subsidies from National Government	10 458	5 172	90 960	15 311	18 676	54 850
Spent conditional grants	17 677	213 886	90 868	37 081	73 408	28 378
Other income	4 727	1 579	100 029	23 857	31 382	870

(Source: Stats SA, 2017)

The greatest contribution towards Municipal income for Rates and General Services, not considering grants, comes from Property Rates from Residential properties. In the Breede Valley area, commercial or business property rates constitute 18% of total taxes on property, 22% in Drakenstein, 10% in Langeberg, 43% in Stellenbosch and 16% in Witzenberg.

The value of the private business sector therefore mostly lies in creating employment, thus enabling households to pay for Residential Property Rates (and contribute to the local economy). A lack of job opportunities in a region leads to out-migration, causing a vicious circle of slower economic growth (DBSA, 2001).

Businesses therefore contribute to municipal income not only through business and commercial property rates, but mostly by creating employment and enabling the community to pay residential property rates.

5.3.1.3 The informal sector

The informal sector is characterised by small-scale, labour intensive, largely unregulated and unregistered businesses (Wilson, Whiteman & Tormin, 2001). These businesses typically engage in low-technology manufacturing or the provision of services. Informal sector entrepreneurs do not pay taxes, do not have the required trading licenses and are not included in government schemes (Haan, Coad & Lardinois, 1998). The informal sector can therefore be defined as "the total value of economic activity that is not captured in official statistics and which constitutes the value added by various participants to the value of economic transactions" (Roux, 2014).

The informal sector is therefore very difficult to quantify.
The table below depicts estimated employment levels in the formal versus informal sectors:

Table 47: Estimated Employment in Formal and Informal Sectors

	Formal jobs per municipality			Unemployment rate	Employed - Informal (Number)			Labour force participation rate (Percentage)
	2014	2015	2016	2016	2014	2015	2016	2016
Cape Winelands	256 516	271 490	278 201	10.68%	89 572	101 518	97 828	68.95%
Witzenberg	43 124	46 825	48 399	6.98%	9 280	10 760	10 607	72.44%
Drakenstein	78 093	81 383	83 369	13.94%	23 284	26 205	25 226	67.06%
Stellenbosch	51 548	53 353	54 601	10.92%	20 287	22 695	21 694	68.29%
Breede Valley	55 424	59 190	60 463	10.75%	18 308	20 972	20 222	68.78%
Langeberg	28 327	30 739	31 369	6.99%	18 413	20 886	20 079	70.94%

(Source: Quantec, 2017)

It is estimated that in developed economies such as Europe and the USA, the informal sector accounts for between 15% and 30% of business activity (Roux, 2014). The South African informal sector developed mostly as a means of survival for those unable to find employment, in contrast to the informal sector in developed countries where the objective is more often to enhance income. It is therefore likely that the informal sector in South Africa accounts for an even greater proportion of business activity.

In South Africa, the informal sector is not confined to any particular sector of the population (Roux, 2014). Flea markets, street vendors, housewives who work from home, hawkers, sewing and backyard mechanics are but some examples of informal businesses. Although the informal sector is unregulated and does not pay taxes, it does contribute to economic activity by producing goods and creating employment (a means of livelihood). The informal sector contributes to poverty alleviation by creating a livelihood for the poor, creating employment and producing goods and services for the local community.

Informal businesses included in the CWDM informal sector survey (2008) showed an almost equal split between male and female ownership. In addition, the age groups were also evenly distributed. The qualifications of informal business owners varied from individuals with a primary school education to some who enrolled in tertiary studies. The demographics of informal traders therefore reflected the demographics of the area.

The majority of informal traders were active in the retail trade, followed by taxis. Turnover varied from less than R 150 000 per annum to over a million rand per annum (in which case the businesses were supposed to have been registered for VAT). The number of persons employed per business also varied, but the concerning fact is that by virtue of being

informal, no income tax, UIF or COIDA was being deducted or paid over for these employees.

In view of the contribution of the informal sector to job creation and economic activity, it should not be regarded as a nuisance, but rather as an additional source of economic growth that can be developed. Initiatives focused on the informal sector should be aimed at providing support to develop enterprises and empower them to grow into the formal sector.

Government incentives are useful tools for growing enterprises and can motivate businesses to register with SARS (tax clearance is usually required to qualify for government grants). During the informal sector survey (CWDM, 2008), most businesses (74%) indicated that they were unaware of government incentives. Business forums can be utilised as communication channels to share information regarding incentives with small businesses, including those in the informal sector.

The sample selection criteria for the informal sector survey (CWDM, 2008) included businesses not registered with SARS, with the Compensation Commission or Unemployment Insurance Fund, irrespective of the business entity type. This re-iterates the fact that a business does not have to be a registered company or co-operative in order to be considered part of the formal sector. Sole proprietorships, that have the applicable registrations for SARS and the Unemployment Insurance Fund in place, and comply with industry regulations, indeed form part of the formal sector.

Misinformation and confusion regarding the requirements to start trading are not only damaging to new enterprise development, but also have a detrimental impact on the inclusion of businesses in the formal sector. The misconception that businesses have to be registered with CIPC in order to be considered formal businesses creates perceived barriers to establishing a new (formal) business. The process, cost and documentation requirements of registering an entity with CIPC are viewed as insurmountable barriers for some entrepreneurs, and therefore act as very unnecessary deterrents. Entrepreneurs under the false impression that they have to first register a company or co-operative before they can start trading, delay engaging in income generating activities and therefore miss out on opportunities and income.

The type of business entity (i.e. sole trader, partnership, company or co-operative) has no impact on the prosperity and growth of the business. It also has no impact on the eligibility for funding of a business. Factors that do have an impact on the eligibility for funding are the statutory registrations, or legally compulsory registrations, such as registering for income tax and registering with the Department of Labour as an employer in order to deduct and pay over UIF.

There are many different registrations included in the process of registering a business, and statutory registration should take precedence over registering an entity type. As the business grows, it may decide to register a different entity type, but for small start-ups it is best to limit red tape and start trading as soon as possible. This can be done by registering with SARS and the Department of Labour.

The argument of limited liability is dependent on the business activities, and often negated by lenders requiring that the business owners sign surety for the business's borrowings.
The Finscope Small Business Survey conducted in 2010 identified specific challenges facing SMMEs in South Africa:

- Start-up SMMEs experience significant challenges in obtaining finance and credit
- Infrastructure is key to SMME development, but businesses often struggle with lack of access to physical infrastructure
- SMMEs often have limited Research and Development (R&D) capabilities
- Labour laws discourage SMMEs from employing significant numbers of employees
- An inadequately educated workforce leads to skills shortage constraints
- Red tape, such as obtaining permits, often proves challenging for SMMEs
- High crime levels push up expenditure on security
- The inability for SMMEs (especially in rural areas) to gain access to markets has been identified as a major threat to their longevity.

5.3.2 BUSINESS ENVIRONMENT

The business environment of the area is dependent on the following:

- Economic growth in the area
- The availability of human capital and the required inputs to their respective production processes
- Access to markets
- Basic service delivery and maintenance of infrastructure

The private sector, made up of businesses, is both a beneficiary and driving force for economic growth. Strong economic growth allows businesses to expand and grow, thereby increasing their economic contribution and facilitating economic growth, creating a virtuous cycle. Efforts to promote economic growth therefore create an enabling environment for businesses to grow and prosper and are especially important for new venture creation.

The availability of a suitably skilled workforce is an important ingredient for businesses to grow and prosper. Skills development is thus important for businesses, and in turn, most businesses assist in the development and training of their workforce. Accessibility, both in terms of access to markets and accessing production inputs (raw materials) is important for

the development of the private sector. Although the Cape Winelands District is situated outside of the economic hub of the Cape Town metropolis, it is connected to ports via excellent road and rail infrastructure.

Excellent basic service delivery from the local municipality and a safe and secure environment form the base of growing the private sector. Businesses are known to move away from areas where poor service delivery disrupts production processes, or from crime-ridden areas where crime and a lack of security result in financial losses. Attracting a strong private sector is built upon basic service delivery and safety and security.

5.3.3 TRESS INDEX

The tress index is used to measure the level of diversification of an economy, i.e. how dependent the economy of a region is on a single or a few economic activities. In lay terms, the tress index measures if the economy has "all its eggs in one basket." The higher the tress index, the more concentrated an economy, or the more dependent on a single or a few business activities the economy is. Therefore, the higher the tress index, the more vulnerable the economy is to risk factors that might influence those few economic activities on which it is dependent. Such risks can include adverse climatic conditions or commodity price fluctuations. A totally diversified economy will have a tress index of zero.

The tress index for each of the municipalities, relative to the province and country, is depicted in the figure and table below.

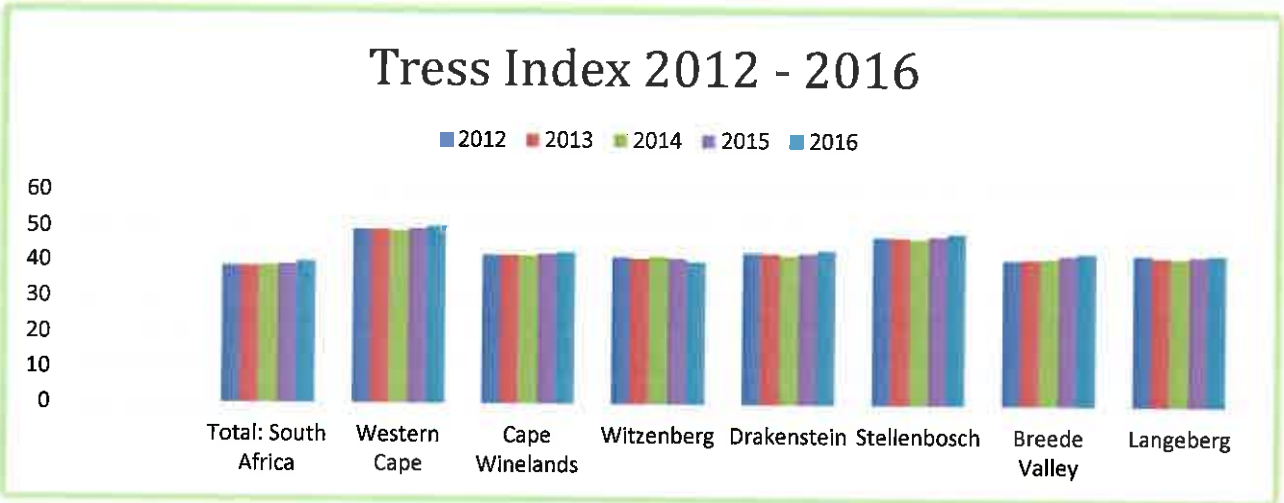


Figure 36: CWDM Tress Index (2012-2016)

Table 48: Tress index comparison

	2012	2013	2014	2015	2016
Total: South Africa	38,9	38,9	39	39,4	40,2
Western Cape	49,2	49,2	48,9	49,5	50,2
Cape Winelands	42,2	42,1	42	42,5	43
Witzenberg	41,6	41,3	41,8	41,4	40,4
Drakenstein	43,3	42,8	42,2	42,9	43,7
Stellenbosch	47,6	47,4	47,1	47,8	48,6
Breede Valley	41,3	41,5	41,7	42,6	43,3
Langeberg	42,8	42,2	41,9	42,5	42,9

(Source: Quantec, 2017)

Although lower than the average for the Western Cape, the tress index for the Cape Winelands District is higher than the average for the country. This is expected, because across the country there is a greater variety of economic activities across which dependence can be spread. The tress index for the Cape Winelands District has increased between 2012 and 2016, indicating that the economy became more dependent on a smaller number of economic activities. The increase in the tress index, more than the score itself, is of concern, because it means that the local economy is becoming more vulnerable due to its increased dependence on a smaller number of economic activities (the agricultural sector). The current drought in the Western Cape therefore poses a serious threat to the district's economy. A strong and diversified business sector can assist to mitigate this risk.

The priority should be to attract and foster a variety of businesses to increase the diversity of the local economy.

5.4 ECONOMIC CLUSTERS

5.4.1 GAINS FROM SPECIALISATION AND SPILL OVERS (FORWARD AND BACKWARD LINKAGES)

Economic growth can be stimulated through fostering symbiotic relationships between firms. As markets expand, tasks previously carried out in-house later get separated and sub-contracted to specialised firms or individuals. Firms that operate in specialised economies often sub-contract auxiliary activities to outsiders in order to focus on their core business. Specialisation enables firms and individuals to optimally capture the advantages of learning-by-doing, i.e. they become very good at what they do (Fafchamps, 2000).

Taking advantage of specialisation, spill over and forward and backward linkages can be achieved by the establishment of economic clusters. Spill over effects are strong within a group of similar industries (Hirschman, 1958). Firms can buy from and sell to each other, which is called backward and forward linkages.

The potential for establishing clusters is strongest where spill over effects are strongest.

5.4.2 ECONOMIC CLUSTERS IN THE CAPE WINELANDS

There are a number of economic clusters in the Cape Winelands, such as:

- wine cultivation and production;
- hospitality and tourism;
- deciduous fruit;
- agro-processing; etc.

Below is an illustration of one of these clusters.

5.4.2.1 Cape Winelands Tourism Cluster

The Cape Winelands Tourism Cluster was built on scenic natural beauty and wine of the Cape Winelands District.

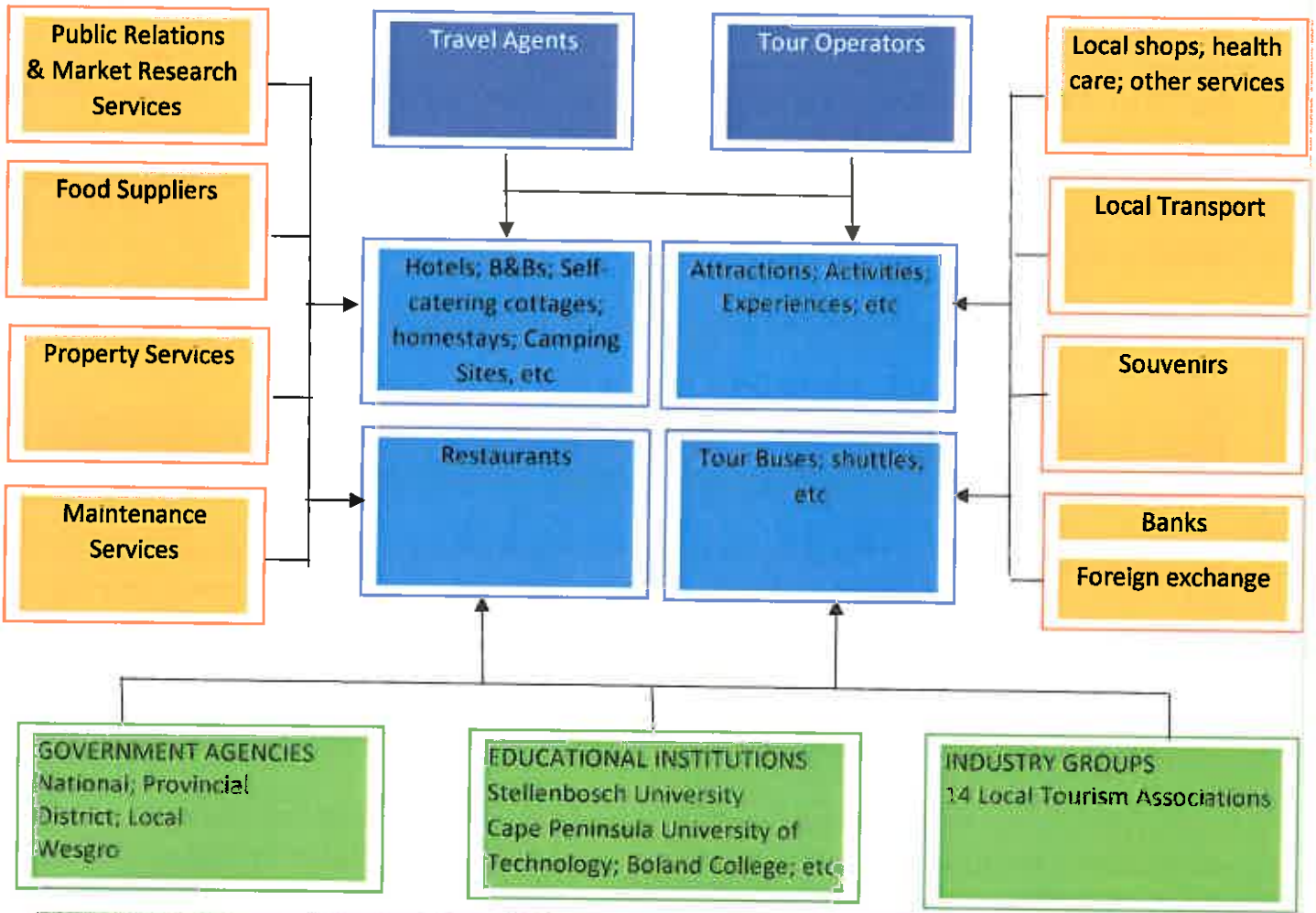


Figure 37: Cape Winelands Tourism Cluster, CWDM

It is generally understood that the competitiveness of firms is the only way to achieve sustainable job growth and improve wages. Productivity is an important determinant of competitiveness and it relates to how governments utilises it human, capital and natural resources. Innovation in products and services is a necessity for fuelling productivity growth. Wealth and jobs can only be created through productive enterprises. Governments compete by providing the most productive environment for (what is commonly known as 'providing an enabling environment') business. Therefore, the public and private sectors play different but interrelated roles in creating the productive economy.

5.5. INNOVATION AND ECONOMIC DEVELOPMENT

According Human Sciences Research Council (2017:) "Modern economic theory holds that innovation is essential for the competitiveness, not only of individual enterprises, but also of cities, regions and nations". Simply put "innovation is seen as the route to economic growth" (Cohen, L). This means that innovation uses new information and knowledge to create new products and services and this leads to new venture creation. The new ventures are the new sources of growth that can then be seen in the economy.

5.5.1 TECHNOLOGICAL CHANGE AND INNOVATION

Economic development can be viewed as a process of modernisation. Technological change can be seen as modernisation and is an essential ingredient of growth (Fafchamps, 2000). The advancement over the last 200 years can be attributed to the application of new science and technology to various industries, including agriculture, medicine and service (Fafchamps, 200). Technological advancement is also called modernisation, and technological transfer is essential for transformation to take place. The rapidity of development can in part be attributed to the speed with which an economy absorbs modern technology and ideas. Innovation is therefore crucial for advancement. Areas that lag behind global modernisation are perceived to be marginalised (Fafchamps, 2000).

Table 49: Type of Industrial Revolutions

Industrial Revolution	Description
First Industrial Revolution	Introduced the use of steam power for mechanise production.
Second Industrial Revolution	Saw the use of electric power for mass production as well as a number of inventions in transport, telecommunications and manufacturing.
Third Industrial Revolution	Introduced the internet and other technological innovations and ushered humans into the digital age.

Fourth Industrial Revolution	It is characterised by scientific and technological breakthroughs. It is "disrupting industries, blurring geographical boundaries, challenging existing regulatory frameworks, and even redefining what it means to be human... emerging technologies such as artificial intelligence (AI), blockchain, drones and precision medicine are swiftly changing lives and transforming businesses and societies, inevitably posing new risks and raising ethical concerns" (2019: 6).

Source: World Economic Forum, 2019

Technological advancement is typical in the private sector, as private firms are more flexible and more efficient, and constantly reorganising themselves (Fafchamps, 2000). However, using modern equipment and machinery requires better trained workers, and human capital accumulation is thus a complement to physical capital accumulation, and is vital for accessing new technologies.

ICT infrastructureConnectivity and the sharing of information is important for local residents as well as an important factor for tourists when choosing a destination. Stellenbosch was also identified as the first town in South Africa to provide free internet through Wi-Fi hotspots throughout the Stellenbosch Municipal area.

5.5.1.1 The Knowledge Economy

As stated above innovation and creativity drives economic growth. According to Investopedia the knowledge economy can be defined as "a system of consumption and production that is based on intellectual capital. It typically represents a large component of all economic activity in developed countries. In a knowledge economy, a significant part of a company's value may consist of intangible assets such as the value of its workers' knowledge or intellectual capital".

Developing countries such as South Africa needs to invest in skills development; tertiary education and encourage research and innovation through providing funding assistance if it is to exploit the opportunities that the knowledge economy presents.

5.5.1.2 The 4th Industrial Revolution

According to the DTI the 4th Industrial Revolution also known as, the digital industrial revolution "is expected to have disruptive impacts on all economies, but especially on lower- to middle-income countries that find it difficult to keep abreast of the rapid speed of technological advancement and innovation [and] for South Africa, the Digital Industrial

Revolution poses substantial challenges and offers perhaps rather fewer immediately clear-cut opportunities for the domestic economy".

It will be affecting:

- **The economy** - New technologies can be powerful agents for a better economy. Powerful computing devices and networks, digital services, and mobile devices, this can become a reality for people around the world, including those in underdeveloped countries.
- **The workers** - Digital technology can liberate workers from automatable tasks, making it simpler for them to concentrate on working with more complex businesses and other problems and giving them more responsibility and a sense of autonomy in their working environment. It can also provide workers with innovative new tools and insights to design more creative solutions to previous problems. New types of work will be presented, especially in technology, software development and social media. It is also understood that numerous current occupations will either change or disappear.
- **Places of work** - The impact of the revolution has increase the functionality make everything go world wide, where location is not important for many types of work (e.g. call centres) and organisations can search and log into talent anywhere and anytime in the world. Flexibility, where work is no longer a place we go to, but something you do. Many people work in virtual relation to the organisation. (World Economic Forum, 2016).
- **The labour market** – we are currently seeing that young people do a lot of different types of work and thus employment is taking the form of short duration "work opportunities" rather than long-term careers. This is now known as the gig economy.
- **The new way of working** – we are now also beginning to see that more people are working 'remotely', in their own space and time, and more work is being done by teams of people with different skills, who work together temporarily and use virtual communication to collaborate.
- **Current Education system** – the future work environment will look very different from the current work environment. There will be new knowledge and skills that people will need to have in order to work and to operate in that environment. In term of the education system there is a need for serious intervention because "We are currently preparing students for jobs that don't yet exist . . . using technologies that haven't been invented ... in order to solve problems we don't even know are problems yet." [Attributed to Richard Riley, United States Secretary for Education under President B.Clinton.]

It will be up to countries, provinces, regions and localities on how they respond to the challenges, threats and opportunities that the 4th industrial revolution poses.

5.5.1.3 District Municipal Innovation Systems

According the Department of Science and Technology (2016:3) "the boundaries of the networks and activities that occur within the DMs define the boundaries of the district

innovation systems ... the district innovation systems are characterised by heterogeneous actors such as the local and regional offices of the national and provincial departments, NGOs ... science councils (such as the Agricultural Research Council or CSIR), national financing institutions (such as Industrial Development Corporation), local municipalities, business chambers, traditional authorities, local development agencies ... which acts as a think tank for the district municipality on LED planning".

The Cape Winelands district Municipality continually strive to broaden its innovation system by forming strategic partnerships with institutions and organisations. It has broadened its' innovation system to such an extent that partners contribute to project funding and sometimes also assist in implementing socio-economic development programmes.

5.6 SUMMARY

In summary:

- The target GDP growth as per the NDP is an average annual rate of 5.4%. Over the past years, this target was not attained. Although the Cape Winelands district has shown a very modest growth in GDPR, it has been declining since 2014. The growth rate forecast for the next few years is even lower than the growth rate of previous years, and therefore it is too slow to achieve the target set by the NDP.
- The Cape Winelands economy was slow to recover from the 2008/ 2009 financial crisis and the growth rate has been declining since 2014.
- The Cape Winelands GDPR per capita at R 50 239 in 2016 was less than half of the national target of R 110 000 per capita to be attained by 2030. GDPR per capita in the Cape Winelands will have to grow at just over 5% per year to achieve the NDP's target by 2030.
- The Cape Winelands' Gini coefficient was below the national average at 0.63 in 2014. This means that the income distribution in the district is more equal than in the rest of South Africa. However, the Gini coefficient was stagnant since 2010 and should be improved to reach the national target of 0.6 by 2030.
- The tertiary sector was the greatest contributing sector in terms of GDPR in 2015.
- In terms of value added (GVA) between 2012 and 2016, the greatest contributors were:
    - Wholesale and retail trade
    - Agriculture
    - Professional business services
    - Construction
    - Transport and storage
    - Food

- National and provincial government
- Finance and insurance
- Business activities
- Other community, social and personal services

- The agricultural sector plays a very important role in the Cape Winelands, not only due to its significant contribution towards GVA, but also in terms of linkages to other sectors such as catering and accommodation, and tourism.
- Growing the region's exports in terms of volume and value should stimulate economic growth and improve the district's trade balance.

The main challenge facing the Cape Winelands economy is the slow economic growth rate. Although the economic growth rate is in line with national trends and not necessarily within the control of local government, the region would benefit from accelerated economic growth. It is estimated that South Africa needs to maintain an annual economic growth rate of more than 6% for a number of years in order to create jobs for new entrants to the job market every year.

5.7 CONCLUSION

Economic growth is a prerequisite for economic development. The starting point for local economic development is therefore to grow the local economy. The size of the economy and economic growth is measured in terms of GDP and GDP growth rate. GDP is the total output (goods and services produced) in an area over a period. Therefore, growing the economy would mean to increase the outputs (i.e. everything produced) in an area. The district's economy can therefore be grown by increasing the production levels of local businesses and the establishment of additional (new) businesses. For this to happen, the inputs required by businesses for production must be increased and the businesses must produce at optimal production level. Optimal production can be facilitated through the availability of the necessary skills and creating an enabling environment for businesses to flourish.

A growing economy also enhances the chances of success for new businesses. The market for the services and goods produced by local businesses can be enhanced by increasing the buying power of the local community through increased income levels as well as exporting goods and services to other regions. The more people participate in the economy, the faster it can grow. Therefore, the greater the proportion of working community members, the better for economic growth. Participating in the economy would mean that people earn an income which will enable them to buy more goods and services, thereby increasing the market for the goods and services produced.

Creating employment is therefore key to economic growth. Employment creation is facilitated by growing businesses to employ the people and establishing new businesses for people to employ themselves. In order to be employable, people need to be equipped with the necessary skills. Skills development is therefore imperative for creating employment, increasing production and generating economic growth.

06

FACTOR OF PRODUCTION: CAPITAL (INVESTMENT)

The accumulation of capital (investment) is important for economic growth and development. This section considers investment trends in the CWDM and how investment can be increased.

Capital formation (investment) is the third factor of economic production. Capital formation includes the following:

- The accumulation of human capital
- The accumulation of physical capital
- Technological advancement and innovation
- Economic clusters
- Foreign investment

Countries, regions and cities benefit from attracting investment (capital formation in the area) by the private sector as it enhances the economic base of the area and promotes economic development.

6.1 CAPITAL FORMATION

6.1.1 ACCUMULATION OF HUMAN CAPITAL

Theoretically, population growth should contribute to economic growth as more workers should produce more output (Fafchamps, 2000). Population growth also triggers investment in infrastructure and technological advances (Boserup,1965). The Cape Winelands District's population was growing faster than the national, provincial and district average of 2.38% between 2014 and 2016. For Local Government, population growth usually translates to a wider economic base, and a declining population means a smaller revenue base.

Education and skills are complimentary to physical capital (Schultz, 1961). In order to make effective use of the accumulation of physical capital, workers need new skills and higher education. Human capital plays a very important role in growth (Barro, 1991; Mankiw et al., 1992). The accumulation of human capital ties in with the production factor of labour.

Even though primary and secondary education seldom provides vocational training that is immediately applicable in the workplace, several studies have shown that there is a positive relationship between economic performance and education (Mankiw et al., 1992; Barro, 1991). This evidence has given rise to the belief that the primary focus of government policy should be on primary and secondary education.

A challenge faced by the area is that 72.8% of adults in the Cape Winelands District do not have matric and are becoming more unemployable in an economic environment where manual labour is becoming less important, whilst appropriate skills are becoming increasingly important (Roux, 2014). Facilitating the improvement of educational levels in the area should be a key focus area (as outlined in the section on human capital). Primary and secondary school education should enjoy priority, but building the knowledge base of the community is also dependent on tertiary education. Typical policy recommendations for filling the knowledge gap include study and research grants and subsidies.

Schumpeter (1961) argues that the future of developing economies depends on the quality and imagination of its entrepreneurs. The development of entrepreneurship is thus not only important for economic development, but also for attracting knowledge capital and innovation to an area (as discussed in the section on entrepreneurship). Attracting knowledge based in private firms, directly or through joint-venture agreements, supports local economic development.

Long term growth in a region is impossible without adequately educated labour force. However, an educated workforce still requires modern equipment and machinery to be optimally productive (Fafchamps, 2000). The accumulation of physical capital is a prerequisite for growth, but modern capital can only be put to good use by a well-trained labour force. Human Capital and Capital Formation are therefore interlinked and inter-dependent.

6.1.2 ACCUMULATION OF MACHINERY AND EQUIPMENT (PHYSICAL CAPITAL)

An increase in the number of pieces of machinery and equipment per worker should increase productivity and therefore the output per worker. There is, however, a limit to how much additional equipment can increase production, as too much equipment per worker can reach a saturation point. Therefore, there is a limit to the level of growth that can be achieved through the accumulation of physical capital over the long term (Solow, 1956). Accumulation of physical capital ties in with the production factor of capital formation (investment). Capital accumulation speeds up when income and savings are higher. Increases in savings and income should therefore be considered along with investment and infrastructure development.

Although household savings in the country and Western Cape remained negative between 2009 and 2013, savings levels showed improvement. The Cape Winelands managed to sustain an increase in positive household savings between 2009 and 2013. Investment is financed by savings, and improvement in savings is positive for investment. It is encouraging that the Cape Winelands District is showing growth in aggregate household savings.

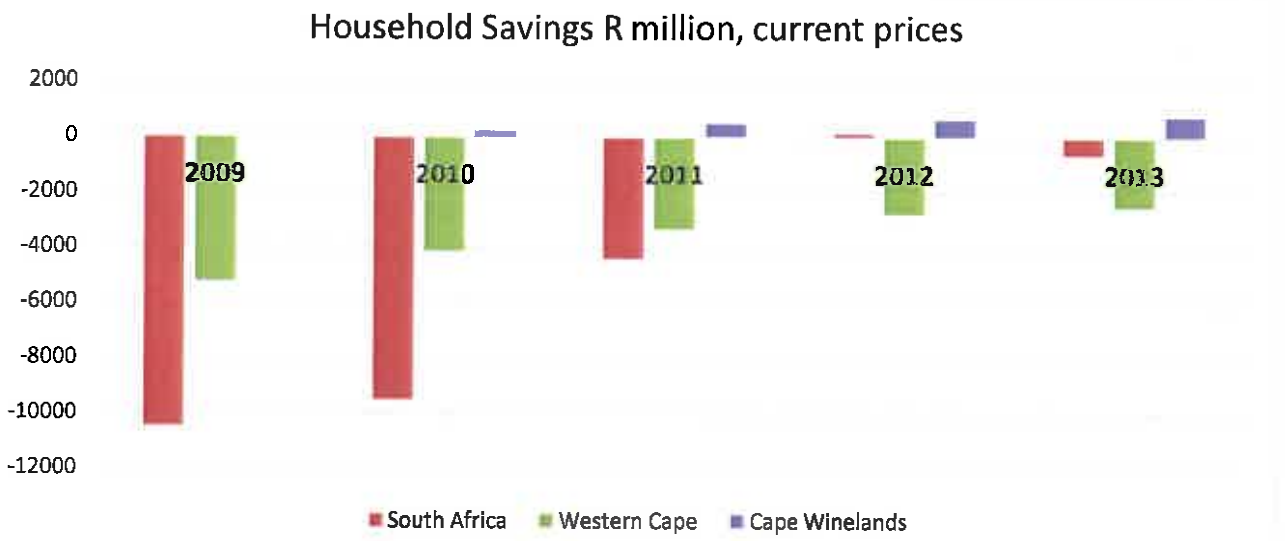


Figure 38: Household Savings by area
(Source: Quantec, 2018)

Physical capital also includes the development of infrastructure such as transport infrastructure, ICT infrastructure and agricultural infrastructure.

6.1.3 INFRASTRUCTURE

Infrastructure investment is a catalyst for economic and social development. Municipalities face the challenge of providing infrastructure and service delivery as a result of unplanned urbanisation (CWDM IDP, 2017).

The development of the Nkqubela Community Commercial node commenced in April 2017. In the Drakenstein Municipal area, a Waste to Energy project was rolled out along with the Paarl Waterfront development envisaged to commence within the next year or two. Paarl CBD also enjoyed an upgrade through a PPP agreement.

The Cape Winelands District Municipality also rolled out an innovative program to improve water and sanitation services for farm workers. Ceres, Wolseley and Tulbagh are also set to benefit from the Small Town Regeneration Programme. Infrastructure spending by CWDM is supplemented by investments in infrastructure by the Western Cape Government. The

largest share of spending is earmarked for transport and public works programmes, followed by housing, education, health and environmental projects.

Although water services are seated within the B-Municipalities, it is the responsibility of the CWDM to ensure proper planning, to co-ordinate and oversee projects, and to ensure that sufficient capacity exists for effective service delivery.

The Rural Infrastructure and Development (RID) branch of the DRDLR facilitates rural infrastructure development and provides project management, administrative and financial support to infrastructure projects.

According to the Western Cape Provincial Spatial Development Framework (WCPSDF, 2014), the Cape Winelands District had the following spatial development needs:

- The need for the protection of biodiversity and ecosystems
- Development of farm worker housing
- Protection of prime agricultural land within the region
- Lack of public transport and residents' dependence on non-motorised transport.

6.1.3.1 Transport infrastructure

The Cape Winelands District is located within close proximity of the Cape Metropole and is connected to economic hubs via excellent road infrastructure. Although the CWDM does not have ownership of any of the public roads in the area, agreements exist between the CWDM and Provincial Departments to ensure provincial road maintenance. Transportation is key to moving goods and services around the district.

The CWDM also developed a District Integrated Transport Plan that outlines critical investments and improvements throughout the district that will improve the daily lives of residents. The Plan hopes to address most public transport needs of rural communities through the implementation of Integrated Public Transport Networks. An important part of the plan is sustainability in transportation. There are three components to sustainability:

- natural environment;
- social activity; and
- economic development.

Sustainability in transportation suggests a system with low negative environmental costs yet high positive social value, which supports resource efficient economic development. For practical application of these principles, the following is required;

(i) Lowering the carbon intensity of transport, especially freight transport
(ii) Improvement in the rural coverage of public transport networks
(iii) Integrated public transport systems within towns

(iv) The internalisation of social, economic and environmental costs into the design and construction of transportation infrastructure
(v) Realisation of local benefits

Strategic Transport Corridors

According to the Western Cape SDF 2014, the rural economy is undergoing transformation as a result of both financial and economic factors, and a policy thrust to diversify rural activity. Government support of rural entrepreneurs can be expected to increase travel on the existing links between the Cape Winelands and Cape Town, and between the Cape Winelands and inland destinations. A rural development corridor is identified linking Ceres, Worcester, Robertson and Swellendam, which has the potential to increase road-based transport in and out of the Cape Winelands.

The proximity to the City of Cape Town (CCT) also allows for economic interaction to take place between the district and the CCT. There is currently a strong functional (economic) relationship between the Cape Winelands and the City of Cape Town. Improvements in the transport system is important to minimise the impact of the spatial structure on daily travel, to allow for better access to opportunities.

The Cape Winelands District Municipality is primarily rural and the agricultural industry being the backbone of the economy. The main agricultural produce within the district is wine grapes, with medium to low density wine cellars within the district with areas of high-density concentration along major transport corridors. These areas with moderate and high activity densities are along routes connecting main highways. This suggests that a large number of vehicles transport agricultural input and output between the N1 and N2 via the R60, R62, R43 and R45. The agricultural inputs are therefore also transported along these corridors. Rail freight movement also takes place within the district. Agricultural produce is transported via rail between Cape Town and Ceres and areas east of Cape Town.

Freight Transport plays an important role in the area's economy in terms of the transport of agricultural produce. Increasing volumes of long-distance trucks passing through towns in the District also put additional pressure on road infrastructure.

Transport infrastructure, such as road and rail, is essential for ease of access for tourists, to facilitate trade (i.e. the transport of goods into and out of the region), and in terms of attracting investment.

6.1.3.2 Agricultural Infrastructure

The agricultural sector plays a very prominent role in the Cape Winelands District. Having the necessary infrastructure supports agricultural development and is an essential component within the agricultural value chain.

Table 50: Agricultural infrastructure Cape Winelands, 2013

Infrastructure	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	angeberg	Cape Winelands District
Abattoir - red meat	2	3	0	1	2	**8**
Abattoir - white meat	0	1	0	2	1	**4**
Agro-processing plant	13	21	13	7	11	**65**
Airfield	10	5	1	5	7	**28**
Chicken batteries	0	0	0	0	1	**1**
Chicken batteries - broilers	7	39	13	21	0	**80**
Chicken batteries - layers	6	58	5	4	2	**75**
Chicken hatchery	0	0	1	1	0	**2**
Cool chain facilities	8	0	0	2	0	**10**
Crush pen	107	44	7	45	61	**264**
Crush pen and dip tank	1	1	2	9	4	**17**
Dairy	8	14	9	15	25	**71**
Dam	2 726	787	981	930	1 806	**7 230**
Feedlot - beef	2	1	0	4	6	**13**
Feedlot - pigs	0	0	0	1	0	**1**
Feedlot - sheep	0	0	0	0	0	**0**
Fruit cool chain facilities	9	2	0	0	9	**20**
Fruit packers	2	1	1	0	5	**9**
Grain dam - commercial	0	0	0	0	0	**0**
Homestead	594	724	705	757	657	**3 437**
Homestead - labour	342	483	155	422	472	**1 874**
Nursery	5	14	15	2	8	**44**
Other	0	2	0	0	2	**4**
Packhouse	130	37	21	115	32	**335**
Piggery	1	9	12	1	3	**26**
Shade netting	45	128	51	18	43	**285**
Silo bags - commercial	0	1	1	0	2	**4**
Silo bags - non-commercial	1	0	0	0	0	**1**

Silos - commercial	1	1	0	0	1	**3**
Silos - non-commercial	0	2	0	0	1	**3**
Tunnels	**24**	**123**	**69**	**9**	**21**	**246**

(WC Agristats, 2013)

Horticulture is the most prevalent primary agricultural activity in the district, followed by chicken batteries (MERO, 2017).

6.1.4 BUILDING PLANS PASSED

Growth in the number of building plans passed and completed is indicative of a growing economy, both in that building is a response to growth in demand as well as a stimulant of further growth. Building plans passed and completed also indicate an increase in the revenue base of the municipality and has spatial development planning implications.

Statistics SA's information on building plans passed and completed is only available for some municipalities in the Cape Winelands, including the Stellenbosch, Drakenstein and Breede Valley Local Municipalities. The results for the areas where data is available, varies and cannot give a reliable reflection of the entire region.

6.2 INVESTMENT

6.2.1 FOREIGN DIRECT INVESTMENT (FDI)

Smaller markets often mean fewer specialised industrial services, which makes it unattractive for foreign direct investment. The successful establishment of economic clusters is dependent on the local provision of specialised industrial services and the availability of a pool of qualified workers (Rodriguez-Clare, 1996; Ciccone and Matsuyama, 1996).

According to WESGRO (2018) the global inward FDI into the Cape Winelands between January 2003 and November 2017 resulted in 9 FDI projects valued at ZAR3.4bn and creating 221 jobs.

Table 51: FDI into the Cape Winelands January 2003 to November 2017

FDI INTO THE CAPE WINELANDS, JANUANRY 2003-NOVEMBER 2017							
DATE	INVESTING COMPANY	SOURCE COUNTRY	DESTINATION CITY	INDUSTRY SECTOR	SUB-SECTOR	CAPEX (ZARm)	JOBS
Apr 2017	Nedbank Private Wealth (Fairbairn Private Bank)	London	Stellenbosch	Financial Services	Investment management	144,06	21,00
Jan 2017	Liquorice	Paris	Stellenbosch	Business Services	Advertising, PR, & related	89,05	15,00
Jul 2012	Enza Zaden	Enkhuizen	Stellenbosch	Biotechnology	In-Vitro diagnostic substances	557,89	50,00

Nov 2011	deVere & Partners (deVere Group)	Zurich	Stellenbosch	Financial Services	Corporate & investment banking	144,06	21,00
Aug 2011	Genetwister Africa	Wageningen	Stellenbosch	Chemicals	Pesticide, fertilisers & other agricultural chemicals	134,89	35,00
Apr 2011	Artificial Life	Hong Kong	Stellenbosch	Communications	Wireless telecommunication carriers	98,22	16,00
Feb 2011	Juwi	Mainz	Stellenbosch	Alternative/Renewable energy	Wind electric power	2 036,44	22,00
May 2010	Genetwister Technologies	Wageningen	Stellenbosch	Chemicals	Pesticide, fertilisers & other agricultural chemicals	134,89	35,00
Sep 2004	Alltech	Nicholasville (KY)	Stellenbosch	Chemicals	Paints, coatings, additives & adhesives	65,48	6,00
TOTAL						3 404,99	221,00

WESGRO, 2018

According to WESGRO (2018) the global outward FDI from the Cape Winelands between January 2003 and November 2017 resulted in 19 outward FDI projects.

Table52:: FDI from the Cape Winelands January 2003 to November 2017

DI FROM THE CAPE WINELANDS, JANUANRY 2003-NOVEMBER 2017							
DATE	**INVESTING COMPANY**	**SOURCE**	**DESTINATION COUNTRY**	**SECTOR**	**SUB-SECTOR**	**CAPEX (ZARm)**	**JOBS**
Sep-17	Luno	Stellenbosch	United Kingdom, Singapore and Indonesia	Software & IT services	Software publishers, except video games	230,49	56
15-Jun	Origin Wine	Stellenbosch	United States and Sweden	Food, Beverages & Tobacco	Wineries	497,65	22
May-15	PSG Konsult	Stellenbosch	Namibia	Financial Services	Investment management	144,06	18
15-Apr	Mediclinic Middle East	Stellenbosch	UAE	Life sciences	General medical & surgical hospitals	3 168,99	800
14-Oct	Wines of South Africa	Stellenbosch	Hong Kong	Food, Beverages & Tobacco	Wineries	248,83	22
14-Jun	Distell Group	Stellenbosch	Angola	Food, Beverages & Tobacco	Breweries & distilleries	2 941,38	222
Jan 2014	Mxit	Stellenbosch	India	Software & IT services	Internet publishing & broadcasting & web search	107,39	52
May 2013	Rainbow Chicken	Stellenbosch	Zambia	Food & Tobacco	Animal production	421,69	429
Feb 2012	Entersekt	Stellenbosch	United Kingdom	Software & IT services	Software publishers, except video games	159,77	97
Jan 2011	Booker Tate	Stellenbosch	Sri Lanka	Food & Tobacco	Sugar & confectionary products	1 440,57	400
Total						**9 360,83**	**2 118,00**

Source: WESGRO, 2018

WESGRO (2018) further stated that "During the said period the region invested in projects valued at ZAR9.4bn creating a total of 2 997 jobs".

The table below shows a list of projects that were facilitated by Wesgro's Investment Unit.

Table 53: Investment projects into the Cape Winelands District facilitated by WESGRO Investment Unit

INVESTMENT PROJECTS INTO THE REGION THAT WERE FACILITATED BY WESGRO				
NUMBER	COMPANIES NAME	SUB-SECTOR	CAPEX (ZARm)	JOBS
1	Riviera Today	Services	5	30
2	Groot Parys Estate (Pty) Ltd	Other tourism	15	5
3	Turnaround Investment	Accommodation	2	5
4	Breede Valley Fruit Processors	Juice Manufacture	1	10
5	Nouvelle Mushrooms	Agriculture	152	15
6	Montagu Dried Fruit	Agri processing	20	70
7	Cence	Community Development	110	250
TOTAL			**305**	**385**

Source: WESGRO 2018

6.2.2 REGIONAL INTEGRATION

Sachs (1998) argues that infrastructure is a regional affair as individual (local) economies are too small to sustain modern infrastructure by themselves. Building a good regional reputation is more likely to successfully attract foreign investment, and regional integration offers the area greater collective bargaining power.

Regional integration is about pooling resources to create a collective that is stronger and more powerful than its individual components. The Cape Winelands, under the leadership of the District Municipality, has the potential to build a strong brand as a sought-after investment destination.

