5TH GENERATION

INTEGRATED DEVELOPMENT PLAN (IDP)

OF THE

KAROO HOOGLAND MUNICIPALITY

2022/2027

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VISION

Our vision is to be an economic node in the Northern Cape earmarked by community service delivery.

MISSION

Our mission is to renew our communities through reinventing the economy, reviving the environment reintegrating the region releasing human potential and having respectable governance with recurring democracy.

ABBREVIATIONS

AIDS:	Acquired Immune Deficiency Syndrome
BBBEE:	Broad Based Black Economic Empowerment
CAPEX:	Capital Expenditure
CDW'S:	Community Development Worker
DEAT:	Department of Economic Affairs and Tourism
DM:	District Municipality
DOL:	Department of Labour
DOT:	Department of Transport
DOP:	Department of Public Works
DWA:	Department of Water Affairs
EMF:	Environmental Management Framework
ES:	Equitable Shares
EPWP:	Expanded Public Works Framework
FBS:	Free Basic Services
GAMAP:	Generally Accepted Municipal Accounting Principles
GDP:	Gross Domestic Product
GDS:	Growth and Development Strategy
GIS:	Geographical Information System
HH:	Household
HIV:	Human Immunodeficiency Virus
IDP:	Integrated Development Plan
IDP-RF:	Integrated Development Planning Representative Forum
IGR:	Intergovernmental Relations
IT:	Information Technology
KPA:	Key Performance Areas

KPI:	Key Performance Indicator
LED:	Local Economic Development
LGMSA:	Local Government Municipal Systems Act
LUMS:	Land Use Management System
M and E:	Monitoring and Evaluation
MSCOA:	Municipal Regulations on Standard Chart of Accounts
NDM:	Namaqua District Municipality
NLDTF:	National Lottery Distribution Trust Fund
NRF:	National Research Foundation
SKA:	Square Kilometer Array
MSCOA:	MUNICIPAL STANDARD CHARTER OF ACCOUNTS

INTRODUCTION

FOREWORD BY THE MAYOR

The 2023-2027 IDP review process is the second after the Local Government Elections dated 1st November 2021. This IDP is the development plan that will guide Karoo Hoogland Municipality council and the administration over the term of this council.

The municipality have a responsibility to achieve the delivery of basic services to its residents. However Local Economic Development and job creation remains a priority. Financial sustainability will be achieved through active implementation of council policies to ensure revenue enhancement.

The role of provincial and national development is key the implementation programmes in the municipality must be aligned with IDP.

Furthermore, the municipality want to thank the communities and ward committees in the entire process. The municipality have form various partnership interms of Job Creation which include capital projects, EPWP Grant Funding, CWP and the presidential stimulate packages programme. Private sector investment and partnerships will be strengthened. The Regional Economic Development Zone construction of the Square Kilometre Array Telescope is key to the socio-economic development of the residents of Karoo Hoogland Municipality.

The tourism Industry is ripe to be the largest contributor to the economy of South Africa. Tourism is the second biggest sector in terms of job creation ranking only below agriculture in the country's economy. The 30-year tourism Master Plan is undertaken to boost tourism by identifying and exploring products that will attract tourist into Carnarvon Sutherland Corridor and the Norther Cape Province.

We acknowledge the work of the Acting Municipal Manager, Senior administration in develop a strategic integrated development plan that is aligned to our budget, SDBIP.

Thank you, council, for your political leadership and guidance in the review and drafting of the IDP.

Councillor AS Mietas
Mayor Karoo Hoogland Municipality

FOREWORD BY THE MUNICIPAL MANAGER

Local Government Municipal Systems Act (MSA) No.32 of 2000 subsection 25 (1) Each municipal council must within a prescribed period after the start of its elected term adopt a single inclusive and strategic plan for the development of the municipality subsection. (2) An integrated development plan adopted in terms of section 34 and remain in force until an integrated development plan is adopted by the next elected council. Subsection (4) A municipality must within 14 days of the adoption of its integrated development plan in terms of subsection (1) or (3). (a) give notice the public (i) of the adoption of the plan and (ii) that copies of or extracts from the plan are available for public inspection at specified places and (b) publicize a summary of the plan.

This Integrated Development Plan can only reach its full potential with the involvement of the different spheres of government with emphasis on co-operative governance to ensure the implementation of the IDP.

I want to thank the communities and stakeholders involve participating in the process of consultation and dialog and were critical in identifying the needs of the people.

An Organogram with job descriptions that was task evaluated were completed after three years. Outstanding financial issues of the previous year were addressed. Various policies and by-laws were revised, rewritten and approved. Attention was given to infrastructure within the budget of the municipality. The Medium-Term Strategic Framework states that improvements in Service Delivery have to be complimented by effective accountability to the community.

In line with the Batho Pele Principles, which serves to ensure effective and efficient service delivery, it is therefore critical to identify areas that need improvement in order to serve all communities with integrity and excellence.

The Management wish to express its appreciation to the political leadership for the opportunities that they gave us to serve the people of Karoo Hoogland. The personnel's efforts in implementing the municipality's mandate are able to contribute and make a difference in the quality of the lives of our community.

Mr JJ Jonkers
Municipal Manager

SECTION A:

1.1 EXECUTIVE SUMMARY

The Local Government Systems Act (MSA) No.32 of 2000 as amended, and other relevant supplementary legislative and policy frameworks require that Local Government structures prepare Integrated Development Plans (IDP's). In compliance with this legislation Karoo Hoogland Municipality IDP provides the strategic framework that guides the municipalities planning and budgeting overt the course of political term.

The current IDP is an annual document which is the first review to assess and re-evaluate the municipality's development priorities and challenges and to accommodate new developments in the local governance proses. This document encapsulates the completed processes as part of the review of the IDP 2022 to 2023 to the Karoo Hoogland Local Municipalities.

The IDP development process identified a number of goals and objectives that are aimed at creating a pathway for the municipalities to realise its vision. These goals and objectives are aligned to the Local Government Key Performance Areas (KPA's) as prescribed by the National Department of Cooperative Governance And Traditional Affairs (CoGTA).

The IDP review process will identify a number of goals and objectives that are aimed at creating a pathway for the municipality to realize its vision.

The IDP is a principle strategic planning instrument which guides and informs the following process in a municipality;

- planning,
- budgeting,
- Management and decision-process in a municipality.
- Taking Section 25 and 34 of the Municipal Systems Act (32 of 2000) in consideration, Karoo Hoogland Municipality embarked on this IDP Phase, which addressed the following
- Comments received during IDP Hearings and IDP engagement meetings with Provincial Sector Departments
- Alignment of the IDP with the Provincial Growth and Development Strategy (PGDS) as well as with the National Planning documents
- Areas identified through self-assessment i.e. strengthening of public participation structures;
- The compilation of all outstanding Plans and Programmes;
- The reviewing and updating of existing plans and programmes
- The compilation and implementation of the Service Delivery Budget Implementation Plan (SDBIP) according to the MFMA
- Updating of priority issues, objectives, strategies and projects

Climate change is predicted to negatively impact on the agricultural sector in Namakwa District Municipality. Increased temperatures, drought, and the increase in frequency and severity of storm events will impact on the crops that can be grown and potentially result in a loss of livestock.

The proposed priority responses in the Agriculture Sector are:

1. Provide solar panels for use of borehole water.
2. Assist farmers to implement soil erosion mitigation measures.
3. Develop education and awareness campaigns directed at small scale and commercial farmers.

Biodiversity and Environment

Changes in climate are predicted to result in the shifting of bioregions across South Africa. It is forecast that under different climate scenarios that the District Municipal Area will get hotter and drier leading to a loss of Nama-Karoo and Fynbos biomes, and an increase of the Desert biome. This change will lead to the consequent shift in related ecosystems and vegetation.

The proposed priority responses in the Biodiversity and Environmental Sector are:

1. Commission research aimed at collecting and documenting traditional knowledge on the loss of biomes in the district.
2. Conduct community engagements in collaboration with Conservation South Africa and Department of Agriculture Forestry and Fisheries to promote participatory planning in farming communities.
3. Develop natural resource management programmes such as grazing, river and wetland rehabilitation programmes in collaboration with Conservation South Africa, Biodiversity Social Projects, and Department of Environmental Affairs Working for Water and Working for Wetland

Human Health

There are a number of different ways that climate change will impact on human health in the Namakwa District Municipality. Projected increases in temperatures due to climate change will result in increased heat stress and impact particularly on the young and elderly, and those working outdoors. Furthermore, favourable conditions for the incubation and transmission of waterborne diseases may be created by increasing air and water temperatures.

The proposed priority responses in the Human Health Sector are:

1. Conduct awareness campaigns that will inform communities on innovative PPE to prevent heat stress.
2. Educate communities and schools on preventative measures on communicable diseases through the existing District Environmental Health and Department of Health Promotion Unit Programmes.
3. Implement alternative water purification methods in collaboration with the District Environmental Health and Department of Health Promotion Unit.

Human Settlements

There are a number of different ways that climate change will impact on human settlements in the Namakwa District Municipal Area. Increases in the severity of storm events and increase in flooding will damage infrastructure which may result in a loss of industrial productivity and service delivery disruptions. In addition, communities in rural areas that depend on subsistence farming may be unable to grow crops that they have grown in the past due to the changing climate. It is predicted that there will therefore be an increase in rates of rural-urban migration. Rural communities may also become more physically isolated due to extreme events impacting on key infrastructure. In addition, income in the tourism industry may decrease as biodiversity and tourism related infrastructure may be negatively impacted on by climate change.

The proposed priority responses in the Human Settlements Sector are:

1. Develop an early warning system directly linked to the South African Weather Services.
2. Implement the Namakwa Renewable Energy Strategy which supports the use of renewable energy as an alternative energy source to traditional energy sources, and consider it in new planning of new housing projects (installation of solar geysers).
3. Develop policies that will look at the paving and maintenance of road infrastructure in the District Municipal Area.

Water

Namakwa District Municipality is currently experiencing issues of water scarcity and quality. Climate change is expected to exacerbate this problem. Drought, reduced runoff, increased evaporation, and an increase in flood events will impact on both water quality and quantity.

The proposed priority responses in the Water Sector are:

1. Upgrade all wastewater treatment works and water purification plants in the District Municipal Area.
2. Review and implement by-laws.
3. Investigate the feasibility of a desalination plant in Port Nolloth.

Cross-cutting factors

In addition to the sector focused projects, a number of cross-cutting institutional responses were identified based on two previous vulnerability assessments for the District. These vulnerability assessments were conducted in 2012 (Bourne et al. 2012) and 2015 by Conservation South Africa (Bourne et al. 2015). Furthermore through LGCCS stakeholder engagements it was established that Namakwa District Municipality does not currently have enough resources and capacity to coordinate and manage climate change responses across sectors within the District. Institutional capacity, and resources, including finances, are required.

The proposed cross-cutting priority responses are:

1. Mainstream climate change into the Local and Municipality IDPs.
2. Establish a monitoring and evaluation system to measure the implementation of the climate change response plan.
3. Encourage community participation through innovative climate change adaptation methods (e.g. “bring a hat”).
4. Ensure that Disaster Management Plans adhere to the amended climate change

SECTION B:
DEMOGRAPHIC PROFILE OF THE MUNICIPALITY

In this section an overview is provided of the important socio-economic indicators and trends of the Karoo Hoogland Municipality highlighting issues of concern in terms of challenges that the municipality currently experiences. As a basis of reference, the municipality has considered the demographic information that was provided by Stats SA census 2011, Provincial treasury comparative analysis Namakwa District and Global insight.

According to Global Insight (2015) the total population is the total number of people within a region the middle of the respective year. It therefore includes all residents' nonresidents and individuals of any age gender and population group. It is important to analyses the population trends and profile as it provides a better understanding of the community that is being served. Population analysis is also important for policy development planning and budgeting for the district and its local communities.

Geographically the district is the biggest in terms of its size land when compared to other districts in the province however it has the smallest population size. The population size of the district decreased form 116 230 in 2004 to 115 952 in 2014 this shows a small percentage change of -0.02 in the population size between these years. Richtersveld and Karoo Hoogland are the only two municipalities that experience positive population growth between 2004 and 2014.

Karoo Hooogland is situated in the most Southern part of the Northern Cape and falls within the area of jurisdiction of Namaqua District Municipality with its head office located in Springbok. The three main towns in Karoo Hoogland are Williston, Fraserburg and Sutherland which are respectively 499 km, 592 km and 539 km from Springbok.

The Karoo Hoogland Municipality was established in 2000 as category B Municipality as determine in terms of municipal structures act (1998). The Karoo Hoogland Municipality has collective executive system as contemplated in section 2(a) of the Northern Province Determination of types of Municipalities Act (2000).

The Karoo Hoogland is predominantly rural in nature with a high unemployment rate resulting in high poverty levelsand is linked with many other places through shared environmental, social and economic systems and structures.

The Karoo Hoogland Municipality is also integral to the provinces of Western Cape Province and has significant development potential in sectors such as agriculture (both horticulture and livestock), tourism and mining (Renewable Energy).

The Karoo Hoogland Municipality was established in 2000. Karoo Hoogland is a category B municipality as determined in terms of Municipal Structures Act (1998). In terms of Section 9 of the Local Government: Municipal Structures Act (No. 117 of 1998) KHM was a Category B municipality with a plenary executive system combined with a ward participatory system.

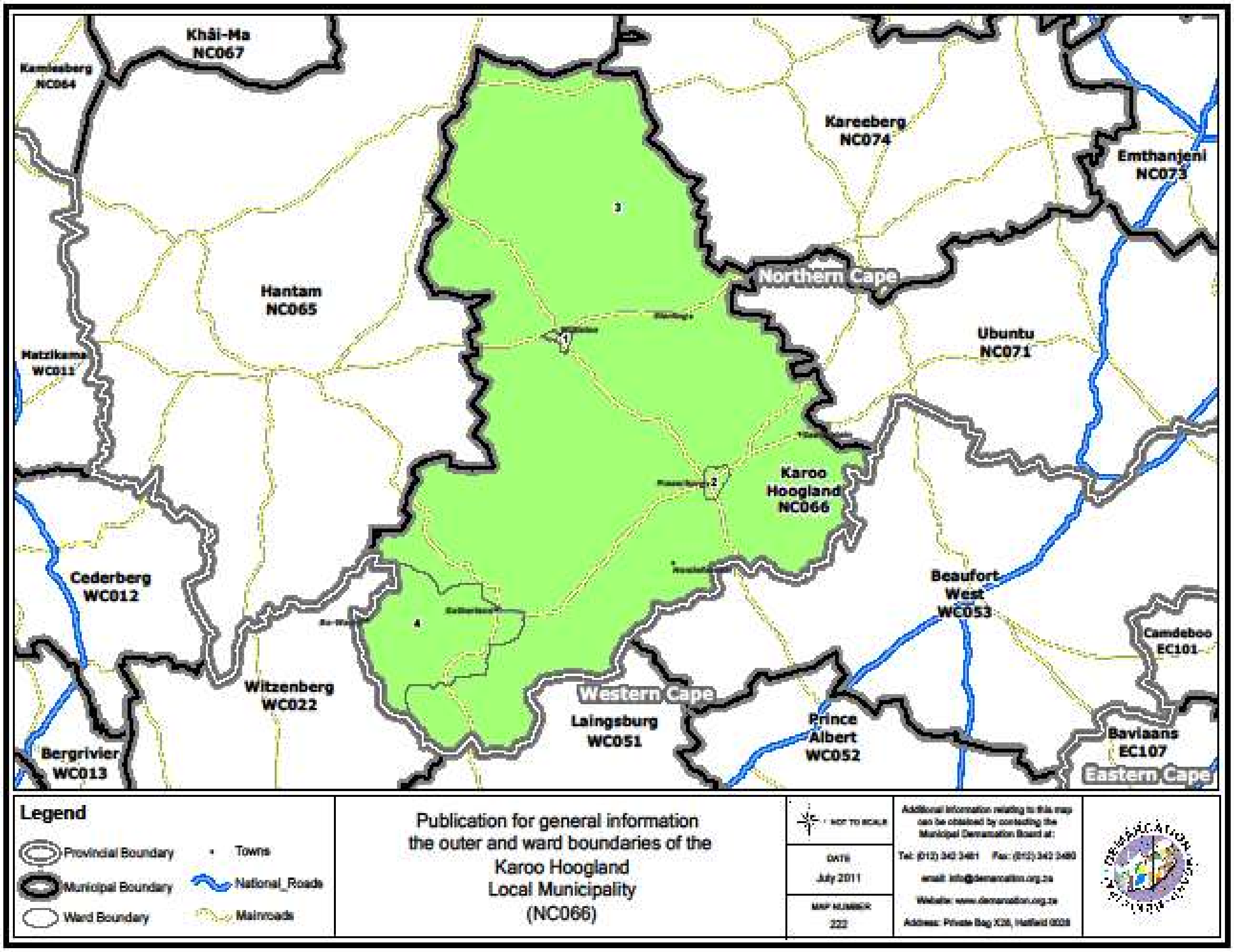
Since 1 November 2021, after the Amendment of the Structures Act, Karoo Hoogland Municipality is now a collective executive system combined with a ward participatory system. (9b)

Since 9 November 2021 – 2026

The Municipal Council of Karoo Hoogland consists of 11 members.

Six (6) represents wards and five (5) are proportional representatives of political parties.

Councillor AS Mietas	PA	EXCO Member (Chair)
Councillor (Ms) MJ Chadow	PA	Whip
Councillor VT Opperman	ANC	Speaker
Councillor (Ms) VC Wentzel	ANC	
Councillor (Ms) SA Muller	ANC	
Councillor JE Davids	ANC	EXCO Member
Councillor (Ms) EC Oliphant	ANC	
Councillor JJ Van Der Colff	DA	EXCO Member
Councillor AE Steenkamp	DA	
Councillor (Ms) CG Steenkamp	DA	
Councillor R VDM Geel	VF Plus	



Prioritized areas of potential in the whole Municipality include:

- Education
- Energy
- Agriculture
- Knowledge Economy
- Tourism
- Rural Development
- Employment and Skills development
- Environmental Management
- Mining
- Human Settlements

2.1 SOCIO ECONOMIC PROFILE

The purpose of this section is to provide an overview of the current socio-economic situation within the Namakwa District and Karoo Hoogland Local Municipality. This is done mainly to provide an indication of the overall performance of the Local economic and social characteristics.

2.2 DEMOGRAPHY

Demography is the study of human population. It tooks at characteristics as the structure and change in births, deaths and migration trends. It is important to have demographic analyses as it contributes to municipal policies and strategic documents such as the Integrated Development Plan (IDP). This chapter will only focus on the following indicators: population growth gender distribution population density and urbanisation.

The Namakwa District Municipality comprises of six local municipalities namely Nama Khoi (Springbok) Hantam (Calvinia) Khai Ma (Pofadder), Kammiesberg (Garies) Karoo Hoogland (Williston) and Richtersveld (Port Nolloth).

The purpose of this section is to provide an overview of the current socio-economic situation within the Karoo Hoogland Local Municipality. This is done mainly to provide an indication of the overall performance of the economic and social characteristics. Although the census data became available in 2012 no detailed analysis were done in the previous year.

The municipality is sparsely populated with a population of **12 588** Karoo Hoogland Municipality is the third highest in the district with a growth 19.75% between 2001 to 2011.

Table 1: Population by sex, 1996-2016

1996			2001			2011			2016*		
Male	Female	**Total**	Male	Female	**Total**	Male	Female	**Total**	Male	Female	**Total**
6 020	6 367	**12 387**	5 006	5 506	**10 512**	6 253	6 335	**12 588**	6 559	6 510	**13 069**

* Note: Caution should be used by the reader when interpreting the values for municipalities in Namakwa due to the large out of scope Dwelling Units sampled for the survey.

Table 1 shows that the population of Karoo Hoogland has increased from 12 387 persons in 1996 to 13 069 persons in 2016. The number of males increased by 539 persons from 6 020 persons in 1996 to 6 559 persons in 2016, whilst the number of females increased marginally by 143 persons over the same period. Gender proportions show there are more males than females in the municipality.

Figure 1: Distribution of the population of Namakwa district by local municipality, 2016

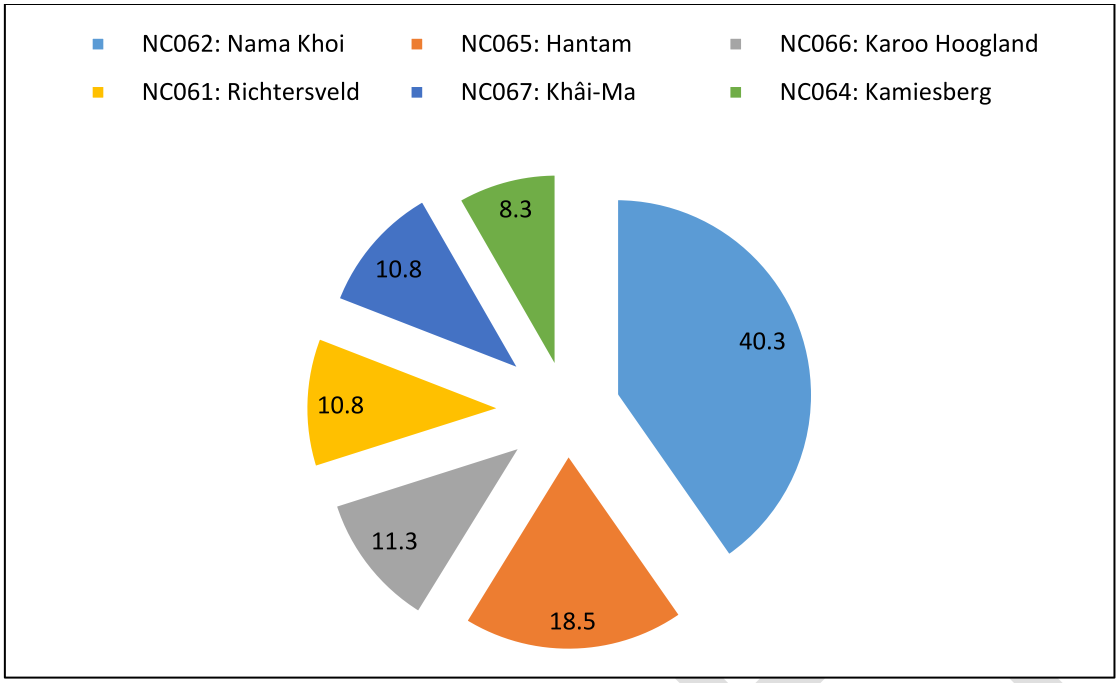


Figure 1 indicates that Nama Khoi municipality had a 40.3% share of the total population in Namakwa district. This was followed by Hantam, Karoo Hoogland, Richtersveld, Khâi-Ma and Kamiesberg local municipalities with 18.5%, 11.3%, 10.8%, 10.8 and 8.3% respectively of the total district population.

Figure 2: Percentage distribution of the population in Karoo Hoogland by sex, 2016

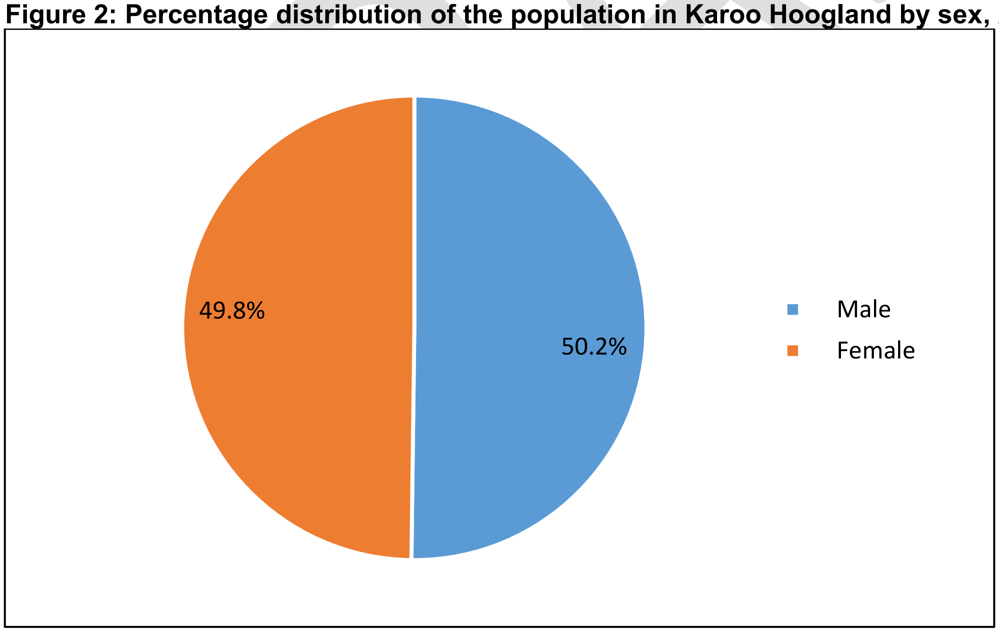


Figure 2 depicts a greater proportion of males than females in Karoo Hoogland municipality, at 50.2% and 49.8% respectively.

Table 2: Population by group type, 1996-2016

	1996	2001	2011	2016
Coloured	9 865	8 348	9 934	10 319
White	2 290	1 866	1 832	2 616
Black African	98	285	694	88
Indian or Asian	1	13	83	45
Other	-	-	45	-
Unspecified	133	-	-	-
Total	**12 387**	**10 512**	**12 588**	**13 068**

Table 2 summarizes the number of persons by population by group type from 1996 to 2016. There was an increase in the Coloured, Indian/Asian and White population groups from 1996 to 2016, whilst the Black African population group shows a decline over the same period. There is a greater proportional increase in the Coloured, followed by the White population over the past 20 years.

Figure 3: Percentage distribution of the population by group type, 2016

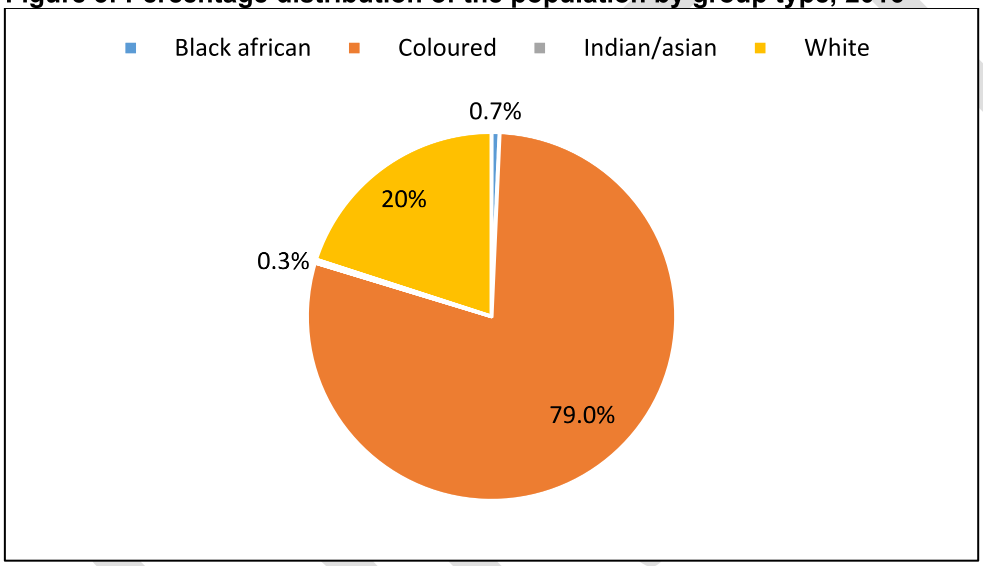


Figure 3 outlines the percentage distribution of the population of Karoo Hoogland in 2016, where the Coloured population group accounts for 79.0% of the population of the municipality, followed by the White, Black African and Indian/Asian population groups.

Table 3: Population by 5 year age groups and sex, 1996-2016

	1996			2001			2011			2 016		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
00 - 04	602	631	**1 232**	546	538	**1 083**	558	584	**1 141**	490	420	**910**
05 - 09	654	612	**1 266**	512	536	**1 048**	644	537	**1 181**	431	501	**931**
10 - 14	593	639	**1 232**	499	496	**995**	609	551	**1 160**	510	483	**993**
15 - 19	485	451	**936**	378	423	**801**	515	502	**1 017**	541	486	**1 027**
20 - 24	482	477	**959**	296	321	**617**	384	415	**799**	555	612	**1 167**
25 - 29	512	503	**1 016**	378	378	**757**	390	370	**760**	942	561	**1 503**
30 - 34	452	468	**920**	379	449	**828**	371	351	**722**	669	682	**1 351**
35 - 39	396	404	**800**	394	404	**798**	441	478	**918**	697	364	**1 061**
40 - 44	365	395	**760**	335	337	**672**	456	449	**905**	503	362	**865**
45 - 49	318	328	**646**	262	341	**603**	449	430	**879**	278	334	**612**
50 - 54	245	279	**524**	255	249	**504**	360	331	**691**	276	314	**590**
55 - 59	267	268	**535**	199	238	**437**	302	339	**642**	180	249	**429**
60 - 64	192	238	**430**	191	220	**411**	237	272	**509**	169	103	**272**
65 - 69	154	176	**330**	136	193	**329**	226	255	**481**	112	122	**234**
70 - 74	109	140	**249**	96	134	**231**	143	175	**318**	56	90	**146**
75 - 79	71	100	**171**	73	107	**181**	62	113	**175**	88	178	**266**
80 - 84	35	83	**117**	47	81	**128**	45	76	**121**	48	-	**48**
85+	25	66	**92**	31	59	**90**	62	106	**169**	18	48	**66**
Unspec.	64	108	**172**	-	-	**-**	-	-	**-**	**-**	-	**-**
Total	**6 021**	**6 366**	**12 387**	**5 007**	**5 504**	**10 513**	**6 254**	**6 334**	**12 588**	**6 563**	**5 909**	**12 471**

Table 3 summarizes the population for Karoo Hoogland by five-year age group and sex. It shows a general decrease in the population for the ages from 0 to 14 years over the period 1996 to 2016. There is however a significant percentage increase in the proportion of the population aged 15 to 44 years.

Figure 4: Distribution of the total population by age group and sex, 2016

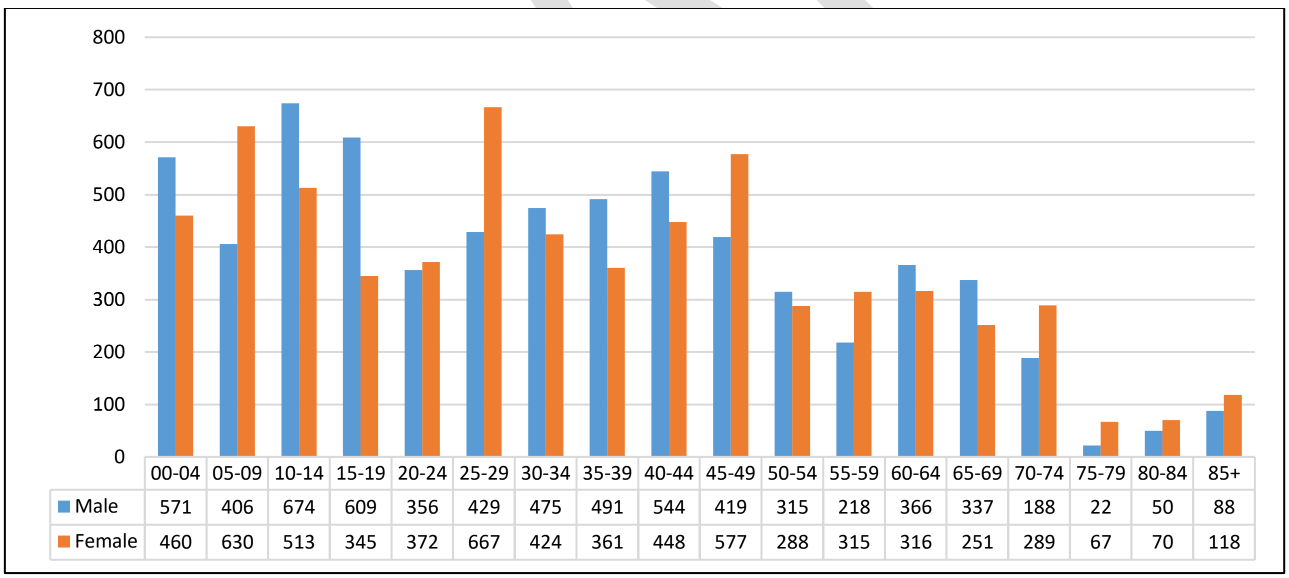
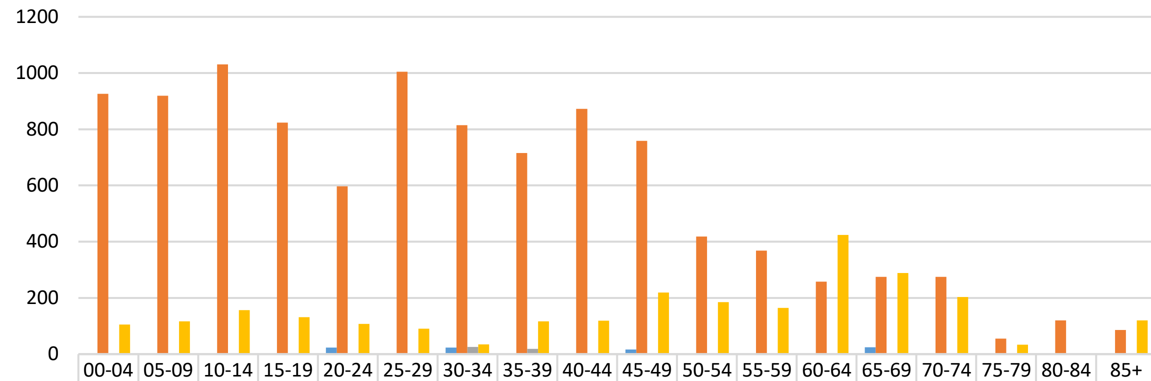


Figure 4 indicates that the greater proportion of the population in Karoo Hoogland is young, consisting mainly of children and youth. There is however a greater proportion of males compared to females for ages from 30 to 44 years, and the female population shows a slightly greater proportion in numbers compared to males for ages 70 and above. This signifies a greater lifespan for females than males.

Figure 5: Distribution of the total population by age and group type, 2016



	00-04	05-09	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75-79	80-84	85+
Black african	0	0	0	0	23	0	23	0	0	17	0	0	0	24	0	0	0	0
Coloured	926	919	1031	824	597	1005	815	715	873	759	418	368	258	275	275	55	120	86
Indian/asian	0	0	0	0	0	0	26	19	0	0	0	0	0	0	0	0	0	0
White	105	117	156	131	108	91	35	117	119	219	185	165	424	288	203	33	0	120

Figure 5 outlines the population distribution of Karoo Hoogland by five-year age groups and population group type. It shows that Coloureds are the dominant population group generally across all age cohorts with exception of the age the age groups 60-69 and 85+ years. This is followed by the White, Black African and Indian/Asian population groups respectively.

Table 4: Distribution of persons aged 12 years and older by marital status, 2016

Marital Status	Number	Percentage (%)
Single; and have never lived together as husband/wife/partner	3 685	**35.1**
Legally married (include customary; traditional; religious etc.)	3 631	**34.6**
Living together like husband and wife/partners	1 680	**16.0**
Widowed	924	**8.8**
Single; but have been living together with someone as	472	**4.5**
Separated; but still legally married	85	**0.8**
Divorced	28	**0.3**
Total	**10 505**	**100.0**

Table 4 shows that 35.1% of the population of Karoo Hoogland is single and has never lived together as husband/wife/partner. This is followed by those who are legally married (includes customary; traditional; religious at 34.6%, and those that are living together like husband and wife/partners (16.0%). About 0.3% of the population is divorced, whilst 0.8% are separated but still legally married.

Table 5: Distribution of persons aged 1 year and older by language spoken most often in the household, 2016

Language spoken in household	Number	Percentage (%)
Afrikaans	12 878	**99.1**
IsiXhosa	46	**0.4**
Other	45	**0.3**
English	32	**0.2**
Total	**13 001**	**100.0**

*Excludes "unspecified"

Table 5 above shows that the language spoken mostly by households in Karoo Hoogland is Afrikaans, with 12 878 (99.1%) households speaking the language, followed by those who speak IsiXhosa (0.4%).

Table 6: Distribution of religious belief, 2016

Religious belief	Number	Percentage (%)
Christianity	12 910	**99.1**
Traditional African religion (e.g.	51	**0.4**
Islam	45	**0.3**
Hinduism	17	**0.1**
No religious affiliation/belief	7	**0.1**
Total	**13 030**	**100.0**

Table 6 shows that 99.1% of the population in Karoo Hoogland follows a Christian religious belief, followed by Traditional African (0.4%). About 0.1% of the population has no religious affiliation/belief.

Table 7: Distribution of Christian denomination, 2016

Christian denomination	Number	Percentage (%)
Reformed church (e.g. Dutch Reformed church; United	8 018	62.1
Just a christian/non-denominational	2 556	19.8
Pentecostal/Evangelistic (e.g. Assemblies of God; Born Again	730	5.7
Other	632	4.9
African Independent Church/African Initiated Church (e.g.	552	4.3
Anglican/Episcopalian	286	2.2
Do not know	62	0.5
Catholic	46	0.4
Methodist	18	0.1
Baptist	8	0.1
Total	**12 910**	**100.0**

*Excludes "unspecified"

Table 7 indicates that 62.1% of the population of Karoo Hoogland municipality that follows the Christian religion belongs to the Reformed church, followed by those attending Christians and the Pentecostal/Evangelistic church denomination at 19.8% and 5.7% respectively.

2.2 Migration

Table 8: Population by region of birth and population group type, 2016

Region of birth	Black	Coloured	Indian/Asian	White	Percentage (%)
Born in South Africa	88	10 319	-	2 596	**99.5**
SADC	-	-	-	20	**0.2**
Asia	-	-	45	-	**0.3**
Total	**88**	**10 319**	**45**	**2 616**	**100.0**

*Excludes "unspecified"

Table 8 shows that the majority of foreign nationals in Karoo Hoogland municipality were from Asia (45 persons), followed by SADC region (20 persons). In terms of population group type, majority of persons that are born outside South Africa residing in Karoo Hoogland were the Indian/Asians (45 persons), followed by the White population group (20 persons).

Table 9: Top sending countries by sex, 2016

Country	Number			Percentage (%)		
	Male	Female	Total	Male	Female	Total
Bangladesh	45	0	**45**	100.0	0.0	**69.2**
Zimbabwe	0	19	**19**	0.0	95.0	**29.2**
Namibia	0	1	**1**	0.0	5.0	**1.5**
Total	**45**	**20**	**65**	**100.0**	**100.0**	**100.0**

Table 9 depicts that 69.2% of foreign nationals in Karoo Hoogland are from Bangladesh, followed by Zimbabwe (29.2%), and Namibia (1.5%).

Figure 6: Percentage distribution of persons born outside South Africa by age group, 2016

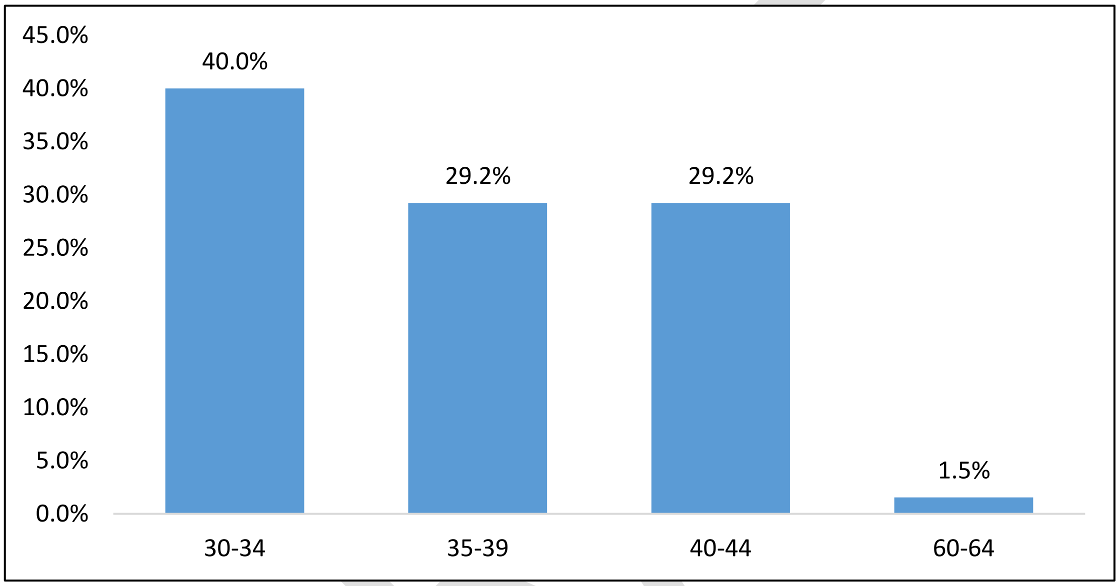


Figure 6 outlines that the majority of foreign nationals residing in Karoo Hoogland municipality are mostly youth, between 30 and 34 years (40.0%).

Table 10: Reasons for moving to current place of residence, 2016

Reasons for moving to current place	Number	Percentage (%)
Job transfer/take up new job opportunity	448	29.4
Look for paid work	310	20.3
Moving to live with or be closer to spouse (marriage)	248	16.3
Education(e.g. studying; schooling; training)	123	8.0
Moving as a household with a household member (for health	102	6.7
Start a business	82	5.4
Other	67	4.4
Health(e.g poor/ill health)	57	3.8
New dwelling for household	40	2.6
Retirement	34	2.2
Other business reasons(e.g. expansion of business)	15	1.0
Total	**1 524**	**100.0**

*Excludes “do not know” and “unspecified”

Table 10 shows that amongst other reasons why persons had moved to their current place of residence in Karoo Hoogland it's mainly due to: a job transfer or taking up a new job opportunity (29.4%), looking for paid work (20.3%), and moving to live with or be closer to a spouse (marriage) (16.3%). Other reasons include education (8%), and moving as a household with a household member for health reasons (6.7%).

2.3 Disability

Table 11: Disability type and degree of difficulty in functioning by sex, 2016

Disability type	Degree of difficulty	Male	Female	Total
Seeing	No difficulty	5 001	4 667	**9 668**
	Some difficulty	827	1 098	**1 925**
	A lot of difficulty	144	250	**394**
	Cannot do at all	-	-	**-**
	Do not know	-	-	**-**
	Total	**5 972**	**6 015**	**11 987**
Hearing	No difficulty	5 560	5 599	**11 159**
	Some difficulty	346	349	**695**
	A lot of difficulty	66	67	**133**
	Cannot do at all	-	-	**-**
	Do not know	-	-	**-**
	Total	**5 972**	**6 015**	**11 987**
Communication	No difficulty	5 897	5 917	**11 813**
	Some difficulty	59	83	**143**
	A lot of difficulty	-	15	**15**
	Cannot do at all	16	-	**16**
	Do not know	-	-	**-**
	Total	**5 972**	**6 015**	**11 987**
Walking or climbing stairs	No difficulty	5 532	5 298	**10 830**
	Some difficulty	285	501	**786**
	A lot of difficulty	155	160	**315**
	Cannot do at all	-	56	**56**
	Do not know	-	-	**-**
	Total	**5 972**	**6 015**	**11 987**
Remembering	No difficulty	5 247	5 188	**10 435**
	Some difficulty	546	649	**1 195**
	A lot of difficulty	179	145	**324**
	Cannot do at all	-	33	**33**
	Do not know	-	-	**-**
	Total	**5 972**	**6 015**	**11 987**
Self-care	No difficulty	5 830	5 880	**11 710**
	Some difficulty	88	84	**172**
	A lot of difficulty	37	30	**68**
	Cannot do at all	16	21	**37**
	Do not know	-	-	**-**
	Total	**5 971**	**6 015**	**11 987**

*Excludes "unspecified"

Table 11 shows persons in Karoo Hoogland by disability type and degree of difficulty, where there majority of persons are mainly suffering from sight disability/impairment, with an estimated 394 persons having a lot of difficulty seeing. This is followed by those with a lot of difficulty with memory (remembering) with 324 persons. Females are generally more susceptible to having disabilities than males in the municipality.

2.4 Education

Table 12: Highest level of education for persons aged 20 years and above, 1996-2016

	No schooling	Some Primary	Complete Primary	Some Secondary	Grade 12/Std 10	Higher	Total
				Number			
1996	3 632	2 989	792	2 070	746	604	**10 833**
2001	2 273	2 868	684	2 116	956	532	**9 429**
2011	1 617	3 579	827	2 643	1 337	659	**10 663**
2016	1 161	1 227	734	2 264	2 298	1 008	**8 692**
				Percent (%)			
1996	33.5	27.6	7.3	19.1	6.9	5.6	**100.0**
2001	24.1	30.4	7.2	22.4	10.1	5.6	**100.0**
2011	15.2	33.6	7.8	24.8	12.5	6.2	**100.0**
2016	13.4	14.1	8.4	26.1	26.4	11.6	**100.0**

*Excludes “do not know” and “unspecified”

Table 12 shows an improvement in the level of education in Karoo Hoogland over the period 1996 to 2016, where there was a decline in the number and percentage of persons aged 20 years and above with no schooling (from 33.5% to 13.4%). There is an improvement in the number and percentage of persons with a higher education, from 5.6% in 1996 to 11.6% in 2016. There is also a significant increase observed in the proportion of persons who have Grade 12/Standard 10.

Table 13: Highest level of education by population group for persons aged 20 years and above, 2016

	No schooling	Some Primary	Complete Primary	Some Secondary	Grade 12/Std 10	Higher	Total
				Number			
Black African	24	40	23	-	-	-	**88**
Coloured	2 029	3 104	840	2 814	1 225	121	**10 132**
Indian/Asian	-	26	19	-	-	-	**45**
White	105	263	81	126	1 155	887	**2 616**
				Percent (%)			
Black African	27.7	45.7	26.6	-	-	-	**100.0**
Coloured	20.0	30.6	8.3	27.8	12.1	1.2	**100.0**
Indian/Asian	-	57.5	42.5	-	-	-	**100.0**
White	4.0	10.0	3.1	4.8	44.1	33.9	**100.0**

*Excludes “do not know” and “unspecified”

Table 13 shows that 27.7% of the Black Africans in Karoo Hoogland municipality have no schooling when compared to other population groups, followed by the Coloured population group (20%). It shows that the White population group is better educated compared to other population groups.

Table 14: Mode of transport used to go to educational institution, 2016

Mode of transport used	Number
Walking	2 449
Own car/private vehicle	177
Vehicle hired by group of parents/students	52
Minibus taxi/sedan taxi	22
Bus (public)	18
Bicycle	17
Vehicle provided by institution	10

*Excludes “do not know” and “unspecified”

Table 14 shows that a total of 2 449 learners/students in Karoo Hoogland were walking to their educational institutions in 2016. This is followed by those who use their own car/private vehicle (177). About 52 learners/students use a vehicle hired by a group of parents/students when going to school, and a further 22 use a minibus taxi/sedan taxi as their main mode of transport when going to an educational institution. Only about 17 use a bicycle to go to school.

3. The households of Karoo Hoogland

3.1 Household information

Table 15: Number of households by household size, 1996-2016

	1	2	3	4	5	6	7	8	9	10+	Total
1996	647	883	616	441	275	168	83	95	90	94	**3 392**
2001	616	803	566	542	259	134	98	50	39	61	**3 168**
2011	806	1 131	704	575	309	190	94	53	30	53	**3 945**
2016	654	1 446	1 230	563	363	154	100	67	35	43	**4 655**

*Excludes “do not know” and “unspecified”

Table 15 shows that the total number of households in Karoo Hoogland increased over the period 1996 to 2016, from 3 392 to 4 655. It also shows a significant increase in the number of two-person households, from 883 households in 1996 to 1 446 households in 2016.

Table 16: Percentage distribution of households by household size, 1996-2016

	1	2	3	4	5	6	7	8	9	10+	Total
1996	19.1	26.0	18.2	13.0	8.1	5.0	2.4	2.8	2.7	2.8	**100.0**
2001	19.4	25.3	17.9	17.1	8.2	4.2	3.1	1.6	1.2	1.9	**100.0**
2011	20.4	28.7	17.8	14.6	7.8	4.8	2.4	1.3	0.8	1.3	**100.0**
2016	14.0	31.1	26.4	12.1	7.8	3.3	2.1	1.4	0.8	0.9	**100.0**

*Excludes “do not know” and “unspecified”

Table 16 shows that in 2016 there was a higher percentage for two-person households when compared to other household sizes at 31.1%, this is followed by three-person households at 26.4% of the total number of households in Karoo Hoogland.

Table 17: Household head by sex, 1996-2016

	1996	2001	2011	2016
Male	2 505	2 196	2 709	3 157
Female	844	948	1 208	1 497
Total	**3 349**	**3 144**	**3 917**	**4 654**

Table 17 shows a more significant increase in the number of female-headed households when compared to male-headed households in Karoo Hoogland over the period 1996 to 2016. Male-headed households increased from 2 505 in 1996 to 3 157 in 2016, whilst those headed by females increased from 844 in 1996 to 1 497 in 2016.

Table 18: Percentage distribution of households by sex of household head, 1996-2016

	1996	2001	2011	2016
Male	74.8	69.8	69.2	67.8
Female	25.2	30.2	30.8	32.2
Total	**100.0**	**100.0**	**100.0**	**100.0**

Table 18 shows an increase in the proportion of female-headed households in Karoo Hoogland over the period 1996 to 2016, where the proportion of female-headed households increased from 25.2% in 1996 to 32.2% in 2016. The proportion of male-headed households has decreased over the same period, from 74.8% 1996 to 67.8% in 2016.

3.2 Perceptions on municipal services

Table 19: Household perceptions on difficulties facing the municipality, 2016

Difficulty facing the municipality	Number	Percent (%)
None	2 084	**44.8**
Other	757	**16.3**
Cost of electricity	367	**7.9**
Inadequate roads	337	**7.2**
Inadequate housing	250	**5.4**
Cost of water	194	**4.2**
Drug abuse	141	**3.0**
Lack of safe and reliable water supply	99	**2.1**
Inadequate sanitation/sewerage/toilet services	97	**2.1**
Lack of/inadequate employment opportunities	90	**1.9**
Lack of reliable electricity supply	63	**1.4**
Alcohol abuse	60	**1.3**
Inadequate refuse/waste removal	42	**0.9**
Lack of/inadequate healthcare services	40	**0.9**
Corruption	21	**0.5**
Lack of/inadequate parks and recreational area	11	**0.2**
Total	**4 653**	**100.0**

Table 19 shows that 7.9% of households in Karoo Hoogland feel that the cost of electricity charged by the municipality is high. This is followed by those reporting inadequate roads (7.2%). About 5.4% perceived inadequate housing as being the major challenge facing the municipality, whilst 4.2% complaining about the high cost of water, and 3.0% saying drug abuse is problematic in their areas of residence.

3.2 Housing and dwelling information

Table 20: Type of dwelling occupied by household, 1996-2016

	Formal dwelling	Traditional dwelling	Informal dwelling	Other	Total
1996	95.8	0.9	0.9	0.7	**100.0**
2001	87.8	2.5	2.4	0.9	**100.0**
2011	94.4	0.4	1.8	0.8	**100.0**
2016	99.5	0.0	0.4	0.1	**100.0**

*Excludes “do not know” and “unspecified”

Table 20 shows an increase in the proportion of households staying in formal dwellings in Karoo Hoogland. Households occupying formal dwellings increased by 3.7% from 95.8% in 1996 to 99.5% in 2016. There is a slight decrease in the proportion of informal dwellings, from 0.9% in 1996 to 0.4% in 2016. The proportion of traditional dwellings decreased over this period.

Table 21: Tenure status of households, 2001-2016

	Owned	Rented	Occupied rent-free	Other	Total
2001	55.3	14.3	30.4	0.0	**100.0**
2011	47.3	20.2	31.5	1.0	**100.0**
2016	68.4	9.1	10.8	11.7	**100.0**

*Excludes “do not know” and “unspecified”

Table 21 shows an increase of 13.1% in the proportion of dwellings owned by households in Karoo Hoogland, from 55.3% in 2001 to 68.4% in 2016. There is a significant decline in the proportion of households that are occupied rent-free, from 30.4% in 2001 to 10.8% in 2016.

3.3 Household services

Table 22: Type of refuse removal used by household, 1996-2016

	Removed by local authority at least once a week	Removed by local authority less often	Communal refuse dump	Own refuse dump	No rubbish disposal	Other	Total
1996	50.7	0.1	1.3	47.2	0.6	0.0	**100.0**
2001	59.5	0.3	0.9	38.3	1.0	0.0	**100.0**
2011	62.8	0.3	0.8	33.4	1.6	1.1	**100.0**
2016	57.8	0.5	0.4	40.2	0.2	1.0	**100.0**

*Excludes “do not know” and “unspecified”

Table 22 shows an increase in the proportion of households in Karoo Hoogland whose refuse is removed by a local authority at least once a week, from 50.7% in 1996 to 57.8% in 2016. There was a decrease in the proportion of households that have no rubbish removal.

Table 23: Type of sanitation facilities used by households, 1996-2016

	Flush or chemical	Pit latrine	Bucket latrine	None of the above	Total
1996	38.7	13.0	26.0	22.1	**100.0**
2001	51.1	7.2	26.5	15.2	**100.0**
2011	57.7	31.5	1.1	9.7	**100.0**
2016	72.3	14.1	9.0	3.4	**100.0**

*Excludes “do not know” and “unspecified”

Table 23 shows an increase in the proportion of households that use a flush or chemical toilet in Karoo Hoogland, from 38.7% in 1996 to 72.3% in 2016. There is an increase in the proportion of households using a pit latrine toilet from 1996 to 2016, and a significant decrease in the proportion of households that use a bucket latrine over the same period.

3.4 Energy sources

Table 24: Main source of energy used for lighting, 1996-2016

	Electricity from mains	Gas	Paraffin	Candles	Solar	Other	Total
1996	63.6	0.2	3.8	32.3	0.0	0.0	**100.0**
2001	66.7	0.2	0.8	23.6	5.1	3.6	**100.0**
2011	65.2	0.3	0.6	22.2	11.7	0.0	**100.0**
2016	67.3	0.2	0.4	3.2	27.3	1.6	**100.0**

*Excludes “do not know” and “unspecified”

Table 24 shows an increase in the proportion of households using electricity connected to the mains for lighting in Karoo Hoogland local municipality, from 63.6% in 1996 to 67.3% in 2016. There is also an increase in the proportion of households that use renewable energy sources as the main source of energy for lighting.

3.5 Ownership of household goods

Table 25: Household ownership of goods, 2016

Ownership of goods	Number	% of total households
Electric/Gas stove	3 903	**83.8**
Television	3 779	**81.2**
Radio	3 426	**73.6**
Cell phone	3 365	**72.3**
Refrigerator/Freezer	3 157	**67.8**
Washing machine	2 622	**56.3**
Microwave oven	2 467	**53.0**
DVD player/Blu-ray player	2 276	**48.9**
Geyser	1 998	**42.9**
Motor vehicle	1 893	**40.7**
Satellite decoder	1 764	**37.9**
Landline	1 734	**37.3**
Vacuum cleaner/Floor polisher	1 488	**32.0**
Personal computer/Desktop Laptop	1 144	**24.6**
Home theatre system	1 035	**22.2**
Tablet/Phablet	814	**17.5**
Air conditioner	182	**3.9**

Table 25 shows that 83.8% (3 903) of the households in Karoo Hoogland had ownership of an electric/gas stove, followed by those owning a television (81.2%), a radio (73.6%), a cellphone (72.3%), and a refrigerator/freezer (67.8%). Fewer households had ownership of the following goods; an air conditioner (3.9%), tablet/phablet (17.5%), home theatre system (22.2%) and personal computer/desktop laptop (24.6%) amongst others.

3.6 Internet and postal services access

Table 26: Distribution of households by type of access to internet, 2016

Source for internet access	Number	% of total households
Connection in the dwelling	788	**16.9**
Connection from a library	191	**4.1**
Internet cafe 2km or less from dwelling	107	**2.3**
Any place via cellphone	85	**1.8**
Other	68	**1.5**
Internet cafe > 2km from dwelling	54	**1.2**
Connection at place of work	48	**1.0**
Any place via other mobile access service	32	**0.7**
At school/university/college	16	**0.3**

*Excludes "do not know" and "unspecified"

Table 26 shows that 16.9 % (788) of households in Karoo Hoogland connect to the internet using a connection in their dwelling, followed by those who have a connection from a library (4.1%). Only about 2.3% make use of an internet café less than 2km from their dwelling.

Table 27: Distribution of households by type of postal services used, 2016

Mail/post	Number	Percentage (%)
Delivered to the dwelling	2 297	**49.3**
Delivered to a post box/private bag owned by	1 456	**31.3**
Other	393	**8.4**
Do not receive mail	256	**5.5**
Through a workplace	172	**3.7**
Through a friend/neighbour/relative	78	**1.7**
Through a shop/school	3	**0.1**

*Excludes "do not know" and "unspecified"

Table 27 shows that 49.3% (2 297) of the households in Karoo Hoogland have their post delivered to their dwelling, whilst 5.5% of households do not receive mail.

3.7 Crime statistics and perceptions on safety

Table 28: Households by type of crime experienced, 2016

Type of crime experienced	Number	Percentage (%)
Other crimes	43	**0.9**
House breaking	20	**0.4**

Table 28 shows that 0.4% of households in Karoo Hoogland experienced house-breaking as the leading type of crime.

Table 29: Households' feeling of safety when it's dark, 2016

	Feeling of safety when it's dark				
	Very safe	Fairly safe	A bit unsafe	Very unsafe	Total
Number	3 157	827	244	426	**4 654**
Percent (%)	67.8	17.8	5.2	9.2	**100.0**

Table 29 shows that 67.8% of households in Karoo Hoogland local municipality feel very safe when its dark, compared to 9.2% who feel very unsafe.

3.8 Agricultural activities

Table 30: Distribution of households by type of agricultural activity, 2016

Type of agricultural activity	Number	Percentage (%)
Livestock production	1 060	**22.8**
Poultry production	528	**11.3**
Vegetable production	138	**3.0**
Fruit production	17	**0.4**
Grains and food crops	10	**0.2**
Other	5	**0.1**

Table 30 shows that 22.8% (1 060) of households in Karoo Hoogland engage in livestock production, followed by those who partake in poultry production (11.3%), vegetable production (3.0%), fruit production (0.4%), and grains and food crops production (0.2%).

3.9 Food security

Table 31: Households that ran out of money to buy food in the 12 months preceding the survey, 2016

Ran out of money to buy food in the 12 months preceding the survey	Number	Percent (%)
Yes	140	**3.0**
No	4 514	**97.0**
Total	**4 654**	**100.0**

*Excludes “do not know” and “unspecified”

Table 31 shows that 3.0% (140) of the households in Karoo Hoogland municipality have ran out of money to buy food in the 12 months preceding the survey in 2016.

Table 32: Households that ran out of money to buy food for 5 or more days in the past 30 days, 2016

Ran out of money to buy food for 5 or more days in past 30 days	Number	Percent (%)
Yes	43	**30.7**
No	97	**69.3**
Total	**140**	**100.0**

*Excludes “do not know” and “unspecified”

Table 32 shows that from the total households that reported having run out of money to buy food in Karoo Hoogland, 30.7% (43 households) have ran out of money to buy food for 5 or more days preceding the survey in 2016.

4. Mortality

Figure 7: Main causes of death by district municipality in the Northern Cape, 2010-2015

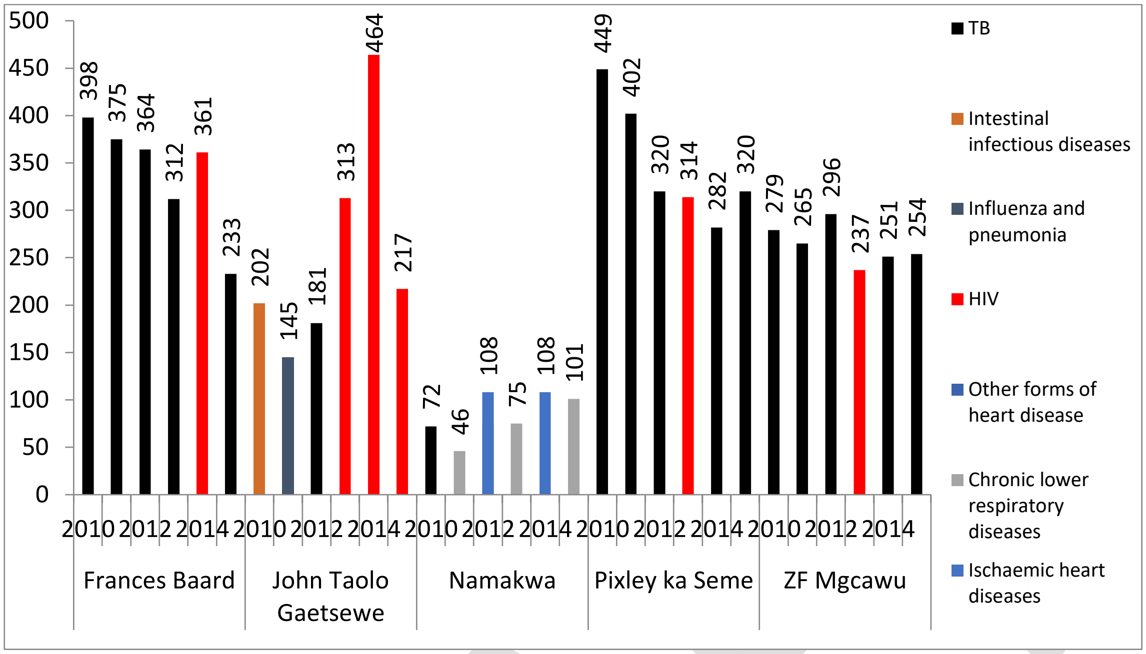


Figure 7 shows that the leading cause of death in Namakwa district in 2010 was TB with 72 recorded deaths recorded. In 2011, the Chronic lower respiratory disease was the leading cause of death with 46 deaths. The Ischaemic heart disease was the leading cause of death in 2012 with 108 deaths, and in 2013 it was the Chronic lower respiratory disease with 75 deaths. The Ischaemic heart disease and chronic lower respiratory disease were the leading causes of death over the years 2014 and 2015 respectively.

5. Indigent household services provided by municipality

Table 33: Number of households benefiting from indigent support system, 2016

Namakwa District Municipality	Indigent households registered with municipalities	Benefitting			
		Water	Electricity	Sewerage and sanitation	Solid waste management
Hantam Municipality	1 452	1 452	1 229	1 452	1 452
Kamiesberg Municipality	1 276	1 276	1 201	205	1 226
Karoo Hoogland Municipality	944	944	944	944	944
Nama-Khoi Municipality	5 045	5 045	5 045	5 045	5 045
Richtersveld Municipality	1 068	1 068	1 033	1 068	1 068
Khâi-Ma Municipality	1 752	1 752	1 353	1 751	1 751
Total	**11 537**	**11 537**	**10 805**	**10 465**	**11 486**

Source: Non-financial census of municipalities, 2017

Table 33 shows that the number of indigent households registered in the Namakwa district for the year 2016 is 11 537 units with Nama-Khoi municipality having the highest number of such households at 5 045 units, followed by Khai-Ma, Hantam, and Kamiesberg municipality with 1 752, 1 452 and 1 276 indigent households registered as indigent respectively. The municipalities with the least number of indigent households are Karoo Hoogland and Richtersveld with each having 944 and 1 068 indigent households respectively.

It is to be noted that not all indigent households across the respective municipalities are benefiting from free basic services from the municipality however, with the exception of households in Karoo Hoogland and Nama-Khoi municipality, where all indigent households are receiving free basic services from the municipality.

SECTION C:
POWER AND FUNCTIONS OF THE MUNICIPALITY

The Karoo Hoogland Municipality was established in 2000. Karoo Hoogland is a category B municipality as determined in terms of Municipal Structures Act (1998). Karoo Hoogland is a municipality with a Collective Executive System as contemplated in Section 2(a) of the Northern Province Determination of Types of Municipalities Act (2000).

The establishment of the municipality fulfilled the local government transformation process as articulated by the White Paper on Local Government, 1998. The White Paper envisaged the form and nature of new local government structures in the country. The new local government structures are mandated to improve the quality of life of their citizens and resident.

In terms of its category B status the Karoo Hoogland Municipality has been empowered to perform the following functions as bestowed upon it by the Constitution in terms of section 156(1) and the division of powers and functions.

Municipal Functions/District		
Municipal Functions	**Function Applicable To Municipality**	**District**
Water Provision	✓	
Waste Water (Sanitation)	✓	
Electricity Provision	✓	
Waste Management	✓	
Housing	✓	
Free Basic Services	✓	
Road Transport	✓	
Waste Water Storm Water Drainage	✓	
Community Social Services	✓	
Museums	✓	
Cemeteries	✓	
Environmental Protection	✓	
Health	✓	
Health Inspections and Abattoir		✓
Security and Safety		✓
Sport and Recreation	✓	
Disaster Management		✓
Air pollution		✓
Building regulations		✓
Firefighting services		✓

Municipal Functions/District		
Municipal Functions	**Function Applicable To Municipality**	**District**
Local tourism	✓	
Municipal planning	✓	
Trading regulations	✓	
Control of public nuisances	✓	
Fencing and fences	✓	
Licensing and control of undertaking that sell food to the public	✓	
Municipal Parks	✓	
Waste Water Storm Water Drainage	✓	

Karoo Hoogland Municipality consists of Sutherland, Williston and Fraserburg and surrounding rural areas.

The municipality comprises an area of 29 423 km2 and falls within the area of jurisdiction of Namakwa District Municipality.

Houses * 2204 (Households serviced)
Households billed: * 2204
Population * 13069 (Community Survey Census 2016)
Registered erven * 4398
Informal structures * 57
Total Households * 3094 (Including Rural areas)
Indigents as at * 912
Households with access to water and basic services: 2204
Households with access to sanitation: 2204
Households with access to electricity: 2204
Households with access to refuse removal: 2204

SECTION D
PROCESS FOLLOWED TO DEVELOP THE IDP

The Municipal Systems Act of 2000, Section 35 states that an integrated development plan (IDP) adopted by the Council of a municipality is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality. The IDP process also provides an opportunity for the municipality to debate and agree on a long-term vision for the development of the municipality. Among the core components of an IDP, the following matters must also be outlined in the IDP:

- the municipal Council's vision for the long-term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- the Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- the Council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- the Council's operational strategies;
- applicable disaster management plans;
- a financial plan, which must include a budget projection for at least the next three years; and
- The key performance indicators and performance targets determined in terms of the Performance Management System.

4.1 NATIONAL AND PROVINCIAL PRIORITIES

There is multitude of government policy frameworks, legislation, guidelines and regulations that seek to advocate for the path pace and direction for the country's socio-economic development.

Table 1: Legislations and policies that guide the development of the IDP

• The Constitution of the Republic of South Africa (1996) • White paper on Local Government (1998) • Municipal Demarcation Board (1998) • Municipal Systems Act of 2000 • Municipal Structure Act of 1998 • Municipal Finance Management Act (2003) • National Property Rates Act (2004) • National Transport Act (2000)	• White paper on Environmental Management • Millennium Development Goals • 12 Outcomes of Local Government • Integrated Sustainable Rural Development Strategy • Industrial Strategy for RSA • The National Youth Development Agency (2008)

• Empowerment Equity Act (2004) • Skills Development Act • White Paper on Spatial Planning • White Paper on Safety and Security	• Domestic Tourism Strategy (2004-2007) • National Development Plan 2030 • Disaster Management Act 57 of 2002 • Northern Cape Provincial Growth and Development Strategy • Integrated Urban Development Framework • District Integrated Development Plan

In order to ensure that there is proper alignment between the strategic direction of the municipality it is necessary to keep National and Provincial priorities in mind during the review of the strategic intent of the municipality.

- Constitution of the Republic of South Africa
- Millennium Development Goals
- National Development Plan Vision 2030
- National Government Outcome 9
- Northern Cape Growth and Development Strategy
- District Growth and Development Strategy
- Integrated Urban Development Framework and 2016 -2019 Implementation Plan

Key points arising from these documents are summarized below

4.2 BILL OF RIGHTS (CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA)

- The Bill of Rights is a cornerstone of democracy in South Africa. It enshrines the rights of all people in the country and affirms the democratic values of human dignity; equality and freedom;
- The statement must respect, protect, promote and fulfill the rights in the bill of rights;
- The rights in the bill of rights are subjected to the limitations contained or referred for in section 36 or elsewhere in the bill.

4.3 MILLENNIUM DEVELOPMENT GOALS

The Millennium Development Goals are as follows;

- Develop a global partnership for development and eradicate extreme poverty and hunger;
- Ensure environment sustainability;
- Reduce child mortality improve maternal health and combat HIV/AIDS and other diseases;
- Promote gender equality and empower women;
- Achieve universal primary education;

4.4 NATIONAL DEVELOPMENT PLAN - 2030

The National Development Plan develop by the National Planning Commission and unveiled on 11 November 2011 states that:

"South Africa can eliminate poverty and reduce inequality by 2030. It will require change hard work leadership and unity our goal is to improve the lice chances of all South Africans but those young people who presently live in poverty. The plan asks for a major change in how we go about our lives. In the past we expected government to do things for us. What South Africa needs is for all of us to be active citizens and to work together – government, business, communities – so that people have what they need to live the lives they would like"

The plan helps us to chart a new course. It focuses on putting in place the things that people need to grasp opportunities such as education and public transport and to broaden the opportunities through economic growth and the availability of jobs. Everything in the plan is aimed at reducing poverty and inequality. Our view is that government should shift the balance of spending towards programmes that help people improve their own lives and those of their children and the communities they live in.

South Africa can become the country we want it to become. It is possible to get rid of poverty and reduce inequality in 20 years. We have the people, the goodwill, the skills, the resources – and now, a plan. This will be achieved by prioritising the following initiatives:

Enabling milestones are:

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

- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.
- An economy that will create more jobs
- Improving infrastructure
- Transition to a low-carbon economy
- An inclusive and integrated rural economy
- Reversing the spatial effect of apartheid
- Improving quality of education, training and innovation
- Quality health care for all
- Social protection
- Building safer communities
- Reforming the public service
- Fighting corruption
- Transforming society and uniting the country

4.5 NATIONAL GOVERNTMENT OUTCOME 9

Cabinet approved government performance monitoring and evaluation system and the management for outcomes. This includes 12 outcomes that collectively address the main strategic priorities of government.

Outcome 9, "A responsive, accountable, effective and efficient local government system", specifically deals with local government and also needs to be aligned and integrated in other national, provincial, district priorities and strategies. The Delivery Agreement for Outcome 93 identifies the following 7 outputs with sub outputs that are linked to Outcome 9 and are as follows:

- Output 1: Implement a differentiated approach to municipal financing, planning and support

➢ Policy framework for differentiation

➢ More autonomy to six metros and top 21 municipalities in respect of infrastructure and housing delivery

➢ A focused intervention for clearly defined smaller municipalities

- Output 2: Improved access to basic services
  - ➢ Increased access to basic services
  - ➢ Bulk infrastructure fund established
  - ➢ Established special purpose vehicle

- Output 3: Implement the community work programme and cooperatives supported
  - ➢ Job creation supported through the community work programme
  - ➢ Job creation supported through the establishment of cooperatives where feasible

- Output 4: Actions supported by the human settlement outcomes
  - Increased densities in Metro's and large town supported
  - Land acquisition for low income and affordable housing supported
  - Informal settlements in 45 priority municipalities upgraded

- Output 5: Deepened democracy through a refined ward committee model

  - Review and strengthen the legislative framework for Ward Committees and community participation
  - Support measures to ensure that 90% of ward are fully functional by 2014

- Output 6: Improved municipal financial and administrative capacity
  - Improved audit outcomes of municipalities
  - Reduced municipal debt
  - Municipal overspending on Opex reduced
  - Municipal under spending on Capex reduced
  - Municipalities spending less than 5% of Opex on repairs and maintenance reduced
  - Improved administrative and human resource management practices

- Output 7: Single window of coordination
  - Review local government legislation
  - Coordinated support, monitoring and intervention in provinces and municipalities

4.6 INTERGRATED URBAN DEVELOPMENT FRAMEWORK CORE ELEMENTS

The IUDF's overall outcome – **spatial transformation** reversing the inefficient spatial patterns in a way that promotes both social and economic development while protecting.

The IUDF proposes 3C growth model = **compact connected** and **coordinated** cities and towns as opposed to fragmented development.

Land, transport, housing, and **jobs** are key structuring elements critical for the attainment of the outcome.

The overall objectives are to create efficient urban spaces by:

- Reducing travel cost and distances
- Aligning land use transport planning and housing
- Preventing development of housing in marginal areas
- Increasing urban densities and reducing sprawl
- Shifts jobs and investment towards dense peripheral townships
- Improve public transport and the coordination between transport modes

Rural urban interdependency, recognize the need for a more comprehensive integrated approach to urban development that responds to both urban and the rural environments.

Urban resilience, or disaster risk reduction and mitigation interventions in the planning and management of urban areas.

Urban safety, particularly safety in public are essential ingredients for creating liveable and prosperous cities.

Reaping the URBAN DIVIDEND

The new Urban Agenda

- Coordinated Investments in people and places
- Focus on solutions for equal cities
- Priorities actions

Includes short term (2016-2019)
Short term priorities linked to current MTSF and identification of priority municipalities

- proposed projects to be reviewed every 3 years to monitor progress, readjust or reprioritise
- Identified strategies and action plans fall into two broad groups:
  - **Establishing the legislative, policy and planning environments for the IUDF. A national committee is required to drive the identified objectives and actions that reports regularly into the relevant national structure(s) on progress made.**
  - **Implementing at a municipal level objectives and actions, according to a differentiated framework.**
- implementation plan includes activities and projects that are already in progress as well as proposals of new priorities and projects
- Some of these **projects may already be monitored** and reported on in terms of the various departmental outcomes, while others will require additional establishment, monitoring and reporting mechanisms.
- The lead department/ institution is identified for each project proposed

Short term priorities include;

- A list of priority municipalities (97 in total) and key action plans.

Criteria used to priorities municipalities

Spatial Scale

- all municipalities with at least an urban population of 45000 people,
- fast-growing municipalities, particularly as a result of mining activities
- 97 municipalities identified accommodate over 75% of the population of South Africa

Demographic Scale and Growth

- Identified municipalities constitute the areas in which highest densities are found- having over 500 persons per square kilometre)

Economic Context

- financial and economic model promoting sustainability and a means to address the poor and indigent
- different scenarios across the cities (combinations of poverty and unemployment) requires the need for solutions packaged to local context.

Service Delivery and Backlogs

- Diagnostic survey of the current state of each of these urban areas will be undertaken to ensure that short-term priorities in the action plans are properly focused.

How will this work be undertaken, monitored and evaluated?

- Provincial departments responsible for local government, DCoG will finalise the priority areas and action plans for individual municipalities, against which the IUDF implementation will be monitored and evaluated.

- **Identify and implement strategic interventions** in the identified intermediary, medium and small towns to strengthen planning, governance and economic development in line with the Back-to-Basics Programme and existing strategic government programmes.
- Develop **spatial contracts for key restructuring zones** in metropolitan municipalities and intermediate cities
- Develop and **implement a model(s) to improve integrated planning in secondary cities** to promote spatial integration and economic development.
- Finalise a model/framework/protocol to fast-track **release and acquisition of state-owned** land key for spatial transformation.
- Develop and implement a framework to **improve alignment and coordination between various SIPs** and other strategic initiatives impacting on urban spaces.
- Upscale the **implementation of the red tape reduction** in priority municipalities.

4.7 NORTHERN CAPE GROWTH AND DEVELOPMENT STRATEGY

The Northern Cape Growth and Development Strategy main objective for development planning in the province are;

a. Promoting the growth diversification and transformation of the provincial economy
b. Poverty reduction through social development
c. Developing requisite levels of human and social capital
d. Improving the efficiency and effectiveness of governance and other development institutions
e. Enhancing infrastructure for economic growth and social development

Northern Cape Local Economic Development Strategy investigated the options and opportunities available to broaden the Local Economic base of the province in order to promote the creation of employment opportunities and the resultant spin-off effects throughout the Local Economy. Areas of opportunity included.

a. Livestock products
b. Game Farming
c. Horticulture
e. Ago related industries
f. Tourism
g. Manganese and Iron Ore
h. Beneficiation of minerals
i. Renewable energy

4.8 DISTRICT POLICY OBJECTIVES WITHIN ECONOMIC DEVELOPMENT

Namakwa District Integrated Development Plan Key Performance areas;

a. Municipal Transformation and Orginisational Development
b. Basic Service Delivery and Infrastructure
c. Local Economic Development
d. Municipal Financial Viability and Management
e. Good Governance and Public Participation

The Namakwa District Municipality Local Economic Development Strategy identifies various opportunities (projects and programmes) namely:

a. Institutional Development
b. SMME Development
c. Agricultural Sector Development
d. Mining Sector Development (including the benefaction projects One Stop Mining Centre and the implementation of new technologies
e. Industrial Development
f. Renewable Energy Development (including wind, wave, solar, and biogas energy)
g. Space Research and Development
h. Tourism Development
i. Quality of Life Improvement

4.9 IDP ENGAGEMENT REPORT BY THE MEC

Karoo Hoogland Municipality values the IDP engagement conducted by the MEC COGHSTA as an important part of the IDP process and credibility of the document. Karoo Hoogland Municipality was found to maintain the improvements in previous financial years. The retention of improvements within the municipality including assistance from the provincial sector departments.

4.10 NATIONAL AND PROVINCIAL PRONOUNCEMENTS

State of the Nation Address by President Cyril Ramaphosa, Cape Town City Hall

Speaker of the National Assembly, Ms Nosiviwe Mapisa-Nqakula,
Chairperson of the National Council of Provinces, Mr Amos Masondo,
Deputy President of the Republic of South Africa, Mr Paul Mashatile and Mrs Mashatile,
Former President Thabo Mbeki,
Former Deputy President Phumzile Mlambo-Ngcuka,
Former Speaker of the National Assembly, Ms Baleka Mbete, Chief Justice Raymond Zondo,
Deputy Chief Justice Ms Mandisa Maya,
Various justices who are here at present,
Mayor of Cape Town, Councillor Geordin Hill-Lewis,
Dean of the Diplomatic Corps and Regional Deans,
Heads of Institutions Supporting our Democracy,
Eminent Persons representing our nine provinces,
Members of Parliament, and
Fellow South Africans,

As we were preparing for this State of the Nation Address (SoNA), we were deeply saddened to hear of the tragic passing of Dr Hage Geingob, the President of the Republic of Namibia.

President Geingob was a dear friend to me and of the South African people and a comrade in arms in the Struggle for our freedom. He was a champion of African peace, unity , progress and development.

May I ask that we observe a moment of silence in his honour.

Fellow South Africans,

This SoNA takes place in the 30th year of our democracy.

On 27 April 1994, millions of South Africans cast their ballot in a democratic election, many for the first time in their lives.

That momentous day was the culmination of centuries of struggle, the struggle to liberate our people from suffering and oppression, from dispossession and exploitation, from poverty and inequality.

As we stood in the long, winding queues to vote, we turned to one another and spoke of our joy and sometimes with tears running down our cheeks.

We embraced friends and strangers alike, encouraged by a sense of a common future that we were about to determine for our country with our vote.

We placed into those ballot boxes not just a vote, but a dream of the country we wanted to build.

It was the dream of a South Africa that, in every sense, belongs to all who live in it, united in our diversity.

The world watched as Nelson Mandela, the father of our nation, cast his vote in Inanda in KwaZulu-Natal; the land of uShaka, a hero whose name echoes across the ages; the birthplace of John Langalibalele Dube, the first President of the ANC, which united the African people; and the home of Chief Albert Luthuli, the first African Nobel Peace Prize Laureate.

In many ways, his voting in Inanda at the place where John Langalibalele Dube is buried, was symbolic because through casting his vote there, he was reporting back to the first President of the ANC on how far the struggle had been prosecuted.

After casting his ballot, Madiba said:

“This is the beginning of a new era. We have moved from an era of pessimism, division, limited opportunities, turmoil and conflict. We are starting a new era of hope, reconciliation and nation building.”

It is this dream, of a free and united people, that is woven into our democratic Constitution.

It is this Constitution that has guided our collective efforts over the last three decades to fundamentally change our country for the better, and it must stand at the centre of the work we do now to build a better life for all.

Over the last three decades, we have been on a journey, striving together to achieve a new society – a national democratic society.

We have cast off the tyranny of apartheid and built a democratic state based on the will of the people.

We have established strong institutions to protect the fundamental freedoms and human rights of all people.

We have transformed the lives of millions of South Africans, providing the necessities of life and creating opportunities that never existed before.

We have enabled a diverse economy whose minerals, agricultural products and manufactured goods reach every corner of the world, while creating jobs in South Africa.

As a country, we have returned to the community of nations, extending a hand of peace and friendship to all countries and all people.

Just as we cannot deny the progress South Africans have made over the last 30 years, nor should we diminish the severe challenges that we continue to face.

We have endured times of great difficulty, when the strength of our constitutional democracy has been severely tested.

There have been times when events beyond our borders have held back our progress.

The global financial crisis of 2007 and 2008 brought to an end, a decade of strong growth and faster job creation.

More recently, the Russia-Ukraine conflict has contributed to rising prices of fuel, food and other goods across the world – and has, as a result, made life more difficult for all South Africans.

There have also been times when events at home have shaken the foundations of our constitutional democracy.

Perhaps the greatest damage was caused during the era of state capture.

For a decade, individuals at the highest levels of the State conspired with private individuals to take over and repurpose state-owned companies, law-enforcement agencies and other public institutions.

In some cases, these activities were enabled by local and multinational companies.

Billions of rands that were meant to meet the needs of ordinary South Africans were stolen. Confidence in our country was badly eroded. Public institutions were severely weakened.

The effects of state capture continue to be felt across society, from the shortage of freight locomotives to crumbling public services, from the poor performance of our power stations to failed development projects.

But South Africans, including many honest and dedicated public officials, fought back and worked together to defeat state capture.

Even then, attempts to thwart the country's recovery continued.

We recall with great anguish the events of July 2021, when individuals loyal to their own interests sought to provoke a popular insurrection, leading to a tragic loss of life and widespread destruction.

Again, they were unsuccessful.

These efforts to undo the hard-won gains of our freedom failed because the people of South Africa stood firm, together, in defence of our Constitution and its promise of a better life for all.

It was the same determination that enabled the country to endure the devastation of COVID-19, the worst global pandemic in over a century.

More than 100 000 South Africans lost their lives to the disease and two million people lost their jobs.

Yet, it would have been far worse if we had not acted together as one to stop the spread of the virus, to support our health workers, to protect the most vulnerable, and to roll out an unprecedented vaccination programme.

We were able to unite society around a common effort to save lives and livelihoods.

I want to pay tribute to the many thousands of South Africans who made financial contributions to the Solidarity Fund, to the workers who produced medical supplies, and to the nurses, doctors and other health workers who risked their lives to care for those who were ill.

Another major challenge we had to address is gender-based violence and femicide (GBVF) which we characterised as the second pandemic.

As government, we have introduced laws and directed more resources to prosecuting perpetrators, providing better support to survivors, and promoting women's economic empowerment.

As a society, we must intensify our collective efforts to bring GBVF to an end.

In recent years, the country has had to confront the effects of climate change.

We have had devastating wildfires in the Western Cape, destructive floods in KwaZulu-Natal, unbearable heatwaves in the Northern Cape, persistent drought in the Eastern Cape, and intense storms in Gauteng.

Much of the task of this administration was to get our country through these great challenges and to work to regain our way.

While each of these events has left its mark, our country has weathered every storm. Yes, we have the scars to show. But in every case South Africans have been resolute. We have not only persevered, but we have come back stronger and more determined.

All these efforts have demonstrated how South Africans value the freedom that was won after decades of struggle.

The story of the first 30 years of our democracy can be best told through the life of a child called Tintswalo born at the dawn of freedom in 1994.

Tintswalo – democracy's child – grew up in a society that was worlds apart from the South Africa of her parents, grandparents and great-grandparents.

She grew up in a society governed by a constitution rooted in equality, the rule of law, and affirmation of the inherent dignity of every citizen.

Tintswalo, and many others born at the same time as her, were beneficiaries of the first policies of the democratic State to provide free health-care for pregnant women and children under the age of six.

Tintswalo's formative years were spent in a house provided by the State, one of millions of houses built to shelter the poor.

Tintswalo grew up in a household provided with basic water and electricity, in a house where her parents were likely to have lived without electricity before 1994.

Tintswalo was enrolled in a school in which her parents did not have to pay school fees, and each school day she received a nutritious meal as part of a programme that today supports nine million learners from poor families.

The democratic State provided a Child Support Grant to meet her basic needs. This grant, together with other forms of social assistance, continues to be a lifeline for more than 26 million South Africans every month.

With this support, Tintswalo – democracy's child – was able to complete high school.

Through the assistance of the National Student Financial Aid Scheme, Tintswalo attended one of our Technical Vocational Education and Training (TVET) colleges and obtained a qualification.

When Tintswalo entered the world of work, she was able to progress and thrive with the support of the State's employment equity and Black Economic Empowerment policies.

With the income she earned, she was able to save, to start a family, to move into a better house, and to live a better life.

This is the story of millions of people who have been born since the dawn of our democracy. But it is only part of the story.

Fo0,r despite the remarkable achievements of the last 30 years, many of democracy's children still face great challenges.

Millions of young people aged 15 to 24 years are currently not in employment, education or training.

There are many who have a matric, a diploma or a degree who cannot find a job, or do not have the means to start a business.

While economic growth is essential to reduce unemployment, we cannot wait to provide the work that many of democracy's children need.

As government we have taken steps to address the youth unemployment challenge.

Three years ago, building on the success of the Expanded Public Works Programme, we launched the Presidential Employment Stimulus.

Through this programme, we have created more than 1.7 million work and livelihood opportunities.

Through the stimulus, we have placed more than one million school assistants in 23 000 schools, providing participants with valuable work experience while improving learning outcomes.

Through the Presidential Youth Employment Intervention, we established SAYouth.mobi as a zero-rated platform for unemployed young people to access opportunities for learning and earning.

Over 4.3 million young people are now engaged on the network and 1.6 million have so far secured opportunities.

We have, working together with the National Youth Development Agency (NYDA), set up a number of initiatives to provide opportunities for young people including the National Youth Service and the Youth Employment Service.

These programmes matter because work matters to people. The NYDA has played a key role in assisting a number of young people, to start their own businesses.

Having a job does not only provide an income – it is fundamental to people's sense of self-worth, dignity, hope, purpose and inclusion.

From the depths of deprivation and inequality, we have worked over 30 years to ensure that all South Africans have an equal chance to prosper.

It is not enough to recognise the injustices of the past; we need to correct them.

We have introduced laws and undertaken programmes to enable black South Africans and women to advance in the workplace, to become owners and managers, to acquire land and build up assets.

The proportion of jobs in executive management held by black people increased almost five-fold between 1996 and 2016.

One of the overriding challenges this administration had to deal with when it took office was state capture and corruption.

Our first priority was to put a decisive stop to state capture, to dismantle the criminal networks within the state and to ensure that perpetrators faced justice.

We had to do that so that we could restore our institutions and rebuild our economy.

We appointed capable people with integrity to head our law-enforcement agencies, government departments, security services and state companies, often through an independent and transparent processes.

The credibility and efficiency of a number of institutions like the South African Revenue Service (SARS) have been restored and their performance improved.

We set up the Investigating Directorate as a specialised and multidisciplinary unit within the National Prosecuting Authority (NPA) to investigate corruption and other serious crimes.

Great progress has been made in bringing those responsible for state capture to justice. More than 200 accused persons are being prosecuted. More are under investigation.

Stolen funds are being recovered.

Freezing orders of R14 billion have been granted to the NPA's Asset Forfeiture Unit for state capture-related cases, and around R8.6 billion in corrupt proceeds have been returned to the state.

A restored and revitalised SARS has collected R4.8 billion in unpaid taxes as a result of evidence presented at the Commission, while the Special Investigating Unit has instituted civil litigation to the value of R64 billion.

We have taken steps, including through new legislation, to strengthen our ability to prevent money laundering and fraud and secure our removal from the "grey list" of the Financial Action Task Force.

With the assistance of business, we have set up a digital forensic capability to support the NPA Investigating Directorate, which in due course will be expanded to support law-enforcement more broadly.

Legislation is currently before Parliament to establish the Investigating Directorate as a permanent entity with full investigating powers.

But there is much more work to be done to eradicate corruption completely.

Based on the recommendations of the National Anti-Corruption Advisory Council, we are determined to introduce further measures to strengthen our anti-corruption agencies, protect whistle-blowers, regulate lobbying and prevent the undue influence of public representatives in procurement.

We will not stop until every person responsible for corruption is held to account. We will not stop until all stolen money has been recovered.

We will not stop until corruption is history.

The real tragedy of state capture was that it diverted attention and resources away from what government should have been doing, which is to grow our economy and create jobs.

Over the past five years, we have worked to revive our economy from a decade of stagnation and protect it from both domestic and global shocks.

We have made progress.

Our economy is today three times larger than it was 30 years ago.

The number of South Africans in employment increased from eight million in 1994 to over 16.7 million now.

Over the last two years, the number of jobs being created has been increasing every quarter, and we now have more people in employment than before the pandemic.

Yet, our unemployment rate is the highest it has ever been.

Even as employment is growing, more people are entering the job market each year than jobs are being created.

We have laid a foundation for growth through far-reaching economic reforms, an ambitious investment drive, and an infrastructure programme that is starting to yield results.

Companies continue to invest, thousands of hectares of farmland are being planted, new factories are being opened and production is being expanded.

We are on track to resolve the most important constraints on economic growth by stabilising our energy supply and fixing our logistics system.

As these obstacles are removed, the true potential of our economy is unleashed.

We set out a clear plan to end load-shedding, which we have been implementing with a single- minded focus through the National Energy Crisis Committee.

We have delivered on our commitments to bring substantial new power through private investment on to the grid, which is already helping to reduce load-shedding.

Last year, we implemented a major debt relief package, which will enable Eskom to make investments in maintenance and transmission infrastructure and ensure its sustainability going forward.

Since we revived our renewable energy programme five years ago, we have connected more than 2 500 megawatts of solar and wind power to the grid with three times this amount already in procurement or construction.

Through tax incentives and financial support, we have more than doubled the amount of rooftop solar capacity installed across the country in just the past year.

We have implemented sweeping regulatory reforms to enable private investment in electricity generation, with more than 120 new private energy projects now in development.

These are phenomenal developments that are driving the restructuring of our electricity sector in line with what many other economies have done to increase competitiveness and bring down prices.

Through all of these actions, we are confident that the worst is behind us and the end of load-shedding is finally within reach.

But we are not stopping there.

To ensure that we never face a similar crisis ever again, we are reforming our energy system to make it more competitive, sustainable and reliable into the future.

We are going to build more than 14 000 km of new transmission lines to accommodate renewable energy over the coming years.

To fast-track this process, we will enable private investment in transmission infrastructure through a variety of innovative investment models.

Last year, we tabled the Electricity Regulation Amendment Bill to support the restructuring of Eskom and establish a competitive electricity market.

As we undertake these reforms, we are positioning our economy for future growth in a world shaped by climate change and a revolution in green technologies.

In the last three years, our country has seen an increase in extreme weather events, often with disastrous consequences.

This is why we are implementing a just energy transition, not only to reduce carbon emissions and fight climate change, but to create growth and jobs for our own people.

We will undertake this transition at a pace, scale and cost that our country can afford and in a manner that ensures energy security.

With our abundance of solar, wind and mineral resources, we are going to create thousands of jobs in renewable energy, green hydrogen, green steel, electric vehicles and other green products.

The Northern Cape, with its optimal solar conditions, has already attracted billions of rands in investment.

We are going to set up a Special Economic Zone in the Boegoebaai port to drive investment in green energy. There is a great deal of interest from the private sector to participate in the boom that will be generated green hydrogen energy projects.

We have decided to support electric vehicle manufacturing in South Africa to grow our automotive sector, which provides good jobs to thousands of workers.

We have decided to give special focus to regions like Mpumalanga to enable the creation of new industries, new economic opportunities and sustainable jobs.

And in the past year, we have increased the financing pledges for our Just Energy Transition Investment Plan from around R170 billion to almost R240 billion.

To address the persistent effects of global warming, which manifest themselves through persistent floods, fires and droughts, we have decided to establish a Climate Change Response Fund.

This will bring together all spheres of government and the private sector in a collaborative effort to build our resilience and respond to the impacts of climate change.

To deal with severe inefficiencies in our freight logistics system, we are taking action to improve our ports and rail network and restore them to world-class standards.

We have set out a clear roadmap to stabilise the performance of Transnet and reform our logistics system.

Working closely with business and labour, we have established dedicated teams to turn around five strategic corridors that transport goods for export purposes.

The number of ships waiting to berth at the Port of Durban – which has experienced severe congestion in recent months – has reduced from more than 60 ships in mid-November to just 12 ships at the end of January.

Transnet has appointed an international terminal operator to help expand and improve its largest terminal at the Port of Durban.

And we are overhauling the freight rail system by allowing private rail operators to access the rail network.

With the current conflict in the Middle East affecting shipping traffic through the Suez Canal, South Africa is well positioned to offer bunkering services for ships that will be rerouted via our shores.

We completed the auction of broadband spectrum after more than a decade of delays, resulting in new investment, lower data costs and improved network reach and quality.

These reforms have a profound impact in a society in which access to the internet has risen dramatically over the last decade.

Less than half of all households had internet access in 2011, compared to 79 % of households in 2022.

Just this week, we published new regulations to reform our visa system, which will make it easier to attract the skills that our economy needs and create a dynamic ecosystem for innovation and entrepreneurship.

We raised R1.5 trillion in new investment commitments through five South Africa Investment Conferences, of which over R500 billion has already flowed into the economy.

To support growth in the mining sector, we are moving ahead with the modernisation of our mining rights licensing system and are launching an exploration fund to support emerging miners and exploit new mineral deposits.

Through this, mining, which was the bedrock on which the South African economy was built, will once again become a sunrise industry.

Participation of previously disadvantaged black people is increasing.

Black ownership stands at approximately 39% when compared with 2% in 2004. Investment in infrastructure is gaining momentum.

New and innovative funding mechanisms will be used to increase construction of infrastructure. The Department of Water and Sanitation aims to enhance water resource management by initiating infrastructure projects to secure water supply and diversifying water sources to reduce dependence on surface water.

Bulk water projects are under construction across the country to improve water supply to millions of residents in villages, towns and cities.

The following water infrastructure projects are in progress or completed:

Lesotho Highlands Water Project, Umzimvubu, Hazelmere Dam, uMkhomazi Water Project, Clanwilliam Dam, Tzaneen Dam, Loskop, Mandlakazi, pipeline from Jozini Dam, Giyani, pipeline from Nandoni Dam to Nsami Dam, Pilanesberg Water, Vaal Gamagara and pipeline from the Vaal River to Hothazel.

In the Eastern Cape, the Msikaba and Mtentu bridges are beginning to rise over the landscape, and will be among the highest in Africa once complete.

The steel used for part of the project is fabricated in Mpumalanga, and the iron ore comes from the Northern Cape.

In the past five years, South African National Roads Agency Limited, which manages nearly 25 000 km of roads, has awarded more than 1,200 projects to the value of R120 billion.

In November last year, Cabinet approved a framework for high-speed rail, focusing initially on the Johannesburg to Durban corridor.

As we grow the economy, we are making it more inclusive.

Through redistribution, around 25% of farmland in our country is now owned black South Africans, bringing us closer to achieving our target of 30% by 2030.

In the last 5 years, we have supported around 1,000 black industrialists with funding and other forms of support. These black-owned firms employ more than 90,000 workers and contribute many billions of rands to our economy.

At the same time, about 200,000 more workers obtained ownership of shares in the companies they work, bringing the total worker ownership in companies in the South African economy to well over half a million workers.

We see this trend continuing to grow as more and more companies realise that it is beneficial to their operation that their workers should have a stake in the businesses they work for.

The reforms that we have initiated and the work that is underway will enable us to end load-shedding, to improve our logistics system, to achieve water security and ultimately to create jobs.

While our challenges have never been greater, our response to these challenges will lead us to greater prosperity than we have ever known.

One of the worst injustices of apartheid was the manner in which education was used as a tool to perpetuate inequality.

Over the last 30 years, we have sought to use education as a tool to create equality. Our basic education outcomes are steadily improving across a range of measures. The latest matric pass rate, at 82.9%, is the highest ever.

And with each new year, learners from no-fee schools are accounting for more and more of the bachelor passes achieved.

At the same time, fewer learners are dropping out of school.

We have increased funding for poor and working-class students in universities and TVET significantly over the past five years.

Over the next five years, we will focus our attention on expanding access to early childhood development and improving early grade reading, where we are already beginning to see progress.

Moving early childhood development to the Department of Basic Education (DBE) was one of the most important decisions as we were now able to devote more resources to early childhood development and ensure that through cooperative governance various departments of government get involved in early childhood development augmented by the DBE.

Our policies and programmes have, over the course of 30 years, lifted millions of people out of dire poverty.

Today, fewer South Africans go hungry and fewer live in poverty.

In 1993, South Africa faced a significant poverty challenge, with 71.1% of its population living in poverty.

However, under the democratic government, there has been a consistent decline in these numbers.

By 2010, the poverty rate had dropped to 60.9%, and it continued to decrease, reaching

55.5 percent in 2020, as reported by the World Bank.

This progress has been made possible by extensive support to those in society who need it most.

Five years ago, we introduced a further measure to tackle poverty in by introducing National Minimum Wage is envisaged in the Freedom Charter.

The decision by key role players, being business and labour and communities, to introduce the minimum wage immediately raised the wages of over 6 million workers.

In the midst of the pandemic, we introduced the special Social Relief of Distress Grant, which currently reaches some 9 million unemployed people every month. We have seen the benefits of this grant and will extend it and improve it as the next step towards income support for the unemployed.

These grants and subsidies do much more than give people what they need to live. They are an investment in the future.

Social assistance has been shown to increase school enrolment and attendance, lower drop-out rates, and improve the pass rate.

South Africans are living longer than ever before.

Life expectancy has increased from 54 years in 2003 to 65 years in 2023. Maternal and infant deaths have declined dramatically.

We have built more hospitals and clinics, especially in poor areas, providing better quality care to more South Africans.

Today, 95% of persons diagnosed with HIV know their status, 79% of those receive antiretroviral treatment, and 93% of those are virally suppressed.

New HIV infections among young people have declined significantly.

And yet, while our health system has had a great impact on people's lives, we are working to improve both the quality of healthcare and equality of access.

The National Health Insurance (NHI) will provide free health care at the point of care for all South Africans, whether in public or private health facilities.

We plan to incrementally implement the NHI, dealing with issues like health system financing, the health workforce, medical products, vaccines and technologies, and health information systems.

One of the most visible, impactful and meaningful achievements in the first three decades of freedom has been in providing homes to the people.

Today, nearly nine out of every 10 households live in a formal dwelling.

Where there were once shacks and mud houses, there are now homes of brick and mortar.

These are homes with water to drink and to wash with, homes with electricity for lighting and cooking.

At the end of apartheid, only six out of 10 people had access to clean drinking water. Today, that figure has increased to nearly nine out of 10 South Africans.

We are working to ensure that subsidised housing is located close to work, education and services.

But for services to be delivered, local government has to work.

Too many municipalities are failing on governance, financial and service delivery measures. These constraints affect every aspect of peoples' daily lives.

We have started the implementation of a number of measures to address this problem by providing support to local government, including professionalising the civil service and ensuring that people with the right skills are appointed to key positions.

The Presidency, National Treasury and the Department of Cooperative Governance and Traditional Affairs are working together to enhance technical capacity in local government and to improve planning, coordination and fiscal oversight.

Through the Presidential *izimbizo* that have been held across the country, we have seen how the District Development Model (DDM) has brought together all spheres of government and key stakeholders to address the service delivery challenges in communities.

The DDM has proven to be an effective instrument to enhance cooperative governance and collaboration. We will continue to broaden and deepen this process.

Tackling crime and insecurity is a key priority.

South Africans deserve to be safe and to feel safe, to walk freely and without fear in their neighbourhoods and public spaces.

During this administration, we have focused on equipping our law-enforcement agencies, which had been systematically weakened, to do their work effectively.

We have strengthened the ranks of the police through the recruitment of 20,000 police officers over the last two years and another 10,000 in the year to come.

An extra 5,000 police officers have been deployed to Public Order Policing.

The South African Police Service has launched Operation Shanela as a new approach to target crime hotspots, which resulted in over 285,000 arrests since May last year.

The Economic Infrastructure Task Teams that are operational in all provinces have had important successes in combatting cable theft, damage to critical infrastructure and illegal mining.

Through close collaboration with the private sector, we have seen a reduction in security incidents on the rail network.

We launched the new Border Management Authority last year to improve the security of our borders, and have already stopped over 100,000 people who tried to enter our country illegally.

Together with civil society, we developed the National Strategic Plan on GBVF, together with civil society, as a society wide response to this pandemic.

Around R21 billion was dedicated over the medium term to the implementation of the six pillars of the plan, including the economic empowerment of women.

New laws were introduced to strengthen the response of the criminal justice system GBV and provide better support to survivors of such violence.

Our ultimate goal is to end GBV altogether by mobilising all of society. As part of this, we support the call for a pledge that men in South Africa are invited to take to demonstrate their personal commitment to ending this scourge.

Women are also in the process of developing their own pledge.

We still have a long way to go to build safer communities, prevent violent crime, and protect our infrastructure.

But there is no doubt that a professional, well-trained and properly resourced police force, working closely with communities, will make our country a safer place.

Today, every South African can hold their heads high, confident that we have assumed our rightful place on the world stage.

We remain committed to playing a constructive role on our continent and around the globe for the realisation of a better Africa and a better world.

We will continue to play an important role to silence the guns throughout our continent.

Our engagements with parties in the Russia-Ukraine conflict through the Africa Peace Initiative are progressing. We engage in these peace efforts because we believe that even the most intractable conflicts can be brought to an end through negotiations.

Guided by the fundamental principle of human rights and freedom, we have taken up the Palestinian cause to prevent further deaths and destruction in Gaza.

We have welcomed the ruling of the International Court of Justice that Israel must take all measures within its power to prevent acts of genocide against Palestinians.

We condemn the killing of civilians on all sides and call on all parties involved in the conflict to commit to a peace process that will deliver a two state solution.

We will use our foreign policy to pursue our development goals. During our leadership of Brazil, Russia, India, China and South Africa (BRICS) last year, we witnessed a new chapter for the BRICS family of countries.

The expansion of the group from five to ten members presents opportunities for trade and a strengthening of political and diplomatic ties between countries in the global South.

We will build on the progress we have made in establishing the African Continental Free Trade Area (AfCFTA), which will transform South Africa's economy and that of the continent by creating new jobs and increasing economic participation.

And we will place Africa's development at the top of the agenda when we host the G20 in 2025.

The achievements over the last three decades are a testament to the power of collaboration and partnership to address our most pressing challenges.

Our country has a vibrant civil society, a powerful union movement and an engaged private sector.

Over the last five years, we have worked with these social partners to address challenges such as to keep people safe and to distribute vaccines during the COVID-19 pandemic, and to mobilise a society-wide response to GBV.

In the past year, we have come together with social partners to end load-shedding, address the challenges in the logistics sector, tackle crime and corruption, and accelerate job creation.

This is the South African way of building a social compact working together on tangible issues, and it will be the key to building a new society in the years to come.

Fellow South Africans,

This is the last SoNA of the sixth democratic administration. The last five years has been a time of recovery, rebuilding and renewal.

We have had to revitalise our economy after more than a decade of poor economic performance. We have had to rebuild our public institutions after the era of state capture.

We have had to recover from a devastating global pandemic that caused great misery and hardship, that closed businesses and cost jobs.

And we have had to confront and overcome a debilitating electricity crisis that, despite significant improvement in recent months, continues to hold back our economy.

We have come a long way in the last five years. We have built on the achievements of the last three decades and we have taken decisive measures to address the immediate challenges facing South Africans.

We have restored the independence and capability of our law-enforcement agencies to tackle corruption and crime.

We have worked to advance the rights of persons with disability. We took great pride in making South African Sign Language the 12th official language of our country.

We have safeguarded and promoted the basic rights in our Constitution, such as the freedom of speech, association and belief. We have defended media freedom and the independence of the judiciary.

We have protected and advanced the rights of members of the lesbian, gay, bisexual, transgender, queer/questioning and intersex community, and continue to combat all forms of prejudice and intolerance.

We have made significant progress on measures to grow the economy, create jobs and reduce poverty.

While we have set in motion the process of renewal and reform, there is more work to be done to see these reforms through to the end.

We will see through the work underway with our partners to end load-shedding and revive the performance of our ports and rail network.

We will continue to strengthen our law-enforcement institutions, tackle GBV and fight corruption to make South Africa a safe place for all.

We will continue to strengthen local government, professionalise the Public Service and ensure that public officials are held accountable for their actions.

We will continue to position our economy to grow and compete in a fast-changing world, to support small businesses, to give young people economic opportunities and to provide social protection to the vulnerable.

We will continue the work to improve the country's fiscal position and hold firm to a sound macroeconomic trajectory.

We will use the opportunities provided by the AfCFTA to increase our trade and expand our industries.

We will continue to build an inclusive economy, focusing on the empowerment of black and women South Africans, advancing workers' rights, intensifying land reform and pursuing a just energy transition that leaves no-one behind.

Fellow South Africans,

As we celebrate 30 years of freedom, we must remain steadfast in our commitment to our constitutional democracy and its promise of a better life.

We should not give in to those who resist the responsibility that the Constitution places on us all to correct the injustices of the past and fundamentally transform our economy and society.

We must remind these people of the obligation that the Constitution places on the State to progressively realise the rights of everyone to housing, health care, food, water, social security, safety and education.

By the same measure, we should not allow anyone to diminish vital democratic institutions, to denigrate the judiciary or to challenge the constitutional authority of this Parliament.

We should not give in to those who seek to divide our nation, incite violence and undermine our democracy.

As in the past, as in the future, the people of South Africa should stand together against any attempt to reverse the achievements of our democracy.

As the Chairperson of the Constitutional Assembly, I worked with many great leaders of our country to craft a Constitution that truly reflects the will of the South African people.

As President, I see it as my primary duty to defend our Constitution, and to work every day to realise its promise.

As we move forward, let us remember that it is up to us – not anyone else – to determine the future of South Africa.

We are not passive observers of our history. We are its authors.

We are the builders of this country we call home.

As we look towards the next 30 years of freedom, we must choose the kind of country, and indeed the kind of world, we want to create for ourselves and for our children.

We are committed to a South Africa in which our common identity lies in our recognition of each other's humanity.

We want a country in which every person is free to be exactly who they are, regardless of their race, gender, sexual orientation, ethnicity or religion.

We want a country in which the same opportunities are available to every child, whether they are born in Sandton, in Mdantsane, in Sekhukhune, in Mitchell's Plain or in Phoenix.

We want a country in which the rule of law applies to everyone, no matter how wealthy they are or what position they hold.

As we continue the journey together to make this vision a reality, we are inspired by democracy's children, by their energy, by their creativity and by their enthusiasm.

We are inspired by the young people who have carried our hopes onto the global stage, from the Springboks to Banyana Banyana, from the heroic Bafana Bafana to Grammy Award winners like Tyla.

As we mark the 30th anniversary of our freedom, we are reminded of the words of President Nelson Mandela, who said that after climbing a great hill, one only finds that there are many more hills to climb.

He said:

“I have taken a moment here to rest, to steal a view of the glorious vista that surrounds me, to look back on the distance I have come.

“But I can rest only for a moment, for with freedom comes responsibilities, and I dare not linger, for my long walk is not yet ended.”

While we have come far, we have a long way still to go.

Like Madiba, we must keep moving, always forward, always onwards, towards the country of our dreams. Always believing that victory is certain.

I thank you.

State of the province address by the Premier of the Northern Cape, Dr Zamani Saul Kimberley,Frances Baard District 29 February 2024

Speaker of the Northern Cape Provincial Legislature, Ms Newrene Klaaste,
Deputy Speaker, Mr Mangaliso Matika,
Deputy Chairperson of the NCOP, Ms Sylvia Lucas
Minister for Public Service and Administration, Ms Noxolo Kieviet
Deputy Minister for the Department of International Relations and Cooperation, Mr Alvin Botes
Deputy Minister for Small Business, Mr Dipuo Peters Members of the Northern Cape Provincial Executive Council, The Chief Whip, Mr Neo Maneng,
The leader of the Opposition, Mr Harold McGluwa The Leader of the EFF, Mr Shadrack Tlhaole,
The leader of the Freedom Front Plus, Mr Danie Coetzee,
Members of the National Assembly and the National Councilof Provinces, Members of the Northern Cape Provincial Legislature,
Chairperson of the Provincial House of Traditional Leaders, Kgosi Pelonomi Toto and all our Traditional Leaders,
Members of the Diplomatic Corps,

Judge President of the Northern Cape High Court Division, Judge Pule Tlaletsi, Heads of State Security Services,
Chairperson of the South African Local Government Association Northern Cape,
Mayors and Councillors,
Traditional Leaders,
Heads of State Institutions supporting our Constitutional Democracy, The Director General and Heads of Departments & Government Officials, Provincial Secretary of the ANC and other political parties,
Leaders of the Alliance & Mass Democratic Movement Formations Leaders of Organised Labour, Business leaders, Members of the Media, Distinguished Guests, Fellow citizens of the Northern Cape Ladies and Gentlemen

Madam Speaker, it is my distinct honour to deliver this State of the Province Address today, in a year in which we commemorate the 30th Anniversary of the democratic South Africa. That is a watershed moment in the struggle for political and economic freedom for all South Africans, particularly the black majority. This is a moment that forces us to reflect on our path, that began on April 27, 1994, when many South Africans nationwide casted their votes for the first time. A vote that resulted in the birth of the Northern Cape Province, as one of the nine provinces that constitute the Republic of South Africa.

Madam Speaker, this is indeed an important year in the life of our promising constitutional order. Besides, the 30th Anniversary, South Africans will go to the polls on the 29th of May and I take this opportunity to encourage every resident of the Northern Cape to engage in this noble exercise of democracy by casting their vote. I am very optimistic that the voter turnout on election day, will exceed expectations as many young people have registered to exercise their democratic right.

Madam Speaker, this year, Iwas one of the participants in the debate on SONA and Ihighlighted that in 2020 the country and the entire world was engulfed by the COVID-19 pandemic, that same year our Honourable President Ramaphosa likened Gender Based Violence and Femicide to a second pandemic confronting our country. With these upcoming elections, we are confronted by a third pandemic called memory loss; In Afrikaans, s ons geheue verlies. The character Tintswalo, that the President spoke about serves to remind us that, despite all the challenges that the country is faced with, there are areas of serious progress.

Tintswalo, demonstrates the cumulative impact of Government policy interventions. This character represents the real life story of success of many young people, from impoverished backgrounds in our province. These are young people who benefitted from the rollout of various services since 1994 such as free access to healthcare, free public basic education, school nutrition, grants, free access to housing and tertiary education funding.

Today we have in our midst thirty young people who identify with the character Tintswalo. These are young people, whom with the assistance of the various government intervention programmes are now respected professionals and are making a positive contribution to society. Amongst them, we have doctors, Nurses, Engineers and Educators. We will continue to tell the story of Tintswalo because it is the story of this democracy, a good story to tell that resonates with the lives of many young people in the Northern Cape.

Madam Speaker, as we meet here today in Kimberley, we are aware of the challenges that are faced by Sol Plaatje Municipality in the recent years. One amongst them, is the water interruptions due to backlogs in the maintenance of ageing and inadequate infrastructure. Over the years, the Municipality was faced with an inadequate budget and that hindered its ability to properly maintain, repair or refurbish its water infrastructure.

The Municipality has put in place a plan of action to address these challenges. We are happy to announce that this year the National Treasury has approved funding of R2.5 billion through the Budget Facility for Infrastructure (BFI). This allocation is aimed at addressing infrastructure challenges. This funding will enable the municipality to embark on a comprehensive plan to upgrade the infrastructure, reduce water losses, and enhance water quality.

Linked to this, is our programme to accelerate housing delivery in Sol Plaatje Municipality. In addition to the R 365 million Hull Street Housing Project that I announced in the 2022 SOPA and is now under construction; an additional 1,000 houses will be built in this municipality for our people.

In partnership with Ekapa Mining; Sol Plaatje Municipality is working on the implementation of a 120MW combined Renewable Energy Project amounting to R2.4 Billion creating about 400 job opportunities.

Madam Speaker, Sol Plaatje Municipality is host to the Sol Plaatje University, a new university; which just celebrated its 10th Anniversary. SPU is the iconic landmark in Kimberley and continues to play a very important role in providing quality higher education, training, research and innovation in the province and the country at large.

This year, SPU experienced the largest intake of first-year students since its inception, with more than 2,000 first-year students. From an initial intake of 124 students in 2014, enrolment has now grown to over 5,000 students this year. What distinguishes this university from other universities in the country is the fact that it is an investment made by this democracy. This investment makes it possible for Kimberley to diversify its economic outlook from a mining city to a university city.

Madam Speaker, in 2019 we articulated a vision for the Province, to build a modern, growing and successful province. Driven by this vision, we successfully mobilised our stakeholders for support to steer the Province to greater heights. Ladies and Gentlemen, we now stand on the cusp of a binding vision that all of us can claim ownership of. During my Inaugural Address, I highlighted the tenets of a Modern, Growing and Successful Province.

In line with this vision, over the past five years we have shown our commitment towards addressing the challenges faced by our Province. As a result, we are approaching the end of the term of the Sixth Administration with greater optimism. This is but just the end of a term and not the end of the incumbency of the governing party.
Madam Speaker, the ANC as a governing party have worked relentlessly over the past 30 years to fundamentally alter the quality of lives of our people in the Northern Cape. As reflected in the Human Development Index {HDI) and the Census 2022 report, it is

evident that we have achieved a lot. HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living.

In 1995 the Human Development Index (HDI) of the country was 0.66 and that was an indication of medium human development and now it is standing at 0.727, which is a high human development. During the past five years in the Northern Cape, there has been a noticeable increase in the HDIand the Northern Cape is now one of the six Provinces in the country with an HDI above 0.70.This reflects the strides that we have made in improving the quality of public education, public health and households' income.

Madam Speaker, ladies and gentlemen, we have indeed improved the quality public education and all indicators attest to that. The proportion of persons aged 5-24 who attended an education institution increased from 64,2% to 70,3% in 2022 in the Northern Cape; this represents the largest increase in attendance observed in all provinces. The percentage of persons aged 20 years and older with no schooling in the Northern Cape declined from 22,7% to 6,7% in 2022.

We have a total number of 554 public schools, including the 11 Special Needs Education schools, which accommodates about 310 000 learners in this year. The number of educators has increased from 9 270 in 2019 to about 9 600 in 2024. This all demonstrates our commitment to improve the quality of public education.

Madam Speaker, the school nutrition programme has a total of (276 088) two hundred and seventy-six and eighty-eight beneficiaries, which means that 90% of our learners receive a nutritious meal at our schools every day.

Our Grade 12 results show a positive growth in that in 2020 our matric pass rate was 66%, in 2021 it was 71.4%, in 2022 it was 74.2% and last year we have 75.8%. This is a cumulative increase of ten percent over the last four years. Our Matric results also shows an increase across all five (5) districts.

Madam Speaker, we noted with excitement the improvement in the quality of Grade 12 results from poor schools. Learners from no-fee paying schools accounted for almost 50% (48.3%) of the total bachelor passes obtained in 2023. Between 2019 and 2023, the number of quintile 1 to 3 learners with Bachelor passes increased by 9.8%.

This success is significant as the quality of the NSC pass determines access to bursaries or loans for further studying at a tertiary institution.

The Sixth Administration built 19 new state-of-the-art schools to the value of R600 Million and 8 are completed. Since 2019, we spent more than R274 Million for refurbishment, upgrades and maintenance work to 167 schools. Very important is our programme for sanitation upgrades which benefited 74 schools.

We call on our communities to continue to partner with us to promote the best interest of our schools and strive to ensure that our schools remain institutions of quality learning and teaching. You are therefore encouraged to form part of the School Governing Body Elections that start on the 1st of March this year. We thank all the outgoing SGB's for their selfless commitment and their contribution in the governance of our schools in the Province.

Madam Speaker, we have indeed improved access to the provision of public healthcare services in the province, and all indicators attest to that. The overwhelming majority of Northern Cape household members (85% in 2022) continue to use public health systems as their first port of call.

The health profile has gradually increased in the Northern Cape with life expectancy increasing for both males and females; males saw an increase from 51 to 58 in 2023; females saw an increase from 56 to 65 during the same period.

The infant mortality in-facility rate decreased from 17.3% per 1000 live births to 16.1%. The maternal mortality rate was 109,9/100 000 in 2019 is reduced to 80/100 000 in 2023. This constitutes a major achievement against Sustainable Development Goal.

Madam Speaker, the improvement in healthcare provision to our people can largely be attributed to the quality and access to health services in our healthcare facilities across the Province. We have a total of 513 medical officers in the Province, of which 293 are at Robert Mangaliso Sobukwe Hospital here in Kimberley. The Department has a total of 2 539 nurses in different categories, spread across the province. To further strengthen our nursing capacity, the Department of Health continues to fund nurses to improve their skills.

Due to the decisive manner in which we managed the COVID-19 pandemic, the Northern Cape experienced the least number of deaths in the country. The improved Case Fatality Rate is a result of better patient care in our health facilities including early treatment-seeking behaviour by the communities.

The HIV positivity rate declined from 4,5% in 2018 to 2,4% in 2023. Care and treatment for people living with HIV, and retention of patients into Antiretroviral Treatment Therapy (ART) has improved significantly, and the number of people on treatment increased from 62 471 in March 2021 to 68 863 in 2023, representing a 10% increase.

Madam Speaker, since 2019 we have procured 146 new and better-equipped ambulances,50 patient transport vehicles and 6 emergency rescue vehicles. All to the value of more than R200 Million. This has enabled us to improve our EMS response time to 80% for Rural and Urban areas. This is consistent with the national target set for 80%.

We remain committed to improving the quality and access to healthcare in the Province. In this regard, we will make more resources available for healthcare infrastructure, ambulances, patient transport, staffing and medication.
Madam Speaker, ladies and gentlemen, I have another special guest in the gallery, Ntate Sarel, who turned 100 years old last month on the 04th of January. He lived 70 years of his life under apartheid colonialism and 30 years in democracy. His life encapsulates the past, the transition and the present. He got his first old age grant when he turned 65 in 1989; because he was black he received only R131 once in two months.

This amount was by far less than the R372 that was received by his white peers on a monthly basis. In 1994 the democratic government removed this injustice, and all old age grant beneficiaries irrespective of their race received the same amount of R390 every month and now it stands at R2100. This is but one incident of the history of racial injustice that the democratic had to deal with.

Madam Speaker, social assistance through grants has been this democratic government's most effective poverty-reduction tool. In comparison. The number of social grant beneficiaries increased from (66 000) sixty-six thousand in 1994 to (538 447) five hundred and thirty-eight thousand four hundred and forty-seven in 2024.

As of August 2021 on average a total of one hundred and fifty thousand unemployed people benefited from the Social Relief of Distress Grant at a value of more than R1.5 Billion in the past three years.

The implementation of pro-poor policies by this government is beyond question and is unparalleled. On top of all these interventions, we have more than 267, 000 learners benefitting from the National School Nutrition Programme, 26 539 benefitting from learner transport and 74,4% of the schools declared as No-Fee Schools.

Honourable Members, Ladies and Gentlemen, according to the latest Quarterly Labour Force Survey (QLFS) released by StatsSA, the unemployment rate for the Northern Cape is still the second lowest (26.9%) in the country. Job increases were recorded in the following sectors Agriculture (5 000), Mining 10 000 and Energy (4000).

The number of employed persons during the 2nd Quarter of 2020 was 255,000 and now in 2023 we have 329,000 employed people in the province, which is the highest ever.This represents 74 000 increase in the number of employed people. As we move forward into the Seventh Administration, we need to strengthen our response to unemployment and create more jobs for the people of the Northern Cape.

Madam Speaker, when the sixth administration assumed office in 2019 the Provincial economy was estimated at R119 billion and it is now estimated at R 148 billion as of 2023, highlighting an increase of R 29,6 billion, in four years. This growth in the GDP demonstrates the collaborative efforts by the Provincial Government and the private sector to grow the economy. The resurgence in the provincial economy during 2021, was at the back of a robust mining sector, which recorded growth of around 18% largely due to a surge in commodity prices and investments in renewable energy.

Madam Speaker, the provincial government is the province's single biggest procurer of goods and services. Through preferential procurement, we are contributing towards redressing the economic imbalances of the past as well as stimulating and promoting local economic development. The total spent on goods and services by the Sixth administration amounts to R25.97 billion.

The preferential procurement spending on woman-owned suppliers amounts to R5,03 billion (19,37%), youth-owned suppliers R1,48 billion (5,68%), and people living with disabilities owned suppliers R51,03 million (0,2%). Spending on black-owned suppliers amounted to R15,08 billion (58%) during the sixth administration.

The Provincial Government has spent an amount of R13,83 billion (53,26%) on small businesses (SMEs), aiming to advance economic growth and employment in the province. This commitment to empowering our local suppliers continues by ensuring that suppliers are paid timeously for services rendered, within 30 days and in most instances less than 30 days.

Madam Speaker, these figures prove that our democratic dispensation is on a positive trajectory in changing the lives of the people of the Northern Cape. We have observed improvements in access to basic services with the province's performance for access to water, electricity and sanitation consistently being above the national average. This is further reflected in the Census 2022 report which indicates that the number of households with formal dwellings increased from 78,3% to 85,9% in 2022.
The total number of households that have access to onsite piped water (either inside the dwelling or yard) increased to 82% in 2022; the percentage of households that had no access to piped water in the Province declined from 19,7% to 8,7% in 2022. The total amount of households that had access to electricity as a main source of lighting increased to 92,5% in 2022, all the municipalities in the Northern Cape have more than 80% of their households having access to electricity as a main source of lighting in 2022. The total number of households in the Northern Cape that have access to flush toilets increased to 73,0% in 2022. This indicates a huge improvement in the provision of basic services.

Madam Speaker, in our pursuit to modernise the Province, we stated that such a Province must have connected residents. The internet is a vital resource to access information and to communicate with others. Households' access to the internet from anywhere in the Northern Cape increased from 16.2% in 2010 to 68,5% in 2022. Broadband generation in the Northern Cape is at 70%.
Madam Speaker, Honourable members, Ladies and Gentlemen, last year, we announced the close to R1 Billion investment in broadband infrastructure and base stations by our operators, Vodacom, Telkom and MTN as well as the work on the

development of a Provincial Broadband Strategy. As a result of the social compact and collaborative initiatives with these mobile operators, the Northern Cape's cellular network coverage stands at 98%. We are pleased to announce that we have completed the broadband strategy, and the development of an implementation plan is underway.

Madam Speaker, we have conceptualised a digital Thusong App and I am happy to announce the completion of phase 1 of the development. On completion of this project, it will put under one roof the online services of the various Government Departments. Honourable members, Ladies and Gentlemen, Over the past five years, we have made significant progress with Modernising the education and health sector in the Province. Education in the Northern Cape experienced ground-breaking transformation over the past five years in an era marked by rapid technological advancements. We have introduced an online registration system and this makes placement of learners seamless. The online admission system was launched in August 2020 and currently caters for grade 1 and 8 learners.

To date, all 554 public ordinary schools; including 11 Special Needs Education schools, have connectivity for administrative purposes. We are continuing through the SA Connect programme to connect schools for teaching and learning. To date, a total of 98 schools in the Pixley Ka Seme District have been connected. Efforts are underway to ensure that all schools are connected for teaching and learning in our Province.

As part of modernising our education system, 12,000 tablets; loaded with offline Edu Kite software, were distributed to Grade 12 learners last year. This year we are expanding the programme with the procurement of tablets for Grade 10 and 11 learners, which will commence 1st April 2024.

A total of one hundred and seventy-three (173) schools have been identified for the Coding and Robotics Pilot, of which fifteen 15 are between Grades R to 3, hundred and eleven (111} are between Grades 4 to 7, and forty-seven (47) are between Grades 8 to 9.

Five (5) classrooms, one in each district, have been converted into cyber labs and fitted with state-of-the-art 41R equipment, including coding, robotics, and virtual reality resources.

Madam Speaker, libraries play a crucial role in society for access to free educational resources, safe sanctuaries for learning, economic support, language learning and much more. To date, 215 out of 223 community libraries have been connected to free internet in the province.

All our youth service centres now serve as Wi-Fi Hotspots for young people to access Internet services.

Madam Speaker, in pursuing a-health we have connectivity to 91% (145/159) of all health facilities, an electronic dispatch system at the two EMS call centres has been initiated. The Botshelo App will be used for vehicle tracking systems in ambulances. In 2018 we moved from manual systems to various automated Hospital Systems which assist in managing Revenue, Patient Visits and tracking patients from where they receive the services and avoid the patients duplicating access to health care services.