6.2.3 INVESTMENT TRENDS IN THE CAPE WINELANDS DISTRICT

Gross fixed capital formation is the net increase in physical assets (investment minus disposals) for a specific period. The increase in physical assets (investment) trend per municipality in the Cape Winelands District from 2010 to 2016 was as follows:

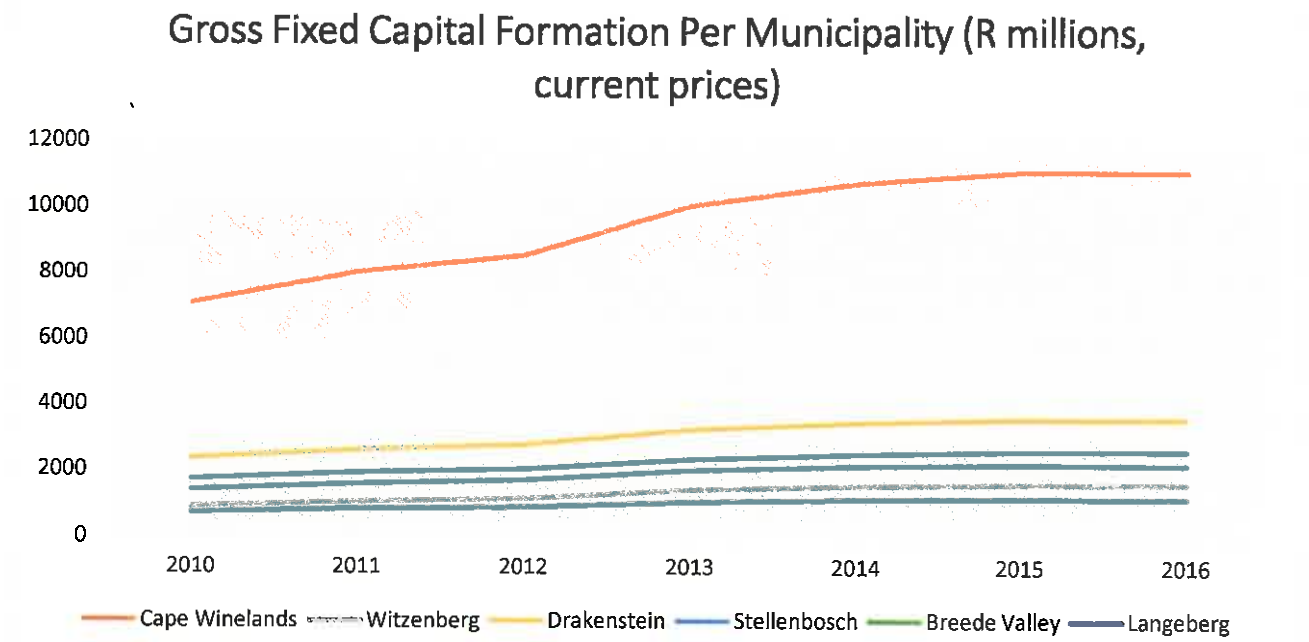


Figure 3911: Gross fixed capital formation in CWDM, 2010 to 2016 (Source: Quantec, 2018)

All local municipalities, including the District, followed the same trend: fixed capital formation grew steadily, but the growth rate declined from 2013/ 2014. The investment growth rate slowed down even more from 2015. Drakenstein had the highest level (in R millions) of investment, and Langeberg the lowest.

The types of fixed capital formation in the Cape Winelands District between 2010 and 2016 included Building and Construction Works, Machinery and other equipment, Transport equipment, and Transfer costs, as can be seen in the table below:

Table 547: Types of fixed capital formation in CWD, 2010 - 2016

R millions, current prices	2010	2011	2012	2013	2014	2015	2016
Total	7 101	8 033	8 549	10 049	10 742	11 106	11 095
Buildings and construction works	2 950	2 955	3 142	3 715	4 066	4 527	4 756
Machinery and other equipment	3 206	4 033	4 181	4 827	5 112	4 823	4 555
Transport equipment	790	898	1 070	1 330	1 365	1 536	1 551
Transfer costs	156	147	155	178	200	220	233

(Source: Quantec, 2018)

Building & Construction Work and Machinery & Other Equipment made the largest contribution to gross fixed capital formation in the Cape Winelands District. While the contribution of Machinery & Other Equipment declined between 2014 and 2016, the

contribution of Buildings and Construction Works continued to increase, overtaking Machinery & other equipment in 2016.

The trend can be graphically depicted as follows:

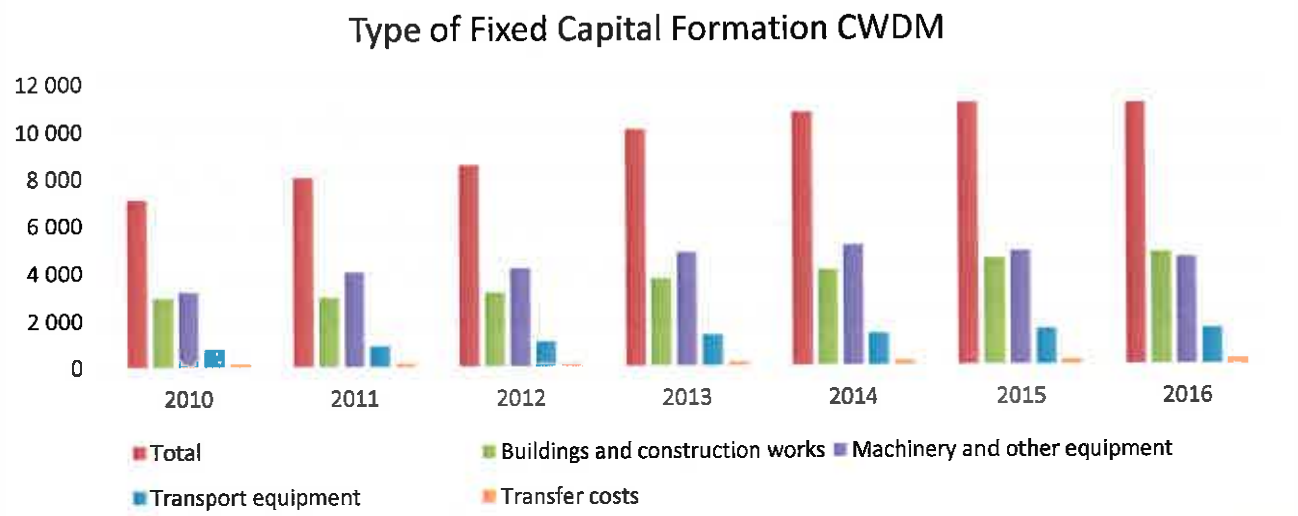


Figure 40: Type of Fixed Capital Formation, CWDM
(Source: Quantec, 2018)

The total monetary value (R millions, current prices) of fixed capital formation in the Cape Winelands District is growing, albeit at a slower rate since 2014 than before. Building and Construction Works showed steady growth between 2010 and 2016

In terms of the sectoral contribution to fixed capital formation, the tertiary sector contributed most to fixed capital formation, as can be seen in the figure below:

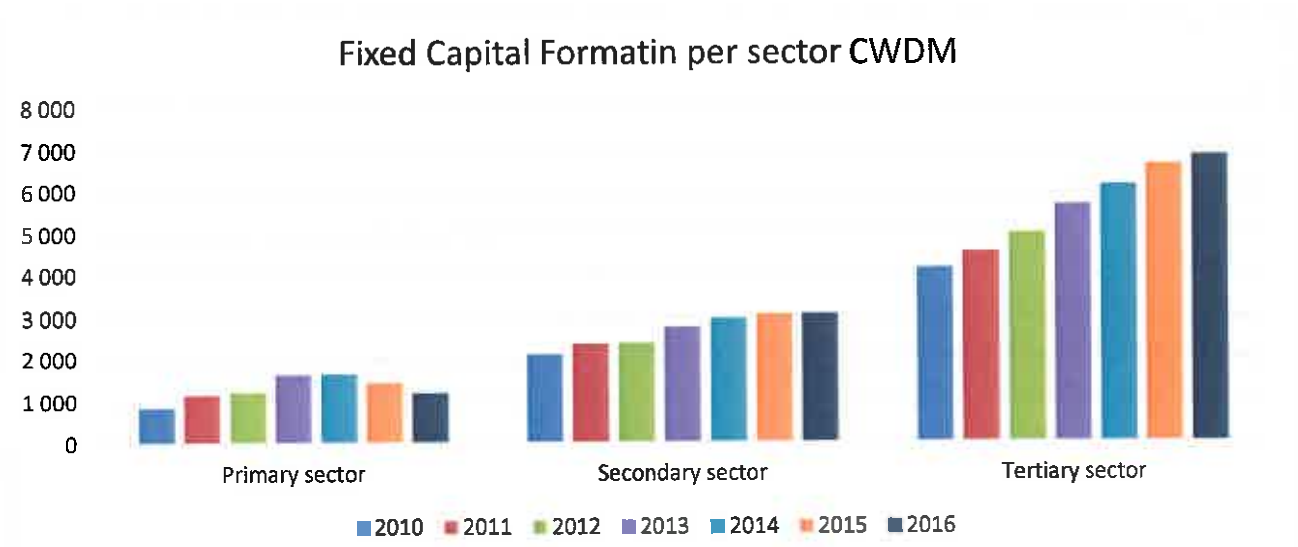


Figure 41: Fixed Capital Formation per sector, CWDM
(Quantec, 2018)

Although the tertiary sector collectively contributed most to the formation of fixed capital in the Cape Winelands District, the Transport and Storage sector was the sub-sector that was responsible for the largest contribution to Fixed Capital Formation in the Cape Winelands District Municipal area as depicted in the figure below:

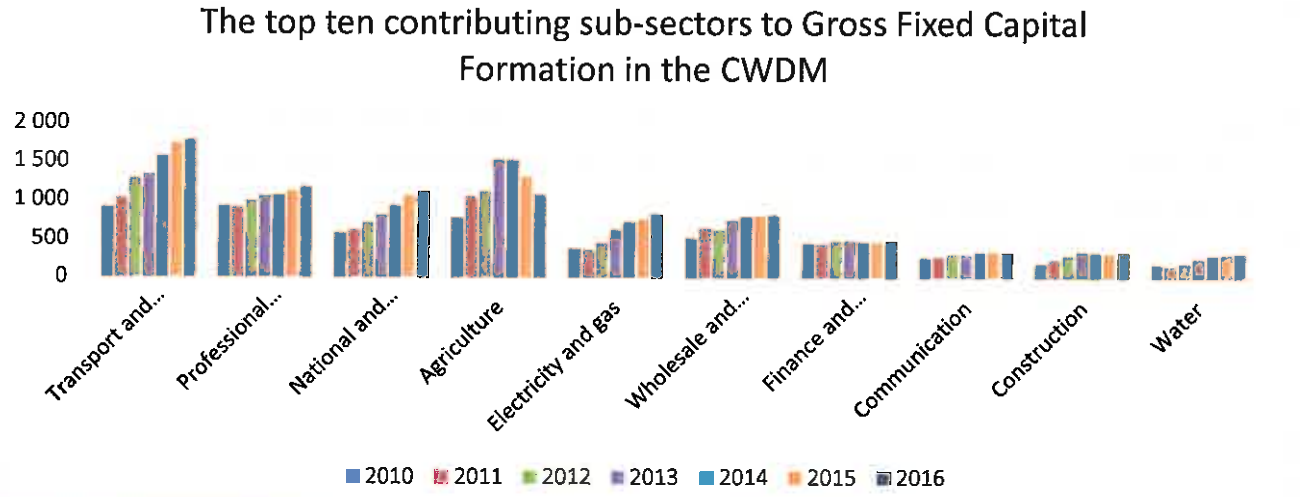


Figure 4212: Top ten sub-sectors to Gross Fixed Capital Formation in CWDM (Source: Quantec, 2018)

Professional business services, National and Provincial Government and the Agricultural sector also made significant contributions to capital formation between 2010 and 2016. While most other sectors are growing in terms of gross fixed capital formation, the agricultural sector is declining.

6.2.4 LOCATION QUOTIENT

Location quotient is a measure of specialisation and industrial concentration of a local economy by calculating how closely the local economy mirrors the structure of a reference economy.

A ratio of 1 indicates that the local economy and reference economy is identical, whereas a score smaller than one indicates a smaller share of that sector in the local economy, and a score greater than one means that the share of that sector is larger in the local economy than in the reference economy.

Table55: Key to Location Quotient

Locational Quotient	Classification	Interpretation
Less than 0.75	Low	**Regional needs are probably not being met by the sector, resulting in an import of goods and services in this sector**
0.75 to 1.24	Medium	**Most local needs are being met by the sector. The region will probably be both importing and exporting goods and services in this sector**
1.25 to 4.99	High	**The sector is serving needs beyond the border, exporting goods and services in this sector to other regions or provinces**
More than 5.00	**Very High**	**This is indicative of a very high level of local dependence on the sector, typically in a "single-industry" community**

(Source: Mera, 2017)

Location quotient tells a much different story than merely job numbers or job growth. Industries with high LQ are typically (but not always) export-oriented industries, which are important because they bring money into the region, rather than simply circulating money that is already in the region (as most retail stores and restaurants do). Industries which have both high LQ and relatively high total job numbers typically form a region's economic base. Economic developers and government officials need to pay particular attention to these industries not only for the jobs they provide, but also for their multiplier effect – the jobs they create in other dependent industries like retail trade and food services.

Table 56: Sectors with highest comparative advantage

Sectors with the highest comparative advantage	Interms of GDP	Interms of Employment
Agriculture, forestry & fishing	3.02	**2.36**
Manufacturing	1.10	**0.82**
Construction	0.83	**0.66**
Wholesale & retail trade, catering & accommodation	0.81	**0.72**
Transport, storage & communication	**0.66**	**0.53**

(Source: Quantec, 2017)

Recognising the importance of the agro-processing sub-sector, the various agricultural products, raw materials and resources available in the region, Ceres in Witzenberg Local Municipality was selected for the establishment of an agricultural cluster or Agri Park.

6.2.5 TRADE

6.2.5.1 Top Exporting Countries for the Cape Winelands District

The table below show the top 10 exporting countries for the Cape Winelands district for last 5 years.

Table 57: Top 10 Exporting Countries for Cape Winelands District

No	Country	2014	2015	2016	2017	2018
1	Netherlands	2 783 570 269	3 119 702 869	3 537 939 166	3 838 560 687	3 858 577 085
2	United Kingdom	2 586 305 259	3 100 051 807	3 435 225 436	3 254 765 645	3 518 518 624
3	Namibia	1 863 618 695	2 145 930 675	2 365 913 781	2 134 535 972	2 068 221 850
4	Germany	1 457 809 634	1 655 344 076	2 002 149 862	1 668 208 401	2 057 596 006
5	Botswana	1 030 336 278	1 055 561 864	1 177 118 247	1 235 819 856	1 321 823 434
6	Russia	750 766 800	1 026 514 143	985 236 490	1 076 403 954	1 314 055 813
7	CN: China	522 800 843	808 827 370	793 331 753	809 729 676	1 160 775 148
8	United Arab Emirates	916 751 733	1 023 764 670	1 312 154 307	1 223 854 663	1 076 462 242
9	United States	785 285 417	929 248 969	968 270 390	1 031 953 873	924 397 207
10	Canada	798 617 300	863 206 516	1 014 530 381	908 683 559	816 382 519
	World	23 595 617 853	26 544 631 187	29 023 506 329	28 618 527 819	30 391 731 572

Source: Quantec, 2019

6.2.5.2 Top Importing Countries for the Cape Winelands District

The table below show the top 10 importing countries for the Cape Winelands district for last 5 years.

Table 58: Top 10 Importing Countries for Cape Winelands District

No	Country	2014	2015	2016	2017	2018
1	Saudi Arabia	11 585 494 577	4 235 207 436	6 903 773 360	6 261 622 110	12 853 501 243
2	Nigeria	6 987 238 858	3 280 981 629	5 346 998 491	2 922 359 122	5 395 048 237
3	Angola	6 955 282 258	3 542 958 194	3 557 330 169	3 032 728 315	4 277 698 658
4	Germany	718 860 692	1 298 303 413	1 214 955 874	915 057 934	1 427 878 995
5	Oman	14 212 549	602 651 117	333 437 551	28 078 218	1 310 195 537
6	India	2 759 153 468	2 472 966 390	2 104 539 850	2 610 243 114	1 293 881 280
7	China	888 636 728	993 199 141	1 182 249 896	1 098 714 466	1 238 694 793
8	Ghana	46 703	13 986	321 002	2 338	1 158 141 690
9	United Arab Emirates	1 258 549 282	601 000 869	1 338 488 082	744 479 314	791 704 464
10	Thailand	706 627 918	132 112 068	126 796 675	527 250 908	726 406 671
	World	45 349 128 778	30 962 114 983	32 702 769 135	28 150 176 235	38 267 132 833

Source: Quantec, 2019

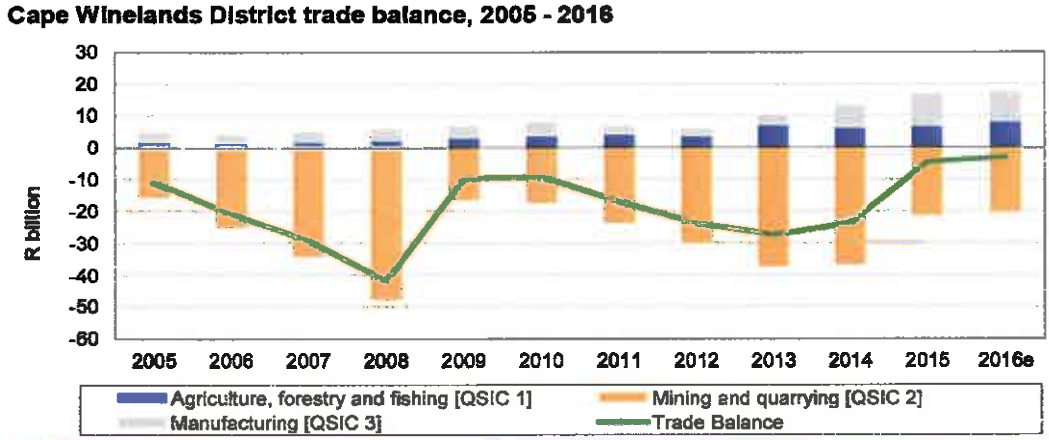


Figure 43: Cape Winelands District trade balance, 2005 - 2016
(Source: Quantec, 2017)

As can be seen in the figure above, the Cape Winelands had a negative aggregate trade balance between 2005 and 2016. The area's main export commodities are Agricultural and Manufacturing. As is expected, the area's trade balance is reflective of the its LQ.

A positive trade balance can be achieved by growing the export of Manufacturing and Agricultural products.

6.2.6 POSSIBLE INVESTMENT AND BUSINESS INCENTIVES

Incentives are special interventions in the form of rewards designed to boost investment and to stimulate economic growth and job creation in a particular area. Investment incentives are specific in that they are restricted to investors who meet given criteria.
While incentive packages can encourage investment, there are revenue implications that have to be considered.

Research indicates that, although incentives are rarely the most important factor in the choice of location, they do influence business decisions and can play a persuasive role when considered in addition to other factors. This is commonly referred to as a "tipping point" influence.

A wide range of incentives are offered by other spheres of government such as the DTI. Standard incentive packages range from financial rewards to tax exemptions and non-financial inducements such as regulatory exemptions or the provision of information.

However, for local governments, the use of financial rewards are generally not advised because of the direct and indirect cost implication of ad hoc financial incentives. However, ad hoc financial incentives may be considered if they provide a tipping point factor.

In 2012, the Atlantis business retention and expansion survey report found that most of the firms locating in Atlantis during the 1980s and 1990s were doing so to obtain the incentives offered by government.

The Department of Trade and Industry (DTI) offers a number of incentives for investment attraction and expansion. The CWDM IDP (2017) includes a planned Investment Attraction and Opportunities Programme.

Suggestions for possible investment and business incentives that could form part of the area's marketing plan, are outlined in the table below.

Table 59: Possible investment attraction incentives

Incentive		Description	Eligibility
1. Non-financial measures			
1.1	Establishment of an Investment Support Facilitation Unit	Services could include: • One-stop-shop investment function • Management of The Master of Urban and Regional Planning (MURP)/ Special Rates Area (SRA) • Targeted marketing and promotion • Agency function to facilitate access to other government incentives	Available to all new investments in the area
1.2	Development application fast tracking	Applies to all land use and building plan applications in industrial area (but only complete submissions) Also, Environmental Impact Assessments (EIAs) - subject to DEADP agreement.	Applies to all new investments in the Area that require: • EIAs • Land use planning applications • Building plan approval In order to respect timeframes, applications need to be completed submissions EA subject to agreement by DEADP
2. Financial Measures			
2.1	Application fee exemption	Applies to land use and building plan application fees	Applies to all new investments in the Cape Winelands Area that require: • Land use planning applications • Building plan approval
2.2	Development charge (DC) deferral/ debt write off	Applies in respect of DC's where enhanced development rights granted. The DC debt will still be calculated and Acknowledgment of Debt (AoD) signed.	Applies to all new investment or expansions of existing facilities that attract DC's.

		The AoD will become due after 24 months. The debt will be written off on verification that employment targets are met. Where employment targets are not met, the full value of the debt becomes due. The incentives will only be available for a specified number of applicants on a 'first come first served' and a 'use it or lose it' basis. Subject to National Treasury guidelines as outlined in the Policy Framework for Municipal Development Charges 2013.	
2.3	Electricity tariff subsidy	"Time of Use" tariff at previous price level (thus no increase for the financial year) To be reviewed annually	Applies to all new investments or expansion of existing facilities that attract the "Time of Use" Tariff.

(Source: Wesgro, 2013)

6.2.7 LOCATIONAL ADVANTAGES AND DISADVANTAGES

A further study in 2013 into the aspects that affected the decision to invest in the area revealed the following information:

Retail firms identified the following aspects as key advantages/ deterrents when deciding where to do business:

Table 608: Locational advantages and disadvantages as reported by Retailers

Factors that attract (advantages)	Factors that deter (disadvantages)
✓ **Large market potential in the broader area** ✓ **Availability of local labour and the quality of staff**	* High unemployment and low levels of income translate into low demand for products, and poor socio-economic conditions are detrimental to the environment in which the firm operates * Crime * Decline in the destination manufacturing sector. Few manufacturing firms result in lower supply of intermediary goods as well as lower demand for retail products.

Manufacturing firms identified the following aspects as key advantages/ deterrents when deciding where to do business:

Table 61: Locational advantages and disadvantages as reported by Manufacturing Firms

Factors that attract (advantages)	Factors that deter (disadvantages)
✓ **Proximity to labour**	* The lack of skilled labour and poor attitude of workers. A lack of skilled labourers adversely affects the levels of productivity of manufacturers
✓ **Proximity to supplies and infrastructure in Cape Town**	* Crime and safety
✓ **Lack of traffic**	* Lack of business support
✓ **Absence of competition**	* Poor infrastructure
✓ **Forming part of an industrial cluster**	

6.2.7 TYPICAL RISK ASSESSMENT CONDUCTED BY POTENTIAL INVESTORS

Before making any large investment in a project, investors typically consider a bouquet of risk factors that influence their decision regarding partners, location and, ultimately, whether or not do go ahead with the project.

A typical risk evaluation will include an assessment of the following risk factors:

Table 62: A typical risk evaluation for potential investors

Activity Planning Risk
Activity planning risk refers to the risk of things not going according to plan. For example, delays and activities not being co-ordinated as planned. If these risks materialise, it can lead to an increase in cost, loss of cash flow and penalties.
Technological Risk
When the technologies used are new, innovative, have not been tested before or are not fully understood, there is the risk that the technologies may not work or not perform as hoped. New technology, without a tried and tested track record, makes it more difficult for project lenders to perform a risk assessment beforehand.
Construction Risk/ Completion Risk
This risk describes the potential that the project may not be completed or that construction may be delayed. Some examples are not completing the project at all, delayed completion, completion with cost overruns or completion with performance deficiency. It also includes noncompletion or delays due to factors beyond the control of any of the players such as an earthquake or flood.
Supply Risk
The risk of not being to obtain the inputs required for operations, when the available inputs are of inferior quality, or inputs are only available at a higher price than expected. Therefore, supply risk materialises when the availability, quality or affordability of the required production inputs are threatened.
Operating Risk/ Performance Risk

Operating or performance is the risk that a functioning plant is underperforming. This may be detected during testing. A deteriorating input/ output ratio is an example of operating risk materialising. The deteriorating ratio may be due to higher input consumption and/ or lower outputs.
Demand Risk
The risk that less revenue than expected might be generated is called demand risk. This risk may materialise as a result of lower-than-expected sales price or lower quantities of the output actually selling. Therefore, it refers to the risk of lower-than-expected quantity or value of sales.
Interest Rate Risk
Interest rate risk is the risk of fluctuations in the interest rate. Due to the long life of projects, lenders grant loans on a variable rate basis. Investors are therefore exposed to the risk of changes in interest rate over a very long period.
Exchange Rate Risk
Exchange rate risk occurs when the money flows of the project are in different currencies. When costs and revenues are computed in different currencies, the risk emerges that changes in the exchange rate can impact on cash flows.
Inflation Risk
Inflation risk refers to the risk that costs may increase at a faster pace than anticipated, resulting in costs later in the project being much higher than planned.
Environmental Risk
Any potential negative impact on the environment as a result of the project is known as Environmental Risk. This risk may materialise as a result of the project causing damage to the surrounding environment, changes in legislation or public opposition.
Political Risk and Country Risk
Political Risk is associated with country stability. Changes in government or citizen's revolt can change the context of a project and make it impossible to complete the project as planned.
Regulatory & Legal Risk
The risk that permits, permissions, licenses or concessions may be delayed, denied or revoked is known as Regulatory Risk. This risk usually materialises due to inefficiency on the part of public administration or the delays due to bureaucratic red tape. Legal Risk refers to possible changes in the host area's legislative framework
Credit Risk
Credit Risk is the risk that the financial position, i.e. financial soundness or creditworthiness, of some of the parties with whom the investor contracted, might worsen. The financial soundness of counter parties is therefore important to funders.

The Municipality should consider all risk factors faced by potential investors and investigate ways in which to mitigate those within its control. Innovative ways to mitigate selected risks can be used as a selling proposition when marketing the area to investors.

The area's unique natural resources are its greatest asset and should be managed with utmost care and diligence. The environmental impact of any potential development should be thoroughly investigated and considered.

6.3. INVESTMENT POTENTIAL IN THE CAPE WINELANDS

6.3.1 ENABLING ENVIRONMENT FOR INVESTMENT

The Cape Winelands is located within close proximity of the City of Cape Town which, as an investment destination, offers excellent infrastructure, including rapidly expanding broadband infrastructure, an international airport, the country's second-largest container port and a comprehensive road and rail network.

In order to attract foreign investment and capitalise on the advantages, government should establish support infrastructure and be committed to a pro-business (private sector) attitude. There are numerous basic services that all towns and cities need in order to provide a solid foundation for further economic growth and job creation. These include investing in strategic infrastructure, providing adequate electricity, water and sanitation services, rolling out public transport, and ensuring predictable and transparent regulatory processes. Establishing a reputation as a clean environment with a high quality of living is also essential.

Possible tools for attracting investment include setting up export processing zones and industrial parks, introducing investment incentives, and offering tax holidays (Fafchamps, 2000). In addition, the local workforce should be well-trained, basic infrastructure should be in place and international links should be fostered. Potential investors are also attracted by good governance and capable market institutions.

6.3.1.1 Municipal Planning for Investment: District-led coordination and integration

The District Council has the unique opportunity to play a strategic leadership role in regard to investment promotion and facilitation in the Cape Winelands for the following reasons:

- It is able to bring high level policy, analysis, marketing and facilitation resources and skills to the table for the benefit of the district and the five local municipalities;
- It is able to take a District-wide view and provide services to investors seeking a location outside the City of Cape Town or surrounding districts;
- It is in a position to develop an overall Brand, ensure that the District is properly represented and championed by investment marketing organisations such as Wesgro and DTI and tourism marketing entities such as SA Tourism to represent the District at national and international exhibitions, events and trade fairs.
- It is able to negotiate cooperation with the provincial and national spheres of government as well as with neighbouring local governments

Strategic objectives and priority initiatives that the District should focus on include:

Pro-active: focussed & aligned

- Investment strategy and services need to look to the desired future vision, and actively seek to engage potential investors.
- Through alignment between investment of different types and by different stakeholders, a situation where current investment attracts further investment can be achieved.

Vertical: inter-governmental

The Integrated Development Plan of the District Council is a key legislative tool to integrate the public investment programmes of local government in the District with National and Provincial government in accordance with the respective budgetary cycles. Most importantly, the alignment of investment policy, spending patterns, fiscal and taxation measures can be attained.

Horizontal: public /private

At the heart of a successful investment strategy is the need to stimulate and guide private investment through strategic public investment. Key measures which need to be implemented include:

- Joint marketing and investment plans and initiatives
- Dissemination of investment marketing intelligence
- Enabling infrastructure
- Public / private partnerships
- Facilitation of private/private initiatives (cluster strategies)
- Red tape reduction in collaboration with DEDAT Red Tape Unit

6.3.2 PROFILE OF HIGHER ORDER TOWNS IN THE CAPE WINELANDS

According to the draft CWD SDF (2019) the following towns is considered higher order town in the Cape Winelands District and should be targeted for investment since they have the highest growth potential:

- Paarl and Wellington
- Stellenbosch
- Ceres
- Worcester
- Robertson

6.3.2.1 Paarl

The main town in the Drakenstein Municipal area is Paarl. It is a mere 60km from Cape Town CBD, Cape Town International Airport and Cape Town Harbour. The CBD of Paarl is mostly comprised of retail outlets and hospitality establishments that create employment for local residents. The town's 12-kilometre-long Main Street is lined with coffee shops and restaurants, and the CBD boasts many examples of Georgian, Victorian, Edwardian and Cape Dutch

buildings (Paarl Tourism, 2017). The tourism industry is fairly well-developed in Paarl and benefits from natural beauty and scenic views.

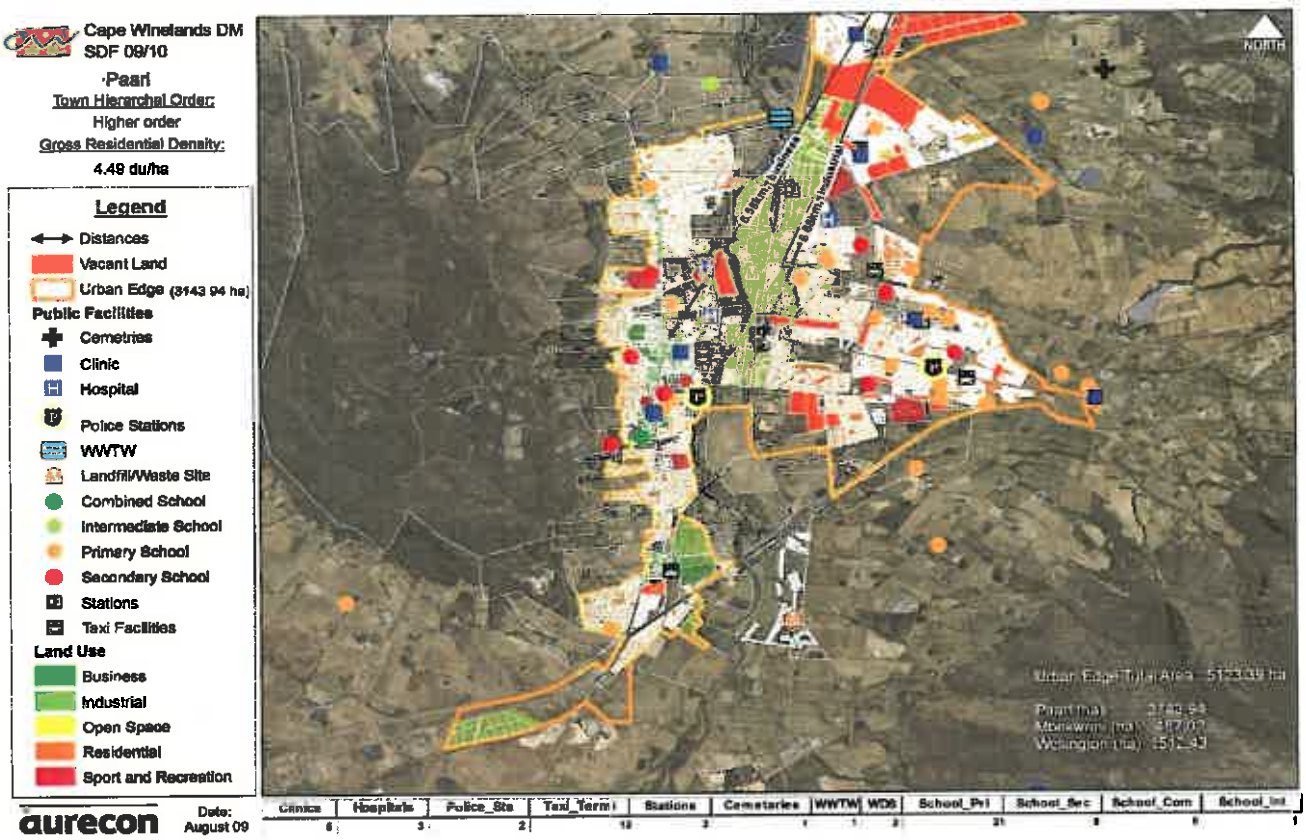
The KWV head office, located in Main Street, was established in 1918 as the first commercial wine cellar in South Africa. Other head offices include Sasko Bakeries, Imperial Cargo, Heinz Foods and NexusAG (Pty) Ltd. Paarl Media, established in 1905, as well as Pioneer Foods and Boland Printers are also based in Paarl.

Other local businesses include Afriplex pharmaceutical and healthcare products, H.G. Molenaar, who are suppliers of large-scale machinery for food and beverage manufacturers across the globe, and Fabrinox, who are manufacturers of sheet metal products (Cape Business Online, 2017). Paarl therefore has a diverse and established private sector.

The Paarl waterfront and Arboretum Precinct Development was identified as a "Big Move" in the Catalytic Zone: Paarl East- West Integration Corridor which will focus on the development of the Waterfront (on the banks of the Berg River) site as a mixed-use development with the main purpose to boost investment, create jobs and enable east/west linkages in Paarl.

The local business chamber is called "Drakenstein Business Chamber" and covers the areas of Paarl, Wellington, Gouda, Saron and Hermon (Paarl Tourism, 2017). The Cape Chamber of Commerce and Industry, established in 1804 and currently with more than 3000 members, is represented in Paarl by the "Drakenstein Chapter".

Map 2: Paarl



Source: CWDM Spatial Development Framework, 2011

6.3.2.2 Wellington

Wellington with a population of approximately 62 000 and is located 45 minutes away from Cape Town. It is in one of the most productive agricultural belts in the Western Cape. The town is home to vineyards, vine-cutting nurseries, a wine route, fresh and dried fruit, vegetable produce and leather products.

Wellington's economy is centred on agriculture such as wine, table grapes, citrus fruit and a brandy and spirit industry, with an established agro-processing industry. The tourism industry is fairly well-developed in Wellington.

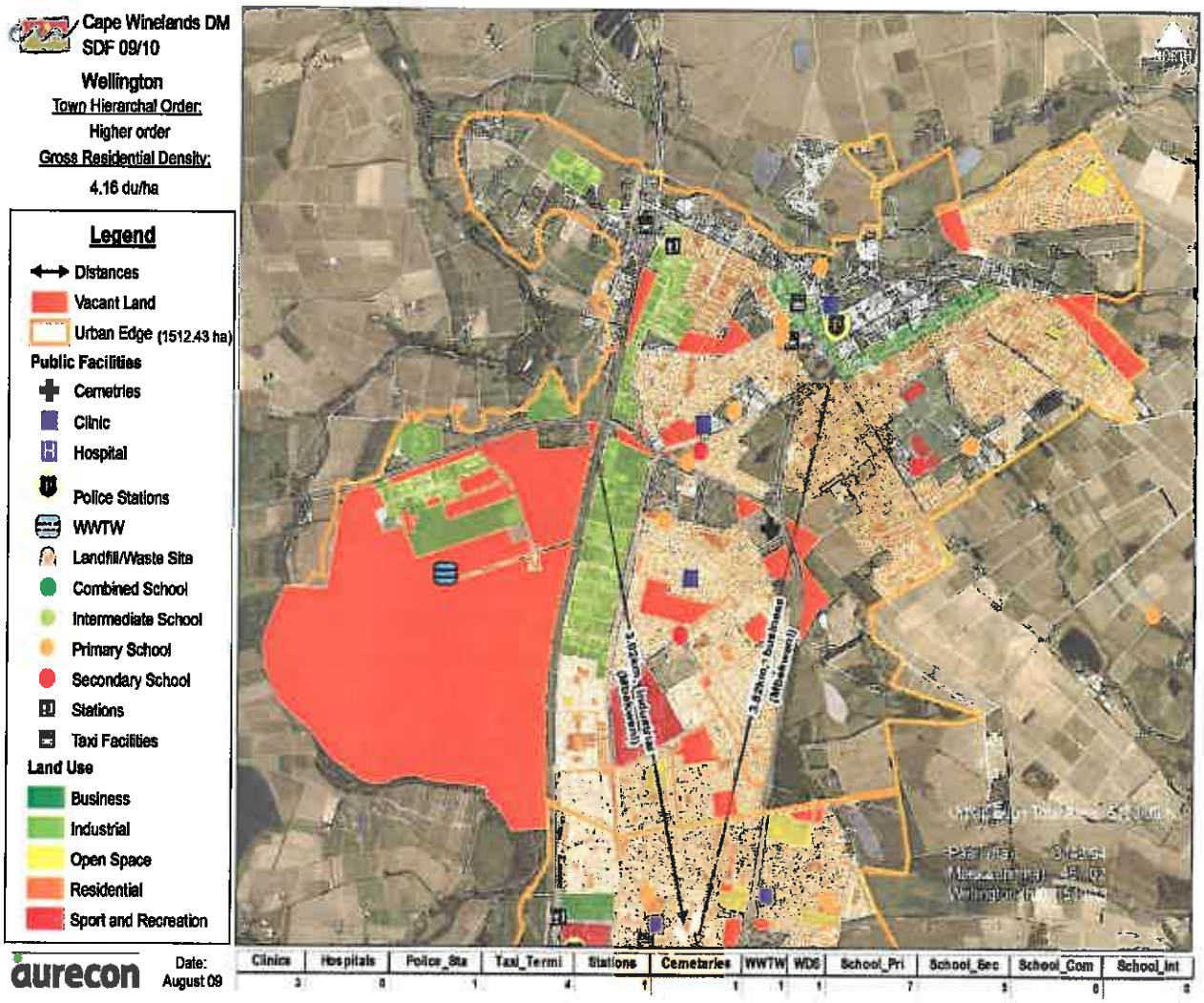
Wellington is also home to South Africa's sole whisky producer and boasts two leather factories producing hand-crafted leather products (Wellington Tourism, 2017). Redemption Leather's fine handcrafted leather was established in the late 1970s and is one of the town's drawcards. Unique to Wellington is the "Stokkiesdraai" vine nursery at Bosman Family Vineyards. Approximately 85% of South Africa's vineyards are planted from vines grafted in Wellington.

The head office of Quantum Foods, which includes Tydstroom Farms, Nulaid Eggs and Nova Feeds, is located in Wellington. Other businesses based in Wellington include Pacmar Juices,

which began operations in 1997, and Nibbly Bits, a producer of handcrafted rusk, biscuits, cookies and snacks founded in 1996, as well as the Glodina Towel factory, which supplies businesses such as Woolworths and a variety of other chain stores and interior design outlets.

The town was renowned as an important academic centre for theological studies, and the Seminary gave rise to present-day Huguenot High School and the Huguenot Teachers Training College. Other educational institutions include Boland College and the Cape Peninsula University of Technology. Wellington has an active business chamber, aptly named Wellington Business Chamber.

Map 3: Wellington



Source: CWDM Spatial Development Framework, 2011

6.3.2.3 Stellenbosch

Stellenbosch is, after Cape Town, South Africa's oldest town. The Cape Dutch architecture in the town gives a sense of South Africa's Dutch colonial history, as do the Village Museum's period houses and gardens. Stellenbosch is situated about 50 km from Cape Town and is flanked by the N1 and N2 main routes. Stellenbosch, the administrative centre for the local Municipality, is best known for its wines and academic institutions. The area's numerous wine farms and cellars are very popular and the area is the home of the very first wine route in South Africa. The excellent educational institutions include the University of Stellenbosch, Boland College, sports and culinary institutions and a number of prestigious schools such as Paul Roos. The area has a well-established sporting facilities such as Coetzenburg, with its athletics and rugby stadiums, has hosted star performances over many generations while the Danie Craven Stadium is the home of Maties rugby, the largest rugby club in the world.

It has a strong business sector, varying from major South African businesses and corporations, to smaller enterprises and home industries. The central business district's oak-shaded streets are lined with retail outlets, restaurants and businesses offering professional services. The CBD offers food, homeware and clothing retail stores, petrol stations, boutiques, galleries, gift shops and gymnasia.

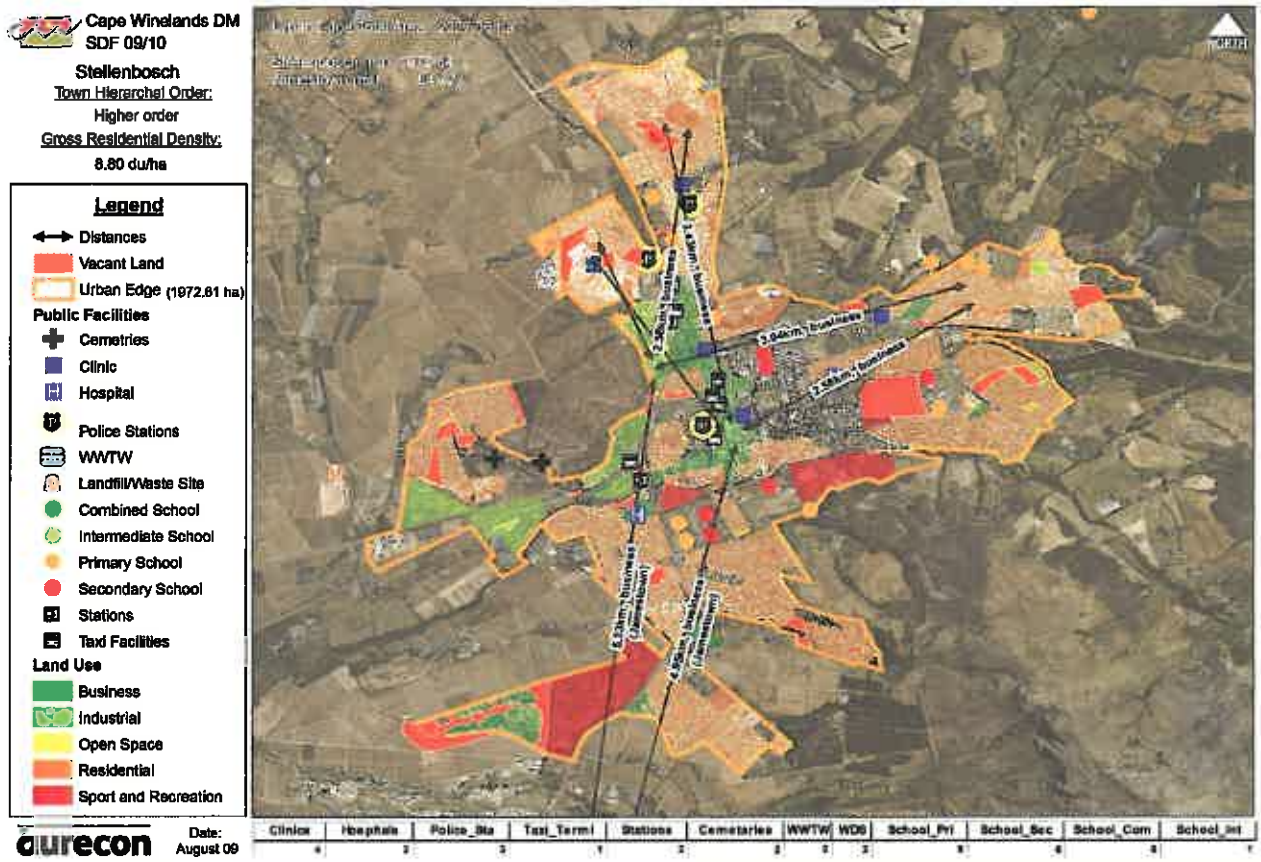
The tourism industry alone is responsible for the creation of about 18 000 jobs in the area. It is estimated that this industry contributes up to 10 per cent to the local economy of the Stellenbosch Municipal area (Stellenbosch Local Municipality, 2018).

Technopark technology business park, situated just outside of the CBD, was established to attract technology-based firms to the area. Stellenbosch aims to establish itself as an innovation hub, and Technopark was said to be fashioned after Silicon Valley in the United States.

Large businesses such as Capitec Bank and Mxit have their headquarters in Stellenbosch. Several other international enterprises such as Distell, Remgro, Mediclinic and PSG also have their headquarters in this bustling university town. Stellenbosch made headlines when it became the first in the country to provide free public Wi-Fi to residents and visitors (Business Day, 2015).