Madam Speaker, through the Vaalharts Agricultural Distribution Centre {VADC) and Farm Smart Technology, the province intends to organise and structure support, logistics and marketing hub, utilising modernised technologies for increased access to high-yield markets for emerging farmers, as well as selected commercial farmers.

Madam Speaker, our total spending on public infrastructure, which includes hospitals, clinics, schools, libraries, roads and human settlements since 2019 to date is R14.8 billion. This reflects an unprecedented level of spending on infrastructure in the Province.
Madam Speaker, road infrastructure remains the province's priority to create seamless access to economic opportunities and improve people's mobility. We reported in the last SOPA that we will transfer some of our strategic road networks to SANRAL and that process has been finalised. Currently, SANRAL has a footprint of 4 409 kilometres of which 952 kilometres were recently incorporated with more roads to be transferred shortly.

Madam Speaker, since the implementation of the Operation Vala Zonke programme; to date, the Province can report that 23 334 potholes have been fixed and this was achieved through the utilisation of internal maintenance teams.

Since 2019 through the Human Settlements Development Grant, we have invested almost R 1. 5 billion to provide housing to our people. This commitment to providing quality housing is evident in the bold step that we have undertaken to pilot a unique funding model, that enabled us to launch the R1 Billion Housing Project, which is the single biggest investment in human settlements in the Northern Cape.

This will accelerate the pace of the provision of houses for the poor. The R1 Billion Rand Housing Project is based on the fact that there are approximately 18,000 serviced sites ready for the construction of houses throughout the Northern Cape Province.

Through the implementation of key catalytic projects which include amongst others, the Namakwa Special Economic Zone (SEZ) that will be launched in April this year; Boegoeberg se Baai Port; the Green Hydrogen Project and the Kathu Industrial Park, we will ensure that our objective of growing the economy is realised. In preparation for our Port development, we have sent five young people from the Province to Vietnam to study Marine Engineering at the Maritime University.

Madam Speaker, the Honourable President, His Excellency Cyril Ramaphosa initiated the annual Presidential Investment Conference to realise R 1,2 trillion investment over five years. Since its inception in 2018, to date, R 1,14 trillion worth of investment has been realised by South Africa. A substantial amount of this investment was made in the Northern Cape amounting to R 70 Billion with key investments in the energy and mining sector.

Major investments in the Province thus far include amongst others, commitments from Vedanta, PMG, Orion, Unigreen, SCATEC and ACWA to mention but a few.

The Northern Cape is at the forefront of driving investment in green energy. As a Province, we have launched a Green Hydrogen Masterplan. This highlights the need for substantial infrastructure development, leveraging the province's renewable energy resources and strategic location to drive economic growth and exports. A noteworthy milestone is the completion of the pre-feasibility study with very positive results.

Madam Speaker, through focused partnership efforts in key areas, we have together with mining houses made significant strides investing about R690 Million in education, healthcare, environmental sustainability, economic development, water and infrastructure enhancement as well as roads.

Madam Speaker, the South African Government is in the process of commercializing Cannabis. To date, there are nine (9) Hemp permit applications from the Northern Cape and four (4) have been approved for Hemp permits. It is expected that the number of Hemp permit holders from the Northern Cape will increase with time.

We welcome the registration of Karoo Lamb as a South African Geographical Indication (GI) under the Agricultural Product Standard Act, Act 119 of 1990 on the 27th of October 2023. This protects the name Karoo Lamb under designations of origin and will have economic spin-offs in the local and international markets. The Northern Cape is one of three provinces producing Karoo lamb and this GI designation should benefit farmers in terms of the farm gate price.

Madam Speaker, the Northern Cape is leading the way in land reform in South Africa. Since 1994 to date about 1, 600 000 million hectares have been redistributed to the value of R 1.6 billion, benefitting 1,183 women and 711 young people. With regard to land restitution, 658,000 hectares of land were given back to our communities benefitting 26 054 households comprising 137 430 beneficiaries to the value of R 934 million. In addition, R 1.4 billion was spent on financial compensation. This brings the total expenditure on land restitution to R 2.3 billion.

So, Madam Speaker, the total spent on both the land redistribution and restitution programme in the province amounts to R4 Billion and involves about 2.3 million hectares of land to about 200, 000 beneficiaries.

Madam Speaker, on land tenure we have secured tenure rights for the communities of Leliefontein, Concordia and Richtersveld through the Transformation of Certain Rural Areas Act (TRANCRAA). Five hundred and fifty-one thousand five hundred and ten (551 510) hectares have been transferred to the affected communities.

Madam Speaker, since 2021, the province has experienced outbreaks of veld fires, especially in the ZFM, JTG and Frances Baard districts. The intergovernmental relations of all stakeholders including national departments have greatly improved to the extent that the province now has Fire Protection Associations in all districts registered by the Department of Forestry, Fisheries and Environment. As the Province we have assisted affected farmers with fodder from our fodder bank.

Madam Speaker, since 2019 to date the implementation of the EPWP Phase IV, resulted in the Province creating 84 594 (81%) jobs by Q3: 2023/24 against the 5-year target of 104 031. Similarly, we have exceeded our targets for the Community Works Programme for the period 2019/20 to 2022/23 with performance at 103% and a total of 76 086 job opportunities created.

To address the issue of youth unemployment and building on the achievements of the Expanded Public Works Programme, the Government introduced the Presidential Employment Stimulus three years ago. To this end, as a Province, we have appointed twenty-six thousand and sixty-one (26 061) young people.

Furthermore, the Northern Cape provincial government in partnership with the SETAs continues to provide young people with skills development programmes such as Internships, Leanerships, Artisanships, Apprenticeships, Work Integrated Learning and Skills Programmes.

Together with MERSETA, we will be launching the skills development and bursary programme amounting to R21O million benefitting 2,000 young people. Since 2019 our partnership with SETAS has benefitted a total of 14 800) young people.

To improve coordination and to ensure that we offer bursaries to deserving students in line with the scarce and critical skills needed for the economy of the province, a centralised bursary model was adopted by this administration and bursaries were located within the Office of the Premier. This resulted in the writing-off of student debt, to the value of R154 million, which was awarded through study loans. Through our centralised bursary scheme, we have assisted a total of 530 beneficiaries. All of these combined efforts have resulted in a steady decrease in youth Not in Employment, Education and Training (NEET) in the Province.

The Northern Cape Construction Company was launched in August 2022 with 50 employees selected for a CETA learnership programme covering Road Construction Level 3. Currently, 38 employees remain in the programme. From mid-April 2023 to December 2023 have been fixing potholes. This first intake will shortly conclude with an enterprise mentorship programme, and the second intake will be in the next financial year.

Madam Speaker, as this Sixth Administration we have committed ourselves to sound and prudent financial management and governance. In 2019 we inherited two clean audits; 7 financially unqualified and 4 unqualified audit opinions. Through deliberate efforts, we turned the situation around and can now report the following progress:

- There are now 5 clean audits, which represents a 150% improvement on what we inherited;
- Two departments namely Economic Development and Tourism and Education, which we inherited in the qualified audit space have improved. The Department of Education, a key service delivery department, which accounts for about 40% of our provincial budget, improved from qualified to financially unqualified during the sixth administration.

Madam Speaker, ladies and gentlemen, throughout our term, we ensured no provincial department was in a disclaimer audit space. The clean audit goal in all provincial departments is still alive and we are committed to doing more towards attaining it.

Madam Speaker, it is also important to announce to this sitting that for the past three years in succession we have closed the exchequer account on a positive bank balance. This attainment inspires confidence in the management of provincial finances. We could only achieve this because of our unwavering commitment to cut the executive frills and wastages in the system. Iforgone some benefits as Premier and equally so, the MEC did the same.

Madam Speaker, in terms of the Municipal Audit Outcomes 2021/22, the province has noted improvement in the audit outcomes of municipalities since the start of the sixth administration. The number of municipalities with clean audits increased from one (1) to four (4) from 2018/19 to 2021/22.

Furthermore, the number of municipalities with disclaimers reduced from seven (7) to four (4) in the same period. Throughout the years, clean audits were only achieved by the district municipalities; however, Hantam Municipality changed the narrative by becoming the first local municipality in the Province to obtain a clean audit for two (2) consecutive years i.e., 2020/21 and 2021/22 financial years. The audit for the 2022/23 cycle is currently ongoing and the province is looking forward to achieving even better outcomes.

We continue to strive to maintain the positive trajectory on improved audits through Operation Clean Audit {OPCA) which steers integrated improvements, coupled with targeted intervention through the Municipal Support Intervention Plans {MSIP). Already we have seen an improvement between 2020/21 and 2022/23 financial years on the State of Local Government. Further improvement will be supported through a Multi-

Disciplinary Team, inclusive of SOEs, Government departments and SALGA for focused support to municipalities.

We have remained committed to reducing corruption and to this end, we have embarked on Lifestyle Audits across all Provincial departments in conjunction with the Special Investigations Unit (SIU).As part of our fight against corruption in the Public Service several people are facing charges and others have been convicted.

Ladies and Gentlemen, we have demonstrated our collective effort inthe fight against corruption. The establishment of the Provincial SIU Offices is our clearest demonstration of our commitment to fight the scourge of corruption.

Madam Speaker, ladies and gentlemen, to build a capable and developmental state is critical for the realisation of people-centred development. Consequently, over the years' government has systematically introduced enabling levers including legislation, policies, and programmes.

To ensure the acceleration of our initiatives to build capacity we re-launched the Human Resource Development {HRD) Council last year, which is a multi-stakeholder advisory board which consists of representatives from government, labour, and civil society aimed at increasing the skills base of our youth. The Council will provide strategic leadership and direction for addressing human resource development challenges as well as to drive the skills agenda designed to be inclusive.

Madam Speaker, as part of our commitment to ensure that Government further in sources security guards and cleaners, this year we have launched the first phase which will see the migration of the security function for the Provincial Government under the Department of Transport, Safety and Liaison. This will be followed by incremental insourcing which will soon see the advertising of 150 security officer posts.

Our absorption rate has seen significant improvement as far as the advertising and filling of vacant posts in the Administration is concerned. In 2021/2022 we had a vacancy rate of 13.01%, to date our vacancy rate for all Departments stands at 7.82% against the national norm of 10%, which augurs well for good governance in our Province.

Madam Speaker, ladies and gentlemen, as announced in the previous SOPA, a Ministry responsible for seamless coordination of Youth development, is in place and hit the ground running. Significantly, a lot has been achieved since the establishment of the Ministry. During this reporting period, an intense benchmarking process was undertaken with the Department of Women, Youth and Persons with Disabilities to streamline and re-orientate the provincial operations.

To this end, the Northern Cape Integrated Youth Development Strategy has been finalised. The strategy ensures coherent and meaningful implementation of the National Youth Policy 2020-2023. Several programmes have been implemented that benefit our designated groups such as the appointment of Media Attaches, Vota Lutsha Brigade, the introduction of the Youth and Women Development Fund and the Unboxing Basha programme.

Madam Speaker, to deal with the social ills of Gender-Based Violence and Femicide, which the Honourable President Ramaphosa referred to as the second pandemic we formed an Interdepartmental Task Team to tackle Teenage pregnancy, GBVF, and substance abuse in the province and a strategy has been developed and adopted which is currently being implemented. The programme was established for the monitoring of GBVF hotspots supported by intervention programmes and further expanded services to victims of gender-based violence in collaboration with the NPA by establishing two more Thuthuzela Care Centres in Springbok in the Namakwa District and Upington in the ZF Mgcawu.

Madam Speaker, for the third quarter of 202312024, sexual offences decreased by 5.9%, attempted murder by 2.6%, common assault by 5.6% and rape by 5.5%.

Northern Cape is amongst the first provinces which have successfully managed to establish a Victim Empowerment Shelter in all 5 Districts of the Province. Two shelters were established in 2023, one in Nababeep and the other in Ritchie. We remain cognisant of the social challenges experienced by the youth of the Province and will draw on our social partners, NGO and community structures to tackle this head-on.

The fight against alcohol and drug abuse needs a multipronged approach, with efforts aimed at improving parenting practices, spiritual care, knowledge, influence and a healthy mind. Developing youth and keeping them constructively engaged through social cohesion and developmental programmes will remain our focus.

During this sixth Administration, we have worked tirelessly to grow the economy and to this end, we have positioned the Northern Cape as the hub for renewable and green energy. Huge gains have been made in laying the foundation for the Province to build a Modern, Growing and Successful Province to improve the quality of lives of our people, which includes tackling the challenges of unemployment, poverty and inequality.

We will continue to leverage these mammoth gains and advance people-centred development. We remain committed to investing in improving the quality of our health and education in the Province as our apex priorities.

Madam Speaker, Ladies and Gentlemen, besides presenting to your good selves a picture of our major achievements and accomplishments for the past three decades of our emancipation, we have also presented factual statistics that attest to our collective determination to reduce the debilitating effects of unemployment. The Northern Cape has the second-lowest unemployment rate in the country.

Moreover, Madam Speaker, we presented comprehensive details of our endeavours in growing the provincial economy. The information we have presented has been independently verified and we continue to engage in projects that will benefit the provincial economy.

In our modernisation efforts, the current Administration in close collaboration with our partners; we are succeeding in living up to our vision of building a Modem, Growing and Successful province, especially in the areas of broadband technology, e-health, e-commerce and a-education.

Madam Speaker, our increased funding and investment in both social and economic infrastructure has yielded positive results. Aligned to this, is the sustained improvement in our Grade 12 outcomes during our term of office.

Ladies and Gentlemen, the youth in our province continue to benefit from various projects and programmes we have initiated. As a result of the training opportunities that we provide; our youth are in a much better position to access gainful employment.

We made a commitment to work hard towards having a soccer team in the Premier Soccer League (PSL) division. We could not achieve this but we can report that we now have two teams in the National First Division, Hungry Lions FC and Upington City FC. We also have a ladies' team in the top echelon of ladies' football in the country, the Richmond Ladies. For the past two years, we spent about R14 million in support of these three teams. Our dream to have a team in the PSL is very much alive.

Madam Speaker, as part of maintaining and improving our public infrastructure we will make available R30 million for the renovation of Mayibuye Centre. Similarly, we have also allocated R10 million for upgrades at the AR Abbass stadium in Kimberley.
We also introduced various measures to improve the audit outcomes, and better audit results were achieved. We will not rest until every Provincial Government entity receives a clean audit. There can be no other way.

Itake this opportunity to thank the people of the Northern Cape for theirfaith and trust in this governing collective and we remain confident that after 29 May you will once more be part of our journey in building a Northern Cape that will be characterised by prosperity, a transparent and progressive government.

Madam Speaker, a special work of gratitude goes to my family, they saw me hustling for this province to the best of my ability. I tried my best, and Iaccept it that to some people my best was not enough. But that does not mean that we must stop doing our best. With your support I believe the province is on a much better development trajectory. Thanks again for your support and love.

As I close, Madam Speaker, when Iwas in high school I used to write poems, I lost my bundle of poems when Iwas at university. Since then, I got very discouraged and never wrote any thereafter. For the first time this Tuesday, Isummoned extraordinary guts to write one, and Idid. The title of the poem is: IN MY UNGOODNESS

Mine was an ungood conception

But a beautiful moment for my mom to celebrate the fertility of her fragile eggs and the incubation strength of her godly womb,
Birthing pains and splattering blood were beautiful signatures of life As without pain and blood, there is no life I was an ungood baby

But one that signified the unending symmetry of life The captivating mixture of cries and smiles,
The moment that glorifies the motherly duty of dipping one's hands in poo as a sign of intricate love.
Mine, was an ungood upbringing

But a fulfilling adolescent, and youthful life Despite, the grinding poverty and hardship
I was showered with true love and affection from a lioness that never betrayed her duty of motherly care
In my ungoodness, I've learnt that the beauty of life is not in worldly possessions

But innate capacity to love and appreciate small priceless things like respect for others, humility and compassion.
Iwas, an ungood student

But one that embraced the beauty of learning, the fruits of discipline and hard work

In my ungoodness, I shunned the tribulations of short cuts, diligently completed tasks and respected my elders.
In my ungoodness, Istarted to feel the glory of achievements as I migrated seamlessly from one grade to the other.
Iwas, an ungood activist

But a caring individual, that appreciated the different talents of his comrades for collective agency to change the world
In that ungoodness, I saw people working in teams, closing ranks and prepared to sacrifice their lives for each other.

Now, I am, an ungood Premier

But I appreciate every moment to serve the people of this beautiful province In that ungoodness, on many occasions,

I spoke to the many vulnerable people in the Karoo, Kgalagadi, kalahari, Namakwa and Teemane

Who dutifully collected their grants every month Who otherwise would have nothing
In my ungoodness, Ifelt the pounding hearts of recipients of RDP houses

Iwitnessed the jubilation of rural children as they take their first steps into new state of the art class rooms.

I've seen the quizzical smiles of communities when for the first time they had piped water in their yards and decent sanitation. I've witnessed community excitements for new clinics

I've touched the pondering hearts of youngsters who just got their first employment

In my ungoodness, I can still feel the smell of the new-borns delivered in our public hospitals

Vivid in my memory, is the futuristic smiles on their mothers,

Telling a story, that in this ungoodness there is an unmatched good.

I've seen the tears of joy, of hopeless youngsters who were given opportunities to further their studies

In my ungoodness, Ispoke to young addicts whose lives were changed for the better My ungoodness, is not badness
But is awarrior life of vigor in a world contrived with deceit, duplicity and double-dealing

My ungoodness, is life of action, in a world where human energy is colonised by the fear of tomorrow
My ungoodness, is life of movement, in a world where everything tends to be immobile

My ungoodness, is life of being abused, in a world where idiots have stolen primacy in public discourse
My ungoodness, is a life of heavy-lifting and strife

My ungoodness, is a life of many failures that are spiced with profound successes

Simply put, my ungoodness; is a life of ceaseless and sincere efforts, to live meaningfully

Thank you Honourable Speaker

4.11 ISTITUTIONAL ARRANGEMENTS

The Integrated Development Plan (IDP) is one of the key tools for local government to assume its new developmental role. In contrast to the role planning has played in the past, integrated development planning is now seen as a strategic function of municipal management, as part of an integrated system of planning and delivery. The objective of the IDP process is to facilitate deliberations resulting in decisions being made on the strategic development direction of the municipality and includes issues such as municipal budgets, land management, promotion of local economic development and institutional transformation in a consultative, systematic and strategic manner. The IDP, however, will not only inform municipal management; it is intended to guide the activities of any agency from other spheres of government, corporate service providers, NGOs and the private sector within the Karo Hoogland Municipal area.

INTERNAL STAKEHOLDERS	
ROLE PLAYERS	***ROLES AND RESPONSIBILITIES***
Council	➢ Approve and adopt the process and framework plans as well as IDP and budget ➢ Monitor the implementation and approve any amendments of the plan when necessary.

Mayor	➢ Consider the IDP and Budget timetable and Process Plan and submit to Council for approval annually by latest 31 August. ➢ Overall political guidance, management, coordination and monitoring of the IDP and budget process (MFMA section 53). ➢ Establish a budget steering committee as envisaged in the Municipal Budget and Reporting Regulations (MBRR) (Regulation 4). ➢ Assign and delegate responsibilities in this regard to the Municipal Manager. ➢ Submit the draft IDP, budget and SDBIP to Council for community consultation and approval. ➢ Submit final IDP and Budget to Council for adoption. ➢ The Mayor must approve the final SDBIP within 28 days after the approval of the budget. ➢ Co-ordinate plans and timetables for the Budget. ➢ Exercise close oversight on the IDP, Budget and SDBIP preparation. ➢ Ensure and drives political engagement with the province and national departments on unfunded or under-funded mandates. ➢ Escalate community priorities and requests (relating to national and/ or provincial mandates) formally, in writing, to the relevant national/ provincial organs of state – follow-up and coordinate that feedback to the community is provided.
Ward Councillors / Ward Committees	➢ Form a link between the municipality and residents. ➢ Link the IDP, Budget and SDBIP process to their respective Wards. ➢ Assist in the organising of public consultation and participation. ➢ Explain and engage the community during the process. ➢ Monitor the implementation of the IDP, budget and SDBIP with respect to their particular wards. ➢ Encourage residents to take part in the IDP process. ➢ Provide feedback to the community during and AFTER APPROVAL of the IDP, budget and SDBIP. Especially on community priorities that could not be accommodated and the reasons for such, including when or how it will be addressed in future.
Municipal Manager	➢ Managing and coordinate the entire IDP process as assigned by the Mayor. ➢ Fulfil the duties of Accounting Officer as set out in Sections 68 and 69 of the MFMA, Act 56 of 2003. ➢ Ensure that the budget is prepared in the prescribed format and includes the minimum prescribed information and in the sequence prescribed (MFMA and Municipal Budget and Reporting Regulations (MBRR)). ➢ Certifies and signs-off that the budget does meet the minimum quality and content requirements (MFMA and MBRR).
Chief Financial Officer	➢ The CFO performs all the budgeting duties as delegated by the Accounting Officer in terms of Section 81 of the MFMA ➢ Managing and co-ordinates the entire budgeting process ➢ Ensure proper alignment between the IDP and budget processes
IDP Manager	➢ Prepare IDP process plan and monitor the timeously implementation thereof. ➢ Day to day management and coordination of the IDP process. ➢ Ensure stakeholder engagement in the IDP process by organising and setting up meetings for engagement. ➢ Ensure that the IDP process is participatory and that planning is ward-based oriented. Respond to public and MEC comments on Draft IDP. ➢ Compilation of a comprehensive IDP document that complies with all legislator requirements. ➢ Amend the IDP document in accordance with the comments of the MEC. ➢ Assist the Mayor to coordinate the process of establishing ward committees.

	➢ Responsible for logistical arrangements pertaining to ward committee meetings. ➢ The responsibility to meet regularly with the ward committees to ensure appropriate communication with the communities through the ward committee structure. ➢ The responsibility to ensure that representations made through the ward committees and ward councillors are channelled to the appropriate structures/functionaries for further attention/information. ➢ To provide the administrative support to ward committees. ➢ To coordinate within the administration and prepare a consolidated formal document of the community needs/ requests (relating to national/ provincial mandates) that arose during community engagements. This must be provided to the Mayor for escalation to national/ provincial organs of state.
Head of Departments	➢ Provide relevant technical, sector and financial information analysis. ➢ Provide technical expertise in consideration and finalisation of strategies and identification of projects. ➢ Provide departmental, operational and capital budgetary information. ➢ Preparation of project proposals, integration of projects and sector programmes.
Steering Committee	➢ Refinement and quality check of IDP document to ensure compliance with legislation. ➢ Consist of Municipal Manager, Senior Management, IDP Manager/Office.
	➢ To provide technical assistance to the mayor in discharging the responsibilities set out in Section 53 of the MFMA. ➢ Consist of the portfolio Councillor for Financial matters, the Municipal Manager, Chief Financial Officer, Senior Managers and any technical experts on infrastructure, the manager responsible for budgeting and manager responsible for planning.
IDP Representative Forum	➢ Provide an organisational mechanism for discussion, negotiation and decision making between stakeholders. ➢ Represents the interest of their constituencies in the IDP process. ➢ Monitors the performance of the planning and implementation process. ➢ Comprises of the Mayor, Councillors, Ward Committees, Municipal Manager, Directors, representatives of various sectors, NGO's, Government Departments and specialised community members.

EXTERNAL STAKEHOLDERS	
ROLE PLAYERS	***ROLES AND RESPONSIBILITIES***
Karoo Hoogland Municipality	➢ Approve the IDP, budget and SDBIP. ➢ Undertake the overall planning, management and coordination of the IDP and budget process. ➢ Consider comments of the MEC's for local government and finance, the National Treasury and/ or provincial treasury and other national and/ or provincial organs of state on the IDP, budget and SDBIP and adjust if necessary. ➢ Ensure linkage between the Budget, SDBIP and IDP.
Local Residents, Communities and Stakeholders	➢ Represents interest and contributes knowledge and ideas in the IDP process by participating in and through the ward committees. ➢ Keep constituencies informed on IDP activities and outcomes.
Namakwa District Municipality	➢ Ensure alignment of the IDP between the municipality and the district municipality (Integrated District and Local Planning). ➢ Preparation of joint strategy workshops between municipality, provincial and National government.

Provincial Government	➢ Ensure horizontal alignment of the IDP between the municipality and the District municipality. ➢ Ensuring vertical and sector alignment between provincial sector departments/ provincial strategic plans and the IDP process at local/district level. ➢ Ensure efficient financial management of Provincial grants. ➢ Monitor the IDP and budget progress. ➢ Assist municipalities in compiling the IDP and budget. ➢ Coordinate and manage the MEC's assessment of the IDP. ➢ Provincial Treasury must provide views and comments on the draft budget and any budget-related policies and documentation for consideration by council when tabling the budget. ➢ Conduct Medium Term Revenue and Expenditure Framework (MTREF) budget and IDP assessments.
Sector Departments	➢ Contribute sector expertise and knowledge. ➢ Provide sector plans and programmes for inclusion in the IDP and budget.
National Government	➢ National Treasury issues MFMA Circulars and guidelines on the manner in which municipal councils should process their annual budgets, including guidelines on the formation of a committee of the council to consider the budget (Section 23(3) of the MFMA). ➢ National Treasury issues guidance and provide support to the provincial treasury to assess the budget, SDBIP and integrations/ links of the budget with the IDP.

4.12 IDP PROCESS PLAN

In order to ensure certain minimum quality standards of the IDP process, and proper coordination between and within spheres of government, the preparation of the IDP Process Plan and the drafting of the annual budget of municipalities have been regulated in both the Municipal Systems Act (Act32 of 2000) and the Municipal Finance Management Act (Act 56 of 2003).

Section 28 of the MSA stipulates that:

(1) Each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of the IDP which include the SDF
(2) The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter 4, consult the local community before adopting the process
(3) A municipality must give notice to the local community of particulars of the process it intends to follow and specify timeframes, a programme of the different activities and give the local community and relevant stakeholders an opportunity to participate in the IDP process.

Section 21 (1) of the MFMA stipulates that the Mayor of a municipality must –

(a) Co-ordinate the processes for preparing the annual budget and for reviewing the municipality's integrated development plan and budget related policies to ensure that the tabled budget and any revisions of the integrated development plan and budget-related policies are mutually consistent and credible;

(b) At least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for –
(i) The preparation, tabling and approval of the annual budget;
(ii) The annual review of –
• the integrated development plan in terms of section 34 of the Municipal Systems Act; and
• the budget-related policies;
(iii) The tabling and adoption of any amendments to the integrated development plan and the budget-related policies; and
(iv) Any consultative processes forming part of the processes referred to in sub-paragraphs (i), (ii) and (iii)

The IDP Representative Forum is the main link between the community and the Council. This body's purpose is to serve the needs of the community, to ensure that task teams function effectively, to ensure that the process complies to agreed principles and that the process complies to national policy. The IDP Representative Forum consists of members from all spheres within the community, i.e. ward committees, ward councillors, agricultural sector, tourism sector, business sector, educational sector etc.

Required in terms of Section 21(1)(b) of the MFMA

F:CM = FINANCE: CONTRACT MANAGEMENT CW = COUNCIL WORKSHOP AC = AUDIT COMMITTEE
PM = PERFORMANCE MANAGEMENT S80 = SECTION 80 COMMITTEES MTM = MANAGEMENT TEAM MEETINGS
MIG = MIG VAC = VACATION PUBLIC HOLIDAY EXCO = PROPOSED EXCO DATES CFO = CFO IMPORTANT DATES

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
1	June 2023	Assess the 2022/2023 IDP & Budget process to address deficiencies, improvements and ensure integration and alignment of processes for 2023/2024 and bring in possible amendments necessary	IDP Office	IDP Manager & CFO	Internal Process	20 June 2023	
PM		Develop/Revise annual operational plans for all Departments, Divisions and every staff member(in line with their JD's) and merge with the Operational/Bottom Layer SDBIP	HR Manager / MM	All Departments	Internal Process and Staff Regulations	30 June 2023	
PM		Make public the SDBIP – final date under legislation	MM	EXCO / Mayor / MM	MFMA 53(3) (a)	30 June 2023	
2	July 2023	Attend to AFS Preparation, Audit File Preparation, Performance report compilation, Draft Annual Report Compilation and preparation, Preparation and compilation of the reporting of the Implementation of the SCM Report and Annual Performance Report, Contract management Register finalisation Commitments Register Finalisation	All Departments	CFO & Senior Managers & Middle managers	Internal Process	**12 July 2023 – 16 August 2023**	
3	July 2023	Draft 2023/2024 ***IDP and Budget process time schedule*** outlining the steps and timeframes for compilation of the 2024/2025 IDP, Budget and two outer year's Budget and SDBIP and include Staff Regulations progress tasks	IDP Office	IDP Manager & Council & MM & CFO & Senior managers & HR & Prov Treasury input on Feb and may meetings	MFMA S21(1)(b)	31 July 2023	
4		Municipal Strategic Session to deliberate on (a) the 20/ 30 year Spatial Development Plan (SDP) and (b) high level strategic issues to redefine Council's short term Strategic Agenda to implement SDP.	Office of the MM	Municipal Manager Senior Managers Mayor/ EXCO	Internal Process	31 July 2023	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
5		Attend District IDP Managers Forum Meeting-Discuss outcomes of IDP and Budget Assessments, Challenges and District Interventions i.t.o IDP and budget planning for the review process.	IDP Office	IDP Manager	Internal Process	31 July 2023	
6	July 2023	Ward Committee Meetings to review the prioritisation of community needs in approved IDP and discuss the process for developing Neighbourhood Plans: Communicate final approved 2023/2024 Budget, Tariffs and IDP to Ward Committees.	Mayor & Speaker	Mayor / Speaker	MSA	31 July 2023	
7		Consider MEC comments and recommendations on assessment of initial IDP Document and IDP processes followed.	IDP Office	Municipal Manager Senior Managers IDP Manager	MSA S21	31 July 2023	
8	July 2023	Signing of 2023/2024 performance agreements for Section 57 and 56 Managers *Signing of lower levels staff Mutual agreements there after in August/September 2023 (Ensure commitment to Bottom layer SDBIP)* Publish signed Performance Agreements on website(August) and send to Prov Treasury and Coghsta for compliance assurance within 5 days after signing	Office of the MM	Municipal Manager (AO)	MFMA S53(1)(c)(iii) MFMA S53 (3) (a)	**27 July 2023-31 July 2023**	
9		Prepare and finalise Departmental Plans	All Departments	Municipal Manager Senior Managers	Internal Process	24 – 31 July 2023	
10		Finalise Section 57 Managers 2023/2024 Performance Agreements	MM	Municipal Manager Mayor	MSA and MFMA	28 July 2023	
11		Finalise logistic processes in respect of each of the IDP and budget meetings and table a business plan to Management in this regard. Receive input from other departments and divisions in terms of their schedule to include in the Draft Process Plan to be able to send draft to portfolio Committees	IDP Office	IDP Manager	Internal Process	31 July 2023	
PM	July 2023	Previous year – Submit quarterly (sec 52) report for period			MFMA	30 July 2023	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
		ending 30 June on SDBIP and financial state of municipality to Council					
PM	August 2023	Previous Year - Place quarterly (section 52) report on SDBIP and financial state on the municipal website	AO		MFMA 75 (1) (k)	7 August 2023	
S.80	August 2023	Submission of Draft Process Plan to Portfolio Committees or Chairpersons to give feedback				**8- 11 August 2023**	
MIG	**Aug 2023**	MIG ANNUAL REPORT SUBMISSION DUE DATE and applications for roll over to be complete and submitted	Director : Infrastructure	Municipal Manager	MIG Compliance	**15 August 2023**	
AC		Submit AFS and Annual Performance Report to Audit Committee for Review on 21 Aug	Director: CFO	Municipal Manager	Internal Processes	**15 August 2023**	
CW		Workshops for Council on the following as per requested: Delegations : MFMA, Exco operations, Disciplinary Board , MPAC, Upper Limits	Council, SALGA, Prov Treasury, CoGHSTA	Municipal Manager	Internal Process / Good Governance	**15 -17 August 2023**	
12		Convene Steering Committee Meeting. Final Discussion of Public Participation Meeting Processes.	IDP Office	IDP Manager	MSA Ch 5	18 August 2023	
13		Operational Budget: Salary/Wages schedules to Senior Managers for scrutiny & Corrections	BTO	Senior Managers	Internal Process	18 August 2023	
14	**Aug 2023**	IDP Public Participation Meetings. Communicate Capital Projects per Ward on 2023/2024 budget, Reconfirm / review service delivery/ development priorities.	IDP Office Mayor / Speaker	IDP Manager Senior Managers Ward Councillors Mayor / Speaker	MSA Ch5 S29	14 - 18 August 2023	
15		Consult Sector Departments to establish programme/Projects for 5 years – Inter-governmental engagements on IDP and Budget	IDP Office BTO	IDP Manager CFO	MSA Ch5 S24	21 - 25 August 2023	
AC		Meeting with Audit Committee - Review of AFS and Annual Performance report and SDBIP 2023/2024 (Date Finalised with the Audit Committee)	CFO	Municipal Manager	Internal Processes	**23 August 2023**	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
EXCO		Planned EXCO meeting Submission of Draft Process Plan to EXCO	Mayor	Municipal Manager	Internal Processes	**23 August 2023**	
16		**Adjustment of Budget Rollovers; changes on SDBIP and KPI'S as per Adjustment Budget**	BTO Office of the MM	CFO Municipal Manager	MFMA S28 MBRR S23	25 August 2023	
17		Tabling of and briefing Council on the Draft 2023/2024 IDP/Budget Process Plan for approval, including time schedules for IDP/Budget Public participation meetings for the 2024/2025 Budget and IDP and SDBIP Processes **GENERAL COUNCIL MEETING** **Table Approved Top Layer SDBIP 2023/2024 to Council / Table Delegations of Power acc to MFMA to Council / Council – Declarations signing**	IDP Office BTO	IDP Manager CFO MM	MFMA S21(1)(b)	**30 August 2023**	
18		Submission of Final AFS 2022/2023 to Auditor General, Council and Audit Committee and Prov Treasury and CoGHSTA Upload onto Portal - GoMuni Submission of Draft Annual Report 2022/2023 and Submission of Schedule of Key Deadlines and Submission of Annual Performance Report 2022/2023 to AG and NT	MM/CFO	CFO Municipal Manager	MFMA Compliance MFMA 126 (2)	31 August 2023	
19	**Sep 2023**	Advertise the budget process and dates of IDP/Budget Public meetings on Municipal Website, Municipal Newsletter and Local Newspapers and Facebook	IDP Office	IDP Manager Municipal Manager	MSA and MFMA	4 September 2023	
MTM		MM and Management Team to meet on the progress of the Council Resolutions Register and Tasks from Council Meeting (On the 4th day after General Council Meeting)	MM	MM and senior management	Internal Process	5 September 2023	
20		Attend District IDP Managers Forum Meeting. Develop uniform guidelines for IDP/Budget review.	IDP Office	IDP Manager Municipal Manager	Internal Process	6 September 2023	
~~**21**~~		~~Forward adjustment budget (hard and electronic copies) to National Treasury and Provincial Treasury after approval.~~	~~BTO~~	~~CFO~~	~~MFMA S28(7)~~	~~6 September 2023~~	Not Applicable

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
		~~(Was applicable to Covid 19)~~					
22	Sep 2023	Review of Municipal Strategic Plan Workshop with Council: Review Municipal KPA and Strategic Objectives	Office of the MM	Municipal Manager Senior Managers Council	Internal Process	5 – 26 September 2023	
F:CM		Annual Contract Management meeting to evaluate strategic importance of contracts and categorise performance contracts in terms of importance and attention needed	All Departments – all contracts	CFO	Interal Control Process	14 September 2023	
23		**SPECIAL COUNCIL MEETING (If applicable)** Upper Limits of Senior Managers	Office of the MM, Mayor	Municipal Manager, CFO, Mayor	Internal Process	28 September 2023	
24		Operational Budget: Salary/Wages schedules with corrections and recommendations to be returned to Finance Department	All Departments	Senior Managers	Internal Process	28 September 2023	
25		Attend Quarterly Provincial IDP Manager Forum Meeting in preparation for IDP Indaba	IDP Office	IDP Manager		26 September 2023	
26	Oct 2023	Submission of all SDBIP KPI Evidence for uploads for Q1 // Evaluation of performance of Service Providers on Q1	IDP Office / PM Office	IDP Manager / Admin manager / PM Officer	Internal Process	1 -16 October 2023	
PM		Performance Assessments of Q1			Internal Process	16 – 31 October 2023	
27		Departments to be provided with the previous financial year's 5 year Capital Plan in order to be able to indicate any changes that need to be made and identify any new projects that needs to be added for the compilation of the Draft Capital Budget	BTO	Senior Managers	Internal Process	6 October 2023	
28		Ward Committee Meetings: Discuss, scrutinise community needs as outcome of IDP/ Budget public engagement sessions to IDP forum. (IDP forum consolidate requests from all wards where after projects prioritized in line with available funding over five year period) Also remember input to SDF Escalate community needs relating national/ provincial mandates to relevant organ(s) of state	IDP Office	IDP Manager	MSA	7 - 17 October 2023	
29	Oct 2023	Review and costing of municipal rates and tariffs. Preparation of tariffs and bulk resource (water (Water Board), electricity (NERSA), etc.) engagement documentation.	BTO	Senior Managers Steering Committee	Internal Process	14 October 2023	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
		Senior Managers and Middle Managers to be provided with the previous year's operating expenditure / income actual and current year projections to be used as a base for new Operating Budget. (CFO will further submit budget guidelines to Steering Committee for approval. Guidelines to include deadline dates by which Departments have to meet as well as submission of requests per line item with a zero based budget)					
30		Attend District Stakeholders Engagement Session to inform Sector Departments and Stakeholders of IDP/Budget needs analysis.	IDP Office	IDP Manager	Internal Process	14 October 2023	
EXCO		Planned EXCO meeting	Mayor	Municipal Manager	Internal Process	**19/20 October 2023**	
31		Table Revised Strategic Plan in Council for approval **COUNCIL MEETING : Compliance Quarterly Reports tabling**	Office of the MM	Municipal Manager	Internal Process	**30 October 2023**	
32		*Review* Municipal Spatial Development Framework	Planning and Development	Municipal Manager	Internal Process	3 - 27 October 2023	
33		Submit Quarterly Report (July 2023 – September 2023) on implementation of budget and financial state of affairs to Council and on Performance	Office of the MM	Mayor	MFMA S52(d)	**30 October 2023**	
34		Engagements with Provincial Government regarding any adjustments to projected allocations for next 3 years in terms of the MTREF	BTO	Senior Managers	MFMA S28	27 October 2023	
35		Updating and review of strategic elements of IDP in light of the focus of Council	IDP Office	IDP Manager	MSA	31 October 2023	
MTM		MM and Management Team to meet on the progress of the Council Resolutions Register and Tasks from Council Meeting (On the 4th day after General Council Meeting)	MM	MM and senior management	Internal Process	6 November 2023	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
36	Nov 2023	Operational Budget: Income / Expenditure inputs and statistics to be returned to Budget Office	All Departments	Senior Managers	Internal Process	1 - 30 November 2023	
37	Nov 2023	Spatial Development Annual Revision Meetings	All Departments	Senior Managers, MM	Internal Process	1 - 11 November 2023	
38		Senior Managers Identify/Create Projects as outcome of the prioritisation of development needs during IDP public engagements sessions within projected budget allocations.	All Departments	Senior Managers	MSA	1 - 23 November 2023	
39		Convene Steering Committee Meeting: Identify projects per Ward with Budget Allocations; prioritise implementation and integration where possible.	IDP Office	IDP Manager Steering Committee	MSA	23 November 2023	
40		Review Municipal Strategies, objectives, KPA's, KPI's and targets. - Identification of priority IDP KPI's incorporate in IDP and link to budget, Risk Evaluation Process	IDP Manager	Steering Committee CFO	MSA and MFMA	1 -23 November 2023	
41		Capital Budget: Inputs from the different Departments to be returned to the Budget Office	All Departments	Senior Managers	Internal Process	24 November 2023	
42		Management articulates outcomes, objectives, priorities and outputs desired for next three years and submit capital budget project proposals for draft IDP Review document to Budget Office	All Departments	Steering Committee	Internal Process	24 November 2023	
43		Based on financial statements of 2022/2023 determine municipality's financial position & assess its financial capacity & available funding for next three years	BTO	CFO	Internal Process	30 November 2023	
44		Finalise Salary Budget for 2024/2025	BTO	CFO	Internal Process	30 November 2023	
45		Submit Bulk Resource documentation (water (Water Board), electricity (NERSA)) for consultation on municipal	BTO	CFO	Internal Process	25 November 2023	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
		tariffs for 2024/2025 and the two outer Budget years.					
46		Obtain Audit Report from Auditors for Audit Action Plan for 2022/2023	BTO	CFO	Internal Process	30 November 2023	
EXCO		Planned EXCO Meeting	Mayor	Municipal Manager	Internal Process	**30 November 2023**	
CM	**Dec 2023**	**General Council Meeting**	MM	Municipal Manager	Internal Process	**7/8 December 2023 or 12 December 2023**	
47		Finalise preliminary projections on operating revenue and expenditure budget for 2023/2024	BTO	CFO	Internal Process	11 December 2023	
48		Convene IDP Representative Forum Meeting to give feedback and discuss outcome of Budget steering committee meeting	IDP Office	Municipal Manager IDP Manager CFO	MSA	11 December 2023	
49	**Dec 2023**	***Workshop 1:*** draft IDP, Budget and proposed tariffs and SDBIP with Council. **Provide progress update to council against IDP/Budget process schedule and obtain approval for any adjustments to process.**	IDP Office	Mayor Municipal Manager IDP Manager CFO	MFMA & MSA	Late November/ early December 2023	
MTM		MM and Management Team to meet on the progress of the Council Resolutions Register and Tasks from Council Meeting (On the 4th day after General Council Meeting)	MM	MM and senior management	Internal Process	13 December 2023	
50		Compiling an Audit Action Plan pertaining to findings of the AG	BTO Internal Audit	CFO		18 December 2023	
51		Finalise expenditure on operational budget for the budget year and two outer years.	BTO	CFO	Internal Process	18 December 2023	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
52		Conclusion of Sector Plans and integration into the IDP document	IDP Office	IDP Manager	MSA	18 December 2023	
53		Finalise departmental Plans and link to IDP	All Departments	IDP Manager Senior Managers	MSA	19 December 2023	
54		Submission of Audior General Report 2022/2023 to Council	Office of the MM	Municipal Manager	MFMA	7 - 12 December 2023	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
55	Jan 2024	Request and/ or follow-up with Water Board/ NERSA/ other Bulk Service providers for feedback on proposed municipal 2024/2025 tariffs and engagement documentation submitted in Oct 2023	BTO	CFO	MFMA	9 -16 January 2024	
EXCO		Planned EXCO Meeting	Mayor	Municipal Manager	Internal Process	22 or 23 January 2024	
AC		Review the Draft Annual Report for Compliance and completeness	Audit Committee / MM	Audit Committee	Internal Process	24 January 2024	
56		Submit Draft IDP, Budget and SDBIP to Office of the MM with proposed schedule of Ward Committee Meetings for post IDP & Budget Feedback & Consultation Process	IDP Office	IDP Manager	MSA	24 January 2024	
57		Management finalise the draft IDP & Capital Budget for referral to IDP & Budget Steering Committees. **Processes to be followed to be clearly set out in municipality's budget management and implementation policy.**	Office of the MM	Municipal Manager Senior Managers	Internal Process	24 January 2024	
58		Meetings and formal consultation with Bulk Service Providers (ESKOM and relevant Water Board on bulk purchase price increase assumptions	BTO	CFO	MFMA S23	22 - 30 January 2024	
59		Submit Quarterly (sec 52) Report (Oct 2023 – Dec 2023) for period ending 31 December on implementation of budget and financial state of affairs to Council. Consider combining with MFMA S. 72 mid-year performance assessment.	Office of the MM	Mayor / EXCO	MFMA S52(d)	30 January 2024	
60		**Tabling of 2023/2024 Mid-Year Assessment (to potentially influence 2024/2025 budget) to Council**	Office of the MM	Municipal Manager Senior Managers	MFMA S72	30 January 2024	
61	Jan 2024	Tabling of 2022/2023 Annual Report to Council **COUNCIL MEETING: Compliance** *Tabling of 2023/2024 Mid-Year Assessment (to*	Office of the MM	Municipal Manager	MFMA S127(2)	**30 January 2024**	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
		potentially influence 2024/2025 budget) to Council					
62	Jan 2024	Convening Budget Steering Committee Meeting for the purpose to discuss and prioritise draft Capital projects for the next three years	Office of the MM	Steering Committee	MSA S29	24 - 29 January 2024	
63		Final review of municipal strategies, objectives, KPA's, KPI's and targets	IDP Office	IDP Manager Steering Committee	Internal Process	30 - 31 January 2024	
64		**Review all budget related policies**	BTO	CFO	MBRR 7	10 - 31 January 2024	
65		Adjustment Budget: Finalise Capital and Operational budget projections for 2023/2024	BTO	CFO	MBRR 21	29 January 2024	
65A 65B		Publication of Mid-year budget and performance assessments on the website Submission of Mid-year budget and performance assessments to National Treasury and Prov Treasury (GoMuni and per email if necessary)	MM	MM Performance Unit CFO	MBRR 34	30 January 2024 25 January 2024	
66	Feb 2024	Submit Annual Report to Auditor General, Provincial Treasury and COGTA, MPAC and website and make public Annual Report to local community (Draft)	Office of the MM	Municipal Manager	MFMA S(127)(5)(b)	2 February 2024	
PM		Current Year - Place quarterly (section 52) report on SDBIP and Mid Year Reports on the municipal website	Office of the MM	Municipal Manager (AO)	MFMA 75 (1) (k)	2 February 2024	
MTM		MM and Management Team to meet on the progress of the Council Resolutions Register and Tasks from Council Meeting (On the 4th day after General Council Meeting)	MM	MM and senior management	Internal Process	5 February 2024	
PM		Performance Evaluations of MM and Senior Managers - *moved to be after audit outcome of Performance received*	Office of the MM	Municipal Manager / performance Unit	Performance Agreements	5 – 8 February 2024	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
CW		Council Workshop Meetings	Office of the MM	Municipal Manager / Speaker	Internal Process	6 – 8 Feb 2024	
67		Directors Identify projects, forward local Budget needs priorities to Namakwa DM. Project alignment between Namakwa DM and KHM. **PT mid year review visits. - virtual**	All Departments	Senior Managers	Internal Process	**2 – 15 Feb 2024** **16 Feb 2024** Virtual Meeting	
68		Ward Committee Meetings: Discuss and brief Ward Committees on Council's revised strategic plan, Strategic Objectives and envisaged deliverables.	IDP Office	IDP Manager	Internal Process	1 - 16 February 2024	
69		Review tariffs and charges and determine affordable tariffs and finalise income budget.	BTO	CFO	MFMA s20	20 February 2024	
70	**Feb 2024**	Attend Provincial IDP INDABA Incorporate Sector Departments Projects in Draft IDP.	IDP Office	IDP Manager Senior Managers	Internal Process	19 February 2024	
71		Municipalities receive inputs from National and Provincial Government and other bodies on factors influencing the budget, e.g. Grant Allocations	Office of the MM BTO	Municipal Manager CFO	MFMA21(2)(c)	1 - 15 February 2024	
72		Attend District IDP Managers Forum Meeting to discuss the alignment of IDP Strategic Development Goals with Namakwa DM. Draft IDP Presentations.	IDP Office	IDP Manager	Internal Process	6 - 21 February 2024	
EXCO		Planned EXCO Meeting	Mayor	Municipal Manager	Internal Process	20 February 2024	
73		Present Draft IDP and Budget to Steering Committee for quality check	IDP Office BTO	Steering Committee	MBRR S4	20 February 2024	
74	**Feb 2024**	Submit first draft IDP to Namakwa DM for Horizontal Project alignment between the Namakwa DM and Karoo Hoogland Municipality	IDP Office	IDP Manager	Internal Process	21 February 2024	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
75		Table Adjustment Budget to Council for approval **COUNCIL MEETING**	Office of the MM	Municipal Manager	MBRR S23	**28 February 2024**	
76		Amend IDP, SDBIP, KPI's and performance agreements i.t.o adjustment budget	Office of the MM	Municipal Manager Senior Managers	MFMA 28	21 - 27 February 2024	
77	**March 2024**	Present Draft IDP and Budget to Steering Committees for quality Check (Including recommendations / adjustments made at meetings of 28 February 2024)	IDP Office BTO	Steering Committee	MBRR 4	5 March 2024	
MTM		MM and Management Team to meet on the progress of the Council Resolutions Register and Tasks from Council Meeting (On the 4th day after General Council Meeting)	MM	MM and senior management	Internal Process	6 March 2024	
78		***Workshop 2:*** draft IDP, Budget and proposed tariffs and SDBIP with Council. Provide progress update to council against IDP/Budget process schedule and obtain approval for any adjustments to process.	IDP Office BTO	IDP Manager CFO	Internal Process	6 & 7 March 2024	
79		Forward Adjustment Budget (hard and electronic copies) to National and Provincial Treasury after approval	BTO	CFO	MBRR 24	10 March 2024	
80		Publication of approved Adjustment Budget after approval per MSA and on municipal website	BTO	CFO	MBRR 26	4 March 2024	
81		Municipal Manager **presents** final draft IDP, Budget, SDBIP and Budget related policies to the Mayor/EXCO for perusal and tabling to Council	Office of the MM	Municipal Manager	Internal Process	14 March 2024	
MPAC		MPAC to meet for draft Oversight Report	MPAC	MPAC	Internal Process	13 March 2024	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
82		Municipal Manager **submit draft** IDP, Budget, and related policies to the Office of the MM/Speaker for inclusion in Council Meeting Agenda	Office of the MM	Municipal Manager	Internal Process	18 March 2024	
EXCO		Planned EXCO meeting	Mayor	MM	Internal Process	19 March 2022	
VAC		Human Rights Day				21 March 2024	
83		Table ***(and briefing of council)*** draft IDP, Budget, SDBIP and Related policies and proposed schedule of Ward Committee Meetings for IDP & Budget Feedback/Consultation Process to Council (Principal Approval) and Procurement Plan for 2024/2025	Office of the MM	Municipal Manager	MFMA S16	28 March 2024	
84	Mar 2024	Training workshop for councillors to equip councillors for Public participation meetings. Draft Budget to be presented to Council Briefing of councillors on logistical arrangements for public participation meetings.	Office of the MM	Municipal Manager Senior Managers	MFMA	27 March 2024	
85		Council to Consider and adopt an oversight report on 2022/2023 Annual Report **COUNCIL MEETING**	Office of the MM	Municipal Manager	MFMA S129(1)	**28 March 2024**	
SDF		Revised SDF for Approval	Admin/SPLUMA	MM	Internal	28 March 2024	
86	April 2024	Advertise & Inviting public comments on Draft Budget, Proposed Tariffs, and IDP. Place copies of Draft Budget and IDP at all municipal buildings. Make Public the Oversight report	Office of the MM BTO	Municipal Manager CFO	MBRR S15 MFMA S22	2April 2024(Advertise) 3April - 3 May 2024 (public comments)	
87	April 2024	Forward Copy of preliminary approved Budget ,IDP, SDBIP & related documents (hard and electronic copies) to National & Provincial Treasury – 10 working days after tabling	Office of the MM	CFO IDP Manager	MFMA S22(b)	3 April 2024	
MTM		MM and Management Team to meet on the progress of the Council Resolutions Register and Tasks from Council Meeting (On the 4th day after General Council Meeting)	MM	MM and senior management	Internal Process	4 April 2024	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
88		Attend District IDP Managers Forum- Present Draft IDP for input.	IDP Office	IDP Manager	Internal Process	13 April 2024	
89		Public Consultation Meetings: Feedback / Consultation on preliminary approved IDP & Budget (Details as per point 9)	Office of the MM	Municipal Manager Senior Managers	MBRR S15 MFMA S23	10 – 25 April 2024	
90		CFO and Municipal Manager analyse public and Ward Committee comments and inputs on Draft IDP and Budget and prepare recommendations for Council's perusal	Office of the MM BTO	CFO Municipal Manager	MBRR S16(1)(a)	25 April 2024	
91		**Submit Quarterly Report (Jan 2024 – Mar 2024) on implementation of budget and financial state of affairs to Council/Mayor and Report on PMS /SDBIP**	Office of the MM	Mayor	MFMA s52(d)	30 April 2024	
VAC						1 May 2024	
92	**May 2024**	Engagement with the Provincial Treasury on draft budget benchmark **(SPRINGBOK)**	Office of the MM	Municipal Manager	MFMA Ch 5	**2/3 May 2024**	
93		Council considers public and Government Departments comments and inputs and revised IDP, Budget and SDBIP if necessary.	Office of the MM	Municipal Manager	MBRR 16(1)(a)	2 - 12 May 2024	
94		Present Final IDP, Budget and final draft SDBIP to Steering Committees for quality Check (Including recommendations made by all stakeholders and Council)	IDP Office BTO	Steering Committee	MBRR 4	12 - 16 May 2024	
EXCO	**May 2024**	Planned EXCO meeting	Mayor	MM	Internal Process	**22 May 2024**	
CW		Budget and IDP to be presented to Council for next day approval	CFO / MM			**29 May 2024**	
95		Table final IDP, budget & related documents to Council for approval. **COUNCIL MEETING**	Office of the MM	Municipal Manager	MFMA S24(1)	**30 May 2024**	

Item No	Period	Activity	Co – Co-ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
96		Inform local community on approved IDP and Budget Detail – Place Newspaper Article and Copies at Libraries	Office of the MM	Municipal Manager	MBRR S18	31 May 2024	
97		Send copy of approved Budget, IDP, & related documents (incl. final draft SDBIP) to National and Provincial Governments and other stakeholders. Ensure Signed Quality Certificate as per S5 of MBRR is also attached. Upload to GoMuni	IDP Office BTO	CFO IDP Manager	MFMA S24(3)	31 May 2024	
MTM		MM and Management Team to meet on the progress of the Council Resolutions Register and Tasks from Council Meeting (On the 4th day after General Council Meeting)	MM	MM and senior management	Internal Process	5 June 2024	
CFO		Draft AFS Preparation Plan for 2023/2024	CFO	CFO		13 June 2024	
98	**June 2024**	Publication of Approved Budget and IDP within 10 workings days on Municipal Website	BTO IDP Office	CFO IDP Manager	MFMA S75(1)(a)	12 June 2024	
99		Submit draft SDBIP to Mayor within 14 days after approval of budget	Office of the MM	Municipal Manager	MFMA S69(3)(a)		
100		Mayor approves the municipality's SDBIP within 28 days after the approval of the budget and submit hard and electronic copy to NT and PT	Mayor's Office	Mayor	MFMA S(53)(1)(c)(ii)		
101		Place approved IDP, budget, SDBIP and related documents on Memory Stick or per email for all councillors and distribute. Upload to website	IDP Office	IDP Manager	Internal Process	**5 July 2024**	
102	**July 2024**	Promulgation of Resolution Levying Rates within 60 Days of Final Budget and Tariffs approval *(Acc Revised Specimen of 16 February 2022)*	BTO / CFO	CFO / BTO / Revenue	Internal Process Municipal Property Rates Act, 2004 S14(2)	9 July 2024 Before : 30 July 2024	

PROPOSED SCHEDULE FOR 2023/2024 IDP AND BUDGET PUBLIC ENGAGEMENT SESSIONS

Date	Day	Time	Topic	Ward	Venue	Ward Councillor	Facilitator	Admin Support	Senior Managemen Representative
16 October 2023	Monday	14H00	Draft Budget & IDP	1 & 5 Williston					
17 October 2023	Tuesday	14H00	Draft Budget & IDP	2 & 3 Fraserburg					
18 October 2023	Wednesday	14H00	Draft Budget & IDP	4 & 6 Sutherland					
15 April 2024	Monday	14H00	Draft Budget & IDP	Williston & Farms					
16 April 2024	Tuesday	14H00	Draft Budget & IDP	Fraserburg & Farms					
17 April 2024	Wednesday	14H00	Draft Budget & IDP	Sutherland & Farms					

4.13 IDP REVIEW PROCESS

Interms of the MSA No.32 of 2000 section 34 a municipal council

(a) Must review its integrated development plan

> (i) Annually in accordance with an assessment of its performance measurements in terms of section 41 (1) and
> (ii) To the extent that changing circumstances so demand; and

(b) May amend its intergrated development plan in accordance with a prescribed process."

The annual review process thus relates to the assessment of the municipality's performance against organizational objectives as well as service delivery taking cognizance of internal and external circumstances that might have arisen subsequent to the adoption of the previous IDP. The review and amendment process must also adhere to the requirements for public participation as articulated in Chapter 4 of the MSA of (2000).

During this annual review process, we need to collate a lot of information to guide us.

4.14 PHASE 1: ANALYSIS

This phase dealt with the existing situation and focused on the type of problems faced by people in Karoo Hoogland Municipality. The problems identified were weighed according to their urgency and / or importance to come up with those to be addressed first, i.e. priority issues. This phase also dealt with identification of existing economic potential in areas and specific communities. The Municipality had to further familiarize itself with existing and accessible resources and limitations in order to decide on realistic solutions.

The outputs of this phase are:

- Intensive public participation process per ward to gather information regarding possible potential as well as problems hampering socio-economic development
- Assessment of existing level of development
- Priority issues
- Information on causes of priority issues
- Information on available resources

4.15 PHASE 2: STRATEGIES

This phase focused on formulating solutions to address the problems identified. It also focused on aligning Municipal strategies to provincial and national guidelines and strategies as indicated in the Provincial Growth and Development Strategy (PGDS) and National Planning Documents. This phase included the formulation of:

- The vision – a statement indicating the ideal situation Karoo Hoogland Municipality would like to achieve in the long term
- Development objectives – statements of what Karoo Hoogland Municipality would like to achieve in the medium term in order to address the issues and also contribute to the realization of the vision. Objectives bridge the gap between the current reality and the vision.
- Development Strategies – provide answers to the question of how Karoo Hoogland Municipality will reach its objectives. They are strategic decisions about the most appropriate ways and means to achieve the objectives

4.16 PHASE 3: PROJECTS

This phase is about the identification and design of projects linked to strategies, for implementation.

The outputs of this phase include:

- Performance indicators
- Project outputs, targets and location
- Project related activities and time schedules
- Cost and budget estimates

4.17 PHASE 4: INTEGRATION

In this phase Karoo Hoogland made sure that projects are in line with the Municipality's objectives and strategies, as well as with the resource framework and comply with legal requirements. This was further an opportunity for the Municipality to harmonize the projects in terms of contents, location and timing in order to arrive at consolidated and integrated programmes, e.g. LED strategy

The output of this phase is an operational strategy which includes:

- Service Delivery Budget Implementation Plan

4.18 PHASE 5: APPROVAL

Once the IDP was completed and reviewed, the Municipality gave an opportunity to the public to comment on the draft document. Furthermore it was submitted to council for consideration and approval. Only after the IDP was amended according to input from the public, did council consider it for approval.

Under the new constitution, Karoo Hoogland Municipality has been awarded major developmental responsibilities to ensure that the quality of life for its citizens is improved. The new role for local government includes provision of basic services, creation of jobs, promoting democracy and accountability and eradication of poverty. Preparing and having the IDP therefore enables Karoo Hoogland Municipality to be able to manage the process of fulfilling its development responsibilities.

Through the IDP, the Municipality is informed about the problems affecting the Karoo Hoogland municipal area and, being guided by information on available resources, is able to develop and implement appropriate strategies and projects to address the problems.

Any planning guidelines have to keep in mind that planning is not an end in itself, but a tool to arrive at more appropriate effective and speedy delivery of services to the people. Keeping a close and transparent link between planning, improved public management and delivery is, therefore, the most important guiding principle for the guidelines.

4.19 COMMUNITY PARTICIPATION

Community participation is an integral part and the heart of integrated development planning process; hence the municipality also embarks on a programme known as the Community Consultation Programme. The municipality undertakes its own community participation programme twice in a financial year cycle. The first consultation process is done during the analysis phase wherein municipal officials meet with various stakeholders at ward level to collect service delivery data. The second consultation is conducted after the adoption of the draft IDP document of the next financial year. In addition to this engagement there are various other stakeholder meetings such as IDP Managers' Forum, IDP Rep Forum, and District Development Planning Forum which comprise a wider representation of stakeholders, ranging from business, labour, civil society, Ward committees and Councillors as well as members of the public among others. The core processes are implementation, evaluation and monitoring of the IDP programmes/projects.

4.20 COMMUNITY PRIORITY NEEDS PER WARD

The municipality's consultation process has culminated in the identification of various delivery needs and priorities. The service delivery identified as priorities at various wards in the Karoo Hoogland Municipality have been summarized to inform the IDP and budget process.

Karoo Hoogland Municipality would endeavor to engage with responsible district, provincial and national departments in ensuring implementation of projects aimed at attaining ward specific priorities. The below mentioned community needs emanates from the stakeholder's engagement and community participation conducted when developing the 2022/2027 IDP document. The needs tabled below are those emanating from the consultations

Needs as identified by the communities will be funded in projects through the municipalities **Capital** and **Operational** budget as well as projects from other spheres of government.

The municipality do submit business plans for projects to the different spheres of government as indicated above.

Please see list below as prioritized by the communities through the public participation process.

WILLISTON	
WARD	**NEEDS PER WARD**
1	Housing Registration
3	Construction of Storm Water Manuals
6	Paving of Streets
	Truck Stop
	Prepaid Meters
	Meat “afval verwerking” project
	Better water resources
	Speedbumps
	Disaster funding
	Paving of Streets
	Eradication of UDS toilets

FRASERBURG	
WARD	**NEEDS PER WARD**
2	Upgrading of Sprots Ground
3	Completion of Driver’s License Testing Center
5	Eradication of UDS toilets
	Paving of Streets
	Off Grid Networks Renewable Energy
	Upgrade of Current Tar Roads
	Upgrading of Ammerville Community Hall
	Investigate Drilling of Extra Boreholes
	Upgrading of Electrical Network
	EIA for new graveyard and maintenance of current graveyard
	Revision of Credit Control Policy
	Communication Policy
	Construction of Public Toilet
	Construction of Hawkers Area
	Community Vegetable gardens

SUTHELRAND	
WARD	**NEEDS PER WARD**
4	Vet
6	Eradication of UDS Toilets
	Housing (RDP)
	Thusong Center /Multipurpose Centre
	Karoo Hoogland Development Agency
	Cellphone Signal Between Regional Roads
	Upgrading of Sport Ground
	Drug rehabilitation Center
	EIA new graveyard and maintenance of existing graveyard
	Gender Based Violence (Dignity Packs)
	Transport for old age persons
	Construction of speedbumps
	Tourism Development
	Agriculture projects
	Animal protection Policy
	Construction of Toilets
	Radio Station

SECTION E
SPATIAL ECONOMY AND DEVELOPMENT RATIONALE

The purpose of this chapter is to sketch the desired spatial pattern for Karoo Hoogland Local Municipality taking into account the provisions of the Integrated Development Plan, the spatial goals, and strategies proposed in the 2010, Rural Spatial Development Framework, the Namakwa Spatial Development Framework, 2012, the draft Provincial Spatial Development Framework, 2019, the institutional requirements of different government spheres (institutional analysis) and the inherent spatial opportunities the municipality offers. This section endeavours to review and align the following key elements:

• Spatial goals and objectives;
• Spatial strategies;
• Strategic development concept; and
• Priority intervention areas;

Point of departure and expected use of the Karoo Hoogland Spatial Development Framework. In addition to the policies noted in the legislative section this SDF is based upon the following points of departure:

• Provision is made to ensure that the SDF aligns to the principles and sections as set out by SPLUMA. The previous adopted SDF is not SPLUMA compliant and would therefore require the development of a new SDF. SPLUMA further requires alignment between the Municipal Land Use Scheme and the SDF, an attempt towards the successful alignment of these strategic mechanisms is made in this document;
• A revised urban edge with more detailed land use proposals is required to provide the required detail towards the successful implementation of the municipal Land Use Scheme; • At the same time, the assumption that all land within the urban edge is developable is questioned as a starting point to land use decisions, and accordingly this SDF has made recommendations for land within the urban edge to retain its rural character;
• Also limiting development of land within the urban edge is the availability of infrastructure capacity in the short to medium term. These limitations have been considered in the implementation framework of the SDF. Limitations in the capacity of the bulk infrastructure networks of the municipality will impact on the time frames for development of land parcels, identified as suitable for development. The SDF includes prioritization of development options for the short, medium and long term, but ultimately the implementation of this plan is dependent on the municipal budget allocation;
• The identification of critical biodiversity areas, as proposed by the Northern Cape Biodiversity Plan were adopted as a starting point. Certain areas have been earmarked as critical biodiversity areas whereas proposals where made towards the registration of conservation or natural protected areas. Refinement of these proposals would have accommodated in the development of the SDF.

• The findings of the Namakwa District Rural Development Plan for the municipal area, including the proposed rural development areas (regions) and zones were taken as a second point of departure. Areas prone towards potential for agricultural development needs to be protected. Provision for land use change conditions is made to ensure that these areas are well protected.

- The municipality is further dependent on Tourism development which will serve as the third point of departure. Specific attention will be given towards unlocking and protecting tourism development areas, corridors and zones in the SDF.
- Land use management principles will be employed to protect and enhance peri-urban development towards sustainable livelihoods. Pockets and areas of land would be made available for local economic development, small scale agriculture, agro-processing opportunities and other SMME opportunities.
- The SDF attempts to address the needs of all the people in the Karoo Hoogland Local Municipality, it seeks to provide transparency towards the management and administration of land within the jurisdiction of the Karoo Hoogland Local Municipality.

5.1 KAROO HOOGLAND LOCAL MUNICIPALITY AS PART OF THE NATIONAL AND PROVINCIAL SPATIAL DEVELOPMENT NETWORKS

Sutherland as part of the National Spatial Development Framework

Sutherland has been identified as an Astronomy and Tourism Node as part of the Provincial Spatial Development Framework. Calvinia has been identified as the regions development anchor as part of the National Development Framework, Key service towns/settlements serviced includes., Williston, Fraserburg and Sutherland.

Key functions to be provided according to the definition of a rural anchor includes:

- Industries, shopping malls, Retail facilities and Warehousing
- Tourism Offices and Business Support,
- Agricultural Co-ops;
- Urban and Regional Nature Reserves, Landfill site to accommodate district landfill;
- District Hospital, Health Centre and a Fire Station;
- A Branch Library, to accommodate an ECD hub, FET College and local skills and training facilities;
- Regional stadium and performing arts facility; and
- Main or regional court facility, a Civic Centre, home affairs, SASSA and Labour Offices (this facility can be accommodated through a Thusong Centre).

It is important that these functions are accommodated in the review of the Karoo Hoogland Spatial Development Framework. The Provincial Spatial Development Framework provides further direction on the role and purpose of the Karoo Hoogland Local Municipality by establishing the following key strategic interventions:

- Williston has been endorsed as a rural anchor town / rural market centre, the town plays a key role towards the sustainability and economic viability of the southwestern part of the Northern Cape Province which include the Karoo Hoogland Local Municipality.

• The region services as an important agricultural region through the production and implementation of key agricultural value chains which includes among other the mutton/lamb industry and rooibos tea sectors.
• The region serves as a gateway from the Western Cape Province towards the eastern and north eastern parts of the Northern Cape Province. Many goods and services are transported from Cape Town to Kimberley and the Free State via the R63. Many opportunities can be explored in the logistics value chain due to the relatively large scale of goods transported.
• The region plays an important role to link the west coast towards the central parts of South Africa. The R27/R63 route has been identified as a Provincial Transportation Corridor and serves as a Tourism Corridor towards and from the region.
• The southern parts of the Karoo Hoogland Local Municipality have seen the expansion a protected area and shows further potential to expand as the region is defined as a critical biodiversity area.
• The Area surrounding Sutherland has also been identified for renewable energy and tourism opportunities due to the astronomy infrastructure and crystal-clear cloudless nights in the region for stargazing.

5.2 DEVELOPMENT SCENARIOS

The current state of Karoo Hoogland Local Municipality has been shaped by the development trends that have persisted over the past number of decades. Although several options are available, two divergent possibilities (see figure below) exist in terms of how it will be shaped in the future. These are the ‘business as usual scenario’ and the ‘smart growth scenario’. Both are hinged upon the role the Municipality chooses to play in reinforcing and counteracting specific development trends.

• **Business as Usual Scenario1** with this approach growth and development within the municipal area could continue along its current path. This implies no significant intervention by the municipality, resulting in the perpetuation of the existing inequitable social and spatial development patterns. This will have far reaching cost implications for utility service provision.

• **Smart Growth Scenario** Alternatively, the municipality could decide to pro-actively embrace the guidance set by legislation such as the Municipal Bylaw (SPLUMA) and policy at national and provincial level (refer to the Provincial PSDF and PGDP), as well as the spatial principles embedded in SPLUMA. This would result in a fundamental shift in the management of growth and development in the Karoo Hoogland Local Municipality, towards a more sustainable approach.

The decision by the municipality to review the current SDF for Karoo Hoogland Local Municipality provides an opportunity to realign the current pathway. A more sustainable development path requires immediate commitment to being more proactive in guiding spatial development, commitment to change the trends of infrastructure investment patterns and taking a long-term view on resultant outcomes. It is noted that at the time that the Municipality decides to change from a 'business as usual' to a 'growth management' scenario, there may be initial impacts on growth and associated costs. These will, however, be greater the longer it takes for such a step to be initiated.

In addition, unless there is strong commitment to such an approach, there is a chance that a 'business as usual' approach will again set in. These factors are illustrated by the broken lines in the diagram in the figure below. In implementing the ‘smart growth’ scenario, a strategic approach is to be used, rather than a broad brush ‘blueprint planning’ approach. As such, certain key sectors will be focused on, to direct the future of the area, rather than trying to address all the challenges at once. This approach is outlined in the Spatial Concepts Section (to follow). Several localised spatial outcomes will result from the Smart Growth approach, namely:

- A range of uses and activities being attracted to vibrant main Business areas;
- A mix of activities clustering at sub centres;
- Publicly assisted housing being better located;
- Development of appropriate facilities in areas of need and renewed use of existing facilities; and
- Firm protection of the environmental, heritage and amenity value of the municipality.

What the prevalent spatial patterns that exist today highlight, is the immense power of infrastructure investment. The results of apartheid spatial planning and infrastructure investment are clear. The fact that we live in such a context where infrastructure is as skewed as they are deepening the need for an alternative approach to infrastructure investment patterns. While it will take a long time to change existing patterns, commitment to the ‘Smart Growth’ approach and actions to begin such change is required immediately. Gradual yet consistent steps towards a long-term vision should, if the vision and goals of this approach are to be achieved, follow these immediate actions.

GROWTH PROJECTIONS

Projected population and need of sustainable human settlements within Karoo Hoogland Local Municipality is based on an average growth scenario (1.47 % growth rate per annum, measured between 1996 - 2016), a high growth scenario (1.97 % p.a., measured between 2001 and 2011) a medium growth scenario (0.67 % p.a., measured between 2011 and 2016) and low growth scenario (3.03% p.a., measured between 1996 - 2001). For the projected analysis an average growth scenario will be adopted. In addition, population projections by the CSIR2 (as based in the NSDF) has been used to reaffirm the projections calculated using the above projection rates. Medium to high growth rates projected varies between 0.78% based on 2016 population statistics and 0,64% towards the end of 2050. The NSDF envisage a development shift from the west towards the east of South Africa and this could prevail growth projections experienced between 2011 and 2016. Urbanisation3 would also have certain growth implications in the Karoo Hoogland Local Municipality.

5.3 SPATIAL CONCEPT

Without a new complex and disruptive transformative approach, low density and sprawling settlement growth will continue. This will exacerbate the threats that impact negatively on a large proportion of the Municipality’s population, the financial viability, the economic prospects and functioning. The Karoo Hoogland SDF strive to align the needs with capacity, jobs, social services and opportunities. It also recognises the tensions between population dynamics and the economic, ecological and infrastructure capacity of settlements in the local area. The SDF proposals aim to align investment in settlement with these capacities. The challenges must be dealt with holistically and work towards achieving balance and completeness so that:

o Legacies are redressed in the way growth is managed;
o Current challenges are confronted and dealt with in a just and sustainable manner; and
o Future risks are mitigated to expand the prospects of a socially, economically and environmentally sustainable future.

The overriding intention is to build Karoo Hoogland into a region made up of “complete”, just and inclusive ecosystems, societies and economies, where all can participate without undermining the resources needed to sustain future generations.

Spatial strategies proposed in the Karoo Hoogland SDF need to strive towards finding a:

• Balance between development and the environment to ensure that growth is spatially just, financially viable and environmentally responsible by working towards compact, vibrant, liveable and efficient settlements;
• Balance between settlements in relation to the allocation of and access to resources, recognising and consolidating their varied economic and social roles;
• Balance within settlements in terms of built versus natural areas, land use mix and a range of housing and economic areas to create complete neighbourhoods, towns and villages;
• Balance between the nature and location of growth and the impacts on environmental, financial and infrastructure capacity and resources;
• Balance between supply and demand so that the fiscal sustainability of the municipality and its residents is assured;
• Balance in the use of transport modes; and
• Regeneration of streets and public spaces to create “complete streets”.

The elements of this spatial concept are illustrated in the four spatial strategies with their supporting policy statements and guidelines that are expanded in the sections that follow.

5.4 KEY MUNICIPAL SPATIAL INFORMANTS

The key municipal spatial informants (see figure below) are essentially the structuring elements at the municipal scale. They have been identified as being the integral elements that should inform the nature and form of the spatial concept at the municipal scale. The spatial informants can be separated into two basic categories:

• Natural elements; and
• Settlement elements.

The natural elements represent those features of the natural environment that hold the greatest significance in terms of their economic, ecological and amenity value. The settlement elements represent those elements that are most significant in terms of the functioning of the settlement system.

5.5 NATURAL INFORMANTS

The most dominant natural elements or landscapes at a regional and indeed municipal scale are the Baster, Roggeveld, Kamsberg and Nuweveldberge. They represent immensely important and vast pristine natural areas. Key rivers that form the core conservation of biodiversity corridors include the Vis River West, Riet, Sout, Sak and Renoster Rivers. These systems do have an occasional risk for flooding and are environmentally sensitive habitats. Some non-perennial pans are located towards the northern parts of the Karoo Hoogland Local Municipality. Key Conservation areas include the Tankwa Karoo National Park and the SALT Astronomy area north of Sutherland. These areas do pose certain development restrictions and are highly protected and sensitive areas where development should not be supported.

5.6 SETTLEMENT INFORMANTS

Covering parts of the natural landscape is a settlement system. The settlement system consists of several human settlements, connected to one another by movement routes. The main human settlements in the municipality include Williston, Fraserburg and Sutherland. These settlements are almost equal in size and population, with Williston being the administrative capital of the Municipality and located on the R63 Provincial Transport Corridor, Fraserburg and Sutherland is accessed easier from the Western Cape Province region thus creating accessibility constraints for the population of Karoo Hoogland. The major routes connecting the towns within the municipality is partially tarred with large sections still gravel roads which include the R353, R356 and R354. The R63 which has been identified as a major Transport Corridor connects the town of Williston with Calvinia and Carnarvon. There are also several scenic routes (gravel and tar). The railway line which comes from Carnarvon and travels through Williston ends in Calvinia. Small light aircraft airfields are also evident in the towns of Williston and Sutherland. These natural and settlement informants are the fixes that form the basis for formulating a spatial concept for the municipality.

5.7 CONCEPTUAL FRAMEWORK

A sound conceptual framework is the basis (along with contextual realities) for the SDF. The Smart Growth scenario focuses on managing growth by using the following key spatial structuring elements:

5.8 OPEN SPACE SYSTEM

This is focused on the identification of all the ‘green’ land use activities (see figure below) that should be protected from urban development as they are important from an environmental, productive, recreational, and social perspective and to accommodate future growth. This also includes the indigenous vegetation, forests, rivers, floodplains, agricultural land uses, etc.

5.9 MAJOR TOWNS AND TOWN CENTRES

The Socio – Economic Potential of Towns Study drafted for the Northern Cape PSDF undertaken by the Provincial Office of the Premier has provided a basis for establishing a hierarchy of settlements.

5.10 KEY OBSERVATIONS:

• The results indicate a significant decrease of all the indices except for the property market.
• Overall, the time-lapse between the 2001 and 2011 Stats SA census data indicates that the majority of the sectors of the Karoo Hoogland Local Municipality declined.
• The data further indicate the composite need index has experienced a noticeable improvement.

5.11 ACTIVITY STREETS AND NODES

This focuses on key road linkages and cluster developments that encourage mixed-use activities (job creation and community facilities) along its route and that create connectivity with the existing town centres.

This is aimed at incorporating previously separated developments into mainstay economic activity and increasing the viability of employment generating opportunities in these areas. The idea is to concentrate areas of economic activity in order to promote scales of economy, rather than allowing the dispersal of businesses which creates several negative side effects. Proposed activity streets and nodes are further discussed in the Micro SDF proposals.

5.12 URBAN EDGES

These are also referred to as growth management boundaries. They define the outer limits of development for the next three to five years. These may be revised as more information becomes available from further studies. Their main purpose is to encourage better use of existing urban land (through strategic infill and densification) and to manage the future growth and development within the Karoo Hoogland Municipal Area. Urban edge identification is undertaken in accordance with adopted provincial guidelines and Toolkits. The focus of these planning tools is on directing housing and infrastructural utility service investment in Karoo Hoogland, as well as managing and directing ongoing private sector development applications, in particular those on the edge and outside of existing urbanised areas. Employment opportunities in rural areas, especially in respect of small-scale tourism development should also be considered. The proposed urban edge is presented in the Micro SDF proposals.

5.13 SPATIAL PLANNING CATEGORIES

Municipalities should use the Spatial Planning Categories as the foundation of spatial planning, the following considerations needs to be adhered to when developing or reviewing local plans:

• Alignment of provincial spatial structuring elements (e.g. nodes, zones, corridors);
• Hierarchy of towns and settlements as well as considering the recommendations and strategies proposed by the Socio-Economic Potential of Towns Study;
• Strengthening of alignment between neighbouring local plans as proposed and represented in the PSDF; and
• To utilize SPC's as basis of future land use development proposals.

5.14 MACRO FRAMEWORK

The Macro Framework proposals follow the proposed strategies and presents a spatial representation of the spatial strategies presented in the previous section. Each of the spatial strategies are presented to provide a spatial footprint of key areas to protect, conserve or to develop.

STRATEGY 1: ENHANCE LOCAL CONNECTIVITY

OBJECTIVES:

• To strive towards a compact, dense and diversified urban growth in the Williston & Sutherland urban growth core which is well connected with a regional network of resilient rural areas;
• Maintain and strengthen national trade, ports, transport, through-routes and related infrastructure;
• Support diversification of economies, tourism, the knowledge economy, the green economy and alternative energy-related enterprise development;
• Manage demand and maintain, expand and refocus the infrastructure network to enable and sustain bulk water supply and energy distribution;
• Improved broadband connectivity through improving access to the internet for all communities, especially those are affected by the SAROA development.

PRINCIPLES:

• Efficient movement of goods;
• Enhanced cross provincial movement;
• Improved tourism access; and
• Strengthening economic opportunities that coincide with transient traffic.

OPPORTUNITIES:

• The enhance the opportunities emanating from the R63 link between Carnarvon (SARAO) to Calvinia Regional Growth Centre;
• To enhance potential tourism links between Williston to Sutherland;
• Consolidating economic activity at strategic locations within development corridors thereby strengthening existing urban areas and nodes;
• Concentrating investment in areas with potential for sustainable economic development within development corridors;
• Increase regional accessibility and mobility by: o Continuously increasing the mobility function of the all national routes. o Continuously upgrading secondary and tertiary routes. o The provision of logistic facilities.
• To build on provincial corridors and zones identified in the draft PSDF by investigating further potential that could potential emanate from the SARAO Astronomy zone, as well as both the Solar and Tourism Corridors.

STRATEGY 2: PROTECTING LOCAL RESOURCES

OBJECTIVES:

• To ensure integrated management and prioritisation of Karoo Hoogland’s natural and man-made cultural landscape resources;
• To facilitate disaster risk management in alignment with biodiversity management programmes;
• To align investment and resources for coordinated environmental management projects;
• To protect and conserve high potential agricultural land; and
• To delineate and protect areas that show the potential for mineral beneficiation, these areas needs to be restricted and strict development conditions needs to be enforced to mitigate and rehabilitate identified areas.

PRINCIPLES:

• Integration;
• Enhance and respect nature;
• Encourage a shift from carbon dependent development;
• Promote sustainable transport;
• Create an adaptive and resilient environment;
• Work with, not against nature; and
• Protect high potential agricultural land.

IMPLICATIONS

• Coordination of internal municipal departments responsible for environmental management;

• Facilitation of public private partnerships for stewardship and custodianship programmes; and
• Identification of priority areas for disaster risk management.

OPPORTUNITIES

• Tourism development that focuses on the natural beauty and heritage value of Karoo Hoogland;
• Possible mining development (uranium, gypsum and gas/oil), if proven to be feasible;
• Agricultural development through diversification and beneficiation of agricultural products;
• Cultural-heritage value of the towns is considered to have high architectural value; and
• Astronomy Development taking advantage of crystal-clear cloudless skies.

What needs change?

1. Address threats to ecosystems and on-going depletion of natural resources due to poor maintenance (i.e. alien infestation, illegal/ unsustainable land use and over allocation).
2. Strengthen connectivity of natural habitat between ecosystems (biodiversity/riverine corridors).
3. Improve ecosystem functioning to address loss of climate change resilient areas.
4. Recognise the threat climate change poses to ecosystem functioning and that poor socioeconomic conditions and lack of settlement services provision exacerbate disaster risk.

What needs to be protected?

1. Critical Biodiversity Area's (CBA's), vulnerable terrestrial and freshwater ecosystems.
2. Connectivity of natural habitats within and between threatened ecosystems.
3. Ecosystem functioning, ecosystem goods and services and climate change resilient areas.
4. Natural assets and resources (including biodiversity, topography, soils and water resources).
5. Custodianship/stewardship of natural assets 6. Agriculture as the economic base of the region.

What new development is required?

1. Roll-out existing and expanded programmes (e.g. Stewardship and Public Works) to secure, protect and manage endangered and vulnerable ecosystems (protection of CBA's).
2. Encourage catchment management, alien vegetation clearing and riverine and wetland management.
3. Develop capacity for environmental awareness and education, underpinned by ecotourism.
4. Roll-out disaster management plans and map high vulnerability index and risk areas.
5. Put in place stricter management of resource utilisation and consumption.

INFRASTRUCTURE

• Upgrade network capacity to cope with densification;
• Ensure that long-term planned expansion of infrastructure networks will result in optimal use of land and smart growth patterns.

TRANSPORT

• Leverage rural economic growth through road infrastructure; • Investigate options for improving rural public transport (e.g. Rural Transport Development projects)

ECONOMY

• Pursue/investigate private public partnerships for key priority projects such as mixed housing developments;
• Promote Astronomy Tourism opportunities through the development of a Astronomy Tourism Strategy; and
• Agri-tourism development and marketing strategy.

HERITAGE

• Expand existing heritage inventory to include heritage places associated with more recent social history;
• Explore "architectural tourism" (e.g. farmsteads, churches) in agricultural and rural areas;

PROTECTING AND CONSERVING LOCAL RESOURCES

Recognizing and strengthening the role of natural assets in ecosystem functioning, ecosystem goods and services, the local and regional economy and the livelihood of Karoo Hoogland's residents. Managing and reducing natural and man-made disaster risks.

STRATEGIC STATEMENTS DEVELOPMENT IMPLICATIONSLAND USE

•Provide for farmworker and rural dweller settlement in the HSP.
• Policy for the establishment of agricultural holdings (land use) in the urban fringe
• Identify zones for urban renewal areas with incentives/ programmes/support for investment;
• LUMS to accommodate new housing strategies (e.g. incremental housing);
• Ensure optimal use of land in green and brownfields development.

Core protection areas
Core protection areas
Promote Green Economy Initiatives
Promote Green Economy Initiatives

STRATEGY 3: URBAN AND RURAL DEVELOPMENT

Shift in focus about housing delivery in rural settlements. The traveling cost implications and lack of employment opportunities in the outlying rural settlements do not provide for sustainable livelihoods. Future housing delivery must be prioritised and concentrated in the existing urban centres. Focussed social development and investment within rural settlements to encourage community development and investment within rural settlements to encourage community development and sustainable livelihoods opportunities within existing settlements.

OBJECTIVES:

- Facilitate more sustainable land reform process and in areas closer to urban centres;
- Establishing an “agricultural edge” to contain urban expansion into the productive rural landscape;
- To protect the working agricultural landscape;
- Provide opportunities for increased food security and economic development for rural dwellers;
- Sustainable and accessible employment opportunities;
- Integration and concentration of community facilities, employment and residential opportunities;
- Safer communities;
- More efficient use of land; and
- Improved opportunities in the Tourism Sector.

PRINCIPLES:

- Food security and designing with nature;
- Sense of place;
- Public space and place making;
- Safety and security;
- Improving dignity; and
- Rural place-making.

IMPLICATIONS

- Subdivision/use of agricultural land suitable for peri-urban agrarian reform subject to further investigation;
- Protection of productive agricultural land;
- Mixed-use and integrated settlements;
- Development of typologies for housing options;
- Coordination of internal municipal departments responsible for rural management;
- Facilitation of public private partnerships for stewardship and custodianship programmes; and
- Dignified environments with a strong sense of place.

OPPORTUNITIES

- Urban renewal initiatives and economic regeneration;

• Tourism in the region needs to diversify and not rely too heavily on the floral transformation that takes place during a short window of time, focus should shift to the SALT and Astronomy Opportunities in the area;
• The tourism of Karoo Hoogland should be promoted and marketed through a well-developed tourism strategy; and
• Projects supporting tourism, needs to aim at enhancing community development.

What needs change?

1. More innovative land reform/ownership and agricultural production models required to fast-track agrarian reform in order to efficiently utilise state land and "non-feasible" small farms especially in peri-urban areas;
2. Revitalise rural economy to address rural poverty and vulnerability through broadening access;
3. Upgrade of the public realm of township areas to improve quality of life;
4. Urban renewal programmes in the CBDs of growth nodes;
5. New models of housing delivery and security of tenure to promote densification and accommodate a variety of income groups and a spectrum of land uses; and
6. Roll-out agrarian reform and rural livelihood programmes together with existing socio-economic and LED programmes.

What needs to be protected?

1. Food security and sovereignty.
2. Primary production in Agricultural sector;
3. Agricultural workinglandscape and heritage (e.g.farmsteads).
4. The scenic quality of the settings of settlements, including aspects such as mountain backdrops, agricultural landscapes and riverine corridors.
5. The particular sense of place of settlements and nodes.
6. Significant townscapes, public places and urban cultural landmarks.

What new development is required?

1. Establish sites for urban agriculture (home, school and community gardens) to promote household food security and improved nutrition.
2. Establish a unique local food culture through street vending (stalls), farmer's markets, farm-gate sales, slow-food markets and box delivery schemes.
3. Facilitate land ownership and tenure security for farm workers and rural dwellers in "agri-suburbs" within existing settlements through the housing subsidy programme.

INFRASTRUCTURE

• Promote "off-grid" services in outer-lying or environmentally sensitive areas (renewable energy/roof rainwater harvesting);
• Promote access to ITC networks to improve rural connectivity;
• Disaster management guidelines for major infrastructure installations; and
• Improve basic services to reduce disaster risk.

TRANSPORT

• Employ minimal transport infrastructure in sensitive areas;
• Provide access to high disaster risk areas (evacuation, fire fighting, search and rescue);

ECONOMY

• Incentivise conservation of private land;
• Employment through EPWP:
• Working for Water/Fire/Wetlands programmes; and
• Public – private partnerships for disaster management.

HERITAGE

• Promote natural asset custodianship; and
• Guidelines for securing and managing heritage assets in disaster risk prone areas

URBAN AND RURAL DEVELOPMENT

Facilitating smart growth of Karoo Hooglands'ssettlements in accordance with their role and potential. Promoting social development, community livelihoods and safety through the sustainable delivery of social facilities, public open space, recreational opportunities and housing.

STRATEGIC STATEMENTSDEVELOPMENT IMPLICATIONS LAND USE

• Employ protection zones in terms of the District EMF;
• Eco-tourism guidelines in terms of NC PSDF (2019);
• Identify and map high disaster risk areas.

STRATEGY 4: ENHANCE INFRASTRUCTURE DEVELOPMENT

OBJECTIVES:

• Ensure efficient supply of water, electricity and waste management services to sustain and maintain additional growth;
• Eradicate backlogs in water and sanitation, electricity, housing;
• Improved maintenance of existing infrastructure networks;
• More liveable neighbourhoods and communities;
• Provide public access to all social facilities;
• Eliminate inequalities among and within communities;
• Clustering and sharing of social facilities to optimise accessibility and community participation Reducing reliance on costly municipal services networks;
• Promoting off-grid development and making use of renewable energy;
• Facilitation and promotion of transport modal shifts to non-motorised transport options;
• Improving the provision of and access to public transportation;
• Recycling and converting waste into something productive; and
• Rejuvenation of settlements.

PRINCIPLES:

- Clustering and consolidation;
- Sustainability;
- Shift in transport modes – promote NMT;
- Integrated and connected economy;
- Waste = Value / Potential resource; and • Contain urban expansion.

IMPLICATIONS

- Ensure that sufficient land is reserved for these essential facilities;
- Concentrate investment in areas with potential for sustainable economic development;
- Replace and maintaining ageing infrastructure;
- Reduce illegal connections;
- Improved development/building standards;
- Reducing excess waste;
- Improved operating rules of water resources;
- To promote the re-use of water (grey water harvesting); and
- Densification and infill development need to be considered in urban development.

OPPORTUNITIES

- Provide public and non-motorised transport and facilities to improve accessibility to urban functions and job opportunities;
- Implement norms and standards for the provision of social facilities; and
- Develop and implement a comprehensive infrastructure plan, responsive to needs by 2040.

COMPOSITE PLAN

As a first step towards a holistic spatial development strategy for Karoo Hoogland Local Municipality, a Composite Macro Spatial Development Framework was formulated. The Composite model's spatial direction and context to future developments. This framework promotes, clarifies and refines the spatial development principles, strategies and development priorities supported by relevant policies and legislation and define the desired spatial form of the Municipality. The Composite Spatial Map is depicted in the map below (see next page).

The following key initiatives and projects have been identified and included in the composite Macro Framework:

- Refurbishment or road upgrade of the route Williston and Fraserburg as well as Williston to Sutherland (to increase tourism access and connectivity towards the region);

- Reinforcement of the proposed Tourism route (triangle) formed between Williston, Fraserburg and Sutherland;
- Development of Wi-Towers to improve accessibility towards economic and knowledge economy opportunities within towns;

• Tourism overnight facilities and accommodation (overlanding, backpackers);
• Establishment of an overnight truck stop in Williston to unlock economic opportunities in the logistics sector as well as reducing the risk of trucks stopping in the main street in Williston overnight;
• Supporting of the Agri Park initiative through the strengthening of the Farmer Production Supporting Units as well as Agro-processing opportunities within the Region;
• Development of a Heritage/Tourism Precinct in Sutherland and Fraserburg;
• Expansion and taking full advantage of the renewable energy (Wind Power) sector south of Sutherland;
• Strengthening conservation linkages with improved signage and other ancillary uses to accommodate tourist towards Tankwa National Park; and
• Development of artisan workshops to provide local population with the chance to develop skills to participate within the economic sectors.

DEVELOPMENT ACTIONS

Broadly – and aligned to the SPLUMA SDF guidelines – the SDF entails three types of actions or initiatives:
• Protective actions – things to be protected and maintained to achieve the vision and spatial concept.
• Change actions – things that need to be changed, transformed, or enhanced to achieve the vision and spatial concept.
• New development actions – new development or initiatives to be undertaken to achieve the vision and spatial concept.

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The proposals contained within the framework aim to achieve the desired spatial form and strategies for Karoo Hoogland while ensuring alignment with the SPLUMA spatial development principles.
• Protective actions – things to be protected and maintained to achieve the vision and spatial concept.

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• New development actions – new development or initiatives to be undertaken to achieve the vision and spatial concept.
Actions Strategic focus SDF Element Proposals

The composite SDF is further illustrated in the table below. The proposals contained within the framework aim to achieve the desired spatial form and strategies for Karoo Hoogland while ensuring alignment with the SPLUMA spatial development principles.

Actions	**Strategic focus**	**SDF Element**	**Proposals**
Protective actions	Natural/ ecological elements to be protected	CBAs, ESAs, Protected Areas and watercourses	Maintain the integrity of and enhance the continuity of Formally Protected Areas, Critical Biodiversity Areas, wetlands, rivers, aquatic Critical Biodiversity Areas and Ecological Support Areas.
		Agricultural land	Maintain productive agricultural land.
	Landscape and settlement elements to be protected	Scenic landscapes, scenic routes, and special places of arrival	Maintain the scenic quality of the natural and agricultural landscape, associated routes, and the unique but different arrival places which mark the transition between rural and urban settlements.
		Historic and culturally significant precincts and places	Maintain the unique historic quality of different settlements and precincts, including the Fraserburg and Sutherland Heritage precincts.
Change actions	Areas or places to be upgraded	Informal settlements/ affordable housing areas	Upgrade informal settlements (specifically in Fraserburg and Williston).
	Area for enhanced economic opportunity	Integration areas between informal areas/ affordable housing areas and centres of commercial activity	Strive to break down activity barriers between informal areas/ affordable housing areas and centres of commercial activity through the location of new entrepreneurship opportunity and public facilities. Provide incentives to assist in breaking down activity barriers between informal areas/ affordable housing areas and centres of commercial activity (e.g. using municipal land).
		Enhanced industrial accommodation	Enable industrial expansion in Sutherland and Williston.
		Focus area for public markets	Enable the development of a hierarchy of public markets in all settlements, focusing on visible locations along or at the intersection of major routes.
		Areas for peri urban agriculture	Enable peri-urban culture on commonage surrounding settlements.
	Areas for densification and infill	Residential infill and densification	Priorities infill and densification of all settlements as opposed to

			lateral growth.
	Areas for efficient/ improved access to public services	Places for clustering public facilities	Priorities existing larger public facilities as the location for public facility clusters in settlements (Multipurpose centres)
	Improved landscaping	Streets or places where landscaping and tree planting should be focused	Focus landscaping on the main streets of settlements or at the intersection of major routes (overlapping with public markets).
New development actions	New development of significant scale	New residential development	New Developments should be focussed towards Williston and Sutherland.
		New commercial, tourism or public places	Explore new commercial/ tourism related development in Sutherland.
		New routes	Continue to establish critical movement links integrating communities and unlocking public development benefit.

SPATIAL PRINCIPLES AND APPROACH

A set of interrelated spatial development principles have been identified to guide the formulation of the focus area proposals and the future development of the Karoo Hoogland Local Municipality.

CONTINUITY OF GREEN

Ensure the continuity and connection of core biodiversity areas, river systems and landscape elements to establish connected green networks.

ESTABLISH WELL DEFINED AND DESIGNED DEVELOPMENT – OPEN SPACE

Ensure that the interface between green space and development is well designed so that open space is overlooked and not edged by “backs” and blank edges.

PROTECT AND ENHANCE RURAL CHARACTER

Ensure that all interventions in rural areas are of an appropriate scale and nature to support rural livelihoods, whilst at that same time protecting the sense of place and the agricultural resource base.

ENABLE STRATEGIC DENSIFICATION

Densify residential development and cluster activities in these areas for efficient use of infrastructure and available land.

ENABLE AND PROMOTE MIXED USE

Promote a mix of uses around nodes and along corridors within the accessibility grid. The above two principles set up an environment in which public transport becomes viable.

PROTECT AND ENHANCE HERITAGE RESOURCES

Acknowledge the importance of heritage resources and carefully manage impacts at all scales of planning and development, from the broader Karoo Hoogland municipal landscape and its settlement pattern to individual buildings.

ENSURE CONNECTIVITY BETWEEN SETTLEMENTS AND A HIERARCHY OF NODES AND CONNECTIVITY WITHIN SETTLEMENTS

Connect nodes and communities via safe and attractive public transport and pedestrian friendly routes and activity corridors within a hierarchical accessibility grid.

PROMOTE SPATIAL INTEGRATION

Facilitate integration through well-located new development and infill, reducing barriers between communities and enabling more efficient access to facilities and opportunities.

ESTABLISH AN ACCESSIBLE HIERARCHY OF PUBLIC FACILITIES

Locate new facilities and resources so that they relate to the accessibility grid; high order regional facilities should be within easy reach of the primary public transport and street network.

CLUSTER SOCIAL FACILITIES

Cluster social facilities and activities within nodes to optimize accessibility and convenience while also improving security and maintenance. The Micro Framework as contained in the SDF will be implemented in line with the 2020/2021 IDP.

5.15 NATURAL ENVIRONMENT

Protecting the Natural Environment is a priority for Karoo Hoogland taking in conservation with specific reference to global warming which contribute to climate change.

Karoo Hoogland is characterized by cool summer and extremely cold winter temperature with temperatures fluctuations that vary from an average low of 3°C to an average high of

20.5°C. In Sutherland, subzero temperatures are often experienced with frost occurring on an average of 88 nights per year.

Sutherland is situated in the Roggeveld mountain range at a height of 1 450 meters above sea level on the south western escarpment of the inland plateau. At this height the area is expose to all the cold air coming from the south-west. Due to the low moisture levels and thin air, heat radiation at night is high. Sutherland is regarded as the coldest place in South Africa.

Rainfall occurs mostly in the summer with between 100-300mm expected per year. (Namakwa Biodiversity Plan, 2008)

Average Annual Rainfall

Average Rainfall (mm)	Area (ha)	%
0	0	0
100-200	2 076 348	69.12
200-300	662 380	22.05
300-400	254 757	8.48
400-600	10 412	0.35
TOTAL	3 003 897	100

DISCLAIMER: In terms of the municipal area (ha), it must be noted that the source data collected from the Municipal Demarcation Board differs from the sourced data provided by the Department of Water Affairs and Forestry.

±70% of Karoo Hoogland has an average annual rainfall of between 100-200mm;±22% of the areas has an average annual rainfall of between 200-300mm.

5.16 BIODIVERSITY

The purpose of the Karoo Succulent Ecosystem Programme (SKEP) is to provide for the conservation of the biome known as the Succulent Karoo. This biome covers approximately 116 000km² and stretches from the south-west to the north-west of South Africa and southern Namibia. It is considered an international biodiversity hotspot, comprising a diverse range of flora, reptiles and invertebrates, many of which are endemic to the region. However. Only 3, 5% of this biome falls under formal conservation areas and there is pressure on the environment from humans in the form of mining, crop agriculture, and ostrich farming. Overgrazing, illegal collection of fauna and flora, and climate change. In response to these threats, the SKEP programme was developed.

One of the outcomes of the programme was the delineation of nine geographic priority areas with the Succelent Karoo biome. The delineation process undertaken was as follows, “These areas were delimited based on agglomerations of high irreplaceability planning units (few components of key ecological processes. Where the priority areas

bordered one another the boundaries were defined on the basis of biotic discontinuities, e.g fundamental differences between the biota of the sandy coastal plain compared to the granite Namaqualand uplands. Within each of these geographic priority areas, fines scale conservation planning will be required to guide local land-use planning and decision-making and for reserve design."

These 9 geographic regions are listed as follows:

Bushmanland Insebergs
Central Breede Valley
Central Little Karoo
Cenral Nanaqualand Coast
Greater Richtersveld
Bokkeveld-Hantam-Roggeveld
Knersvlakte
Namaqua Uplands
Spergebiet

A portion of the Karoo Hoogland is covered by the Bokkeveld-Hantam-Roggeveld geographic priority area and must be considered in terms of planning and conversation initiatives.

It is important to ensure that long term environmental sustainability is promoted through the planning process. The biodiversity principle and land use guidelines proposed for Karoo Hoogland in terms of the Namakwa District Biodiversity Sector Plan 2008 are therefore supported with regard to long term sustainable planning.

The Biodiversity Sector Plan, 2008 identifies Critical Biodiversity Areas (CBA's) in terms of the landscape terrestrial and quatic features that are critical for retaining biodiversity. The categories and recommended land use activities are briefly discussed hereunder.

At present, these are broad advisory statements to guide planners and provide better informed
Spatial Development Frameworks and Integrated Development Plans. The situation on the grounds should still be verified by an ecologist before a decision on land use taken.

5.17 WATER SOURCES

There are no perennial rivers in Karoo Hoogland and groundwater is the main water source. A total of 12 groundwater sources is in Karoo Hoogland with zero surface water. Water is a scarce commodity in Karoo Hoogland and effective water management must be a priority. All three main settlements in Karoo Hoogland hace internal reticulation networks. The scarcity of water in South Africa must be addressed at a national level and could be addressed through desalination plants along the coast and a possible lower Orange River.

Water Conservation

A water Conservation and Water Demand Management strategy must be implemented to reduce water losses in all three towns.

Rain water harvesting can potentially benefit individual househould and Municipality by reducing the strain on the existing ground water resources.
Re-use of effluent from the waste water treatment works must be investigated against the cost and technical requirements.

Water bodies

Dams and rivers that form part of the Water Supply system, or any water resource, should be managed in a sustainable way, especially when development or change in land use is envisaged.
Compliance with the requirements of the Department of Water Affairs, when developing around dams, alongside rivers or when crossing rivers or streams, is a prerequisite.
Proposed watercourses crossing must be placed in areas where the impact on the watercourse will be minimal.
In terms of the National Water Act 1998, no development shall be permitted below the 1:100 year flood line, to be determined by professional engineer.
A 100m buffer for rivers was demarcated for non-perennial rivers due to the absence of flood line calculations.
Wetlands and perched water tables need to be identified and protected from being encroached on by development.

5.18 HERITAGE

National Heritage Resource Act, 1999 (Act 25 of 1999), provides for the establishment of the South African Heritage Resource Agency (SAHRA), and a Provincial Heritage Resource Authority in each province, which replaced the National Monuments Council (NMC). The Northern Cape Heritage Resources Authority is Ngwao Boswa Kapa Bokoni (Heritage Northern Cape), commonly known as Boswa. SAHRA and Boswa are obliged to identify those places tha respectively have special national and or provincial significance in terms of heritage assessment criteria. A heritage resource is protected by law from certain actions (alteration, subdivision, and change in land use) without the necessary contents from relevant authority.
In terms of types of protection o heritage resources, the well known category of national monument has replaced or modified by a category of provincial heritage site for sites of outstanding national importance. The new scope of the act allows members of the public to identify places with qualities that are of special national or provincial significance to be declared national or provincial heritage sites.
In Karoo Hoogland are several identified heritage sites with one heritage house identified in Sutherland. Fraserburg has a heritage grid in the town which consists largely of heritage houses and Parsonga Church. Williston has in excess of 10 houses identified with heritage characteristics and the bulk of these are the corbelled houses which are unique to this area.

The availability and accessibility of resource (natural or human) determines the potential for economic development of a specific area. The Main economic sectors of the Karoo Hoogland Municipality are agriculture and tourism.

The largely area of the Karoo Hoogland is characterized by sheep farms and small towns with agriculture forming the backbone of the Karoo Hoogland economy.

With the amalgamation of the three towns of Williston, Fraserburg and Sutherland into one municipal area, a strategy has to be devised to link these towns economically and to ensure and integrated approach in the economic rejuvenation of these towns.

Historically, this area is dominated by farming, in particular sheep farming, with the climate, vegetation and large tracts of grazing land ideally suited to this economic pursuit. Large areas of this municipal area are still dedicated to sheep farming and, as a result, the towns are characterized by limited infrastructure development, low population density and large scale poverty due to limited employment opportunities.

5.19 DISASTER MANAGEMENT

The Disaster Management Act, Act 57 of 2002, required that, inter alia, the three sphere of government prepare Disaster Plans (Section 39 and 53 of the Act). Karoo Hoogland Municiaplity adopted a Disaster Management Plan.

The Namakwa District Municipality executed a detailed disaster hazard, vulnerability and risk assessment for its area of jurisdiction, including all six local municipalities.

With this information it become possible to compile a disaster management level two plan. Mainly because the disaster management level 2 plan predominately focuses on the implementation of appropriate disaster risk reduction programmes, which is the main responsibility of the local municipality, these plans have to be aligned the IDP and SDF of each local municipality. Hence, this level 2 plan dealt with information relevant to the Karoo Hoogland Local Municipality (KHLM).

The disaster risk assessment consists out of the disaster hazard, vulnerability and risk assessment and will be discussed next.

During an extensive consultative process with local communities, the potential hazards and risks in the NDM can be summarized.This information has been transferred to appropriate GIS-maps and also be integrated with scientific information to compile appropriate disaster hazard profile maps for each local municipality.

NAMAKWA DISTRICT MUNICIPALITY: HAZARD IDENTIFICATION USING INDIGENOUS KNOWLEDGE

Hazard / Risk	Local Municipality					
	Karoo Hoogland	Hantam	Kamiesberg	Nama Khoi	Richtersveld	Khai-Ma
Drought	High	High	High	High	High	High
Flood	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High
Wind Storm	Meduim	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High
Storms & Cyclone	Low	Low	Meduim - High	Meduim - High	Meduim - High	Low
Dam Failure	Meduim - High	Meduim	Meduim - High	Meduim-Low	Meduim-Low	Meduim-Low
Hazmat	Meduim - High	Meduim - High	Meduim - High	Meduim-Low	Meduim-Low	Meduim
Landing Strips: Private Aircraft Accidents	Meduim	Meduim-Low	Meduim-Low	Meduim	Meduim	Low
Veld Fire	Meduim	Meduim - High	Meduim - High	Meduim - High	Meduim	Meduim
Structural Fire	Meduim - High	Meduim - High	Meduim-Low	Meduim	Meduim	Meduim
Snow	Meduim	Meduim	Meduim-Low	Low	Low	Low
Storm water	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High
Nuclear Waste			Meduim - High			
Lightning	Meduim	Meduim - High	Meduim - High	Meduim	Meduim - High	Meduim
Soil Erosion	Meduim	Meduim	Meduim - High	Meduim - High	Meduim - High	Meduim
Vulnerability	Karoo Hoogland	Hantam	Kamiesberg	Nama Khoi	Richtersveld	Khai-Ma
Telecommunication	High	High	High	High	High	High
Roads	High	High	High	High	High	High
Water	Meduim - High	High	High	High	High	High
Sanitation	Meduim - High	Meduim - High	High	High	High	High
Electricity	Meduim	Meduim-Low	Meduim	Meduim	Meduim	Meduim
Human Disease	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High
Health Services	High	High	High	High	High	High
Agri Disease	Meduim - High	Meduim - High	Meduim - High	Meduim	Meduim	Meduim
Abattoir	Meduim - High	Meduim - High	Meduim	Meduim - High	Meduim	Meduim
Poverty	High	High	High	High	High	High
Ambulance Services	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High
Mine Activities	Meduim	Meduim - High	Meduim - High	High	Meduim - High	Meduim-Low
Open Cast Mines	Low	Meduim	Meduim	High	Meduim - High	Meduim-Low
Dumping Sites	Meduim	Meduim - High	Meduim - High	Meduim - High	Meduim - High	Meduim - High
Shortage of Mortuary	Low	Meduim	Low	Meduim-Low	Meduim-Low	Meduim-Low
Shortage of Old Age Houses	Low	Meduim-Low	Low	Meduim-Low	Meduim-Low	Meduim-Low
Gas Development			Meduim		Meduim	
Rising of See Temperatures			Meduim	Meduim	Meduim	
See Rescue Services			High	High	High	

Red	High
Orange	Meduim - High
Yellow	Meduim
Light green	Meduim-Low
Dark green	Low

A copy the Disaster Management Plan is available at the office of the Municipal Manager please.

5.20 CLIMATE CHANGE

Climate

"Climate change" refers to any change in climate over time, whether due to natural variability or as a result of human activity. Current climate change, often referred to as global warming, is caused by the emission of large amounts of Greenhouse Gases and is a direct result of human industrial activities. The United Nations Framework Convention on Climate Change (UNFCCC) defines climate change as "a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods."

Rainfall

Rainfall in the Namakwa District is already very variable, and very low compared with the rest of South Africa. There are already noticeable water constraints that impact on the ability of municipalities to deliver water services effectively. Median and worst case scenarios predict a decrease in rainfall for Namakwa's winter rainfall areas, with average annual rainfall projected to decrease by up to 30% along the west coast by 2100. This drying trend is particularly strong towards the end of the rainy season. Changes in weather patterns in the summer rainfall areas can be expected as a result of climate change and the Namakwa District is likely to experience some combination of the two rainfall impacts. A best case scenario to 2050 indicates there may some early increase in rainfall, followed by drying later as frontal systems shift southwards. There are likely to be more frequent and more intense rainfall related extreme weather events such as droughts and storms. The NDM is already drought prone, and while little change is projected in the immediate future, droughts are expected to increase in frequency and severity by up to 50% towards the end of the century.

Temperature

The Karoo Hoogland LM is already a hot place, with summer day-time temperatures regularly reaching the high into the 30s Celsius. Climate scientists predict a rise in average temperatures as a result of climate change. A significant trend for increasing temperatures is already shown by weather stations in the Northern Cape tacking temperature data from 1960-2003. Under a relatively unmitigated scenario for future climate change, the Namakwa District can expect a 1-3°C increase in temperature along the coast by 2050, rising to a 3-4°C increase in temperatures by 2100. The interior can expect greater increases in temperature, between 3-6°C increased in temperatures by 2100.

Impacts Analysis

A combination of increasing temperatures and reduced and/or more variable rainfall could have severe negative impacts for the Namakwa District. The municipality is characterised by fairly high levels of poverty and inequality, isolated communities, and a large geographical area, which results in a vulnerable population. Large numbers of people, both private and communal, are also directly dependent on agriculture, and therefore on functioning ecosystems and water regimes, for their livelihoods. These are sensitive to climate change. Water quality and availability will likely be the greatest area of impact in the Karoo Hoogland.

Conclusion

Climate change threatens food security, poverty alleviation and sustainable socio-economic growth, core mandates of the municipality. Climate change will impact persons and groups that are already vulnerable. Policy decisions taken in the next decade will largely determine the dimension of the impact of climate change. Eco-systems-based adaptation approaches, using nature and biodiversity to help people cope with and respond to the negative impacts of climate change, will have an important role to play in the Karoo Hoogland.
Local government is in the front line of implementation and service delivery, and thus local government needs to pursue adequate mitigation and adaptation strategies, which should include participation from the public sector, the private sector and NGOs. There is a need for collaboration amongst all stakeholders. It is also necessary that progressive planning and risk assessment must be done to minimize the effects of climate change. In the case of the Karoo Hoogland municipality these risk assessments have already been completed in the Disaster Management Plans for each municipality and the Climate Change Vulnerability Assessment for the District. Planning can include:

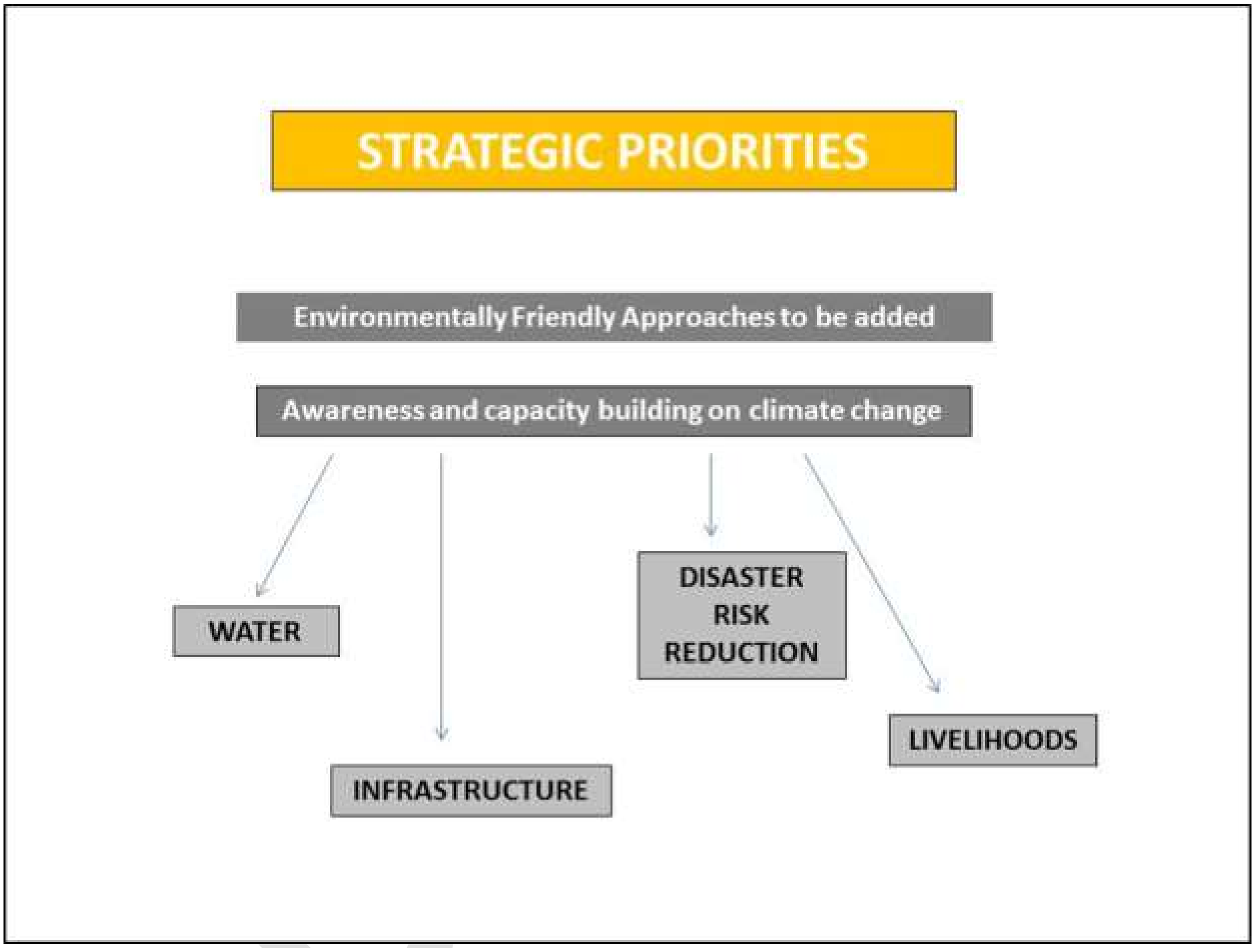
 Over the short term: Disaster risk reduction and disaster relief preparedness, early warning systems for adverse weather, pest and disease occurrence; adequate support for vulnerable groups; equitable disbursement of financial assistance; and the identification and prioritised sustainable management of ecosystems (including agricultural lands) that provide critical ecosystem services such as water retention and flood protection, and their restoration where these are damaged or compromised.

 Over the medium term: Develop an enhanced understanding of longer term climate variability and change and use this to devise adequate disaster management for affected regions; develop sector-specific strategies to cope with variability as a precursor for adaptation to long term climate trends. This could include working with farmers to test and adopt best practices for land and nature resource management in order to quantify the benefits and overcome the challenges of adaptation approaches, restoration and maintenance of key ecosystem services (grazing land, rivers, and wetlands).

 Over the long term: Significant investments in new adaptation tools, technologies and techniques in conserving, rehabilitating and restoring natural ecosystems to continue to improve the ability of people and society to withstand the adverse impacts to climate variability and climate change at all time frames.

While the short term planning needs can be easily addressed in IDP processes, medium and longer term processes should be incorporated into a climate change response plan linked to the Northern Cape Climate Change Response Strategy.

The strategic priority areas for climate response discussed at the workshop are summarised in the figure below and include awareness and capacity building on climate change response, water infrastructure disaster risk management and livelihoods particularly the protection of agricultural livelihoods and the diversification of livelihoods strategies.



5.21 INDOOR AIR QULITY

Indoor air quality is a major determination of personal exposure to pollutants in today's world. Manny people spend much of their time in numerous different indoor environments.

The ambient air quality of South Africa is regulated by the National Environmental Management Air Quality Act 39 of 2004 governed by the constitution which states that everyone has the right to and environment that is not harmful to their health or well-being. One way to characterize indoor air quality is to examine typical residence for levels of pollutants that are common place. Another way is to examine energy efficient residences to determine which pollutants if any are at increased levels.

Sutherland is a town with about three thousand inhabitants in the Northern Cape Province it lies in the western Roggeveld Mountains in the Karoo. Sutherland is the coldest town in South Africa with and average yearly temperature of 11.3 degree Celsius and an annual minimum temperature of 2.8-degree Celsius snowfall is common in winter. The coldest temperature recorded in Sutherland was – 16.4 degree Celsius on 12 July 2003 the climate in the region is semi-arid.

5.22 BIOPHASICAL ENVIRONMENT

The purpose of the status quo analysis is to determine the standard and quality of resources within the municipal jurisdiction area, in order to determine the current baseline and quality of the resources. By doing so, the challenges hindering growth and development can be identified, as well as potential opportunities encapsulated within the Local Municipality's resource base. In order to effectively analyse the local municipalities resource base, the resources have been placed into categories namely the Biophysical Environment, Socio-Economic Environment and the Built Environment.

To improve the conveyance of the key findings, and limit the inclusion of redundant content, the key findings of the SWOT analyses, have been streamlined into two main categories, namely

BIOPHYSICAL ENVIRONMENT

The biophysical environment pertains to the natural resources located within the municipal boundaries. The analysis of the natural resources allows for a greater understanding of the status of the resources, currents trends regarding the exploitation of these resources, and identify possible opportunities and interventions to improve the efficacy and sustainability of the use and exploitation of the natural resource base.

LOCAL RESOURCES

ENVIRONMENTAL RESOURCES

The following section provides an overview of the status and location of environmental resources such as the river systems and sensitive biodiversity areas and networks. The following tables provide a summary of the spatial challenges and opportunities for the various environmental structuring elements within the local municipal space.

VEGETATION

Spatial Challenges Spatial Opportunities

• The area falls within the greater Karoo region, which is known to be a semi-arid region.
• Over grazing and drought conditions have resulted in the degradation of various areas.
• Climate change will severely impact the vegetation types, resulting in the shrinking and migration of various biomes.
• Unsustainable agricultural practices result in the loss of vegetation.

• Depletion of ground water resources will further hinder the resilience of the vegetation and the ability to recover after periods of drought.
• Loss of vegetation results in increased levels of erosion.
• Loss of vegetation due to clearing of land for agriculture, with specific reference to rooibos cultivation

Numerous bioregions are located within the area.

• Eco-tourism
• Development of policy/regulations regarding the clearing of land for agriculture and other land uses in areas of environmental significance.
• Sustainable cultivation of medicinal herbs.
• Incorporation of indigenous knowledge regarding environmental practises.
• Expansion of protected and conservation areas.
• Promotion of Ecological Corridors to enable species to migrate, in order to adapt to climate change.
• Educational and awareness programs for communities and schools.
• Eradication of invasive species

Biodiversity of the Karoo Hoogland Local Municipal Space BIODIVERSITY

Spatial Challenges Spatial Opportunities

• Various critical biodiversity areas (CBAs) within the local municipal space are not formally protected.
• Pollution plays an emphasised role during low water levels in streams, negatively impacting the health of ecosystems.
• Critical biodiversity and supporting areas that are not formally protected, are subjected to, or utilised unsustainably.
• Limited awareness of communities with regard to protected fauna and flora species, as well as invasive species.
• Varying environmental impacts of renewable energy plants.
• Limited number of ecological corridors are established, that allows for the migration and adaption of species to climate change.
• Numerous bioregions and areas of environmental significance are located within the municipal area.
• Bio-tourism initiatives and marketing.
• Cultivation of medicinal herbs.
• Incorporation of indigenous knowledge regarding environmental practises.
• Expansion of protected and conservation areas.
• Strengthening and establishment of ecological corridors.

River Systems

River systems of the Karoo Hoogland Local Municipal Space RIVER SYSTEMS Spatial

Challenges Spatial Opportunities

• The majority of river tributaries are non-perennial, due to limited rainfall, resulting in water scarcity and reliance on underground resources.
• The status of river tributaries in the south of the municipality is critically endangered.
• Pollution plays an emphasised role during low water levels in streams, negatively impacting the health of ecosystems.
• Alien plants along water courses is a major threat to the health of the river systems.
• Continue clearing alien vegetation along river tributaries.
• Invasive species eradication strategies are required to mitigate the loss of water, in order to ensure ecosystem services, remain intact.
• Improve the condition of riparian zones by leaving this area undisturbed or rehabilitating it, where necessary.
• Align and cooperate with the Western Cape Government, and local municipalities regarding rehabilitation and cleaning practises of river systems.
• Investigate the potential for SMME and economic development opportunities regarding the utilisation of invasive species.

AGRICULTURAL RESOURCES

The main agricultural activities pertain to livestock (mainly sheep and goat) production, as well as isolated cases of poultry and nuts where climate and water levels allow for it.

Soil Potential of the Karoo Hoogland Local Municipal Space SOIL POTENTIAL Spatial

Challenges Spatial Opportunities

• Due to the relatively low overall soil potential, crop cultivation and production is concentrated along river and other areas with a high level of water accessibility.
• High potential soil regions are limited to the riverbanks in the southern regions of the municipality in the Sutherland area
• Poultry projects are not linked to soil potential while their proximity towards grain commodities are critical to manage feeding cost
• Rehabilitation of degraded land that is located on high soil potential areas. • Promotion of sustainable agriculture practises.
• Educational and awareness projects and programmes for communities.
• The majority of the municipality is mostly suited for grazing related agriculture.

Crop production within the Karoo Hoogland Local Municipal Space CROP PRODUCTION

Spatial Challenges Spatial Opportunities

• A miniscule portion of the municipal area is suitable and utilised for crop production.
• Existing crop areas may shrink due to climate change effects.
• The majority of the municipal space is however not suitable for any crop production.
• The rehabilitation of old fields will unlock further crop cultivation areas for emerging farmers, providing them the opportunity to farm effective and sustainably.
• The utilisation of fertile land especially within the area prescribed of the farming production support unit according to the Namakwa Rural Development Plan.

• The protection of the existing cultivated land areas through proper training programmes.

Grazing Capacity

Grazing capacity of the Karoo Hoogland Local Municipal Space GRAZING CAPACITY Source:

Department of Agriculture

Spatial Challenges Spatial Opportunities

• Limited grazing capacity due to semi-arid climate, indicating large farm portions are required in order to be financially viable.
• Lowest grazing capacity is concentrated in the south western corner of the municipality.
• Long term grazing projections indicate that grazing capacity will decrease as more hectares will be required to support a single livestock unit.
• Climate change may have varying effects on grazing capacity in the future.
• Rehabilitation of degraded land.
• Ensure the financial viability of farm portions during land use application assessments.
• Eradication of invasive species.
• Research regarding new commodities that will be suited to the local climate.

MINERAL RESOURCES

Although Mining is dominant economic sector for the Namakwa District, limited mining and quarrying projects are active within the Karoo Hoogland Local Municipality.

Mining within the Karoo Hoogland Local Municipal Space MINING Spatial

Challenges Spatial Opportunities

• Currently mining is not a dominant activity within the municipal region.
• Large portion of the municipal space has been identified for potential fracking, which will negatively impact water availability for all other land uses.
• Exploitation of uranium deposits located South east (Damfontein se River), south west of Fraserburg (Klein Riet River) and South east of Sutherland, close to Salpeterskop and on the banks of the Riet River.
• Determine the viability of small scale mining ventures.
• Other mining opportunities include:

- Copper and silver are found on Klein Witkraal op Kapgat 724, Klein Kookfontein 137 Droogfoots Fontein 356 and Arbeiders Fontein 150.
- Calcite is found on the farms Annex Kransfontein 721 and Arbeiders Fontein 15.

Natural hazards found within the Karoo Hoogland Local Municipal Space METEOROLOGICAL AND GEOLOGICAL HAZARDS

Spatial Challenges Spatial Opportunities

• The Northern region of Karoo Hoogland is likely to experience in an increase in erratic precipitation such as hail.
• Hail can cause damage to agricultural commodities and yields, infrastructure and property in general.
• Erratic precipitation can increase the risk of flash floods, where Sutherland encountered such an event on the 21st and 22nd of January 2018.
• The southern region of the municipality is highly vulnerable to droughts.
• Increasing temperatures, increases the likelihood and severity of veld fires.
• Overall the main geo-hazard present within the Karoo Hoogland region is the groundwater levels, and the limited replenishing of groundwater resources.
• Investigate the potential to establish early warning systems for extreme weather events which are likely to damage properties and assets.
• Compliance with Disaster Risk Management Act requirements. • Limit the sinking of new boreholes.
• Invest and prioritise in water re-use systems.
• Invest and promote in rain catchment.

CLIMATE CHANGE

Climate change increases the overall likelihood of exposure to hazardous conditions. The following aspects are highlighted within the Northern Cape Climate Change Response Strategy.

Climate change projections for the Karoo Hoogland Local Municipal Space CLIMATE CHANGE Estimated climate changes for the Northern Cape – 20 Years (Envirotech, 2016).