The private sector is represented by the Winelands chapter of the Cape Chamber of Commerce and Industry and Sakekamers affiliated to the Afrikaanse Handels Instituut.

Map 4: Stellenbosch



Source: CWDM Spatial Development Framework, 2011

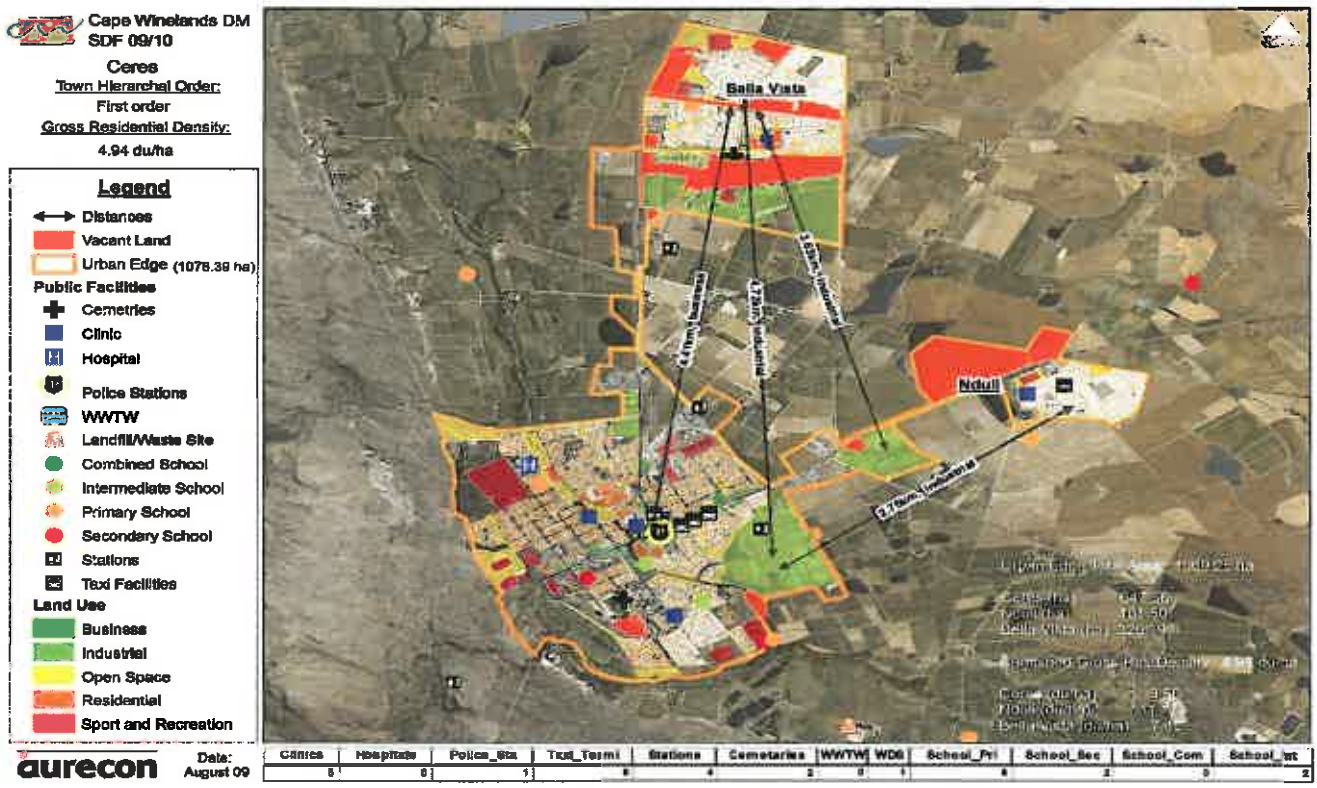
6.3.2.4 Ceres

Ceres is located at the north-eastern entrance to Mitchell's Pass and was the old route north between Cape Town and Johannesburg, which was later replaced by the N1 highway. The largest town and administrative centre in the Witzenberg Municipal area is Ceres. Ceres is a well-known producer of deciduous fruit. The town is home to the Ceres Group, which includes Ceres Fruit Growers, Ceres Fruit Processors and Ceres Fruit Concentrates. The CBD of Ceres is mostly comprised of retail outlets and services sector businesses that service the local community and agricultural sector.

The tourism industry is fairly strong and the area benefits from stunning mountain landscapes and valleys that make this part of South Africa so unique, immersing one's self in its splendid outdoors. From zip sliding over breath-taking rock formations, abseiling, 'kloofing' or ice climbing at the magnificent Matroosberg, riding the tough, exhilarating Tankwa Trek MTB or walk the Tankwa Camino – there is an adventure for everyone. Ceres also boats a stunning 9-hole golf course that is ranked as one of the best in South Africa. Tourists visit the area to pick cherries in the summer months and play in the snow during winter. The small town of Op-Die-Berg is situated on the outskirts of Ceres.

The Ceres Chamber of Commerce that was established by a group of local businessmen in 1936 and changed its name to the Ceres Business Initiative in 2005.

Map 5: Ceres



Source: CWDM Spatial Development Framework, 20

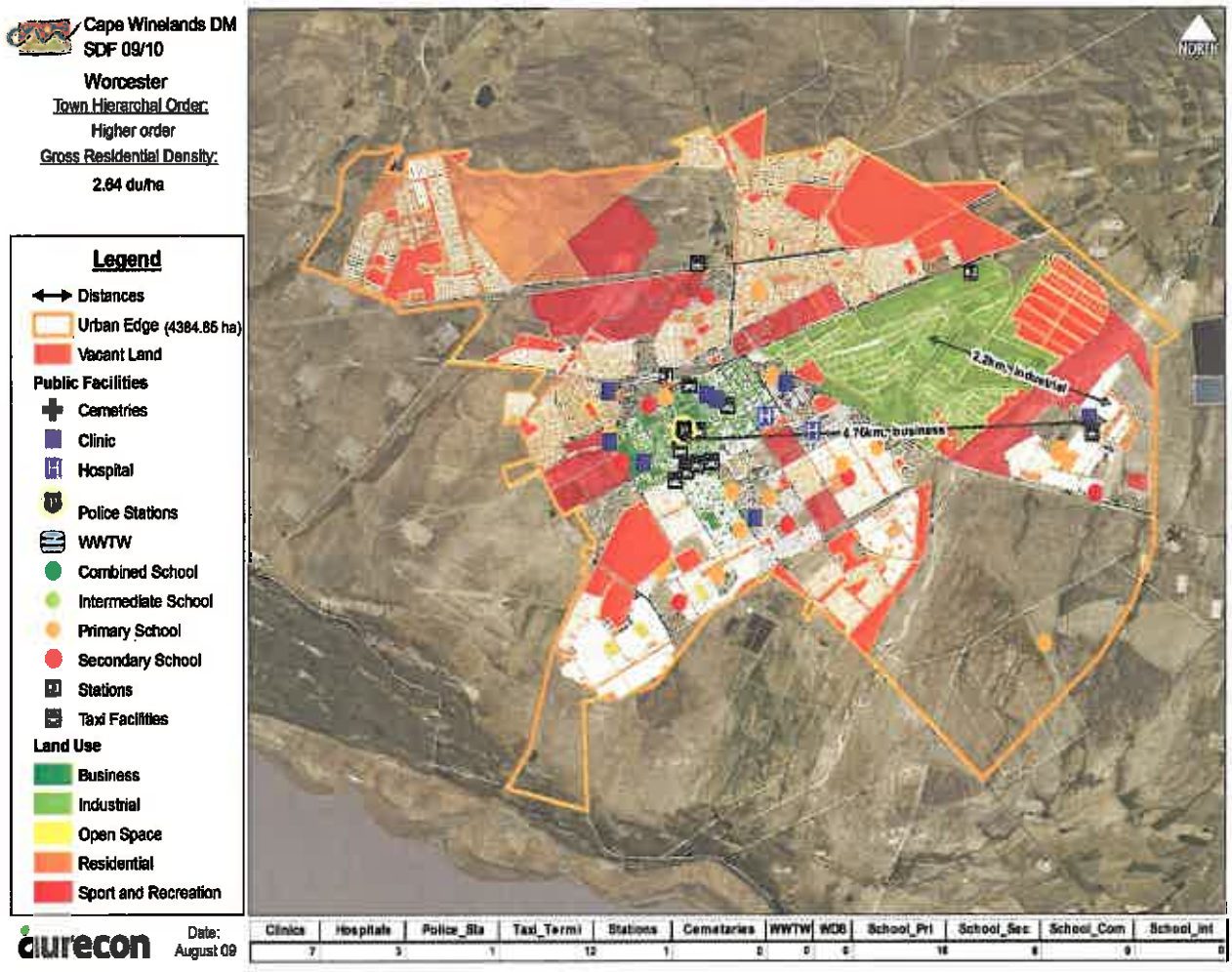
6.3.2.5 Worcester

Worcester is the largest town in the Western Cape's interior region and serves as the administrative capital of the Breede Valley Local Municipality. Worcester lies on the N1 and has a major railway link, which presents the town with a locational advantage as it provides access to inland markets. Worcester is favourably located with good road connections to the N2 and N7 road networks, hence making it a gateway for connecting the Northern provinces with the Cape Metropole.

The town hosts the regional headquarters for most central and Provincial Government Departments. Worcester serves as the hub of the Western Cape's interior commercial, distribution and retail activity, with a shopping mall, well-developed central business district and infrastructure. Worcester is also home to big corporations such as Rainbow Chickens, Willow Creek, Imperial Cargo, GRW Engineering, Hex River Textiles, APL Cartons, Worcester Minerals and BBK Bottling.

The region is world-renowned for its wine farms that produce export quality wines and create sustainable livelihoods for many citizens in the Breede Valley. Parts of the Breede Valley are integrated into wine routes frequented by overseas tourists, which form the basis of a robust tourism economy. The region has a mixed farming character, with vegetable farming, poultry farming and livestock production dominating the agricultural landscape. The region has a strong business sector, comprising large corporates in the financial, insurance and business services sector in Worcester and smaller enterprises operating in manufacturing, agriculture, retail and the tourism sectors. Private sector businesses are represented by the Worcester Business Forum.

Map 6: Worcester



Source: CWDM Spatial Development Framework, 2011

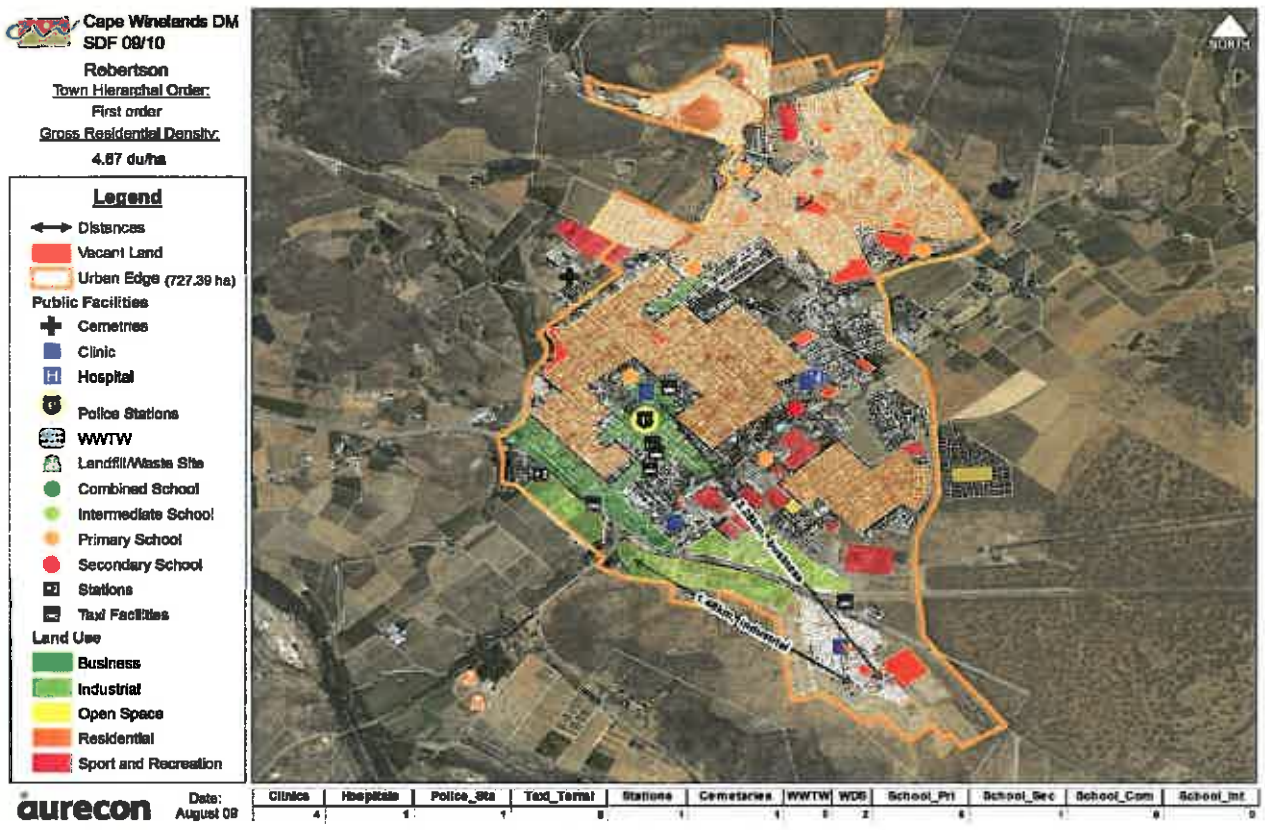
6.3.2.6 Robertson

Robertson is the western gateway to Route 62 and the dried fruit centre of the country. It is only a 90 minute drive from Cape Town. Farming and wagon building were the town's original industries, with agriculture the mainstay of the town's economy in the present day.

Robertson is one of the largest wine-producing regions in South Africa. The area is best known for its wine, but a variety of diverse attractions and activities, combined with spectacular scenery and the relaxed hospitality of the people to ensure visitors unforgettable stays and a reason to return. The Robertson Wine Valley forms part of the longest wine route in the world, i.e. the Route 62. It boasts a large number of cellars, co-operatives, private estates and award-winning wines.

Robertson is an attractive Cape Winelands town, with Victorian buildings and jacaranda-lined streets. The town offers tourists a variety of experiences to choose from that range from wine-tasting to sky diving. Robertson is a home to big Wine Corporation such as Robertson Wine Valley, Van Loveren Family Vineyards and Robertson Co-operation Winery. Robertson Business Chamber represents the private sector and is situated in Reitz Street.

Map 7: Robertson



Source: CWDM Spatial Development Framework, 2011

6.3.3 BUSINESS RETENTION AND EXPANSION (BR&E)

The needs and opportunities of the local business community are central to any analysis of the local economy and the design of strategies for development. It is commonly understood that existing businesses in the community represent as a primary source of investment and job creation. In order to design effective strategies for local economic development, it is necessary to gain an accurate understanding of the needs, weaknesses, capacities and strengths of the business community and its potential for growth. A business retention and Expansion programme will examine these aspects of the business climate.

According to GTZ (2008) "Business retention and expansion programmes are based on the belief that to help existing businesses to survive and expand, the best way is to start listening to their ideas, suggestions, concerns and opportunities on how to improve the business climate" (p4). There are two broad approach to implementing a business retention and expansion programme, i.e. the continuous approach and the locally-driven approach. These two approaches differ from each other but it is generally understood that they produce similar results.

6.3.3.1 Utilising the Continuous Approach to BRE

According to GTZ (2008) in the *continuous* approach a small but permanent staff is employed by an economic development/investment agency (e.g. WESGRO) to systematically interview businesses in their area. Interviews are conducted either throughout the year or annually or every few years. The communication medium use for the interview varies in that it could be face-to face by telephone or skype, etc. Since there is a dedicated staff member(s) he/she is in a position to respond immediately to requests for information from businesses. This BR&E coordinator/Unit acts as a broker between the business and various resources to address particular problems. Although the focus tends to be on individual businesses rather than the environment in which they operate, there is nothing to prevent the economic development/investment agency from convening workshops or initiating action to solve common problems. A key benefit of a continuous BRE is that it allows for long term relationships to be built with corporate leadership in their area.

6.3.3.2 Utilising the Locally-driven Approach to BR&E

According to GTZ (2008) the *locally driven* or "traditional" approach more a large-scale effort where the management and implementation of the programme is in the hands of the community in which the BRE programme is to take place. The community is normally defined geographically but it may also mean a community of interest such as tourism or food manufacturing. It is also known as the "volunteer" approach because it uses local volunteers to implement much of the BR&E programme.

Pro-active and competitive destinations have developed BR&E programmes to proactively target and communicate with companies in key sectors to identify and address constraints and opportunities to company retention, expansion and investment.

6.3.4 CREATING AND FACILITATING INCREASED COMPETITIVENESS

As discussed previously, productivity is an important determinant of competitiveness and it relates to how governments utilises it human, capital and natural resources. Improving productivity and innovation is therefore key to creating a competitive environment. It should be noted that improving competitiveness does not require new resources but rather using current resources at its' optimal level. For municipalities to improve on creating an enabling environment for business it needs the private sector as a key strategic partner.

6.3.4.1 Where is Investment happening

Some of the current initiatives underway in the Cape Winelands District Municipality are:

Table 63: Selected on-going and approved initiatives in the Cape Winelands

SELECTED ON-GOING AND APPROVED INITIATIVES IN THE CAPE WINELANDS		
INITIATIVE	**OVERVIEW**	**PROJECT PHASE**
Investment: Grassroots Group	Future approved Agro-processing facility in Wolseley. Entails production of fruit sweets and related. +-R46 million investment	Approved by Council. Development to commence soon
Investment: BAMCO	Food packaging facility, established in 2017, near Prince Alfred's Hamlet, +- R250 million investment	In full operation
Investment: Paardekraal Windfarm	Renewable energy development in the Ceres Karoo (Windfarm). On-site development will commence in 2018	Site preparation phase
Paarl Central Business District Renewal	Paarl is the economic center of Drakenstein Municipality housing major international companies, for example KWV, Pioneer Foods, Imperial Cargo and Quantum Foods. As a result, the upgrade of the Paarl Central Business District to encourage re-investment to the CBD has been identified as a "Big Move" of the Vision 2032 long-term strategic plan	We are currently busy developing a Local Spatial Development Framework to ensure improved alignment with our Vision 2032 long-term strategic plan. This process will be completed by June 2019
Paarl waterfront and Arboretum Precinct Development	This was identified as a "Big Move" in the Catalytic Zone: Paarl East- West Integration Corridor which will focus on the development of the Waterfront (on the banks of the Berg River) site as a mixed-use development with the main purpose to boost investment, create jobs and enable east/west linkages in Paarl	The municipality will develop a Terms of Reference for a new "Call Proposals for the 2018/2019 financial year
Wellington Industrial Park	Strategically located industrial park offering high visibility on the main access road into Wellington from the N1. The municipality will promote this park as an Agro-Processing hub	The Land Use application for this site will be finalised by June 2019 and the municipality will be embarking on an economic feasibility study during the 2019/2020 financial year
Paarl Mountain Facilities Upgrade	The municipality has identified upgrading of recreational facilities, walkways and the development of cycling tracks and hiking routes with improved signage as a Big Move to unlock the tourism potential of area	The municipality has partnered with various role players to develop an integrated mountain biking trail around Paarl Mountain, which will be launched during October 2018. A Tourism Development Plan will be finalised by March 2019

SELECTED ON-GOING AND APPROVED INITIATIVES IN THE CAPE WINELANDS		
INITIATIVE	**OVERVIEW**	**PROJECT PHASE**
De Poort and Paarl Hamlet	Urban renewal refurbishment and re-establishment of a mixed-use commercial area in Southern Paarl. De Poort is a primary public gateway space and industrial heritage center.	We are at the conceptual phase of the project at this stage.
Development of Dal Josaphat Industrial Area	The municipality will focus on upgrading existing infrastructure and expediting the sale of municipal owned serviced industrial sites in the area.	The municipality established the Development and Investment Desk, which is located in the Office of the City Manager to accelerated investment into the area.
Klapmuts Industrial Park	The municipality will focus on a mixed-use development which will include light industrial, logistics, offices and residential.	A draft Local Spatial Development Framework will be completed by December 2018.
Zwelethemba commercial corridor	The project entails the detailed design of a business area by employing landscape architects and spatial planners to optimally plan the usage of limited spaces in the township to encourage decent informal trade and retail shopping. A second component is also to dispose a nearby municipal property to a private developer to construct additional retail facilities with a view to ignite private driven commercial development.	Detail planning has been completed and we are now at the tender specification/advertisement phase to roll out various urban landscape improvement initiatives.
Upgrades in Touwsrivier RSEP	Employ a landscape architect to upgrade the mobility infrastructure from the residential areas to the business areas and to rejuvenate the CBD of a very small and marginal town centre in the BVM.	Planning phase
Uitvlugt Industrial park	We have just completed the Urban Vision framework with Aurecon and we will go back to Council with a recommendation to view the Urban Vision document, and to allow the CFO to budget for the development contributions.	Urban vision completed, which include the provisional costing for the various bulk services such as electricity, water supply, mobility, as well as drainage infrastructure. Aurecon already presents us with Engineering designs and preliminary costing modules
Fund additional security to reduce crime in CBD.	To make a contribution in collaboration with the BVM by contributing R420 000, whilst the Worcester Business Improvement Company funds the remainder. The project idea is about installing additional surveillance CCTV cameras in commensurate with a armed response programme that can meaningfully respond as and when needed.	Ongoing partnership project with the WBID company this year the BVM will make a contribution of R420 000, 00 to install additional cameras and pay to an armed response company to react. The WBID are receiving the additional rates that the BVM deduct and pay over to them on a monthly basis.
Rail infrastructure at Klein plasie Open air Museum	Negotiate with Provincial Government Arts and Culture department to use the old infrastructure to the benefit of a private rail company that want to construct a locomotive hub to service the various locomotives that will be used to transport tourist facilities to the Northern part of the Du Toits Kloof mountains.	Most of the expenditure is for the Ceres Rail
Bulida Industrial Project (development of Industrial area)	As there is insufficient land for industrial/commercial growth in Robertson, Langeberg municipality identified the need for the allocation of land for this purpose. Industrial development together with agriculture, commercial services and tourism form the economic base and support the economic growth potential of the town. Its envisaged that this development will ensure a sustainable socio-economic impact.	Busy with feasibility study during 2018 / 2019 financial year.
Cactus Garden Mall	A primary motivating factor for the development of the centre is the considerable economic and social advantages which will result from the development. Support economic development by providing job creation.	Planning approval issued. In pre – development stage

SELECTED ON-GOING AND APPROVED INITIATIVES IN THE CAPE WINELANDS		
INITIATIVE	**OVERVIEW**	**PROJECT PHASE**
U9 project –Carewell Private Hospital	The development will incorporate start-up living opportunities, and contribute to the provision of residential opportunities in line with the Municipality's forward plan. Temporary employment during construction phase and permanent employment during operational phase of development. The development will promote economic development.	Construction under way
Mountain View Resort	This project speaks to the need for frail care, doctors, a pharmacy in close proximity, and safe housing for the aged in the area. It will be in the form of a security complex. It will be accessible for the whole Langeberg area.	Construction under way
Jakes Gerwel Entrepreneurial School	The aim of building this school was to develop skilled people as well as entrepreneurs. A career hub will be established in order for the students to network with businesses. It is a low fees school for the community, and is an Afrikaans school as most in the community is Afrikaans speaking. Department of Education supports development. School is built on agricultural land.	First phase completed. Second phase of construction in progress
R962 Road Construction	Provincial Department identified a need for the upgrading of the roads.	Under construction
Bonnievale Main Road Construction	A need identified by the community for the upgrading of the main road in Bonnievale.	Under construction

Source: Cape Winelands District Municipality, 2018

6.3.4.2 Marketing for attracting new Investment

Marketing is defined as identifying, anticipating and satisfying customer needs profitably. In the case of attracting investment, "profitably" denotes the advantages gained from the contribution to the local economy derived from inward investment. Thus, identifying and anticipating the needs of potential investors is crucial to the success of the marketing effort.

The most appropriate tools to market Cape Winelands as an investment destination are dependent on the target market (audience) and the message being conveyed to that targeted market or the business sector decision-makers. The tools to market Cape Winelands must therefore be appropriate to communicate the advantages of investing in Cape Winelands to those decision-makers in a way that appeals to them.

An important component of any marketing effort is gathering detailed information and gaining an in-depth understanding of customer needs and preferences, a process referred to as inbound marketing. Inbound marketing supersedes outbound marketing in the form of advertising, because it lays the foundation for sound and effective marketing communication.

The needs and desires of the target market should shape the core message and key elements of the marketing effort. A thorough understanding of the drivers behind the decision to invest or not will lead to a well-crafted, powerful marketing message.

Only if there is close consultation with the target market to engage them and establish exact needs and desires, will it be possible to successfully meet their needs and build a sustainable long-term economic hub.

It is self-evident that industrial investment has far-reaching financial and practical implications, and therefore it is not a decision that will be taken lightly. The cost-benefit analysis will be different for each potential investor, and therefore the factors which either make or break a deal will vary for each potential investor.

For the reasons outlined above, it is recommended that potential investors be identified and approached individually, and the benefits or incentives that could appeal to them be discussed and negotiated on a case-by-case basis.

Marketing tools

- ***In-depth understanding of customer needs and preferences***
- ***Promote advantages and assets, and address deterrents and obstacles***
- ***Promotional material that delivers a powerful marketing message in a way that appeals to the target market***
- ***Direct, personal engagement of the target market***
- ***Tailored solutions and incentives for each investor***

Business is about maximising profit, in other words, keeping costs at a minimum whilst generating the largest possible revenue. Therefore, business decisions are based on the bottom line and a cost-benefit analysis. It is therefore of utmost importance to maximise the benefit of doing business in Cape Winelands, in order to keep costs low.

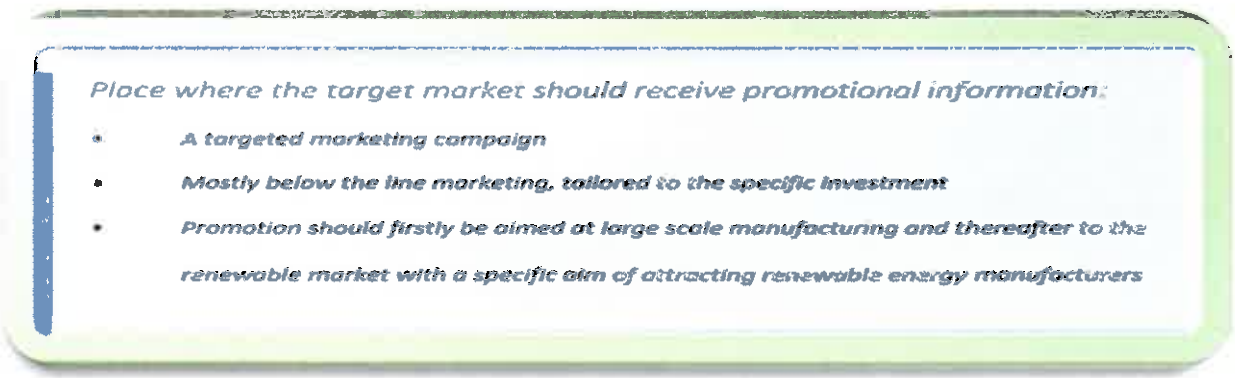
The investment destination, should be marketed in terms of:

1. ***Key pull factors and competitive assets identified for the area***
2. ***Business and investment incentives applicable to the area and targeted industries***

Engaging the target market

Once the target market has been identified, the practical steps of listing the targets and approaching them can begin. The following steps can be taken:

- Define the qualifying criteria applicable to the target market
- Identify all possible investors that fit the criteria and compile a list of businesses that fit the target market
- This initial list of targeted investors can then be further narrowed by identifying businesses that more closely aligned to the strategic industries planned for the area
- The next step would be a roll-out of an Above the Line marketing drive in the form of awareness campaigns or a call for expression of interest
- After this process of elimination and targeting of the most suitable and favourable market, the businesses can be approached.



Potential investors can be reached through a two-pronged approach:

- Create awareness and stimulate interest through the above the line marketing process
- Approach targeted and interested businesses directly and engage them on an individual level.

Above the line communication and Below the line communication

There are two main marketing strategies: above the line communication and below the line communication. There is also the possibility of extending the reach of these strategies by combining the two.

Firstly, above the line marketing refers to promotional messages that are broadcasted and published through mass media to a wider audience. The main objective of above the line

marketing is to inform customers about the product offering, raise awareness and build brand positioning.

Below the line marketing is more niche-focused and provides the opportunity to tailor the marketing message in a more personal manner to appeal to a specific customer or group of customers. Below the line marketing is utilised where customer requirements vary, such as where customers are enticed by different "tipping point" factors. In this form of marketing, the target market has to be clearly defined.

Above the line marketing is usually more expensive than below the line marketing. Below the line marketing has the added advantage of personal engagement where valuable information can be gathered from the market.

Figure 13: Above the line and below the line marketing

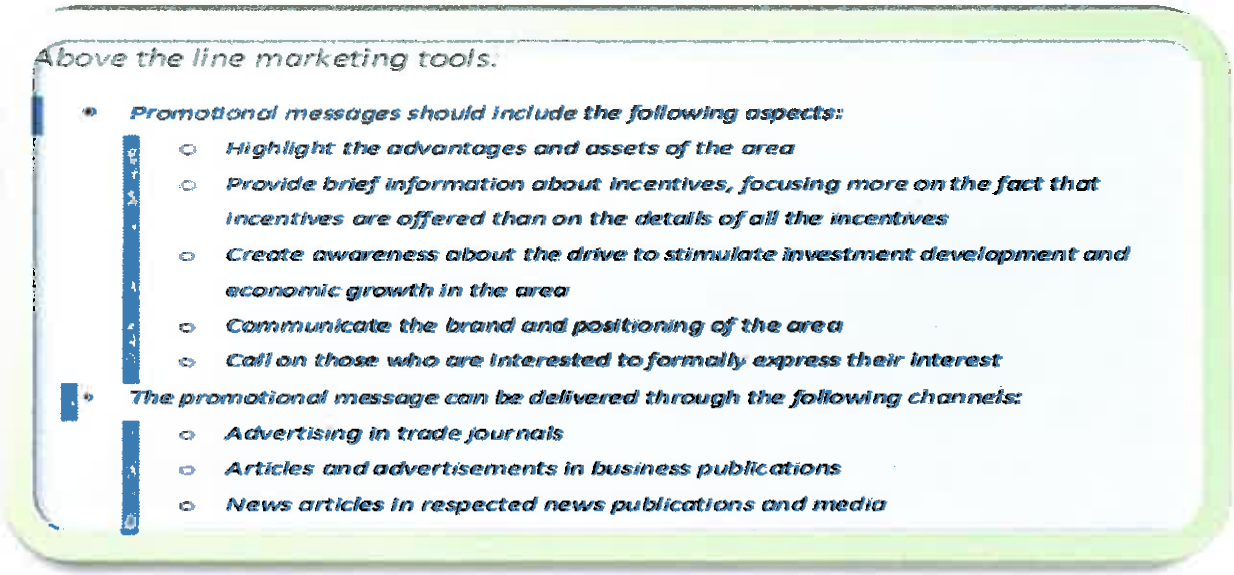
Above-the-line	Below-the-line
Focuses on reaching a wider audience, often to enhance brand image, for example, through the mass media	Focuses on a more targeted audience with a more direct emphasis on making sales, for example, through specific events or merchandising.

Thirdly, as an extension of the above categories, through the line marketing is when a combination of below the line and above the line marketing techniques is employed.

The ideal promotional campaign for attracting investment to Cape Winelands will be a through the line marketing drive, with more emphasis placed on below the line marketing.

Above the line marketing will fulfil the following objectives:

- Inform the public and wider business community about the advantages and incentives of doing business in Cape Winelands
- Create awareness of the initiative and assets offered by Cape Winelands to prepare the target market for more focused below the line marketing
- Call for expressions of interest can be done through above the line channels
- Above the line marketing material and the marketing message should build the brand of Cape Winelands and position it in the market



Below the line promotional activities should aim to achieve the following:

- Make a strong case for the assets and advantages of Cape Winelands which specifically cater to the target's industry and needs
- Provide comprehensive information about the applicable incentives in order for potential investors to conduct a cost-benefit analysis
- Engage potential investors to ascertain their specific needs and to establish the factors that will have the most influence in their decision-making processes
- Ensure personal contact with potential investors to negotiate and tailor the product offering in order to maximise benefits for all stakeholders

Below the line marketing tools:

- Promotional portfolio sent to the target market
- Business events where the target market can be addressed directly
- Presentations to the target market
- Meeting with the decision-makers of individual businesses
- Delegation to visit international investors and to present the business case for Cape Winelands to them. This delegation can also invite international investors for promotional visits to highlight the advantages of doing business in Cape Winelands

Branding the Cape Winelands

Branding is the activity of promoting a product's unique identity and creating and disseminating a focused public idea of a particular product. Branding therefore refers to the "image" of the product.

Building a brand includes the following:

- Visual aspects, such as the logo, marketing material, advertisements, and the tag line
- The core message of the marketing drive
- How the brand is presented and even how ambassadors of the brand conduct themselves.

It is essential that all the aspects of branding are aligned and applied consistently.

The first step in building a brand is to define the value proposition, which refers to the unique value that the product offers. Key aspects such as where the most benefit can be delivered are linked to the core need or desire that the product addresses.

The Cape Winelands's value proposition therefore lies in the most important benefits the area offers to investors.

The core benefit that businesses are looking for is increased profits. The key aspects identified is an enabling environment characterised by ease of doing business and:

- ✓ Infrastructure
- ✓ Availability of property and land
- ✓ Availability of labour
- ✓ Access to information
- ✓ Red tape reduction

The branding of Cape Winelands should therefore focus on conveying the key message of an enabling business environment - an efficient and innovative place that is business-friendly.

Branding the area as an Investment Destination

- *Branding is the image that is created for a product through promotional activities*
- *The brand is influenced by the core messages, core benefits and visual aspects.*
- *Branding has to be consistent in order to build a recognisable brand.*
- *The benefits offered to potential investors should be promoted.*

Recommended phased roll-out of the Marketing Plan

Marketing the Cape Winelands District necessitates a phased approach that primarily attracts high impact investors and secondarily fosters the establishment of new and supporting industries in order to create a sustainable local economy.

The overall marketing strategy and action plan should focus on short term, medium term and long-term initiatives and interventions. The approach should be systematic and incremental.

Before the destination can be marketed to potential investors, the facilitation vehicle ("One Stop Shop") and investment drawing cards (land, incentives and infrastructure) should be in place

6.4 WESTERN CAPE GOVERNMENT INVESTMENT FACILITATION STANDARD OPERATING PROCEDURE (IFSOP)

Source DEDAT

The Red-Tape Reduction team in the Western Cape Department of Economic Development and Tourism identified that one of the most frustrating experiences for businesses who would like to invest in municipal opportunities is the red-tape linked to these investments.

To address the challenge, the Red-Tape Reduction team developed an Investment Facilitation Standard Operating Procedure (IFSOP), to manage investment opportunities. The Theewaterskloof Municipality in the Overberg was identified as the pilot site for the project.

The main purpose of the IFSOP is to create uniform investment promotion, facilitation processes, and procedures in the municipality to attract new investors and retain existing ones. At the same time the IFSOP must satisfy the legal and legislative objectives, as well as the governance objectives of economy, efficiency and fairness.

6.4.1 IFSOP OBJECTIVES

The main objectives of the IFSOP are to:

- Provide clarity about the relevant legal and legislative framework in relation to investment opportunities
- Assist in the streamlined management and finalising of investment applications
- Enable the correct identification and classification of investment opportunities
- Provide a SCM system and process that will ensure clarity and consistency
- Provide an investment opportunity recording process, that will ensure transparency
- Provide further guidelines and procedures (the 'how')
- Make officials aware of the treatment and/ or management of investment opportunities
- Instil best practice
- Strengthen the control environment
- Establish a single point of access for the management of investment opportunities
- Assist management to appropriately act on investment opportunities
- Strengthen the ability to manage investment opportunities
- Create a central capacity to manage investment opportunities.

6.4.2 THE IFSOP PROCESS

The IFSOP process will commence with an application, either from an external private person or from the municipality executing the investment strategy. The application will be lodged with the investment administrator, who will forward it to the investment unit. Thereafter, a consultation process ensues, following which the application will be forwarded to the council (or responsible functionary) who will make the final resolution. The approved investment proposal will be administered by the investment administrator and managed by the designated municipal contract manager. In the event of a person being aggrieved by the final resolution, a formal appeal may be lodged with the investment appeal authority.

Graphically, the IFSOP governance process can be depicted as follows:

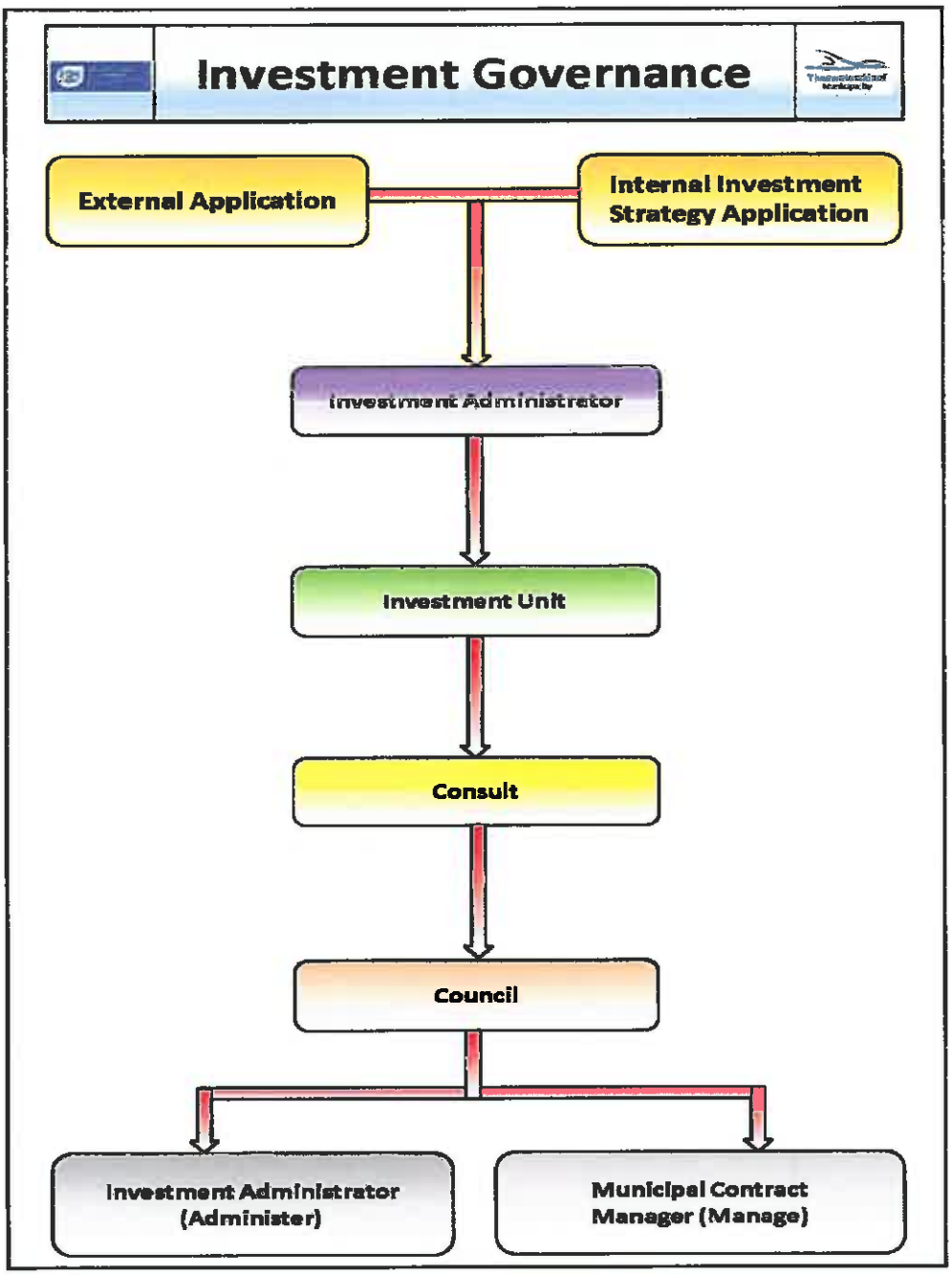


Figure 44: IFSOP governance process

The main IFSOP processes can graphically be depicted as follows:

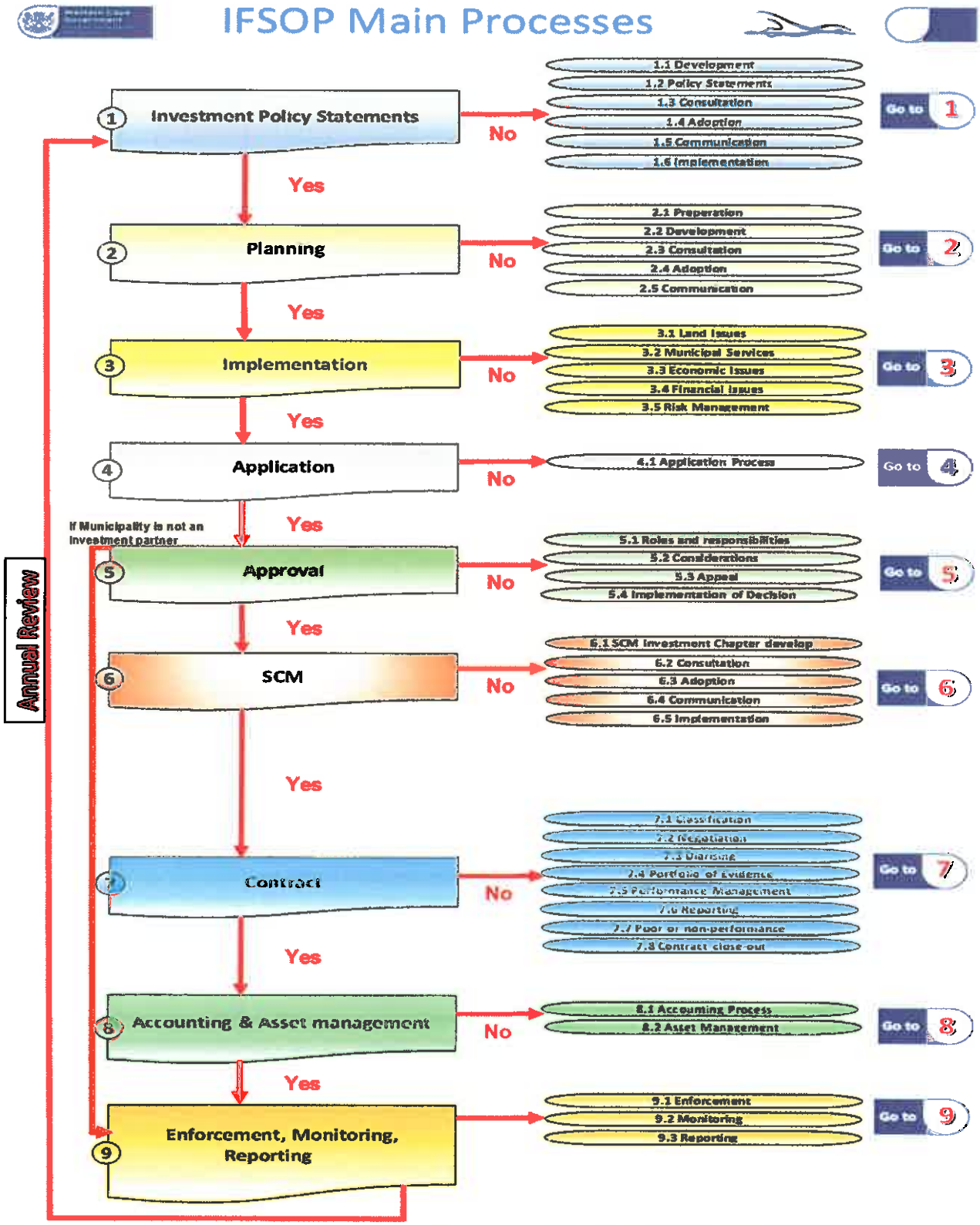


Figure 45: The main IFSOP processes

6.4.3 IFSOP INVESTMENT FACILITATION POLICY

Prior to adopting the IFSOP, it is necessary for the relevant municipal council to adopt the following investment facilitation policy statements:

1. Investment opportunities will be guided by one set of policy statements incorporated in the municipal IDP, supported by an Investment Facilitation SOP (IFSOP), which provides guidelines for the following IFSOP primary processes:
    a. Investment strategic planning
    b. Implementation of investment strategy
    c. Application for investment opportunities
    d. Approval of investment applications
    e. Supply chain management (SCM) processes relevant to investment opportunities
    f. Contract management of approved investment applications
    g. Accounting and asset management of approved investment applications
    h. Enforcement, monitoring and reporting of approved investment applications or opportunities
2. The policy statements and IFSOP will apply to all municipal officials - as well as private persons - wishing to submit an investment application to the municipal area, for projects:
    a. Exceeding the value of R10 m, or
    b. Exceeding the period of 3 years, or
    c. Complex developments requiring cross cutting municipal operations.
3. The establishment of a Municipal Development Fund (MDF), which will comprise a ring-fenced municipal account, as per section 12 of the MFMA, and will be financed from:
    a. Development charges
    b. Investment donations
    c. Sponsorships
    d. Grant funding
    e. Municipal funding
    d. Investment incentives will be considered for each investment proposal.
4. A SCM Chapter must be developed to align SCM activities with investment opportunities – from both an acquisition and disposal perspective – providing for mechanisms such as:
    a. Competitive bidding
    b. MSA s78 process
    c. Direct negotiation
    d. Unsolicited bid
    e. Public-private partnerships
    f. Auctions
    g. Long term acquisitions
    h. Expropriation
    i. Donations
    j. Exchange
    k. Leasing-out

l. Demolition
m. Decommissioning
n. Transfers.