Spatial Challenges Spatial Opportunities

• Under low and medium risk scenarios Savanna and Grassland Biomes encroach on the Nama Karoo Biome.
• Under high risk scenario the desert biome will expand significantly.
• Increased water evaporation as a result of increased temperatures.
• Prioritise investment for hazards and vulnerabilities identified by the Namakwa disaster hazard, vulnerability and risk assessment.
• Inclusion of potential climate change impacts and adaptations in the

Disaster Risk Management Plan

• It is possible there will be increased incidents of flash floods.
• Accumulation of salts in soil and water, impacting on agriculture.
• Decreased availability of groundwater.
• Increases in temperature impacts on agriculture and livestock production and health.
• Increased demand for irrigation.
• Reductions in livestock carrying capacity of grazing land.
• Already high levels of malnutrition will be exacerbated by climate change.
• Increased temperatures could increase health risk to vulnerable populations such as the elderly.

• Increased droughts could impact on supply of clean fresh water and increased risks of disease.
• Higher water temperatures contributed to improved incubation of water-borne diseases.
• Develop climate change risk and vulnerability assessments for public and state-owned infrastructure.
• Integrate climate change resilience into local government human settlements development planning.
• Invest in high quality low carbon and climate resilient public infrastructure.
• Transition to a low carbon effective public transport system for road, rail and non-motorised transport.
• Develop better planning, management and longterm monitoring of water services.
• Manage and reduce water demand through water pressure management, usage restrictions, water re-use and awareness campaigns etc.
• Upgrade and extend extreme weather monitoring and warning systems.
• Invest in improving the resilience of existing and new infrastructure.
• Improve ecological management such as the restoration of wetlands.
• Explore new commodities, technologies and techniques regarding agriculture.
• Ensure compliance with the Disaster Management Act and relating policies and legislation.
• Community awareness programmes.

SECTION F:
STATUS QUO ASSESSMENT

6.1 OVERVIEW

Section 153 of the Constitution states that a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community; promote the social and economic development of the community; and participate in national and provincial development programmes.

This implies that local government must comply with the national strategic plan that defines the framework for detailed planning and action across all spheres of government. Strategic priority areas identified by national and provincial government will therefore guide the strategic priority areas identified by municipalities for the purpose of:

- ensuring cohesive focus in terms of building a developmental government that is efficient, effective and responsive
- strengthening accountability and striving for accountable and clean government
- accelerating service delivery and supporting the vulnerable
- fostering partnerships, social cohesion and community mobilisation

Within the above framework, municipalities are required to manage its own strategic focus to embrace and reflect the strategic priorities identified by national government. In a proactive step to comply with national requirements, the Karoo Hoogland Municipality has embarked on a strategic planning review process to align its IDP to Provincial and National strategic priority areas. This approach supports full integration between spatial planning, Community needs, strategic development, measurement and budgeting as is required by organisational performance management methodology as well as ultimately sound unqualified governance.

The Performance Management Guidelines for Municipalities of 2001, paragraph 5.1 states that, “The Integrated Development Planning process and the Performance Management Process should appear to be seamlessly integrated. Integrated development planning fulfils the planning stage of performance management. PM fulfils the implementation management, monitoring and evaluation of the IDP process.”
The PM guidelines state the following guidelines regarding the setting of priorities:

Consistent with the event-centred approach in the IDP guide, the IDP should deliver the following products:

- An assessment of development in the municipal area, identifying development challenges, marginalised and vulnerable citizens and communities
- A long-term development vision for the municipal area that overcomes its development challenges

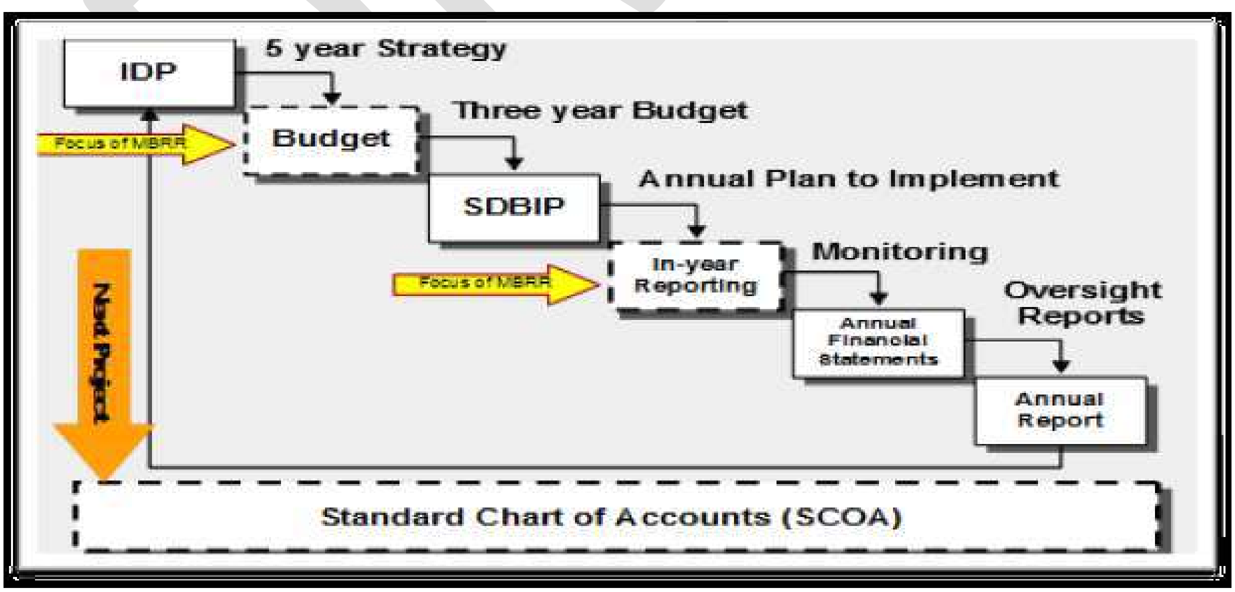
- A set of delivery priorities and objectives, based on identified needs, achievable in the current term of office that would contribute significantly to the achievement of the development vision for the area
- A set of internal transformation strategies, priorities and objectives, whose achievement would enable the delivery and realisation of the development vision
  - Additional projects identified which contribute to the achievement of the above objectives
  - A financial plan and medium-term income and expenditure framework that is aligned with the priorities of the municipality
  - A spatial development framework
  - Disaster management plans
  - Operational strategies

Priorities are essentially the issues that a municipality focus on in order of importance to address the needs that exists within the communities. Municipalities are also the "face of government" in as much as it has close contact with communities and therefore should channel all other service delivery related needs to the relevant provincial or national sector departments.

The purpose of Strategic Planning is:

- An organisation's process of defining its strategy or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people
- The formal consideration of an organisation's future course. All strategic planning deals with at least one of three key questions:

- What do we do?
- For whom do we do it?
- How do we excel?



In establishing an appropriate Economic Development for the Karoo Hoogland Local Municipality, it is essential to make reference to relevant policies at a Local, District, Provincial and National level. By reviewing the relevant policies, one can contextualize the environment in which the development will exist and more importantly, provide guidelines and targets that will direct the Economic Development in an appropriate manner. This will also ensure that the IDP which is developed aligns with National, Provincial, District and Local initiatives. This policy analysis will be completed for National, Provincial, District and Local policies and legislation. More specifically the following policies will be reviewed: being in the future. In essence the vision and mission statements look into the future more rigorously.

6.2 KPA 1: BASIC SERVICES DELIVERY

Access to social and economic services enables people to participate fully in the economy and their communities. The Karoo Hoogland Municipality is responsible for all basic services and fulfils its legislative mandate exception of provincial related Health and Education.

In the year 2000, the South African Government, along with other members of the United Nations (UN), committed to a National and Global plan of action to reduce poverty and ensure
the development of its people.

The SGD goals and targets came into effect on 1 January 2016 and would guide the decisions
taking over the next fifteen years. “SDG 6 Biennial Progress Report.”
SDG 6 in particular was given to the DWS. The Department has been busy implementing the program since its inception.

- Achieve universal and equitable access to safe and affordable drinking water for all
- Achieve access to adequate and equitable sanitation and hygiene for all and end open
- defecation, paying special attention to the needs of women and girls and those in vulnerable situations.

OBJECTIVE

- The first objective is to develop a Water & Sanitation Services Situational Assessment of the current services
- levels referenced to households at community level.
- The second objective is to use the situational assessment information knowledge base which is then interpreted
- into a Needs Perspective that categorize each supply need and gap analysis into a reliability category with
- regards to:

- **Functionality** – Situation and needs
- **Water Security** (Including WCWDM) – Situation and needs
- **Governance**
- **New Infrastructure Development Needs**

- Project are then identified to address each of the Reliability Needs Classification Categories, and a funding
- model developed that enables a Five-Year pipeline of Project Implementation Plan that integrates all grant funding.

Access to social and economic services enables people to participate fully in the economy and their communities. The Karoo Hoogland Municipality is responsible for all basic services and fulfils its legislative mandate exception of provincial related Health and Education.

WATER PROVISION

The municipality is dependent on underground water resources and a system of borehole pumps and pipelines are in place to feed the reservoirs in the three towns from where it is further reticulated to all households.

Williston Ward 1 and Sutherland Ward 4 do experience water shortages over the last 2 to 3 years. The town are supplied by underground water but because of the recent draughts water has become a scares commodity for the area. Alternative water resources was investigated and 5 new boreholes was drilled during the 2017/2018 financial year to adhere to the need of the community and the project will be funded by the Department of Water Affairs under the Regional Bulk Infrastructure Programme. Environmental Impact Assessment and Feasibility Study is completed. In November 2016 the project was approved for the 2017/2017 financial year. The total amount of the project is R27 million. The project is completed.

The upgrading of the Williston Internal Network Phase 2 was completed for both Ward 1 and 5 and continue during the 2023/2024 financial year the total project value is R 8 562 000.

Sutherland Ward 4 do experience water shortages the first project was completed in 2022/2023 financial year with a amount of R 10 million to improve the delivery of water in Sutherland.

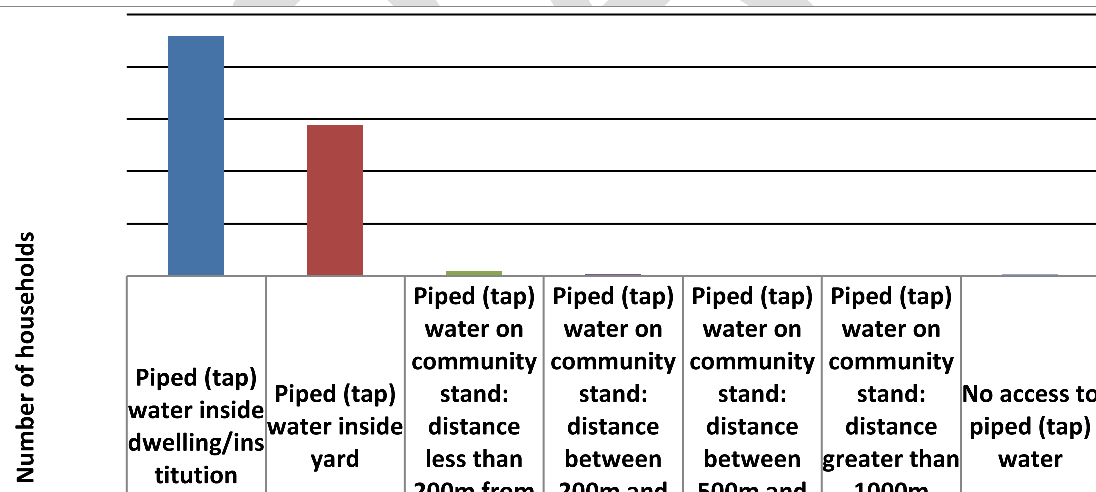
Sutherland Ward 4 and 6 will get a project funded under WSIG in 2024/2025 to upgrade the entire bulk water supply for the town the total project amount to R 50 089 975.

The municipality does not have separate personnel attending to this function as there is a general working team who attend to all infrastructure matters including the provision of water. A portion of the total salary budget is allocated to water services.

The municipality implemented prepaid water meters starting in Ward 4 and 6 Sutherland and will be rolled out to the towns of Fraserburg and Williston in 2023/204 and 2024/2025 financial years this is to protect the water resources of the municipality to serve future generations and enhance revenue collection.

The NDP states that to grow faster and in a more inclusive manner, the country needs a higher level of capital spending in general and public investment in particular. The focus is on financing, planning and maintenance of infrastructure. The priorities that are relevant to Karoo Hoogland Municipalityr listed in the NDP are amongst others the following:

• The upgrading of informal settlements
• Public transport infrastructure and systems supported by facilities upgrades to enhance links with road-based services
• The construction of a new coal line to unlock coal deposits in the Waterberg, extension of existing coal lines in the central basin, through private partnership
• The timely development of a number of key new water schemes to supply urban and industrial centres, new irrigation systems
• The establishment of a national water conservation programme with clear targets to improve water use and efficiency
• Accelerated investment in demand-side savings, including technologies such as solar water heating



	Piped (tap) water inside dwelling/institution	Piped (tap) water inside yard	Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Piped (tap) water on community stand: distance between 200m and 500m from dwelling/i…	Piped (tap) water on community stand: distance between 500m and 1000m (1km)…	Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/i…	No access to piped (tap) water
2011	2297	1439	46	23	8	6	23

WATER SCHEMES

Williston

Williston is totally dependent on groundwater abstracted from three production boreholes northeast of the town. All the boreholes are equipped with electrical submersible pumps which is directly pumped into the main reservoirs where the water is disinfected and the distributed via gravitation to the town.

The three boreholes are pumped via a 110mm diameter uPVC pipeline to Nuwe reservoir (1.5 Ml), with one borehole being pumped via 100mm diameter asbestos pipeline to the Western Reservoir (1 Ml) and gravitates with 100mm diameter asbestos cement pipeline to a small area of town called Amandelboom reservoir (250 kl).

Water Pump stations

There are 2 water pump stations in the Williston water scheme area
1 Pump station is dysfunctional and needs to be assessed to determine if refurbishment or replacement is required

Water treatment works

There is no WTW in the Williston scheme area. Water is disinfected at the reservoirs before distribution into the town

Reservoirs

There are 5 operational reservoirs in the Williston water scheme area
Three of the reservoirs are being used to distribute water into Williston. The details of the reservoirs are given below
Nuwe reservoir 1,5 Ml
Western reservoir 1 Ml
Amandelboom reservoir 250 kl
The 2 remaining reservoirs are not in use

Boreholes

There are a total of 20 boreholes in the Williston water supply area
Only 3 boreholes are utilised as production boreholes
9 boreholes have reached the end of their lifespan however there are not production boreholes and no further action is required.
9 Boreholes have reached the end of their lifespan, however these are not production boreholes and no further action is required

Lifespan Reached

9 Boreholes have reached the end of their lifespan, however these are not production boreholes and no further action is required

Refurbishment and Replacement needs

1 Pump station is dysfunctional and needs to be assessed to determine if refurbishment or replacement is required

Sutherland
Sutherland's supply system main source of water is from groundwater, which is abstracted from three production boreholes surrounding town. The boreholes are pumped directly into a newly constructed WTW where it is treated. From the WTW water is pumped to three municipal reservoirs and then gravitates to town via 200mm diameter HDPE pipelines.

Water Pump stations
There are no water pump stations in the Sutherland water scheme area

Water treatment works
The newly constructed Water treatment works in Sutherland has a capacity of 0,5 Ml/day

Reservoirs
There are 3 operational reservoirs in the Sutherland water scheme area

Boreholes
There are 7 boreholes in the Sutherland water scheme area
Only 3 boreholes are utilised as production boreholes
2 Boreholes have reached the end of their lifespan, however these are not production boreholes and no further action is required

Lifespan Reached
2 Boreholes have reached the end of their lifespan, however these are not production boreholes and no further action is required

Refurbishment and Replacement needs
Sutherland is experiencing some problems with their bulk water supply, however this is being addressed by a WSIG project at present

Fraserburg
No surface water is utilized in the Fraserburg area. Boreholes are utilized to provide water to the community. Boreholes are equipped with pumps and pipelines, connected to high elevated concrete reservoirs. From the reservoirs water is gravity fed into the reticulation system

Water Pump stations
There is 1 operational water pump station in the Fraserburg water scheme area (Fraserburg new booster pump station).

Water treatment works
There is no WTW in the Fraserburg scheme area. Water is disinfected at the reservoirs before distribution into the town.

Reservoirs
There are 4 operational reservoirs, and 1 dysfunctional reservoir in the Fraserburg water scheme area.

The dysfunctional reservoir have also reached the end of it's lifespan and should be assessed to determine if refurbishment or replacement is required.

Boreholes

There are 9 operational boreholes in the Fraserburg water supply scheme area
Only 5 boreholes are utilised as production boreholes.
2 Boreholes have reached the end of their lifespan and should be assessed to determine if refurbishment or replacement is required.

Lifespan Reached

The dysfunctional reservoir have also reached the end of it's lifespan and should be assessed to determine if refurbishment or replacement is required.

Refurbishment and Replacement needs

The dysfunctional reservoir have also reached the end of it's lifespan and should be assessed to determine if refurbishment or replacement is required
2 Boreholes have reached the end of their lifespan and should be assessed to determine if refurbishment or replacement is required
Telemetry installations are required at all the components in the scheme

THE RELIABILITY CALCULATION PROCESS

The process to determine a reliability value is based on evaluating each settlement with regards to the number of households not having a reliability service due to one or more of the reliability categories. For each of the reliability categories, a specific field in the Geodatabase was created and each field must be populated with the number of households of the settlement affected by the specific category. A household can be affected by more that one category and must then be listed in every field where applicable. The number of households entered may not exceed the total households for each settlement.

The reliability fields are:

Total Number of Households NOT having Reliable Service due to:

- Functionality (O&M and Management)
- Resource
- Infrastructure
- Conservation & Demand Management
- New Source
- Infrastructure – UPGRADE/REFURBISHMENT
- Infrastructure – EXTENSION
- Infrastructure – NEWSCHEME

Due to the fact that a settlement may have more than one reliability cause and therefore can be listed in more than one of the above categories, summarizing the effected households from these fields will result in double counting and a total household of more than the total of households of the settlement.

The presentation of each field individually will be accurate,
but a summary of the fields will be inaccurate due to double counting.

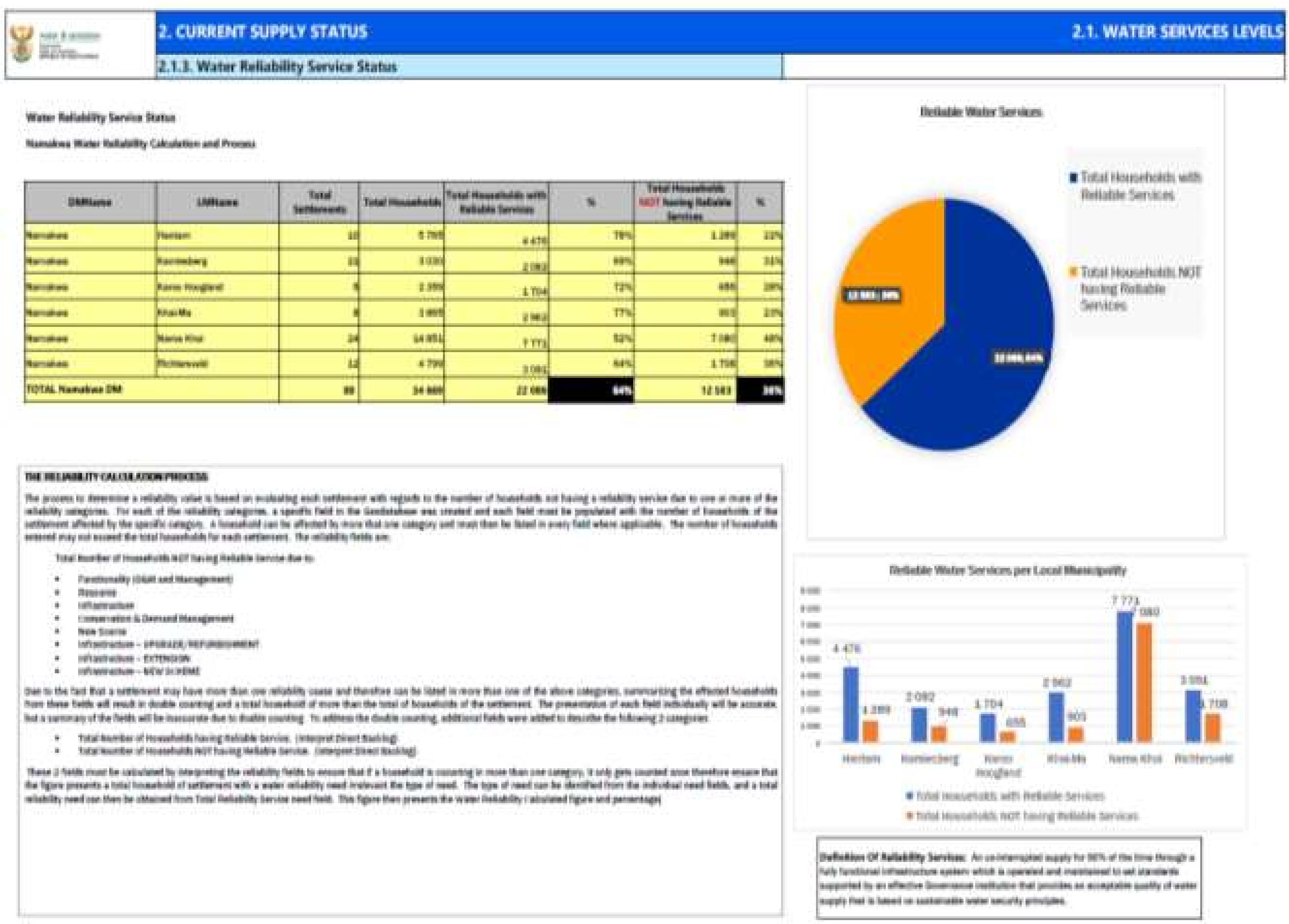
To address the double counting, additional fields were added to describe the following 2 categories

• Total Number of Households having Reliable Service. (Interpret Direct Backlog)
• Total Number of Households NOT having Reliable Service. (Interpret Direct Backlog)

These 2 fields must be calculated by interpreting the reliability fields to ensure that if a household is occurring in more than one category, it only gets counted once therefore ensure that the figure presents a total household of settlement with a water reliability need irrelevant the type of need. The type of need can be identified from the individual need fields, and a total

Reliability need can then be obtained fromTotal Reliability Service need field.

This figure then presents the Water Reliability Calculated figure and percentage



PROVISION WASTE WATER AND SANITATION

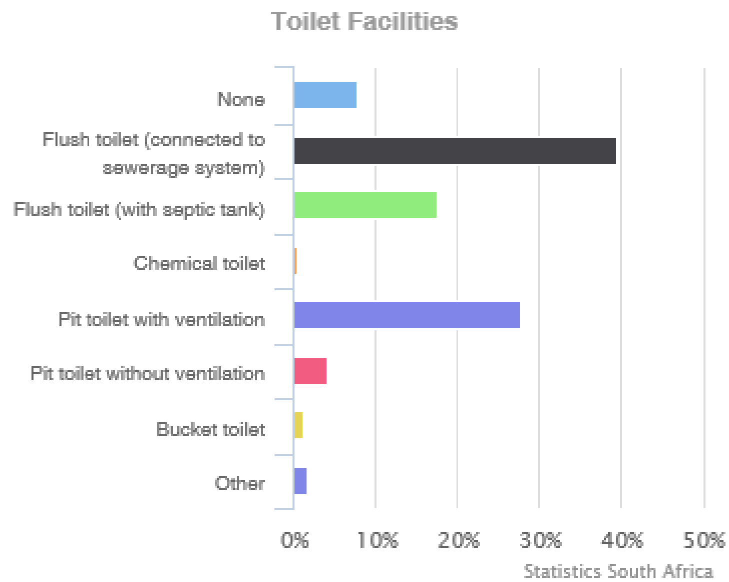
Karoo Hoogland Municipality is providing sanitation as outlined in their powers and functions. The role of the municipality is to ensure that the services is provided adequately to the communities.

- All households in the Karoo Hoogland Municipal area have access to basic sanitation.
- Some of the erven in all three towns are connected to a waterborne sewerage system
- Some erven are still equipped with sewerage drains and the sewerage are removed with sewerage removal vehicles.
- The balance of the erven has dry sanitation toilets (UDS), which are also serviced by the municipality.
- All three towns have oxidation ponds

The municipality does not have separate personnel attending to this function as there is a general working team who attend to all infrastructure matters including the provision of sanitation. A portion of the total salary budget is allocated to sanitation services.

The eradication of the UDS toilets will commence in Williston Ward 1 the project was funded by WSIG with a total amount of R 13 000 000 00 and implemented during the 2022/2023 financial year. This is multiyear project and will be implemented in the towns of Fraserburg and Sutherland when funding become available.

Sutherland Ward 4 and 6 will receive a new sewer truck funded by the Red Rocket Energy owners with chemicals to service the UDS toilets and to enhance service delivery standards.



The municipality is dependent on underground water resources and a system of borehole pumps and pipelines are in place to feed the reservoirs in the three towns from where it is further reticulated to all households.

Sanitation Scheme Infrastructure Status Information Analysis Summary

Sewer Drainage Network

Williston
A project to upgrade the Williston oxidation ponds had been approved and is in construction

Sutherland
Sutherland utilises 35% conservancy tanks and 65% UDS sanitation systems as sanitation services
A project to convert the current sanitation systems to full waterborne is planned for 2027

Fraserburg
Fraserburg has a full waterborne sanitation system in place
Telemetry installations are required on infrastructure components

Sewer Pump stations

Williston
There are no Sewer Pump stations in Williston

Sutherland
Sutherland has 1 operational sewer pump station

Fraserburg
Fraserburg has 3 operational sewer pump stations

Wastewater Treatment Works

Williston
The Williston oxidation ponds has a design capacity of 0,447 ml/day
The existing sewer reticulation network in Williston is limited to a few main 160mm uPVC collector lines The town largely still relies on pumping of septic tanks for transport of sewageto the Wastewater Treatment Works.

The sewer line is a 50mm asbestos-cement pipe with newer more recent extensions of 160mm uPVC. It should be noted that the condition of thesewer line is highly questionable and blockages occur regularly.

The existing oxidation ponds were designed to accommodate a maximum daily inflow of 500 kl/day.

The current estimated Average Dry Weather Flow (ADWF) is estimated at 279.72kl/d. The existing sewer purification works is therefore not expected to present any problems in terms of capacity and can accommodate the additional sewage flow generated by the Williston 150 development without any additional upgrades.

Wastewater treatment is by means of an oxidation pond system that has spare capacity. Wastewater is conveyed to the oxidation ponds by means of a suction trucks and a limited sewage reticulation network. This proposed bulk water supply project for Williston entails the augmentation of the existing water resources to supply in the current and future water

Sutherland
The Sutherland oxidation ponds has a design capacity of 0,38 ml/day

Fraserburg
The Fraserburg oxidation ponds has a design capacity of 1,0 ml/day
None of the infrastructure have reached the end of their lifespan
Proactive operation and maintenance can extend the lifespan of the various scheme components.

Refurbishment and Replacement Needs

Williston
A project to upgrade the Williston oxidation ponds had been approved and is in construction

Sutherland
A project to convert the current sanitation systems to full waterborne is planned for 2027
410 UDS toilets and 220 conservancy tanks must be upgraded to a full waterborne sanitation system

National Treasury recommends that municipalities budget for maintenance and repair for an annual sum equivalent to 8% of the “carrying value” of “property, plants and

Repair and maintenance of the sanitation distribution network take place mainly on a reactive basis, based on customer requests and emergency repair work as and when required.

PIPE REPLACEMENT STRATEGY SHOULD BE IMPLEMENTED

Karoo Hoogland Municipality is providing sanitation as outlined in their powers and functions. The role of the municipality is to ensure that the services is provided adequately to the communities.

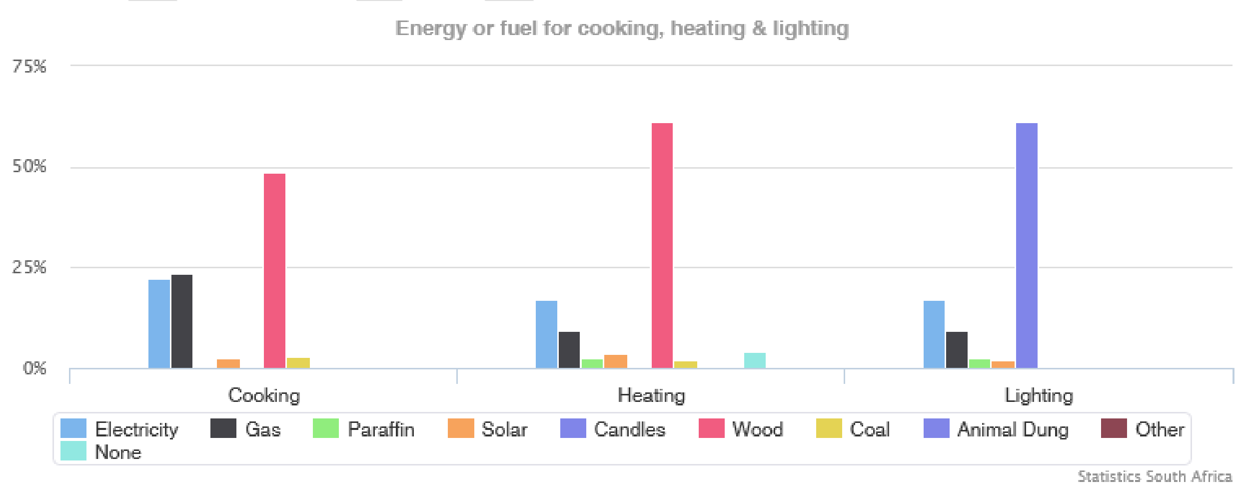
ELECTRICITY PROVISION

The municipality supplies electricity to Fraserburg and part of Williston. The other part of Williston as well as Sutherland and the rural areas are serviced by Eskom.

The electricital network in Fraserburg need upgrade as it is outdated. The network was not built for the current demand and development of the town and wards. The municipality is currently investigating the possibility of Renewable energy to enhance service delivery standards.

The municipality submitted business plan to the Department of Energy to upgrade the Fraserburg electrical infrastructure. The upgrade of the electricity supply in Fraserburg will be implemented in 3 phases starting in the 2024/2025 financial year.

The municipality will investigate alternative funding opportunities through the assistance of the Development Bank of South Africa and MISA. The municipality will also role out fiber connectivity and the process will be conducted enaccordance with the prescribed legislation.



THE RELIABILITY CALCULATION PROCESS

The process to determine a reliability value is based on evaluating each settlement with regards to the number of households not having a reliability service due to one or more of the reliability categories. For each of the reliability categories, a specific field in the Geodatabase was created and each field must be populated with the number of households of the settlement affected by the specific category. A household can be affected by more that one category and must then be listed in every field where applicable. The number of households entered may not exceed the total households for each settlement.

The reliability fields are:

Total Number of Households NOT having Reliable Service due to:

- Functionality (O&M and Management)
- Resource
- Infrastructure
- Conservation & Demand Management
- New Source
- Infrastructure – UPGRADE/REFURBISHMENT
- Infrastructure – EXTENSION
- Infrastructure – NEWSCHEME

Due to the fact that a settlement may have more than one reliability cause and therefore can be listed in more than one of the above categories, summarizing the effected households from these fields will result in double counting and a total household of more than the total of households of the settlement.

The presentation of each field individually will be accurate,
but a summary of the fields will be inaccurate due to double counting.

To address the double counting, additional fields were added to describe the following 2 categories

- Total Number of Households having Reliable Service. (Interpret Direct Backlog)
- Total Number of Households NOT having Reliable Service. (Interpret Direct Backlog)

These 2 fields must be calculated by interpreting the reliability fields to ensure that if a household is occurring in more than one category, it only gets counted once therefore ensure that the figure presents a total household of settlement with a water reliability need irrelevant the type of need. The type of need can be identified from the individual need fields, and a total

Reliability need can then be obtained fromTotal Reliability Service need field.

This figure then presents the Water Reliability Calculated figure and percentage

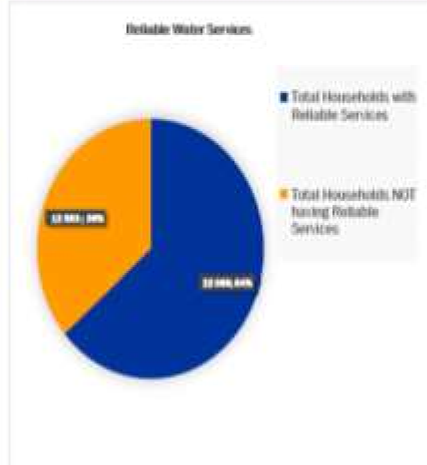
2. CURRENT SUPPLY STATUS | **2.1. WATER SERVICES LEVELS**

2.1.3. Water Reliability Service Status

Water Reliability Service Status

Namakwa Water Reliability Calculation and Process

DMName	LMName	Total Settlements	Total Households	Total Households with Reliable Services	%	Total Households NOT having Reliable Services	%
Namakwa	Hantam	10	5 765	4 476	78%	1 289	22%
Namakwa	Kamiesberg	13	3 030	2 082	69%	948	31%
Namakwa	Karoo Hoogland	9	2 359	1 704	72%	655	28%
Namakwa	Khai-Ma	8	3 865	2 962	77%	903	23%
Namakwa	Nama Khoi	24	14 851	7 771	52%	7 080	48%
Namakwa	Richtersveld	12	4 789	3 081	64%	1 708	36%
TOTAL Namakwa DM		88	34 669	22 086	64%	12 583	36%



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Total Number of Households NOT having Reliable Service due to:

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- Resource
- Infrastructure
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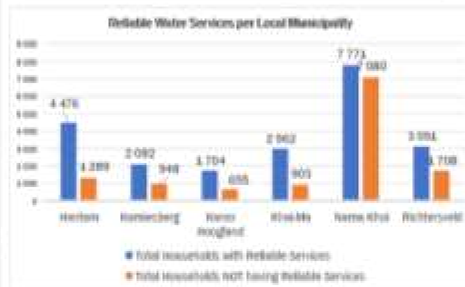
- Total Number of Households having Reliable Service. (Interpret Direct Backlog)
- Total Number of Households NOT having Reliable Service. (Interpret Direct Backlog)

These 2 fields must be calculated by interpreting the reliability fields to ensure that if a household is occurring in more than one category, it only gets counted once therefore ensure that the figure presents a total household of settlement with a water reliability need irrelevant the type of need. The type of need can be identified from the individual need fields, and a total reliability need can then be obtained from Total Reliability Service need field. This figure then presents the Water Reliability Calculated figure and percentage)



Definition Of Reliability Services: An uninterrupted supply for 98% of the time through a fully functional infrastructure system which is operated and maintained to set standards supported by an effective Governance institution that provides an acceptable quality of water supply that is based on sustainable water security principles.

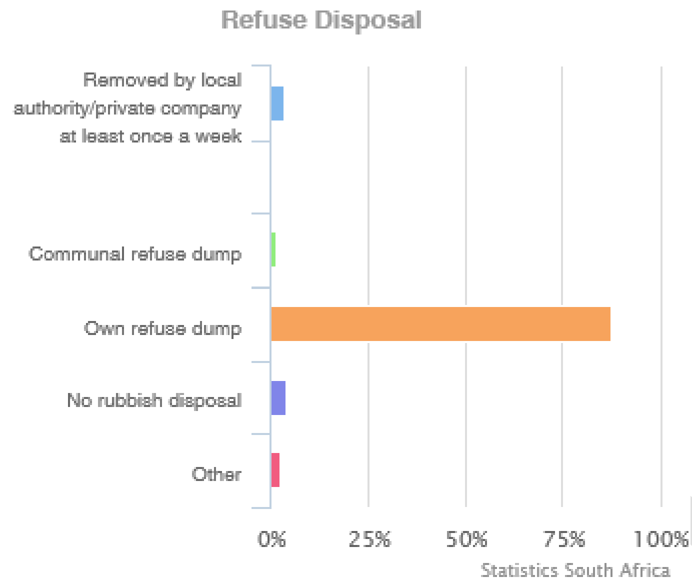
WASTE MANAGEMENT

The municipality has an Integrated Waste Management Plan in place which was compiled by the District Municipality.

These teams are responsible for the removal of domestic as well as business refuse. The teams each comprises of a tractor driver and general workers and the refuse are collected manually and transported to the landfill sites in each town. Black bags are available to the public at the municipality in which refuse must be placed. The municipality must ensure proper operation and maintenance of existing infrastructure and equipment through licensing and upgrading of landfill sites.

Interms of Section 49(1) of the National Environmental Management Waste Act (Act 59 of 2008) Karoo Hoogland Municipality was granted a Waste Management License for waste management activities as listed in Category B of Government Notice No. 921 of 2013 as amended 2 May 2014. The facility is situated in Sutherland Ward 4. The municipality competed in the Greenest town Competition through the Department of Environmental Affairs and was ranked 3rd out 31 municipalities in the Northern Cape province. The municipality will in future report on the SAWIS system on how it collect and dispose waste.

The Integrated Waste Management Plan (IWMP) was drafted to ensure sustainable waste collection for the next 5 years and beyond.



HOUSING

Housing delivery remains a key government intervention to redress the ills of the past and restore the dignity of the poorest of the poor. This is clearly reflected in the Housing Policy and Strategy that focuses on the environment to transform the extremely fragmented. New systems are being established to address the housing backlog.

The municipality does not have a specific staff component to deal with housing matters as the provision of housing is a provincial function. If a housing project is approved the services Consulting Engineers and contractors through prescribed SCM principles. An objective of the municipality is also to enhance sustainable service delivery through infrastructure development with reference to the housing backlog of 680 houses by 2020.

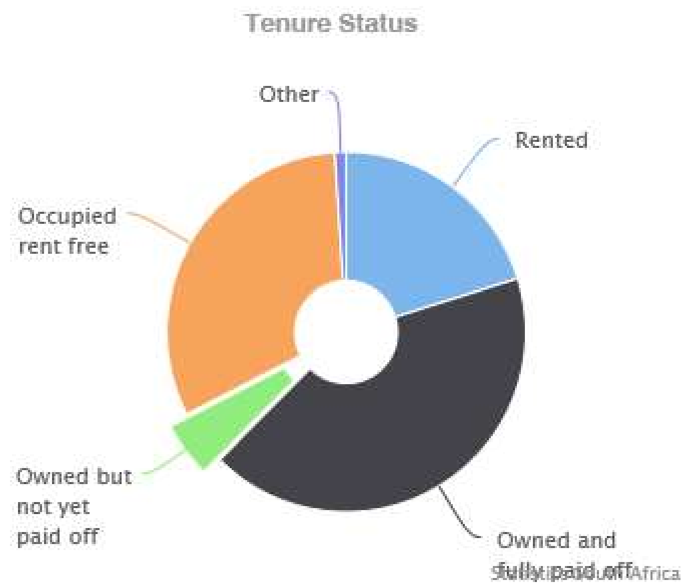
Housing remains one of the few visible signs of government's success to address the needs of the poor. It is therefore critical that local municipalities play their role in facilitating the delivery of houses in their areas. This role is adequately in the Housing Act (1997). Local Government is expected to:

- Conduct adequate planning to promote housing
- Ensure access to to adequate housing on progressive basis
- Provide services that support sustainable settlements
- Ensure that the health and safety of the citizens living in the municipality are protected
- Sets its own housing delivery goals
- Identify land for housing development

There is no doubt that delivering "well managed entities in which economic growth and social development are in balance with the carrying of the natural systems on which the depend for their existence and result in sustainable development wealth creation poverty alleviation and equity will improve the quality of life of housing beneficiaries.

Aligning the legislative and policy notions require municipalities to elevate housing as a key development priority. Municipalities need to set clearly defined housing delivery targets and allocate requisite infrastructure investments to realize the objective of the comprehensive plan for the development of sustainable human settlements.

For the 2014-2015 a total of 215 houses was delivered to the community of Fraserburg, In Williston Ward 1 150 erven was serviced for Sutherland Ward 4 the 100 erven are still under dispute. Beneficiaries must register on the National Housing Needs Register to be recognized as a beneficiary.



SITE IDENTIFICATION FOR KAROO HOOGLAND LOCAL MUNICIPALITY

TOWN	NHNR	PROPERTY DISCRIPTION	SERVICED SITES/ERVEN
• WILLISTON	• 249	• Portion of Erf 255	• Williston 150
• FRASERBURG	• 231	• Erf 825 Portions of Erf 608: • Erf 1269 & Erf 1355 (Infill)	• None
• SUTHERLAND	• 255	• Erven 451 – 456 • A portion of erf 210	• None

LEGISLATION & PROJECT PLANNING

The legislation that would inform the application process includes the National Environmental Management Act (Act No 107 of 1998) and Spatial Planning Land Use

Management Act. A Project Team should be appointed to proceed with the detailed planning which will include the following steps:

- Planning of erven at each town
- Commence with EIA process and other studies
- Applications to comply with SPLUMA requirements
- Survey of sites
- Appoint professional team
- Commence with detail planning, project structuring and draft layout
- Confirmation of the Housing Needs Lists
- Township establishment and registration of erven with Surveyor General and Deeds Office

FREE BASIC SERVICES AND INDIGENT SUPPORT

Due to the level of unemployment and subsequent poverty in the local municipal area, there are households that are unable to pay for normal municipal services. The municipality therefore adopted and Indigent Management Policy to ensure that these households have access to at least all basic municipal services and was guided in the formulation of this Policy by the National Governments in this regard.

All households who qualify in terms of the said policy, receives a subsidy on property rates as well as other services charges such as water, refuse and electricity (50kWh of electricity per month free of charge as well as 6000 litres water per household per month (appr. 200 litres of water/day).

Only households where the accountholder or property owner has registered as indigent in terms of the municipality's annual registration programme and whose registration has been approved and entered into the register of indigents qualify for the above concessions.

The subsidies on rates and the specified services charges will be determined as part of each annual budget and in terms of the Municipality's Policies on property rates and tariffs.

ROAD TRANSPORT

Williston, Fraserburg and Sutherland have tar and gravel roads. The municipality must submit projects to MIG for the upgrading of roads regularly. The tar roads are currently in a poor condition with potholes occurring all over the roads. The municipality endeavors to arrange training for its personnel to repair potholes and also purchase the necessary equipment and material to do the work in the future.

Provincial routes need to be resealed. The current conditions have a very negative impact on the local economy as easy access is not available for potential investors and tourist.

The municipality received funding from the Namakwa District Municipality and Department of Public Works in the 2016-2017 financial year for the paving of existing gravel roads in the municipal area. In Fraserburg 2 kilometers were paved and for Sutherland one street will be paved. The municipality did submit a business plan to MIG to pave all existing gravel roads in the coming financial years. Paving of roads in Williston Ward 1 have commence and concluded.

The municipality does not have separate personnel attending to this function as there is a general working team who attend to all infrastructure matters including road services. A portion of the total salary budget is allocated to road services.

Access roads a total of 17 kilometers phase 1 was tared between Sutherland and Calvinia on the R354 in the 2021/2022 financial year. Twenty-five kilometers will be tared between the Fraserburg and Williston on R353.

WASTE WATER STORM WATER DRAINAGE

Storm water drainage forms an integral part of road infrastructure. Due to the fact that the road infrastructure in the three towns is not up to standard it results in poor storm water drainage during times of heavy rain. The maintenance and construction of storm water structures will only be addressed once the municipality receives funds for the upgrading of its road infrastructure.

Construction of site walks and storm water trenches/drainage is a priority for the municipality the increase in temperature is a major factor for the heavy thunder storms the municipality experience over the last year. This ad to the damage of road infrastructure and excess to service.

The municipality does not have separate personnel attending to this function or a budget in this regard.

ENVIRONMENTAL PROTECTION

The municipality does not provide these services as it is a provincial function and services are provided by Namakwa District Municipality.

HEALTH

Health and ambulances is a provincial function and provided by the Department of Health. The service is however not satisfactory due to shortage of doctors ambulances as well as inferior conditions of the road infrastructure between the towns.

There are a total of 3 clinics in the municipal area. According to CSIR planning standards there should be 1 hospital per 25 000 people and 1 clinic per 5 000 people.

Because of the distance of the clinic's communities have requested for mobile unites to serve them but also to assist those living in the rural areas.

Clinics

Ward	Clinic
1/5	Williston CHC
2/3	Fraserburg CHC
4/6	Sutherland CHC

HIV/AIDS

The municipality must established an HIV/AIDS council which falls within the special programmes in the office of the mayor. The council is responsible for ensuring maximum support to NGO's and CBO's that are dealing with HIV/AIDS patients or victims.

HEALTH INSPECTIONS AND ABATTOIR

The services are rendered and financed by Namakwa District Municipality on a contract base to the municipality.

SECURITY AND SAFTY

Fire and Disaster Management is currently a function of the Namakwa District Municipality however the municipality do have a water truck and fire units for emergencies to attend to. The compiling of a Disaster Management Plan is currently a responsibility of Namakwa District Municipality who assist us with it.

It is critical that the municipality galvanies community structures to assist the police services to prevent and combat crime. At the local level Karoo Hoogland LM should focus on the development of effective by laws including whistle-blowing on corruption and fraud and encouraging the participation of council and residents in Community Policing Forums and other activities aimed at eliminating criminal tendencies.

SPORT AND RECREATION

The municipality has sport grounds in Williston and Fraserburg which are maintained by municipal staff. The current focus of the municipality is to maintain the existing sports facilities. A sport facility will be constructed for Sutherland however this is a multi-year project as the MIG funding will be used.

The municipality will work closely with the Department of Sports and Recreation to assist sporting codes with training and equipment to develop the various sporting codes and to be active for the years to come.

The municipality received R 9 000 000 for the upgrade of the Williston Ward 1 Sport Facility. The grant funding is part of a commitment from the Department of Sports Arts and Culture and under the programme "ringfenced amount" for sport and recreation.

The Sport and Recreational Framework of the municipality was approved and will be implemented in the 2022/2023 financial year.

Sutherland Ward 4 sport facility will be upgraded by Enel Renewable Energy South Africa during the 2022/2023 financial year

CEMETRIES

Adequate provision is made for cemeteries in all three wards. Priority will be given to investigate new sites for future generations. The need for new sites for cemeteries are currently under investigation and implementation.

6.3 KPA 2: LOCAL ECONOMIC DEVELOPMENT

KAROO HOOGLAND MUNICICIPALITY LED ANALYSIS AND PROFILE

The Karoo Hoogland LM covers a geographical area 29 423 km2 which is approximately 23% of Namakwa's total. The Municipality has a population density of 0.4 people per km2 and a household density of 0.1 households per km2. Approximately 9% of Namakwa's population resides in the Municipality.

LED DEFINED

"Local economic development LED is an outcome: It is a continuous development process based on local initiatives and driven by local stakeholders. It involves identifying and using local resources and skills to stimulate economic growth and development. "Northern Cape Local Economic Development Manual (NCLEDM) LED is about communities continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes. Local communities respond to their LED needs in many ways, and a variety of approaches can be taken that include:

- Ensuring that the local investment climate is functional for local businesses;
- Supporting small and medium sized enterprises;
- Encouraging the formation of new enterprises;
- Attracting external investment (nationally and internationally);
- investing in physical (hard) infrastructure;
- Investing in soft infrastructure (educational and workforce development, institutional support
- systems and regulatory issues);
- Supporting the growth of particular clusters of businesses;
- Targeting particular parts of the city/town/region for regeneration or growth (areas basedinitiatives);
- Supporting informal and newly emerging businesses;
- Targeting certain disadvantaged groups.

LED MANDATE

The legislation of Local Economic Development is based on the strategic frameworks outlined below:
"A municipality must structure and manage administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of a community." - South African Constitution (1996)
§ Local economic development must be planned for, implemented and monitored within the context of the national, provincial, local government policy and LED planning framework. Legislation and policy provide a legal framework and therefore LED must be planned for within this legal framework. Legislation that impacts directly on LED planning includes (but is not limited to):

- Municipal Structures Act (No. 117 of 1998)
- Municipal Systems Act (No. 32 of 2000)
- Municipal Finance Management Act (No. 56 of 2003)

In addition to legislation, the impact of important planning policies on a local municipal LED must be considered:

- NDP & NGP, PICC
- IPAP
- PGDS, DGDS, PSDF, DSDF, LSDF, SPLUMA, PLEDS, DLEDS, LLEDS

NATIONAL LED FRAMEWORK

The National Framework for Local Economic Development in South Africa was launched in 2014, and the main thrust of the framework is to promote a strategic approach to the effective and efficient development of local economies in order to foster job-creation and reduce poverty levels through the integration of different government policies and programmes.

Key is leveraging private sector commitment and spending on localities, concretizing partnerships and program coordination that will significantly contribute to shared growth initiatives as advocated through the National Development Plan (NDP), Industrial Policy Action Plan (IPAP), Northern Cape Provincial Growth and Development Strategy (PGDS) and other government policies aimed at ensuring economic growth and transformation.

The LED policy framework therefore focuses on the following **LED Policy Pillars/Thrusts**:

Building a Diverse Economic Base:

- Sectoral development (Manufacturing, Agriculture, Tourism, Green Economy, etc.)
- Metropolitan Economic Development
- Regional Economic Development
- Regional Industrial Development Programme
- Industrial Cluster Development Programme

Developing Learning and Skilful Local Economies:

- Tackling basic skill Gap
- Developing workforce skills
- Developing an Enterprise and Entrepreneurship Culture
- Developing Leadership and Management Skills

Developing Inclusive Economies:

- Informal Economy Support
- Inner City Economic Revitalization
- Township Economic Development
- Inclusive Rural Economy
- Youth and Woman Economic Development
- Expanded Public Works Programme and Community Works Programme

Enterprise Development and Support:

- Small, Medium and Micro Enterprises
- Cooperative Enterprises
- Broad Based Black Economic Empowerment (B-BBEE) Support
- Youth and Woman Enterprises
- Business Development Support

Economic Governance and Infrastructure:

- Improving Economic Leadership and Management Capacity
- Administrative Economic Development Capacity
- Access to development Funding/ Finance
- Developing Local Economies as District Brands
- Economic Infrastructure

THE LED LEGISLATIVE AND POLICY CONTEXT

a. National legislation

i. The Constitution of the Republic of South Africa

The Constitution (Act 108 of 1996) is the cornerstone for all legislation and policy-making in South Africa. In Particular, Chapter 7 defines the role of local government in its community.

Five objectives of local government are described in section 152:

1. To provide democratic and accountable government for local communities;
2. To ensure the provision of services to communities in a sustainable manner;
3. To promote social and economic development;
4. To promote a safe and healthy environment; and

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

Furthermore, section 153 stipulates the following developmental duties of all municipalities:

1. A Municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote social and economic development.

2. A Municipality must participate in national and provincial development programmes.

ii. New Growth Path

Government adopted the New Growth Path (NGP) as the framework for economic policy and the driver of the country's Jobs Strategy. In response to the core challenges facing the Nation economically namely joblessness, poverty and inequality combined within the global and national context. The by components of the strategy is to (a) identify areas where employment is possible on large scale and

(b) To develop a policy to facilitate employment created through:

1. A comprehensive drive to enhance both social equity and competiveness,
2. Systematic changes to mobilise domestic investment around activities that can create sustainable employment,
3. Strong social dialogue to focus all stakeholders on encouraging growth in Employment-creating activities.

The focus is to realize the above mentioned and is key job drivers and sectors which include the following:

- Infrastructure;
- The agricultural value chain;
- The mining value chain;
- The green economy;
- Manufacturing sectors, which are included in IPAP; and
- Tourism and certain high-level services.

iii. National Development Path

The National Development Plan is focussed on the socio-economic transformation of our society by 2030 through active change.

The NDP focus on:

- Opportunities,
- Conditions,
- Rising living standards,

- Poverty reduction,
- Growth,
- Employment,
- Capabilities.

This is underpinned through social collision and enabled by active citizenry, strong leadership and effective government. It gives a focus for 2030 which is largely enabled by the National Growth Path.

iv. The Industrial Policy Action Plan (IPAP)

The major weakness identified in South Africa's long-term industrialisation process is that the decline in the
share of employment in the traditional tradable sectors, particularly mining and agriculture, has not been offset by a sufficiently large increase in the share of relatively labour-intensive employment in non-traditional tradable goods and services, particularly manufacturing.

Consequently, the objectives of the IPAP2 are:

1. To facilitate a shift away from reliance on traditional commodities and non-tradable services and promote value-added goods and services that competes in export markets (against imports).
2. To intensify the industrialisation process and move towards a knowledge- rich economy.
3. To promote a more labour-absorbing industrialisation path, with particular emphasis on tradable labour-absorbing goods and services and economic linkages that enhance employment creation.
4. To promote a broader-based industrialisation path characterised by increased participation of historically disadvantaged people and marginalised regions in the mainstream of the industrial economy.

v. National LED Framework

The National LED Framework was revised during March 2014 to stimulate and revitalise LED Planning, Coordination and Implementation, and the objectives were somewhat modified to fit the current LED prerequisites.

The objectives of the framework are:

- To build a shared understanding of LED in South Africa,
- To elevate the importance and centrality of effectively functioning local economies in growing the national economy,
- To wage the national fight against poverty more effectively through local level databases, strategies and actions,
- To improve community access to economic initiatives, support programmes and information,
- To improve the coordination of economic development planning and implementation across government and between government and non-governmental actors,

- To build greater awareness about the importance and role of localities which, globally, which are playing an increasingly significant role as points of investment.

vi. Presidential Infrastructure Coordination Commission

The PICC is mandated by Presidential Cabinet to plan and coordinate a National Infrastructure Plan. It is driven by the highest levels of political will and dedication to harmonise infrastructure planning and implementation across all spheres of the Government of the Republic of South Africa, State agencies as well as social partners.

Cabinet established the PICC, to:

- Coordinate, integrate and accelerate implementation.
- Develop a single common National Infrastructure Plan that will be monitored and centrally driven.
- Identify who is responsible and hold them to account.
- Develop a 20-year planning framework beyond one administration to avoid a stop-start pattern to the infrastructure roll-out.

The PICC's mandate is to ensure systematic selection, planning and monitoring of large Projects and its terms of reference include the objectives outlined below:

- Identify 5-year priorities,
- Develop a 20-year project pipeline,
- Achieve development objectives: skills, industrialisation, empowerment, research & development,
- Expand maintenance: new and existing infrastructure,
- Improve infrastructure links: rural areas and poorest provinces,
- Address capacity constraints and improve coordination and integration,
- Scale-up investment in infrastructure,
- Address impact of prices,
- Support African development and integration.

vii. Special Planning and Land Use Management Act: (16 of 2013)

Set to aid effective and efficient planning and land use management. In the context of the spatial transformation agenda, SPLUMA has been proposed as a possible tool to effect spatial transformation.

SPLUMA principles are:

a) The principle of spatial justice, whereby—

i. Past spatial and other development imbalances must be redressed through improved access to and use of land;
ii. Spatial development frameworks and policies at all spheres of government must address the inclusion of persons and areas that were previously excluded, with an

emphasis on informal settlements, former homeland areas and areas characterised by widespread poverty and deprivation;
iii. Spatial planning mechanisms, including land use schemes, must incorporate provisions that enable redress in access to land by disadvantaged communities and persons;
iv. Land use management systems must include all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas, informal settlements and former homeland areas;
v. Land development procedures must include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas; and
vi. A Municipal Planning Tribunal considering an application before it, may not be impeded or restricted in the exercise of its discretion solely on the ground that the value of land or property is affected by the outcome of the application;

b) The principle of spatial sustainability, whereby spatial planning and land use management systems must—

i. promote land development that is within the fiscal, institutional and administrative means of the Republic;
ii. Ensure that special consideration is given to the protection of prime and unique agricultural land;
iii. Uphold consistency of land use measures in accordance with environmental management instruments;
iv. Promote and stimulate the effective and equitable functioning of land markets;
v. Consider all current and future costs to all parties for the provision of infrastructure and social services in land developments;
vi. Promote land development in locations that are sustainable and limit urban sprawl; and
vii. Result in communities that are viable.

c) The principle of efficiency, whereby—

i. Land development optimises the use of existing resources and infrastructure;
ii. Decision-making procedures are designed to minimise negative financial, social, economic or environmental impacts; and
iii. Development application procedures are efficient and streamlined and timeframes are adhered to by all parties.

d) The principle of spatial resilience, whereby.

Flexibility in spatial plans, policies and land use management systems are accommodated to ensure sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.

e) The principle of good administration, whereby—

i. All spheres of government ensure an integrated approach to land use and land development that is guided by the spatial planning and land use management systems as embodied in this Act;
ii. All government departments must provide their sector inputs and comply with any other prescribed requirements during the preparation or amendment of spatial development frameworks;
iii. The requirements of any law relating to land development and land use are met timeously;
iv. The preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them; and
v. Policies, legislation and procedures must be clearly set in order to inform and empower members of the public.

viii. Integrated Sustainable Rural Development Strategy

The purpose of the Integrated Sustainable Rural Development Strategy (ISRDS) is to enhance the welfare of the poor that inhabit rural areas of South Africa. This is only possible if sustainable economies are created fromwhich they can survive. Successful implementation involves facilitating rural development that is both sustainable and integrated in nature. Municipalities are key players in the implementation of the ISRDS due to their decentralised nature – it is only through direct participation with the rural community that one can correctly identify the developmental needs and opportunities. It is also essential for local stakeholders to be mobilised in order to create an environment in which the IRSDS can be successfully facilitated and sustained.

ix. The Broad-Based Black Economic Empowerment Act

In order to uproot inherited social imbalances, progressive legislature has been passed. One example is the
Broad-Based Black Economic Empowerment (BBBEE) Act of 2004 where systematic measures are in place to uplift previously disadvantaged communities.
Those included in the ‘broad-based black’ definition are Africans, Coloureds, Indians, women, workers, the youth, disabled persons and those who live in rural communities. The main objective of the BBBEE Act is to
transform the South African economy to better reflect the South African society, whereby commercial enterprises are largely owned and managed by previously disadvantaged individuals. This Act also aims to support the ‘broad-based black’ population through promoting public and private investment in relevant communities and providing easier access to financial assistance.
.
b. Provincial legislation

i. The Northern Cape Provincial Growth and Development Strategy (NCPGDS-2012)

Planning for the promotion of economic growth and social development lies at the core of government's responsibility to provide a better life for all. It is essential to ensure that planning is integrated across disciplines, co-ordinated within and between different planning jurisdictions and aligned with the budgeting processes of national, provincial and local government.

The NCPGDS sets to tone for development planning and outlines the strategic planning direction in the Province.

The main objectives set by the NCPGDS for development planning in the Province are:
1. Promoting the growth, diversification and transformation of the provincial economy.
2. Poverty reduction through social development.
3. Developing requisite levels of human and social capital.
4. Improving the efficiency and effectiveness of governance and other development institutions.
5. Enhancing infrastructure for economic growth and social development.

The following sectorial documents have been developed in line with the PGDS:

1. Provincial LED Strategy.
2. Provincial Tourism Strategy.
3. Provincial SMME Strategy.
4. Provincial Trade and Investment Strategy.
5. Provincial Incubation Strategy.
6. Provincial Agriculture Strategy.
7. Provincial transport Strategy.

ii. Provincial Spatial Development Framework

The PSDF provides an appropriate spatial and strategic context for future land-use throughout the Northern Cape, from a *provincial* perspective. The PSDF is an expression of the mental image, vision and aspirations which the people of the Northern Cape have for their province.

From a spatial planning perspective the key objectives of the PSDF are to:

a. Provide a spatial rationale and directive for future development in terms of the principles of sustainability as advocated by the National Framework on Sustainable Development (Department of Environmental Affairs {DEA}, 2008) and the National Strategy for Sustainable Development and Action Plan 2011-2014 (NSSD) (DEA, 2011).
b. Give effect to the directives of the national government as expressed in *inter alia* the National Spatial Development Perspective (NSDP), the National Framework on Sustainable Development (DEA, 2008),and the National Strategy for Sustainable Development and Action Plan 2011-2014 (NSSD).
c. Give spatial effect to the provisions of the Northern Cape Provincial Growth and Development Strategy
(PGDS) (July 2011) and guide implementation of anchor projects.

d. Provide direction for the roll-out of national and provincial rural development programmes in the province, e.g. the Comprehensive Rural Development Programme (CRDP), Comprehensive Agricultural
Support Programme (CASP), etc.
e. Provide guidance to public and private infrastructure investment in the province, taking cognisance of
the growth and development potential of the various regions and settlements in the province.
f. Spatially co-ordinate and direct the activities and resources of the provincial government departments.

c. Municipal Legislation

i. The White Paper on Local Government

According to the White Paper on Local Government, local authorities have the following responsibilities in terms of their obligation to economic development:

1. Provide marketing and investment support in order to attract potential support to their locality.
2. Small business support services should be provided to assist small entrepreneurs.
3. To support the Local Business Support Centres Programme (i.e. SEDA) launched by the Department of Trade and Industry. The purpose of these centres is to assist local entrepreneurs with issues relating to skills, premises, information, networking, marketing and credit.
4. To provide targeted assistance (such as market research and technology provision) to a particular sector in the local economy that has the potential to expand.
5. Supplementing and tailoring the services provided by the Department of Labour to local needs through the supply of training and placement services. This is necessary to ensure that people acquire skills and find jobs.

ii. The Municipal Structures (1998) & Municipal Systems Act (2000)

The Municipal Structures Act of 1998 defines the types and categories of Municipalities, division of functions and powers within Municipalities, and the regulation of internal systems. Great emphasis is placed on the need for co-operation between different levels of government to better achieve goals and targets.
Alternatively, the Municipal Systems Act of 2000 provides Municipalities with guidelines which ‘enable municipalities to move progressively towards the social and economic upliftment of local communities’ so that basic services may be met. Duties of the municipal council (within financial and administrative capacity) are given in section 4(2):

1. Exercise the municipality’s executive and legislative authority and use the resources of the municipality in the best interests of the local community;
2. Provide, without favour or prejudice, democratic and accountable government;
3. Encourage the involvement of the local community;
4. Strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner;

5. Consult the local community about —
a. The level, quality, range and impact of municipal services provided by the municipality, either directly or through another service provider: and
b. The available options for service delivery.
6. Give members of the local community equitable access to the municipal services to which they are entitled;
7. Promote and undertake development in the municipality;
8. Promote gender equity in the exercise of the municipality's executive and legislative authority
9. Promote a safe and healthy environment in the municipality: and
10. Contribute together with other organs of state, to the progressive realisation of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.
In addition, Section 26 stipulates that every Municipality is bound by law to produce an integrated development plan (IDP) of which LED is a core component.

iii. Back to Basics (B2B)

The Department of Cooperative Governance, Human Settlement and Traditional Affairs (COGSTA) is currently looking into adding Local Economic Development as one of the Pillars in their Back to Basics strategy (B2B), this however is still under review. If this is concluded during the Back to Basics review it will be prioritize substantially.

VISION MISSION AND OBJECTIVE

Vision

The LED vision of Karoo Hoogland Local Municipality is:" *To create a safe, healthy and economically sustainable environment where all the residents of the Karoo Hoogland LM benefits from basic service provision and adequate social infrastructure."*

The goals and objectives have been derived from the constraints and opportunities stated during the LED engagements with stakeholders, these goals and objectives aim to address the needs of unemployment and poverty in Karoo Hoogland Local Municipality.

The LED goals for Karoo Hoogland Local Municipality are as follows:

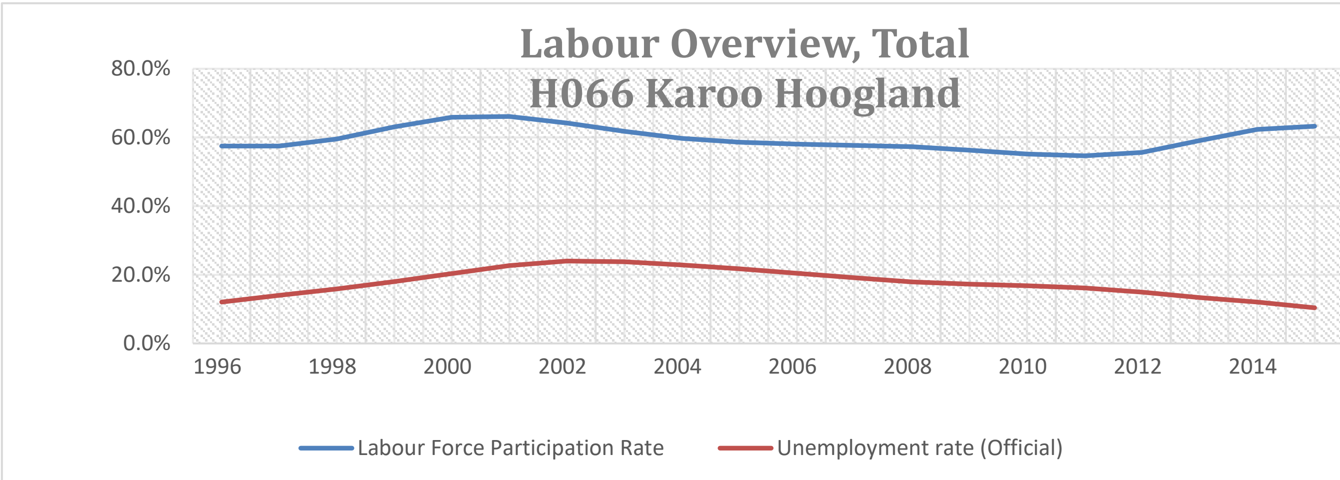
- Poverty relief through effective basic service delivery and job creation,
- Assist with economic interventions in sector development (agricultural, tourism and renewable energy,
- Facilitate education, literacy, skills development and capacity building within the Local economy,
- Promote business and investment attraction and retention,
- Enhance sustainable service delivery through infrastructure development.

Structure and System

The institutional profile and organogram is unique to every area and should be informed by the LED vision. Directly under the municipal manager we have the following:

Opportunities and Projects

Economic synopsis



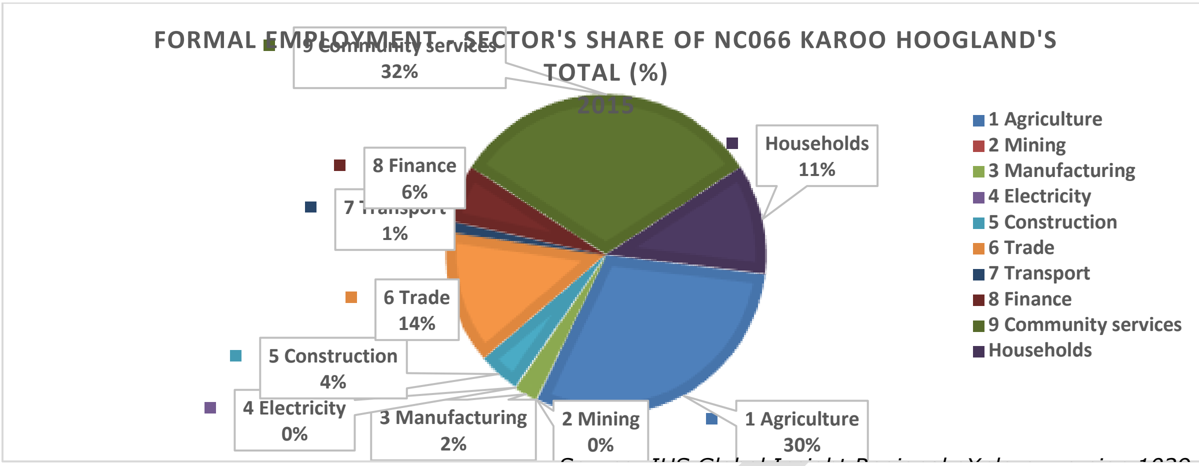
Employment status

The labour force participation rate in Karoo Hoogland increased quite fast since 1996 till 2002. From thereon there was a steep decline till 2011. The main reason for the decline is the fact that agriculture is the main job creating sector in the area. There was no other sectors that created jobs during this period. Since 2011 there is an increase in jobs over the last 4 to 5 years. This increase was mainly caused by the new SKA project that was implemented. During 1996 till 2002 there was a steep increase in the unemployment rate in the Karoo Hoogland Municipality. Since 2002 there was however a steady decline in the unemployment rate in the area. It declined from 24, 0% in 2004 to 12,1% in 2014. The main reason is the consistent contribution of the agriculture sector towards job creation in the Municipal area and the related opportunities of SALT. The related infrastructure and

tourism opportunities consistently increased and absorbed local labour. Although there was a recession in 2008 it cannot be identified in terms of the statistics. As unemployment is one of the priority issues in KarooHoogland Municipality raised by the community, these statistics confirm that unemployment is not a huge problem in the Karoo Hoogland Municipality. The Karoo Hoogland LM's employment status consists of:

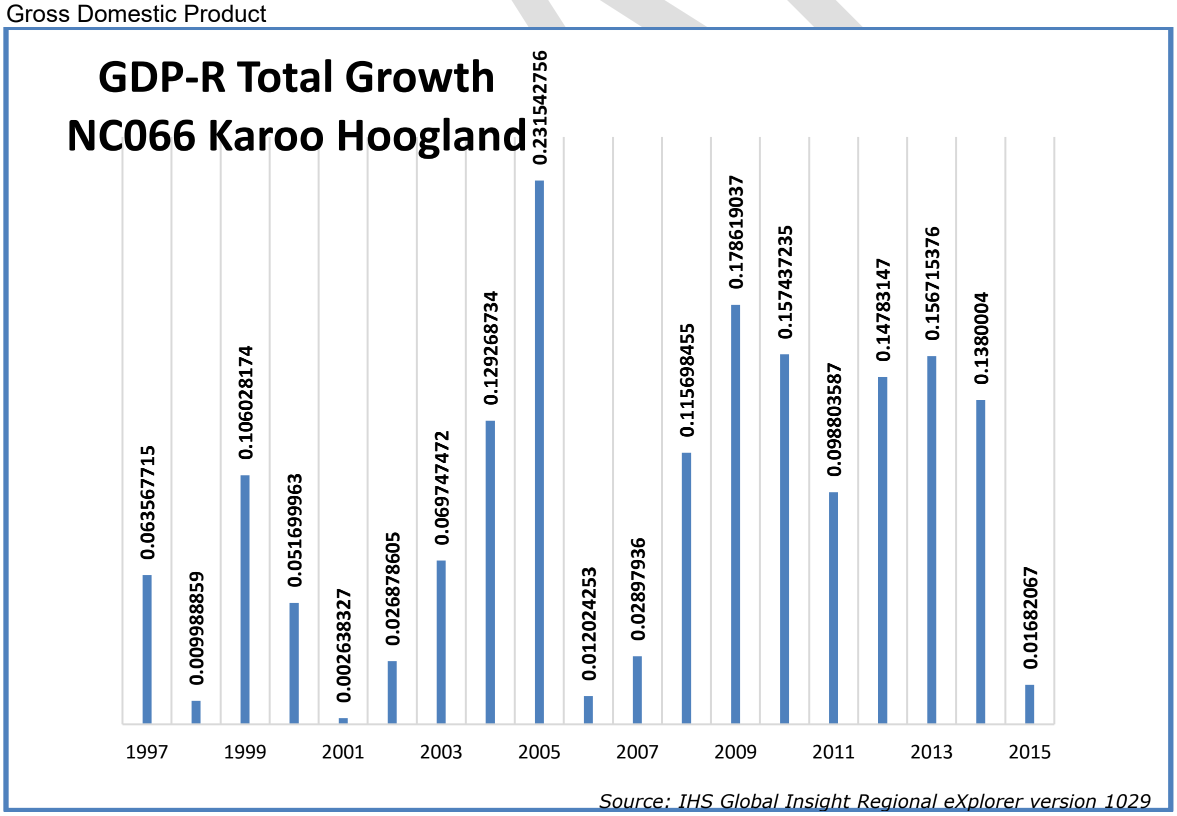
- 12,1% unemployed
- Labour force participation rate – 63,3% more or less at the same level as in 1999
- The main reason for this tendency is that the uptake of employment is steady and quick due to the fact that it is low or semi-skilled labour that is required.

Industry



Looking at the total formally and informally employed people within the Karoo Hoogland Municipality, most people are employed within the Government and Community Services sector by 32%, secondly the Agriculture sector with 30% and the trade and retail sector with 14 %. If the Agriculture sector keep on declining and contribute less due to global economics and the droughts, while the Government sector started to contribute more towards grants and subsidies it can become problematic for the sustainability of the Municipality. New industries like the SALT, SKA, tourism and renewable energy must be supported to try and do a turnaround for the sustainability of the Municipality.

Gross Domestic Product



The GDP growth in Karoo Hoogland was fairly consistent over the years since 1996 till 2014. The rate ranges from nearly 2,2% in 2005 to 0.02% in 1998. The periods when droughts or other factors have played a part can be seen in the periodic declines in 1998, 2002, 2006 and 2015. These effects are being felt due to the fact that the main sector contributors are agriculture and community services. On average the growth over the period\ was 0, 9% which shows the consistent contribution by the agriculture sector over this time period. The steepest declines were experienced during 2005 and 2015 during drought years. The SALT and SKA with their related investment and spin-offs has also consistently grown and expanded the GDP base.

PILLARS and THRUSTS

PILLARS THRUST TASK/PROJECTS

PILLARS AND THRUSTS

PILLARS	THRUST	TASK/PROJECTS
Building a diverse Economy	Renewable Energy/ SKA/ Mining Development	▪ Investigate possible opportunities for development of renewable energy. ▪ Investigate opportunities for mining eg. Fracking , Uranium ▪ Investigate opportunities that can emerge from SKA development
Developing Learning & Skillful Local Economies	Institutional Development	▪ Establish an LED Committee ▪ Establish a functional LED Forum ▪ Identify appropriate LED Training and Capacity Building programmes for various staff members Establish an LED Committee ▪ Establish a functional LED Forum ▪ Identify appropriate LED Training and Capacity Building programmes for various staff members
Developing Inclusive Economies	Agriculture Development	▪ Water capacity needs to be extended. ▪ Determine the viability of new agricultural ventures. ▪ Release land to Local farmers ▪ Source funding for farmers ▪ Establish community gardens
	Tourism Development	▪ Update the existing Tourism Strategy (2002) ▪ Investigate possible linkages and joint initiatives with other Namakwa Local Municipalities, the Western Cape and Namibia ▪ Establish Tourism Information Centres in all Towns ▪ Training of tour guides.
Enterprise Development and Support	SMME and Business Support	▪ Source funding for emerging businesses ▪ Generate a SMME Database Providing training and support

		for leadership and management development ▪ Identify skills gaps within key economic sectors ▪ Identify available land and ensure that it is serviced and zoned correctly; and allow equal access to this land for Local communities Strengthen marketing platform for SMME's to market good and services ▪ Implementation of mentorship programmes for SMME's ▪ Ensure training programmes provided are relevant and accredited ▪ Facilitate training programmes available ▪ Determine the viability small scale mining ventures.
Economic Governance & Infrastructure	Quality of Life Improvement	▪ Overcome backlogs in service delivery ▪ Implement opportunities for bulk infrastructure development ▪ Improve access to health care and education

Thrusts

Agriculture in Karoo Hoogland

Large farm portions owned by the municipality are made available to emerging farmers. These areas need to be well managed to ensure sustainable communities, i.e., impose grazing management guidelines, capacity building programmes, settlement densities and the provision of services and business support. The larger extent of Karoo Hoogland consists of agricultural land with low potential grazing mainly used for sheep and game farming. There is an increasing interest in commercial game farming, hunting safaris and holiday farms in the municipal area. Only 1.5% of soils are highly suitable for arable agriculture, where climate permits. Possibilities for small-scale intensive irrigation farming exist on the banks of the Sak, Riet, Sout, Brak and Damfontein Rivers.

Mining

The mining industry in Karoo Hoogland could become an employer in years to come, considering the huge uranium deposits. Possibilities of uranium mining have been identified, mainly in the southern part of the municipality:

- South east (Damfontein se River) and south west of Fraserburg (Klein Riet River)
- South east of Sutherland, close to Salpeterskop and on the banks of the Riet River

Other mining opportunities include:

- Copper and silver are found on Klein Witkraal op Kapgat 724, Klein Kookfontein 137,

- Droogfoots Fontein 356 and Arbeiders Fontein 150.
- Calcite is found on the farms Annex Kransfontein 721 and Arbeiders Fontein 15

Tourism

Williston is situated on the beds of the Zak River, a seasonal river where unique riverbed irrigation is practiced,similar to that at the Nile River in Egypt. There is a fantastic but eerie reason to visit Williston:

Tombstone Route, showcasing an exceptional form of art - stone cutting. Nowhere will one find more beautiful and fascinating tombstones than here. Sutherland is 120km north of Matjiesfontein (turn-off from the N1) on the R354 and approximately 135km south of Calvinia. Sutherland was established in 1858 and named after a prominent Worcester cleric, Reverend Henry Sutherland, the town on the Roggeveld Plateau 1 450m above sea level is known for its brilliant night skies and cold, biting winters, known to be the coldest place in SA. There are also footprints of glaziers called the Paleo Surface and the Tankwa Karoo Nature Reserve that can contribute to the overall tourism potential of the Municipal area.

Renewable Energy

Roggeveld Wind Farm, Oya, Soetwater/Karusa, Sutherland Wind Farm and Rietrug development is proposed in the Roggeveld Mountains. The facility will utilise wind turbines to generate electricity that will be fed into the Nation Power Grid.

Wind Energy Facility lies 50km south east of Sutherland and 41km north of the N1 national road. The study area measures approximately 10 874 hectares. The electricity generated will be fed into the National Power Grid and will consist of 140 wind turbines and associated infrastructure.

SKA

The Karoo Array Telescope (MeerKAT) project involves the construction of a world-class radio telescope, which is being built by the Department of Science and Technology and the National Research Foundation near the towns of Carnarvon and Williston. The construction of the SKA is expected to cost about 1.5 billion Euros.

The Astronomy Geographic Advantage Act, 2007 (Act No. 21 of 2007) indicates that once an area has been declared an astronomy advantage area, measures for protection from detrimental radio interference will be applied as provided in the regulations. Protection levels shall be enforced on any new radio frequency service operating within specific frequency ranges and existing radio frequency services with the proviso that concessions may be granted. Karoo Hoogland Municipality is impacted on by all three Karoo Central Radio Astronomy Advantage Areas. The specific implications for development are currently unknown SKA. The SKA will be developed over different phases. Pre-construction development started in 2012 and will last until the latter half of this decade, involving the detailed design, implementation, R&D work, and contract preparation needed to bring the SKA's first phase to construction readiness. The main bulk of the For

SKA **Phase 1**, Australia will host the lowfrequency instrument with more than 500 stations, each containing around 250 individual antennas, whilst South Africa will host an array of some 200 dishes, incorporating the 64-dish MeerKAT precursor telescope.

Phase 2 will complete the telescope arrays at both sites, and become fully operational in the late 2020s, by which time the SKA will count with some 2000 high and mid frequency dishes and aperture arrays and a million low frequency antennas.

SALT

The South African Large Telescope is close to Sutherland and has become an international known astronomy destination. This has seen Sutherland develop into a research and visitors destination that has led to extensive tourism investment. The benefit is the fairly low barriers to entry. A concern though is the transformation of this sector. Seen as SKA will a radio silence area one foresee that that Sutherland will become the “closest and next best” astronomy destination that I accessible.

PROPOSED DUPLICATION OF THE LED COMPONENT FOR KAROO HOOGLAND LOCAL MUNICIPALITY

LED component for IDP

The following headings and content is based on the in-depth analysis conducted utilizing several sources. This will entail merely duplication of this exact component into the IDP.

LED OBJECTIVES

LED Definition:

“Local economic development LED is an outcome: It is a continuous development process based on local initiatives and driven by local stakeholders. It involves identifying and using local resources and skills to stimulate economic growth and development. “Northern Cape Local Economic Development Manual (NCLEDM)”

LED Enables:

LED is about communities continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes. Local communities respond to their LED needs in many ways, and a variety of approaches can be taken that include:

- Ensuring that the local investment climate is functional for local businesses;
- Supporting small and medium sized enterprises;
- Encouraging the formation of new enterprises;
- Attracting external investment (nationally and internationally);
- Investing in physical (hard) infrastructure;

- Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);
- Supporting the growth of particular clusters of businesses;
- Targeting particular parts of the city/town/region for regeneration or growth (areas based
- initiatives);
- Supporting informal and newly emerging businesses;
- Targeting certain disadvantaged groups.

VISION MISSION AND OBJECTIVES

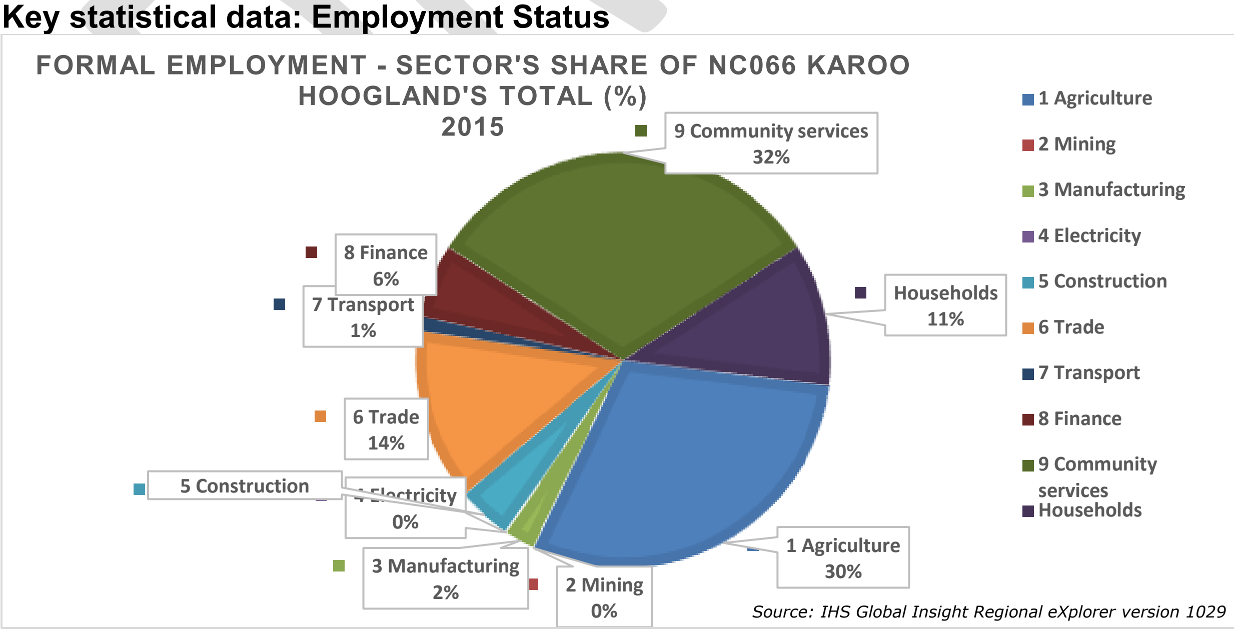
Vision (current)

The LED vision of Karoo Hoogland Local Municipality is "*To improve the living standards and conditions of residents through fully utilising its limited resources and to strengthen the local economy by creating an economically sustainable environment"* The goals and objectives have been derived from the constraints and opportunities stated during the LED engagements, these goals and objectives aim to address the needs of unemployment and poverty in Karoo Hoogland.

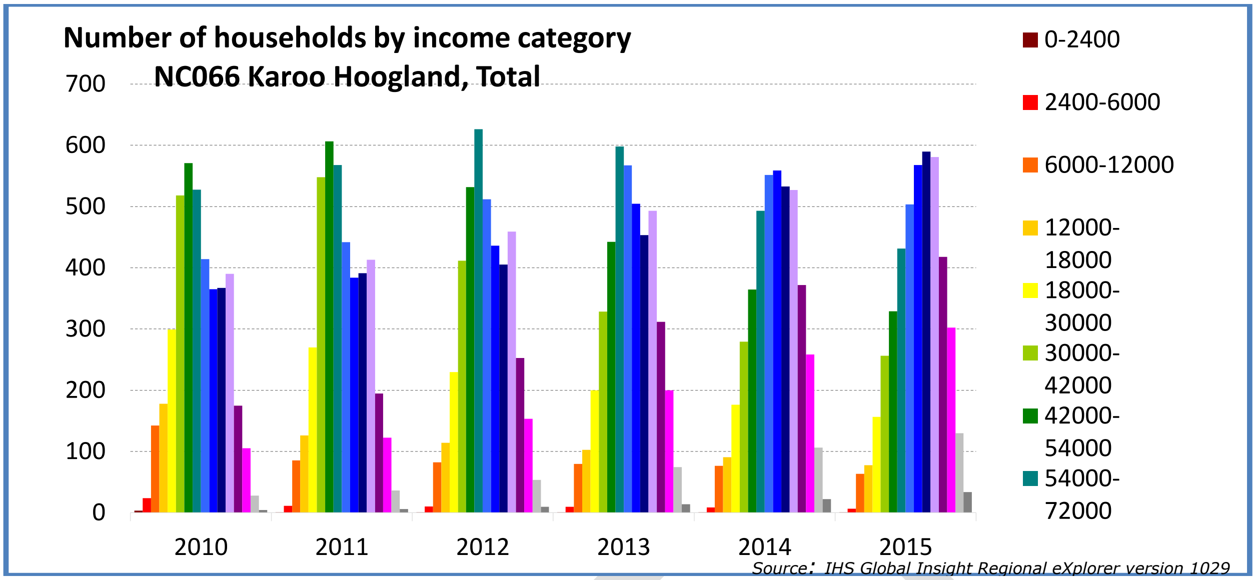
The LED goals for Karoo Hoogland Local Municipality are as follows:

- Poverty relief through effective basic service delivery and job creation.
- Ensure effective service delivery through transformation, capacity building and infrastructure development.
- Form linkages in order to facilitate skills development.
- Promote business and investment attraction and retention.
- Assist with economic interventions in sector development (agricultural, mining, tourism and renewable energy).

Key statistical data: Employment Status

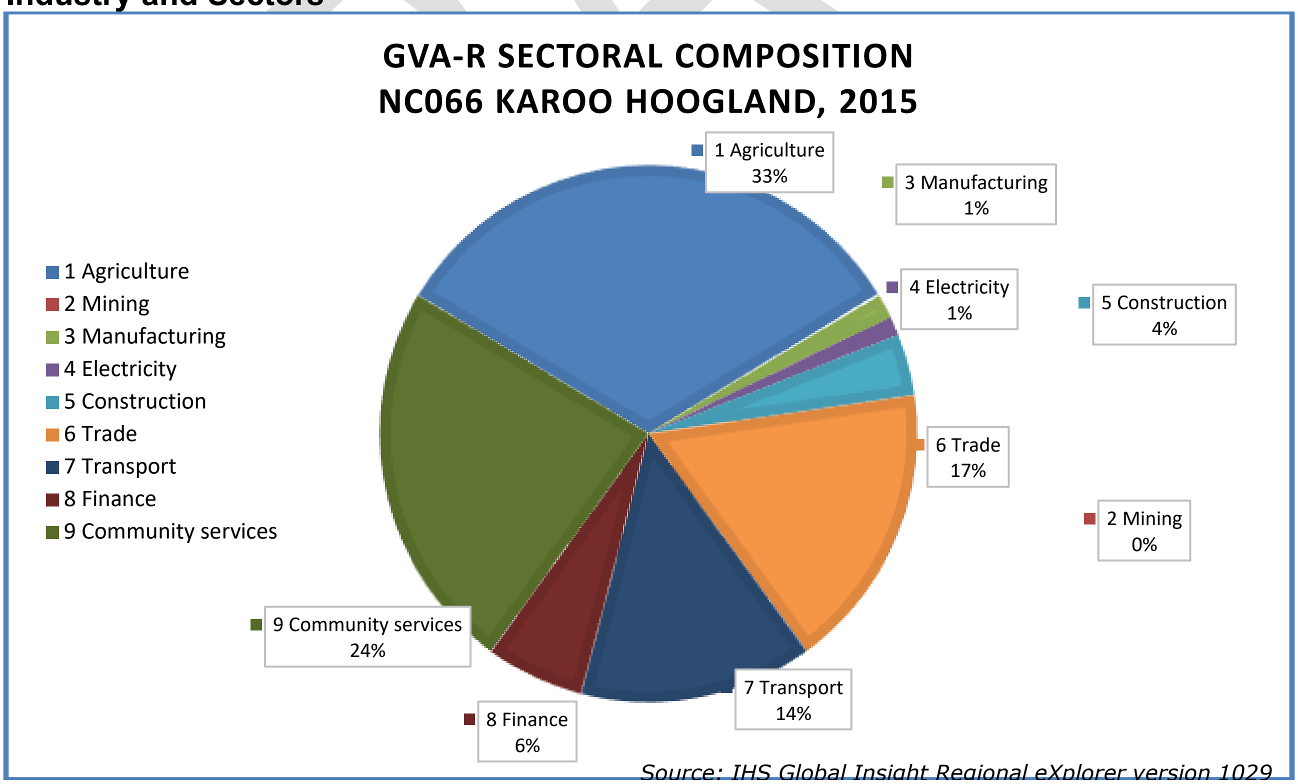


Income Distribution



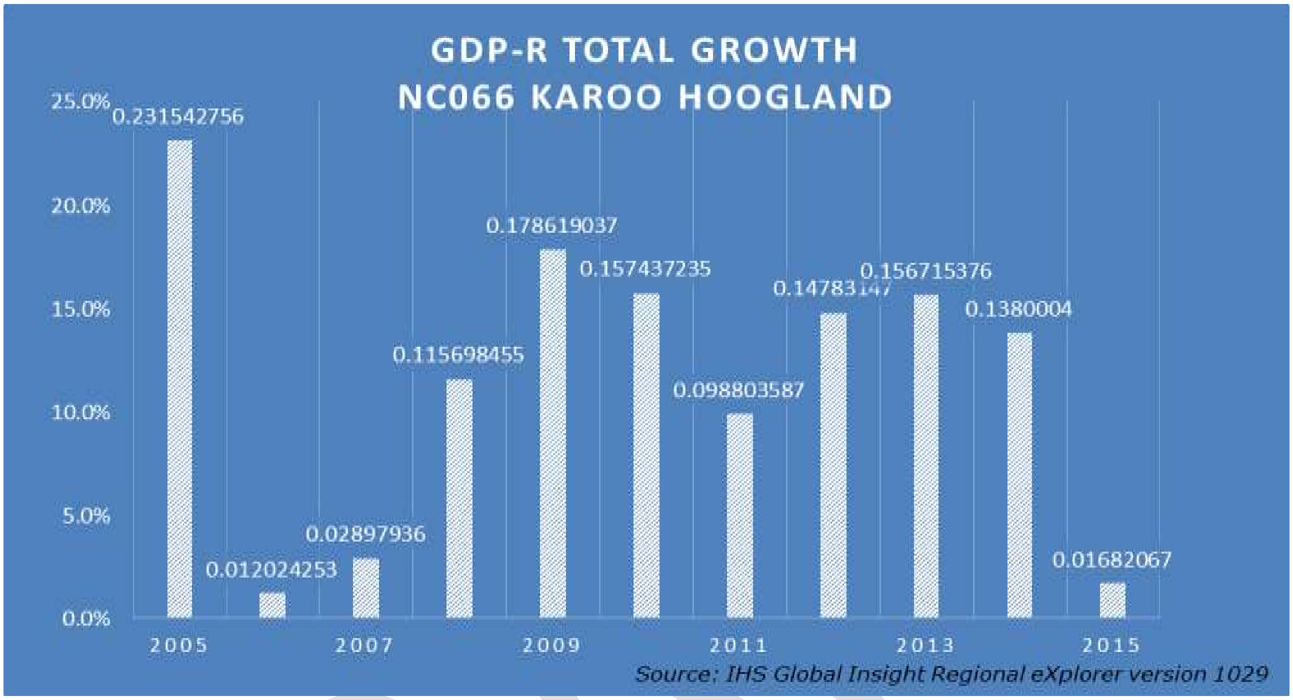
The biggest income groups per household between 2010 and 2011 were in the R42000-R54000 bracket and steady decline in the outer years, with a sharp increase in the R54000 – R72000 group in 2012. The group with the steadiest growth of income over the period was the R96000-R132000 group as indicated in the graph below. This means that the income of households progressed steadily over the last 10 years. This indicated an improvement in the livelihoods of the people of Karoo Hoogland

Industry and Sectors



In the graph below it still shows that the Agriculture sector (33%) contributes the most in terms of the GVA in 2015. The second sector in terms of contribution is the Community services sector with 24% and in the third place it is the Trade sector with 17%. The sectors that contributed the least were the mining (0%), electricity (1%) and manufacturing (1%).

Gross Domestic Product



Gross Domestic Product Growth

The GDP growth in Karoo Hoogland was fairly consistent over the years since 1996 till 2014. The rate ranges from nearly 2, 2% in 2005 to 0.02% in 1998. The periods when droughts or other factors have played a part can be seen in the periodic declines in 1998, 2002, 2006, 2015.These effects are being felt due to the fact that the main sector contributors are agriculture and community services. On average the growth over the period was 0,9% which shows the consistent contribution by the agriculture sector over this time period. The steepest decline was experienced during 2005 and 2015 during drought years.

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Economic Governance & Infrastructure	Quality of Life Improvement	▪ Overcome backlogs in service delivery ▪ Implement opportunities for bulk infrastructure development ▪ Improve access to health care and education

PROJECT PRIORITIZATION MATRIX

The project prioritization matrix can be used as a tool to identify projects the Municipality can prioritize in the IDP and LED strategy.

OTHER OPPORTUNITIES

The above opportunity scan only focussed on three of the nine economic sectors as well as the Tourism Industry. The fact that the other sectors were not included in the opportunity analysis does not mean that these sectors have no potential for development within the Karoo Hoogland LM but rather that these sectors have less potential for development. It is important to note that there are a number of opportunities within these sectors; however the following are seen as the most prominent:

- Mining
    - There is no mining and quarrying taking place in Karoo Hoogland LM. There are opportunities in the area but feasibility studies would need to be done to ensure it does not interfere with the other activities in the area (such as the telescope and astronomy activities).
    - Uranium, Gypsum and gas/oil mining if proven to be feasible
    - Copper and silver are found on Klein Witkraal op Kapgat 724, Klein Kookfontein 137, Droogfoots Fontein 356 and Arbeiders Fontein 150
    - Calcite is found on the farms Annex Kransfontein 721 and Arbeiders Fontein 150
    - Aggregate and building material is found on the farms Brassefontein 371 and Wit Klip 372
- Development of an SMME strategy.

ADDRESSING LED CONSTRAINTS

Some of the weaknesses identified in the SWOT analysis are not controllable, such as climate. Others, however, can be managed and improved as part of a comprehensive strategy to address supply-side factors and attract investors. Furthermore, many of the threats identified are similarly not easily controllable. They can, however, be monitored and, for example, attempts can be made at halting degeneration (that is gradual decline and closing of certain economic activities). This section, thus, deals with addressing internal constraints to LED, and with regenerating sectors suffering decline. In order to support and enhance the viability of LED projects in the Karoo Hoogland Local Municipal area an "integrated development platform" or a generally enabling environment is needed. This will require addressing, where possible, major constraints to economic development, such as:

- The state of municipality in terms of service provision. This includes human and financial capacity to deliver basic services to the population. This cuts across the roles of the Namakwa District Municipality, the Karoo Hoogland Local Municipality, and the other Local municipalities.

- The status of institutions. The Karoo Hoogland LM is extremely willing to undertake LED initiatives but none-the-less, there remains much room for improvement in terms of the human and financial capacity (see Section 3 above) to undertake feasibility studies, draw up business plans and attract suitable investors for LED projects.
- Available infrastructure. Infrastructure is a major constraint to LED in the Karoo Hoogland Local Municipality. Efforts to improve road, rail, and air transport are essential. This can continue to be achieved through the EPWP, thus ensuring that Local benefits of any infrastructural construction work are maximised. These types of initiatives will also increase potential for retail sector, for example through increased One-Stop style service stations, particularly along the N7.
- Spatial orientation. The large geographic area covered by Karoo Hoogland Local Municipality is an inherent challenge to LED in the area. The effect of this can, however, be limited to a certain extent through the use of modern technology (i.e. improved telecommunications infrastructure and skills are needed) and through improved transport infrastructure and services.
- Environmental constraints. There are a number of Protected Areas in the Karoo Hoogland Local Municipality. These are, however, seen as valuable tourism and environmental assets.
- Land availability. Land reform is seen to be failing in the area, as claims take years to be processed and many land claim beneficiaries have failed at attempts at farming, for example.
- Supporting institutions. This is an area which is a severe inhibiter of economic development in the Karoo Hoogland Local Municipality, which lacks tertiary education and research and development institutions. Those who can afford to, leave the area for other provinces with better educational facilities, many of whom do not return. This has a negative impact on the quality of labour in the Karoo Hoogland Local Municipality. If the Karoo Hoogland Local Municipality is to realise its goal of diversifying the economy by incorporating more secondary and tertiary economic activities, tertiary education needs to be prioritised through bursary programmes.
- Water supply potential. Water supply in the area is limited and any developments need to take cognisance of this limitation and implement environmentally friendly and water-efficient building, manufacturing and farming technologies.
- Power supply. The Karoo Hoogland LM faces the same energy constraints as the rest of South Africa, placing a limitation on any extremely energy intensive projects. Furthermore, the dispersed nature of the area is reflected by the energy distribution grid and new developments in previously underdeveloped areas will need to take cognisance of costs related to extending distribution systems

The Namakwa DM has a number of projects that aim to support overall LED within the District, including a Business Database which is up and running, an active LED Forum, and an active SEDA. There are plans in place to undertake road shows aimed at informing the public of available business development and business support services available to Local SMMEs and entrepreneurs.

6.4 KPA 3: FINANCIAL VIABILITY

The following budget principles and guidelines directly informed the compilation of the 2024/ 2025 MTREF:

- mSCOA is now a reality and an integral part of municipal administration, therefore the budget was compiled from scratch too ensure that the budget is in accordance to the new chart of accounts.
- The 2024/25 Budget priorities and targets, as well as the base line allocations contained in the Budget were adopted as the upper limits for the new baselines for the 2024/ 2025 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity and employee related costs. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- That service tariff increases be provisionaly limited to 4.9% except for electricity which is limited to 12.72% provisionaly.

1.1 OPERATING REVENUE FRAMEWORK

For Karoo Hoogland Municipality to continue improving the quality of services provided to its citizens, it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality’s revenue strategy is built around the following key components:

- National Treasury’s guidelines and macro-economic policy;

- Growth in the KHM and continued economic development;
- Efficient revenue management, which aims to ensure a 81 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the KHM.

The following table is a summary of the 2023 / 2024 MTREF (classified by main revenue source):

TABLE 1 SUMMARY OF REVENUE CLASSIFIED BY MAIN REVENUE SOURCE

NC066 Karoo Hoogland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source											
Property rates	2	11,202	7,209	6,850	7,824	9,303	9,303	9,303	7,735	8,106	8,463
Service charges - electricity revenue	2	9,902	10,506	10,928	12,539	12,938	12,938	13,218	13,401	14,044	14,662
Service charges - water revenue	2	3,992	3,232	3,731	4,158	4,198	4,198	4,688	4,395	4,606	4,809
Service charges - sanitation revenue	2	3,009	2,890	3,372	3,562	3,592	3,592	4,797	3,764	3,945	4,118
Service charges - refuse revenue	2	2,273	2,282	2,551	2,549	2,769	2,769	2,769	2,902	3,041	3,175
Rental of facilities and equipment		419	591	622	507	587	587	587	541	567	592
Interest earned - external investments		(1,726)	270	199	305	395	395	395	583	611	638
Interest earned - outstanding debtors		2,496	2,284	2,617	2,678	2,928	2,928	2,928	3,252	3,028	3,162
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1	1	4	13	43	43	43	13	14	14
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	–	99	52	52	52	52	60	63	66
Transfers and subsidies		22,029	26,611	32,765	29,477	29,477	29,477	29,477	35,449	35,358	37,759
Other revenue	2	2,313	1,426	1,690	1,160	620	620	620	1,104	1,157	1,208
Gains		–	–	–	0	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**55,911**	**57,301**	**65,427**	**64,825**	**66,903**	**66,903**	**68,878**	**73,199**	**74,540**	**78,664**

TABLE 2 OPERATING TRANSFERS AND GRANT RECEIPTS

NC066 Karoo Hoogland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		34 806	10 290	37 551	23 537	25 076	25 076	26 087	26 930	27 016
Executive and council		27 731	2 910	30 638	3 351	3 717	3 717	3 796	3 960	4 094
Finance and administration		7 075	7 380	6 913	20 185	21 359	21 359	22 292	22 971	22 922
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		1 674	1 568	1 376	28	27	27	32	30	56
Community and social services		1 674	1 565	1 376	26	25	25	26	28	54
Sport and recreation		–	3	–	2	2	2	5	2	2
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		9 981	14 673	12 430	9 683	9 099	9 099	9 851	8 842	9 198
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		9 981	14 673	12 430	9 683	9 099	9 099	9 851	8 842	9 198
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		22 584	57 336	37 919	71 958	65 085	65 085	77 964	88 909	61 098
Energy sources		11 130	26 365	12 865	22 179	20 612	20 612	25 466	25 498	26 269
Water management		4 397	23 562	16 495	24 861	24 444	24 444	31 559	41 897	12 341
Waste water management		4 003	4 145	5 099	11 062	10 488	10 488	10 961	11 271	11 670
Waste management		3 054	3 263	3 460	13 856	9 542	9 542	9 978	10 243	10 818
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	69 045	83 866	89 275	105 206	99 287	99 287	113 934	124 712	97 369

NC066 Karoo Hoogland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	69 045	83 866	89 275	105 206	99 287	99 287	113 934	124 712	97 369
Expenditure - Functional										
Governance and administration		35 843	41 257	58 608	39 102	37 409	37 409	39 116	40 102	40 171
Executive and council		18 628	5 847	11 910	14 923	17 067	17 067	17 968	18 169	18 204
Finance and administration		17 215	35 409	46 698	24 179	20 342	20 342	21 148	21 933	21 967
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		13 632	12 659	2 146	2 247	2 197	2 197	2 298	2 399	2 407
Community and social services		12 064	11 917	1 247	1 363	1 371	1 371	1 436	1 501	1 503
Sport and recreation		1 547	720	899	858	797	797	832	868	874
Public safety		21	21	–	26	29	29	29	31	31
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		5 699	6 269	7 129	6 429	6 312	6 312	5 965	6 526	6 609
Planning and development		730	(100)	954	1 024	871	871	1 051	1 092	1 092
Road transport		4 969	6 369	6 176	5 405	5 441	5 441	4 914	5 434	5 517
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		21 093	21 821	21 903	39 070	40 342	40 342	34 239	34 863	37 086
Energy sources		11 015	15 666	15 218	24 226	23 562	23 562	17 323	19 494	21 548
Water management		1 873	1 862	1 044	4 829	5 522	5 522	7 165	4 889	4 975
Waste water management		3 266	1 980	2 332	6 390	6 981	6 981	5 389	5 932	6 010
Waste management		4 940	2 313	3 309	3 626	4 277	4 277	4 362	4 548	4 552
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	76 268	82 005	89 786	86 849	86 260	86 260	81 618	83 889	86 272
Surplus/(Deficit) for the year		(7 223)	1 861	(511)	18 357	13 027	13 027	32 316	40 823	11 097

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the KHM.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the KHM is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the KHM has undertaken the tariff setting process relating to service charges as follows.

1.1.1 PROPOSED TARIFFS

The proposed tariffs are per the tariff structure of KHM.

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA).
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy, depending on the market value of the property
- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 50 % will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:

- The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;

- The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;

- The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and

- The property must be categorized as residential.

• The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

1.1.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

• Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;

• Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and

• Water tariffs are designed to encourage efficient and sustainable consumption.

In addition, National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective.

Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

The tariff structure of the 2024/2025 financial year has not been changed. The tariff structure is designed to charge higher levels of consumption at a higher rate. A drought tariff has been implemented when the municipality is facing water supply challenges due to drought. This will ultimately just effect consumers whose consumption per month exceeds 50 kl.

1.1.3 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure.

Considering the Eskom increases, the consumer tariff will be increased inline with the guidance received from NERSA after effecting ESKOM increments as from 1 July 2024

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2018. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). The KHM has entered into discussions with NERSA regarding the suitability of the NERSA proposed stepped tariffs compared to those already being implemented by the KHM. Until the discussions are concluded, the KHM will maintain the current structure of its electricity tariffs.

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the KHM. Most of the suburbs and inner KHM reticulation network was designed or strengthened in the early 1980’s with an expected 20-25-year life-expectancy. The upgrading of the Fraserburg electricity network has therefore become a strategic priority, especially the substations and transmission lines.

The approved budget for the Electricity Division can only be utilized for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply). It is estimated that special funding for electricity bulk infrastructure to the amount of R16 million over five years will be necessary to steer the KHM out of this predicament.

1.1.4 Sanitation and Impact of Tariff Increases

A tariff increase of 4.9 for sanitation from 1 July 2024 is proposed. This is based on the input cost assumptions related to water. It should be noted that electricity costs contribute approximately 4.9% of waste water treatment input costs, therefore the higher than CPI is actually needed as an increase for sanitation tariffs.

1.1.5 Waste Removal and Impact of Tariff Increases

A 4.9% percent increase in the waste removal tariff is proposed from 1 July 2024. This is due to the above inflation rate.

1.1.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills will be between 5 %.

1.2 OPERATING EXPENDITURE FRAMEWORK

The KHM's expenditure framework for the 2024/2025 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to sewerage,water and sport facilities
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high-level summary of the 2024/2025 budget and MTREF (classified per main type of operating expenditure):

Table 3 Summary of operating expenditure by standard classification item

NC066 Karoo Hoogland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional										
Governance and administration		**34,792**	**34,667**	**41,656**	**18,237**	**17,620**	**17,620**	**21,769**	**22,786**	**23,854**
Executive and council		8,927	23,073	28,035	2,825	3,134	3,134	3,214	3,314	3,447
Finance and administration		25,866	11,594	13,621	15,412	14,485	14,485	18,554	19,472	20,407
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**41**	**1,996**	**1,674**	**1,516**	**1,513**	**1,513**	**1,236**	**38**	**39**
Community and social services		40	1,996	1,674	1,515	1,512	1,512	1,234	36	37
Sport and recreation		1	0	–	2	2	2	2	2	2
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**(221)**	**–**	**9,981**	**0**	**8,276**	**8,276**	**9,635**	**8,734**	**8,916**
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		(221)	–	9,981	0	8,276	8,276	9,635	8,734	8,916
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**30,077**	**30,968**	**22,584**	**63,348**	**55,991**	**55,991**	**71,121**	**53,716**	**56,861**
Energy sources		12,127	13,189	11,130	17,920	18,421	18,421	19,339	22,041	23,208
Water management		11,570	11,792	4,397	28,084	19,988	19,988	32,719	11,387	12,083
Waste water management		3,596	3,347	4,003	9,255	9,266	9,266	10,010	10,644	11,308
Waste management		2,784	2,640	3,054	8,089	8,316	8,316	9,054	9,643	10,262
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	**64,689**	**67,631**	**75,895**	**83,101**	**83,400**	**83,400**	**103,761**	**85,274**	**89,670**
Expenditure - Functional										
Governance and administration		**16,659**	**37,426**	**35,843**	**31,962**	**32,058**	**32,058**	**37,229**	**37,436**	**39,084**
Executive and council		10,380	8,710	18,628	13,151	11,998	11,998	13,513	13,988	14,233
Finance and administration		6,279	28,716	17,215	18,812	20,060	20,060	23,717	23,448	24,851
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		**1,936**	**2,776**	**13,632**	**2,531**	**2,179**	**2,179**	**2,161**	**2,258**	**2,357**
Community and social services		1,395	2,043	12,064	1,664	1,253	1,253	1,426	1,490	1,556
Sport and recreation		540	733	1,547	828	886	886	710	742	774
Public safety		–	–	21	40	40	40	25	26	27
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		**4,848**	**8,169**	**5,699**	**7,365**	**7,367**	**7,367**	**6,857**	**7,164**	**6,936**
Planning and development		1,067	915	730	–	–	–	0	–	–
Road transport		3,781	7,255	4,969	7,365	7,367	7,367	6,857	7,164	6,936
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		**17,195**	**21,424**	**21,093**	**30,958**	**31,477**	**31,477**	**33,966**	**36,125**	**37,845**
Energy sources		11,192	11,151	11,015	15,176	15,953	15,953	17,415	19,297	20,359
Water management		1,323	5,203	1,873	6,937	6,303	6,303	7,598	7,426	7,714
Waste water management		2,828	3,137	3,266	6,153	5,906	5,906	6,267	6,319	6,552
Waste management		1,852	1,933	4,940	2,691	3,314	3,314	2,686	3,084	3,219
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	**40,638**	**69,795**	**76,268**	**72,816**	**73,080**	**73,080**	**80,213**	**82,982**	**86,222**
Surplus/(Deficit) for the year		**24,052**	**(2,164)**	**(373)**	**10,285**	**10,320**	**10,320**	**23,547**	**2,291**	**3,448**

The budgeted allocation for employee related costs for the 2024/2025 financial year totals R 31 867 000 million, which equals 39 % of the total operating expenditure. Based on the three-year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 4.8% for the 2024 /2025 financial year. An annual increase of 4.6 % and 4.6 % has been included in the two outer years of the MTREF.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the KHM's budget.

The provision of debt impairment was determined based on an annual collection rate of 81 per cent and the Debt Write-off Policy of the KHM. For the 2024/2025 financial year this amount equates to R 5.9 million. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard is a total of R9.5 million for the 2023 / 2024 financial year. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.).

The following graph gives a breakdown of the main expenditure categories for the 2023 / 2024 financial year.

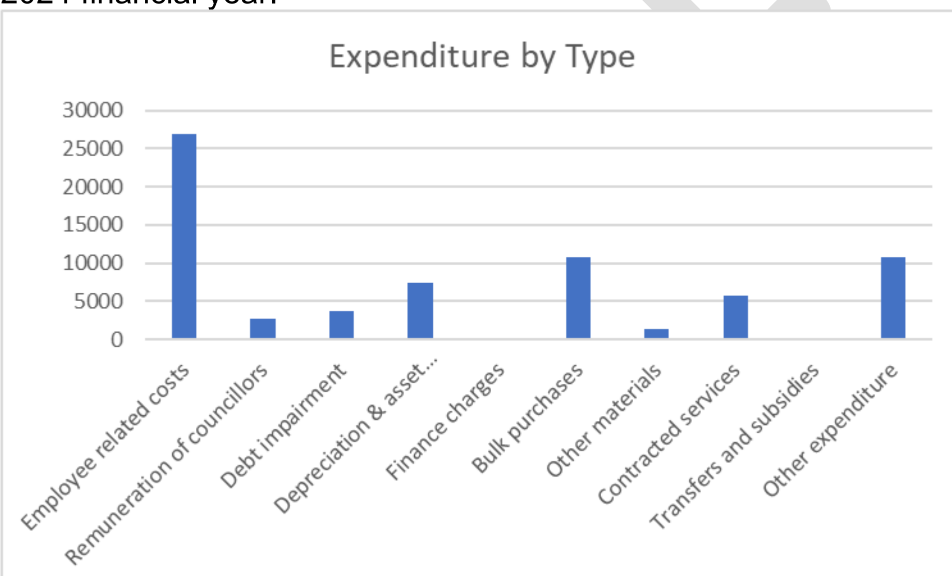

FIGURE 1 MAIN OPERATIONAL EXPENDITURE CATEGORIES FOR THE 2023 / 2024 FINANCIAL YEAR

1.2.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the KHM's current infrastructure, the 2023 / 2024 budget and MTREF provide for extensive growth in the area of asset maintenance, as informed by the asset renewal strategy and repairs and maintenance plan of the KHM. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

For the 2023 / 2024 financial year, only R2.1 Mil will be spent on maintenance of infrastructure assets. This is still considered to be insufficient to maintain the assets adequately due to backlog maintenance

1.2.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the KHM's Indigent Policy. Detail relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement) on page 38.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.3 CAPITAL EXPENDITURE

Due to financial constraints, it was not possible to provide funding for capital projects from our own sources. Only four projects could be included which are funded from National Grants.:

Williston upgrade of streets	**R 6 770 775**
Fraseburg Sewerage Reticulation	**R 13 000 000**
Williston Sport Facilities	**R 9 000 000**
Total	**R 28 770 775**

1.4 ANNUAL BUDGET TABLES - PARENT MUNICIPALITY

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2022 / 2023 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 4 MBRR Table A1 - Budget Summary

NC066 Karoo Hoogland - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates	**5,799**	6,492	8,398	7,147	7,147	7,147	7,147	7,468	7,891	8,254
Service charges	16,237	16,407	18,182	19,259	19,932	19,932	19,932	21,594	22,544	23,581
Investment revenue	348	317	762	309	309	309	309	297	311	325
Transfers recognised - operational	23,759	22,961	24,522	26,434	26,262	26,262	26,262	30,001	31,259	32,737
Other own revenue	3,940	3,461	3,466	5,939	4,906	4,906	4,906	3,936	3,977	4,161
Total Revenue (excluding capital transfers and contributions)	50,082	49,638	55,330	59,088	58,556	58,556	58,556	63,296	65,981	69,058
Employee costs	20,120	21,463	24,199	27,074	26,624	26,624	26,624	26,969	28,563	30,354
Remuneration of councillors	2,129	2,524	2,550	2,674	2,674	2,674	2,674	2,763	2,862	2,969
Depreciation & asset impairment	7,202	8,810	7,696	7,500	7,500	7,500	7,500	7,500	7,574	7,651
Finance charges	1,274	1,232	3,755	244	244	244	244	134	126	115
Materials and bulk purchases	9,961	9,299	9,839	10,612	10,212	10,212	10,212	12,120	12,682	13,271
Transfers and grants	–	–	–	539	336	336	336	197	42	46
Other expenditure	18,737	16,834	16,751	17,482	16,427	16,427	16,427	20,303	20,788	21,624
Total Expenditure	59,423	60,163	64,789	66,125	64,017	64,017	64,017	69,986	72,636	76,030
Surplus/(Deficit)	(9,341)	(10,525)	(9,460)	(7,037)	(5,461)	(5,461)	(5,461)	(6,690)	(6,654)	(6,972)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	9,414	21,454	58,520	35,087	10,087	10,087	10,087	8,065	20,352	10,562
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	73	10,929	49,061	28,050	4,626	4,626	4,626	1,376	13,698	3,590
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	73	10,929	49,061	28,050	4,626	4,626	4,626	1,376	13,698	3,590
Capital expenditure & funds sources										
Capital expenditure	**11,240**	22,221	53,607	35,087	10,087	10,087	10,087	8,766	20,765	10,628
Transfers recognised - capital	**10,150**	20,688	53,478	35,087	10,087	10,087	10,087	8,065	20,352	10,562
Borrowing	**–**	–	–	–	–	–	–	–	–	–
Internally generated funds	**1,090**	1,534	130	–	0	0	–	701	413	66
Total sources of capital funds	**11,240**	22,221	53,607	35,087	10,087	10,087	10,087	8,766	20,765	10,628
Financial position										
Total current assets	**8,306**	10,609	22,642	12,434	12,434	12,434	12,434	20,336	21,272	22,250
Total non current assets	**221,372**	231,249	277,980	266,601	241,601	241,601	241,601	240,517	248,607	256,907
Total current liabilities	**10,326**	23,347	17,136	8,211	8,211	8,211	8,211	9,778	8,181	8,543
Total non current liabilities	**56,461**	47,405	63,319	58,429	56,464	56,464	56,464	60,591	63,078	65,677
Community wealth/Equity	**162,891**	171,106	220,167	212,395	189,360	189,360	189,360	190,484	198,620	204,936
Cash flows										
Net cash from (used) operating	**11,542**	21,851	57,427	38,465	16,576	16,576	16,576	8,388	19,853	11,049
Net cash from (used) investing	**(7,878)**	(22,322)	(53,361)	(35,087)	(10,087)	(10,087)	(10,087)	(8,065)	(20,352)	(10,562)
Net cash from (used) financing	**–**	(634)	(507)	(303)	(303)	(303)	(303)	(286)	(286)	(286)
Cash/cash equivalents at the year end	**3,520**	2,414	5,974	9,049	12,160	12,160	12,160	2,526	1,741	1,942
Cash backing/surplus reconciliation										
Cash and investments available	**3,520**	2,414	5,974	2,479	2,479	2,479	2,479	5,974	6,249	6,537
Application of cash and investments	**5,633**	5,023	8,122	(7,357)	(7,734)	(7,734)	(7,734)	(4,777)	(6,973)	(7,289)
Balance - surplus (shortfall)	**(2,113)**	(2,609)	(2,148)	9,836	10,213	10,213	10,213	10,751	13,222	13,826
Asset management										
Asset register summary (WDV)	**222,698**	268,800	262,423	237,423	237,423	237,423	237,423	240,386	248,469	256,763
Depreciation	**7,203**	8,864	7,696	7,500	7,500	7,500	7,500	7,500	7,574	7,651
Renewal and Upgrading of Existing Assets	**–**	–	–	–	0	0	0	–	–	–
Repairs and Maintenance	**1,779**	1,166	1,341	1,536	1,536	1,536	1,536	1,659	1,941	1,910
Free services										
Cost of Free Basic Services provided	**–**	3,006	4,043	3,917	3,917	3,917	4,871	4,871	5,095	5,330
Revenue cost of free services provided	**–**	505	4,240	1,582	1,582	1,582	1,783	1,783	1,865	1,951
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the KHM's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
    a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
    b. Capital expenditure is balanced by capital funding sources, of which
        i. Transfers recognised is reflected on the Financial Performance Budget;
        ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
        iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently, Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2023/24, when a small surplus is reflected.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase.