5. The following governance structures will institutionalise investment facilitation in the municipality:
   a. An identified and appointed investment administrator (existing position)
   b. Investment unit, currently being called the development support team
   c. Appeal authority, consisting of the MAYCO

6.5 CONCLUSION

Economic growth is in the hands of the private and community/civil society sector. Ultimately, it will be firms/companies, the labour force and other organisations that will make the necessary investments to increase employment and wealth generation. The role of government, and in this case, local government is to create an enabling environment for business growth. This means setting the framework for growth and outlining the actions to stimulate that growth in areas such as education, innovation, skills development; sector development; exports; foreign direct investment; entrepreneurship and research and development. In addition, we need to identify and support business growth in sectors/subsectors where there is the greatest potential and continue to ensure that the necessary economic infrastructure is in place to reap the benefits from our existing strengths and opportunities.

07 FACTOR OF PRODUCTION: NATURAL RESOURCES

7.1 RURAL DEVELOPMENT

Natural Resources constitute another factor of production and the Cape Winelands District Municipality enjoys an abundance of natural resources. This section of the report deals with the activities linked to natural resources such as Rural Development, Agriculture and Tourism.

7.1.1 INTRODUCTION

Rural Development refers to the focused development of areas outside of the metropole with a mostly agrarian economy. The concept includes the development of such areas in terms of social, spatial and economic development.

Rural Development, and in particular the development of agriculture, is recognised by both the NDP and the NGP as critical for employment and food security. The Cape Winelands District (Ceres, in Witzenberg Local Municipality) has been earmarked for the development of an Agri-Park, which combines a working farm with a municipal park on the urban edge. The Cape Winelands District, along with each one of the other 43 district municipalities, will also host five (5) "One Household One Hectare" sites.

The Department of Rural Development and Land Reform also included Ceres Fruit Growers and Cold Storage in their Rural Enterprise and Industrial Development (REID) programme.

The Rural Development Plan for Cape Winelands (2016) identified the following rural development priorities in the Cape Winelands District:

Table 649: Cape Winelands Rural Development priorities

Rural Development Priorities in The Cape Winelands District
➢ Sustainable land development and fast-tracking land reform
➢ Initiation of sustainable land reforms projects in the District
➢ Provision of sustainable basic services in all towns
➢ Promoting bulk infrastructure and services
➢ Facilitating LED and upgrading of the informal sector
➢ Encouraging education and training facilities in smaller towns
➢ Incorporating nature conservation and management efforts in LED initiatives
➢ Encourage agriculture by developing agri-processing and links to niche markets
➢ Development of the tourism sector
➢ Upgrade Public Transport networks and introduce Non-Motorised Transport routes and facilities
➢ Support small farmers
➢ Job creation through skills development

The Cape Winelands District, in partnership with relevant stakeholders, rolled out several Rural Development projects in the area:

Table 65: Rural Development projects in the Cape Winelands District

Land Reform Projects	REID projects	RID projects	NARYSEC projects
✓ **Mhudi** ✓ **Bellevue Part 1** ✓ **Loufontein**	✓ Ceres fruit growers and cold storage ✓ Glitz cleaning ✓ Bella fruit cold storage ✓ Skoonvlei abbatoir ✓ Ceres cold storage	✓ Dennebos power station ✓ Bon Chretien substation ✓ Vreeland Street ✓ Boerneef Street ✓ Panorama Substation ✓ Skoonvlei Roads phase 1 & 2 ✓ Nduli reservoir	✓ RK Primary School ✓ Drosdy High School ✓ Riverview Primary School ✓ Victoria Park Primary ✓ Boland College ✓ Worcester Prep School

(Source: RDP, 2016)

7.2 NATURAL RESOURCES

Both the CRDP and APAP highlight protection of natural resources as a priority. Outcome 10 of the CRDP notes "environmental assets and natural resources that are well protected and continually enhanced" as an important part of rural development. The Cape Winelands District Municipality has several policies and programmes in place with various partners to ensure the protection and conservation of the environment and natural resources.

The Cape Winelands District is a rural area, and agriculture is the main economic activity. Tourism has also been identified as a key driver of economic and rural development. Both the agricultural and tourism sectors are highly dependent on natural resources.

The Western Cape is currently in the grips of a drought, and the Bureau for Food and Agricultural Policy (BFAP, 2018) estimates the impact on the Western Cape province's Gross Value Added (GVA) to be R5.9 billion, representing an average production decline of around 20%. The rainfall for 2017 was below average and the rainfall to date for 2018 is even lower than for the same period in 2017.

Adopting water-efficient farming practices is of paramount importance to shield the agricultural sector, and upstream and downstream sectors, from the effects of the drought. Better use of existing water resources is also highlighted as a priority in the NDP.

The Cape Winelands District rolled out a "Greening Cape Winelands" project to plant indigenous trees and shrubs throughout the district. The objectives of the project are as follows:

- Promoting a greener environment
- Creating environmental awareness
- Improving the quality of life of inhabitants through the creation of a healthy environment
- Creating employment opportunities
- Gaining community involvement in environmental protection

7.2.1 CAPE WINELANDS BIOSPHERE

The Cape Winelands Biosphere Reserve (CWBR) 3220km² in extent was registered during September 2007. At the local municipal level, the following areas have been incorporated: Stellenbosch Municipality, portion of Drakenstein Municipality, portion of Breede Valley Municipality, portion of Witzenberg Municipality and a portion of Theewaterskloof Municipality.

The main aims of biosphere reserves are to promote biological diversity, sustainable development and logistic support, the latter including research, education and training.The CWBR Section 21 Company whom manages the CWBR affairs must ensure that the following functions are met:

- A conservation function- to contribute to the conservation of landscapes, ecosystems, species and genetic variation;
- A development function- to foster economic and human development which is socio-culturally and ecologically sustainable;

- A logistic function-to provide support for research, monitoring, education and information exchange related to local, national and global issues of conservation and development.

7.3 AGRICULTURE

7.3.1 OVERVIEW

The growth rate of the agricultural sector in the CWDM between 2005 and 2015 was on average 1.7% compared to the provincial rate of 2.5%. The growth trend of the agriculture, forestry and fishing sector is depicted in the figure below:

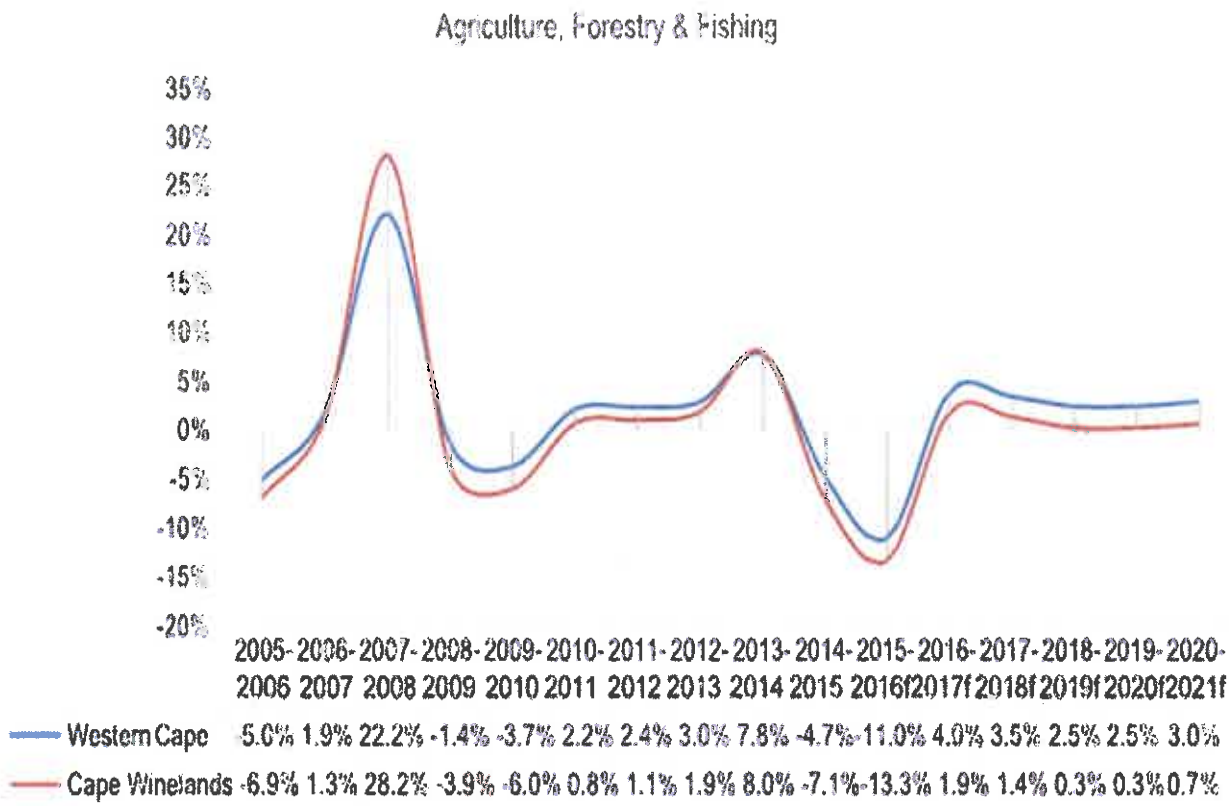


Figure 46: Growth rate of Agriculture, Forestry and Fishing industries (Source: CWDM RDP, 2016)

The province has been in the grips of a drought since 2015 and the impact has been a contraction in the agricultural sector, with further decline forecast for the future.

The contribution of the CWDM to crops and livestock is depicted in the table below:

Table 6610: Contribution of CWDM to crops and livestock

Sub-sector	Witzenberg	Drakenstein	Stellenbosch	Breede Valley	Langeberg	Total Cape Winelands
Top Crops (as % of Western Cape)						
Wine Grapes	5.1	14.3	15.1	15.9	15.4	**65.8**
Table Grapes		15.9		44.1		**60**
Lucerne	2.4	1.7	0.3	0.5	1.6	**6.5**
Canola		2.1				**2.1**
Small Grain Grazing	4.5	1.8	0.1	1.0	2.4	**9.8**
Planted Pastures, Perennial	2.2	2.5	0.8	0.8	3.4	**9.7**
Natural grazing	5.7	3.1	1.1	1.1	3.8	**14.8**
Fallow	3.9		0.4	1.1	2.6	**13.4**
Stubble				9.3		**9.3**
Wheat	1.4	3.4		0.3	0.4	**5.5**
Olives		22.3	5.1			**27.4**
Peaches	36.4				33.0	**69.4**
Apricots					50.1	**50.1**
Plums			14.0			**14.0**
Pears	60.1		1.5			**61.6**
Apples	33.1					**33.1**
Planted Pastures		3.2				**3.2**
Proteas			8.0			**8.0**
Weeds				5.2	9.1	**14.3**
Top Livestock (as % of Western Cape)						
Cattle	1.9	1.4	0.9	2.2	4.1	**10.5**
Goats	0.6	0.3	0.5	0.0	0.8	**2.2**
Horses	3.5	4.9	7.3	0.6	20.2	**36.5**
Ostriches	1.8	0.0	0.1	0.2	1.4	**3.5**
Pigs	0.4	3.7	14.2	1.2	14.2	**33.7**
Sheep	**1.7**	**0.8**	**0.1**	**0.2**	**2.1**	**4.9**

(WCDOA, 2013)

Although the agricultural sector recovered from the decline between 2014 and 2015, the current drought is expected to have a detrimental effect on the sector in the years to come.

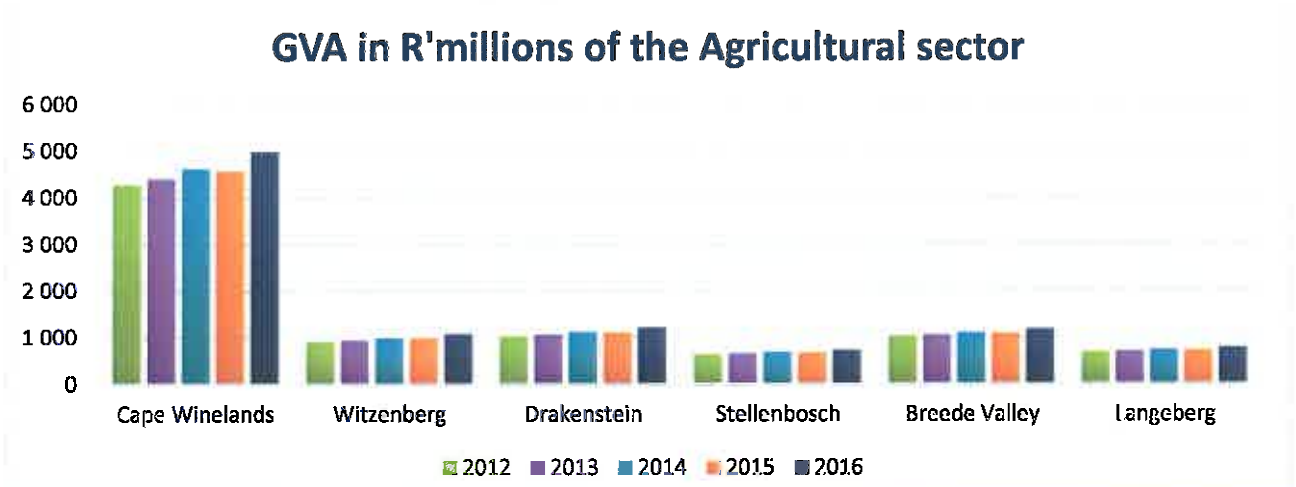


Figure 47: GVA in the agricultural sector 2012 – 2016 (Source: Quantec, 2018)

In 2012 and 2013, more than 75% of all national farm operation costs were attributed to labour, further reiterating the significant use of labour in the sector (Statistics South Africa, 2014).

7.3.2 CAPE WINELANDS AGRI-PARK

According the Department of Rural Development and Land Reform (DRDLR) an Agri-park is "a networked innovation system of agro-production, processing, logistics, marketing, training and extension services, located in a District Municipality ... [as] a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services. The Cape Winelands District Municipality is responsible for the implementation of the Cape Winelands Agri-park.

There are three components to an Agri-park:

- The Farmer Production Support Unit - this unit links emerging farmers to markets;
- An Agri-hub – this hub has multiple functions of training, production, equipment hire, packaging and logistics; and
- The Rural Urban Market Centre –it has to manage contracts, it is a produce holding place and needs to provide market analysis and intelligence to the emerging farmers.

The DRDLR has prioritised Agri-park implementation in Saron, Stellenbosch, Ceres for the 2017/18 financial year and Paarl, Robertson, Montagu, Ashton and Worcester for the years thereafter. The focus will be on the establishment of the necessary Farmer Production Support (FPSU) Infrastructure as well as support to emerging farmers.

7.3.3 FARMWORKERS

In an area that is dependent on agriculture and where many residents are employed in the agricultural sector as farmworkers, the well-being and living conditions of farmworkers is of particular interest. Considering that farmworkers are typically low-skilled and fall within the lower income brackets, they are more vulnerable to socio-economic shocks than other population groups. In the face of a declining agricultural sector and the current drought in the Western Cape, farmworkers are especially at risk.

In March 2015, the Department of Agriculture and FEM Research conducted a Household Survey with farmworkers in Cape Winelands, Cape Agulhas and Swellendam. A total number of 23,202 individuals participated in the survey of which 8 181 resided in the Witzenberg area. 2,482 households, living on 110 farms in the Witzenberg area formed part of the sample.

The study found that more than two-thirds (66%) of farmworkers were below the age of 35 and could therefore be classified as youths. The average age of farmworkers was found to be 27.37 years. The study concluded that 37.37% of individuals who live on farms and are eligible to work, are at risk of being unemployed.

Learners in the Witzenberg area required assistance with school uniforms and textbooks. The most frequently reported health problem in all areas was impaired vision. Almost 70% (69.62%) of respondents in Witzenberg requested a "Road to Health Card" (an immunisation record/ clinic card for children under five). Access to pap smears (4% and above) and family planning (2%) has the greatest need in Stellenbosch, Drakenstein, Witzenberg, and the Breede Valley.

Out of all the regions that participated in the survey, Witzenberg received the lowest proportion of child support grants. When asked what form of social support they most needed, the greatest need across all regions was support regarding behavioural problems, followed by substance abuse. An average of 74% of all households across all the regions belonged to a religious group.
Approximately 90% of farmworker households living on farms were found to have piped water, electricity and flush toilets. In Witzenberg, more than 30% of farmworkers lived in informal dwellings (not on farms).

Farmworkers who participated in the Western Cape Annual Farmworker of the Year Competition (WCAFYC) reported that it improved their skills and confidence. Most respondents heard about the WCAFYC through word of mouth or on the radio. Mobile phone SMS is the most popular and preferred communication mode, followed by receiving information from the farmer, while social media is the least used and least preferred mode of communication.

7.4 TOURISM

7.4.1 OVERVIEW

The tourism industry has the potential to attract revenue and stimulate private- and public-sector investment in a region (NTSS, 2017). The tourism industry is people-oriented and very labour intensive, creating employment opportunities in a community. Tourism is a partnership between the public and private sectors and is highly dependent on the co-operation of stakeholders. As tourism has grown steadily in the Cape Winelands District, tourism enterprises have increasingly generated job opportunities and revenue flow into the district. The tourism industry has therefore been identified as having an important role to play in attaining the region's goals for growth and job creation.

The White Paper on the Development and Promotion of Tourism (1996) defines tourism as "government led, private sector driven and community based." The tourism sector is highly labour-intensive, supports SMME development and has the potential to attract foreign direct investment (NTSS, 2017). Tourism also has multiple linkages to other sectors.

Tourism supports LED in that it expands the local economy by attracting revenue from outside the local area. In addition, it stimulates capital investment and fosters job creation. Tourism is a multi-faceted industry with various links to the manufacturing and retail sector.

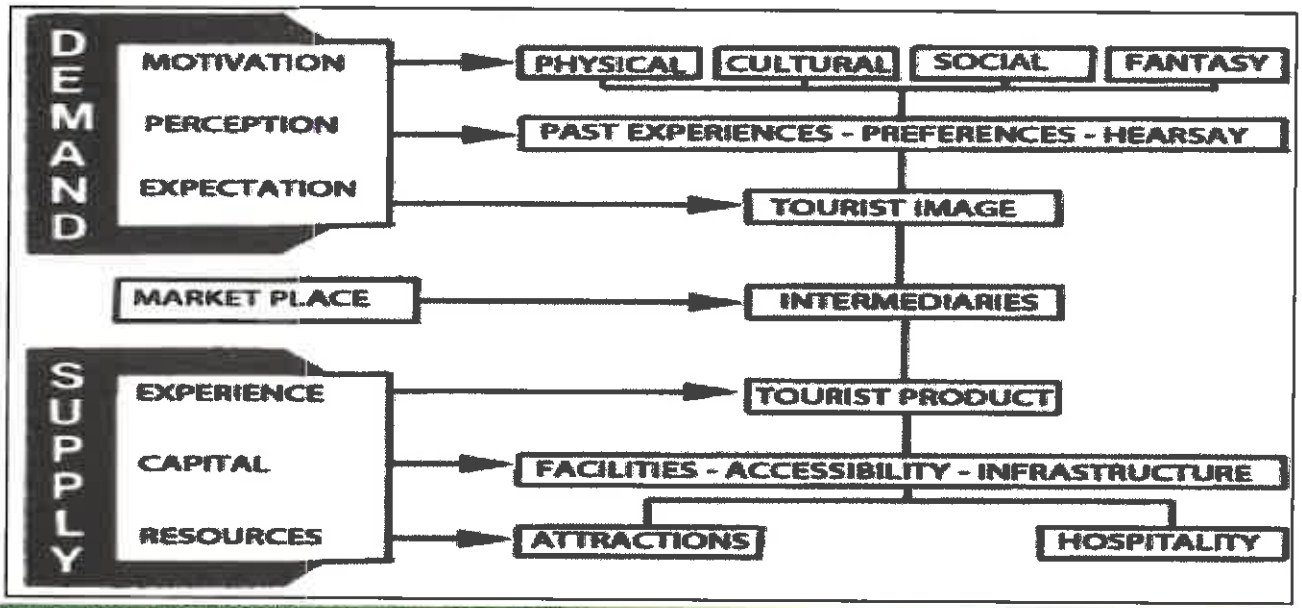


Figure 4816: Supply and demand factors of tourism
(Source: Murphy, 1985)

In order to effectively develop the sector, it is important to understand both the demand factors and the supply factors of the industry:

- Demand side: who are the people visiting the area and what are their needs and expectations?

- Supply side: what is the unique selling proposition (USP) of the area, and how can customer needs and expectations best be satisfied.

Effective tourism management entails a three-tiered approach:

1. Attracting visitors to the area through an appropriate marketing strategy
2. Ensuring that visitors enjoy a positive experience in the area to facilitate repeat visits and build a reputation as a successful tourist destination.
3. Maximising benefits to the local area in terms of the community, the economy and the environment.

Thus, managing tourism entails getting tourists to visit the area and then ensuring that the visit is a pleasant experience for the visitors, i.e. that the destination delivers on all it promises to, whilst benefitting the local area.

A down-side of tourism is that it is often seasonal, and employment opportunities and revenue may therefore be concentrated in a few months of the year. In addition, rural tourism entrepreneurs are often challenged by difficulties in obtaining capital and effectively capturing business from their local tourism industry.

7.4.1.1 Why Tourism Matters in South Africa

Tourism is big business. According to World Travel and Tourism Council (2018) it directly contributed R136.1 (USD10.2) billion to the South African GDP in 2017 which made it a larger contributor than agriculture. Tourism directly employs over 726 500 people which outnumbered other sectors as such mining. Visitor exports generated nearly R126.7 (USD9.5) billion which is 2.9% of our total export earnings in 2017.

Table 67: Estimates and Forecasts of Economic Impact of Tourism in South Africa

South Africa	2017 USDbn	2017 % of total	2018 Growth	USDbn	2028 % of total	Growth
Direct contribution to GDP	10.2	2.9	2.4	14.9	3.3	3.6
Total contribution to GDP	31.0	8.9	2.9	44.9	10.1	3.5
Direct contribution to employment	727	4.5	1.0	980	5.2	2.9
Total contribution to employment	1,530	9.5	3.3	2,082	11.1	2.8
Visitor exports	9.5	9.2	3.4	16.5	11.4	5.3
Domestic spending	11.9	3.4	1.4	15.0	3.4	2.2
Leisure spending	14.0	1.9	3.0	22.1	2.3	4.3
Business spending	7.4	1.0	0.9	9.4	1.0	2.3
Capital investment	5.3	8.2	3.4	8.5	10.1	4.4

Source: World Travel and Tourism Council, 2018

7.4.1.2 Objectives of Tourism

Some of the objectives of tourism are to:

- Explore new and innovative ways to expand consumer options and experiences;
- Create new and innovative product offerings should be based on creative and unique experiences in the area;
- Encourage tourism enterprises to increase their electronic footprint in order to expand their market reach;
- Explore green tourism options to meet the market need for more responsible, environmentally conscious, ethical and sustainable tourism;
- Developing a brand that is unique and speaks to the area's unique heritage of the region is essential;
- Increase market share and capitalise on previously unexplored markets through value-for-money (VFM) and affordable product offerings;
- Ensure ease of access in terms of travel to and within the region;
- Create a nurturing environment for emerging businesses in the tourism sector;
- Develop initiatives to enhance the attractiveness, safety and cleanliness of tourist infrastructure;
- Prevent incidents of crime against tourists through enhanced safety and security;
- Develop infrastructure that supports new and innovative travel experiences to serve the growing tourist market segments;
- Develop high speed Wi-Fi access at tourism hotspots;
- Have clear and informative tourism signage to enhance ease of travel within the tourist destination;
- Ensuring the safety and security of tourists through tourism safety programmes;
- Improve service excellence through skills training and development;
- Investigate options to include poor communities in tourism;
- Enhance market access for emerging tourism businesses; and
- Provide a platform for emerging businesses to capture a larger share of the market and reach customers with sufficient income to procure their product offering.

7.4.1.3 International and Domestic Tourism Trends

Emerging international and domestic tourism market trends includes some of the following:

Green, Responsible, Sustainable and Ethical Tourism

- Increased interest in green, responsible, sustainable and ethical tourism. Factors such as environmental consciousness, sustainability, responsibility and ethics have become important motivators influencing tourists' decisions (NTSS, 2017). Sustainable tourism has increased in prominence, with over 85% of tourists reporting it to be a very important factor in tourism decisions (WESGRO, 2018). Organic farming and social equality ranked as the two top types of sustainable tourism experiences.

Authentic and immersive Experiences

- Increased interest in unique and authentic experiences. Globally, there is an increase in demand for immersive travel and authentic, tailor-made tourism experiences (WESGRO, 2018). Research showed that luxury travel is increasing, including factors like tailor-made itineraries and unique experiences (WESGRO, 2018).

Wine and Gastronomy Tourism

- Significant growth potential in wine tourism in the Western Cape, especially when paired with other activities that have regional appeal. Wine tourism increased by 16% between 2016 and 2017 (WESGRO, 2018). Six (6) out of the top ten (10) restaurants in South Africa are located within the Cape Winelands District (WESGRO, 2018), which underlines the importance of the Cape Winelands District being positioned as a fine dining and gourmet experience destination.

Digital Excellence in Tourism

- In line with global trends, technology plays an increasingly important role in tourism. Technological advances have altered how travel services are procured and consumed (NTSS, 2017). Visitors are increasingly turning to the internet as a source of information and using travel blogs and travel advisory websites (NTSS, 2017). Tourists also communicate with other travellers on various online platforms. Due to the preferences of the current market, online marketing of the region is very important and should enjoy priority. Service delivery of local Visitor Information Centres are also important, especially in enhancing the experience of visitors already in the area. Visitor information centre should therefore also make use of digital tools to promote and market their destination.

Events and Festivals

- There has been an increase in the seasonality of domestic trips between 2015 and 2016 (NTTS, 2017). Food and wine festivals in off-peak seasons have the potential to counter the effects of seasonality. In addition, food and wine festivals also offer the opportunity for lesser-known destinations to attract visitors (WESGRO, 2018).

7.4.2 TOURISM IN THE CAPE WINELANDS

Cape Winelands has the charm and allure of a rural area and natural beauty, whilst being less than an hour away from Cape Town. The natural beauty and locally produced wines make it an internationally sought-after tourist destination. The Cape Winelands District is characterised by the leafy landscape of wine farms and the area is ultimately known for its wines that are exported all over the world. Wine and grape production in the area dates

back to the year 1600, adding to the rich history and cultural heritage of the area. With 54 wine farms in Stellenbosch and 51 in Franschhoek alone, the area is popular for wedding venues.

The Cape Winelands is renowned as the culinary capital of South Africa and is a destination known for wine, olives, cheese, export quality fruit and organic produce. Tourism marketing strategies should yield optimal results by capitalising on these unique capabilities.

The Cape Winelands have the following unique selling points:

- The region is a well-known and established wine region.
- Its geographical location is near enough to the Cape Town Metropole and ports (airport and harbour) and linked via excellent road infrastructure. This makes the area easily accessible. Simultaneously the rural feel of the area creates the feeling of "breaking away from city life" without the effort and cost of extended travel and the negative effects of visiting an isolated area.
- The close proximity to the Cape Town Metropole makes it ideal for corporate travel.
- Established in the market as a culinary destination
- The natural beauty of the area is its most notable advantage. It cannot be emulated by other areas and has to be capitalised on.

Each area in the Cape Winelands has unique characteristics that enhance the attractiveness of the destination.

In addition, the Cape Winelands is also home to four (4) of the top ten (10) restaurants in South Africa in 2017, namely:

- The Kitchen at Maison (Franschhoek)
- The Tasting Room at Le Quartier Français (Franschhoek)
- Foliage (Franschhoek)
- Overture (Stellenbosch)

(Eat Out Mercedes-Benz Restaurant Awards)

The area is therefore well-established as a culinary destination. The potential exists so include more high energy- and adventure activities to the product offering. Such options could assist in attracting younger age groups, building the popularity of lesser-known towns in the district and combating seasonality.

7.4.2.1 Identifying Cape Winelands Tourism Assets

Building on the initial SWOT analysis, it is worth considering the District's 'hard assets and soft assets' for tourism. There are:

- HARD ASSETS (events, attractions, places and spaces) that best reflect the District and have the potential to be further developed;

- SOFT ASSETS (people, cultures, talent, skills, networks, clustering and collaboration) that can be harnessed and allowed to influence all aspects of tourism transformation and development.

Table 68: Cape Winelands District hard and soft assets

CAPE WINELANDS DISTRICT	
HARD ASSETS	**SOFT ASSETS**
Architecture and Historical Buildings	Culture: Music, Literature, Drama, traditional dancing; Poetry and Song Writing
Wine Estates and wine routes: like Nederburg; Spier; Tokara; Del Air Graff;	
Arts: a number of art galleries; a number of drama theatres; etc	The cultural diversity of our people - is also something to behold – as it is this diversity that makes us who we are, in some way the best of many worlds, because we have Africa, Europe, Asia, and the Pacific flowing in our blood, influencing what we eat, how we celebrate important dates and how we generally open-up to other people.
Wedding Venues: amazing wedding venues on Wine Estates	
Festivals and Events: Stellenbosch Wine festival; Wacky Wine festival; Bastille Festival; Wine on the river; Cap Classique; Soetes en Sop;	Excellence in specialist research and economic sectors: Agriculture; Food manufacturing; Information and Communication Technology; etc
Rural Enchantment: craggy mountains; rivers; Cape floral kingdom;	Food and drink; chefs and producers and restaurateurs

Source: Cape Winelands District Municipality, 2019

Below is the top tourism "hard and soft" assets in each town in the Cape Winelands District:

Table 69: Cape Winelands District hard and soft tourism assets per town

STELLENBOSCH AREA		
Stellenbosch	**Franschhoek**	**Dwarsriver Valley**
• Art / Art Route map/ Galleries • Architecture/ Stellenbosch on Foot • Education / Stellenbosch University Launch lab • Nature/ Hiking, Mountain Biking • Heritage/ Museums / annual e'Bosch programm • Wineries & Vineyards	• Franschhoek Wine Tram • Hiking - Mont Rochelle Nature Reserve/ La Motte/Boschendal • Cycling – Berg River dam/Boschendal • Chamonix Game Drives • Helicopter Tours • Museums- Huguenot Museum/Franschhoek Motor Museum/Manor House at Boschendal	• Freedom Route(Local businesses, community ambassadors, etc) • Dine with the Locals Initiative • Heritage Sites- Churches in the Valley and its History preserving heritage • Sport & Tourism Event: Dwarsrivier Valley Orchard Run

• Sports / Coetzenburg training grounds, SAS Academy, Origin of • Trails, Fed health Impi challenge, Park runs (x2) • Food/ Restaurants, eateries, Food and craft markets, Picnic sites, Dine with Locals experience • Shopping/ Craft markets, • Eikestad mall, shops • Festivals: Cheese, Woordfees, Wine • Venues/ Wedding, Conference, functions	• Wine Farms & award-winning restaurants/ artisanal products • Franschhoek Theatre • Town Ship Tours • Franschhoek Festivals – Bastille Festival/MCC Festival/Uncorked Festival/Summer Wines Festival • Scootours/Horse Riding • Garden Tours- Babylonstoren/Boschendal • Art Galleries/ sculpture gardens • Wedding/Function • Craft Beer Breweries	• Nature Preservation: Annual Chrysanthemum Show • Wine Tourism: World Class producing wine farms(Boschendal, Bartinney, Solms Delta, Thelema) • Food and Restaurants: Top dining experiences(Tokara, Delaire Graff, Le Pommier, Boschendal) • Nature Conservation- Banhoek Conservancy • Trail Runs/ Cycling- Health • Community Development and Support (Training and Skills development)

DRAKENSTEIN AREA

Paarl	Wellington
• Paarl Mountain Nature Reserve • Afrikaans Language Monument • Spice Route • Babylonstoren • KWV • Le Bonheur Reptile Adventures • Hero Adventure Trails – Paarl Rock Trail • Paarl Arboretum • Cheetah Experience Ashia • Paarl Historical Route	• Bainskloof Pass • Breytenbach Centre • Val du Charron Wine and Leisure Estate • Wild Boar Trails • Bontebok Ridge Reserve • The James Sedgwick Distillery • Wellington Museum • Langkloof Roses • Wellington Wine Walk • Wellington Historical Route

BREEDE VALLEY AREA

Worcester	Rawsonville	Hex Valley
• Karoo National Botanical Garden • Worcester Museum • Hugo Naude Art Museum • Fairy Glen Game Reserve • Aquila Private Game Reserve • Klipbokkop Mountain Reserve • ATKV Goudini Spa • Heritage Tours • Worcester Wine & Olive Route • Innovation for the Blind • National Institute for the Deaf • Kleinplasie • Bonamanzi Adventures	• Hiking Trails • Mountain bike routes • Game drive at Wysersdrift Game Breeders • Birdwatching • Festivals: Soetes & Soup • Craft Gin • Craft Beer • Fly-fishing at Dwarsberg • Wedding venues • Wine tasting and cellar tours	• Hexcape Grape Route (local Heritage Route) • Events (annual Autumn Splendour festivities during May) • Grape Fun Adventures (grape picking & tasting tours at Modderdrift Estate and ASV Farms) • Impangele Mountain Lodge (incl. Botterboom Hiking Trail & Two Tunnel MTB Trail) • Groothoek Hut (4X4, Hiking/Kloofing) • Weddings & Conferencing (4 Facilities) • Farmstays (8 facilities)

• Mer-Dragon Equestrian Centre • Cycling and Hiking Routes in and around Worcester		• Guided Tours
WITZENBERG AREA		
Tulbagh	**Ceres**	**Wolseley**
• Tulbagh Wine Route • Church Street with Historical Houses • Earthquake Museum • Moniki Chocolatier • Oudekloof Scenic Tractor Rides • Our Restaurants • Wedding Venues • Olives • Art Galleries • Tulbagh MTB Route	• Ceres Zipline Adventures • Cherry Picking @ Klondyke Cherry Farm • Matroosberg Private Nature Reserve for snow, 4x4 route and fruit farm tours. • Hiking & mountain biking trails • Ceres Togryers Museum • Ceres Rail Company Steam Train Trips & Golf Course • Aquila & Inverdoorn Private Game Reserves • Wine (Koelfontein & Waverley Hills), beer (Ceres Brewery) & cider tasting (Loxtonia) • Scenic drives through surrounding passes & farm stays • Op-die-Berg Horse & Carriage Rides	• Wedding Venues • Wine & Olive Estates • Organic Wines • Farmstays • Fruit Picking & Tours (in Season) • Horse Riding (Sunset & Moonlight too) • Animal Sanctuary • Local Produce & Handcrafted Goods - Farmstalls • Outdoor Activities - MTB, Hiking, Bird watching, Fishing, Zip Sliding • Conference Facilities • Restaurants
LANGEBERG AREA		
Robertson	**Montagu-Ashton**	**McGregor**
• Wine tasting and Cellar Tours -e.g. Four cousins • Mountain Biking and hiking trails • Olives and olive oil tasting • River Rafting and cruises • Skydiving and horse riding • Wedding Venues and Art Galleries • Succulent garden, roses, Lavender, Fruit farms Physical Assets/ Experiences • Events - Robertson Wacky Wine; Wine on the river; etc • Viljoensdrift riverboat cruises	• **Our Mountains** – special Geology (Cape Fold) - offer in climbing, Hiking, AbSailing; tractor rides • **Our Healing waters** – Mineral Hot Springs • **Our almost 365 days of sunshine** – perfect for Drying Fruit • **Our Agricultural Activity** • Our well protected **Historical Buildings** • **History and Heritage** - Koi San heritage; Kanonkop; Boer war stories; old Forts; last remaining Art Deco Hotel in Western Cape • Our wine and **MUSKADEL**	• Boesmanskloof Hiking Trail • Temenos Retreat Gardens • Millstone Pottery • Rhebokskraal Olive Farm • McGregor Museum • Vrolijkheid Nature Reserve • Eseltjiesrus Donkey Sanctuary • MTB Routes • Art Galleries • Wine Route consisting of Lord's Wines, Solara Wines, Bemind Wyne, Buffalo Creek, Tanagra Wines and McGregor Wines

	• **Our Art** - painters, writers, poets, singers, choirs or dancers • Our very special true **Platteland Community** • Our Strong **Local is Lekker focus** with fresh produce, artisanal food and beer, restaurants • We are the **Gateway to the Karoo** – so beautiful Starry night skies.	

Source: Cape Winelands District Municipality, 2019

7.4.3 TOURISM IN THE CAPE WINELANDS: VISITOR ECONOMY

It is important to know who the current market for tourism in the Cape Winelands District is. The market should be built on and expanded by gradually adding product offerings. Most importantly, the existing market should not be neglected. It is important to cater to the needs of established guests. Developing niche markets should be a complementary effort to existing tourism marketing efforts.

The market can be analysed in accordance to the following dimensions:

- Source market:
  - Overseas vs domestic visitors
  - Top overseas markets
  - Top domestic markets
- Purpose of visit
- Activities
- Group size
- Age group
- Length of stay
- Accommodation type
- Average daily budget
- Preferred information source

* It is important to note that the composition and consumption patterns of tourists vary according to season and fluctuates on a year-on-year basis.

7.4.3.1 Source Markets

The current tourism market for the Cape Winelands District comprises of 50.5% international tourists and 49% domestic tourists between January and July 2016 (WESGRO, 2016).

International versus domestic travellers to the Cape Winelands are illustrated in the figure below:

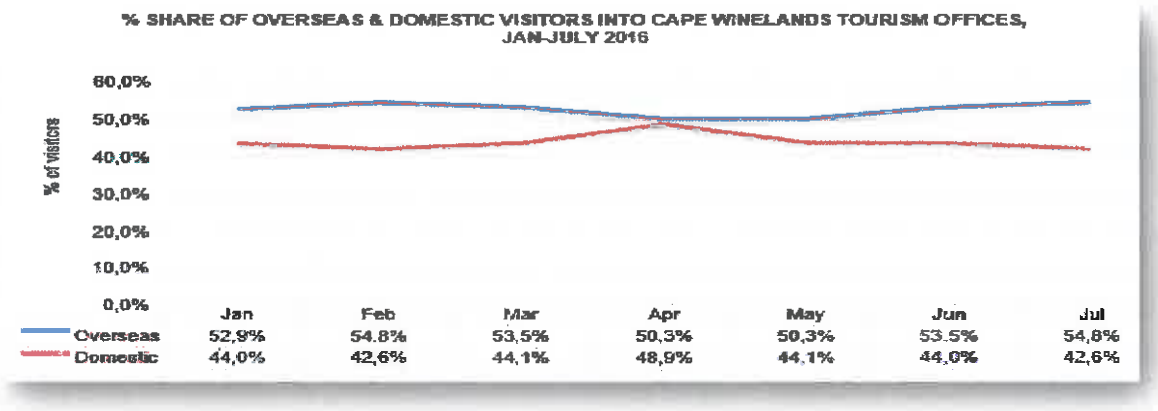


Figure 4917: Share of domestic and international travellers

The top source markets for international tourists comprised of the following:

- The United Kingdom (26.5%)
- Germany (22.6%)
- The Netherlands (10.5%)

The domestic market was sourced from the following areas:

- Western Cape (78.2%)
- Gauteng (10.2%)
- Eastern Cape (3.8%).

(Source: WESGRO, 2016)

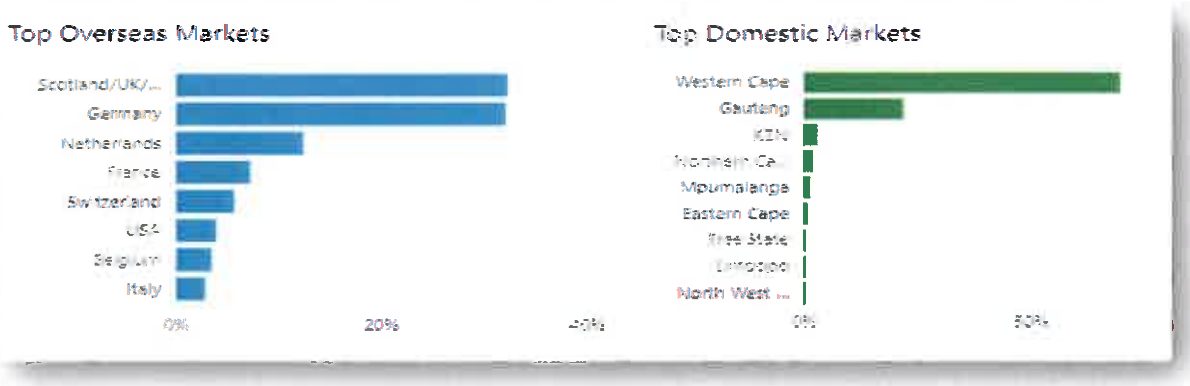


Figure 50: Top overseas and domestic markets, tourism to CWDM
(Source: WESGRO, 2018)

7.4.3.2 Purpose of visit

The vast majority (95.6%) of visitors to the Cape Winelands District reported visiting the area for leisure/ holiday travel (WESGRO, 2016).

Table 7011: Main purpose of visit to Cape Winelands, Jan-July 2016

MAIN PURPOSE OF VISIT TO THE CAPE WINELANDS, JAN-JULY 2016			
Purpose of visit	All	Overseas	**Domestic**
Holiday/ leisure	97.7%	99.1%	**96.2%**
Business	0.4%	0.1%	**0.7%**
VFR	0.2%	0.2%	**0.2%**
Education	**0.7%**	**0.1%**	**1.4%**

Source: WESGRO, 2016)

There has been an increased interest in business and holiday travel from international tourism markets (NTSS, 2017).

7.4.3.3 Activities and Attractions

Culinary experiences, wine and scenic drives were the most popular activities listed by both domestic and international tourists. The main attractions in the Cape Winelands District are therefore as follows:

- Food
- Wine
- Natural beauty and heritage

Top 5 reasons for visiting the Cape Winelands District in 2016:

Table 7112: Top five reasons for visiting CWDM

Gourmet restaurants and cuisine	**28.52%**
Culture/ heritage/ museum/ township tour	22.63%
Wine tasting	16.55%
Scenic drives	6.23%
Crafts/ food market/ slow market	5.81%
Events/ Festivals/ concert/ live shows	2.38%
Top five activities made up more than 80% of respondents' reason for visiting	

(WESGRO, 2018)

With its abundant natural beauty, the Cape Winelands has the potential to expand its existing market by including high-energy and adventure tourism experiences to its product offering.

7.4.3.4 Group Size

Visitors mostly travelled as couples (in pairs) and used rental cars as their mode of transport (WESGRO, 2016).

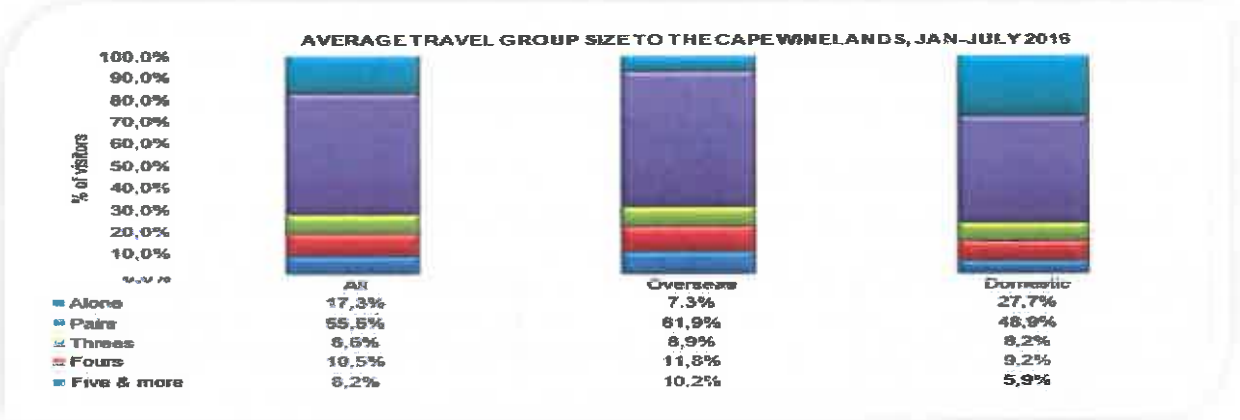


Figure 51: Group size of visitors to Cape Winelands, 2016 season
(Source: WESGRO)

7.4.3.5 Age Group

As a tourist destination, the Cape Winelands District was most popular with the age group 36–50 years. However, millennials (age group 18–35 years) travelling to South Africa increased with 45.8% in 2016 (SAT, 2017). As there are more visitors in the 18–35 years age bracket visiting South Africa, the potential exists to attract them to the Cape Winelands District.

Including product offerings such as high-energy and adventure experiences in the marketing mix, the district can expand its market to include millennials.

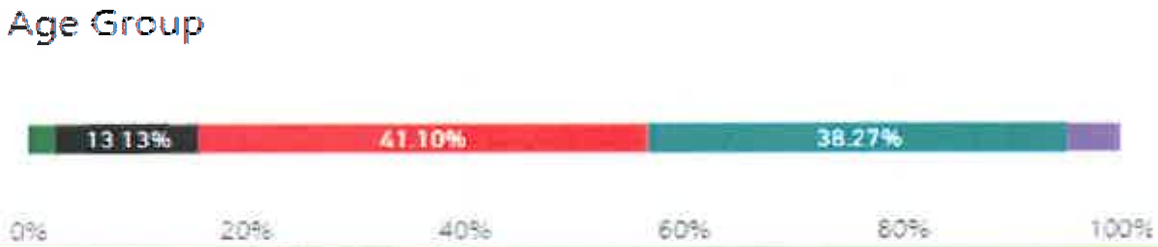


Figure 5218: Age groups of visitors to the CWDM
(Source: WESGRO, 2018)

7.4.3.6 Duration of stay

Revenue is optimised through visitors staying longer and spending more. Visitors to the Cape Winelands District stayed mostly for one (1) or two (2) nights. The average length of stay for visitors to the Cape Winelands District is illustrated in the figure below.

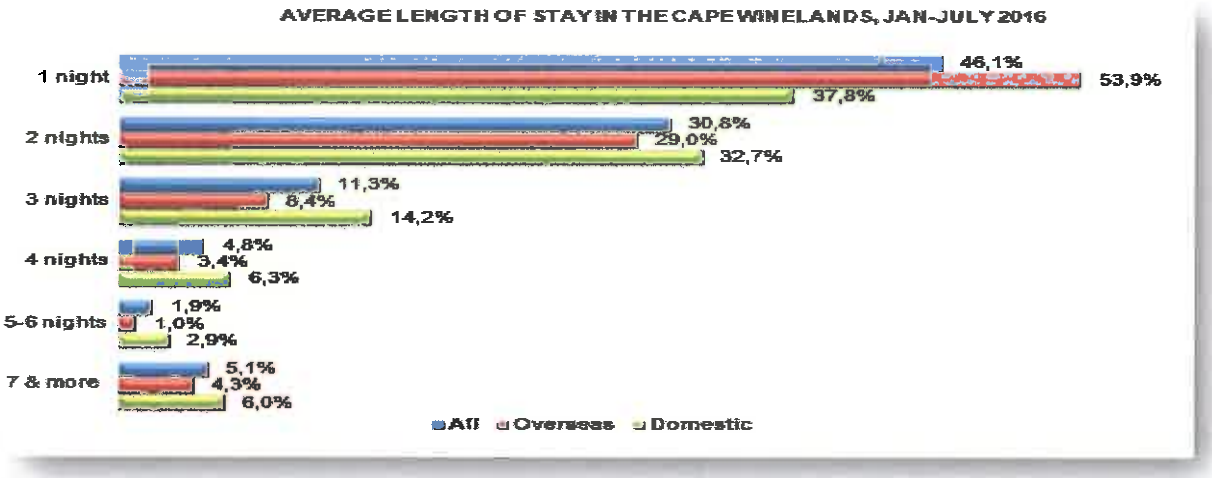


Figure 53: Duration of stay Cape Winelands 2016 season
(Source: WESGRO, 2016)

7.4.3.7 Accommodation type

Guest houses and self-catering accommodation are the most popular accommodation types utilised in the Cape Winelands District.

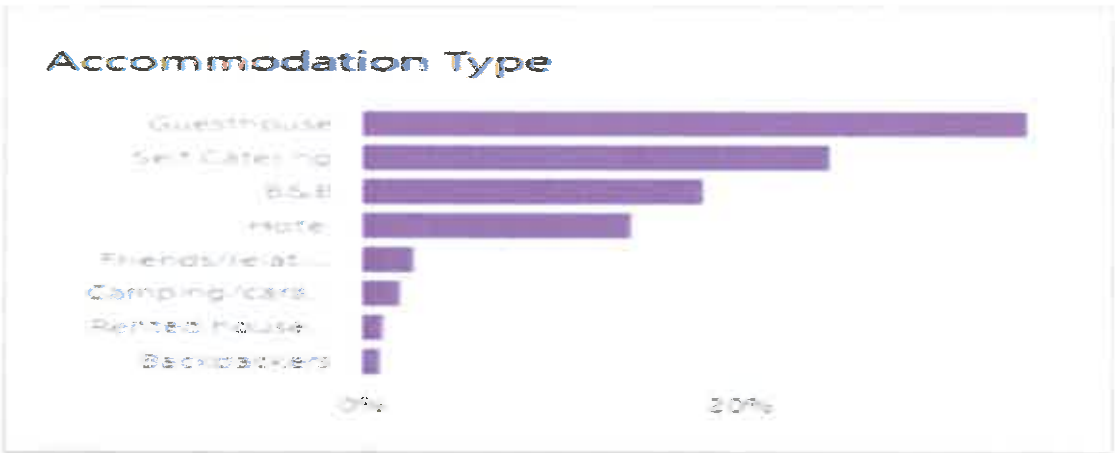


Figure 54: Accommodation types utilised in CWDM
(Source: WESGRO, 2018)

7.4.8.8 Average daily budget

Increasing the duration of stay as well as the number of product options should increase total spend during a visit. The majority of visitors to the Cape Winelands District in 2016 had a daily budget or R501 – R1 000 per person.

Figure 55: Average daily budget, CWDM, 2016
(Source: WESGRO, 2018)

7.4.3.9 Preferred information source

Visitors to the Cape Winelands District mostly obtained information from the following sources/ platforms:

- Internet searches and websites
- Visitor information centres (VICs)
- Social media

The visitor profile and trends can be summarised as follows:

Table 7213: Overview of Cape Winelands visitor trends and patterns

% Share of overseas visitors	**50.5%**
% Share of domestic visitors	**49.9%**
Top three international markets	**Germany (26.5%)**
	United Kingdom (22.6%)
	Netherlands (10.5%)
Top three domestic markets	**Western Cape (78.2%)**
	Gauteng (10.2%)
	Eastern Cape (3.8%)
	Holiday/leisure (95.6%)
	Honeymoon/ weddings (10.5%)

Main purpose of visit	**Education (5.0%)**	
Most common age group	**36-50 (35.6%)**	
	51-70 (22.4%)	
	<20 (20.5%)	
Most common travel group size	**Pairs (55.6%)**	
	Alone (18.5%)	
Most common length of stay per town	**1 night (45.5%)**	
	2 nights (34.5%)	
	3 nights (12.5%)	
Most common mode of transport	**Rented car (65.5%)**	
	Own motor vehicle (35.8%)	
Top information sources	**Internet/websites (35.2%)**	
	VICs (28.5%)	
Most common average daily spend	**R1001-R2000 (33.3%)**	
Top accommodation types used	**Self-catering (35.5%)**	
	Guesthouse (25.5%)	
Top three activities undertaken in the Cape Winelands	Overseas	Domestic
	Wine tasting (44.5%)	Wine tasting (28.5%)
	Scenic drives (15.8%)	Scenic drives (17.5%)
	Gourmet restaurants (11.3%)	Gourmet restaurants (13.5%)

(Source: WESGRO, 2016)

7.4.4 PREVIOUS CAPE WINELANDS TOURISM STRATEGIES

7.4.4.1 Cape Winelands Tourism Strategy (2006)

The Cape Winelands Tourism Strategy (2006) confirms tourism as a priority growth sector for the area. The document identifies cellar door wine tasting, culinary experiences and the scenic beauty of the Cape Winelands as key drawing cards for the area.

The challenges facing the tourism sector at that time were:

- Limited share of domestic and international markets attracted to the Cape Winelands compared to Cape Town and the Garden Route; limited length of stay and spend per visitor
- Unequal spread of the tourism sector as some areas struggled while others prospered.
- Industry being predominantly white-owned and a largely traditional product range.
- Limited progress in terms of broadening tourism participating and benefitting all communities, resulting in knowledge and networks being concentrated in the hands of a few.

- The Cape Winelands being perceived as mainly a wine-tasting experience and not having a clear, distinctive brand identity that communicates the wide variety of experiences and attractions on offer.
- Seasonality of the tourism sector.

The 2006 Tourism Strategy was therefore developed with the following objectives:

- Establishing and expanding the Cape Winelands destination brand
- Promoting the Cape Winelands as a premier destination to increase additional market share through increasing visitor numbers, length of stay and visitor spending
- Package and develop tourism products and experiences to accelerate transformation and Black Economic Empowerment.
- Diversify the products and attractions included in the route and support "Homegrown" events.
- Establish partnerships and buy-in from political leaders in all spheres of government, tourism officials, local municipalities, LTAs, private sector businesses and the local community.

Cape Winelands Destination Brand

"Branding a destination, whether it is a small village or a whole country, is probably the most complicated form of branding due to the fact that it is neither owned nor controlled by a single entity. From destination marketing and tourism to business development for destination brands, everyone living within that area owns and influences the brand in one way or the other."

The Cape Winelands tourism marketing brand is based on the following:

Brand characteristics

The following characteristics form the foundations of the brand:

- Authentic and unique – a fascinating combination of local culture, food, wine and nature;
- Diversity of experiences;
- Rich cultural heritage of the area;
- An inclusive destination that respects and belongs to all its citizens;
- Healthy, wholesome and peaceful;

Positioning statement/Marketing Slogan

"The Cape Winelands: A Thousand Things to Do, Then Some Wine"

Visual Identity

The following visual identity has already received substantial exposure and has been used as the marketing identity for the Cape Winelands.

The colourful bunch of grapes is a simple and clear visual that is immediately associated with the Winelands.

In addition, the stems and colourful grapes represents:

- The stems represent the variety of routes on offer;
- The grapes represent the variety of experiences, cultures and destinations on offer.
- The brand name "Cape Winelands" forms an integral part of the visual identity.

The colours of the current logo of the Cape Winelands represent the Local Municipalities within the district namely:

- Burgundy – Stellenbosch
- Olive Green – Langeberg
- Blue – Drakenstein
- Brown – Breedevalley
- Yellow - Witzenberg
- Purple – Cape Winelands

7.4.4.1 Cape Winelands Tourism Strategy (2012)

The Cape Winelands Tourism Strategy (2012) highlights the vision of the tourism sector as "A unified Cape Winelands of excellence" and the mission as "All structures of the Cape Winelands co-operate together towards effective and economically sustainable development". The objectives of the 2012 Tourism Strategy are outlined in four (4) Key Performance Areas (KPAs) that largely echoes the 2006 strategy:

To reinforce and expand the Cape Winelands tourism destination brand

1. To promote the Cape Winelands as a premier South African tourism destination through:
    a. Increase the area's share of the provincial tourism market
    b. Expand the domestic tourism market by targeting South Africans who traditionally did not have the opportunity to travel and explore the country
    c. Increase visitor numbers and the length of stay in the area
    d. Improve geographical spread of visitors and visitor spending
    e. Reduce seasonality
2. To package and develop tourism products and experiences in accordance with the Cape Winelands brand through:
    a. Support SMMEs so that all communities are adequately reflected through tourism participation and ownership.
    b. Diversify products and attractions through collective packaging, i.e. route development and business support, with special focus on unique regional experiences that complement the brand.
    c. Support the development of regional tourism and tourism sport events to attract tourists to the area.
3. To establish active partnerships and ensure buy-in and participation of all role-players including:
    a. Political leaders in all spheres of government
    b. Tourism officials and decision makers in local municipalities
    c. LTAs
    d. Private sector organisations such as tour operators, the media, tour guide, local businesses and the local community.

The tourism marketing plan comprised of eight themes, namely:

- Food and Wine;
- "Go Green";
- Adventure Tourism;
- Health and Wellness;
- Conferencing and Business Tourism;
- Events and routes;
- Romantic Travel; and
- Heritage and Crafts.

For the development of this strategy, data analysis (secondary data) and engagement with role-players (primary data) indicated that most of the challenges from 2006 carried over to 2012 and still exist in 2018.

It is recommended that the Cape Winelands (including all areas) is branded as an inclusive tourism route through collaboration and co-operation. Route management includes

product development and destination management to enhance tourist experiences. and developing tourism products to expand the product offering and promote transformation.

Developing new and innovative products to include as attractions on the route, should increase visitor numbers, increase the length of stay and increase average spend per person. In addition, the development of new attractions will diversify the image of the route, include previously excluded destinations and groups and in doing so, promote transformation and Black Economic Empowerment to support the objective of broad-based benefits. Diversifying the attractions included in the route also ties in with the district's marketing slogan: "The Cape Winelands: A thousand Things to Do, Then Some Wine".

Previous marketing efforts included on media- and trade relationships, exhibitions and utilising print media for marketing material. Although some of these marketing channels are still relevant, current technology and market preferences call for an increased electronic footprint and engagement on social media. Most importantly, marketing efforts should be tailored to market preferences.

Refreshing the brand for the Tourism Town Mobile Apps

The Cape Winelands also developed Tourism Town Mobile Apps and used the same brand but freshen it up.

Slogan

Franschhoek: "A Thousand Things to Do, Then Some "Culinary Delights"
Robertson: "A Thousand Things to Do, Then Relax... You're With Us! A Small Town With A Warm Heart"
Wellington: "A Thousand Things to Do, Then Discover The Heart Of The Winelands.

Paarl: "A Thousand Things to Do, Then Discover The Pearl Of The Winelands

Dwarsrivier: "A Thousand Things to Do, Then With A Countryside Twist, Your Journey Can Only Get Better!

Worcester: "A Thousand Things to Do, Then Enjoy The Best Bottomless Cup Of Hospitality, All Year Round

Stellenbosch: "A Thousand Things to Do, Then Some Magic

Ceres: "A Thousand Things to Do, Then Pure Adventure

Tulbagh: "A Thousand Things to Do, Then Unwind In The Valley Of Abundance

Wolseley: "A Thousand Things to Do, Then Explore, Taste, Stay

Mcgregor: "A Thousand Things to Do, Then Treat Yourself

Montague: "A Thousand Things to Do, Then Some Fresh Mountain air and healing waters

Logo

For the Mobile Apps the Cape Winelands deconstructed the current logo to freshen it up. Each Local Tourism Office has the logo on its Tourism Town mobile app with its unique slogan derived from the Cape Winelands mother brand.

7.4.5 TOURISM SUMMARY

In Summary:

- Domestic holiday trips declined between 2009 and 2015 due to economic constraints (NTSS, 2017). The opportunity therefore exists to capture a greater share of the market through more affordable product offerings.
- Just more than half of visitors to the Cape Winelands District are international tourists from Germany, the UK and the Netherlands. Potential to attract a greater portion of the US visitors to the Western Cape to the Cape Winelands.
- The vast majority of domestic travellers are from the Western Cape
- Almost half of visitors travel as couples (pairs), followed by about a third that travel alone. Potential to develop a market for family travel.
- Visitors are mostly older than 35 (58%). Potential to develop younger market.
- The vast majority visit for leisure. Potential to develop corporate travel
- Mostly day-trips or short stays (typically one or two nights). Potential to extend stay by expanding offering and adding additional destinations within Cape Winelands. Extending the stay of visitors through adding additional attractions to existing offerings.
- Managing seasonality should enhance all-year profitability and therefore job security in the sector.
- The NTSS underlines the importance of a coherent marketing message aimed at a specific target market.
- The Rural Tourism Strategy (2012) recognises the importance of collaboration in the funding and marketing of tourism initiatives.

- In order to establish a highly competitive tourism destination, collaboration between all stakeholders is essential.
- Challenges in travelling to and within a destination can negate marketing and branding efforts.
- There is increased focus on unique tourism experiences.
- Product development should be driven by market needs.

7.5 CLIMATE CHANGE

7.5.1 WHAT IS CLIMATE CHANGE?

Climate change is a natural phenomenon that takes place over geological time. However, over the past few decades the rate of climate change has been more rapid and the magnitude of global warming has increased dramatically (Warburton, M.L and Schulze, R 2006; Warburton, M.L 2012). This change has been attributed to increased anthropogenic greenhouse gas emissions (Koske, J and Ochieng, M.A 2013). For example, the burning of coal to generate electricity, the burning of petrol in cars, some chemical processes in industries, and many farming activities all contribute to the increased concentration of greenhouse gasses in the atmosphere.

Climate change is not just an increase in average global temperatures but changes in regional climate characteristics such as rainfall, relative humidity and severe weather extremes (Davis, C.L 2011). Climate change can manifest as a shock or a stress (Ziervogel, G and Calder, R 2003). Shocks are defined as discrete, extreme events (rapid onset) such as floods, while gradual change (slow onset) such as long-term climate variability is classified as a stress (Ziervogel, G and Calder, R 2003).

The negative impacts of climate change "are already felt in many areas, including in relation to, *inter alia*, agriculture, and food security; biodiversity and ecosystems; water resources; human health; human settlements and migration patterns; and energy, transport and industry" (United Nations WomenWatch 2009, 1).

7.5.2 CWDM MANDATE FOR DEVELOPING A FRAMEWORK FOR A CLIMATE CHANGE RESPONSE

The Municipal Structures Act, 1998 (Act 117 of 1998) outlines the roles, responsibilities and functions of district municipalities. Related to climate adaptation, the Act provides for the following roles and responsibilities for the Cape Winelands District Municipality in these broad areas such as:

- Master planning such as the development of a framework through which local municipalities can develop their integrated development plans. These include the Spatial Development Frameworks and Disaster Management Plans.
- Solid waste management
- Health services

- Fire services

7.5.3 CLIMATE CHANGE IMPACTS IN SOUTH AFRICA

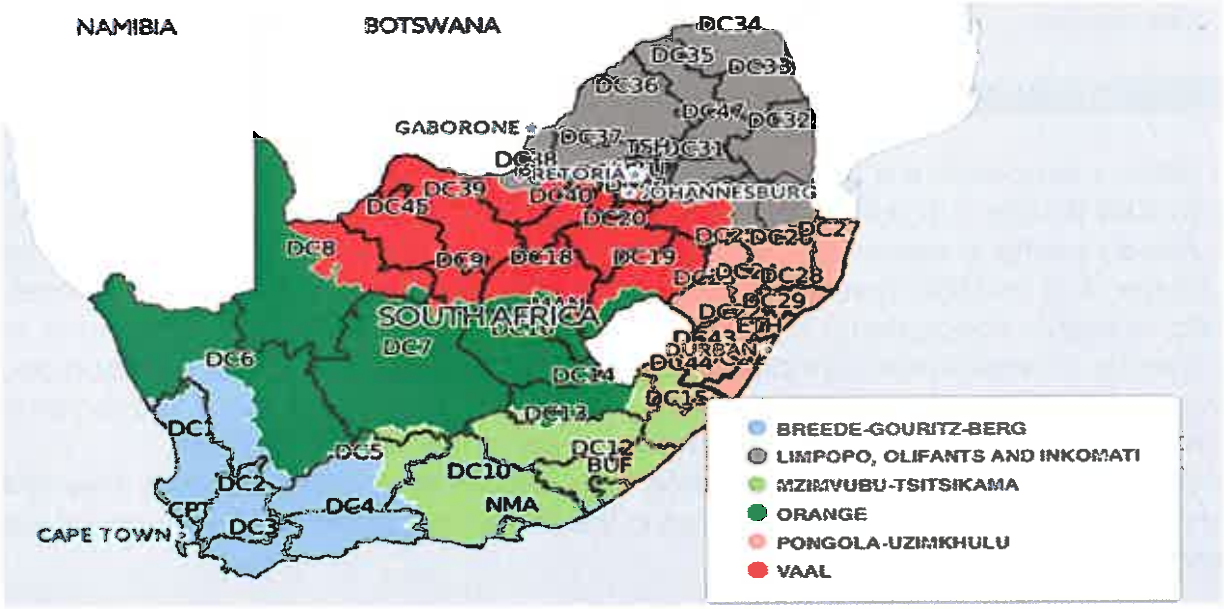
South Africa's temperature is expected to increase to 1.2° C by 2020, 2.4° C by 2050 and 4.2° C by 2080 (Kruger, A.C and Shongwe, S 2004). Contrary to the global increase in rainfall, South Africa's rainfall is expected to decrease by 5.4% by 2020, 6.3% by 2050 and 9.5% by 2080 (Kruger, A.C and Shongwe, S 2004). The frequency and intensity of climate extremes, *inter alia*, droughts, floods, storms and wild fires will increase (Davis, C.L 2011; Böckmann, M 2015). Climate change evidence indicates changes in frequency and intensity of flood and prolonged drought events at small scales (Meyiwa, T et al. 2014). Furthermore, the sea level will continue rising and ocean acidification will get worse (Böckmann, M 2015).
There are however uncertainties associated with climate projections because they are based on the potential rates of resource use in the future, and associated greenhouse gas emissions (Nicholson-Cole, S.A 2005).

To assist with assessing the potential impacts from climate change, the country has been divided into six hydrological zones (**Error! Reference source not found.** below). These hydrological zones not only reflect water management areas but have also been grouped according to common climatic and hydrological characteristics (Department of Environmental Affairs 2013a). Based on a range of data and projections, four possible climate scenarios have been identified for South Africa:

- Warmer/wetter (with greater frequency in extreme rainfall events),
- Warmer/drier (with an increase in frequency of drought and somewhat increased frequency of extreme rainfall events),
- Hotter/wetter (with substantially greater frequency of extreme rainfall events), and,
- Hotter/drier (with a substantial increase in the frequency of drought events and greater frequency of extreme rainfall events).

Projections on rainfall have also been developed for each of the hydrological zones (Department of Environmental Affairs 2013a). The following four climate change scenarios have been described for the Breede-Gouritz-Berg Hydrological Zone (the dominant zone in the Western Cape) in the Department of Environmental Affairs' Long Term Adaptation Scenarios Reports. These are:

- Warmer wetter scenario - Decreased rain in autumn & increased in winter & spring
- Hotter drier scenario - Decreased rain in all seasons & strongly decreased in west
- Hotter wetter scenario - Decreased rain in autumn & increased in winter & spring
- Warmer drier scenario - Decreased rain in all seasons & strongly decreased in west



Map 8: Hydrological Zones of South Africa
Sources: Draft CWD SDF, 2019

7.5.4 CLIMATE CHANGE PROJECTIONS FOR THE WESTERN CAPE

A study by the Climate Systems Analysis Group (CSAG) at the University of Cape Town (UCT) (2008) modelled the impact of the expected climate change for the Western Cape for the 2030 - 2045 period. The following climate changes are projected.

Table 73: Climate change projections and examples of potential impacts for the Western Cape

PROJECTION	EXAMPLE OF POSSIBLE IMPACTS
Higher mean annual temperature	• Increased evaporation and decreased water balance; • Increase wild fire danger (frequency and intensity).
Higher maximum temperatures, more hot days and more heat waves	• Heat stress on humans and livestock; • Increased incidence of heat-related illnesses; • Increased incidence of death and serious illness, particularly in older age groups; • Increased heat stress in livestock and wildlife; • Decreased crop yields and rangeland productivity; • Extended range and activity of some pests and disease vectors; • Increased threat to infrastructure exceeding design specifications relating to temperature (e.g. traffic lights, road surfaces, electrical equipment, etc.); • Increased electric cooling demand increasing pressure on already stretched energy supply reliability; • Exacerbation of urban heat island effect.

Higher minimum temperatures, fewer cold days and frost days	• Decreased risk of damage to some crops and increased risk to others such as deciduous fruits that rely on cooling period in autumn; • Reduced heating energy demand; • Extended range and activity of some pests and disease vectors; • Reduced risk of cold-related deaths and illnesses.
General drying trend in western part of the country	• Decreased average runoff, stream flow; • Decreased water resources and potential increases in cost of water resources; • Decreased water quality; • Decrease in shoulder season length threatening the Western Cape fruit crops; • Increased fire danger (drying factor); • Impacts on rivers and wetland ecosystems.
Intensification of rainfall events	• Increased flooding; • Increased challenge to storm water systems in urban settlements; • Increased soil erosion; • Increased river bank erosion and demands for protection structures; • Increased pressure of disaster relief systems; • Increased risk to human lives and health; • Negative impact on agriculture such as lower productivity levels and loss of harvest
Increased mean sea level and associated storm surges	• Salt water intrusion into ground water and coastal wetlands; • Increased storm surges leading to coastal flooding, coastal erosion and damage to coastal infrastructure; • Increased impact on estuaries and associated impacts on fish and other marine species.

As is evident in a number of the above-listed projections, there is a risk of drier conditions across the province as a whole on the 40-year time horizon. In contrast, however, historical trends and some downscaled projections suggest that western and southern mountain ranges could experience wetter conditions. This apparent contradiction serves to highlight the complexity of climate drivers and responses, which in turn illustrates the inherent difficulties faced by decision makers when required to plan for climate resilience into the future. The complexity highlights the need for adaptive and flexible responses to climate variability and change that are not focused on fixed timescales or unidirectional change.

7.5.5 LOCAL GOVERNMENT CLIMATE CHANGE SUPPORT PROGRAM (LGCCSP)

The Climate Change Vulnerability Assessment and Response Plan were developed through the Local Government Climate Change Support Program (LGCCSP), an initiative of the National Department of Environmental Affairs and the International Climate Initiative (IKI) and is supported by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of The Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB).
The three primary objectives of the LGCCSP are to:

- Undertake a desktop analysis of the municipality to provide context on change vulnerabilities and responses;
- Undertake district municipal specific engagements to draft climate change vulnerabilities and responses;
- Facilitate capacity building and knowledge-transfer throughout the program to enhance implementation of prioritised climate change adaptation options.

For more details on the LGCCSP please visit the website: http://www.letsrespondtoolkit.org/.

Through the LGCCSP, a Climate Change Vulnerability Assessment Toolkit was developed to assist municipalities to identify and prioritise climate change indicators to facilitate the assessment of adaptive capacity. Indicators are a range of potential impacts which have been identified using the Long Term Adaptation Scenario (LTAS) reports (Department of Environmental Affairs 2013e). Indicators are grouped into the following themes:

- Agriculture
- Biodiversity and Environment
- Human Health
- Disaster Management, Infrastructure and Human Settlements
- Water

The LGCCS Toolkit was applied to the Cape Winelands District Municipality to assist with the development of its Climate Change Response Plan.

7.5.6 GLOBAL ADAPTATION OPTIONS FOR SECTORAL IMPACTS

Below is a table that explains the sectoral (water, agriculture, infrastructure/settlements, human health and transport) impacts on the adaptation option/or strategy used. Furthermore, the table looks at the underlying policy framework and the key constraints and opportunities for implementation.

Table 74: Adaptation options for sectoral impacts.

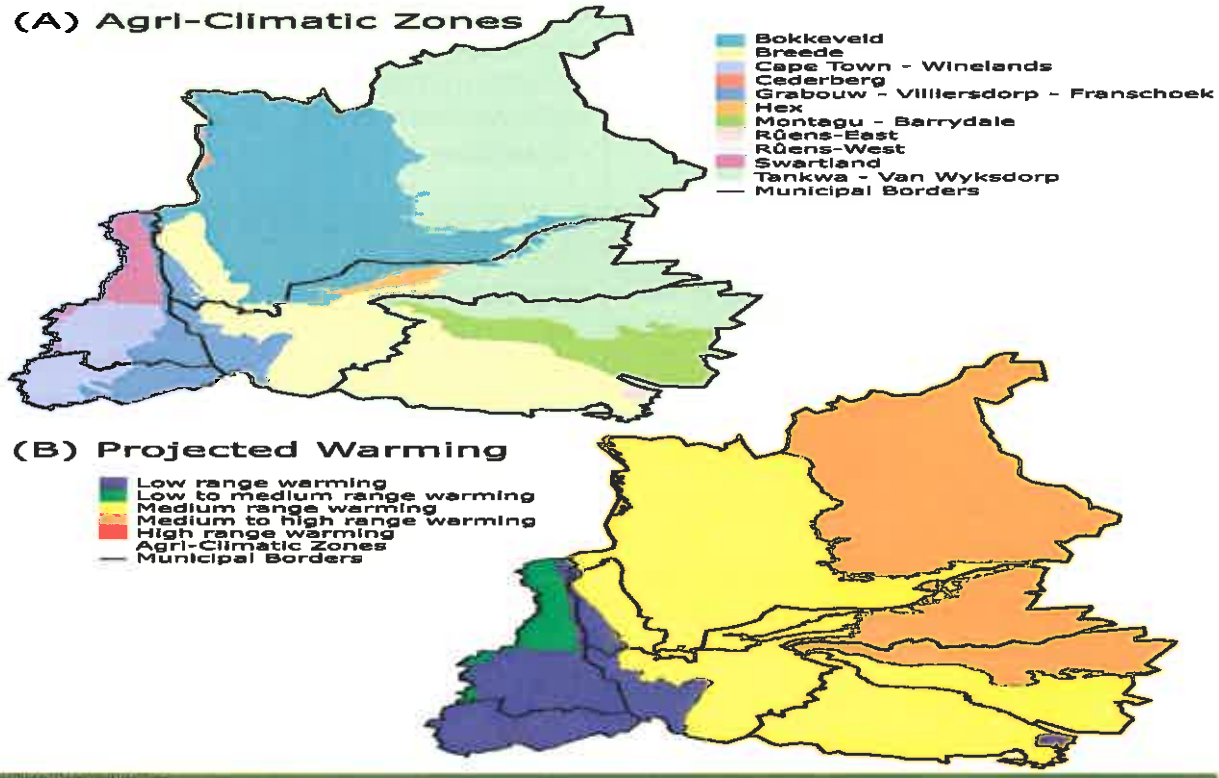
Sector	Adaptation option/strategy	Underlying policy framework	Key constraints and opportunities to implementation[1]
Water	Expanded rainwater harvesting; water storage and conservation techniques; water re-use' desalination; water-use and irrigation efficiency	National water policies and integrated water resource management; water-related hazards management	Financial, human resources and physical barriers; *integrated water resource management; synergies with other sectors*
Agri-culture	Adjustment of planting dates and crop variety, crop relocation; improved land management e.g. erosion control and soil protection through tree planting	R&D policies; institutional reform; land tenure and land reform; training capacity building; crop insurance; financial incentives e.g. subsidies and tax credits	Technological and financial constraints; access to new varieties; markets; *Longer growing season in higher latitudes; revenues from 'new' products*
Infra-structure/ settlement (incl. coastal zones)	Relocation; storm surge barriers; land acquisition and creation of marshlands/wetlands as buffer against flooding; protection of existing natural barriers	Standards and regulations that integrate climate change considerations into design; land-use policies; building codes; insurance	Financial and technological barriers; availability of relocation space; *integrated policies and management; synergies with sustainable development goals*
Human health	Emergency medical services; improved climate-sensitive disease surveillance and control; safe water and improved sanitation	Public health policies that recognise climate risk; strengthened health services; regional and international cooperation	Limits to human tolerance (vulnerable groups); knowledge limitations; financial capacity; *upgraded health services; improved quality of life*
Transport	Relocation; design standards and planning for roads, rail and other infrastructure to cope with warming and drainage	Integrating climate change considerations into national transport policy; investment in R&D	Financial and technological barriers; availability of less vulnerable routes' *Improved technologies and integration with key sectors*

Source: IPCC (2007)

7.5.6.1 Agriculture and climate change in the Cape Winelands

Due to the combination of decreased rainfall and increased temperatures, agricultural crops and livestock will experience increased heat and water stress. The total agricultural potential of the CWDM remains high as long as dams fill up in the future (Draft CWD-SDF, 2019).

Map 9: Agri-climatic zones (A) and projected warming for the Cape Winelands District (B).



Draft CWD SDF 2019

The table below examines the impact of climate change on the agro-climatic zones and crops.

Table 75: Impact of climate change on agro-climatic zones of the CWDM

Agro-climatic zone	Municipalities	Crops	Agricultural Potential (2040-2060)
Cape Town-Winelands	Stellenbosch, Drakenstein Municipalities	Wine and table grapes, wheat, stone fruit, vegetables, olives, canola, berries, Broilers, egg layers, pigs	Remains high as long as dams fill up
Swartland	Stellenbosch, Drakenstein Municipalities	Wheat, wine and table grapes, canola, lovies, dairy, pigs, sheep, cattle	Remains high for small grains but with increasing yield variability
Grabouw-Villiersdorp-Franschhoek	Stellenbosch, Drakenstein, Breede Valley and Witzenberg Municipalities	Pome fruit, wine grapes, wheat, barley, stone fruit, berries	Remains high as long as dams fill up

Breede	Langeberg, Breede Valley and Witzenberg Municipalities	Wine grapes, wheat, stone fruit, pome fruit, olives, Broilers, egg layers	Remains high as long as dams fill up
Hex	Breede Valley Municipality	Table grapes, citrus	Remains high as long as dams fill up
Montagu-Barrydale	Langeberg Municipality	Stone fruit, wheat, barley wine grapes, pome fruit, citrus, olives, sheep	Remains high as long as dams fill up
Tankwa-Van Wyksdorp	Langeberg, Breede Valley, Witzenberg Municipalities	Wheat, stone fruit, wine grapes, sheep, goats, pigs, cattle, game, ostrich, dairy	Slowly declining productivity constrained by heat and water availability
Bokkeveld	Breede Valley, Witzenberg Municipalities	Pome fruit, wheat, stone fruit, onions, potatoes, cattle	Remains high as long as dams fill up
Ruens-east	Langeberg Municipality	Wheat, barley, canola, sheep, cattle, dairy, pigs, ostrich	Currently becoming marginal for small grains but could improve given possible increases in rainfall

(Source: Draft CWD SDF, 2019)

7.5.7 Climate Change key findings

The draft Cape Winelands District Spatial Development Framework (CWD SDF) is highlighting some key findings related to climate change in the Cape Winelands regions. These are:

- Increased dependence on irrigation due to warming and reduced rainfall.
- Increased heat and water stress for citizens, animals and crops.
- Increased flooding risk due to increased rainfall intensity.
- Higher incidence of heat waves.
- Increased fire risk – impacts agriculture, biodiversity and health.
- Possible increase in prices of agricultural products due to reduced yields and/or increased farming costs.
- Increased strain on ecosystem services.
- Possible job losses due to impact on agriculture.
- Potential reduction in agricultural exports due to decreased quality.
- Loss of ecotourism due to biodiversity loss and degradation of natural environment.
- Loss of biodiversity.
- Loss of ecosystem services.
- Increased food prices.
- Loss of international export standards due to poor water quality in the Berg river.

- Increased heat-island effect.
- Social limits to adaptation.

7.6 CONCLUSION

The Cape Winelands has a number of strengths when looking at factor (input) conditions. At the top of these strengths are that the region offers a high quality of life and an abundance of diverse cultures, heritage and natural amenities. The scenic beauty and diversity of people and culture have specifically strengthened the position of the Hospitality and Tourism cluster in the Cape Winelands region. The high quality of life has assisted in attracting highly qualified and skilled workers across all industries. In addition, the geographic proximity of large metropolitan area of the City of Cape Town offers access to important assets such as customers, suppliers, and capital.

08

Cape Winelands Socio-Economic Development Strategy

8.1 DEVELOPING A SOCIO-ECONOMIC DEVELOPMENT STRATEGY

8.1.1 GENERAL OVERVIEW OF STRATEGY FORMULATING PROCESS

The CW-RLEDS builds on the Cape Winelands Regional Local Economic Development Strategy (2011/12 - 2018/19) which has been successful in implementing a number of programmes and initiatives which has helped grow the Cape Winelands economy over the last six years.

After careful analysis of the data to determine the status quo of the local economy and identify development needs, pressing issues were identified as key focus areas, and unique capabilities and skills were considered. Policies and legislation were also reviewed and considered. The strategy was developed to serve both regional and broader economic growth plans, as well as to be aligned to provincial and national economic growth plans and the applicable policy and legislative frameworks.

Current best practice models in local economic development, both nationally and internationally, were reviewed and considered. The strategy was developed to create optimal "strategic fit" between the area's unique needs and strengths and the macro-economic environment.

Implementation plans were then developed to give practical effect to the theories, models and objectives included in the strategies. A solid base of programmes and services already exists to support socio-economic development in the District, and the action plans developed intends to leverage and enhance that work.

8.1.3 TRANSFORMATION

South Africa has legislation and policies in place to promote Black Economic Empowerment and transformation. At local government level, the municipality can support and promote transformation through various strategies, including implementing BEE in their procurement processes, ensuring that projects and programs reach and benefit previously

disadvantaged businesses and individuals, and creating an environment that is conducive for economic growth.

The slow rate of economic transformation in South Africa is in part attributable to our poor economic performance over the past few years. Slow economic growth means less "space" in the economy to support the desired level of economic inclusion.

In economic downturns, existing players in the market fight to secure every bit of market share. New, less experienced businesses have the odds stacked against them from the start, regardless of their talent and effort.

Therefore, in a favourable economic climate, more businesses can easily be included in the market. The starting point is therefore to foster existing businesses to create employment, as not everyone wants to be an entrepreneur, and to offer incentives to existing businesses to support transformation. These strategies should be implemented while supporting the establishment of new businesses to create livelihoods and contribute towards economic growth.

8.1.4 STAKEHOLDER ENGAGEMENT: WHAT WE HEARD YOU SAY

Community members, stakeholders and role-players were engaged to obtain their views and inputs on Social Development in the Cape Winelands District. Their feedback was as follows:

- Employment creation was the overall most pressing LED need followed by training and skills development and working together in industry.
- Stakeholders most frequently responded that the role of the private sector should be to implement training and improve the relationship between the private and public sector and create employment
- Stakeholders most frequently listed the improvement of roads and parking as an infrastructural need in the Winelands District.
- Stakeholders most frequently felt that marketing and developing new and innovative tourism products were the most important development need in the tourism sector in the Cape Winelands District.
- Stakeholders reported that marketing, followed by creating a clean and safe environment, would improve visitors' perception of the Cape Winelands area.
- Skills development and additional information centres in townships were most frequently cited as the greatest resource needs in the tourism sector in the Cape Winelands District
- Better public transport, followed by more guided tours/tourist guides, were most frequently listed as services/ products required to boost the tourism sector.
- Not surprisingly, stakeholders most frequently responded that marketing was the highest priority in order to increase visitor numbers.

- Stakeholders most frequently listed skills training, followed by investment, as tools to promote out-of-season tourism.

8.1.5 STAKEHOLDER ENGAGEMENT: SOLUTIONS PROVIDED

Stakeholders provided the following as solutions to the challenges identified:

- Stakeholders most frequently reported that facilitating training and skills development was the solution to stimulate economic development, social development and tourism in the Cape Winelands
- Youth Development was the second most frequently proposed solution for economic and social development and tourism
- Almost half of respondents felt that the co-operation between the municipality and the business sector could be enhanced through additional communication and meetings.
- Respondents reported that stakeholder engagements would assist in addressing infrastructural needs in the area.
- Better municipal services were the second most frequent response to stimulating economic and social development, investment and tourism.
- We need to work together for additional investment in order to create employment opportunities.

8.2 CAPE WINELANDS REGIONAL SOCIO-ECONOMIC DEVELOPMENT STRATEGY

8.2.1 STRATEGIC GOALS, TOP PRIORITY AREAS AND DRIVERS

Below find a table that lists the goals, top priorities and drivers of the Cape Winelands Regional Socio-Economic Strategy.

Table 76: Cape Winelands Regional Socio-Economic Strategy Goals, Priorities and Drivers

GOALS	PRIORITIES	DRIVERS
OVERARCHING PRIORITY: Build and Strengthen Partnerships and Collaboration *Driver 1:* *Mobilising Resources for Social, Economic and Rural Development in the Cape Winelands District*		
Goal 2: Working towards building Safe, Healthy, Active and Productive Communities Together	**Priority 2:** Productive Communities	*Driver 2: Building Resilient Families and Communities* *Driver 3: Healthy Communities* *Driver 4: Investment in Skills and Employability* *Driver 5: Promoting and Building Inclusiveness*

Goal 1: Growing and Thriving Entrepreneurship and Innovation	**Priority 3:** Increased Business Growth through facilitating Inclusive Economies	*Driver 6: Support Small Business Development* *Driver 7: Support Sector Development*
Goal 3: Facilitating Investment Attraction, Retention and Opportunities	**Priority 4:** Competing in the Global Market	*Driver 8: Facilitating Investment Attraction* *Driver 9: Business Retention and Expansion for potentially Higher Growth Sectors*
Goal 4: Environmental Protection that promotes Sustainable Development and Economic Growth	**Priority 5:** Inclusive Economic Growth	*Driver 10: Rural Places, Economy and People*
Goal 5: Promoting Culture, Diversity and Vibrant Places	**Priority 5:** Inclusive Economic Growth	*Driver 11: Tourism Growth and Development*

8.2.2 HOW DO WE GET TO OUR VISION

Economic growth is a pre-requisite for economic development. Economic growth means increasing the total output, i.e. all goods and services produced in a region.

In order to attain economic growth, economic activity needs to increase, which is achieved through business retention and expansion, creating new enterprises and attracting new investment. Business retention and expansion (BRE) is dependent firstly on the growth and expansion of existing businesses, and secondly the development and establishment of new businesses to increase the total output (production of goods and services).

A region's economy can therefore be grown by increasing the production levels of local businesses and the establishment of additional (new) businesses. To do this, the inputs required for businesses must be increased and businesses must operate at optimal production levels. Optimal production levels can be achieved through the necessary skills as well as creating an enabling environment for businesses to flourish.

The development of businesses, existing and new, is dependent on the capabilities of the entrepreneurs and the workers. The capabilities of the workers and the entrepreneurs are in turn dependent on their living conditions – in other words, the health, age, educational level

and safety – of those workers and entrepreneurs. Thus, social development is a vital component. Social development is a necessity for economic growth to progress to economic development.
To further increase economic growth, it is desirable to attract new investment to the area. This entails an investment attraction programme (marketing the destination to private business) and ensuring that the local area reaps maximum benefits from national and provincial initiatives through grants and programmes.

A growing economy also enhances the chances of new businesses succeeding. The market for the goods and services produced by businesses can be enhanced by increasing the buying power of the local economy as well as exporting goods and services to other areas.

The more people participate in the economy, the faster it can grow. Economic participation means that people earn an income which will enable them to buy more of the goods and services, which in turn will increase the production. Creating employment is therefore key to economic growth, and creating employment is facilitated through growing businesses to employ the people and establishing new businesses for people to employ themselves. In order for people to be employable, they need to be equipped with the necessary skills.

Tourism is a useful tool, employed in areas with tourism appeal such as Cape Winelands, to fulfil the mandates of social development and local economic development (in terms of BRE and the establishment of new businesses). Furthermore, in order to attract investment to improve the living conditions and to attain economic growth (sustainably), it is important to foster and cherish the natural resources and to afford environmental protection to the area.

8.2.3 ENGINES TO DRIVE ECONOMIC GROWTH AND DEVELOPMENT

The following engines will be employed to drive economic growth and development in the Cape Winelands District Municipality.

Table 77: Engines to drive economic growth and development

Static engines of growth		
Putting idle resources to work	**Allocative efficiency (produce what is needed/ wanted)**	**Comparative Advantage (selling what you are good at to others)**
✓ Creating jobs for the unemployed ✓ Putting underutilised equipment and infrastructure to use (buildings, equipment	✓ Product development in the tourism sector (catering to market needs)	✓ "Selling" the natural environment to tourists ✓ Agricultural products ✓ Improve trade balance

and other assets can be used by NPOs/ NGOs or entrepreneurs) ✓ Developing unused land ✓ Klip River Caravan Park is an example of an idle resource ✓ The Tourism app is also an example of a resource of where the use can be optimised	✓ Production of agricultural products for which there is demand	
Dynamic engines of growth		
Accumulation of human capital	**Accumulation of physical capital**	**Technological advancement and innovation**
✓ Skills development and training to enhance educational levels ✓ Improved health ✓ Improved living conditions ✓ Attracting skills to the CWDM	✓ Investment ✓ Infrastructure development ✓ Spatial development	✓ R&D of new technologies ✓ Attracting knowledge and innovation
Agglomerate Engines of growth (pooling resources)		
Economic clusters	**Foreign investment**	**Regional integration**
✓ Pooling economic and Locational advantages of the agricultural sector through development of agricultural clusters (Agri Parks) ✓ Identifying, sequencing and developing additional clusters.	✓ Attracting investment to the region	✓ Working together to grow and succeed ✓ Examples include the tourism sector working together to promote the district; NPOs/ NGOs and government stakeholders working together; co-operation between the district and local municipalities

8.3 STRATEGIC GOALS OF THE STRATEGY

8.3.1 WORKING TOWARDS BUILDING SAFE, HEALTHY, ACTIVE AND PRODUCTIVE COMMUNITIES TOGETHER

The key objective of LED is developing the people in a region with the view of establishing a better life for all. Ensuring that the inhabitants of an area are healthy, skilled, safe and productive enables economic development and thus enhances the quality of life of the local community.