TABLE 5 MBRR TABLE A2 - BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY STANDARD CLASSIFICATION)

NC066 Karoo Hoogland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue - Functional										
Governance and administration		34,792	34,667	41,656	18,237	17,620	17,620	21,769	22,786	23,854
Executive and council		8,927	23,073	28,035	2,825	3,134	3,134	3,214	3,314	3,447
Finance and administration		25,866	11,594	13,621	15,412	14,485	14,485	18,554	19,472	20,407
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		41	1,996	1,674	1,516	1,513	1,513	1,236	38	39
Community and social services		40	1,996	1,674	1,515	1,512	1,512	1,234	36	37
Sport and recreation		1	0	–	2	2	2	2	2	2
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		(221)	–	9,981	0	8,276	8,276	9,635	8,734	8,916
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		(221)	–	9,981	0	8,276	8,276	9,635	8,734	8,916
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		30,077	30,968	22,584	63,348	55,991	55,991	71,121	53,716	56,861
Energy sources		12,127	13,189	11,130	17,920	18,421	18,421	19,339	22,041	23,208
Water management		11,570	11,792	4,397	28,084	19,988	19,988	32,719	11,387	12,083
Waste water management		3,596	3,347	4,003	9,255	9,266	9,266	10,010	10,644	11,308
Waste management		2,784	2,640	3,054	8,089	8,316	8,316	9,054	9,643	10,262
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	64,689	67,631	75,895	83,101	83,400	83,400	103,761	85,274	89,670
Expenditure - Functional										
Governance and administration		16,659	37,426	35,843	31,962	32,058	32,058	37,229	37,436	39,084
Executive and council		10,380	8,710	18,628	13,151	11,998	11,998	13,513	13,988	14,233
Finance and administration		6,279	28,716	17,215	18,812	20,060	20,060	23,717	23,448	24,851
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		1,936	2,776	13,632	2,531	2,179	2,179	2,161	2,258	2,357
Community and social services		1,395	2,043	12,064	1,664	1,253	1,253	1,426	1,490	1,556
Sport and recreation		540	733	1,547	828	886	886	710	742	774
Public safety		–	–	21	40	40	40	25	26	27
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		4,848	8,169	5,699	7,365	7,367	7,367	6,857	7,164	6,936
Planning and development		1,067	915	730	–	–	–	0	–	–
Road transport		3,781	7,255	4,969	7,365	7,367	7,367	6,857	7,164	6,936
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		17,195	21,424	21,093	30,958	31,477	31,477	33,966	36,125	37,845
Energy sources		11,192	11,151	11,015	15,176	15,953	15,953	17,415	19,297	20,359
Water management		1,323	5,203	1,873	6,937	6,303	6,303	7,598	7,426	7,714
Waste water management		2,828	3,137	3,266	6,153	5,906	5,906	6,267	6,319	6,552
Waste management		1,852	1,933	4,940	2,691	3,314	3,314	2,686	3,084	3,219
Other	4	–	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	40,638	69,795	76,268	72,816	73,080	73,080	80,213	82,982	86,222
Surplus/(Deficit) for the year		24,052	(2,164)	(373)	10,285	10,320	10,320	23,547	2,291	3,448

Table 6 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

NC066 Karoo Hoogland - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue by Vote	1									
Vote 1 - Executive and Council		8,927	22,793	27,729	2,825	3,134	3,134	3,214	3,314	3,447
Vote 2 - Directorate Corporate Services		10	1,740	1,665	1,514	1,512	1,512	1,233	35	36
Vote 3 - Directorate Financial Services		25,455	11,248	13,237	14,837	13,820	13,820	17,958	18,847	19,754
Vote 4 - Directorate Infrastructure Services		30,298	31,850	33,264	63,925	64,934	64,934	81,356	63,078	66,433
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**64,689**	**67,631**	**75,895**	**83,101**	**83,400**	**83,400**	**103,761**	**85,274**	**89,670**
Expenditure by Vote *to be appropriated*	1									
Vote 1 - Executive and Council		10,358	8,710	17,638	13,151	11,998	11,998	13,513	13,988	14,233
Vote 2 - Directorate Corporate Services		1,344	2,043	861	1,497	1,237	1,237	1,252	1,308	1,366
Vote 3 - Directorate Financial Services		14,462	27,727	17,094	18,122	18,747	18,747	23,285	22,891	23,731
Vote 4 - Directorate Infrastructure Services		23,316	31,314	29,475	40,047	41,097	41,097	42,163	44,795	46,893
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	11,200	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	**49,480**	**69,795**	**76,268**	**72,816**	**73,080**	**73,080**	**80,213**	**82,982**	**86,222**
Surplus/(Deficit) for the year	2	**15,209**	**(2,164)**	**(373)**	**10,285**	**10,320**	**10,320**	**23,547**	**2,291**	**3,448**

TABLE 7 MBRR TABLE A4 - BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE)

NC066 Karoo Hoogland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Revenue By Source											
Property rates	2	11,202	7,209	6,850	7,824	9,303	9,303	9,303	7,735	8,106	8,463
Service charges - electricity revenue	2	9,902	10,506	10,928	12,539	12,938	12,938	13,218	13,401	14,044	14,662
Service charges - water revenue	2	3,992	3,232	3,731	4,158	4,198	4,198	4,688	4,395	4,606	4,809
Service charges - sanitation revenue	2	3,009	2,890	3,372	3,562	3,592	3,592	4,797	3,764	3,945	4,118
Service charges - refuse revenue	2	2,273	2,282	2,551	2,549	2,769	2,769	2,769	2,902	3,041	3,175
Rental of facilities and equipment		419	591	622	507	587	587	587	541	567	592
Interest earned - external investments		(1,726)	270	199	305	395	395	395	583	611	638
Interest earned - outstanding debtors		2,496	2,284	2,617	2,678	2,928	2,928	2,928	3,252	3,028	3,162
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		1	1	4	13	43	43	43	13	14	14
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		–	–	99	52	52	52	52	60	63	66
Transfers and subsidies		22,029	26,611	32,765	29,477	29,477	29,477	29,477	35,449	35,358	37,759
Other revenue	2	2,313	1,426	1,690	1,160	620	620	620	1,104	1,157	1,208
Gains		–	–	–	0	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)		**55,911**	**57,301**	**65,427**	**64,825**	**66,903**	**66,903**	**68,878**	**73,199**	**74,540**	**78,664**
Expenditure By Type											
Employee related costs	2	24,102	25,063	27,294	28,375	27,847	27,847	27,847	28,030	29,282	30,052
Remuneration of councillors		2,688	2,633	2,651	4,119	4,081	4,081	4,081	4,421	4,490	4,816
Debt impairment	3	–	178	907	3,936	3,936	3,936	3,936	5,936	5,906	5,993
Depreciation & asset impairment	2	–	12,242	12,199	9,500	9,500	9,500	9,500	9,500	9,926	10,361
Finance charges		100	2,909	2,625	90	105	105	105	85	89	94
Bulk purchases - electricity	2	8,548	9,482	10,163	10,811	10,611	10,611	10,611	11,534	12,226	12,959
Inventory consumed	8	1,502	1,380	1,072	1,447	1,227	1,227	1,227	1,515	1,583	1,652
Contracted services		5,325	3,031	6,312	6,747	7,615	7,615	7,615	7,592	7,933	8,291
Transfers and subsidies		199	134	175	67	122	122	122	64	66	7
Other expenditure	4, 5	7,015	11,427	12,871	7,725	8,037	8,037	8,037	11,536	11,483	11,999
Losses		–	1,315	106	0	–	–	–	0	0	0
Total Expenditure		**49,480**	**69,795**	**76,373**	**72,816**	**73,080**	**73,080**	**73,080**	**80,213**	**82,982**	**86,222**
Surplus/(Deficit)		**6,431**	**(12,494)**	**(10,946)**	**(7,991)**	**(6,177)**	**(6,177)**	**(4,202)**	**(7,015)**	**(8,443)**	**(7,558)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		8,779	10,087	8,981	18,276	18,276	18,276	18,276	30,562	10,734	11,006
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	6	–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (in-kind - all)		–	243	1,487	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		**15,209**	**(2,164)**	**(478)**	**10,285**	**12,099**	**12,099**	**14,074**	**23,547**	**2,291**	**3,448**
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		**15,209**	**(2,164)**	**(478)**	**10,285**	**12,099**	**12,099**	**14,074**	**23,547**	**2,291**	**3,448**
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		**15,209**	**(2,164)**	**(478)**	**10,285**	**12,099**	**12,099**	**14,074**	**23,547**	**2,291**	**3,448**
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		**15,209**	**(2,164)**	**(478)**	**10,285**	**12,099**	**12,099**	**14,074**	**23,547**	**2,291**	**3,448**

TABLE 8 MBRR TABLE A5 - BUDGETED CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING SOURCE

Vote Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Directorate Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 3 - Directorate Financial Services		161	6,358	–	70	(3,826)	(3,826)	(3,826)	–	0	0
Vote 4 - Directorate Infrastructure Services		50,107	138,337	–	18,276	156,003	156,003	156,003	21,562	10,734	10,734
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	**50,268**	**144,695**	**–**	**18,346**	**152,176**	**152,176**	**152,176**	**21,562**	**10,734**	**10,734**
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	–	–	–
Vote 2 - Directorate Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 3 - Directorate Financial Services		15	–	–	–	–	–	–	–	–	–
Vote 4 - Directorate Infrastructure Services		–	(2,000)	–	–	–	–	–	9,000	0	0
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		**15**	**(2,000)**	**–**	**–**	**–**	**–**	**–**	**9,000**	**0**	**0**
Total Capital Expenditure - Vote		**50,284**	**142,695**	**–**	**18,346**	**152,176**	**152,176**	**152,176**	**30,562**	**10,734**	**10,734**

TABLE 9 MBRR TABLE A6 - BUDGETED FINANCIAL POSITION

NC066 Karoo Hoogland - Table A6 Budgeted Financial Position

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
ASSETS											
Current assets											
Cash		13,132	1,059	6,921	5,100	7,745	7,745	7,745	12,579	2,464	2,464
Call investment deposits	1	5,122	3,213	1,668	0	1,668	1,668	1,668	0	0	0
Consumer debtors	1	17,235	12,683	13,328	13,554	42,450	42,450	42,450	14,281	14,582	14,582
Other debtors		10,421	6,399	11,203	387	(32,593)	(32,593)	(32,593)	414	515	515
Current portion of long-term receivables		–	–	–	–	–	–	–	–	–	–
Inventory	2	174	188	183	198	1,828	1,828	1,828	1,660	1,706	1,706
Total current assets		**46,083**	**23,542**	**33,302**	**19,240**	**21,099**	**21,099**	**21,099**	**28,934**	**19,267**	**19,267**
Non current assets											
Long-term receivables		1,201	–	-	174	174	174	174	184	195	195
Investments		–	–	–	–	–	–	–	–	–	–
Investment property		33,281	32,732	35,108	29,300	64,408	64,408	64,408	31,300	32,266	32,266
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	247,824	257,095	250,142	263,000	271,270	271,270	271,270	276,461	260,734	260,734
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		4,675	339	293	340	293	293	293	350	365	365
Other non-current assets		–	–	–	–	–	–	–	0	–	–
Total non current assets		**286,980**	**290,167**	**285,543**	**292,814**	**336,145**	**336,145**	**336,145**	**308,295**	**293,560**	**293,560**
TOTAL ASSETS		**333,063**	**313,709**	**318,845**	**312,054**	**357,243**	**357,243**	**357,243**	**337,229**	**312,827**	**312,827**
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	2,174	367	347	301	301	301	301	301	301	301
Consumer deposits		340	425	511	310	435	435	435	308	323	323
Trade and other payables	4	79,732	14,821	21,672	14,498	2,527	2,527	2,527	3,401	2,260	2,260
Provisions		13,807	34,126	29,311	930	973	973	973	940	950	950
Total current liabilities		**96,054**	**49,738**	**51,841**	**16,039**	**4,237**	**4,237**	**4,237**	**4,950**	**3,834**	**3,834**
Non current liabilities											
Borrowing		–	1,442	1,095	1,219	2,427	2,427	2,427	2,407	2,586	2,586
Provisions		45,407	2,301	1,989	35,527	35,527	35,527	35,527	36,815	37,426	37,426
Total non current liabilities		**45,407**	**3,743**	**3,084**	**36,746**	**37,954**	**37,954**	**37,954**	**39,222**	**40,012**	**40,012**
TOTAL LIABILITIES		**141,460**	**53,482**	**54,925**	**52,785**	**42,191**	**42,191**	**42,191**	**44,172**	**43,846**	**43,846**
NET ASSETS	5	**191,603**	**260,227**	**263,920**	**259,268**	**315,053**	**315,053**	**315,053**	**293,057**	**268,981**	**268,981**
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		190,298	260,050	263,291	542,558	1,415,870	1,415,870	1,415,870	290,585	273,501	274,657
Reserves	4	–	–	–	–	–	–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	5	**190,298**	**260,050**	**263,291**	**542,558**	**1,415,870**	**1,415,870**	**1,415,870**	**290,585**	**273,501**	**274,657**

Table 10 MBRR Table A7 - Budgeted Cash Flow Statement

NC066 Karoo Hoogland - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	6,474	6,474	6,474	6,474	7,199	7,074	7,074
Service charges		–	18,390	11,615	20,222	20,222	20,222	20,222	20,485	21,480	21,480
Other revenue		–	–	–	1,732	1,731	1,731	1,731	2,325	2,632	2,632
Transfers and Subsidies - Operational	1	–	–	–	29,477	29,477	29,477	29,477	31,132	31,377	31,377
Transfers and Subsidies - Capital	1	–	–	–	18,372	18,372	18,372	18,372	17,662	8,838	8,838
Interest		–	–	–	2,984	2,984	2,984	2,984	3,100	3,230	3,230
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(14,612)	(30,915)	(48,458)	(52,935)	(57,709)	(57,709)	(57,709)	(64,323)	(67,025)	(67,025)
Finance charges		–	–	–	(90)	(90)	(90)	(90)	(92)	(93)	(93)
Transfers and Grants	1	–	–	–	(67)	(67)	(67)	(67)	(69)	(72)	(72)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(14,612)**	**(12,525)**	**(36,844)**	**26,170**	**21,395**	**21,395**	**21,395**	**17,417**	**7,442**	**7,442**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		(3)	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	–	(18,346)	(18,346)	(18,346)	(18,346)	(10,562)	(10,734)	(10,734)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(3)**	**–**	**–**	**(18,346)**	**(18,346)**	**(18,346)**	**(18,346)**	**(10,562)**	**(10,734)**	**(10,734)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	62	15	–
Payments											
Repayment of borrowing		(200)	(211)	(222)	(301)	(301)	(301)	(301)	(301)	(301)	(301)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(200)**	**(211)**	**(222)**	**(301)**	**(301)**	**(301)**	**(301)**	**(239)**	**(286)**	**(301)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(14,814)**	**(12,736)**	**(37,066)**	**7,523**	**2,747**	**2,747**	**2,747**	**6,616**	**(3,579)**	**(3,594)**
Cash/cash equivalents at the year begin:	2	**2,414**	**5,959**	**4,275**	**4,275**	**8,588**	**8,588**	**8,588**	**5,101**	**11,717**	**8,138**
Cash/cash equivalents at the year end:	2	**(12,400)**	**(6,777)**	**(32,791)**	**11,797**	**11,336**	**11,336**	**11,336**	**11,717**	**8,138**	**4,545**

Table 11 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

NC066 Karoo Hoogland - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available											
Cash/cash equivalents at the year end	1	(12,400)	(6,777)	(32,791)	11,797	11,336	11,336	11,336	11,717	8,138	4,545
Other current investments > 90 days		30,654	11,049	41,380	(6,697)	(1,923)	(1,923)	(1,923)	862	(5,674)	(2,081)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**18,254**	**4,272**	**8,588**	**5,100**	**9,413**	**9,413**	**9,413**	**12,579**	**2,464**	**2,464**
Application of cash and investments											
Unspent conditional transfers		59,936	454	4,176	5,600	3,953	3,953	3,953	5,600	5,600	5,600
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	16,303	(3,458)	(581)	(2,553)	(9,127)	(9,127)	(8,737)	(14,212)	(15,704)	(15,183)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**76,239**	**(3,003)**	**3,595**	**3,047**	**(5,174)**	**(5,174)**	**(4,784)**	**(8,612)**	**(10,104)**	**(9,583)**
Surplus(shortfall)		**(57,985)**	**7,276**	**4,993**	**2,053**	**14,587**	**14,587**	**14,197**	**21,191**	**12,568**	**12,047**

TABLE 12 MBRR TABLE A10 - BASIC SERVICE DELIVERY MEASUREMENT

NC066 Karoo Hoogland - Table A10 Basic service delivery measurement

Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Water:										
Piped water inside dwelling		1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855	1,855
Piped water inside yard (but not in dwelling)		452	452	452	452	452	452	452	452	452
Using public tap (at least min.service level)	2	–	–	–	–	–	–	–	–	–
Other water supply (at least min.service level)	4	–	–	–	–	–	–	–	–	–
Minimum Service Level and Above sub-total		2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
Using public tap (< min.service level)	3	–	–	–	–	–	–	–	–	–
Other water supply (< min.service level)	4	–	–	–	–	–	–	–	–	–
No water supply		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		686	686	686	686	686	686	686	686	686
Flush toilet (with septic tank)		791	791	791	791	791	791	791	791	791
Chemical toilet		–	–	–	–	–	–	–	–	–
Pit toilet (ventilated)		–	–	–	–	–	–	–	–	–
Other toilet provisions (> min.service level)		830	830	830	830	830	830	830	830	830
Minimum Service Level and Above sub-total		2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
Bucket toilet		–	–	–	–	–	–	–	–	–
Other toilet provisions (< min.service level)		–	–	–	–	–	–	–	–	–
No toilet provisions		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**
Energy:										
Electricity (at least min.service level)		180	180	180	180	180	180	180	180	180
Electricity - prepaid (min.service level)		1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155	1,155
Minimum Service Level and Above sub-total		1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335
Electricity (< min.service level)		–	–	–	–	–	–	–	–	–
Electricity - prepaid (< min. service level)		–	–	–	–	–	–	–	–	–
Other energy sources		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**	**1,335**
Refuse:										
Removed at least once a week		2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
Minimum Service Level and Above sub-total		2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
Removed less frequently than once a week		–	–	–	–	–	–	–	–	–
Using communal refuse dump		–	–	–	–	–	–	–	–	–
Using own refuse dump		–	–	–	–	–	–	–	–	–
Other rubbish disposal		–	–	–	–	–	–	–	–	–
No rubbish disposal		–	–	–	–	–	–	–	–	–
Below Minimum Service Level sub-total		–	–	–	–	–	–	–	–	–
Total number of households	5	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**	**2,307**
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		745	745	745	880	880	880	900	900	900
Sanitation (free minimum level service)		745	745	745	880	880	880	900	900	900
Electricity/other energy (50kwh per household per month)		580	580	580	600	600	600	620	620	620
Refuse (removed at least once a week)		745	745	745	880	880	880	900	900	900
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitres per **indigent** household per month)		–	745	1,119	1,057	1,057	1,057	1,959	2,049	2,144
Sanitation (free sanitation service to **indigent households**)		–	980	1,265	1,179	1,179	1,179	1,265	1,323	1,384
Electricity/other energy (50kwh per **indigent** household per month)		–	401	541	598	598	598	442	463	485
Refuse (removed once a week **for indigent households**)		–	880	1,118	1,083	1,083	1,083	1,205	1,260	1,318
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		**–**	**3,006**	**4,043**	**3,917**	**3,917**	**3,917**	**4,871**	**5,095**	**5,330**

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. TABLE A10 PROVIDES AN OVERVIEW OF SERVICE DELIVERY LEVELS, INCLUDING BACKLOGS (BELOW MINIMUM SERVICE LEVEL), FOR EACH OF THE MAIN SERVICES.

Part 2 – Supporting Documentation

1.5 OVERVIEW OF THE ANNUAL BUDGET PROCESS

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

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the KHM's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

1.5.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2016) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required the IDP and budget time schedule in August 2022. Key dates applicable to the process were:

- **January 2023** - Review of the financial strategy and key economic and financial planning assumptions by the Budget Steering Committee. This included financial forecasting and scenario considerations;
- **January 2023** – Council to consider 2021/22 Mid-year Review;
- **February 2023**- Council approved adjustment budget
- **February 2023** – Public Participation
- **March 2023** - Tabling in Council of the draft 2023 / 2024 IDP and 2022 / 2023 MTREF for public consultation;
- **April 2023** – Public consultation;
- **May 2023** - Closing date for written comments;
- **May 2023** – Budget Approval

There were no deviations from the key dates set out in the Budget Time Schedule tabled in Council.

1.5.2 IDP and Service Delivery and Budget Implementation Plan

The IDP and SDBIP was compiled and submitted to the mayor.

1.5.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2023 / 2024 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2023 / 2024 MTREF:

- KHM growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2022/23 budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 122 and 123 has been taken into consideration in the planning and prioritisation process.

1.5.4 Community Consultation

1.6 OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

1. Provision of quality basic services and infrastructure which includes, amongst others:
   - Provide electricity;
   - Provide water;
   - Provide sanitation;
   - Provide waste removal;

- Provide housing;
- Provide roads and storm water;
- Provide public transport;
- Provide KHM planning services; and
- Maintaining the infrastructure of the KHM.

2. Economic growth and development that leads to sustainable job creation by:
   - Ensuring the is a clear structural plan for the KHM;
   - Ensuring planning processes function in accordance with set timeframes;
   - Facilitating the use of labour-intensive approaches in the delivery of services and the building of infrastructure.

3.1 Fight poverty and build clean, healthy, safe and sustainable communities:
- Effective implementation of the Indigent Policy;
- Working with the provincial department of health to provide primary health care services;
- Extending waste removal services and ensuring effective KHM cleansing;
- Ensuring all waste water treatment works are operating optimally;
- Working with strategic partners such as SAPS to address crime;
- Ensuring save working environments by effective enforcement of building and health regulations;
- Promote viable, sustainable communities through proper zoning; and
- Promote environmental sustainability by protecting wetlands and key open spaces.

3.2 Integrated Social Services for empowered and sustainable communities
- Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly coordinated with the informal settlements upgrade program.

4. Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:
   - Optimising effective community participation in the ward committee system; and
   - Implementing Batho Pele principles in the revenue management strategy.

5.1 Promote sound governance through:
- Publishing the outcomes of all tender processes on the municipal website

5.2 Ensure financial sustainability through:
- Reviewing the use of contracted services
- Continuing to implement the infrastructure renewal strategy and the repairs and maintenance plan

5.3 Optimal institutional transformation to ensure capacity in KHM to achieve set objectives
- Review of the organizational structure to optimize the use of personnel;

TABLE 13 MBRR TABLE SA4 - RECONCILIATION BETWEEN THE IDP STRATEGIC OBJECTIVES AND BUDGETED REVENUE

NC066 Karoo Hoogland - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
AFS (Annual Financial Statements)	Legislative Compliance 3			–	–	(1,487)	0	212	212	209	219	228
Budgeting	Financial Management/ Financial Viability			(123)	–	(1,003)	8,434	8,295	8,295	18,652	8,752	8,935
Create a conducive staff environment	Legislative Compliance 6			0	–	–	–	–	–	–	–	–
Facilitate Promotion of education upliftment within communities	Education Libraries			(10)	(1,740)	(1,664)	1,600	1,598	1,598	1,303	103	108
Facilitate Promotion of health and Well-being of communities	Health Services 2			337	892	1	–	–	–	–	–	–
Improve road infrastructure	Roads and Storm Water 3			221	–	(8,981)	–	–	–	–	–	–
Improved efficiency and effectiveness of the Municipal Administration	Performance Management 1			(3)	–	–	–	–	–	–	–	–
Optimise availability of municipal vehicles	Fleet Management			(11)	–	–	–	–	–	–	–	–
Provision of standard sanitation for all residents	Water and Sanitation			(8,616)	(9,041)	(654)	(1,672)	(252)	(252)	(1,433)	(1,501)	(1,568)
Remuneration of municipal employees	Legislative Compliance 6			(546)	–	–	–	–	–	–	–	–
To account for use of community facilities museums and swimming-pool	Economic Growth and Development 16			(3)	(0)	–	2	2	2	2	2	2
To attract develop and retain ethical and best human capital	Performance Management 2			–	(243)	–	–	–	–	–	–	–
To collect and manage fines and penalties	Financial Viability			(1)	–	–	1	0	0	1	1	1
To contract facilities to ensure business continuity with minimum risk and maintenance cost	Good Governance 5			(0)	–	–	–	–	–	–	–	–
To effectively account for library development via fines lost books and grants	Good Governance 7			(8)	–	(0)	1	–	–	16	17	17
To effectively manage financial grants	Financial Viability 1			–	(21)	–	0	–	–	–	–	–
To effectively monitor and manage property	Financial Viability 3			(21)	(43)	(68)	66	86	86	70	73	77
To effectively monitor outstanding debtors by collecting interest on late accounts	Financial Viability 4			(640)	(500)	(676)	824	901	901	1,041	711	743
To enhance sustainable service delivery through infrastructure development	Roads and Storm Water 1			(4)	–	–	–	–	–	–	–	–
To ensure a healthy environment for all residents with reference to combinable diseases	Health Services 1			290	442	1,105	(1,060)	(1,103)	(1,103)	(1,101)	(1,154)	(1,205)
To ensure proper operation and maintenance of existing infrastructure and equipment	Electrification_Water and Sanitation_Roads and Storm Water_Waste Management_Housing_Project Management 2			(0)	–	–	(16)	(2)	(2)	(15)	(16)	(17)
To implement sound financial management	Financial Management			(355)	(1,025)	(630)	1,239	535	535	1,372	1,438	1,501
To manage and control commonage transparity	Economic Growth and Development 17			(372)	(587)	(621)	505	587	587	525	550	574
To manage sales of Goods and Rendering of services	Financial Viability - To manage sales of Goods and Rendering of services			(54,793)	(55,672)	(61,101)	73,125	72,333	72,333	83,063	74,021	78,122
To plan and budget for municipal staff training and development	WSP			(21)	(74)	(96)	37	200	200	38	40	42
To prevent misconduct by acquiring professional services	Good Governance 4			0	–	–	–	–	–	–	–	–
To prevent misuse of municipal equipment and property	Good Governance 8			(4)	(9)	(8)	1	1	1	1	2	2
To provide a Systematic Integrated Spatial Land Development Policy /Increase Regulations of built environment	SPLUMA			(8)	(9)	(11)	14	2	2	15	15	16
To provide free basic services to registered indigents	Legislative Compliance 2			–	–	–	2	2	2	2	2	2
To seek commitment of provincial treasury to assist with the development of a financial plan	Legislative Compliance/ Financial Management/ Financial Viability			–	–	–	0	–	–	–	–	–
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	**(64,688)**	**(67,631)**	**(75,895)**	**83,101**	**83,400**	**83,400**	**103,761**	**83,274**	**87,580**

TABLE 14 MBRR TABLE SA5 - RECONCILIATION BETWEEN THE IDP STRATEGIC OBJECTIVES AND BUDGETED OPERATING EXPENDITURE

NC066 Karoo Hoogland - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
AFS (Annual Financial Statements)	Legislative Compliance 3			(3)	1,333	11,161	40	92	92	77	81	22
Budgeting	Financial Management/ Financial Viability			–	–	108	820	1,598	1,598	1,073	1,120	1,169
Community Participation	Good Governance/ Community Participation			186	–	4	–	–	–	–	–	–
Compliance to Legislation	Legislative Compliance 1			–	252	469	35	737	737	1,199	1,123	1,300
Create a conducive staff environment	Legislative Compliance 6			5	28,731	30,961	33,599	31,197	31,197	31,809	33,231	34,175
Effectively manage facilities and equipment owned by the municipality	Financial Viability 6			–	–	–	44	0	0	–	–	–
Effectively manage performance of the municipality via audit committees and Internal Audit	Good Governance 2			125	(1,171)	72	104	118	118	107	112	116
External Auditing	Legislative Compliance 4			1,334	2,260	9,032	2,427	3,276	3,276	4,600	3,552	3,709
Facilitate Promotion of education upliftment within communities	Education Libraries			30	42	39	316	256	256	121	126	132
Facilitate Promotion of health and Well-being of communities	Health Services 2			1	–	–	–	–	–	–	–	–
Facilitate safe and secure neighborhoods	Safety and Security			–	–	21	40	40	40	25	26	27
Implementation of the Skills Development Plan	Legislative Compliance 5			83	88	48	90	110	110	250	262	273
Improve road infrastructure	Roads and Storm Water 3			14	3,029	155	1,685	1,685	1,685	1,650	1,724	1,800
Improve the storm water infrastructure	Roads and Storm Water 2			75	–	–	–	–	–	–	–	–
Improved efficiency and effectiveness of the Municipal Administration	Performance Management 1			1,647	1,625	1,883	167	1,517	1,517	2,283	2,385	2,490
Optimise availability of municipal vehicles	Fleet Management			802	821	781	593	503	503	704	736	768
Provision of standard sanitation for all residents	Water and Sanitation			–	475	–	2,312	2,312	2,312	2,312	2,416	2,521
Remuneration of municipal employees	Legislative Compliance 6			28,342	–	–	–	–	–	–	–	–
To actively involve the public in local government management	Good Governance/ Community Participation 1			35	7	–	12	1	1	–	–	–
To contract facilities to ensure business continuity with minimum risk and maintenance cost	Good Governance 5			63	–	–	–	–	–	–	–	–
To develop appropriate skills required for efficient service delivery	Education Libraries /WSP			32	8	(92)	15	0	0	13	13	14
To effectively account for library development via fines lost books and grants	Good Governance 7			19	145	171	122	124	124	75	78	82
To effectively monitor and manage property	Financial Viability 3			291	328	298	431	392	392	221	231	241
To enhance sustainable service delivery through infrastructure development	Roads and Storm Water 1			93	3,845	176	4,606	4,567	4,567	4,572	4,777	4,987
To ensure a healthy environment for all residents with reference to combinable diseases	Health Services 1			0	54	1,052	90	48	48	90	94	98
To ensure monies are collected	Financial Viability 7			1	–	–	–	–	–	–	–	–
To ensure proper operation and maintenance of existing infrastructure and equipment	Electrification_Water and Sanitation_Roads and Storm Water_Waste Management_Housing_Project			1,405	541	628	750	622	622	696	727	759
To Facilitate Economic Growth and Job Creation	Project Management			4	–	–	0	–	–	–	–	–
To implement sound financial management	Financial Management			1,953	5,880	3,580	6,450	6,660	6,660	11,406	12,304	11,375
To manage sales of Goods and Rendering of services	Financial Viability - To manage sales of Goods and Rendering of services			10,034	17,410	12,274	13,717	12,595	12,595	13,778	14,571	15,407
To prevent misconduct by acquiring professional services	Good Governance 4			2,077	3,254	2,864	3,438	3,609	3,609	2,534	2,648	4,083
To prevent misuse of municipal equipment and property	Good Governance 8			815	677	520	869	512	512	570	595	621
To provide free basic services to registered indigents	Legislative Compliance 2			18	6	50	119	80	80	112	117	122
To seek commitment of provincial treasury to assist with the development of a financial plan	Legislative Compliance/ Financial Management/ Financial Viability			–	155	14	–	–	–	–	–	–
Allocations to other priorities												
Total Expenditure			1	**49,480**	**69,795**	**76,268**	**72,890**	**72,652**	**72,652**	**80,277**	**83,049**	**86,292**

1.7 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the KHM has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly during the last stage, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

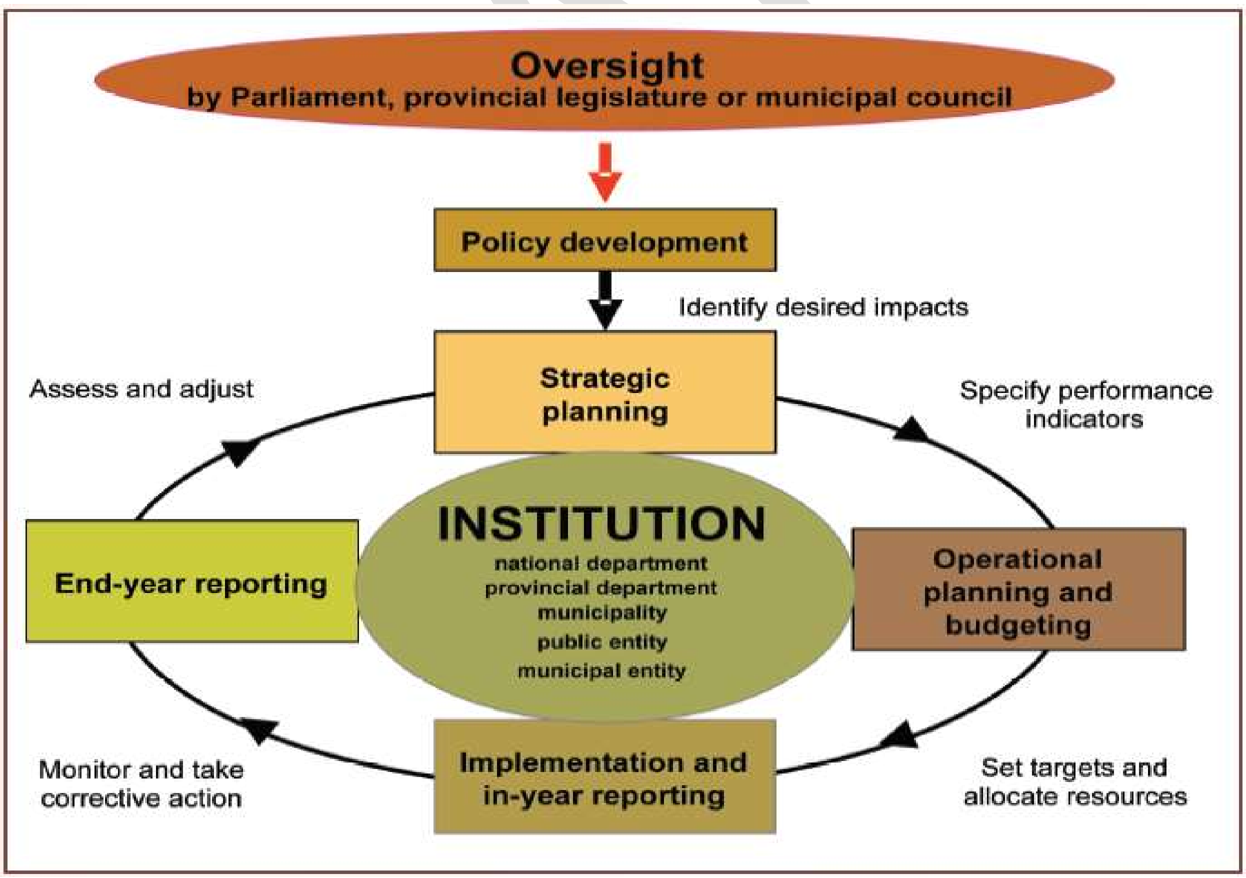

FIGURE 2 PLANNING, BUDGETING AND REPORTING CYCLE

The performance of the KHM relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The KHM therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).

The performance information concepts used by the KHM in its integrated performance management system are aligned to the ***Framework of Managing Programme Performance Information*** issued by the National Treasury:

FIGURE 3 DEFINITION OF PERFORMANCE INFORMATION CONCEPTS

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.

TABLE 15 MBRR TABLE SA7 - MEASURABLE PERFORMANCE OBJECTIVES

NC066 Karoo Hoogland - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Vote 1 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 2 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Vote 3 - vote name										
Function 1 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
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Sub-function 3 - (name)										
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Function 2 - (name)										
Sub-function 1 - (name)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

The following table sets out the municipality's main performance objectives and benchmarks for the 2020 / 2021 MTREF.

TABLE 16 MBRR TABLE SA8 - PERFORMANCE INDICATORS AND BENCHMARKS

NC066 Karoo Hoogland - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Borrowing Management											
Credit Rating											
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.6%	4.5%	3.7%	0.5%	0.6%	0.6%	0.6%	0.5%	0.5%	0.5%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.9%	10.2%	8.7%	1.1%	1.1%	1.1%	1.0%	1.0%	1.0%	1.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital											
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity											
Current Ratio	Current assets/current liabilities	0.5	0.5	0.6	1.2	5.0	5.0	5.0	5.8	5.0	5.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.5	0.5	0.6	1.2	5.0	5.0	5.0	5.8	5.0	5.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.2	0.1	0.2	0.3	2.2	2.2	2.2	2.5	0.6	0.6
Revenue Management											
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		0.0%	70.4%	42.3%	87.2%	81.4%	81.4%	76.8%	86.0%	84.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		0.0%	70.4%	42.3%	87.2%	81.4%	81.4%	76.8%	86.0%	84.6%	81.1%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	51.6%	33.3%	37.5%	21.8%	15.0%	15.0%	14.6%	20.3%	20.5%	19.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old										
Creditors Management											
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))										
Creditors to Cash and Investments		-126.8%	-119.2%	-25.0%	76.0%	-12.0%	-12.0%	-12.0%	-18.2%	-40.2%	-71.9%
Other Indicators											
Electricity Distribution Losses (2)	Total Volume Losses (kW)	0	0	0	0	0	0	0	0	0	0
	Total Cost of Losses (Rand '000)	–	–	–	–	–	–	–	–	–	–
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Water Distribution Losses (2)	Total Volume Losses (kℓ)	–	–	–	–	–	–	–	–	–	–
	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	0
	% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	Employee costs/(Total Revenue - capital revenue)	43.1%	43.7%	41.7%	43.8%	41.6%	41.6%	40.4%	38.3%	39.3%	38.2%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	2.5%	1.6%	1.9%	2.4%	1.9%	1.9%		1.6%	1.6%	1.6%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	0.2%	26.4%	22.7%	14.8%	14.4%	14.4%	13.9%	13.1%	13.4%	13.3%
IDP regulation financial viability indicators											
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	160.6	138.0	9.9	10.8	10.8	10.8	11.6	10.7	11.1	11.6
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	89.8%	71.4%	87.4%	44.8%	29.5%	29.5%	27.9%	44.9%	44.0%	42.1%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	(3.4)	(1.7)	(7.1)	2.5	2.4	2.4	2.4	2.2	1.5	0.8

1.7.1 PERFORMANCE INDICATORS AND BENCHMARKS

1.7.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Karoo Hoogland Municipality's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the KHM's debt portfolio is dominated by annuity loans.

Safety of Capital

- *The debt-to-equity ratio* is a financial ratio indicating the relative proportion of equity and debt used in financing the municipality's assets. The indicator is based on the total of loans, creditors, over-draft and tax provisions as a percentage of funds and reserves.
- *The gearing ratio* is a measure of the total long-term borrowings over funds and reserves.

1.7.1.2 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the KHM has set a limit of 1, hence at no point in time should this ratio be less than 1. For the 2022 / 2023 MTREF the current ratio is 1.0 in the 2023/24 financial year and for the two outer years of the MTREF it is 1.0. Going forward it will be necessary to maintain these levels.

- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Anything below 1 indicates a shortage in cash to meet creditor obligations. For the 2022/23financial year the ratio was 0.3 and as part of the financial planning strategy it has been decreased to 0.2 in the 2023/24 financial year. This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the KHM. As part of the longer-term financial planning objectives this ratio will have to be set at a minimum of 1.

1.7.1.3 Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

1.7.1.4 Creditors Management

- The KHM has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure a 100 per cent compliance rate to this legislative obligation. This has had a favorable impact on suppliers' perceptions of risk of doing business with the KHM, which is expected to benefit the KHM in the form of more competitive pricing of tenders, as suppliers compete for the KHM's business.

1.7.1.5 Other Indicators

- The electricity distribution losses remain at more than 8%, this is mainly due to the outdated infrastructure in Fraserburg and electricity theft.

- The water distribution losses are in line with the norm allowed.

- Employee costs as a percentage of operating revenue continues to increase over the MTREF. This is primarily owing to the high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers. The percentage however is considered to be out of bounds.

- Similar to that of employee costs, repairs and maintenance as percentage of operating revenue is also decreasing owing directly to cost drivers such as bulk purchases increasing far above inflation. In real terms, repairs and maintenance has increased as part of the KHM's strategy to ensure the management of its asset base.

1.7.2 FREE BASIC SERVICES: BASIC SOCIAL SERVICES PACKAGE FOR INDIGENT HOUSEHOLDS

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the KHM. With the exception of water, only registered indigents qualify for the free basic services.

For the 2022/23 financial year registered indigents have been provided for in the budget. In terms of the Municipality's indigent policy registered households are entitled to 6kℓ fee water, 50 kwh of electricity, and free refuse, sanitation and discount on their property rates.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 27 MBRR A10 (Basic Service Delivery Measurement).

1.7.3 PROVIDING CLEAN WATER AND MANAGING WASTE WATER

The KHM is the Water Services Authority for the entire municipality in terms of the Water Services Act, 1997 and acts as water services provider. All water is generated from the KHM's own water sources, such as boreholes and small dams.

The Department of Water Affairs conducts an annual performance rating of water treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

1.8 OVERVIEW OF BUDGET RELATED-POLICIES

The KHM's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

1.8.1 REVIEW OF CREDIT CONTROL AND DEBT COLLECTION PROCEDURES/POLICIES

The Collection Policy as approved by Council in May 2022 and is reviewed annually. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition, emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, it is essential that projects implemented should create work.
The 2023 / 2024 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 81 per cent on current billings. In addition, the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the KHM's cash levels. In addition, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the policy. Currently the collection rate is only 67%.

1.8.2 ASSET MANAGEMENT, INFRASTRUCTURE INVESTMENT AND FUNDING POLICY

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the KHM's revenue base.

1.8.3 BUDGET ADJUSTMENT POLICY

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the KHM continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions. Unfortunately, both these processes were derailed in the current year.

1.8.4 SUPPLY CHAIN MANAGEMENT POLICY

The Supply Chain Management Policy was adopted by Council in May 2022. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on. The SIPDM policy was also adopted by Council

1.8.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the KHM's system of delegations. The policy is however not fully developed due to uncertainties within mSCOA.

1.8.6 Cash Management and Investment Policy

The KHM's Cash Management and Investment Policy were amended by Council in May 2022. The aim of the policy is to ensure that the KHM's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

1.8.7 Tariff Policies

The KHM's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

1.8.8 Financial Modelling and Scenario Planning Policy

The Financial Modelling and Scenario Planning Policy has directly informed the compilation of the 2023 / 2024 MTREF with the emphasis on affordability and long-term sustainability. The policy dictates the approach to longer term financial modelling. The outcomes are then filtered into the budget process. One of the salient features of the policy is the emphasis on financial sustainability. Amongst others, the following has to be modelled as part of the financial modelling and scenario planning process:

- Cash Flow Management Interventions, Initiatives and Strategies (including the cash backing of reserves);
- Economic climate and trends (i.e Inflation, household debt levels, indigent factors, growth, recessionary implications);
- Loan and investment possibilities;
- Performance trends;
- Tariff Increases;
- The ability of the community to pay for services (affordability);
- Policy priorities;
- Improved and sustainable service delivery; and
- Debtor payment levels.

All the above policies are available on the KHM's website, as well as the following budget related policies:

- Property Rates Policy;
- Borrowing Policy;
- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

1.9 OVERVIEW OF BUDGET ASSUMPTIONS

1.9.1 EXTERNAL FACTORS

Owing to the economic slowdown, financial resources are limited due to reduced payment levels by consumers. This has resulted in declining cash inflows, which has necessitated restrained expenditure to ensure that cash outflows remain within the affordability parameters of the KHM's finances.

1.9.2 GENERAL INFLATION OUTLOOK AND ITS IMPACT ON THE MUNICIPAL ACTIVITIES

There are five key factors that have been taken into consideration in the compilation of the 2023 / 2024 MTREF:

National Government macro-economic targets;
The general inflationary outlook and the impact on KHM's residents and businesses;
The impact of municipal cost drivers;
The increase in prices for bulk electricity and water; and
The increase in the cost of remuneration. Employee related costs comprise 37 percent of total operating expenditure in the 2023 / 2024 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget.

1.9.3 INTEREST RATES FOR BORROWING AND INVESTMENT OF FUNDS

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions.

1.9.4 COLLECTION RATE FOR REVENUE SERVICES

The base assumption is that tariff and rating increases will increase at a rate slightly higher that CPI over the long term. It is also assumed that current economic conditions, and relatively controlled inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (67 per cent) of annual billings. Cash flow is assumed to be 67 per cent of billings, plus an increased collection of arrear debt from the revised collection and credit control policy. The performance of arrear collections will however only be considered a source of additional cash in-flow once the performance has been carefully monitored. In practise the collection rate only reach 67% currently.

1.9.5 Growth or decline in tax base of the municipality

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtor's collection rate, tariff/rate pricing, real growth rate of the KHM, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition, the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' limits consumption to the level of free basic services.

1.9.6 Salary increases

A 4.8 % salary increase was budgeted for as the negotiation process were not complete.

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and, in this regard, various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

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

It is estimated that a spending rate of at least 97 per cent is achieved on operating expenditure and 100 per cent on the capital programme for the 2023 / 2024 MTREF of which performance has been factored into the cash flow budget.

1.10 OVERVIEW OF BUDGET FUNDING

1.10.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

TABLE 17 BREAKDOWN OF THE OPERATING REVENUE OVER THE MEDIUM-TERM

NC066 Karoo Hoogland - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance'

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
REVENUE ITEMS:											
Property rates	6										
Total Property Rates		12,649	8,047	7,517	9,689	9,766	9,766	9,766	9,669	10,133	10,579
Less Revenue Foregone ***(exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)***		1,446	838	667	1,865	463	463	463	1,934	2,027	2,116
Net Property Rates		**11,202**	**7,209**	**6,850**	**7,824**	**9,303**	**9,303**	**9,303**	**7,735**	**8,106**	**8,463**
Service charges - electricity revenue	6										
Total Service charges - electricity revenue		10,053	10,516	10,940	13,101	13,220	13,220	13,220	13,983	14,654	15,298
Less Revenue Foregone ***(in excess of 50 kwh per indigent household per month)***					16	2	2	2	15	16	17
Less Cost of Free Basis Services (50 kwh per indigent household per month)		151	11	12	546	280	280		567	594	620
Net Service charges - electricity revenue		**9,902**	**10,506**	**10,928**	**12,539**	**12,938**	**12,938**	**13,218**	**13,401**	**14,044**	**14,662**
Service charges - water revenue	6										
Total Service charges - water revenue		3,809	2,835	3,227	5,883	4,688	4,688	4,688	6,187	6,484	6,769
Less Revenue Foregone ***(in excess of 6 kilolitres per indigent household per month)***		290	69								
Less Cost of Free Basis Services (6 kilolitres per indigent household per month)		(473)	(465)	(504)	1,724	490	490		1,792	1,878	1,960
Net Service charges - water revenue		**3,992**	**3,232**	**3,731**	**4,158**	**4,198**	**4,198**	**4,688**	**4,395**	**4,606**	**4,809**
Service charges - sanitation revenue											
Total Service charges - sanitation revenue		3,341	4,146	4,561	4,784	4,797	4,797	4,797	5,034	5,276	5,508
Less Revenue Foregone ***(in excess of free sanitation service to indigent households)***		337	892	1							
Less Cost of Free Basis Services (free sanitation service to indigent households)		(6)	364	1,189	1,222	1,205	1,205		1,270	1,331	1,390
Net Service charges - sanitation revenue		**3,009**	**2,890**	**3,372**	**3,562**	**3,592**	**3,592**	**4,797**	**3,764**	**3,945**	**4,118**
Service charges - refuse revenue	6										
Total refuse removal revenue		2,389	389	118	3,609	3,872	3,872	3,872	4,003	4,195	4,380
Total landfill revenue		–	–	–	–	–	–	–	–	–	–
Less Revenue Foregone ***(in excess of one removal a week to indigent households)***		–	373	1,105	1,060	1,103	1,103	1,103	1,101	1,154	1,205
Less Cost of Free Basis Services (removed once a week to indigent households)		116	(2,266)	(3,538)	–	–	–		–	–	–
Net Service charges - refuse revenue		**2,273**	**2,282**	**2,551**	**2,549**	**2,769**	**2,769**	**2,769**	**2,902**	**3,041**	**3,175**
Other Revenue by source											
Fuel Levy		–	–	–	–	–	–	–	–	–	–
Other Revenue		2,313	1,426	1,690	1,160	620	620	620	1,104	1,157	1,208
Total 'Other' Revenue	1	**2,313**	**1,426**	**1,690**	**1,160**	**620**	**620**	**620**	**1,104**	**1,157**	**1,208**
EXPENDITURE ITEMS:											
Employee related costs											
Basic Salaries and Wages	2	18,899	20,163	21,300	23,066	22,567	22,567	22,567	22,708	23,725	24,767
Pension and UIF Contributions		1,367	1,540	1,881	1,832	1,618	1,618	1,618	2,052	2,144	2,240
Medical Aid Contributions		35	43	(270)	42	60	60	60	63	66	69
Overtime		–	–	–	0	–	–	–	–	–	–
Performance Bonus		1,695	1,782	1,816	2,038	1,912	1,912	1,912	1,800	1,879	1,420
Motor Vehicle Allowance		681	747	1,421	145	397	397	397	1	–	–
Cellphone Allowance		60	67	95	98	95	95	95	100	105	110
Housing Allowances		135	159	52	63	46	46	46	49	51	53
Other benefits and allowances		995	599	205	677	638	638	638	842	878	939
Payments in lieu of leave		47	313	423	0	228	228	228	–	–	–
Long service awards		61	(365)	152	151	21	21	21	95	99	104
Post-retirement benefit obligations	4	127	14	220	264	264	264	264	321	335	350
sub-total	5	**24,102**	**25,063**	**27,294**	**28,375**	**27,847**	**27,847**	**27,847**	**28,030**	**29,282**	**30,052**
Less: Employees costs capitalised to PPE		–	–	–	–	–	–	–	–	–	–
Total Employee related costs	1	**24,102**	**25,063**	**27,294**	**28,375**	**27,847**	**27,847**	**27,847**	**28,030**	**29,282**	**30,052**
Depreciation & asset impairment											
Depreciation of Property, Plant & Equipment		–	12,179	12,136	9,500	9,500	9,500	9,500	9,500	9,926	10,361
Lease amortisation		–	63	63	–	–	–	–	–	–	–
Capital asset impairment		–	–	–	–	(0)	(0)	(0)	(0)	(0)	(0)
Total Depreciation & asset impairment	1	**–**	**12,242**	**12,199**	**9,500**	**9,500**	**9,500**	**9,500**	**9,500**	**9,926**	**10,361**
Bulk purchases - electricity											
Electricity bulk purchases		8,548	9,482	10,163	10,811	10,611	10,611	10,611	11,534	12,226	12,959
Total bulk purchases	1	**8,548**	**9,482**	**10,163**	**10,811**	**10,611**	**10,611**	**10,611**	**11,534**	**12,226**	**12,959**
Transfers and grants											
Cash transfers and grants		199	134	175	67	122	122	122	64	66	7
Non-cash transfers and grants		–	–	–	0	–	–	–	–	–	–
Total transfers and grants	1	**199**	**134**	**175**	**67**	**122**	**122**	**122**	**64**	**66**	**7**
Contracted services											
Outsourced Services		2,097	1,687	2,010	1,335	2,339	2,339	2,339	3,534	3,692	2,546
Consultants and Professional Services		982	297	3,002	3,654	3,805	3,805	3,805	2,723	2,845	4,288
Contractors		2,246	1,047	1,301	1,759	1,471	1,471	1,471	1,335	1,395	1,457
Total contracted services		**5,325**	**3,031**	**6,312**	**6,747**	**7,615**	**7,615**	**7,615**	**7,592**	**7,933**	**8,291**
Other Expenditure By Type											
Collection costs		120	245	253	216	234	234	234	235	245	256
Contributions to 'other' provisions		–	–	–	–	–	–	–	–	–	–
Audit fees		1,670	2,260	2,789	2,427	3,276	3,276	3,276	4,600	3,552	3,709
General expenses		5,225	8,922	9,830	5,082	4,527	4,527	4,527	6,701	7,685	8,034
Total 'Other' Expenditure	1	**7,015**	**11,427**	**12,871**	**7,725**	**8,037**	**8,037**	**8,037**	**11,536**	**11,483**	**11,999**
by Expenditure Item	8										
Employee related costs		–	–	–	–	–	–	–	–	–	–
Inventory Consumed (Project Maintenance)		72	–	–	–	–	–	–	–	–	–
Contracted Services		1,299	899	1,178	1,473	1,191	1,191	1,191	1,071	1,120	1,169
Other Expenditure		–	–	92	74	108	108	108	100	104	109
Total Repairs and Maintenance Expenditure	9	1,371	899	1,271	1,547	1,299	1,299	1,299	1,171	1,224	1,278
Inventory Consumed											
Inventory Consumed - Water		–	–	–	–	–	–	–	–	–	–
Inventory Consumed - Other		–	–	–	–	–	–	–	–	–	–
Total Inventory Consumed & Other Material		**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

The following graph is a breakdown of the operational revenue per main category for the 2023 / 2024 financial year.

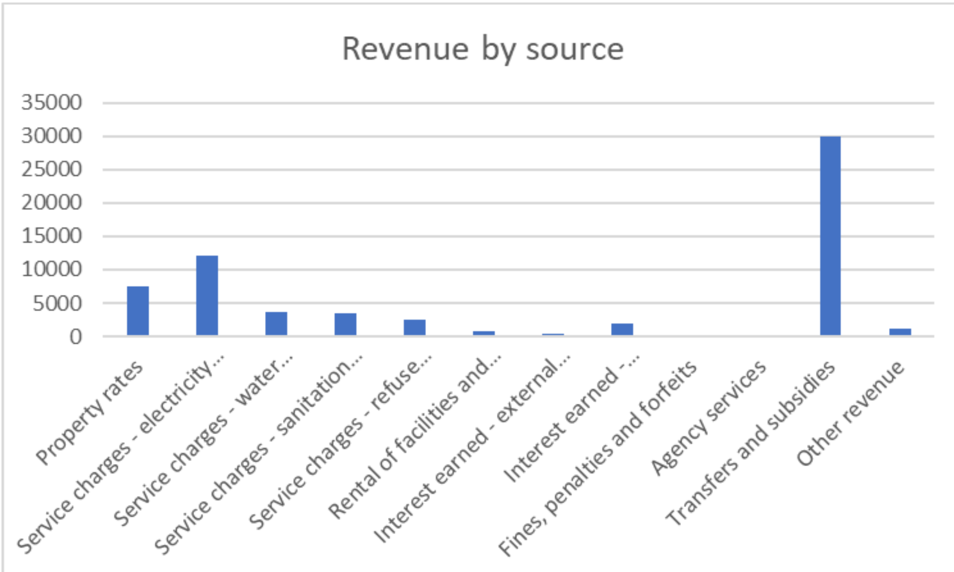


FIGURE 4 BREAKDOWN OF OPERATING REVENUE OVER THE 2023 / 2024 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The KHM derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the KHM and economic development;
- Revenue management and enhancement;
- Achievement of a 81 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The tables below provide detail investment information and investment particulars by maturity.

TABLE 18 MBRR SA15 – DETAIL INVESTMENT INFORMATION

No funds are currently invested

TABLE 19 MBRR SA16 – INVESTMENT PARTICULARS BY MATURITY

No funds are currently invested

1.10.2 MEDIUM-TERM OUTLOOK: CAPITAL REVENUE

The following table is a breakdown of the funding composition of the 2023/24 medium-term capital programme:

TABLE 20 SOURCES OF CAPITAL REVENUE OVER THE MTREF

Funded by:											
National Government		50,107	(10,328)	–	18,276	152,106	152,106	152,106	30,562	10,734	10,734
Provincial Government		–	(8,078)	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	**50,107**	**(18,407)**	**–**	**18,276**	**152,106**	**152,106**	**152,106**	**30,562**	**10,734**	**10,734**
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		170	161,102	–	70	70	70	70	–	0	0
Total Capital Funding	7	**50,277**	**142,695**	**–**	**18,346**	**152,176**	**152,176**	**152,176**	**30,562**	**10,734**	**10,734**

TABLE 21 MBRR TABLE SA 17 - DETAIL OF BORROWINGS

NC066 Karoo Hoogland - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Parent municipality										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)		2,374	4,242	4,471	1,667	1,667	1,667	1,425	1,190	943
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	**2,374**	**4,242**	**4,471**	**1,667**	**1,667**	**1,667**	**1,425**	**1,190**	**943**
Entities										
Annuity and Bullet Loans										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	–	–	–	–	–	–	–	–	–
Total Borrowing	1	**2,374**	**4,242**	**4,471**	**1,667**	**1,667**	**1,667**	**1,425**	**1,190**	**943**

TABLE 22 MBRR TABLE SA 18 - CAPITAL TRANSFERS AND GRANT RECEIPTS

NC066 Karoo Hoogland - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		**22,029**	**24,851**	**31,101**	**27,881**	**27,881**	**27,881**	**34,152**	**35,261**	**37,657**
Local Government Equitable Share		20,059	22,416	27,301	25,231	25,231	25,231	30,429	32,611	35,007
Finance Management		1,970	2,435	2,800	2,650	2,650	2,650	2,650	2,650	2,650
EPWP Incentive		–	–	1,000	0	–	–	1,073	–	–
Other transfers/grants [insert description]										
Provincial Government:		–	–	–	–	–	–	–	–	–
Other transfers/grants [insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	**96**	**96**	**96**	**97**	**97**	**102**
Post Retirement Benefit		–	–	–	96	96	96	97	97	102
Total Operating Transfers and Grants	5	**22,029**	**24,851**	**31,101**	**27,977**	**27,977**	**27,977**	**34,249**	**35,358**	**37,759**
Capital Transfers and Grants										
National Government:		**4,779**	**10,087**	**8,981**	**18,276**	**18,276**	**18,276**	**30,562**	**10,734**	**11,006**
Municipal Infrastructure Grant (MIG)		2,779	8,087	8,981	8,276	8,276	8,276	17,562	8,734	8,916
Integrated National Electrification Programme Grant		2,000	2,000	–	–	–	–	–	2,000	2,090
Water Services Infrastructure Grant		–	–	–	10,000	10,000	10,000	13,000	–	–
Other capital transfers/grants [insert desc]										
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–

1.10.3 CASH FLOW MANAGEMENT

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understandability for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

TABLE 23 MBRR TABLE A7 - BUDGET CASH FLOW STATEMENT

NC066 Karoo Hoogland - Table A7 Budgeted Cash Flows

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–	–	–	6,474	6,474	6,474	6,474	7,199	7,074	7,074
Service charges		–	18,390	11,615	20,222	20,222	20,222	20,222	20,485	21,480	21,480
Other revenue		–	–	–	1,732	1,731	1,731	1,731	2,325	2,632	2,632
Transfers and Subsidies - Operational	1	–	–	–	29,477	29,477	29,477	29,477	31,132	31,377	31,377
Transfers and Subsidies - Capital	1	–	–	–	18,372	18,372	18,372	18,372	17,662	8,838	8,838
Interest		–	–	–	2,984	2,984	2,984	2,984	3,100	3,230	3,230
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(14,612)	(30,915)	(48,458)	(52,935)	(57,709)	(57,709)	(57,709)	(64,323)	(67,025)	(67,025)
Finance charges		–	–	–	(90)	(90)	(90)	(90)	(92)	(93)	(93)
Transfers and Grants	1	–	–	–	(67)	(67)	(67)	(67)	(69)	(72)	(72)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**(14,612)**	**(12,525)**	**(36,844)**	**26,170**	**21,395**	**21,395**	**21,395**	**17,417**	**7,442**	**7,442**
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current receivables		(3)	–	–	–	–	–	–	–	–	–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–	–	–	–
Payments											
Capital assets		–	–	–	(18,346)	(18,346)	(18,346)	(18,346)	(10,562)	(10,734)	(10,734)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(3)**	**–**	**–**	**(18,346)**	**(18,346)**	**(18,346)**	**(18,346)**	**(10,562)**	**(10,734)**	**(10,734)**
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–	–	–	–	–	–	–	–	–	–
Increase (decrease) in consumer deposits		–	–	–	–	–	–	–	62	15	–
Payments											
Repayment of borrowing		(200)	(211)	(222)	(301)	(301)	(301)	(301)	(301)	(301)	(301)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**(200)**	**(211)**	**(222)**	**(301)**	**(301)**	**(301)**	**(301)**	**(239)**	**(286)**	**(301)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(14,814)**	**(12,736)**	**(37,066)**	**7,523**	**2,747**	**2,747**	**2,747**	**6,616**	**(3,579)**	**(3,594)**
Cash/cash equivalents at the year begin:	2	**2,414**	**5,959**	**4,275**	**4,275**	**8,588**	**8,588**	**8,588**	**5,101**	**11,717**	**8,138**
Cash/cash equivalents at the year end:	2	**(12,400)**	**(6,777)**	**(32,791)**	**11,797**	**11,336**	**11,336**	**11,336**	**11,717**	**8,138**	**4,545**

The above table shows that cash and cash equivalents of the KHM are largely depleted

1.10.4 CASH BACKED RESERVES/ACCUMULATED SURPLUS RECONCILIATION

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What are the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that was/is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA requirement that the municipality's budget must be 'funded'. Non-compliance with section 18 is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded (budgeted spending is greater than funds available or to be collected). It is also important to analyse trends to understand the consequences, e.g. the budget year might indicate a small surplus situation, which in itself is an appropriate outcome, but if in prior years there were much larger surpluses then this negative trend may be a concern that requires closer examination.

TABLE 24 MBRR TABLE A8 - CASH BACKED RESERVES/ACCUMULATED SURPLUS RECONCILIATION

NC066 Karoo Hoogland - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22				2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Cash and investments available											
Cash/cash equivalents at the year end	1	(12,400)	(6,777)	(32,791)	11,797	11,336	11,336	11,336	11,717	8,138	4,545
Other current investments > 90 days		30,654	11,049	41,380	(6,697)	(1,923)	(1,923)	(1,923)	862	(5,674)	(2,081)
Non current assets - Investments	1	–	–	–	–	–	–	–	–	–	–
Cash and investments available:		**18,254**	**4,272**	**8,588**	**5,100**	**9,413**	**9,413**	**9,413**	**12,579**	**2,464**	**2,464**
Application of cash and investments											
Unspent conditional transfers		59,936	454	4,176	5,600	3,953	3,953	3,953	5,600	5,600	5,600
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	16,303	(3,458)	(581)	(2,553)	(9,127)	(9,127)	(8,737)	(14,212)	(15,704)	(15,183)
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		**76,239**	**(3,003)**	**3,595**	**3,047**	**(5,174)**	**(5,174)**	**(4,784)**	**(8,612)**	**(10,104)**	**(9,583)**
Surplus(shortfall)		**(57,985)**	**7,276**	**4,993**	**2,053**	**14,587**	**14,587**	**14,197**	**21,191**	**12,568**	**12,047**

It can be concluded that the KHM has a deficit against the cash backed and accumulated surpluses reconciliation. The municipality has essentially depleted all cash reserves which is a serious concern and should be considered a strategic risk to the financial stability of the KHM. As part of the planning strategy, this deficit needs to be aggressively managed downwards and as part of the medium-term planning objectives. It needs to be noted that for all practical purposes the 2023 / 2024 MTREF is funded when considering the funding requirements of section 18 and 19 of the MFMA. The 2023 / 2024 MTREF has been informed by ensuring the financial plan meets the minimum requirements of the MFMA. The challenge for the KHM will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

1.10.5 FUNDING COMPLIANCE MEASUREMENT

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.

TABLE 25 MBRR SA10 – FUNDING COMPLIANCE MEASUREMENT

Reserves												
Surplus/(Deficit)			(57,985)	7,276	4,993	2,053	14,587	14,587	14,197	21,191	12,568	12,047
Free Services												
Free Basic Services as a % of Equitable Share			0.0%	0.0%	0.0%	2.8%	2.8%	2.8%		2.4%	2.3%	2.2%
Free Services as a % of Operating Revenue (excl operational transfers)			7.6%	0.0%	0.0%	6.9%	18.9%	18.9%		19.8%	20.0%	20.0%
High Level Outcome of Funding Compliance												
Total Operating Revenue			55,911	57,301	65,427	64,825	66,903	66,903	68,878	73,199	74,540	78,664
Total Operating Expenditure			49,480	69,795	76,373	72,816	73,080	73,080	73,080	80,213	82,982	86,222
Surplus/(Deficit) Budgeted Operating Statement			6,431	(12,494)	(10,946)	(7,991)	(6,177)	(6,177)	(4,202)	(7,015)	(8,443)	(7,558)
Surplus/(Deficit) Considering Reserves and Cash Backing			(57,985)	7,276	4,993	2,053	14,587	14,587	14,197	21,191	12,568	12,047
MTREF Funded (1) / Unfunded (0)		15	0	1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ×		15	×	✓	✓	✓	✓	✓	✓	✓	✓	✓

1.10.5.1 Cash/cash equivalent position

The KHM's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium-term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short-term debt at the end of the financial year.

1.10.5.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 25. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

1.10.5.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality
be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the KHM to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as rate boycotts.

1.10.5.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

1.10.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

1.10.5.6 Cash receipts as a percentage of ratepayer and other revenue

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 88, 89 and 89 per cent for each of the respective financial years. Given that the assumed collection rate was based on a 87 per cent performance target, the cash flow statement has been overstated. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

1.10.5.7 Debt impairment expense as a percentage of billable revenue

This factor measures whether the provision for debt impairment is being adequately funded and is based on the underlying assumption that the provision for debt impairment (doubtful and bad debts) has to be increased to offset under-collection of billed revenues. The provision is considered to be insufficient.

1.10.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to keep this as low as possible through strict compliance with the legislative requirement that debtors be paid within 30 days.

1.10.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm

MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been be excluded.

Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The KHM has budgeted for all transfers.

1.10.5.10 Consumer debtors change (Current and Non-current)

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position. Both measures show a relatively stable trend in line with the KHM's policy of settling debtors' accounts within 30 days.

1.10.5.11 Repairs and maintenance expenditure level

This measure must be considered important within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the KHM's strategy pertaining to asset management and repairs and maintenance is contained in Table 60 MBRR SA34C.

1.10.5.12 Asset renewal/rehabilitation expenditure level

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 59 MBRR SA34b.