The Department of Social Development is primarily taxed with the responsibility of promoting social development in South Africa. The mandate of the Municipality is to facilitate an enabling environment for social development to take place.

Non-profit organisations (NPOs) and non-governmental organisations (NGOs) provide dedicated and specialist assistance to local communities. These organisations address a host of social issues, ranging from early childhood development, healthcare, caring for the elderly, addressing social ills, animal welfare, education, skills development and substance abuse, to name a few. The specialist knowledge and extensive experience of such organisations should be harnessed to optimally benefit the local population.

Co-ordinating efforts and co-operation between all spheres of government and the various NPOs and NGOs can not only prevent duplication of programmes, but through concentrated efforts, significantly enhance the impact of interventions and programmes. The Municipality cannot, and should not, attempt to replace or duplicate the work done by NPOs and NGOs, but must rather aim to maximise the benefits of these private sector initiatives.

The role of the Municipality should be one of support, facilitation and creating an enabling environment.

8.3.2 GROWING AND THRIVING ENTREPRENEURSHIP AND INNOVATION

The main challenge facing the Cape Winelands economy is the slow economic growth rate. Although the economic growth rate is in line with national trends and not necessarily within the sole control of local government, the region would benefit from accelerated economic growth. It is estimated that South Africa needs to maintain an annual economic growth rate of more than 6% for a number of years in order to create jobs for new entrants to the job market every year.

Income equality and GDPR growth (i.e. increase in income and equitable distribution thereof) is key to economic develop and attracting investment to the Cape Winelands District. The lower income brackets should be developed to increase GDPR and decrease the Gini coefficient; in other words, the bottom segment of the economy should be developed to narrow the gap and increase average income.

Businesses create employment for local residents, provide families with livelihoods and ignite local economic development. In addition to creating employment and capital formation, a strong and diversified business sector can assist to mitigate the area's dependence on the agricultural sector.

The focus of economic development should therefore be to create an enabling environment for the private sector to prosper and facilitate the growth and formalisation of the informal sector.

In addition, entrepreneurship and enterprise development should be fostered and supported to create employment, stimulate economic growth and provide livelihoods for families.

The agricultural sector plays a very important role in the Cape Winelands, not only due to its significant contribution towards GVA, but also in terms of employment and linkages to other sectors such as food manufacturing, catering, accommodation, and tourism. However, the area's dependence on the agricultural sector, in the face of declining global trends and a devastating drought in the Western Cape Province, leaves the local economy vulnerable as the high percentage of low-skilled workers would find it difficult to adapt to a changing economic climate.

It is also important to develop the potential of other sectors that have and will continue to make important contributions to the development of the Cape Winelands economy. They include:

- Tourism and creative economy;
- Social Economy; and
- Rural Economy.

8.3.3 INVESTMENT ATTRACTION, RETENTION AND OPPORTUNITIES

Investment Attraction

In order to attract foreign investment and capture the advantages thereof, government should establish support infrastructure and be committed to a pro-business (private sector) attitude. Possible tools for achieving this include setting up export processing zones and industrial parks, introducing investment incentives, and offering tax holidays (Fafchamps, 2000). In addition, the local workforce should be well-trained, basic infrastructure should be in place and international links should be fostered. Potential investors are also attracted by good governance and capable market institutions.

Business Retention and Expansion

It is generally understood that any strategy or programme designed to help existing business to grow or prevent them from shutting down falls under the broad definition of business retention and expansion. Business retention and expansion is basically a process. It is a way of having a dialogue between the municipality and the private sector. The process seeks to understand the business environment of the locality by looking at business obstacles and challenges as well as unrealised business opportunities.

There are a number of reasons why a business retention and expansion strategy is seen as a powerful tool for economic development. According to GTZ (2008), some of these reasons are:

- Most new jobs are created by existing companies (60-80%);
- A job saved is as good as a job created;
- The knock-on effects when communities lose jobs (e.g. the loss of a key employer will affect the local firms that supply them);
- The growth of existing business creates markets and opportunities to start up and to grow other local businesses;
- A community that supports and encourages the growth of its businesses is likely to be attractive to outside investors;
- Existing local business people are a rich source of business ideas and they are the most likely ones to do anything about it; and
- Locally owned businesses, some of which have been in the same community for generations, are more likely to remain in hard times than those attracted from outside.

Therefore, if existing businesses create between 60 to 80% of new jobs then it is important to have an economic development strategy that supports existing businesses.

Investment Opportunities

The most appropriate tools to market Cape Winelands as an investment destination are dependent on the target market (audience) and the message being conveyed to that targeted market or the business sector decision-makers. The tools to market Cape Winelands must therefore be appropriate to communicate the advantages of investing in Cape Winelands to those decision-makers in a way that appeals to them.

The needs and desires of the target market should shape the core message and key elements of the marketing effort. A thorough understanding of the drivers behind the decision to invest or not will lead to a well-crafted, powerful marketing message.

Only if there is close consultation with the target market to engage them and establish exact needs and desires, will it be possible to successfully meet their needs and build a sustainable long-term economic hub.

It is self-evident that industrial investment has far-reaching financial and practical implications, and therefore it is not a decision that will be taken lightly. The cost-benefit analysis will be different for each potential investor, and therefore the factors which either make or break a deal will vary for each potential investor.

For the reasons outlined above, it is recommended that potential investors be identified and approached individually, and the benefits or incentives that could appeal to them be discussed and negotiated on a case-by-case basis.

Business is about maximising profit, in other words, keeping costs at a minimum whilst generating the largest possible revenue. Therefore, business decisions are based on the

bottom line and a cost-benefit analysis. It is therefore of utmost importance to maximise the benefit of doing business in Cape Winelands district.

Creating Competitiveness

As discussed previously, productivity is an important determinant of competitiveness and it relates to how governments utilises it human, capital and natural resources. Improving productivity and innovation is therefore key to creating a competitive environment. It should be noted that improving competitiveness does not require new resources but rather using current resources at its' optimal level. For municipalities to improve on creating an enabling environment for business it needs the private sector as a key strategic partner.

8.3.4 ENVIRONMENTAL PROTECTION THAT PROMOTES SUSTAINABLE DEVELOPMENT AND ECONOMIC GROWTH

A Rural Development programme must essentially address three elements if it is to be successful in the rural development context:

- How to foster and promote environmental sustainability;
- How to diversify the rural economy beyond just agriculture; and
- Improving the quality of life of rural dwellers.

8.3.4.1 Environmental Sustainability

Environmental sustainability is not limited to tree planting and land conservation but is impacted upon by most (if not all) investment and growth management decisions.

An emphatically "Green" approach to development in the Cape Winelands will play a major role in attracting global and national investment which is increasingly environmentally conscious, not to mention the major implications for long term sustainability of investment given the delicate and sensitive nature of the landscape and riverine ecologies of the Winelands.

The role of the CWDM includes:

- Working with local councils to forge a common approach to environmental sustainability and green practices;
- Encouraging local businesses and other organisations to follow the council's lead and take responsibility for their own environmental impacts on the District;
- Preparing for the changes that will happen in the District because of the changing climate, such as hotter summers, drier winters, storms and downpours;
- Create a change of attitude to renewable energy, such as wind and solar power as viable alternatives to the use of fossil fuels, such as coal and petrol; and

- Illustrate the economic, social and environmental benefits of taking action now on climate change
- Investigate how the following measures can be implemented in the Cape Winelands:
  - Water Conservation Strategy
  - Waste Minimisation Clubs
  - Cleaner Production
  - Green Building Promotion
  - Energy Conservation Strategy
  - Clean Development Mechanism

8.3.4.2 Diversifying the Rural Economy

It is understood that a healthy and dynamic agricultural sector is an important foundation for rural areas and its economy when it generates economic linkages to other economic sectors such as manufacturing (e.g. food manufacturing) and services (e.g. agri-tourism). However, the need to diversify rural economies is also needed to ensure overall sustainability. Therefore, rural development resources should be prioritised towards employment creation and opportunities in non-agricultural activities and services. Rural areas offer real opportunities in terms of their potential for growth in sectors such as tourism, cultural and creative industries, the high quality of the lifestyle that aids in attracting highly skilled labour; and an abundance of natural resources.

There are different types of non-agricultural activities that rural dwellers can participate in to diversify the rural economy. Some of these activities are:

- Service activities (such as bed and breakfast; and dining with locals in a home setting);
- Arts and Craft activities (such as pottery and production of local products), and;
- trade activities (such as the creation of stores/ micro-breweries attached to farms, where artisan products are sold directly to the customer)

In rural settings support for small business creation becomes very important, especially in non-agricultural businesses. It is argued that this assists with entrepreneurship and helps to develop and economic structure in rural areas and thus contributing to poverty alleviation and job creation.

8.3.4.3 Improving access to opportunities for Rural Communities

Rural dwellers are still facing challenges in access to basic services and economic opportunities. It is important that when planning is done by government it should take into consideration rural people and include elements that address the urban-rural divide. The lack of access that is still prevalent in rural communities inhibits the opportunity that rural communities have to improve their economic and social wellbeing. Therefore, any attempt

to improve access to opportunities for rural communities will improve the lives of rural communities.

8.3.5 CULTURE, DIVERSITY AND RURAL PLACES

The Cape Winelands District is known for its scenic beauty, diverse landscapes, rich cultural heritage, and high-quality agricultural land – it is one of the most visited regions for domestic and international tourists, and world renowned for its fine wine estates and restaurants. The Cape Winelands presents tremendous opportunities for growth and development.

The cultural diversity of the people is something to behold in the Cape Winelands as it is this diversity that makes them who they are, in some way the best of many worlds, because they have Africa, Europe, Asia, and the Pacific flowing through their blood, influencing what they eat, how they celebrate important dates and how they generally open-up to other people. Tourism is really all about meeting along the way the people who add colour, humour and character to the Cape Winelands

The Cape Winelands believes that it's in our cultural diversity that we can best enhance the visitor experience in the district. The focus is on people rather than places, i.e. meet the locals, hear their stories, rediscover their rich cultural heritage.

It is to the people of the Cape Winelands, their stories, their books, their poems, their paintings, their theatre performances, their vision for their tourism businesses, their story-telling, their music and songs, their culinary creations, their wine-making talents, their arts and crafts, their creative artistic talents and their business innovation talents alike, that the District wants to share with its visitors.

The tourism industry in the Cape Winelands District Municipality therefore has an important role to play in attaining the region's goals for growth and job creation. Having the potential to attract revenue and stimulate private- and public-sector investment in the region, the tourism industry is people-orientated and very labour intensive, creating employment opportunities in the community.

Tourism supports LED in that it expands the local economy by attracting revenue from outside the local area as well as stimulating capital investment and fostering job creation. The industry also supports SMME development and has the potential to attract foreign direct investment.

09 Social Investment Strategy

GOAL:

WORKING TOWARDS BUILDING SAFE, HEALTHY, ACTIVE AND PRODUCTIVE COMMUNITIES TOGETHER

KEY AIM:

TO IMPROVE THE QUALITY OF LIFE OF THE POOR, THE VULNERABLE AND THE MARGINALISED IN THE CAPE WINELANDS DISTRICT THROUGH DELIVERING ON SOCIAL CHANGE AND INVESTING IN THE PEOPLE OF THE CAPE WINELANDS DISTRICT

9.1 SOCIAL DEVELOPMENT

9.1.1 INTRODUCTION TO SOCIAL DEVELOPMENT

The National Development Plan emphasises the central role in addressing the critical challenges of poverty, unemployment and inequality. The Cape Winelands District Municipality is committed to developing and implementing strategies to address some of the National Development Plan priorities.

The CWDM has previously developed a social development strategy and this strategy was aimed at coordinating and facilitating the local provision of targeted social development services that empower and support the poor, the vulnerable and those with special needs in the Cape Winelands regions. Subsequently, numerous engagements such as an Elderly Summit, Conference for people with disabilities and Young People's Symposium have taken place.

The new Social Development Strategy maintains the core themes and programmes of the previous strategy while also being informed by subsequent thematic summits and conferences. Therefore, the new strategy will continue to work toward achieving self-reliance of communities and sustainable livelihoods.

9.1.2 UNDERSTANDING SOCIAL DEVELOPMENT

Social Development is about improving the well-being of every individual in society so they can reach their full potential. The success of society is linked to the well-being of every citizen. Social Development refers to collective efforts to improve social conditions and peoples well-being. It is also regarded as process of change, growth, progress or evolution. Social development means investing in people. It requires the removal of barriers so that all citizens can journey toward their dreams with confidence and dignity. It is about refusing to accept that people who live in poverty will always be poor. It is about helping people so they can move forward on their path to self-sufficiency.

The International Institute of Social Studies refers to Social Development as about putting people at the centre of development. This means a commitment that development processes need to benefit people, particularly but not only the poor, but also a recognition that people, and the way they interact in groups and society, and the norms that facilitates such interaction, shape development processes.

According to Bilance, 1997, Social Development is the promotion of a sustainable society that is worthy of human dignity by empowering marginalized group, women and men, to undertake their own development, to improve their social and economic position and to acquire their rightful place in society.

9.1.3 REGIONAL SOCIAL DEVELOPMENT

The Cape Winelands Social Development Strategy is aimed at:

- Inclusion – putting marginalised people at the centre of development;
- Social Cohesion – strengthening the community fabric so that people can work together and collaborate; and
- Social Investment - facilitating the continued investment in the people of the Cape Winelands region.

The Cape Winelands Social Development Plan aims to reduce poverty and unemployment and encourage communities to participate in the process of possitive social change thereby moving them to a path of self- sufficiency.

The Social Development Strategy is closely linked to the Regional Economic Development Strategy in its efforts to educate and skill people in order for them to fully participate in the economy. Therefore, a key element of the strategy is to achieve success through skills development.

9.2 CAPE WINELANDS SOCIAL DEVELOPMENT STRATEGY

9.2.1 GOAL

WORKING TOWARDS BUILDING SAFE, HEALTHY, ACTIVE AND PRODUCTIVE COMMUNITIES TOGETHER

9.2.2 KEY AIM

To improve the quality of life of the poor, the vulnerable and the marginalised in the Cape Winelands District through delivering on social change and investment in the people of the Cape Winelands District.

9.2.3 KEY PRIORITY AREAS AND KEY DRIVERS OF THE SOCIAL DEVELOPMENT PLAN

9.3 OVERARCHING PRIORITIES OF THE CW-SEDS

PRIORITY 1: BUILD AND STRENGHTHEN PARTNERSHIPS AND COLLABORATION

DRIVER 1: MOBILISING RESOURCES FOR SOCIAL, ECONOMIC AND RURAL DEVELOPMENT IN THE CAPE WINELANDS

Continued support to NPO's and NGO's in order to maximise the impact of their programmes and reap maximum benefits from their in-depth experience and grass roots level knowledge. Establish a District Social Development Forum that collaborate on programmes to address matters such as health, education, training, social ills, sports and culture and disability.

ESTABLISHING A DISTRICT WELFARE FORUM

- Establish a district welfare forum comprising of NPOs, NGOs and stakeholders operating in the area to liaise with different stakeholders in the Social Development, Health and Educational sphere.
  - A forum must be established where relevant stakeholders (such as NPOs) and government departments can engage regarding the issues at hand in order to:
    - Eliminate the duplication of programmes
    - Allow for different stakeholders to collaborate on programmes, providing the best possible skills set for targeted programmes.
    - Enhance communication between stakeholders and ensure that all stakeholders are informed of programmes and challenges
    - Provide a contact point for government departments, who must be encouraged to be members of this forum
  - The forum can be used as a vehicle for communication, distributing funding and sourcing service providers for specific social development initiatives

- The forum can be linked with provincial and national programmes and projects to ensure that the region reaps maximum benefits from broader projects.
- The forum can be used to channel funding to worthy projects and the on-the-ground level knowledge of NPOs and NGOs would provide excellent intelligence regarding needs and initiatives.
- This forum can be used to establish and facilitate Community Support Programmes

- The municipality should facilitate the establishment and ensure that quarterly meetings take place and are attended by key role players such as SAPS and provincial and national departments (health, education, social development, cultural affairs and sport). The national and provincial departments often provide support programmes and funding to various initiatives.

- The municipality can provide financial assistance to NPOs in the form of grants and also by using them as Implementation Agents to roll out identified interventions. NPOs and NGOs can be invited to facilitate programmes on a bid basis.

- Non-financial assistance could be provided to NPOs and NGOs in the form of assistance with communication (using municipal platforms) and making available idle resources, such as premises and equipment, free of charge.

Using the Welfare Forum (members) to implement strategic projects will yield dual benefits: it will ensure that projects are implemented to the benefit of the Municipality, and it will provide revenue for welfare organisations that will increase their capacity and enable them to do even more. Revenue paid to these organisations will therefore be re-invested in social development in the area.

SOCIAL DEVELOPMENT

PRIORITY 2: PRODUCTIVE COMMUNITIES

We recognise the impact that the 2008/9 recession and the general economic downturn has had on women and particularly young people in South Africa. We have included additional measures to directly address this issue of women and youth poverty. They are aimed at encouraging women and young people to enter employment and/or education and training.

DRIVER 2: BUILDING RESILIENT FAMILIES AND COMMUNITIES

The Programme aims to strengthen the capacity of families and communities to care for and protect children. Families are the corner stone of communities. Dysfunctional families lead to dysfunctional communities. The family has been and continues to be the principal institution in society, playing a vital role in socialization, nurturing and care, as well as determining the conditions of social reproduction. Interventions to support vulnerable families are vital in alleviating abuse, neglect and poverty. This project is implemented in partnership with Government Departments, Civil Society organisations, NGO's and Faith Based organisations.

PROGRAMME: FAMILIES AND CHILDREN

Facilitate the implementation of a support program for women that will enable empowerment of women and raise awareness on issues as violence.

- **Victim Empowerment project.** Victim empowerment is an approach to facilitate access to a range of services for all people who have individually or collectively suffered harm, trauma or material loss due to violence, crime, natural disaster human accident or through socio-economic conditions. It aims to restore the loss or damages. Victim empowerment programmes focus taking control, having a voice, being heard, be recognized and respected as an individual. These initiatives focus on empowering people but especially, women and children with information and skills. Through these types of programmes, they learn to understand and mange emotions, set and achieve positive goals feel and show empathy for other. It also teaches them to establish and maintain positive relationships and make responsible decisions.

- **Substance Abuse Project.** Additional Drug Awareness campaigns and support programmes could be introduced. The community should be informed of rehabilitation programmes in their area.

- **Foetal Alcohol Syndrome project.** Foetal Alcohol Syndrome (FAS) is the leading cause of mental disability in South Africa. Children with Foetal Alcohol Syndrome are born with a lifelong disability, which affects their physical growth and development, their mental ability, behaviour and social skills. The effects of substance abuse have a devastating impact on the lives of children and the Cape Winelands District Municipality aims to implement a programme which prevents parents from abusing substances and to decrease the rate of children that are born with Foetal Alcohol.

- **HIV/AIDS project.** HIV and AIDS impact on the sustainability of communities and their development conditions. HIV/AIDS awareness campaigns, World Aids day, HIV/Aids &Male circumcision; HIV & breastfeeding and 16 Days of Activism Against the Abuse of Women and Children.

- **Crime Prevention project.** Stakeholder meetings with the SAPS, the Department of Justice, the Department of Social Development (who should be members of the welfare forum) as well as other relevant stakeholders could enhance the effectiveness and co-ordination of initiatives. Neighbourhood Watch organisations (VPUU) could assist in crime prevention and should have representation on the welfare forum and enjoy support from the Municipality. A "Walking Bus" initiative can be established, not only for children going to school, but also for the elderly and other community members to ensure safety when moving around in the community. This is where volunteers walk together from a designated point to another, to establish a safe and supervised route. Facilitate projects such Business Against Crime.

DRIVER 3: HEALTHY COMMUNITIES

It is generally understood that improved health is central to human happiness and well-being. A healthy workforce is an important contributor to economic progress since a healthy labour force live longer and is more productive.

PROGRAMME: COMBATING UNHEALTHY LIFESTYLES

Address health issues, using the welfare forum as vehicle, to facilitate the following:

- **Lobby for more Mobile Clinics.** Liaise with Department of Health to lobby for more mobile clinics and increase frequency of visits.Liaise with stakeholders and departments to facilitate the availability of more mobile clinics together with an increased frequency of visits, which will make health services more accessible to the community. Deploying mobile clinics at schools will prevent the youth from missing school to obtain health services.

- **School Health Project.** Present health programmes at schools aimed at educating the youth regarding their health, especially HIV and reproductive health. Implement programmes to inform the youth on health risks, especially related to HIV and reproductive health. Health programmes can be linked to substance abuse prevention programmes.

- **Community Health Awareness Project.** Identify and train facilitators to assist stakeholders in educating the community on their health. More facilitators should be identified and receive accredited training in the field of health, and thereby be empowered to give assistance to the different stakeholders in educating communities on their health as well as to assist current health workers.

  Liaise with Western Cape on Wellness (WOW) initiative.WOW partners with people, organizations and communities who share a similar vision and are willing to help make

a difference. WOW is a Healthy Lifestyles partnership initiative of the Western Cape Government. It aims to enable people to make healthy lifestyle choices through a life course. Partnering with this initiative will empower the community to make better choices to improve their quality of life.

PROGRAMME: ELDERLY

- **The Golden Games project.** The purpose of this program to sensitise elderly people of their rights, human dignity and take part in competitive sport. The formidable spirit that the elderly persons demonstrate when they defy age and challenge themselves to play sport, is truly inspiring for younger persons.

- **The More Living – Active Age project.** Recreational and cultural tours tours provided the elderly with opportunities to research on the socio-economic, cultural and historical developments that has taken place as well as the significant impact the history and developments had on the underprivileged communities and the elderly. The support creates opportunities for elderly persons to visit recreational and historical landmarks

DRIVER 4: INVESTMENT IN SKILLS AND EMPLOYABILITY

Support regional economic development by ensuring the alignment of educational and training programmes with regional employment opportunities and industry needs.

PROGRAMME: EARLY CHILDHOOD DEVELOPMENT

- **First 1000 Days Project.** The first 1 000 days in a child's development, starting from conception, moving through pregnancy, birth, and after the first 2 years of life, are crucial for securing a child's bright future. The most important aspects of the First 1000 days programme are health and nutrition, which both mom and baby need; love and attention that babies needs, and all the support that the mom needs; and play and stimulation that babies need for learning as well as the protection of a safe environment.

- **Early Childhood Development Project.** Early years of childhood form the basis of intelligence, personality, social behaviour, and capacity to learn and nurture oneself as an adult. There is ample evidence worldwide on how quality early childhood development services make a difference in the child's life, but also to society, and there is agreement that quality integrated ECD programmes have substantial payoffs for the child and society as a whole. Improve education and skills levels through supporting **early childhood development.** Particular attention should be focused on high burden creches.

- **Nutritional Project.** Address malnutrition through facilitating initiatives from stakeholders. Community food gardens and education regarding nutrition and child-care could reduce malnutrition in children in the area.

PROGRAMME: SUPPORT EFFORTS TO IMPROVE MATRIC PASSRATES AND PREVENT DROP-OUTS

- Facilitate assistance to matric learners to improve pass-rates and prevent drop-outs
  - An initiative (similar to **"leave no one behind"/ "together we are better")** could be launched to assist matric pupils with extra classes in their various subjects. Former local students with higher qualifications can assist with the extra classes and fulfil a mentoring role. Identify local role models for the youth and highlight local achievements in municipal newsletters.

- Address the **high drop-out rate** of learners in schools.
  - Parents should be held accountable for failing to ensure their children attend school. Educate parents, the community and stakeholders on the Form 22 procedure of the Western Cape Government Department of Social Development. This can be done by holding various meetings with the community in conjunction with the SAPS. The implementation of this procedure will not only get the youth back in schools, but also serve as a deterrent to parents to ensure that their children attend school.

- **Educational excursion project.** Learners of rural schools are afforded opportunities to embark on educational excursions which enhanced learning outside of the classroom. They are mostly from low income households which cannot afford the fees attached to educational excursions but through the support of the municipality, they can attend the excursions.

- **Holiday Project.** During school holidays, young children, especially in impoverished communities, have very little or no recreational space where they can give expression to their need for positive socialisation and interaction with their peers. This places them at risk of being drawn into negative activities such as, youth criminality, increase in substance abuse and risky sexual behaviour.

- **Lifeskills Camps Project.** Life Skills Camps empower youth with the tools and information they need for a positive future. The purpose of camps were is to address the social ills like substance abuse, domestic violence, sexual offences; forms of violence; self-protection; gender roles; healthy relationships and informed choices.

- **Grade 10-12 Support Project.** Activities like career exhibitions, Matric Motivation programmes and Spring-school programmes were supported to enhance opportunities

for Grade 10 - 12 Learners. Through the Career Exhibitions they gained information to make appropriate career choices. study aid institutions.

- **Life Skills and Job Readiness Camps project.** The project focuses on the holistic skills development of young people to prepare them for adulthood and make them employable, positive, and encourage healthy decisions. programme included life skills, character development, leadership training, entrepreneurship and skills development.

- **Sanitary ware project.** It is a sad reality that in South Africa many young girls miss up a week of school each month because they have limited access to feminine

- **Awareness about LGBTQ Project.** A positive environment is important to help youth develop, grow and thrive. LGBTQ youth are more likely to experience bullying and aggressive behaviour at school. It is therefore important for educators, counsellors and school administrators to have access to the necessary resources to create a safe healthy learning environment for all learners.

PROGRAMME: SKILLS DEVELOPMENT FOR YOUTH AND WOMEN

Skills development is identified as one of the priority needs for sustainable development in rural communities within the Cape Winelands District Municipality. Violence, social isolation and low education levels makes young unemployed women more vulnerable and increases their risks of sexual exploitation. Economic empowerment opportunities reduce conditions of vulnerability and improve the resilience of young women. Young people are the important focus and a priority because the lack of skills development contributes to increasing unemployment rate amongst youth in rural areas.

- Ensure the availability of training programs to support the development of skills that are in demand
    - Communicate continuously with employers and clusters to identify near and long-term workforce priorities
    - Encourage the development of industry programmes, internships and apprenticeship
    - Improve access to educational and training programmes in rural areas
    - Facilitate Youth Artisan workshops

DRIVER 5: PROMOTING AND BUILDING INCLUSIVENESS

Cape Winelands District Municipality aims to improve the livelihoods of people with disabilities and to address social barriers that exclude them from the various systems of

society. Accessibility is important to achieve the principles of full inclusion, equality and participation in mainstream society.

PROGRAMME: PERSONS WITH DISABILITIES

- **Awareness project.** Attitudes can be as much as a barrier to the inclusion of people with disabilities as actual physical structures. From research it is known that many people hold a high degree of unconscious bias against people with disabilities. Awareness training can assist in challenging and reducing these unconscious biases. Disability awareness training can assist, not only to inform and educate but also to question perceptions and prejudices.

- **International Day for Persons with Disabilities Project.** Cape Winelands District municipality to observe and promote the rights of persons with disabilities. These events covered the spectrum of disabilities and created an awareness amongst citizens of the district.

- **Skills Development for Persons with Disabilities Project.** The lack of Skills Development was one of the challenges that was identified at the Cape Winelands Disability Conference which was held on 23 April 2014. The lack of skills development opportunities in this sector contributes to the increasing unemployment rates amongst disabled youth and women in the district. Developing the competencies of people with disabilities in universal customer service is vital to ensure that they have the knowledge, attitudes and skills to fully address all customer needs. By acquiring these skills, they will be able to provide a consistently high quality of customer service and gain access to the open labour market.

- **Creative economy project for persons with disabilities.** The Cape Winelands is home to many persons with disabilities – some of these persons are artists, writers, dancers, musicians, etc.
    - Grow the creative economy – grow the creative sector entrepreneurs, organisations, institutions and businesses focusing and employing persons with disabilities;
    - Continue to fund non-profit cultural production of people with disabilities that deliver interesting content, experiences and images in support for promoting the Cape Winelands as an interesting, lively and colourful destination on an ongoing basis;
    - Work with organisations that support people with disabilities to unlock tourism potential of places, people and events.

- **Assistive Device Project.** Facilitate the provision of assistive devices to Disabled Persons

10. Local Economic Development Strategy

Goal:
GROWING AND THRIVING ENTREPRENEURSHIP AND INNOVATION

KEY AIM:
TO CREATE AN ENABLING ENVIRONMENT IN WHICH BUSINESS CAN GROW AND THRIVE LEADING TO INCREASED JOB CREATION AND POVERTY REDUCTION

10.1 ECONOMIC DEVELOPMENT

101.1 REGIONAL ECONOMIC DEVELOPMENT

The role of the Cape Winelands District Municipality in terms of economic development is clear. The district municipality fulfils the role of a strategic facilitator for economic development in the Cape Winelands District. Simply put, a facilitator helps things get done.

As the facilitator for economic development in the District, the municipality bring sectors together: government, business, labour and civil society. It assist by providing a structure to a process enabling cooperative decision-making. In the simplest terms, the municipality is a consensus builder.

As the District municipality, we understand that economic growth can only be achieved through the ongoing co-operation and collaboration of all sectors:

- the leading and enabling role of government;
- a thriving and innovative private sector;
- and the active involvement by civil society.

To this end, the Cape Winelands District Municipality have tirelessly work to build and strengthen our strategic partnerships and collaborations.

10.1.2 ENABLING BUSINESS ENVIRONMENT

It is understood that local economic development is based on the concept that wealth in localities is created not by government but by the private sector. Businesses depend on having favourable local business environment to create that wealth and prosperity. Municipalities have a central role in creating the favourable business environment for business success.

10.2.1 GOAL

Growing and Thriving Entrepreneurship and Innovation

10.2.2KEY AIM

To create an enabling environment in which business can grow and thrive leading to increased job creation and poverty alleviation.

10.2.3 KEY PRIORITY AREAS AND KEY DRIVERS OF THE ECONOMIC DEVELOPMENT PLAN

OVERARCHING PRIORITIES OF THE CW-SEDS

PRIORITY 1: BUILD AND STRENGHTHEN PARTNERSHIPS AND COLLABORATION

DRIVER 1: MOBILISING RESOURCES FOR SOCIAL, ECONOMIC AND RURAL DEVELOPMENT IN THE CAPE WINELANDS

- Continue to work with business chambers, sakekamers and business associations/federations to strengthen business networks and facilitate joint project implementation within the Cape Winelands region
- Work with business chambers/sakekamers to facilitate networking opportunities for up and coming local businesses to connect and share ideas.
- Partner with local business chambers' programmes that support new and emerging entrepreneurs.

ECONOMIC DEVELOPMENT PRIORITIES

PRIORITY 3: INCREASED BUSINESS GROWTH THROUGH FACILITATING INCLUSIVE ECONOMIES

DRIVER 6: SUPPORT FOR SMALL BUSINESS

Encouraging entrepreneurs to start businesses gives people power over their own lives. It also lets them build wealth in their own communities. It is generally acknowledged that business owners who also live in the community tend to spend more on local business services and keep more of their earnings in the local economy.

Supporting and expanding existing businesses and attracting new businesses contribute to economic development in several key ways:

- including helping businesses create jobs;
- encouraging entrepreneurship and innovation;
- enhancing fiscal sustainability by expanding and diversifying the tax base; and
- improving quality of life with new services and amenities.

The Cape Winelands District will endeavour to create a premier location for innovation and new firm creation by both encouraging entrepreneurship and innovation from local residents and attracting aspiring entrepreneurs from outside the region. By:

- **Accurate and up to date information project.** Businesses need information to make informed decisions. Some of the information that businesses need sits with government institutions. Providing business with information related to:
  - Provide information on the latest government programmes aimed at supporting businesses, including grants and incentives;
  - Make accessible latest demographic, social (health, education, crime), economic (GDP, sectors, trade, labour);
  - Work with communication division to create a communication plan to connect with business and investors; and
  - Develop an e-newsletter to communicate to business.

- Continue with **Entrepreneurial Seed Fund Project.** Investing in small business by 'Grow your own' through provision of seed funding for small businesses. The Entrepreneurial Seed Fund programme has been a partnership programme between the CWDM and its five local municipalities. Through a selection process promising and locally-driven start-up SMMEs working primarily in historically disadvantaged areas within the District are selected.

- Continue with **Training and mentorship project.** The CWDM training and mentorship programme was developed to assist the SMMEs that were receiving Entrepreneurial Seed Funding from the municipality through providing business training and one-on-one mentorship to these SMMEs.

- **Support Informal Sector Project.** Support local municipalities in their work with informal traders. Furthermore, investigate and facilitate programmes in support of formalising the informal sector.

- Continue with **Red Tape Reduction Project.** Continue to work with the RED Tape Unit of Western Cape provincial government to find ways to cut red tape in order to ease the way of doing business in the Cape Winelands.

- **Procurement Project.** The Western Cape Provincial Treasury has actively driven the process and discussion with municipalities on how Supply Chain Management can be

utilised as a strategic enabler for economic development. This theme was carried through at the Supply Chain Management Indabas held in the West Coast and Cape Winelands Districts. The LED Unit will work with the SCM Unit to enable government expenditure to support government socio-economic objectives.

DRIVER 7: SUPPORT SECTOR DEVELOPMENT

There is a need to develop targeted sector strategies with relevant stakeholders and roleplayers to that identify investment opportunities, trade development needs, research and commercialisation potential, workforce needs in the Cape Winelands District. A few strategic sectors have been identified during the strategy development process.

ACTION PLAN: SUPPORT WINE TOURISM IN THE CAPE WINELANDS

VinPro has commissioned a wine tourism strategy that outlines a number of interventions to grow wine tourism. According to VinPro (2017) "Wine Tourism, which is about the delivery and experience of a variety of tourism related activities within or around wine producing regions or routes, is a significant revenue generator for the South African economy and has the potential to provide many new business and employment opportunities. Wine Tourism already contributes in excess of R6 billion to the GDP annually and with a national wine tourism strategy and coordinated plan, the aim is to increase that to R16 billion by 2025".

The Cape Winelands District is ideally placed to exploit the economic opportunities that wine tourism presents.

- **Wine Tourism Collaboration Programme.** Continue to work with organisations such as VINPRO, WESGRO and Wines of South Africa (WOSA) to support innovative developments and programmes in wine tourism.

ACTION PLAN: GROW THE CREATIVE ECONOMY

In an increasingly globalised and urbanised world, uniqueness and authenticity are key competitive advantages for tourism destinations. At the heart of cultural tourism is a deep commitment to the splendour of place, genuineness of its communities and the tales that gives it life and differentiate it from other places. Tourism related to or driven by cultural interests and activities is a robust and growing subset of the tourism industry as a whole.

- **Grow the creative economy.** The Cape Winelands is home to many artists, writers, dancers, designers, musicians, chefs, and all sorts of talented and interesting people who have chosen to live, create and play in the District. The District and its community's benefits from having these creatives in our midst. The Cape Winelands needs to support this cultural ecosystem that enables creativity to prosper. We need to promote the Cape Winelands District as a **cultural destination** of note.

- Identify the art and cultural assets of the Cape Winelands;
- Grow the creative economy – grow the creative sector entrepreneurs, organisations, institutions and businesses;
- Continue to fund non-profit cultural production to deliver interesting content, experiences and images in support for promoting the Cape Winelands as an interesting, lively and colourful cultural destination on an ongoing basis;
- Expanded tourism value chain that includes HDIs in the creative sector;
- Include and promote university and higher education assets, expertise and scholars to broaden the Districts' visitor audience. For example, Stellenbosch University's WoordFees; Chamber Music Festivals, etc.
- Invest in existing and future cultural and historic areas (zones) of Cape Winelands that celebrates its diversity;
- Develop a District programme for arts and culture focused on attracting families and children especially during school holidays to attract new audiences; and
- Advocate that art, culture and creativity is integrated into future public space improvements.

DRIVER 8: PROMOTING INNOVATION AND DIVERSIFICATION

It is understood that the most successful businesses continually strive to improve on their products and services and continually also search for new markets for their products and services. It is important for governments to recognise this business creativity and support business innovation. It is therefore crucial that municipalities support services to promote diversification (when businesses develop new markets) and innovation (when businesses design new products/services).

- **Support business innovation and diversification.** There are a number of ways in which the municipality can support business innovation and diversification.
  - **Mayoral Award for Business Innovation.** Working together with the business chambers, sakekamers and business associations to hold an annual prize giving for innovative companies
  - **Giving media exposure to good businesses.** Local newspapers and radio stations are usually eager to feature businesses that are creating new jobs. The municipality can facilitate that these businesses get good media exposure.

11. Investment Attraction, Retention and Opportunities Strategy

GOAL:
FACILITATING INVESTMENT ATTRACTION, RETENTION AND OPPORTUNITIES

KEY AIM:
TO CREATE AN ATTRACTIVE ENVIRONMENT FOR INVESTORS BY PROMOTING OUR KEY STRENGTHS AND OPPORTUNITIES

11.1. INVESTMENT

11.1.1 INTRODUCTION TO INVESTMENT

The Cape Winelands District is well known for its desirability as a leisure destination, and much has been made of its beautiful scenery and culinary experiences. The area should be marketed to potential investors as a sought-after destination to work and play. The District already boasts an industrial hub in Paarl and a knowledge and technology hub in Stellenbosch, and the areas enjoy relatively high levels of investment. Worcester is also the focus of new developments. The challenge is therefore to attract investment to local municipal areas in order to accelerate economic growth and enhance growth potential.

While national government is responsible for certain key policies such as the tax rate, the decisions of local government are those which have the greatest impact on the economic performance of towns and the prosperity of communities. In an increasingly global environment where capital can move around the world more easily than ever before, competition between destinations for investment becomes increasingly vigorous.

This Sector Plan builds on the Cape Winelands Investment Attraction, Retention and Opportunities Strategy of 2011. The Investment Sector Plan retains the key driver of Business Retention and Expansion and attraction. An enabling environment will ultimately lead to business retention, expansion and attraction, and thereby increase competitiveness.

11.2.1 GOAL

Facilitating Investment Attraction, Retention and Opportunities

11.2.2 KEY AIM

To create an attractive environment for investors by promoting our key strengths and opportunities.

11.2.3 KEY PRIORITY AREAS

OVERARCHING PRIORITIES OF THE CW-SEDS

PRIORITY 1: BUILD AND STREGHTHEN PARTNERSHIPS AND COLLABORATIONS

Driver 1: Mobilising Resources for Social, Economic and Rural Development in the Cape Winelands District

- Strengthen the partnership that already exist with WESGRO and explore new ways of collaboration
  - Work towards becoming Investor ready destination
  - Working in partnership with WESGRO to attract Foreign Direct Investment into the Cape Winelands
  - Diversifying exports – exporting represents an important means of improving economic growth and competitiveness

PRIORITY 4: COMPETING IN THE GLOBAL MARKET

DRIVER 9: FACILITATING INVESTMENT ATTRACTION

New investment can be attracted by rolling out a district marketing initiative, supported by an effective Marketing Plan.

Developing the Cape Winelands District's competitive profile will depend on leveraging existing strengths, building on the area's existing assets and seeking out high-impact opportunities in identified sectors.

ACTION PLAN: ESTABLISHING AN INVESTMENT DESK

- **Establishing an investment desk.** Establishing a "One Stop Shop" to deal with potential investors is a popular option for many investment destinations. A "One Stop Shop" is an investment service that aims to facilitate seamless investment and reduce red-tape and inefficiencies for potential investors. Such a "One Stop Shop" to promote and facilitate investment and the establishment of new businesses, could be set up in the Cape Winelands District/Cape Winelands Local Municipal area. A key component of the one-stop-shop service is the creation of a post for a dedicated investment facilitation professional. The investment facilitator's main responsibility would be to provide a single contact for investors wishing to do business in Cape Winelands. The skills of such an investment professional can be leveraged to engage potential investors on a one-on-one basis.

ACTION PLAN: INVESTMENT ATTRACTION MARKETING PLAN

The **first phase** of the marketing plan will be to draw existing, larger businesses and high-impact investors to Cape Winelands to anchor the industrial development and create as many job opportunities as possible for residents in the Cape Winelands area.

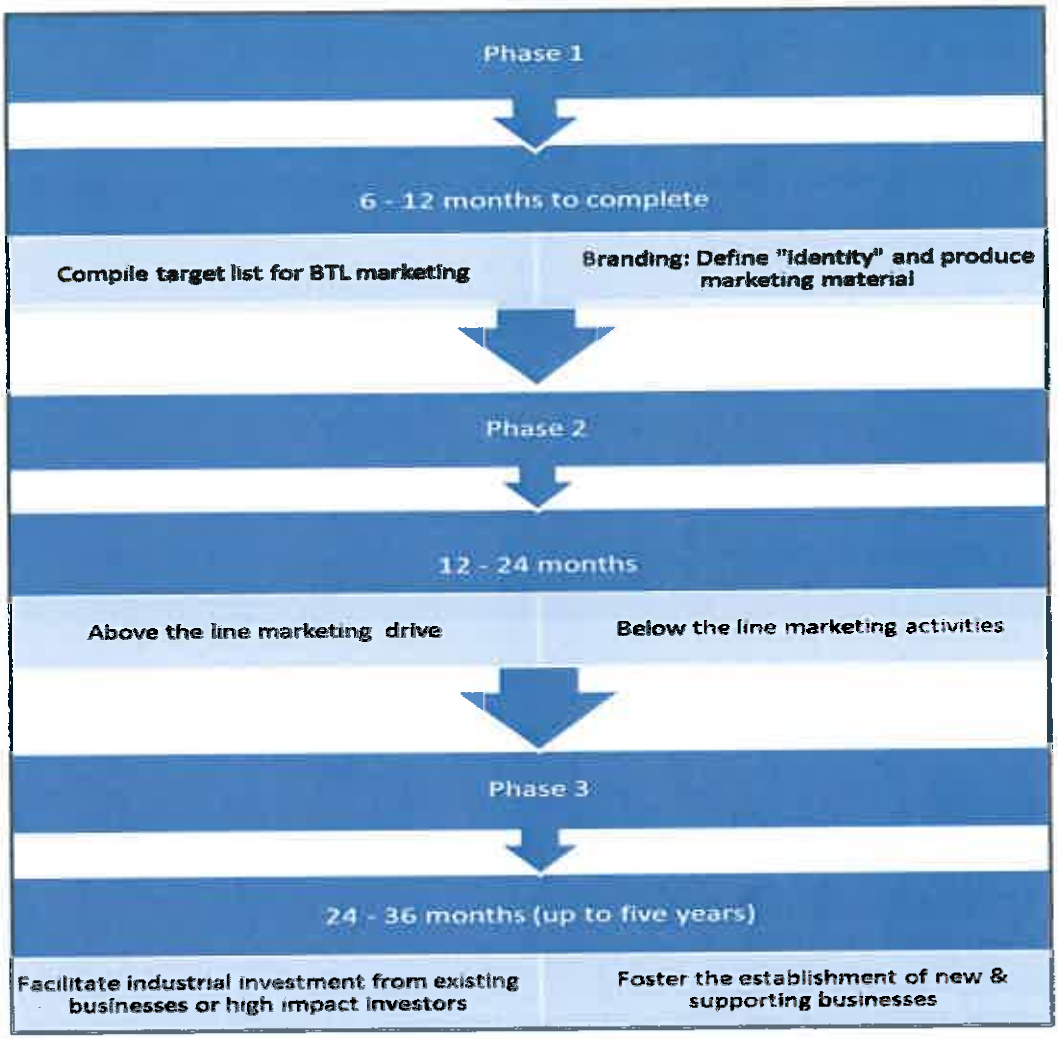
The **second phase** will be to foster the establishment of new businesses in Cape Winelands. In this respect, the one-stop shop incentive should prove to be especially valuable. The reasons why the first priory is to draw larger, established investors to the market are:

- Big business brings bigger factories, which leads to more job opportunities over a shorter period of time
- Established businesses are less risky than new businesses, and therefore the exposure to the risk of job losses is lessened
- Bigger industry can act as anchors and provide opportunities for supporting businesses in the industry
- Existing infrastructure and resource can be fully leveraged and utilised.

New and existing businesses should grow into a stable and secure industrial community that will be sustainable over the long term.

Before the destination can be marketed to potential investors, the facilitation vehicle ("One Stop Shop") and investment drawing cards (land, incentives and infrastructure) should be

in place. This preliminary phase of the initiative can take one to two years before the actual marketing can be rolled out as follows:



ACTION PLAN: TRADE INVESTMENT

The Cape Winelands District Municipality is fulfilling its role as the facilitator of creating an enabling environment for business participates in trade shows/expos/missions as a means to provide a platform for businesses within the District to market their products and services to buyers/consumers and investors and thus creating competitiveness.

The CWDM objectives in participating in trade shows/expos/missions is to engage in generic marketing of the Cape Winelands as an investment and tourism destination. For participating SMMEs it is to:

- Increase sales of products/ services represented on the Cape Winelands District Municipality's stand by participating SMMEs;

- Obtain market intelligence and gauge response to the District as an Investment destination as well as to the various products/services on offer; and
- Penetrate new markets for the District's products and services by the participating SMMEs on the Cape Winelands District Municipality's stand.

Trade Investment Project. Continue to explore in collaboration with WESGRO new markets for Cape Winelands products and services. Continue to provide a platform for SMMEs in the district to penetrate new markets for their products and services.

DRIVER 10: BUSINESS RETENTION AND EXPANSION FOR HIGHER GROWTH SECTORS

The Cape Winelands District Municipality understand that existing businesses are the foundation of any economic growth strategy. By building on what already exists, the district can support current businesses and create a strong foundation on which to attract new businesses, residents, and employment.

ACTION PLAN: CONTINUOUS MULTI-SECTORAL BRE PROGRAMME IN CAPE WINELANDS

Wesgro BRE unit to run a multi-sectoral BRE programme in Cape Winelands where CWDM (and possibly Local Municipalities) funds this continuous BRE programme.

The BRE programme needs to focus on 2-3 appropriate objectives which could include any combination of the following:

1. Initiate investor aftercare activities to make sure that new investors to the District are not experiencing problems in their establishment phase
2. Defensive: avoid company relocations
3. Defensive: preventing closures and down-sizing
4. Pro-active: encourage and assist company expansion projects
5. Pro-active: anchor companies in the regional economy by strengthening linkages with local suppliers and the local labour market
6. Pro-active: develop cluster network interactions between related companies behind joint initiatives
7. Pro-active: target additional suppliers that can fill gaps in the supply chain.
8. Pro-active: identify ambassadors and testimonials as part of the FDI marketing strategy
9. Pro-active: identify needs for product development.

The following best practices have been identified from a review of international experience:

Stage	Do's	Don'ts
Objectives	Stay focused on most important needs.	Don't try to copy best practice from world class IPAs

	Create realistic expectations.	
Targets	Start with small, manageable number; extend when under control.	Don't try to serve all industries/ companies with after care.
Contacts with investors	Ensure senior staff involvement; Meet regularly, as needed and acceptable (min 2 per year)	No juniors! Not too frequent meetings

Wesgro, the Provincial Trade and Investment Agency, has a limited BRE Programme, however, this is severely under-resourced and needs to be supplemented by District BRE financial support capacity. A District-WESGRO MOA should be developed to outline the BRE partnership and cooperation, communication, and operational protocols.

This means that WESGRO will conduct the BRE programme for the CWDM which the CWDM in collaboration with Local Municipalities will fund.

The implementation of a BRE Programme requires the following dedicated resources:

- Senior Aftercare Coordinator (and ideally 1-2 aftercare officers)
- Formation of Public-Private task team to:
- Enhance access to support measures (e.g. skills initiatives, access to finance) as well as opportunities
- Prioritise the Aftercare strategy objectives (see above)
- Define the Aftercare services to be offered to companies and review task team membership/ composition (to include ECDC, Border Kei Chamber, relevant FET and HE institutions, IDC and others)
- Decide how to Brand and market the Aftercare Strategy required (what is the main benefit or promise?)
- Decide how to select companies to be included in the Aftercare Program. It is proposed that the initial focus is on the agriculture and clothing and textiles sectors. In addition, the spatial location priorities must be agreed.

ACTION PLAN: LOCALLY DRIVEN BRE PROGRAMME FOR TOURISM SECTOR

Cape Winelands BRE for the Tourism Sector Project.

Since the CWDM did not have the resources necessary to implement a continuous approach, the locally driven was utilized which placed the implementation in the hands of the community. The Local Tourism Associations (LTAs) were chosen by the tourism

community to be the implementing agents for the CW BR&E programme for the Tourism Sector.

The CW-BRE Programme for the Tourism Sector was implemented in 2013/2014 in partnership with Local Tourism Associations, Local Municipalities, Business Chambers/Sakekamers and individual tourism businesses in the towns of Worcester, Ceres, Tulbagh, Wolseley, Stellenbosch, Dwarsriver and Franschhoek. The programme was then rolled out to Drakenstein and Langeberg local municipal areas in the 2015/2016 financial year.

In 2013, the CWDM engaged with Local Tourism Associations, Local Municipalities, Business Chambers and tourism stakeholders in their Integrated Development Plan (IDP) process around the development and growth of tourism in the Cape Winelands District. Niche tourism development areas (i.e. sport/outdoor (sports events, cycling, mountain biking, canoeing, running, etc.) tourism; accessible tourism and multi-generational tourism) were identified by tourism stakeholders and role-players as tourism niche areas to be exploited for further growth.

In response, the Cape Winelands has developed a Cape Winelands Tourism Niche Strategy (CW-TNS) focussing on these three niche tourism areas. The Cape Winelands acts as a catalyst for showcasing the opportunities in these tourism niche areas and therefore BR&E projects in these three niche areas are also supported under this programme. The Cape Winelands District Municipality in collaboration with the private sector has implemented 84 co-funded business retention and expansion projects in the tourism sector since 2013/14.

Some of these successful BRE programmes are:

- Stellenbosch 360 Dine with Locals – one of the hostesses is booked out a year in advance by international tourist groups
- Franschhoek Hospitality and Learning Academy – trains about 20 students a year in hospitality and students do in service training at restaurants in Franschhoek. Ambassadors for the programme are Ruben Riffle; Margot Janse; Matthew Gordon, JP Smith and Chris Erasmus
- Danscape South Africa – ballet dancing in Zolani that have produced talents that are currently dancing all over the world
- AmaWolseley Marimba Band - This group of eight teenagers was formed in September 2012 and after just one year are now performing at weddings, corporate functions, festivals, markets and celebrations. They have been filmed by Fiesta of Kyknet.
- Tulbagh Community Garden - Dream Tulbagh has initiated a large scale community kitchen garden at the end of Church Street in the historic village. The garden an added tourist attraction to Church Street. The garden acts as an educational tool which reconnects people to their produce and traditional growing techniques.
- Basic Sign Language Poster for Tourism Industry - CWDM views the initiative of the sign language tourism poster as ground breaking. CWDM strives towards inclusiveness of all individuals in experiencing what the Cape Winelands can offer. The services of a linguist

were specifically used for the formulation of the tourism signs and an international interpreter also assisted in teaching the deaf community the specific tourism signs.

- Cape Winelands Braille Menu Project is done in partnership with Worcester Tourism, Breede Valley Local Municipality, and the Institute for the Blind. Braille menu's are now found at a few restaurants in Worcester
- The BRE has also supported various route development and marketing initiatives such as Dwarsriver Freedom route; Franschhoek rond en bont route; Route 62 MTB Meander; Paarl and Wellington historical routes; Play witzenberg, Proudly Ceres, Celebrate Breedekloof campaigns, etc

12 Rural Economic Development Strategy

Goal:

ENVIRONMENTAL PROTECTION THAT PROMOTES SUSTAINABLE DEVELOPMENT AND ECONOMIC GROWTH

Key Aim:

TO FACILITATE THE ECONOMIC, SOCIAL AND ENVIRONMENTAL SUSTAINABILITY IN RURAL AREAS OF THE CAPE WINELANDS DISTRICT.

12.1 RURAL ECONOMIC DEVELOPMENT

12.1.1 RURAL ECONOMIC DEVELOPMENT

The draft Framework for LED (2018) highlights the NDP imperative of improving living standards and ensuring dignified existence for all South Africans and advocates in the Framework that the economy must create decent work and sustainable livelihoods. This means that the most vulnerable must be prioritised in government programmes. According to the draft framework for LED, government programmes should therefore include programmes such as "support for the informal economy, sustainable livelihoods programmes, inner city economic revitalization, small town regeneration, township development, revitalisation of distressed and declining mining towns, youth and women empowerment and leveraging economic opportunities from the Expanded Public Works Programme, including the Community Work Programme" (2018, p20).

In the rural areas of Cape Winelands the economic realities differ widely where some communities are prosperous and others struggle to make ends meet. The Cape Winelands Rural Economic Development Strategy has specific action items to help the most vulnerable of communities.

12.2 RURAL ECONOMIC DEVELOPMENT STRATEGY

The Rural Economic Development Strategy sets out the Cape Winelands District Municipality's unwavering support for rural communities and businesses in the Cape Winelands. The district municipality is committed to working with rural communities, businesses and organisations to strengthen their resilience, facilitate job creation and help build economic opportunities while enriching the unique lifestyle advantages that rural Cape Winelands has to offer for residents and visitors alike.

The purpose of the Rural Economic Development Strategy is to seek new ways in which rural communities can share in the available resources and services no matter where they live in the District. It outlines the steps that we as government, industries, businesses and communities can take to increase economic development capacity, improve on the current range of initiatives/programmes and facilitate new opportunities to enable rural Cape Winelands continued success.

12.2.1 GOAL

Environmental Protection that Promotes Sustainable Development and Economic Growth

12.2.2 KEY AIM

To facilitate the economic, social and environmental sustainability in rural areas of the Cape Winelands District.

12.2.3 KEY PRIORITIES

12.3 OVERARCHING PRIORITY OF THE CW-SEDS

PRIORITY 1: BUILD AND STRENGHTHEN PARTNERSHIPS AND COLLABORATION

DRIVER 1: MOBILISING RESOURCES FOR SOCIAL, ECONOMIC AND RURAL DEVELOPMENT IN THE CAPE WINELANDS

- Continue to support rural organisations as they play an important role in increasing the resilience of rural people through their social development programmes
- Continue to advocate for the Cape Winelands Biosphere Reserve and the balance between conservation and industry

12.4 RURAL DEVELOPMENT PRIORITIES

12.4.1 PRIORITY 5: INCLUSIVE ECONOMIC GROWTH

According to the UNDP (2015) there are many definitions of inclusive economic growth however within these definitions there are common traits, such as: "Growth is inclusive when it takes place in the sectors in which the poor work (e.g. agriculture); occurs in places where the poor live (e.g. undeveloped areas with few resources); uses the factors of production that the poor possess (e.g. unskilled labour); and reduces the prices of consumption items that the poor consume (e.g. food, fuel and clothing)... [therefore] ... inclusive economic growth is not only about expanding national economies but also about ensuring that we reach the most vulnerable people of societies".

The Cape Winelands District Municipality will strive through its rural development programme of action to foster, promote and facilitate inclusive economic growth.

12.4.1.1 DRIVER 11: UPLIFTING RURAL PLACES, ECONOMY AND PEOPLE

The key driver of the Cape Winelands Rural Economic Development Strategy centres around uplifting **Rural Places, Economy and People.** Continued support for projects that improve competitiveness, encourage diversification of the rural economy to improve community resilience, improve quality of life in rural areas and that protect and enhance the natural environment.

There is a need for balanced rural development that not only takes into account support for agriculture but also the non-farm rural economy to achieve better pro-poorest outcomes.

RURAL PLACES

ACTION PLAN: WATER RESOURCES MANAGEMENT

Water is an essential resource for the economic development of rural communities. The continuous improvement of water management practices and technologies as well as decreased consumer usage can help ensure the availability of reliable, quality water supplies over time. Maintaining strong partnerships with landowners, farmers, industries, businesses as well as communities, is key to sustaining our rural economy.

- **Water Resource District Coordination.** Continue to enable partnerships, district-based solutions and information sharing to enhance effective water management practices and promote long-term sustainable water supplies.

RURAL ECONOMY
ACTION PLAN: DIVERSIFYING OUR RURAL ECONOMY

- **Support small farmers project.** Continue to support small farmers within the district.
- **Support Small and Medium Agro-Enterprises (SMAEs) Project.** Value-added processing and manufacturing gives Cape Winelands producers and agri-businesses exponential benefit from the raw products and services they produce. Facilitate rural diversification through small and medium agro-enterprises (SMAEs) and employment in the rural non-farm economy can help to build resilient livelihoods in rural areas. Value-addition for agricultural products will seriously be considered to advance diversification of the rural economy.

- **Trade Export Project.** Assist rural businesses with capitalising on opportunities in new local, domestic and international markets.

- **Support Green Enterprises Project.** Empower environmental entrepreneurship by enabling commercialisation of "green" technologies and implementing improved waste-management practices.

- **Supporting Cultural Projects.** Increase creative and culture-based business opportunities in rural communities – support economic opportunities resulting from cultural industries such as film and television, arts, music, dance; literature, festivals and heritage.
  - **Cultural Event funding project.** Funding was provided to support cultural organisations in implementing mass participation in cultural events. The programme provides opportunities to vulnerable groups to advance to local, provincial and national cultural programmes.

  - **Arts Cape Rural Outreach Programme – Cape Winelands Drama Festival project.** This facilitated the growth of the drama programme at various levels and provided the youth with opportunities to learn from and be guided by professionals in the field.

  - **Support Rieldans regional competitions project.** Rieldans is one of the oldest dance forms in South Africa and it is only appropriate that we celebrate it through a festival. The riel is mostly done by Khoi/brown children and adults, because it has its origins amongst the Khoi and San. The dance is a thanksgiving, but also for action and entertainment. ATKV goal of creation of platforms for culture, the creation of talent exhibition, nation building, and cooperation was successfully achieved.

RURAL PEOPLE
ACTION PLAN: STRENGTHEN OPPORTUNITIES IN RURAL AREAS

- **Skills Development – Trades training project.** A major need is to increase the individual and collective capabilities of rural people in order to increase their employability and therefore capacity to access decent jobs in the farm or non-farm economy.
  - Strengthening trades training in rural communities, so local residents can acquire skills to compete for local jobs;

- **Social assistance Project.** Social assistance initiatives are crucial for reducing the likelihood of households to revert to detrimental coping strategies.
  - Nutritional projects

- **Rural Youth Entrepreneurial Project**. Young adults and young families are the lifeblood of rural communities. They offer the promise of growth for the future. Young entrepreneurs bring energy, passion and innovation
  - Support for youth entrepreneurial programmes

ACTION PLAN: FACILITATE THE IMPLEMENTATION OF INCOME-GENERATING ACTIVITIES TO ADDRESS FINANCIAL DIMENSIONS OF POVERTY

Social enterprise is an important business model to build entrepreneurial capacity and community wealth and equity, leading to greater business and economic development in disadvantaged communities.

- **Income-Generation Project**
  - Income-Generation Programmes must be established for Adults and Parents of the community, including people with disabilities. Silk-screening printing, weaving, linoleum printing, fresco painting, collaging and beading are all income-generation programs that have been successful at the Philani Project in Khayelitsha.
  - Devising policies to support youth entrepreneurship in particular, and to increase the productivity of micro and small informal enterprises is a priority for increased resilience.

ACTION PLAN: BUILDING CAPACITY OF RURAL DWELLERS THROUGH SPORTS AND RECREATION

- **Sports and recreation Programme.** Sports Statistics have shown that sport and recreation participation plays a big role in the decrease of the crime rate and crime activity in communities who regularly participate in sport and recreation. Community based mass participation recreation, cultural and sports development programmes focus more non-

competitive fun rather than competitive sport so as to create and build social cohesion among youth and in communities. The objectives of these programmes are to promote social development, youth empowerment, social cohesion and community upliftment. Sports, recreational and cultural programmes provide opportunities for vulnerable groups to participate in mass participation programmes. It allows children, families, senior citizens, disabled, men and women to participate in and attend numerous events that would have otherwise been denied.

- **Sports Event Funding project.** Funding was provided to support sports organisations in implementing mass participation in sporting events. The funding maximized the participation of healthy lifestyles impact of community organisations across the Cape Winelands Municipal district. The programme provides opportunities to vulnerable groups to advance to local, provincial and national sport programmes.
- **Cape Winelands Sports Awards project.** The Cape Winelands Sports Awards Ceremony is annually held in partnership with DCAS, Cape Winelands Sport Council and Federations. At this ceremony persons who have achieved exceptional achievements in the various sports codes are honoured.
- **Business Against Crime Tournaments Project.** CWDM in partnership with Breede Valley Municipality, SAPS Department of Education, De Jagers Outfitters and other local businesses joined hands in the fight against crime that is consuming the Youth of today. Rugby and Netball tournaments are implemented as an alternative recreational programme where learners of gang infested areas could participate in a safe environment.
- **Cape Winelands Dominoes and Tug of war tournament Project.** The purpose of the tournaments is to provide an opportunity for the respective farming communities to participate in sports and to socialize. These programme promotes social cohesion and strengthen relations between farmers and farm workers.
- **Easter Tournaments Project.** These tournaments enhance social cohesion and aim to address crime in the respective communities.

13 Tourism Sector Plan

Goal:
CULTURE, DIVERSITY AND VIBRANT PLACES

KEY AIM:
TO INCREASE THE ECONOMIC IMPACT OF TOURISM THROUGHOUT THE CAPE WINELANDS DISTRICT.

13.1 CAPE WINELANDS TOURISM

13.1.1 DESTINATION MANAGEMENT

Destination management includes activities, relationships and practices that assist in organising the tourism system in an area. A collaborative approach between stakeholders can optimise the destination's performance. Quality visitor experiences are pivotal in achieving customer satisfaction and enhancing repeat visits. Experiences that are authentic, distinctive and deliver unique stories have been identified as key by the National Tourism Sector Strategy (2017). Tourists experience a destination in its entirety, and it is essential that the whole value chain work together seamlessly (NTSS, 2017). All services combine to form an integrated product that should provide a positive experience.

The experience offered by the destination is greatly dependent on the capabilities of the local tourism businesses, but is largely influenced by the proper functioning of municipal services, the cleanliness of the area, and the safety and security of residents and visitors to the area. The municipality's duty in this respect is to provide the backdrop against which local tourism can prosper through excellent service delivery.

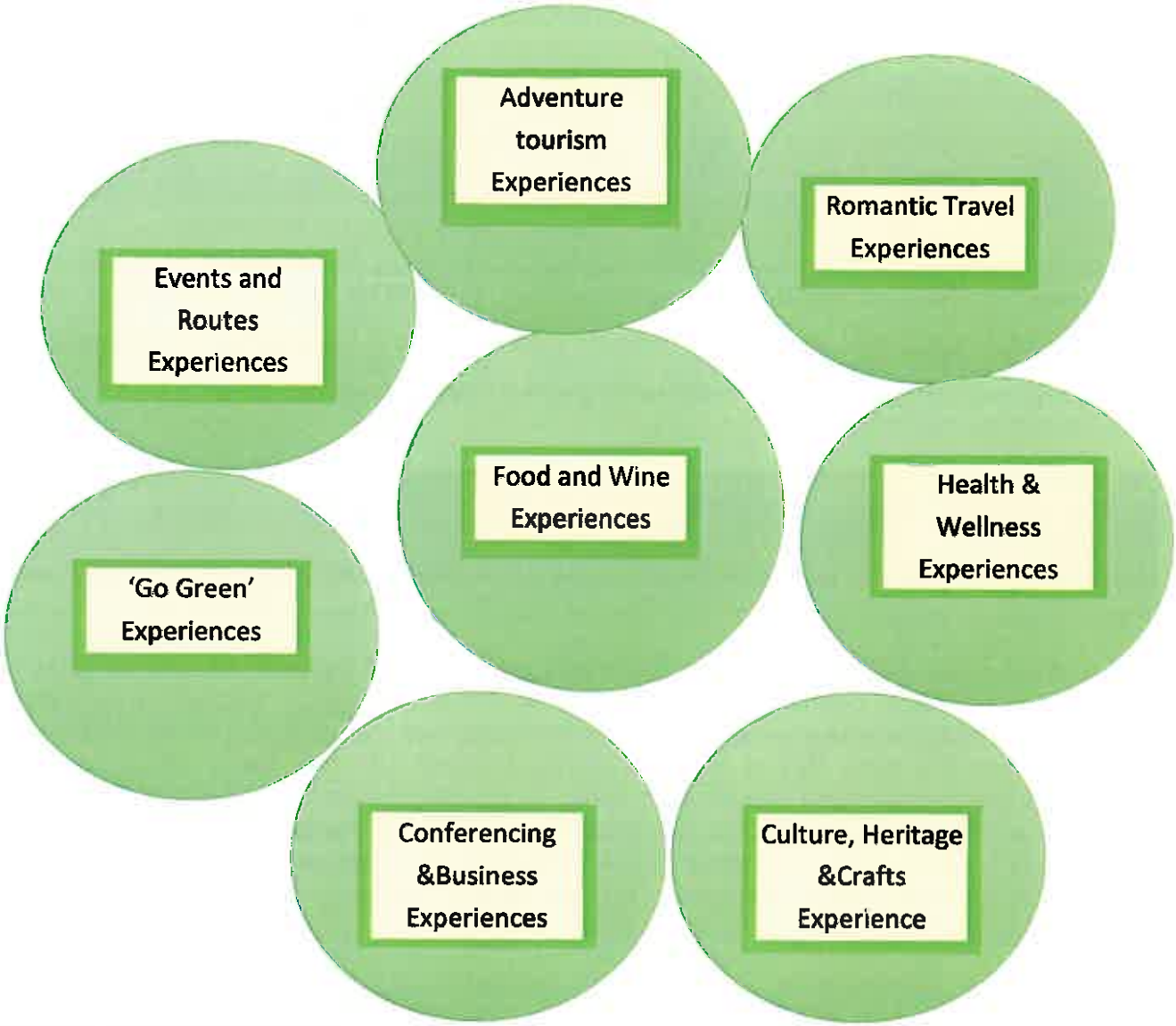
13.2 CAPE WINELANDS REGIONAL TOURISM STRATEGY

The Cape Winelands Regional Tourism Strategy is comprised of two plans:

- Marketing Plan; and
- Tourism Development Plan

Marketing Plan

The tourism marketing plan retains its eight strategic themes and continue to build and strengthen these themes through proactive marketing. The themes, being:



Tourism Development Plan

- Continuous Product Development
- Tourism education, training and skills development
- Tourism Infrastructure

- Inclusive Tourism
- Niche Tourism

13.2.1 GOALS

Promoting Culture, Diversity and Vibrant Places

13.2.2 KEY AIM

To increase the economic impact of tourism throughout the Cape Winelands District.

13.2.3 KEY PRIORITIES AND DRIVERS

12.3 OVERARCHING PRIORITIES OF THE CW-SEDS

PRIORITY 1: BUILD AND STREGHTHEN PARTNERSHIPS AND COLLABORATIONS

- Strengthen the partnership that already exist with WESGRO in tourism promotion.
- Strengthen the partnerships that already exist with the 14 Local Tourism Association through collaborative planning and joint project implementation.

12.4 TOURISM PRIORITIES OF THE CW-SEDS

12.4.1 PRIORITY 5: INCLUSIVE ECONOMIC GROWTH

According to the UNDP (2015) there are many definitions of inclusive economic growth however within these definitions there are common traits, such as: "Growth is inclusive when it takes place in the sectors in which the poor work (e.g. agriculture); occurs in places where the poor live (e.g. undeveloped areas with few resources); uses the factors of production that the poor possess (e.g. unskilled labour); and reduces the prices of consumption items that the poor consume (e.g. food, fuel and clothing)... [therefore] ... inclusive economic growth is not only about expanding national economies but also about ensuring that we reach the most vulnerable people of societies".

DRIVER 12: TOURISM PLANNING AND MANAGEMENT

The Cape Winelands District Municipality is the Regional Tourism Organisation for the Cape Winelands Tourism Region. As a RTO, the CWDM plays an important role in supporting this competitive and sustainable tourism region. It is expected that the CWDM provides regional

leadership and coordination and works with industry partners, such as the Local Tourism Associations, to grow tourism through activities like strategic planning, research, product development, training and marketing. It also acts as a facilitator amongst tourism role-players and stakeholders in order to advance a more coordinated and collaborative tourism approach that maximises resources, encourages strategic planning and tourism investment, and results in stronger marketing.

ACTION PLAN: EFFECTIVE FORUM MEETINGS

- **Provide the Tourism Voice at RTO meetings** at provincial level. Continue to promote tourism interests within the province by being at the table when discussions take place about provincial and regional tourism initiatives.
- **Review of Cape Winelands LTA Forum meetings.** The Cape Winelands Local Tourism Forum meeting sets the platform where government officials and Local Tourism Officials discuss and plan collaborative to market and develop tourism in the Cape Winelands. It is recommended that a review be done to enhance the functioning and effectiveness of the forum in order for tangible results to emerge from actions.
- **Champion Linkages to other RTO Regions.** Identify projects where a cross-regional approach would be beneficial to enhance visitor experience. For example, in developing new routes that cross municipal boundaries.

ACTION PLAN: TOURISM STATISTICS AND INFORMATION

Strategy relies on cutting-edge research and market intelligence to inform and guide decision-making. The quality of the decision-making is directly linked to the accumulated intelligence from markets, insights from partners and stakeholders. Information and analysis to inform insights and strategy need to be very current.

- **Assist in gathering reliable tourism statistics.** Local Tourism Associations and individual stakeholders need to collaborate to obtain statistical data needed for more effective tourism planning, implementation and development.
- **Tourism Research.** Engaging in tourism research is expensive but it is needed to stay ahead of the competition. The Cape Winelands District will as far as possible look at how research can be done in partnership with the private sector.

ACTION PLAN: EASE OF ACCESS

Ease of access primarily refers to the ability of potential tourists to travel to and within a tourist destination (NTSS, 2017). Challenges with regards to access, both to and within a destination, detract from visitor rates even in the face of effective branding and marketing efforts. Services most highly rated in the tourism sector include internet access (ICT infrastructure), roads and signage, and a high level of basic service delivery.

The Cape Winelands district will as far as possible work with the private sector to facilitate the following:

- **Access to ICT.** Access to telecommunications and connectivity (high speed Wi-Fi access) is an important component of the product package for tourists.
- **Tourism Signage.** Clear and appropriate tourism signage is important to guide and enhance ease of travel within the destination. The CWDM and it partners will continue to try and resolve problems arisen from tourism signage approval process through engagement with the relevant authorities.
- **Safety and security.** Safety and security is vitally important as being victims of crime can be a deterrent for tourists to visit an area.

It is the responsibility of the local municipalities to ensure that basic services such as roads, transport and electricity promote tourism, and do not distract from the tourist experience.

DRIVER 13: CHAMPIONING TOURISM GROWTH, PRODUCT DEVELOPMENT AND INNOVATION

The first step in developing a tourism plan is developing a suitable product that would be attractive to the market, whilst capitalising on the area's unique strengths and capabilities. One of the goals of a tourism strategy is to develop the right package of product offerings for the most attractive market segments . The products offered to the market should be tailored to market preference and expectations. If the product offering does not appeal to the market, no amount of marketing will attract the desired results. There is no use in trying to push products onto people who do not want the products at all.

Therefore, the starting point of product development is market intelligence: knowing who the target market is and what their preferences are.
Effective marketing is dependent on four important factors:

- Knowing your target market
- Understanding the needs and preferences of the target market
- Capitalising on your USP (unique selling proposition)
- Effectively communicating how the area's USP meets customer needs in the most appropriate way (crafting a marketing message).

Product development is a process of creating synergy between the region's capabilities and market needs. Understanding your customers and knowing their preferences can provide guidance on how a product should be positioned to best meet their needs. This will in turn allow you to formulate a strategy to best communicate your most attractive selling proposition. In addition, the product offering should yield broad-based benefits.

ACTION PLAN: CHAMPIONING PRODUCT DEVELOPMENT AND INNOVATION IN THE CAPE WINELANDS

The Cape Winelands should commit to new, independent, innovative product development that will confirm Cape Winelands as a leading tourism destination not only in South Africa but globally. It is therefore of crucial importance to drive value through world class visitor experiences.

The adoption of a proactive approach to product development and the creation of new immersive experiences, particularly cultural experiences that showcase the Cape Winelands diverse heritage.

We should continue to facilitate the integration of poor communities into the tourism value chain through supporting and developing active entrepreneurial participation. One of the approaches would be to commit to providing every tourist with the opportunity to have an authentic cultural and/or heritage experience in the Cape Winelands.

- **Support introduction and development of new products.**
- **Continue to develop agri-tourism.**
- **Build an online resource for tourists/travellers/visitors.** It is important to develop an online resource for tourists that they can access while they are in their consideration and planning phase of their trip. Therefore, a greater regional presence online initially through mass-market utilities (e.g. Google, Facebook, YouTube, TripAdvisor, etc) whilst building functionality online via a website, app and Wi-Fi hotspots that provide visitors with the digital tools to plan, communicate, way-find and share their experiences online. We should:
    - Continue to refine the Tourism Town Apps and Cape Winelands Routes and Events app;
    - Developing a user experience strategy that will inform the development of an online resource.
    - Content development is also crucial for the online resource.
- **Assist Small towns in the Cape Winelands.** Giving support to smaller towns in their efforts to attract a larger share of the visiting tourists.

ACTION PLAN : INVEST AND GROW NICHE TOURISM

Product development should be suited to customer needs and preferences and therefore, marketing starts with developing the right products.

Niche products have the potential to fill rural tourism's strategic gaps; however, it is important to be cognisant of the fact that infrastructural changes to cater for niche markets can be costly and ultimately have to be financed by each individual private sector tourism business. The expenses incurred in adapting to niche market needs have to be viable, i.e. the resulting increase in revenue must justify the expense and it is ultimately up to the

discretion of the owners of each tourism enterprise to spend funds on attracting niche markets.

Tourism is primarily private sector driven, and infrastructure expenditure is therefore mostly at the discretion and account of the various privately-owned enterprises in the area. This means that niche strategies, such as positioning an area as a destination specifically accessible for persons with disabilities (mostly with wheelchairs) can be problematic as the individual enterprises may not all choose to adapt their facilities accordingly, negating the effect as a wheelchair-friendly destination. Niche markets are by definition smaller, and any infrastructural adaptations have to be justified by a corresponding increase in revenue (volume of additional tourists attracted).

It is understood that in order to establish the destination in its entirety as catering for a niche market, a high-level of buy-in from all the individual enterprises is required.

- **Support niche product development.** Foster and maintain existing markets while expanding emerging markets. Additional growth can be gained from adding niche markets such as Sports, Adventure and Outdoor tourism, universal accessible tourism and multi-generational tourism to the existing market base.
  - **Sport, Adventure and outdoor tourism**. Sports tourism is the sporting experiences that are done out of the formal environment, out in the open spaces. It is an activity that brings people together. Sports tourism is one of the fastest growing sub-segments of the tourism industry worldwide. Cycling and mountain biking has become a favourite for domestic tourists in the Western Cape. In response the CWDM has worked with private sector partners to build a number of MTB trails in the District. The CWDM and its partners will continue to invest in sport, outdoor and adventure products in the district.
  - **Multi-generational tourism.** Multi-generational tourism is often defined as a travel party made up of at least one traveller over the age of 60 years and one under age 18. Get-together options include cruises, safaris, guided genealogy tours and reunion activities for all ages. The industry even has a demographic category identified as PANK (professional aunts with no kids)—single career women who collectively spend billions when they travel with nieces and nephews (Euromonitor International, 2013). Multi-generational tourism is considered to be one of the fastest growing market segments and hottest trends in travel, with 15% of multi-generational travellers indicating an interest in visiting Africa in the next two years. This offers huge economic growth opportunities for South Africa, particularly since the country is predominantly malaria free and offers high quality medical facilities. The multi-generational traveller seeks to reconnect with the family and to create lifelong memories through holidays that are often organised around milestones and major events, such as birthdays, anniversaries, and family reunions. They are interested in scenery, wildlife, adventure (e.g. hiking, biking, watersports), history & culture, beach, and food, and like to

include an educational component however, authenticity is key. The multi-generational traveller seeks value for money and allows children to be more influential in the planning of these trips. The CWDM and its partners will continue to invest in family-friendly products in the district.

- **Accessible tourism.** Tourism products are designed with the sole purpose of being enjoyed by all tourists i.e. young, elderly and people with disabilities. Statistics from the United Nations Social and Economic Council (UNESCAP) indicate that the potential global market for Universal Accessible Tourism (UAT) is 650 million people with differing disabilities and 600 million elderly people. Many elderly people, families and people with disabilities are keen to travel, but wide variation in the level of access within destinations, combined with poor information and negative experiences, discourage potential customers. In South Africa, the potential market for Universal Accessible tourism represent around 30% of the population and a portion of the 30% has adequate disposable income to travel which represent an untapped segment of the market. The Cape Winelands and its partners will continue to explore ways in which to make the destination more accessible for tourists with special needs.

ACTION PLAN: CONTINUED FOCUS ON ROUTE DEVELOPMENT PROGRAMMES

The development of themed tourism routes is an important tourism tool in attracting visitors. Joining a number of tourism attractions into one themed route leads to a better offering for tourists whereas each individual attraction does not have the same potential to draw tourists.

DRIVER 14: INVEST IN TOURISM SKILLS AND TRAINING

In addition to the actual product offered to tourists, the influence of the local community has a significant impact on promoting tourism. The contribution of the host community has a significant impact on the overall visitor experience (NRTS, 2012). The local community has the potential to provide an authentic experience to tourists showcasing traditions and the heritage unique to the area.

Tourism and hospitality organisations in the area should deliver a high-quality service to visitors through appropriate training (knowledge and service) and understanding the concept of hospitality.

In order to deliver the best possible experience to visitors, it is essential that people across the value chain possess the required skills to deliver excellent service.

The capacity of all persons working in tourism should be developed in order to build a skills-base that enhances the tourist's experience at all levels in the value chain. It is essential that emerging businesses and newcomers in the industry are sufficiently and appropriately equipped to contribute to the brand and the overall visitor experience.
Community-wide initiatives to create awareness regarding tourism and the importance of hospitable behaviour are essential.

ACTION PLAN: PROMOTE SERVICE EXCELLENCE

- ***Enhance visitor experience and address skills gaps through training programmes aimed at specific- as well as general tourism skills.*** Utilise the CWDM database to identify community members that require assistance with training and product development. Skills training are essential for the development of tourism. Computer training, First Aid training, Introduction to wine, Customer care training, Events Management and Culinary training has all been identified as being beneficial for the tourism industry and will be offered by CWDM to enhance the skills level of the unemployed and the youth.
- Tourists are increasingly demanding online access and the capacity to engage through social media and high service standards is a part of their visitor experience. Many tourism businesses are lagging behind in terms of digital excellence. Continue to **support training and advice that encourages digital excellence** across the Tourism sector in the Cape Winelands.
- Developing training kits for small businesses in targeted marketing sectors, such as "Marketing 101" for microbreweries, heritage, arts and culture providers, NGOs in voluntourism, etc.

DRIVER 15: EFFECTIVE DESTINATION MARKETING

Marketing management is the process of identifying, anticipating and satisfying customer requirements profitably. The four P's of marketing, also known as the marketing mix concept, was developed to identify certain characteristics involved in marketing.
Product: What products or services do customers need or want? How does your product fit into their needs or wants? Why would consumers choose your product over the alternatives available?
Place: How does your product reach your customers? What is the best platform to reach potential clients and how should the product offering be communicated to them?
Promotion: How should the product be promoted? In other words, how will the tourist destination be branded and positioned in the market, and what would be the best message to convey the attractiveness of the destination.

Traditionally the fourth P refers to **price**, however, in the case of marketing a tourist destination, prices are determined by the individual (often privately owned) establishments in the region. Therefore, in the case of marketing a tourism destination, the third P should

represent the People as the people have a significant impact on the customer experience. The people aspect of tourism promotion is dealt with under Destination Management below.

ACTION PLAN: REFRESH THE CAPE WINELANDS BRAND

Market preferences are constantly changing and the Cape Winelands needs to remain ahead of the game. Communication efforts should be co-ordinated and coherent to promote the Cape Winelands District as a brand. This will entail agreement on a brand image and core message to be communicated by all stakeholders and across all platforms. When developing a brand for the tourist area, the unique features (USP) of the area and authentic characteristics should be key determinants. The NTSS (2017) acknowledges that a coherent approach improves conversation rates about the destination and more effectively promotes a destination. Smaller rural tourism enterprises can benefit from prime tourism attractions in the area through strategically expanding tourism experiences to include more than just the regular tourism hot-spots in an area.

Promoting the district as a tourism brand should be more effective than marketing each municipal area in isolation, as it would multiply the selling proposition and enhance spill over effects.

- ***Refresh brand image in collaboration with all stakeholders*** - A consistent marketing message will enhance brand recognition in the market. Combine the strengths and capabilities of the individual towns to build a distinctive brand that can be promoted to the mutual benefit of all towns and stakeholders in the area. All stakeholders should work together to plan, execute and assess the profile of the tourism package offered by the destination.

ACTION PLAN: MARKETING THE CAPE WINELANDS

Destination marketing is important because tourism regions, like any other business, needs a good marketing strategy that will enable it to build a brand, attract new tourists and hopefully encourage and maintain repeat visitors. Furthermore, destination marketing is important since competition in tourism is between destinations and not individual tourism products. It therefore important to invest in marketing of the destination utilising all partners as an extension of our marketing effort.

- **Marketing Campaign.** The last fully-fledge marketing campaign was done in 2006. A new marketing campaign needs to be created based on what makes the Cape Winelands different from other regions in South Africa and what makes it different from other wine and food regions in the world. Differentiation is an increasingly important element in tourism competitiveness.

- **Cluster existing experiences** in new combinations to create new appeal and demand. Coordinate pilots projects to determine workability of developing packages around themes and bring regional assets together as one experience e.g. agri-tourism; art and cultural tourism; etc.
- **Increase length of stay project.** Focus first on developing and selling new overnight experiences targeting the leisure traveller. Identify partners e.g. accommodation sector, and new markets to explore, in developing overnight packages
- **Address the seasonality of tourism to the region.** Counteract seasonality through specific campaigns and events offered during the off-peak seasons. Develop lesser-known destinations through special packages that are more affordable and aimed at the domestic market.
    - **Events Calendar.** Cape Winelands is a leading major events destination in South Africa. Building an iconic events calendar though targeted private and public investment is needed to remain a leading events destination. The Cape Winelands should continue to use events to encourage off peak visitation and geographical spread. The CWDM and LTAs should explore how to attract additional major events to the Cape Winelands District. The CWDM will continue to support and develop existing events with tourism stakeholders.
- **Increase business tourism.** Work with Local Tourism Associations to increase the number of conferences and events to improve business tourism.
- **Chinese Tourist.** Creating marketing tools specific for the Chinese market and thus exploring new ways in attracting the Chinese tourist to the Cape Winelands. Utilizing twinning agreement to market the Cape Winelands specifically in China. Designing specific marketing collateral with Chinese-friendly activities and food in their own language. Encourage LTAs to identify which wine estates most closely link to the Chinese palate.

➢ **Utilise different marketing tools.** Continue using traditional media to market the Cape Winelands but also look to newer marketing tools.

- **Continue with Tourism Media Educationals project.** Working in collaboration with Local Tourism Associations to market the region and its hidden gems. Concentrating not only on places and attractions but also specific themes.
- **Tourism Month project.** Expand Tourism Month to acknowledge the importance of tourism in the region. Encourage the involvement of emerging businesses in developing products with regional appeal and showcase them on the various platforms during the month of September.
-

ACTION PLAN: DIGITAL EXCELLENCE IN TOURISM MARKETING

In line with global trends, technology plays an increasingly important role in tourism. Technological advances have altered how travel services are procured and consumed (NTSS, 2017). Visitors are increasingly turning to the internet as a source of information and using travel blogs and travel advisory websites (NTSS, 2017). Tourists also communicate with other travellers on various online platforms. Due to the preferences of the current market, online marketing of the region is very important and should enjoy priority. Service delivery of local Visitor Information Centres are also important, especially in enhancing the experience of visitors already in the area. Visitor information Centres (Tourism offices) should be positioned as knowledgeable and informed centres, and be easy to find through clear signage and directions.

- **Digital Excellence in tourism marketing project.** Increase focus on digital marketing of the Cape Winelands district.
    - **Content** is key tool for success. We can establish a win-win relationship between Local Tourism Associations, tourism businesses and industry. Using your businesses as an extension of your marketing team will lead to greater content generation.
    - **Hashtags.** The hashtag in front of words and phrases that is now so much a part of social media is one of the key elements for engagement. This symbol enables interaction on social media channels. Hashtags should be use to give content a presence and identity by creating keywords preceded by a hashtag to boost conversations around cape winelands tourism products and services.
    - Driving exposure through **Influencer programmes** - Using online influencers as a way of marketing for hospitality and tourism agencies is becoming more and more popular. These influencers are bloggers, YouTube vloggers, Instagrammers, etc. These influencers market products/services directly to their followers who they have a direct connection.
    - Create amazing short **destination videos.** In the last few years the world has been moving toward videos. Videos are great because they convey a huge amount of information in a small amount of time just like a picture tell a thousand words.
    - Support and/or create a **web TV series,** hosted by a local celebrity, that is a video road show in which every episode pairs to one of the Cape Winelands tourism themes and leads the visitor to an undiscovered area/attraction/experience in the Cape Winelands.
    - Creating an **Instagram campaign** with side-by-side images of the tourism themes. Campaign should also be repurposed for Facebook. Showing the diverse tourism assets throughout the district.
    - **Mobile technology** – from numerous surveys conducted internationally, it is now generally known that the majority of millennials would rather text than make a call. From tourism trends we know that they travel more frequently than any other generation before them. It becomes therefore crucial that we need to make the

most of mobile tourism marketing. It is important to tell our marketing story where consumers want to see it the most and that is on mobile. Continued support and innovation for the **Tourism Town mobile Apps and the Cape Winelands Routes and Events App.**

DRIVER 16: PROMOTE INCLUSIVE TOURISM

Full participation of disadvantaged people in the tourism economy will provide meaningful opportunities for partnerships and collaboration, creating new economic development and growth.

Inclusive tourism seeks to integrate poor and marginalised communities in the tourism value chain through active entrepreneurial participation. Reducing poverty by developing value chain linkages between the tourism industry and local producers of goods and services in the district.

- ***Explore support measures to foster growth among emerging tourism enterprises.*** Negotiating with LTAs for waiving LTA membership fees for the first year, will allow emerging businesses to enter into the tourism industry and becoming sustainable, whilst receiving all the related benefits of being a member of a Local Tourism Association.

14 MONITORING AND EVALUATION

14.1 INTRODUCTION TO MONITORING AND EVALUATION

Monitoring and Evaluation (M&E) is a systematic process that evaluates the progress of projects by examining inputs, outputs and impacts of the project. It has increasingly become important that development practitioners monitor and evaluate projects in order "to learn from experience, to achieve better results and to be more accountable" (GSDRC Applied knowledge Services). A monitoring and evaluation tool is mainly implemented to review progress, identify problems in planning and to make adjustments to the current situation. A good monitoring and evaluation plan result in better decision making, since risks and challenges will be identified in the early stage of implementation.

14.2 THE LOCAL ECONOMIC DEVELOPMENT MANAGEMENT SYSTEM (EzyED.com)

The CWDM Local Economic Development Unit subscribes to the Local Economic Development Management System known as EzyED. EzyED.com is an innovative new digital platform for economic development. It is built on the internationally proven, robust and secure Concursive platform.

Local Economic Development (LED) entails systematic identification and utilisation of economic opportunities, to benefit local businesses and employment. Many of these opportunities become viable when different institutions start to cooperate. The role of the municipality as an intelligent and responsive enabler is critical. This type of institutional cooperation does not happen spontaneously - facilitation is required. By working closely with leading LED facilitators, an IT system was developed to make it much easier for facilitators to perform well. The system benefits LED leaders and stakeholders, by providing better insight.

This innovation is a world first and could change the way developing nations do local economic development. The developed nations have mastered economic development cooperation and economic development. The developing nations like South Africa however, are still struggling with many aspects. In this need context, LED Management System makes economic development easier to do, thus enabling more success in reducing poverty sustainably.

The Local Economic Development Unit will use thIS Local Economic Development tool (EzyED) as a monitoring and evaluation tool for the Regional Socio-Economic Development Strategy.

14.3 REASONS TO USE THE LED MANAGEMENT SYSTEM

Improving the impact from public investment. The need for the tool is to ensure sustained outcomes and growing impact and for more robust strategy and execution. Public investment affects the quality of life of citizens. How well the municipality manages public investment is key to achieving increased impact with limited funds.

No more management by hope. Public investment into development programmes is motivated and approved based on the promised outcomes and impact. If thereafter only outputs are verified, there cannot be certainty and confidence that the purchased benefits are actually accruing. A paradigm shift is therefore required- away from just monitoring outputs, to accountability for outcomes.

Good development practices and critical success factors for development programmes. Good practices are reliable ways to get good results. Success of development programmes depends largely on how well the critical factors are executed. Factors depends on and reinforce others. Tools need to support these factors better.

The EzyED digital platform includes features, such as:

- Efficient cross-institutional collaboration;
- Project management;
- Knowledge management tools including shared repositories;
- Event management and promotion, as well as integrated place event calendars;
- Investment promotion site (which your team edits);
- ED promotion site (which your team edits);
- Easy to add documents, photos, videos, blog, etc.;
- Built in know how to support BDS market development. Improved Business cases including Cost benefit analysis using multipliers - More efficient.;
- Local business directory - giving them all a free website with amazing tools such as project management included; and

All these features makes it easier for LED practitioners to interact and mobilise business.

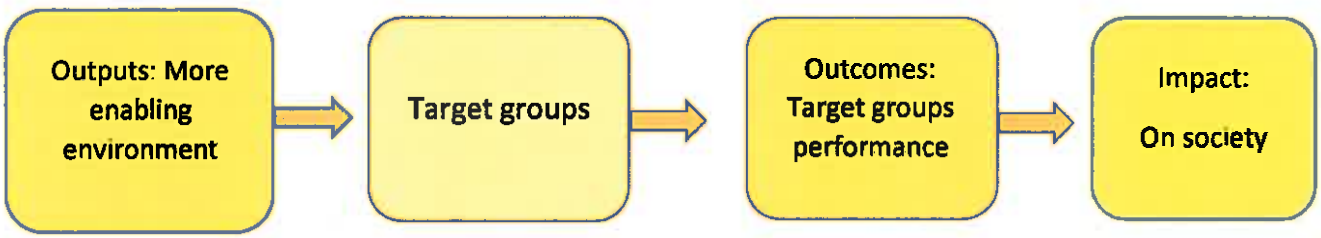
14.4 MAKING GOOD PRACTICE A HABIT

The system assists LED practitioners to become in the habit of building a business case for each project. This enable good economic development evaluation habits to be learned and practiced by using new tools and skills.

New tools and skills	Good practice becomes a habit	More effective public investment
1. Results management concepts and methods	1. Strategic information available and reliable	1. Better informed leaders including strategic information easily accessed
2. Information management, communication and collaboration systems	2. Teams and stakeholders are well connected and informed	2. Deeper insight into quality gaps of programmes
3. Strategic outcomes verification process	3. Regular progress reports keep all updated	3. Better (verification of) programme quality
4. Projected results, measure actual, learn and adapt faster	4 Easy, effective meetings, dialogue and joint decisions	4. Deeper insight in quality of portfolio quality gaps
5. Portfolio management and optimisation	5. Implementation of decisions tracked to completion	5. Better (verification of) portfolio quality

14.5 THE RESULTS CHAIN

The results chain extract depicts how providing modern tools and skills results in greater impact. Implementation success can be verified when evidence shows that each of the blocks is healthy.



14.6 CONCLUSION

Cooperation and integration from all implementation teams within and outside the CWDM is important for successful implementation of the socio-economic development programmes.

It is important to note that a modern tool to address coordination challenges is incorporated within the EzyED platform. Through the interactive digital platform all stakeholders in a project can interact and be kept informed of progress on the implementation of programmes or projects. It also allows senior management to monitor project implementation.

The success usage of these tools is dependent on making sure that the capacity challenges are address and that the implementing teams are capacitated to use the EazyED platform.

15 CONCLUSION

The Socio-Economic Development Strategy provides strategies that will help the District Municipality in collaboration with its partners and communities to build on our socio-economic development efforts. Stakeholders were engaged to identify challenges and areas where the Cape Winelands District Municipality could facilitate growth and development in business; address social problems and promote the sustainable use of natural resources. They identified several key issues for ongoing socio-economic development:

- Employment creation was the overall most pressing LED need followed by training and skills development and working together in industry.
- Stakeholders most frequently responded that the role of the private sector should be to implement training and improve the relationship between the private and public sector and create employment
- Stakeholders most frequently listed the improvement of roads and parking as an infrastructural need in the Winelands District.
- Stakeholders most frequently felt that marketing and developing new and innovative tourism products were the most important development need in the tourism sector in the Cape Winelands District.
- Stakeholders reported that marketing, followed by creating a clean and safe environment, would improve visitors' perception of the Cape Winelands area.
- Skills development and additional information centres in townships were most frequently cited as the greatest resource needs in the tourism sector in the Cape Winelands District
- Better public transport, followed by more guided tours/tourist guides, were most frequently listed as services/ products required to boost the tourism sector.
- Not surprisingly, stakeholders most frequently responded that marketing was the highest priority in order to increase visitor numbers.
- Stakeholders most frequently listed skills training, followed by investment, as tools to promote out-of-season tourism.

The actions laid out in the Cape Winelands Socio-Economic Development Strategy directly respond to most of these challenges and outline practical steps that the Cape Winelands District Municipality, in partnership with Local Municipalities, other government spheres, the business sector and communities, can take to ensure that the district continue to grow and thrive. It is only through collaboration and a shared commitment between all stakeholders, that the Cape Winelands Socio-Economic Development Strategy can be successfully

implemented. The Cape Winelands District Municipality therefore urges all our stakeholders, strategic partners and communities to work with us in ensuring that we implement the CW RSEDS.

The Cape Winelands Socio-Economic Development Strategy builds on the many programmes that have been put in place by other government spheres, business and civil society to reinvigorate Cape Winelands communities. It identifies new ways in which the District Municipality together with its partners and stakeholders can grow the economy and create new jobs. The strategy will continue to evolve over time so that the District Municipality and its partners can seize new opportunities and respond to emerging challenges.

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CAPE WINELANDS DISTRICT
MUNICIPALITY • MUNISIPALITEIT • UMASIPALA

CORPORATE DISASTER MANAGEMENT

PLAN

Version 4: 29 January 2019

DOCUMENT VERSION CONTROL

This Document:	Current Revision	Current Date:
Disaster Management	Rev 1	April 2008
Disaster Management	Rev 2	December 2016
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Disaster Management	Rev 4	January 2019

DOCUMENT REVIEW AND ACCEPTANCE

Approved By:
Head: Disaster Management Centre
DATE

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LIST OF ACRONYMS

CBO	Community Based Organisation
DMC	Disaster Management Centre
DCT	Disaster Co-ordination Team
FBO	Faith Based Organisation
IDDMC	Interdepartmental Disaster Management Committee
IDP	Integrated Development Plan
No.	Number

1. INTRODUCTION

This plan serves to confirm the organisational and institutional arrangements within the area of the Cape Winelands District Municipality to effectively promote disaster prevention, mitigation, risk reduction and to lessen the impact of those hazards that cannot be avoided.

Disaster Management is a continuous and integrated multi-sectoral and multi-disciplinary process of planning and implementation of measures aimed at disaster prevention, -mitigation, -preparedness, -response, -recovery and –rehabilitation (Section 1, Disaster Management Act, No. 57 of 2002).

The preventative elements of this plan must be implemented and maintained on a continuous basis. The emergency or reactive elements of this plan will be implemented in the district whenever a significant event or disaster occurs or is threatening to occur in its area of jurisdiction.

The responsibility for the implementation of the plan is that of the Municipal Manager in co-operation with all internal functionaries.

The Disaster Management Act, No. 57 of 2002 (Section 53) requires, amongst others, of the Municipality to take the following actions:

(a) prepare a disaster management plan for its area, which includes departmental plans, according to the circumstances prevailing in its area;
(b) the regular review and update of the plan taking into consideration new developments or circumstances that may arise.

The plan and the supportive plans that form part thereof should comply with the following principles and will address the following issues:

1. form an integral part of the Integrated Development Plan as prescribed by the Municipal Systems Act, No. 32 of 2000 (Section 26 (g));
2. anticipate the likely types of disasters that might occur in the district and their possible effects;
3. provide for appropriate prevention and mitigation strategies;
4. identify and address weaknesses in capacity to deal with possible disasters;
5. facilitate maximum emergency preparedness;
6. establishment of an emergency management organization that will be utilized to mitigate any significant emergency or disaster affecting the district; and
7. contain contingency plans and emergency procedures in the event of a disaster, providing for the allocation of responsibilities to the various role players and co-ordination in the carrying out of those responsibilities.

The District Municipality must submit a copy of its disaster management plan, including the above-mentioned requirements, and of any amendment to the plan, to the National Disaster Management Centre and the Western Cape Provincial Disaster Management Centre.

2. DEFINITIONS AND PURPOSE

2.1 DISASTER MANAGEMENT DEFINITIONS

For the sake of clarity, the following disaster management definitions are listed:

"**the Act**" means the Disaster Management Act, No. 57 of 2002,

"**disaster**" means a progressive or sudden, widespread or localized, natural or human-caused occurrence which –

(a) causes or threatens to cause-
  (i) death, injury or disease,
  (ii) damage to property, infrastructure or the environment; or
  (iii) disruption of the life of a community; and

(b) is of such a magnitude that it exceeds the ability of those affected by the disaster using only their own resources (Sec. 1 Disaster Management Act, No. 57 of 2002).

The Council of the District Municipality must declare a disaster in terms of Section 55 of the Disaster Management Act, No. 57 of 2002.

"**disaster management**" means a continuous and integrated multi-sectoral, multidisciplinary process of planning and implementing of measures aimed at-

(a) preventing or reducing the risk of disasters;
(b) mitigating the severity of or consequences of disasters;
(c) emergency preparedness;
(d) rapid and effective response to disasters; and
(e) post-disaster recovery and rehabilitation (Sec. 1 Disaster Management Act, No. 57 of 2002)

2.2 PURPOSE OF THE CORPORATE DISASTER MANGEMENT PLAN

The purpose of this plan is to determine general principles to direct the provision of essential services during an emergency or anticipated emergency. Furthermore, the procedures and the coordination of responses are outlined. The obligations, duties and responsibilities of all departments and agencies will be defined. This plan addresses the planned response to extraordinary emergencies associated with natural disasters, technological incidents and national security emergencies in or affecting the district.

3. CAPE WINELANDS DISTRICT MUNICIPALITY DISASTER MANAGEMENT POLICY FRAMEWORK (SECTION 42)

The District Municipality envisages the establishment of an internal Interdepartmental Disaster Management Committee in order to align disaster management activities with the National-, Provincial- and District Disaster Management Policy Frameworks.

The Disaster Management Centre as envisaged in the Disaster Management Act, No. 57 of 2002, will be the custodian of the corporate or district-wide Disaster Management Plan. Individual district departments/sections will be responsible for the compilation and maintenance of their own departmental disaster management plans and for submitting such plans to the District Disaster Management Centre. The processes involved in Disaster Management can best be explained through the following Disaster Management Continuum:

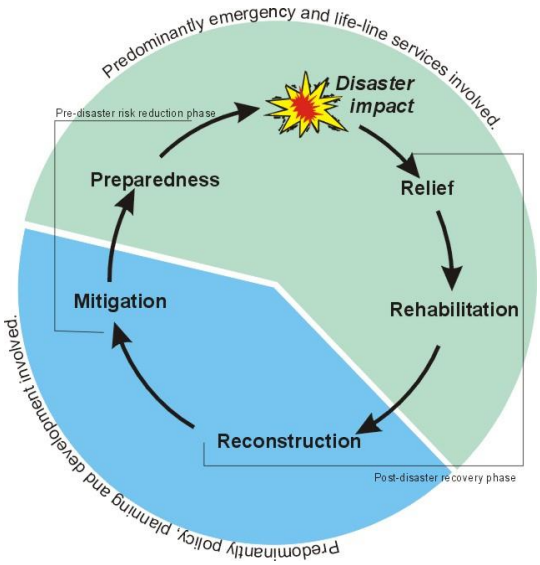

Figure 1: Disaster Management Continuum

Figure 1 illustrates the continuum – it should be noted that Disaster Management is not only reactive, but also involves actions aimed at preventing disasters, or mitigating the impact of disasters. Departmental plans should be compiled with due consideration of the needs of other departments during disasters. The needs identified by the various departments in the corporate disaster management planning framework will indicate where line functions of other departments must contribute. **These contributions will then be included in line function- and departmental disaster management plans**.

Departmental disaster management plans should cover the whole disaster management continuum, and must address actions before, during and after disasters. Disaster management plans are compiled on the basis of a generic plan including standard operating procedures. It should be complemented with risk-specific plans that address disaster management for special circumstances.

4. RISK PROFILE

Risk and vulnerabilities will determine the priorities for Disaster Management programs and projects. The amount of possible benefit to be derived from a project in terms of lives protected, livelihoods secured and property or natural resources defended, will be the criteria that determine priorities.

Two risk assessments have been completed in the District, namely, 2005 Hazard Identification, Vulnerability Assessment and Risk Prioritisation conducted by Africon and a 2008 Community Based Risk Assessment conducted by Cape Peninsula University of Technology. The table below indicates the risks identified during these two risk assessments:

2005: Hazard Identification, Vulnerability Assessment and Risk Prioritisation	2008: Community Based Risk Assessment
• Floods • Rail derailment • Fires • Severe storms • Dam failures • Aircraft accidents • Bus accidents	• Spread of disease, • Blocked drains • Non-removal of solid waste • Uncontrolled fires • Environmental pollution • Grey/waste water • Problems with toilet facilities • Lack of facility maintenance

Table 1: Hazards identified in the Cape Winelands District Municipality

Communities in informal settlements are the most vulnerable to many of these physical risks, but proximity to certain installations or hazards also exposes other communities to risks. In terms of capacity to address and therefore reduce risks, there currently is a strong emphasis on preparedness and response planning. This means that capacity in terms of mitigation and prevention should be strengthened.

The following have been identified as critical Disaster Management issues and should receive priority attention in the IDP;

a) Integrating risk management programs within the **IDP**;
b) To develop and maintain risk specific safety infrastructure and plans for high risk installations, infrastructure, industries etc.;
c) To establish disaster prevention programmes that focus on the most vulnerable areas and communities, with special emphasis on women and children, disabled persons and the elderly, and aim to support sustainable livelihoods;
d) To refine disaster loss tracking and assessment and establish a culture of ongoing scientific risk analysis; and
e) To establish pro-active measures, including media liaison and rapid response to media inquiries.

Risk reduction should be a priority during all activities performed by the various departments in the municipality. This will include line function risk assessment, assessing internal capacity to deal with identified risks and the formulation of risk reduction plans.

5. MANAGEMENT STRUCTURE

The principle to function within the established structure of the Cape Winelands hierarchy must be maintained as far as possible.

The management will plan and implement measures to deal with the changed circumstances during significant events or disasters in order to maintain and ensure continuation of existing services. The planning, prevention and response management structure for the Cape Winelands District Municipality is as follows:

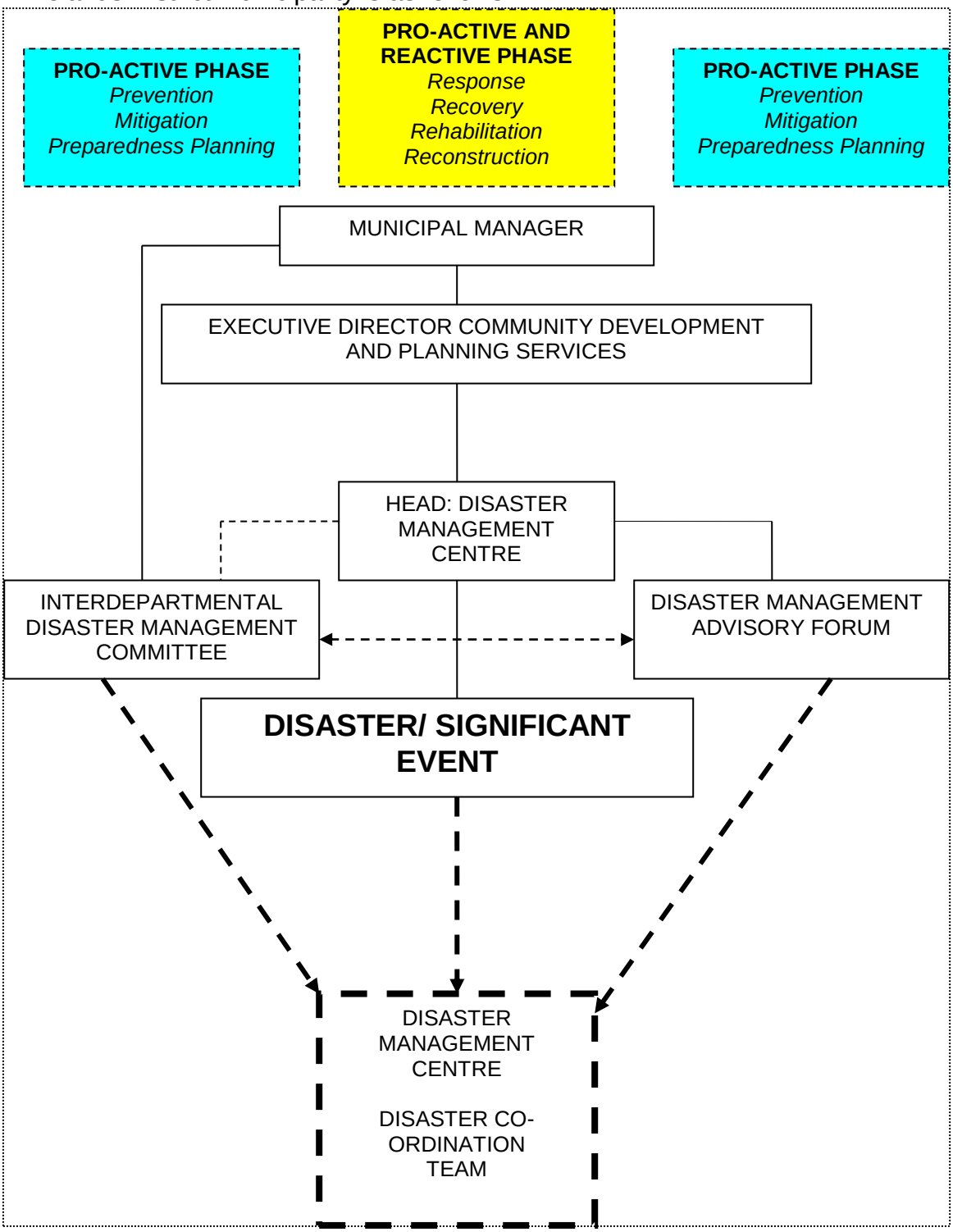

Figure 2: Cape Winelands District Municipality's Management Structure

5.1 INTERDEPARTMENTAL DISASTER MANAGEMENT COMMITTEE (IDDMC)

The IDDMC is made up of the Executive Management Team along with the Head: Disaster Management Centre and relevant Directors and Deputy Directors.

The Interdepartmental Disaster Management Committee has, amongst others, the following functions:

a) **Pro-active activities** which include, but is not limited to the following:
   - Convene quarterly meetings;
   - Update corporate plan regularly;
   - Consider conditions, trends, current and future developments in the area internally and externally;
   - Identify and consider new hazards in the area; and
   - Assign teams to investigate possible risk and related issues.

b) **Reactive activities**: refer to duties of the Disaster Co-ordination Team (see 5.5 below)

5.2 DISTRICT DISASTER MANAGEMENT ADVISORY FORUM

A disaster management advisory forum, in terms of Section 51 of the Act, is a consultative body in which a municipality and relevant disaster management role-players within the municipal area consult with one another and co-ordinate their actions on matters relating to disaster management in the municipality

In the event of a disaster, the nature of the event will determine which representatives of the Advisory Forum or other experts will be co-opted to participate in the management thereof. Under normal circumstances the Forum meets once per semester.

The District Municipality's Disaster Management Advisory Forum will in terms of Section 51 of the Act, consist of the following:

a) INTERNAL TO THE DISTRICT MUNICIPALITY:

Municipal Manager
Executive Director: Financial and Strategic Support Services
Executive Director: Technical Services
Executive Director: Community Development and Planning Services
Head: Disaster Management Centre
Director: IDP, Performance and Risk Management
Chief Fire Officer
Any other departmental representatives as nominated by the Municipal Manager

b) EXTERNAL BODIES:

Municipal Managers and/or Disaster Management Functionaries of the five local municipalities in the district;
Representatives from all national and provincial departments functioning in the district such as, but not limited to, the following:

Provincial Government: Western Cape Disaster Management Centre
SA Police Services, Western Cape Province
SA National Defence Force, Western Cape
Western Cape Emergency Medical Services
Department of Social Development
Department of Education
Department of Environmental Affairs and Development Planning
Department of Correctional Services
Department of Water and Sanitation
Department of Transport and Public Works
Department of Community Safety (Provincial Traffic Department)
Department of Health
Department of Agriculture
Department of Home Affairs
Cape Nature
External Organisations (NGO's, CBO's and FBO's)

Other representatives or disaster management experts may be co-opted to participate in the normal proceedings of the Advisory Forum as the need arises.

The Disaster Management Division will be responsible for rendering secretarial services during functional activities of the respective established disaster management structures.

5.3 LINES OF COMMUNICATION AND INTERGOVERNMENTAL RELATIONS

In terms of Section 43 (2) of the Disaster Management Act, No. 57 of 2002, the CWDM must establish a Disaster Management Centre for its municipal area. The relationship between the different spheres of government and the lines of communication between these spheres are illustrated below.

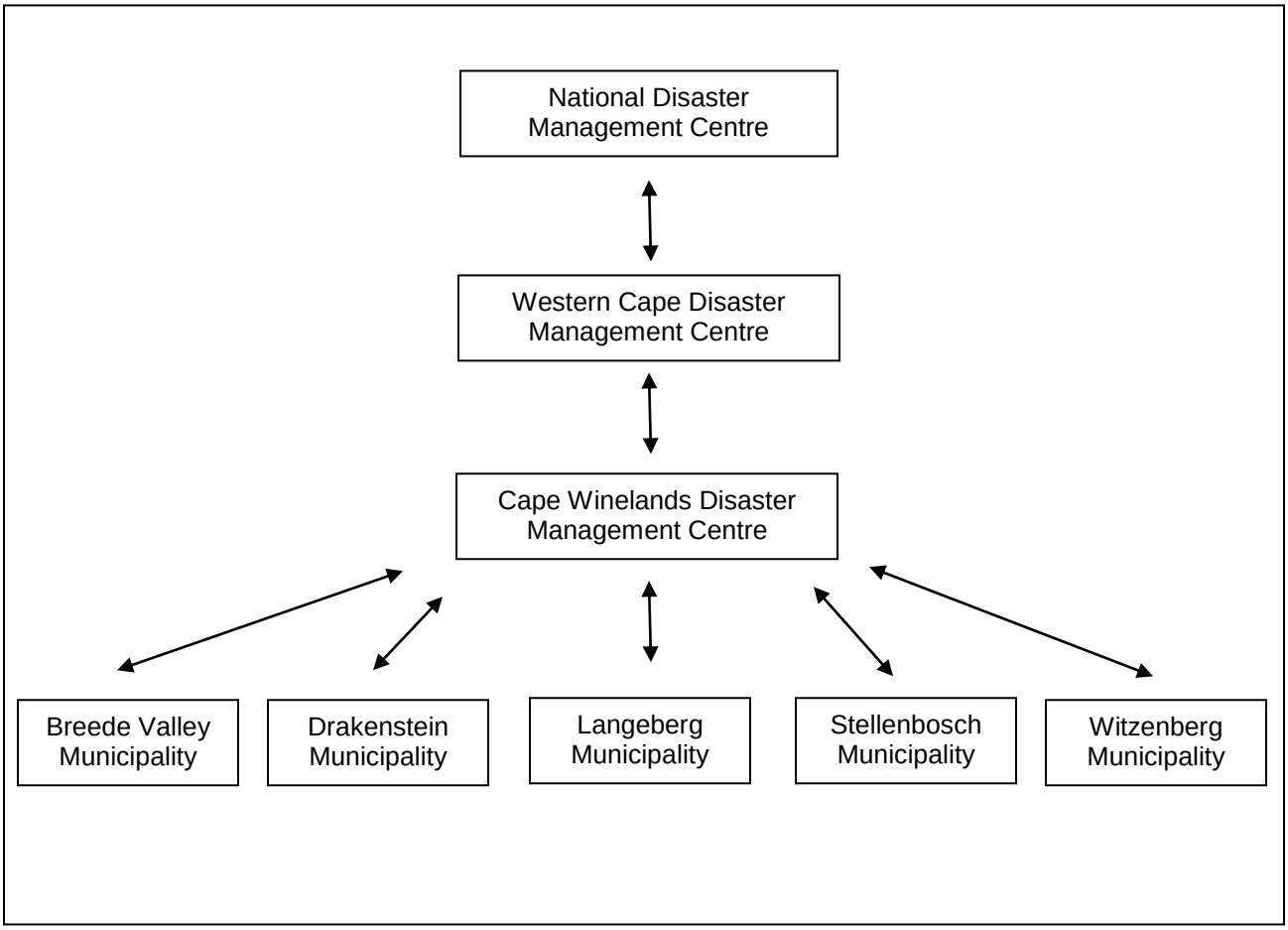

Figure 3: Lines of Communication

5.4 DISASTER MANAGEMENT CENTRE (DMC*)*

In terms of Section 44 of the Act, amongst others, the Disaster Management Centre (DMC) must also specialize in issues concerning disasters and disaster management within the District Municipality. In this regard it must promote an integrated and co-ordinated approach to the function with special emphasis on prevention and mitigation.

The Disaster Management Centre was established at the Worcester Emergency Medical Services Centre, Murray Street, Worcester on 6 June 2014.

5.4.1 FUNCTIONS AND POWERS

The Cape Winelands District Municipality's Disaster Management Centre will, amongst others, act as a repository and conduit for information concerning disasters, impending disasters and disaster management in the municipal area.

It will also promote the recruitment, training and utilisation of volunteers to participate in disaster management in the municipal area.

The Disaster Management Centre will perform its functions –
(a) within the national, provincial and district disaster management frameworks;
(b) subject to the District IDP and other directions of the Council; and
(c) in accordance with the administrative instructions of the Municipal Manager.

The Disaster Management Centre will liaise with and co-ordinate its activities with those of the National Disaster Management Centre and the Western Cape Disaster Management Centre.

Irrespective of whether a local state of disaster has been declared or not, the Municipal Council is primarily responsible for the co-ordination and management of local disasters that occur in its area.

5.5 DISASTER CO-ORDINATION TEAM (DCT)

The Disaster Co-ordination Team consists of the following:

Municipal Manager
Executive Director: Community Development and Planning Services
Head: Disaster Management Centre
Executive Director: Financial and Strategic Support Services
Executive Director: Technical Services
Deputy Director: Communication Services
Relevant Directors, Deputy Directors and Managers per department
Relevant Disaster Management Advisory Forum Members

The team will be responsible to assess, evaluate and co-ordinate all actions in all the phases of a significant occurrence or incident. Each line function will be responsible for the implementation of its own departmental disaster plan but, they will ensure co-ordination and support between departments and external bodies. The Disaster Co-ordination Team may appoint a risk mitigation project team to address specific pre- or post-disaster risk elimination or reduction projects.

The Disaster Co-ordination Team, under the direction of the Municipal Manager/ Executive Director must, when activated, and during any response and relief operations perform the following functions in terms of and in addition to Section 49 of the Act, which will include:

a) Maintaining records of communications, decisions, actions and expenditures;
b) Determining of emergency area(s) and sites;
c) Decide on emergency measures and priorities;
d) Co-ordinate incident or disaster assessments (combine);

e) Requesting emergency assistance of any kind;
f) Closing public buildings when necessary;
g) Depending on circumstances, issue public warning orders and instructions;
h) Protecting the health and safety of emergency responders;
i) Ensuring that an acceptable level of service is rendered for the district outside emergency area(s);
j) Preparing lists of fatalities, casualties and missing persons;
k) Preparing lists of destroyed and/or damaged properties;
l) Co-ordinate response with provincial ministries through the Provincial Government: Western Cape Disaster Management Centre;
m) Co-ordinate response with non-governmental disaster relief organisations, neighbourhood- and community based organizations;
n) Provide and co-ordinate critical emergency information to the media for dissemination to the affected population(s) and the general public at the prerogative of the Executive Mayor or Municipal Manager who have delegated authority;
o) Co-ordinate information for public release with emergency partners' communications staff;
p) Respond to enquiries from the media or public in accordance with official policy;
q) Identify target audiences for post-emergency communications; and
r) Identify persons/organizations to contribute to post-emergency reports/debriefings.

5.6 ROLES AND RESPONSIBILITIES

5.6.1 EXECUTIVE MAYOR

In the event of a local disaster the Executive Mayor, in consultation with his/her Executive Mayoral Committee, may by notice in the Provincial Gazette declare a local state of disaster if existing legislation and contingency arrangements do not adequately provide for the municipality to deal effectively with the event or special circumstances warrant the declaration of a local state of disaster (Section 55 of the Act).

Responsibilities of the Executive Mayor in a disaster situation:

1. Authorize unforeseen and unavoidable expenditure in terms of section 29 and 32 of the Municipal Finance Management Act, No. 56 of 2003 in consultation with the Municipal Manager;
2. In terms of section 55 (2) the Executive Mayor and his/her Council may make by-laws to the extent that it is necessary to assist and protect the public as well as to combat and/or deal with the effects of the disaster;
3. The Executive Mayor and his/her Council may terminate or extend a declared disaster by notice in the Provincial Gazette before the term of the declared disaster lapses (after three months);
4. Notify next of kin in the event when a community member is injured, missing or killed;
5. Initiate the establishment of a disaster relief fund in terms of Section 12 read with Section 7 of the Municipal Finance Management Act, No. 56 of 2003;
6. Release media statements; and

7. Report on the emergency impact and response to the Council or its committees responsible for the emergency area(s), as well as to the mayors of local- and district municipalities and councillors of the area.

5.6.2 MUNICIPAL MANAGER

During disasters, the Municipal Manager or his designate will be responsible to report, liaise and consult with the Executive Mayor and Mayoral Committee and external Provincial and National Government Departments. He/she will, furthermore be responsible to:

Proactive Phase:

1. Constitute the IDDMC;
2. Convene quarterly IDDMC meetings; and
3. Co-opt specialized role-players to the IDDMC and DCT.

Reactive Phase:

1. When notified of a disaster or significant event by the Head: Disaster Management Centre, the Municipal Manager will activate and chair the Disaster Co-ordination Team;
2. Report on the emergency impact and response to the Executive Mayor;
3. Notify next of kin in the event when a municipal employee is injured, missing or killed;
4. Identify staff/persons/organizations to receive recognition for contributions to emergency response;
5. Forward media statements to the Executive Mayor for release;
6. When notified of a disaster or significant event by the Executive Director or delegate, the Municipal Manager will, activate the disaster response plan;
7. The Municipal Manager must ensure that all departmental disaster management plans are included in the Integrated Development Plan of the Council; and
8. He/she must also ensure that the employment and performance contracts of all newly appointed Section 57 employees should include disaster management responsibilities.

5.6.3 HEAD: DISASTER MANAGEMENT CENTRE

The Head: Disaster Management Centre is responsible for the strategy and management of the Disaster Management Centre, focussing especially on the planning and functioning throughout all the phases of the Disaster Management continuum. The Head: Disaster Management Centre is also responsible for the compilation and maintenance of the District's Corporate Disaster Management Planning Framework. The Head: Disaster Management Centre is responsible for consultation with the Executive Director: Community Development and Planning Services who is primarily responsible for disaster management.

The Head: Disaster Management Centre is also responsible for the performance by the Centre of its disaster management functions (Section 44 of the Act) and to co-ordinate the implementation of the District's Corporate Disaster Management Planning Framework and:

Proactive Phase:

1. Establish and maintaining of the District's Disaster Management Centre
2. Establish a District Disaster Management Advisory Forum
3. Initiate and facilitate efforts to make funds available for disaster management in the municipal area;
4. Assist municipal departments and municipal organs of state other than municipalities with the compilation of their disaster management plans;
5. Obtain and record departmental disaster management plans;
6. Co-ordinate the updating, maintenance and evaluation of departmental plans;
7. To make provision in own departmental budget for significant events which requires immediate response and relief actions;
8. The Head: Disaster Management Centre must ensure that the contents of this corporate planning framework are communicated to staff members at all levels within the department;
9. Report on issues regarding the Corporate Disaster Management Plan within the Annual Disaster Management Report which is to be submitted to the Provincial- and National disaster management centres as well as all municipal councils within the district;
10. Recommend to the Municipal Manager or relevant Executive Director to enter into service delivery agreements with individuals, CBO'S and NGO'S with relation to relief actions during disasters and significant events.

Reactive Phase:

1. In case of a disaster or significant event, the Head: Disaster Management Centre shall notify the Municipal Manager and Executive Director: Community Development and Planning Services and will request the Municipal Manager to activate the disaster response plan;
2. When deemed necessary, make recommendations to the Municipal Manager for the declaration of a disaster by the Council of the District Municipality as defined in the Act;
3. To initiate steps to deal with a significant event, which requires multi-disciplinary and multi-sectoral actions;
4. Liaise with municipal, provincial and national officials within the district;
5. Recommend to the Municipal Manager to request for provincial and/or national assistance;
6. Provide situational reports to all internal and external role-players on a regular basis;
7. Co-ordinate disaster response and relief by individuals, CBO'S and NGO'S;
8. Recommend to the Municipal Manager to request voluntary donations during a disaster or significant event;
9. Make arrangements for the request of donations;
10. Identification of available resources to be utilised for disaster risk management purposes;
11. Authorize areas to be evacuated or re-entered;
12. Identify and recommend persons/organizations to receive recognition for contributions to the emergency response;

13. Initiate steps for the establishment and maintenance of the required telecommunications links; and
14. Recommend to the Municipal Manager that Executive Directors should release departmental resources including personnel, equipment or vehicles for utilisation during disasters and significant events.

The Head of the Disaster Management Centre shall be responsible for the distribution of the updated disaster management plan in terms of Section 43 of the Act.

The Head of the Disaster Management Centre will make recommendations to the Municipal Manager who will officially activate and announce the duration and termination of the disaster or significant event to all relevant parties. Special or extraordinary delegations will apply during such periods.

In the recovery and rehabilitation phase, a project team under a line function can be convened to take responsibility for further activities that address the causal factors of the disaster/incident. This team will receive a brief from and report to the Disaster Management Advisory Forum as well as senior management.

5.6.4 EXECUTIVE DIRECTOR: COMMUNITY DEVELOPMENT AND PLANNING SERVICES

In terms of Section 52 of the Act compile a departmental disaster management plan in relation to the identified hazards and risk assessments applicable to the functional activities of the department. Such plans are to be submitted to the Disaster Management Centre.

The Executive Director should ensure that his/her department/divisions pay particular attention to preventative, mitigating, response and recovery activities by the compilation of relevant contingency plans. The implementation of the plan will include the following:

1. To make provision in own departmental budget for significant events which requires immediate response and relief actions, including impact assessments;
2. Plan and ensure that risk reduction and disaster prevention/mitigation principles are adhered to in the recovery and redevelopment phases;
3. Ensure that risk reduction and mitigation principles are applied in all developmental projects;
4. The contents of this corporate planning framework must be communicated to staff members at all levels within the department; and
5. Execute all other, tasks, duties or functions assigned by the Municipal Manager
6. The department should assign dedicated officials with extended delegated authority for the duration of the disaster or significant event to approve the acquisition of goods and services needed;
7. Upon request of the Municipal Manager, release resources including personnel, equipment or vehicles for utilisation during disasters and significant events. Personnel shall be deemed to be on official duty; and
8. Execute all other, tasks, duties or functions assigned by the Municipal Manager.

5.6.5 EXECUTIVE DIRECTOR: FINANCIAL AND STRATEGIC SUPPORT SERVICES

In terms of Section 52 of the Act compile a departmental disaster management plan in relation to the identified hazards and risk assessments applicable to the functional activities of the department. Such plans to be submitted to the Disaster Management Centre.

The Executive Director should ensure that his/her department/divisions pay particular attention to preventative, mitigating, response and recovery activities by the compilation of relevant contingency plans. The implementation of the plan will include the following:

1. Compilation of re-active departmental procedures to ensure service continuation
2. Plan for the continuation of operational activities during a disaster e.g. reserve personnel and resources;
3. Draft and get the approval for an emergency procurement policy
4. Facilitation emergency procurement
5. Initiating and facilitating efforts to make funds available for proactive and re-active disaster management within the municipal area
6. Management and administration of a disaster relief fund, if established;
7. Make arrangements for the receipt and administration of donations;
8. The department should assign dedicated officials with extended delegated authority for the duration of the disaster or significant event to approve the acquisition of goods and services to be used to redress the impact of the event;
9. Upon request of the Municipal Manager, release resources including personnel, equipment or vehicles for utilisation during disasters and significant events; Personnel shall be deemed to be on official duty during such redeployment;
10. Responsible for the legal process to promulgate a declared disaster in the Provincial Gazette;
11. Monitoring compliance with relevant legislation and regulations during abnormal circumstances;
12. Ensuring that Council's administrative support services, including human resources management, are maintained under abnormal circumstances;
13. Providing disaster related information to municipal employees and their families;
14. Documenting and safeguarding of information for potential municipal insurance claims and legal actions;
15. Documenting information for remuneration of municipal employees during disasters or significant events;
16. Documenting information for potential municipal labour relations issues;
17. The contents of this corporate planning framework must be communicated to staff members at all levels within the department; and
18. Execute all other, tasks, duties or functions assigned by the Municipal Manager.

5.6.6 EXECUTIVE DIRECTOR: TECHNICAL SERVICES

In terms of Section 52 of the Act compile a departmental disaster management plan in relation to the identified hazards and risk assessment applicable to the functional activities of the department. Such plans to be submitted to the Disaster Management Centre.

The Executive Director should ensure that his/her department/divisions pay particular attention to preventative, mitigating, response and recovery activities by the compilation of relevant contingency plans. The implementation of the plan will include the following:

1. Compilation of pro-active departmental disaster management programmes to support risk reduction or elimination;
2. Providing technical advice in preventing or reducing the effects of flooding;
3. Confining and containing flood water where possible;
4. Removal of debris from transportation routes and other sites as required;
5. Rendering of emergency repairs to damaged road infrastructure;
6. Identifying and prioritising of essential services that may require restoration as a result of an emergency or a disaster;
7. Establishment and maintenance of the required telecommunications links;
8. To make provision in own departmental budget for significant events which requires immediate response and relief actions;
9. Plan for the continuation of operational activities during a disaster e.g. reserve personnel and resources;
10. Documenting potential occupational health and safety issues;
11. Protect the health and safety of emergency responders;
12. Upon request of the Municipal Manager, release resources including personnel, equipment or vehicles for utilisation during disasters and significant events;
13. The contents of this corporate plan must be communicated to staff members at all levels within the department;
14. Execute all other tasks, duties or functions assigned by the Municipal Manager.

5.6.7 CHIEF FIRE OFFICER

The Chief Fire Officer must ensure that a Disaster Management Plan is compiled and maintained for the Fire Service with specific reference to:

1. Compilation of pro-active departmental Disaster Management programmes to support disaster risk reduction and preparedness;
2. Compilation of disaster management plan to ensure service continuation during disaster situations;
3. Supplying resources for Disaster Management purposes as requested by the Disaster Co-ordination Team.

5.6.8 DEPUTY DIRECTORS: MUNICIPAL HEALTH SERVICES

The Deputy Directors: Municipal Health Services must ensure that a Disaster Management Plan is compiled and maintained for the Municipal Health Services with specific reference to:

1. Compilation of pro-active departmental Disaster Management programmes to support disaster risk reduction and preparedness;
2. Initiate steps to eliminate risks presented by communicable diseases;
3. Isolate person(s) in order to decrease or eliminate risks presented by a communicable disease;
4. Identify persons/organizations to contribute to post-emergency reports/debriefings;
5. Monitor large groups of people for contamination and/or health effects;
6. Co-ordinate the immunization of large groups of people;
7. Drafting of a guideline for the receipt of donations of food during incidents;
8. Monitoring of the quality of food received during incidents;
9. Seize and dispose of food that poses a health hazard;
10. Monitor the environment (air, water, and ecosystem) for contamination.

5.6.9 DEPUTY DIRECTOR: COMMUNICATIONS SERVICES

The Deputy Director: Communication must ensure that a Disaster Management Plan is compiled and maintained for the Communications Directorate with specific reference to:

1. Compilation and distribution of necessary media alerts and releases;
2. Updating of social media in general and as a community engagement tool during times of crisis;
3. Communication of approved and relevant public safety messages;
4. Designing of risk-reducing public education and awareness materials;
5. Liaising with media representatives;
6. Arranging of media briefings;
7. On instruction of the Municipal Manager, release media statements or general information on significant events and/or disasters in terms of Section 44 (1)(c);

6. DEPARTMENTAL DISASTER MANAGEMENT PLANS (ANNEXURE A)

Typical aspects addressed in a disaster management plans are the following:

1. Planning Framework/Introduction
2. Risk and Vulnerability Assessment leading to a needs analysis
3. Evaluation and description of Infrastructure / Organisation available
4. Prevention through risk elimination.
5. Mitigation through risk reduction
6. Preparedness planning for risks that cannot be eliminated
7. Lines of communication (Protocols) and liaison
8. Awareness and Education
9. Evaluation and Maintenance

7. DEPARTMENTAL IMPLEMENTATION PLANS (ANNEXURE B)

The departmental implementation plan addresses how departments will implement their responsibilities in terms of the municipal disaster management plan.

8. SIGNIFICANT EVENTS AND DISASTER DECLARATIONS

Based on the information available, the Head of the Disaster Management Centre will inform the Municipal Manager, who shall inform and recommend to Council whether or not the circumstances warrant a disaster declaration in terms of Section 55 of the Act.

Significant event declaration

Guided by assessment reports from disaster management role-players within the District, the Head: Disaster Management Centre may initiate steps to counter the effects and impact of a significant event in accordance with existing contingency plans and notify the Municipal Manager and/or the Mayoral Committee of the Council accordingly. (Sections 44 and 54 of the Act)

Disaster Declaration

In the event of a local disaster the Council may by notice in the Provincial Gazette declare a local state of disaster if existing legislation and contingency arrangements do not adequately provide for the municipality to deal effectively with the event or special circumstances warrant the declaration of a local state of disaster (Section 55 of the Act). The stipulations of Sections 23(2) and 49 regarding the recording and classification of disasters should be adhered to.

The Municipal Manager may request assistance and resources from another level of government and that request shall not be deemed to be a request for implementation of the emergency plans of that jurisdiction.

9. POST DISASTER RECOVERY AND REHABILITATION OPERATIONS

Post-disaster recovery and rehabilitation operations will be dealt with in terms of the activities of the IDDMC and Disaster Management Advisory Forum members.

10. REVIEW AND UPDATE OF THE CORPORATE DISASTER MANAGEMENT

The Cape Winelands Disaster Management Centre will regularly review and update the Corporate Disaster Management Plan as required by Section 53 of the Disaster Management Act, 57 of 2002

11. REFERENCES

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ANNEXURE A: DEPARTMENTAL DISASTER MANAGEMENT PLAN

CAPE WINELANDS DISTRICT MUNICIPALITY
DISASTER MANAGEMENT PLANNING TEMPLATE FOR MUNICIPAL DEPARTMENTS

(INSERT NAME OF DEPARTMENT)

DIRECTORATES/ DIVISIONS	PRIMARY MUNICIPAL FUNCTIONS	INSTITUTIONAL CAPACITY	HAZARD ANALYSIS	DISASTER RISK ASSESSMENT	DISASTER RISK REDUCTION MEASURES (PREVENTION & MITIGATION)	DISASTER RESPONSE AND RECOVERY
Name	Describe each directorate, division and section's core municipal functions in detail with reference to clients, area of jurisdiction etc.	Describe personnel structure, legal framework for function. Identify capabilities and shortfalls.	1. Identify possible hazards, i.e natural, technological etc. 2. Profile hazards by means of risk assessment 3. Determine risk to communities, structures etc. 4. Determine vulnerability in relation to communities, infrastructure, environment 5. Determine consequences, loss of life, injury, economic etc.	Determine the following: • Frequency of occurrence • Magnitude & potential intensity • Likely locations • Duration • Seasonal pattern • Speed of onset • Early warning	Identify operational aspects for example programmes and projects in terms of IDP and other needs to address risk factors. Examples: job creation to reduce vulnerability, strengthening of physical structures, compliance to building regulations, awareness programmes etc.	Describe the measures planned by all disciplines to respond to disastrous events. Elaborate on recovery and redevelopment measures in the post disaster scenario within the constraints of budget etc.

ANNEXURE B: DEPARTMENTAL IMPLEMENTATION PLAN

CAPE WINELANDS DISTRICT MUNICIPALITY
DEPARTMENTAL IMPLEMENTATION PLAN

(NAME OF DEPARTMENT)

Responsibilities in terms of the Municipal Disaster Management Plan	Implementation Plan	Person and number of person responsible for implementation (including after hours in the case of an incident)