1.11 EXPENDITURE ON GRANTS AND RECONCILIATIONS OF UNSPENT FUNDS

TABLE 26 MBRR SA19 - EXPENDITURE ON TRANSFERS AND GRANT PROGRAMMES

NC066 Karoo Hoogland - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		**14,422**	**15,389**	**15,575**	**27,091**	**27,063**	**27,063**	**29,988**	**29,951**	**31,419**
Equitable Share		12,676	14,008	13,250	23,924	23,876	23,876	28,066	27,943	27,511
Local Government Financial Management Grant		1,746	1,382	2,325	3,167	3,186	3,186	1,922	2,009	3,908
EPWP Incentive										
Other transfers/grants [insert description]										
Provincial Government:		**–**	**2,018**	**775**	**1,437**	**1,210**	**1,210**	**1,251**	**1,307**	**1,365**
Specify (Add grant description)		–	2,018	775	1,437	1,210	1,210	1,251	1,307	1,365
Other transfers/grants [insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
Post Retirement Benefit										
Total operating expenditure of Transfers and Grants:		**14,422**	**17,408**	**16,351**	**28,527**	**28,273**	**28,273**	**31,239**	**31,258**	**32,784**
Capital expenditure of Transfers and Grants										
National Government:		**26,793**	**(9,337)**	**–**	**18,276**	**152,106**	**152,106**	**30,562**	**10,734**	**10,734**
Integrated National Electrification Programme Grant		3,054	2,000	–	–	–	–	–	2,000	2,000
Municipal Infrastructure Grant		12,612	6,875	–	8,276	142,106	142,106	17,562	8,734	8,734
Water Services Infrastructure Grant		11,126	(18,212)	–	10,000	10,000	10,000	13,000	0	0
Other capital transfers/grants [insert desc]										
Provincial Government:		–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]										
District Municipality:		–	–	–	–	–	–	–	–	–
[insert description]										
Other grant providers:		–	–	–	–	–	–	–	–	–
Post Retirement Benefi										
Total capital expenditure of Transfers and Grants		**26,793**	**(9,337)**	**–**	**18,276**	**152,106**	**152,106**	**30,562**	**10,734**	**10,734**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		**41,215**	**8,071**	**16,351**	**46,803**	**180,379**	**180,379**	**61,801**	**41,992**	**43,518**

TABLE 27 MBRR SA 20 - RECONCILIATION BETWEEN OF TRANSFERS, GRANT RECEIPTS AND UNSPENT FUNDS

NC066 Karoo Hoogland - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Operating transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		–	–	–	0	234	234	–	0	0
Current year receipts		2,000	2,456	3,800	2,800	2,913	2,913	2,800	2,800	2,800
Conditions met - transferred to revenue		2,000	2,456	4,800	2,800	3,147	3,147	2,800	2,800	2,800
Conditions still to be met - transferred to liabilities		–	–	(1,000)	(0)	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	696	454	(0)	–	–	–	–	–
Current year receipts		–	1,497	–	(0)	–	–	–	–	–
Conditions met - transferred to revenue		–	2,193	454	(0)	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	(0)	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total operating transfers and grants revenue		2,000	4,649	5,254	2,800	3,147	3,147	2,800	2,800	2,800
Total operating transfers and grants - CTBM	2	–	–	(1,000)	(0)	–	–	–	–	–
Capital transfers and grants:	1,3									
National Government:										
Balance unspent at beginning of the year		192	–	–	0	92	92	0	0	0
Current year receipts		57,744	7,593	12,966	0	(0)	(0)	(0)	(0)	(0)
Conditions met - transferred to revenue		57,936	7,593	12,966	0	92	92	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	(0)	–	–	–	–	–
Provincial Government:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
District Municipality:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Other grant providers:										
Balance unspent at beginning of the year		–	–	–	–	–	–	–	–	–
Current year receipts		–	–	–	–	–	–	–	–	–
Conditions met - transferred to revenue		–	–	–	–	–	–	–	–	–
Conditions still to be met - transferred to liabilities		–	–	–	–	–	–	–	–	–
Total capital transfers and grants revenue		57,936	7,593	12,966	0	92	92	–	–	–
Total capital transfers and grants - CTBM	2	–	–	–	(0)	–	–	–	–	–
TOTAL TRANSFERS AND GRANTS REVENUE		59,936	12,242	18,220	2,800	3,239	3,239	2,800	2,800	2,800
TOTAL TRANSFERS AND GRANTS - CTBM		–	–	(1,000)	(0)	–	–	–	–	–

1.12 COUNCILLOR AND EMPLOYEE BENEFITS

TABLE 28 MBRR SA22 - SUMMARY OF COUNCILLOR AND STAFF BENEFITS

NC066 Karoo Hoogland - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
	1	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		2,130	2,200	2,115	2,382	2,382	2,382	2,456	2,554	2,662
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance			228	236						
Cellphone Allowance		157	160	291	286	286	286	286	286	286
Housing Allowances										
Other benefits and allowances		113	25	26	7	7	7	22	22	22
Sub Total - Councillors		**2,400**	**2,613**	**2,668**	**2,674**	**2,674**	**2,674**	**2,763**	**2,862**	**2,969**
% increase	4		**8.9%**	**2.1%**	**0.2%**	**–**	**–**	**3.3%**	**3.6%**	**3.8%**
Senior Managers of the Municipality	2									
Basic Salaries and Wages		2,798	3,325	3,260	2,991	2,991	2,991	3,006	3,060	3,238
Pension and UIF Contributions		–	–	–	5	5	5	6	6	7
Medical Aid Contributions		–	–	–						
Overtime		–	–	–						
Performance Bonus		–	–	–	419	419	419	422	439	456
Motor Vehicle Allowance	3	–	–	–						
Cellphone Allowance	3	–	–	–	36	36	36	72	72	72
Housing Allowances	3	–	–	–						
Other benefits and allowances	3	–	–	–						
Payments in lieu of leave		–	–	–						
Long service awards		–	–	–						
Post-retirement benefit obligations	6	–	–	–						
Sub Total - Senior Managers of Municipality		**2,798**	**3,325**	**3,260**	**3,451**	**3,451**	**3,451**	**3,506**	**3,577**	**3,773**
% increase	4		**18.8%**	**(2.0%)**	**5.9%**	**–**	**–**	**1.6%**	**2.0%**	**5.5%**
Other Municipal Staff										
Basic Salaries and Wages		13,102	15,227	17,433	19,394	19,394	19,394	19,081	20,313	21,626
Pension and UIF Contributions		888	975	1,501	1,593	1,593	1,593	1,676	1,787	1,904
Medical Aid Contributions		318	97	90	42	42	42	42	45	48
Overtime		164	80	240	297	297	297	304	345	364
Performance Bonus		1,082	1,329	1,696	1,530	1,530	1,530	1,503	1,601	1,706
Motor Vehicle Allowance	3	–	500	469	146	146	146	146	146	146
Cellphone Allowance	3	–	41	68	25	25	25	86	86	86
Housing Allowances	3	9	163	85	98	98	98	99	110	122
Other benefits and allowances	3	354	368	522						
Payments in lieu of leave			90	91	91	91	91	91	96	101
Long service awards			30	30	138	138	138	138	145	153
Post-retirement benefit obligations	6			269	269	269	269	297	311	325
Sub Total - Other Municipal Staff		**15,918**	**18,900**	**22,493**	**23,623**	**23,623**	**23,623**	**23,463**	**24,985**	**26,581**
% increase	4		**18.7%**	**19.0%**	**5.0%**	**–**	**–**	**(0.7%)**	**6.5%**	**6.4%**
Total Parent Municipality		**21,116**	**24,838**	**28,422**	**29,748**	**29,748**	**29,748**	**29,732**	**31,424**	**33,323**
			17.6%	**14.4%**	**4.7%**	**–**	**–**	**(0.1%)**	**5.7%**	**6.0%**

TABLE 29 MBRR SA24 – SUMMARY OF PERSONNEL NUMBERS

NC066 Karoo Hoogland - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref	2018/19			Current Year 2019/20			Budget Year 2020/21		
Number	1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		7	7	–	7	7	–	7	7	–
Board Members of municipal entities	4									
Municipal employees	5									
Municipal Manager and Senior Managers	3	3	1	2	3	1	2	3	1	2
Other Managers	7									
Professionals		5	5	–	5	5	–	5	5	–
Finance		5	5	–	5	5		5	5	
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Technicians		–	–	–	–	–	–	–	–	–
Finance										
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water										
Sanitation										
Refuse										
Other										
Clerks (Clerical and administrative)		12	12	–	12	12		12	12	
Service and sales workers										
Skilled agricultural and fishery workers										
Craft and related trades										
Plant and Machine Operators		5	5	–	5	5		5	5	
Elementary Occupations		72	72		72	72		72	72	
TOTAL PERSONNEL NUMBERS	9	**104**	**102**	**2**	**104**	**102**	**2**	**104**	**102**	**2**
% increase					–	–	–	–	–	–
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10	**18**	**18**		**18**	**18**		**18**	**18**	
Human Resources personnel headcount	8, 10	**2**	**2**		**2**	**2**		**2**	**2**	

6.5 KPA 4: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Overview

The Constitution recognises a Municipality's right to govern on its own initiative, the affairs of its Community, subject to the National and Provincial Legislation as provided for in the Constitution. It also emphasises the responsibility of Municipalities to utilise this Constitutional space prudently and in the interest of development locally. Municipalities must provide democratic and accountable government without favour or prejudice. They must furthermore use their Constitutional space by exercising their Legislative and Executive

Authority, and use the resources of the Municipality in the best interest of the Municipality and communities therein. Human capital refers to the stock of skills and knowledge embodied in the ability to perform labour so as to produce economic value optimising Human Capital within the context of Karoo Hoogland Municipality this relates to the development of skills and improvement of knowledge of employees through education and gaining relevant experience.

EMPLOYMENT EQUITY

The institution has improved its employment equity as required by legislation.

INSTITUTIONAL POLICIES

Karoo Hoogland Municipality has approved a number of municipal policies geared at assisting the municipal organisation to administer its affairs in a manner that complies with legislation and implement the developmental mandate of the municipality. The municipality continues to review and amend its policies to reflect changing legislative framework and policy environment. The municipality has approved the following institutional policies:

a) Tarrif Policy
b) Write Off Policy
c) Indigent Policy
d) Budget Policy
e) Property Rates Policy
f) Customer Care, Credit Control and Debt Collection Policy
g) Banking, Investment and Interest Policy
h) Borrowing Policy
i) Subsistence and Travelling Policy
j) Supply Chain Management Policy
k) Unauthorised, Irregular, Fruitless and Wastefull Policy
l) Gift and Rewards Policy

The municipality has as organisational structure that was approved by council wherein more than 90% of the vacant posts were filled. The following policies and plans were developed and approved by council viz:

- Work Skills Plan (WSP)
- Performance Management Framework
- Travelling and subsistence allowance Policy
- IT policy
- Anti- corruption Policy

Employees were enrolled to participate in various courses that will enhance and improve their skills in order to effectively execute their daily duties.

INSTITUTIONAL PLAN

The municipality has developed a plan that will guide institutional activities in all the departments. It illustrates amongst others issues that the municipality will focus on in ensuring organisational development and sustainability.

Institutional Plans

Employment equity plan: The municipality developed employment equity policy that complies with the Labour Relations Act.

Retention of staff: Retention policy was developed and approved by council in order to ensure the retention of skilled personnel within the institution

Placement of staff: The municipality developed a placement policy including a committee that comprises of labour movements and management including the political component.

Recruitment of staff: Recruitment and selection policy is in place to guide the institution on issues of new employees' recruitment. There is an approved organisational structure that indicates filled and vacant posts.

Management of assets: Asset management policy is developed and approved by council

Establishment of committees:
The municipality established committees that will deal with both administrative and political issues. Amongst others the committees established are Section 79 and 80 committees that will play an oversight role

SKILLS PROFILE

The municipality conducted a skills audit in the previous financial year. The main objective was to determine which skills the municipality still needs to improve on. Employees were enrolled in various courses depending on their specific developmental/competency needs.

- Municipal finance management
- Occupational health and safety management
- Fraud investigation
- Asset management
- Investigation of cyber crime
- Population Environment Development for IDP
- Municipal Performance Management
- Operators
- Customer care
- Computer literacy
- Traffic examiners

SKILLS REQUIRED

The municipality has embarked on a process of training employees as required by their specific developmental/competency needs. The training that the municipality offered during the 2017/2018 financial year are those of financial management, public administration, plumbing, grator operators and a Mass Youth Programme for unemployed youth in plumbing, bricklayers and civil and construction. Various other training courses where conducted across the departments of the municipality to adhere to the skills required to deliver the services.

LABOUR RELATIONS

It is upon the institution to ensure that it complies with labour standards set out in the Labour Relations Act 66 of 1995. The municipality has employed personnel from diverse cultures and religions. It remains essential for the institution to treat its employees equally as one family not withstanding its core functions and responsibilities.

INFORAMTION TECHNOLOGY

The establishment of ICT department within Karoo Hoogland Municipality to render a service to all departments through effective, efficient and cost effective systems and equipment that enhances the performance of these departments in service delivery to inhabitants, was not budgeted for. The ICT services are being delivered by SEBATA with regard to our telephone, network and financial system. However, the setup of email and internet are being done by regular staff.

Council has one server on which its systems run. These systems are for financial management, document management, prepaid services, security and connectivity, communication, e-natis vehicle registration management. Council business is conducted from 6 different buildings spread over the whole servicing area including the three towns. Within the buildings a wired network connects as well as wireless network connects, the offices to a main switch connected to the servers.

The IT Department should support all system users, maintains equipment and is responsible for the purchasing of equipment either for replacement or new staff. Keeping track with technology changes is always challenging due to budget constraints. IT services are also being outsourced or contracted when needed.

CUSTOMER SATISFACTION AND COMPLAINS MANAGEMENT SYSTEM

To focus on the client's need in a responsible and pro-active way, to enhance the payment for services and to create a positive and cooperative relation-ship between the persons responsible for the pay-ment for services received, and the municipality, and where applicable, any service provider.

The municipality has a complaint register in place which allow the public to report their complaints verbally, telephonically, email or online on the municipality's website. Office Managers attend to these complaints and direct to the relevant departments. A job card system is in place to monitor the progress and the time frame in which the compliant was addressed.

OCCUPATION HEALTH AND SAFETY

The occupational health and safety functions are located in the corporate services department. The unit is mainly dealing with the following:

Issues dealt with by Occupational Health and Safety Unit

Function Description

Employee support Programme Employees of the municipality differ in character and behaviour.

Employee wellness

It remains the responsibility of the municipality to ensure that employees are medically well and fit. The OHS unit work in partnership with the department of health and labour in ensuring that safety and medical services are accessible to all employees.

Institutional safety

Karoo Hoogland Municipality is working closely with the department of labour in ensuring that the institution complies with safety legislations and regulations

BYLAWS

Approved Bylaws

HR Policies and Plans			
	Name of Policy	Completed	Reviewed
		%	%
1	Affirmative Action	0.00%	
2	Attraction and Retention	0.00%	
3	Code of Conduct for employees	100.00%	
4	Delegations, Authorisation & Responsibility	100.00%	100.00%
5	Disciplinary Code and Procedures	100.00%	

6	Essential Services	0.00%	
7	Employee Assistance / Wellness	0.00%	
8	Employment Equity	0.00%	
9	Exit Management	0.00%	
10	Grievance Procedures	100.00%	
11	HIV/Aids	100.00%	
12	Human Resource and Development	0.00%	
13	Information Technology	50.00%	
14	Job Evaluation	50.00%	
15	Leave	100.00%	
16	Occupational Health and Safety	50.00%	
17	Official Housing	0.00%	
18	Official Journeys	0.00%	
19	Official transport to attend Funerals	0.00%	
20	Official Working Hours and Overtime	100.00%	
21	Organisational Rights	100.00%	
22	Payroll Deductions	50.00%	
23	Performance Management and Development	0.00%	
24	Recruitment, Selection and Appointments	100.00%	
25	Remuneration Scales and Allowances	0.00%	
26	Resettlement	100.00%	
27	Sexual Harassment	100.00%	
28	Skills Development	0.00%	
29	Smoking	100.00%	
30	Special Skills	0.00%	
31	Work Organisation	0.00%	
32	Uniforms and Protective Clothing	0.00%	
33	Other:		

The IDP for the 2022/2023 financial year commits to develop various key municipal by-laws to create the necessary regulatory framework to improve governance.

At the local level the Karoo Hoogland Municipality should focus on ensuring the effective enforcement of bylaws including traffic whistle-blowing on corruption and fraud, and encourage the participation of council and residents in Community Policing Forums and other initiatives aimed at eliminating crime.

In addition, a new strategy for overall bylaw enforcement would be developed. The bylaw enforcement coordination would ensure that municipal bylaws are implemented in a coordinated and coherent manner and appropriate resources are
Identified for such implementation.

6.6 KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Communication

The municipality has established a fully functional communication system. A communication strategy was developed to guide the communication internally and externally. The below diagram indicate systems of communication administratively and politically.

Community Participation

The medium for communication includes Municipal newsletters, Annual Report, local and National Newspapers, Ward committee system, Community Development workers (CDW's), as well as loud-hailing. The Karoo Hoogland Municipality has been incrementally increasing public participation, however there is a need to increase the number of residents and communities. The present reliance on the intermitted and often fragmented processes of consultation and participation orchestrated through IDPs and budgeting processes are inadequate. The municipality would be revising its public participation and communication strategies. The municipality would further enhance existing IGR structures to improve public participation. The municipality sustained a good relationship with its internal and external stakeholders.

Other structures that participate in the IDP development are as follows:

- CPF (Community Policing Forum)
- NGO's and CBO's
- Farmers associations
- CDW's (Community Development Workers)
- ESKOM
- Sector departments and the District municipality
- Early Childhood Development Centres
- The Aged centres
- Women Caucus
- Local Aids Council
- Disability forum
- Provincial and National sector departments

Community participation Challenges

- Shortage of communication personnel
- Lack of working resources- branding material
- Capacity building
- No enough coverage of municipal good news- units do not submit for both newsletter, website, print
- media in general

ADMINISTRATIVE GOVERNANCE

In terms of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) Section 60 the Municipal Manager of a municipality is the accounting officer of that municipality for the purposes of the Act and must provide guidance on compliance with the Act to political structures, political officer bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

In accordance with the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) Section 61 (1) a Municipal Manager must:
"*(a) act with fidelity, honesty, integrity and in the best interest of the municipality in managing its financial affairs;*
(b) Disclose to the municipal council and mayor all material facts which are available to the accounting officer or reasonably discoverable, and which in any way might influence the decisions or actions of the council or mayor;
(c) Seek, within the sphere of influence of the accounting officer, to prevent any prejudice to the financial interest of the municipality."

The Municipal Manager is the head of the administration of Karoo Hoogland Municipality and provides the link between the political and administrative arms of the Municipality.

Section 66 of the Local Government:
Municipal Systems Act, 2000 (Act 32 of 2000) states the following:
"*66(1) a municipal manager within a policy framework, determine by the municipal council and subject to any applicable legislation, must*
(a) develop a staff establishment for the municipality and submit the staff establishment to the municipal council for approval."

In terms of the above-mentioned section the Municipal Manager embarked on a process of reviewing the staff establishment since October 2013. The new proposed staff establishment tabled by the Consultant was pre-approved by Council January 2014. Council adopted the new Organogram on 9 December 2015, however a few processes should follow before being fully implemented.

The organisational compilation of the office of the Municipal Manager is as follows:

Office of the Mayor
Office of the Municipal Manager

Macro-structure:
Directorate Corporate Services
Directorate Financial Services
Directorate Infrastructure Services

Municipal Manager
Mr J Jonkers
Filled

Chief Financial Officer
Mr SJ Myburgh
Filled

Infrastructure Services Manager
Mr FJ Lotter
Filled

INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

The Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005) states that the role of the National Intergovernmental Forums is:

- To raise matters of national interest within that functional area with provincial governments and, if appropriate, organized local government and to hear their views on those matters
- To consult provincial governments and, if appropriate, organized local government on-
  - The development of national policy and legislation relating to matters affecting that functional area.
  - The implementation of national policy and legislation with respect to that functional area.
  - The co-ordination and alignment within that functional area of strategic and performance plans and priorities, objectives and strategies across national, provincial and local governments.
  - The co-ordination and alignment of the strategic and performance plans and priorities, objectives and strategies of the provincial government and local government in the province

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

As stated by Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005), the role of the Provincial Intergovernmental forums are:

- The implementation in the province of national policy and legislation affecting local government interests.
- Matters arising in the Presidents co-coordinating council and other national intergovernmental forums affecting local government interests in the province.
- National policy and legislation relating to matters affecting local government interests in the province.
- The co-ordination of provincial and municipal development planning to facilitate coherent planning in the province as a whole.

DISTRICT INTERGOVERNMENTAL STRUCTURES

According to the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005), the role of the District Intergovernmental forums is:

- to serve as a consultative forum for the district municipality and the local municipalities in the district to discuss and consult each other on matters of mutual interest including-
- ✓ Draft national and provincial policy and legislation relating to matters affecting local government interests in the district.

CURRENT STRUCTURES IN PLACE

Meetings and interactions on the following levels are regularly attended to enhance the Municipality regarding National and Provincial Government Policies and practices.

- Work closely with District Municipality, Provincial Government and SALGA to finalize the Provincial Urban Development Framework.
- Rollout of National Local Government anti-corruption strategy to all Municipalities and coordinate the implementation of the strategy at a local level.
- Support regarding implementation of the Municipal Property Rates Act.
- Support Municipality to comply with MFMA priority areas for implementation.
- The Provincial IDP engagement process and ensure alignment with LED strategies of Municipalities and PGDS.
- Alignment of all sector plans with the PGDS and IDP's and the NDP so as to meet service delivery targets.
- District to align sector plans i.e Housing and MIG and Municipalities IDP.
- Alignment of LED with District LED and the Provincial PGDS
- Regular Back 2 Basics Reporting to the District since February 2015 as well as bi-annually reporting.

PUBLIC ACCOUNTABILITY AND PARTICIPATION

Procedures for community participation processes as set out in legislation adhered to by timeously giving out meeting notices. This is Council meetings and Public meetings.

The municipality has made special efforts to enhance communication with the general public through various organized structures. The relationship with organized NGO's such as local community forums and ward committee structures have improved.

Council has endeavored to meet its legal obligations with regarding public participation with special reference to the following meetings which were held:

- IDP meetings
- Budget meetings
- Imbizo's

- Ward Committees were established and is functional
- Public Newsletters are circulated quarterly and public notices to keep the community informed.

Timeously distribution of Council agendas resulting in an almost 100% attendance of scheduled meetings.

- It is a priority to implement a Document Management System to track and monitor Council resolutions for effective communication.
- The Municipal website is in place as per legislative requirement and also focuses on tourism.

COMMUNITY DEVELOPMENT WORKERS

- CDW's deployed.
- There are 4 CDW's in KHM. 1 in Fraserburg, two in Sutherland and one in Williston.
- There is a fairly good relationship with them and they are mainly being utilized to promote communication between Council and the public.

- **DISTRICT IGR FORUM FUNCTIONALITY**

- The IGR in the Namaqua District is functional and is attended by the Mayor and Municipal Manager on regular basis.

OVERVIEW OF CORPORATE GOVERNANCE

Municipalities must exercise their executive and legislative authority within a system of co-operative government as outlined in Section 41 of the Constitution.

The corporate governance component is clearly identified and prescribed in the Municipal Systems Act as well as the Municipal Financial Management Act. The following sub-components are highlighted:

SECTION 79 PORTFOLIO COMMITTEES

In terms of Section 9 of the Local Government Municipal Structure Act (No. 117 of 1998) Karoo Hoogland LM is a Category B municipality with a plenary executive system combined with a ward participatory system.

In order to enhance good governance and accountability, the Municipality adopted the separation of powers. This is in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public service delivery takes place to benefit Karoo Hoogland and its communities. Council has established section 79 committees to play an oversight role and monitor the work of the administration. The established Committees are aligned to administrative departments of the municipality and are chaired by councillors.

MUNICPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

As previously noted The Karoo Hoogland Municiapltiy has established a Municipal Public Accounts Committee (MPAC). The main responsibility of MPAC is to provide oversight on operational performance and other related management aspects of the Municipality as delegated by Council. The MPAC can recommend or undertake any investigation in its area of responsibility. The primary function of MPAC was originally to provide comment on the Annual Report through the oversight report, but can be mandated to perform ad-hoc investigations as requested. The Annual oversight report provides guidance to Council on whether to adopt the Annual Report.

WARD COMMITTEES

To further strengthen community engagement the municipality the Karoo Hoogland Municipality has established (4) ward committees in terms of Municipal Structures Act of 1998. Each ward committee comprises of (10) members per ward and thus serve as a vital link between the municipality and the community. All the established committees are functional and submit their reports to the office of the speaker on monthly basis.

The effectiveness of these committees is negatively impacted through lack of knowledge on the role and responsibilities and insufficient work resources such as cell phones. Requisite training will be provided through COGHSTA.

COMMUNITY DEVELOPMENT WORKERS

Institutional capacity building will be needed to empower communities to maintain infrastructure, and business training will be required to enable communities to sustain economic initiatives. The system of Community Development Workers could support this initiative extensively and the Karoo Hoogland Municipality should investigate ways and means to implement this concept in the municipal area.

Community participation on the part of Karoo Hoogland Municipality is not a choice, but constitutional obligation and legal requirement. The Elias Karoo Hoogland Municipality should strive to narrow the current chasm between policy and practice.

Challenges facing Community Development Workers are:

- Lack of office space
- Transport to attend workshops and other important activities

MAYORAL OUTREACH PROGRAMMES

Apart from the Ward Committees the only other mechanism in place in the municipal area is the Mayoral Outreach Programme. The Mayoral Committee outreach at the moment does not ensure that communities and beneficiaries ultimately take ownership of infrastructure and assets the Karoo Hoogland Municipality invest in their communities. In establishing partnerships with communities, the municipality need to ensure that participation is formalised and strengthened.

The Karoo Hoogland Municipality will also have to work with existing organised groupings in the community, the social movements like NGOs/CBOs, youth and women formations, businesses, farmers (both subsistence and commercial), disabled and many other organised civil society organs.

BACK TO BASICS

On 18 September 2014 President Jacob Zuma convened the second Presidential Local Government summit at the Gallagher Convention Centre Midrand Johannesburg. The theme of the Summit was “Back to Basics” Serving Our Communities Better.

The summit was convened to provide an intergovernmental platform for the Minister of Cooperative Governance and Traditional Affairs, Mr P Gordhan (the Minister) to introduce government and stakeholders to the “Back to Basics” approach for Local Government.

The impetus for the Summit was the imperative identified by the Minister to improve the functioning of municipalities to better serve communities by getting the basics right. In this respect government must have a common understanding of where we are where we could be and what needs to be done.

The core document “Back to Basics: Serving Our Communities Better was distributed to all delegates at the summit. This paper acknowledges what has been achieved so far identifies our remaining challenges and proceeds to outline the Back to Basics Programme for change. Key performance standards are also introduced, as well as an articulation of the roles and responsibilities of each sphere of government and the Traditional Leaders in the implementation of the programme.

The Back to Basics document also contains an Appendix with proposed Municipal reporting activities by Mayors, their councils and Municipal administration which are for immediate implementation. It is thus a framework programme for our collective action.

The Key priority the Minister emphasized was the importance of “Getting the Basics Right”. He then introduced the five (5) pillars of “back to basics” approach which are principles for action as below.

- Putting people first
- Delivering basic services
- Good governance
- Sound financial management
- Building capacity

Towards responding to “Getting the Basics Right” and recognize that there are varying levels of performances amongst different categories of municipalities for example with regard to service delivery public participation processes, good governance, financial management and technical capacity the need exist to prioritise the following towards improving municipal performance:

Priority 1: For those municipalities in a dysfunctional state the objective is to get them to perform at the very least the basic functions of local government. This will be achieved through the enforcement of current policies and legislation, the systematically managing of their performance and accountability and ensuring that there are consequences for underperformance. Minimum performance requirements include ensuring the proper functioning of council structures and council processes the provision of basic services and the appointment of competent staff these are non-negotiable;

Priority 2: For municipalities who are functional but are not doing enough in critical areas of service a support programme will be developed to progress to a higher path. Here the focus will be on building strong municipal administrative systems and processes and to ensure that administrative positions are filled with competent and committed people whose performance is closely monitored. The oversight system for local government will be improved through creating real time monitoring systems. Measures will be taken to ensure that municipalities engage properly with their communities.

Priority 3: Municipalities that are performing well be incentivized by giving them greater flexibility and control over their resources and grants. They will be encouraged to move beyond the basics as they have the potential to transform the local space economy and

integrate and densify their communities towards a more advance and sustainable development path.

Priority 4: There will be a targeted and vigorous response to corruption and fraud and zero tolerance approach to ensure that these practices are rooted out. Supply chain management practises in municipalities will be closely scrutinized. Where corruption and mismanagement have been identified government will not hesitate to make sure these are decisively dealt with through provisions such as asset forfeiture and civil claims. CoGTHA and its stakeholder's partners will also work to change practices in the private sector and enlist the support of civil society to change the national morality.

Council approved The Back To Basics Action Plan for the municipality on the 25 February 2015.

Audit

The municipality has not achieved the clean audit as expected; Audit opinion expressed was a "Qualified Opinion" however, the AG's report indicated an improvement compared to the previous financial years. The institution is working hard to achieve the 2014 clean audit target. The municipality has appointed an audit committee to assist and guide the institution in running its affairs.

Audit Action Plan

Audit action Plan has been developed to deal with issues raised by the Auditor General.

Risk management

The municipality established a risk management system.

Risk management challenges

The municipality developed a risk management strategy that responds to risk related matters. The strategy is effectively used and implemented.

Anti-corruption challenges

Anti- corruption strategy was developed to ensure that the institution adheres to compliance related legislations. The main challenge with the strategy is that it is no used effectively.

Programmes (Office of the Mayor)

Through the Office of the Mayor the municipality have budgeted to support special programs for the 2024-2025 financial year that will focus and address to attend to social matters in the Karoo Hoogland municipal area however more needs to be done to concur the social injustices. The office of the mayor will embarked on the Community Works

Program (COGTHA) and One House Hould One Hectar/One Household Two Dairy Cows programme, One Rural Ward One Integrated Development Centre (Department of Rural Development and Land Reform to address socio economic Development.

The right to food is entrenched as Constitutional mandate in RS, i) Section 27 (1b) of the Bill of Rights “every citizen has a right to have access to food and water” ii) Section 28 (1c) every child has the right to basic nutrition, shelter, basic health care and social services’’, iii) Section 35 (2e) “every detained person and sentenced prisoner has a right to adequate nutrition.

The National Development Plan identifies food security and nutrition as both a consequence of poverty and inequality as well as cause. As a result the NDP makes reference to a number of steps that will improve food security and nutrition including the expanded use of irrigation security of land tenure (especially for women) the promotion of nutrition education etc.

Government of South Africa introduced the outcomes approach as a programme of action to realise service delivery. DAFF prioritises its effort on three Outcomes: 4 promoting job creation; 7 ensuring vibrant equitable and sustainable rural communities to attain food security for all and 10 environmental sustainability.

Food access by province as per STATS SA:

Total Population:	1 182 000
Inadequate access to Food:	415 416

Youth and the aged

According to the National Youth Policy 2015-2020(NYP 2020) youth refers to young people as those following within the age group of 14 to 35 years. This inclusive approach takes into account both historical as well as present conditions. The motivation for 35 years as the upper age limit of the youth is to ensure that historical imbalances in the country have been addressed.

Intervention for the Youth

Internships: Government Departments in the Northern Cape offer internships to young graduates which enables them to acquire needed skills through work exposure, whilst at the same time earning a stipend.

Enterprise Development Programme: This programme is implemented by the National Youth Development Agency aimed at creating a conducive environment for young entrepreneurs to access relevant entrepreneurship skills, knowledge, values and attitudes for their businesses. It offers a package on entrepreneurship training that responds to the labour market and needs of young people. It offers basic entrepreneurship skills. Characteristics of an entrepreneur and basic business requirement.

The Business Opportunities Support Service is on of the many business development programmes aimed at increasing youth participation in the mainstream economy by assisting youth entrepreneurs. The municipality will embarked on this opportunity.

- To link young entepeneurs to emerging procurement opportunities in the private and public sector

- To enhance the competitiveness and supply capacity of youth owned companies by providing them with sector driven supplier development.

- To facilitate the purchase of equity stakes by youth entrepreneurs

- To provide innovative financing programmes that enables youth entrepreneurs to honour their commitments on the acquired opportunities.

- To facilitate the provision of joint ventures as well as sub contract opportunities to the youth. To facilitate the provision of retail space/distribution opportunities to youth entrepreneurs

INTERVENTIONS

- Arts and Culture
- Language Services
- Library Services
- Reading Promotion
- Sport and Recreation
- Organise and coordinate youth programmes within the municipality

- Initiate and run youth developmental programmes
- Organise seminars and educational workshops on various issues such as health, career guidance, business management etc.
- Network with National and Provincial and District agencies aimed at youth development
- The youth are faced with a huge challenge of unemployment
- Inadequate educational facilities/institutions such as technikons, FET colleges and Universities
- Poverty alleviation programmes for the youth
- Inadequate old aged homes for the elders

Women

Women across the municipality are faced with a number challenges that needs the attention of government and the society to act on and ensure better living of women. The municipality, through the Office of the Mayor, will established a Women Caucus Forum that will pay attention to issues of women. The role of the will forum is to establish and co-ordinate programmes and also deal with problematic issues that impacts negatively on women.

The Disabled

While there is limited information on employment rates for the disabled, low literacy, low employment rates and widespread social stigma are making it difficult for disabled people to participate in economic activities in the municipal area. It is vital the municipality and other governmental agencies should create conditions for the disabled to access educational and employment opportunities. In addition, the municipality endeavours to facilitate:

- interventions that will include deepening preventative health programs
- screen all children at a young age
- empower disabled young adults with employable skills
- encourage the private sector to employ people with disabilities
- ensure full integration by overcoming stigma
- promote newer thinking and better coordination of programs
- Improve the measurement of disability to ensure that the scale of disability is better understood.

- In addition, the public participation processes in the municipality should actively encourage persons with
- Disabilities to be visible and active participants in the development process.

5 Moral regeneration charter

There is a global observation that people have gone astray from their cultural norms and values, religion and believes. The role of the forum is to establish structures that will assist making co-ordination much easier. The office of the Mayor will play a major role by developing programmes that will realise the objectives of the forum identified special groups needs are:

- Transport to attend meetings
- Skills development programme
- Employment opportunities that will help meet 2% target
- Brail machine for the visual impairment (Disabled group)
- Stationary for all special schools and centres
- Provision of water and electricity in needy centres
- Financial assistance to the youth
- HIV/AIDS council co-ordination
- Old-aged centre requires a building

Early Child Development (ECD)

Centres for early child development have been established in most of the villages. Some of these centres get support from the Social Development department whilst others depend on contributions by beneficiaries. The office of the Mayor is constantly meeting with representatives of these centres with an aim to give support where necessary. The municipality has to develop programmes that will help alleviate challenges the ECD centres are faced with.

Challenges facing ECDs are:

- Lack of proper learning centers
- Funding
- Inadequate support by National, Provincial and both local and district municipalities

Children's Rights

The municipality was chosen along with two (2) others to participate in a sponsored programme conducted by Save the Children South Africa (Scsa) for the purpose of mainstreaming children's rights into local government. The project aimed to address the absence of municipal action plans for children or child rights strategy, absence of a dedicated budget for children's issues, minimal participation of children in decisions

that affect them; lack of coordination forums for children's issues, and no policy for children's issues.

The municipalities need to developed a municipal action plans for children which will service as a guide to mainstream children's and prioritise children's issues within the integrate development plans and budget. A focal point to this initiative is the establishment of Ward-based children's committees to create a platform for children to participate in Municipal decision-making processes.

Community Works Program

The Community Work Programme (CWP) was established to provide an employment safety net to eligible members of target communities by offering them a minimum number of regular days of work each month.

The programme targets unemployed and underemployed people. The stipends participants receive supplement their existing livelihood means and provide them with a basic level of income security. They also assists those whose livelihood activities are insufficient to lift them out of abject poverty.

The CWP is an innovative offering from government to provide a job safety net for unemployed people of working age. It provides a bridging opportunity for unemployed youth and others who are actively looking for employment opportunities.
The programme provides them with extra cash to support them in their search for full-time or part-time employment. Programme participants do community work thereby contributing to improvements that benefit all community members.

Purpose of the CWP

- To provide an employment safety net. The CWP recognises that sustainable employment solutions will take time, particularly in reaching marginal economic areas.
- To contribute to the development of public assets and services in poor communities.
- To strengthen community development approaches.
- To improve the quality of life for people in marginalised economic areas by providing work experience, enhancing dignity and promoting social and economic inclusion.

The rationale for availing 8 days of work a month in the CWP was in order to allow participants to engage in other income generating activities for the remainder of the month. The idea was that most unemployed people would not normally sit and do nothing while unemployed. Instead they would find some “piece jobs,” take up part-time or casual employment or self-employment.

The plan for Karoo Hoogland LM will focus on Local Economic Development in all the wards the key development issues to be address by the CWP anchor sector is;

- Economic Tourism and Environment
- Economic Job Creation
- Education
- Heath and Social

YOUTH DEVELOPMENT

According to the National Youth Policy youth refers to young people as those falling within the age group of 14 to 35 years. This inclusive approach takes into account both historical as well as present-day conditions. The motivation for 35 years the upper age limit of the youth is to ensure that upper age limit of the youth is to ensure that historical imbalance in the country have been addressed.

Youth development is a process that prepares young people to meet the challenges of adulthood through structured and progressive series of programmes and interventions. By harnessing their energies and innovative capabilities youth empowerment is promoted and self-reliance is enhanced thus enabling them to positively contribute to society and the economy.

The National Development Plan 2030 asserts that young people should be considered as beneficiaries and as agents of change and not as passive receipts of government services. The shaping of young people as active and productive citizens in therefore critical for the production of demographic dividend which is preferred to as a rise in the rate of economic growth due to a rising share of working age people in a population.

It further asserts that the National Development Plan is a plan for the country to eliminate poverty and reduce inequality by 2030 through uniting South Africans unleashing the energies of its citizens growing an inclusive economy building capabilities enhancing the capacity of the state and leader working together to solve complex problems. It confirms that all sectors of society have a role to play in the creation of better life for all.

GENDER BASED VIOLENCE

Gender-based violence (GBV) is enabled by the prevalence of gender inequality and is rooted in patriarchal gender norms. It is defined as any act against women that results in, or is likely to result in, physical, sexual, economic or psychological harm or suffering which include threats of such acts as coercion or arbitrary deprivation of liberty, whether occurring in public or in private life.

It affects women throughout their life cycle (before birth to elder abuse) and is often exacerbated by cultural, economic, ideological, technological, political, religious, social and environmental factors. GBV includes physical, economic, sexual, and psychological abuse as well as rape,sexual harassment and trafficking of women for sex,45 and sexual exploitation. Forms of economic abuse of women which have a significant impact on both women and their children is through the withholding and control of financial resources which often gives them no choice but to remain in an abusive relationship. Furthermore, when women leave abusive relationships, financial abuse often continues through withholding of child maintenance.

Historical economic injustices resulting in enduring poverty among women and their families presents a significant determinant of GBV and femicide. Poverty and GBV are mutually reinforcing with poverty increasing women's risk of experiencing violence, and GBV increasing risk for poverty. Poverty leads to economic dependency on abusive male partners while economic stress may increase the likelihood of arguments over resource priorities. Poverty, together with low education and unemployment, increase women's vulnerability to experience IPV97 while unemployment among men may cause strain and stress over their failure to fulfil household expectations.

SECTION G:
NATIONAL AND PROVINCIAL OBJECTIVES AND PROGRAMMES

The municipality held its strategic session during 17 to April 2023 and 5th June 2023 in order to review the current 2022/2027 IDP and align the proposed 2020-2021 IDP taking cognisance of both the 2020-2021 Annual and 2021/2022 midyear performances assessment as well as other influencing factors.

The purpose of this process was to align the current strategies to further assist the institution in dealing with various service delivery challenges. Based on this evaluation of all the analysis input the Karoo Hoogland Municipality re-structured the following strategies contained within their developed programmes to ensure that alignment of all factors will result in the priorities of the municipality being achieved and that appropriate resources can be allocated.

7.1 SWOT ANALYSIS

The purpose of this process was to review and re-align the current strategies to assist the institution in dealing with various service delivery challenges and other related factors. Based on the evaluation of all the relevant analysis input the Karoo Hoogland Municipality has developed the following strategies contained within their developmental programmes. This will ensure that all challenges have been prioritized and will be addressed through the appropriate allocations of resources.

According to Section of the Constitution a municipality must structure and manage its administration and budget and planning process to give priority to the basic needs of the community and to promote the social and economic development of the community and participate in national and provincial development programmes.

The focus of the Karoo Hoogland Municipality is on shaping of the municipality to become “Karoo Hoogland will be an economical growth node in the Northern Cape, earmarked by active community participation”. In this journey the municipality is intent on aligning its goals and strategies to that of the National Development Plan – Vision 2030 (NDP) as well as other relevant National and Provincial strategies. The NDP priorities that closely link to Karoo Hoogland Municipality

The strategies of the municipality which are linked to programmes and projects must therefore focus on and be aligned to these above-mentioned developmental objectives.
A SWOT analysis is a commonly used tool used to facilitate a strategic review of a particular organisation. It is a high-level exercise that identifies strengths, weaknesses, opportunities and threats of the organisation. The strengths and weaknesses are internal factors that the organisation may control. Opportunities and threats are those factors external to the organisation and therefore the organisation has little or no control over these macro environment factors.

The SWOT analysis does not identify what should be done. Rather, it provides a framework for identifying where strategic opportunities may exist and how to avoid weaknesses inherent in the organisation or external threats from limiting future expansion and growth. The purpose of the SWOT analysis is to identify and assess the strengths, weaknesses, opportunities and threats in the Karoo Hoogland Local Municipality, in terms of Local economic development.

The identification of strengths, weaknesses, opportunities and threats within the municipal area provides the basis upon which the pillars of the LED strategy may be built.

TABLE BELOW - SWOT ANALYSIS

Weaknesses	Strengths
• Water shortages • Low rainfall • Electricity shortages • Lack of cellphone signal • Land reform taking place too slowly • Skills gap in skilled positions • Municipal owned land is not being used for its best strategic uses • Roads linking the towns are all gravel and distances between towns are far (minimum 80km). • Lack of jobs and economic development • Seasonality of working opportunities • Lack of support for emerging entrepreneurs • Lack of available land for Local residents • Lack of integrated domestic and interNational marketing of the area • Fragmentation of tourism industry • Lack of access to good health care • Lack of sport and recreational facilities • Poor quality of education • High cost of land • Poor public transport network • Poor resourcing of LED strategies • Increasing levels of poverty and drug related crimes • High levels of teenage pregnancy • High dependency on social grants and wage income by the poor • Small dispersed towns – mostly marginally active economies (nodes classified as stagnating small towns) • Large distances between Local towns and major economic centres (Kimberley and Cape Town) reduce the competitiveness of this region. • Undiversified economy: over-dependence on agriculture • Virtually non-existent manufacturing industry • Low income levels and low spending capabilities	• South African Large Telescope (SALT) in Sutherland - one of the most powerful telescopes in the world - Ideal for stargazing • Eco-tourism – vast open land, unique natural flora and a number conservation areas • Adventure tourism – 4X4 trails, hiking and fishing • Historical and cultural tourism – the rich heritage of the Khoi San/Nama people • Renewable Energy Facilities • Square Kilometer Telescope • Clean Towns • Eskom account is clear • New Municipal Fleet • EPWP Grant • Capital Budget • Close to the N1 • R27 is an link • Clean Towns • 100% MIG Spending • Functional Political Structure • MFMA Calendar compliance
Threats	**Opportunities**
▪ Climate change that will impact on water resources and agricultural activities ▪ Water supply ▪ Water quality ▪ Political dynamics/uncertainties	▪ Growth in tourism ▪ Astro tourism – the South African Large Telescope (SALT) at the South African Astronomical Observatory in Sutherland, as well as the SKA radio telescope project.

▪ Narrowing agriculture profit margins ▪ Fluctuations in tourism industry ▪ Global uncertainty of economic conditions ▪ Fluctuations in Rand cycles ▪ Brain-drain as individuals from the Northern Cape migrate from scarcity of business, finance, technical skills, and so forth	▪ Unexploited mineral opportunities ▪ Brand development ▪ Strengthening Local government spheres ▪ EPWP, SETAs and learnerships ▪ Renewable energy ▪ Opportunities for technology to fill gaps ▪ Agro-processing and technology innovations (i.e. drought resistant crops) ▪ Identified mining area along the southern boundary of LM and a central portion between Williston and Fraserburg, where uranium deposits are found. ▪ Gypsum deposits (although limited) are found in the northern part of the LM and to the west of Sutherland ▪ Eco-tourism

The potential analysis is the process of identifying the areas strengths in order to develop bankable cross-cutting projects.

7.2 CRITERIA FOR DETERMINING DEVELOPMENT POTENTIAL

Before commencing with the discussion of the relevant development potential criteria, it is deemed necessary to first clarify the meaning of potential. The Concise Oxford Dictionary (1990) describes "potential" as follows:

- Capable of coming into being or action
- The capacity for use or development
- Usable resources

Therefore, potential refers to resources and/or capacity, which can be utilised or developed. In order to identify or determine this development potential and/or opportunities within an economy, a set of criteria is required against which to measure the resource and/or capacity to determine potential. The set of criteria serves as a tool to identify areas with potential for development and opportunities within each of the Local economic sectors. The criterion for determining development potential therefore includes the following:

a) Availability of raw materials and resources
b) Economic linkages
c) Market trends
d) Gap analysis / agglomeration advantages
e) Logistics / Nodal point function
f) Regional service delivery function
g) Availability of labour
h) Technology change
i) Enabling policy environment

Key priority areas were identified from the SWOT through pains and enablers and are as follows:

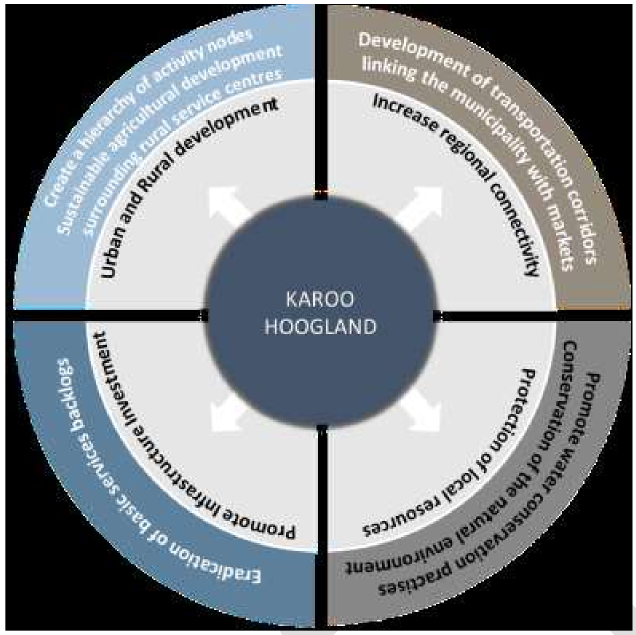
Table 70: Pains and Enablers

Pains	Enablers
Revenue base / collection	Revenue enhancement
Internal capacity	Training and development
Planning, monitoring and reporting	Integrated developmental planning
Ageing infrastructure	Infrastructure master plan implementation
Land use	and enforcement of by-laws
Internal controls	Adherence to audit and risk plans
Moral and social degeneration	Empowered communities
Unemployment and poverty	Economic growth
Endangered environmental resources	Protecting the environment

Strategy Map

A strategy map creates a picture of the strategic intent of the municipality. It depicts the outcome orientated goals in support of the strategy in terms of different perspectives based upon the Balanced Scorecard (BSC) methodology as developed by Kaplan and Norton, namely the learning and growth perspective, institutional perspective, the financial and the customer perspectives as articulated as a measurement system. This step in strategy formulation acts as the integration of strategy and operational planning.

Strategy is about those broad priorities that are to be pursued in order to achieve the vision and mission. Once the high-level strategic goals are developed, the BSC serves as the device for effective translation and implementation of manageable strategic objectives, outcomes, key focus areas and developmental strategies.



The above mentioned Strategic Objectives are aligned Strategic Objectives that were developed by the municipality and are depicted in the table below.

Strategic Objectives
1. Provide Quality living human settlements with basic infrastructure for all residents
2. Create economic centres that provide an enabling environment for business growth job creation and SMME opportunities
3. Improve financial viability and sustainability through efficient budget processes financial systems and legislative requirements
4. Promote skilled labour force through education and training to improve employability
5. Promote employee wellness by implementing various programmes
6. Ensure responsive and accountable governance
7. Ensure an informed community through implementation of communication strategies 8. Promote community participation through local government structures

The municipality must ensure that it aligns its goals with the National and Provincial goals and priorities. The table underneath indicates the municipalities strategic objectives alignment to Local Government Key Performance Areas.

COGTHA Key Performance Areas	Strategic Objectives
KPA 1: Basic Service Delivery	Provide Quality living human settlements with basic infrastructure for all residents
KPA 2: Local Economic Development	Create economic centres that provide an enabling environment for business growth job creation and SMME opportunities
KPA 3: Financial Viability	Improve financial viability and sustainability through efficient budget processes financial systems and legislative requirements
KPA 4: Municipal Transformation and Institutional Development	Promote skilled labour force through education and training to improve employability Promote employee wellness by implementing various programmes
KPA 5: Good Governance	Ensure an informed community through implementation of communication strategies Promote community participation through local government structures

Proposed projects to be implemented over the next three financial years were identified as well as human resource requirements for the next financial year in order to implement the immediate term strategies. A summary of the developed Goals and their respective purpose statement and outcome is detailed in the following table.

Ref	Strategic Objective	Key Focus Area
1.	Provide Quality living human settlements with basic infrastructure for all residents	Electrification Water and Sanitation Roads and Storm water Waste Management Housing Project Management Health Services Cemeteries Education and Libraries Safety and Security DLTC Climate Change Public Transport EPWP Fleet Management Disaster Management Environmental Management Building Plans/Administration
2	Create economic centres that provide an enabling environment for business growth job creation and SMME opportunities	Economic growth and development Poverty Alleviation Tourism SMME Development
3	Improve financial viability and sustainability through efficient budget processes financial systems and legislative requirements	Legislative compliance Financial Management Revenue Expenditure SCM Indigents
4	Promote skilled labour force through education and training to improve employability	Legislative compliance ICT New review policies Workplace health and safety

		Labour Relations Performance Management WSP LGSETA
5	Ensure an informed community through implementation of communication strategies Promote community participation through local government structures Ensure responsive and accountable governance Ensure an informed community through implementation of communication strategies Promote community participation through local government structures	Good Governance Community Participation IDP Development Customer Stakeholder Relationship Management Risk Management Audit PMS

Karoo Hoogland Municipalities strategic goals are discussed in more detail in the section that follows. The Strategic Objectives are dealt with Key Performance Ares and the respective measurements are reflected in the strategic scoreboard in the of this section

STRATEGIC OBJECTIVES OUTCOMES AND PROGRAMMES

The following strategic objectives were developed taking cognizance of the vision and mission statements of the municipality.

KPA	Strategic Objectives	Key Focus Areas
KPA 1: Basic Service Delivery	Provide Quality living human settlements with basic infrastructure for all residents	Electrification Water and Sanitation Roads and Storm water Waste Management Housing Project Management Health Services Cemeteries Education and Libraries Safety and Security DLTC Climate Change Public Transport EPWP Fleet Management Disaster Management Environmental Management Building Plans/Administration
KPA 2: Local Economic Development	Create economic centres that provide an enabling environment for business growth job creation and SMME opportunities	Economic growth and development Poverty Alleviation Tourism SMME Development
KPA 3: Financial Viability	Improve financial viability and sustainability through efficient budget processes financial systems and legislative requirements	Legislative compliance Financial Management Revenue Expenditure SCM Indigents
KPA 4: Institutional Development and Municipal Transformation	Promote skilled labour force through education and training to improve employability	Legislative compliance ICT New review policies

		Workplace health and safety Labour Relations Performance Management WSP LGSETA
KPA 5: Good Governance and Public Participation	Ensure an informed community through implementation of communication strategies Promote community participation through local g Ensure responsive and accountable governance overnment structures Ensure an informed community through implementation of communication strategies Promote community participation through local government structures	Good Governance Community Participation IDP Development Customer Stakeholder Relationship Management Risk Management Audit PMS

The strategic planning sessions was all about conceptualising the end result and the need to clearly identify the developing strategic purpose and intent by converting the achievements of Karoo Hoogland Municipality into actions.

The confirmation of the current developmental strategies will serve to galvanise management in a concerted effort to implement the strategic intent as outlined in this document for current and forward years of the five-year cycle. The balanced scorecard approach must enable the municipality to measure financial management. Client value, institutional processes efficiencies and effectively and the skills and competency levels of its people. It should contribute to the disbanding of the institutional silos identifying the integrative programme for service delivery and that the budget should support the initiatives as stipulated through the process.

STRATEGY PURPOSE AND OUTCOMES PER KEY PERFORMANCE INDICATOR

7.3 KPA 1 SERVICE DELIVERY AND SPATAIL DEVELOPMENT

Strategic Objective: Provide Quality living human settlements with basic infrastructure for all residents

The National Development Plan advocates the following regarding reversing the spatial effects of apartheid and human settlements:

- Increasing urban population density while improving the livability of cities by providing parks and other open spaces and ensuring safety
- Providing more reliable and affordable public transport with better coordination across the municipality
- Moving jobs and investment towards dense townships
- Building new settlements far from places of work should be discouraged chiefly through planning and zoning regulations responsive to government policy
- Strong and efficient spatial planning system well integrated across the sphere of government
- More people living closer to their places of work
- More jobs closer in or closer to dense urban township

The Northern Cape Provincial Growth and Development Strategy's main objective for planning in the province are.

- Promoting the growth diversification and transformation of provincial economy
- Poverty reduction through social development
- Developing requisite levels of human and social capital
- Improving the efficiency and effectiveness of governance and other development institutions

National outcome 8 and 10 relates to this goal where sustainable human settlement and improved quality of household life are promoted. This goal is cross cutting with the outcome orientated goal "Protected and safe environment" It is important to take intor consideration environmental assets and natural resources that are well protected and continually enhanced in line with development of integrated human settlement. The outputs relate to the reversion of the spatial effect of apartheid and to ensure low carbon economy.

The municipality aims to formalize human settlements with a detailed housing needs register to inform the municipality and eradicate backlogs. The municipality owns land and it should be investigated how best that land can be utilized for integration and upliftment of communities. The municipality must create an environment conducive for economic growth through partnerships with stakeholders to invest in the local economy. This also includes the priority of moving people closer to economic activities and opportunities.

The spatial positioning and related possibilities to link with and benefit from other economic opportunities around the municipal area should be exploited through intensive engagements with the different sectors and the marketing and branding of the municipality with specific reference to **"Astro Tourism".**

The development of a credible IDP is the cornerstone for sustainable integrated human settlements hence the municipality must give effect to the development and implementation thereof to improve service delivery though planning monitoring reporting and evaluation of processes on service delivery.

The outcome to be achieved through this goal is improved living conditions of communities.

A critical area to support this outcome is the **Provision of Infrastructure Bulk** services.

Key projects initiative to achieve this goal:

- Township Establishment
- Provision of Infrastructure bulk services
- Formalization of informal settlement and back yard dwellers

The following key focus areas are link to the above strategic goal:

- Spatial Development
- Climate Change
- Land Use Management
- Building Plans Administration
- Housing

The NDP states that to grow faster and a more effective inclusive manner the country needs higher capital spending in general and public investment in particular. The focus is on financing planning maintenance of infrastructure. The priorities ate relevant to Karoo Hoogland Municipality listed in the NDP are amongst others.

- The upgrading of informal settlements

- Road infrastructure and systems supported by facilities upgrades to enhance links with road infrastructure and basic services
- Tarring of the major roads between the 3 towns to enhance tourism development
- The timely development of a number of new water resources to supply residents with adequate water

The NDP Targets are:

- All people have access to clean potable water and there is enough water for agriculture industries
- Reduced water demand in urban areas to 15% below the business as usual scenario by 2030
- Additional electricity required and at least 20 000 MW of the required capacity should come from renewable sources.

National outcome 6 is an efficient competitive and responsive economic infrastructure network with the following outputs:

Output 1: Improving competition and regulation
Output 2: Ensure reliable generation distribution and transmission of electricity
Output 3: To ensure the maintenance and strategic expansion of our road rail network and the operational efficiency capacity and competitiveness of our sea ports
Output 4: Maintenance and supply availability of our bulk infrastructure
Output 5: Communication technology
Output 6: Develop a set of operational indicators for each segment
Output 9: A responsive accountable effective and efficient local government system and output 2 refers to;

- Improving access to basic services
- Meet the basic needs of the population

In response to the abovementioned priorities and strategies the municipality intends to respond as far as their powers and functions are concerned as follows with regard to its goal of accessible and sustainable infrastructure and basic services:

To achieve this goal it is important to focus on the following:

- Enhance sustainable service delivery through infrastructure development
- Ensure proper operation and maintenance of existing infrastructure and equipment
- Develop appropriate skills required for efficient service delivery

Backlogs exist in terms of basic service delivery the municipality needs upgrade its existing infrastructure. It is therefore critical for the municipality to consider the development of infrastructure.

To address the backlog, it is of critical importance that the municipality should develop a Infrastructure Master Plan. The plan should assist the municipality to indicate the current state of infrastructure.

The outcome to be achieved through this goal is satisfied community members. This means the provision of quantitative, good quality, sustainable and affordable infrastructure and services to all community members. (Quality will be prescribed by the specific specifications pertaining to that stage of the project)

Key projects initiatives to achieves this goal are:

Development of Management Plan (Corporate to champion)
Develop Infrastructure Master Plan (Roads, Electricity, Water and Sanitation)
Develop Infrastructure Maintenance Master Plan
Develop Quality Management System
Develop Fleet Management Plan

Key Focus Area 1: Spatial Development

Key Focus Area Description	Spatial planning provides a municipal perspective of spatial challenges and interventions. The different levels of plans seek to guide, direct and facilitate both public and private developments, investment and growth in a manner that will expand opportunities and contribute towards the visible upliftment of all communities.
Key Focus Area Objective	To provide a systematic integrated spatial development plan by 2026
Short Term Strategy (1-2 Years)	SDF Update
Medium Term Strategies (3-4 Years)	Developed Nodal Zones
Long Term Strategies (5 Years)	Protection of prime and unique agricultural land SDF review and Update

Key Focus Area 2: Climate Change

Key Focus Area Function	Implementation and service delivery to ensure adequate mitigation and adaption strategies which should include participation from the public sector private sector and NGO's.
Kay Focus Area Objective	Provide quality of living human settlements with adequate infrastructure
Short Term Strategy (1-2 Years)	Inclusion of Climate change strategy in the SDF and IDP
Medium Term Strategies (3-4 Years)	Mainstream climate change into the Local and Municipality IDPs. Establish a monitoring and evaluation system to measure the implementation of the climate change response plan.

	Encourage community participation through innovative climate change adaptation methods (e.g. "bring a hat").
	Ensure that Disaster Management Plans adhere to the amended climate change

Key Focus Area 3: Land Use Management

Key Focus Area Description	To provide a systematic integrated spatial / land development policy
Key Focus Area Objective	Promote harmonious and compatible land use patterns by 2026
Short Term Strategies (1-2 Years)	Development of Land Use Scheme that align with SPLUMA Sustainable development and densification
Medium Term Strategies (3-4 Years)	Social and economic inclusion
Long Term Strategies (5 Years)	Inclusion of cultural customs and practices of traditional communities in land use management.

Key Focus Area 4: Building Plans Administration

Key Focus Area Function	Building Plans Administration
Key Focus Area Objective (SMART)	Compliance with National Building Regulations and Building Standard Act 103 0f 1977 by 2026
Key Focus Area Objective Outcome	Sustainable built environment
Short Term Strategies (1-2 Years)	Sustainable built environment
Medium Term Strategies (3-4 Years)	Enforce building control regulations Sustainable build environment
Long Term Strategies (5 Years)	Enforce building control regulations Sustainable build environment

Key projects/initiatives for successful implementation of this key focus area are:

- Building inspections and building plans assessment
- Building control awareness
- Ensure compliance with National Building Regulations, Building Regulations Act

Key Focus Area 4: Integrated Sustainable Human Settlements

Key Focus Area Function	Housing
Key Focus Area Strategic Objective (SMART)	Establishment of sustainable integrated human settlements as well as the identification of areas suitable for settlement development and the sourcing of Appropriate funds to secure the land for development by 2030. Another priority is the eradication of informal settlements through the proclamation of Formal settlement
Key Focus Area Outcome	Sustainable integrated human settlements development
Short Term Strategies (1-2 Years)	Sustainable integrated human settlements development Identification and acquisition of suitable affordable land for human settlements
Medium Term Strategies (3-4 Years)	Ensures provision of sustainable integrated human settlements
Long Term Strategies (5 Years)	Ensures provision of sustainable integrated human settlements

Key Focus Area 5: Electrification

Function	Electrification
Kay Focus Area Objective (SMART)	To provide all communities with access to sustainable and reliable electricity supply or alternative economic measures for domestic households use e.g. solar panel by 2030
Key Focus Area Outcome	Implement initiatives identified in master plan
Short Term Strategies (1-2 Years)	To review Electricity Master Plan Develop public lighting master plan Explore alternative energy uses Implementation of high mast lights based on community needs Installation of bulk metering in all sub-stations and mini sub stations Provide electricity to extensions in villages Address issue of illegal connections Introduction of SMART metering systems
Medium Term Strategies (3-4 Years)	Implement initiatives identified in master plan
Long Term Strategies (5 Years)	Eradicate backlog and ensure provision of electricity to all households by 2025 Secure license for the provision of electricity for the entire municipality.

Key Focus : Water and Sanitation

Function	Water and Sanitation
Key Focus Area Objective (SMART)	The municipality will provide sustainable uninterrupted supply of quality potable water at the projected minimum service level standard to be defined
Key Focus Area Outcome	Eradication of Water and Sanitation Backlogs
Short Term Strategies (1-2 Years)	Eradication of Water and Sanitation backlogs
Medium Term Strategies (3-4 Years)	Coordinate and facilitate the provision of water and sanitation by the district municipality.
Long Term Strategies (5 Years)	Development and implementation of WSDP

Key Focus Ares 7: Roads and Storm Water

Function	Roads and Storm Water
Key Focus Area Objective (SMART)	Construct and maintain roads and storm water systems including the sealing of roads that meet the minimum levels of service standards with respect to the establishment and provision of an effective transport infrastructure by 2030
Key Focus Area Outcome	Ensure that all roads are accessible to stimulate economic activities and provide safe transport infrastructure routes Ensure 100% spending of MIG funds
Short Term Strategies (1-2 Years)	To review the Roads / Storm water Master Plan Maintenance of existing road infrastructure as per the developed maintenance plan Provision of storm water control to all roads Construction of new roads as prioritised by economic needs and master plan
Medium Term Strategies (3-4 Years)	Maintenance of existing road infrastructure Construction of new roads as prioritised by economic needs Naming of municipal roads
Long Term Strategies (5 Years)	Maintenance of existing road infrastructure Construction of new roads as prioritised by economic needs Re-naming of municipal roads

Key Focus Area 8: Waste Management

Function	Waste Management
Key Focus Area Objective (SMART)	To provide all communities with an effective waste collection and disposal management system that is environmentally compliant and raises public awareness about minimising waste generation and effective waste recycling by 2027
Short Term Strategies (1-2 Years)	Review of Integrated Waste Management Plan Audit waste collection methods and Development of Recycling Strategy Develop a composting strategy to divert garden waste to landfill Maintain existing facilities Promote establishing of waste recycling hubs (EPWP) Establishment and formalization of landfill site. Establish waste disposal facilities (Transfer stations) Establish mechanisms fo
Medium Term Strategies (3-4 Years)	Minimise illegal dumping Maintain existing facilities Promote establishing of waste recycling hubs (EPWP) Establishment and formalization of landfill site. Establish waste disposal facilities (Transfer stations) Establish mechanisms for promoting separation at source Awareness campaigns
Long Term Strategies (5 Years)	Minimise illegal dumping Maintain existing facilities Promote establishing of waste recycling hubs (EPWP) Establishment and formalization of landfill site. Establish waste disposal facilities (Transfer stations) Establish mechanisms for promoting separation at source Awareness campaigns

Key Focus Area 9: Project Management

Function	Project Management
Key Focus Area Objective (SMART)	Discipline of planning, organizing and managing resources to bring about the successful completion of specified projects to achieve goals and objectives
Key Focus Area Outcome	Effective implementation of all Capital projects within the parameters of budget, time and specification
Short Term Strategies (1-2 Years)	Effective implementation of all Capital

	projects within the parameters of budget, time and specification Training on MS Project and relevant programmes (Auto Cad) Employment of additional qualified and competent staff Address challenges of project prioritization taking cognizance that all projects must be cash backed
Long Term Strategies (5 Years)	Implementation of GIS

Key Focus Area 10: Sport and Recreation

Function	Sport Recreation
Key Focus Area Objective (SMART)	Reduce social ills such as crime drug abuse social disorder teenage pregnancy as well as HIV/AIDS through the use of sports and recreation activities and the provision of adequate and accessible recreational facilities. Promote healthy living and working environments.
Short Term Strategies (1-2 Years)	Establish status quo on existing facilities Maintenance of existing sports facilities Establishing community needs with regard to sporting and recreational facilities in conjunction with ward committees Develop business plan to identify funding sources and prioritise implementation Utilisation of 15% of MIG funding to support above Dialogue with local and sector sporting federations, etc. to garner support and funding Leverage existing forum platforms to assist in matters of HIV/Aids, teenage pregnancies and drug abuse Intensify and support HIV and Aids related programmes
Medium Term Strategies (3-4 Years)	Develop business plan to identify funding sources and prioritise implementation Source funds for various sports codes Utilisation of 15% of MIG funding to support above Dialogue with local and sector sporting federations, etc. to garner support and funding Implementation of business plan Maintenance and upgrading of new and existing facilities
Long Term Strategies (5 Years)	Implementation of business plan Maintenance and upgrading of new and existing facilities Coordinate the upgrading of sports facilities

Key Focus Area 11: Health Services

Function	
Key Focus Area Objective (SMART)	Coordinate the provision of Health services as facilitated through the Provincial and District offices by 2026
Short Term Strategies (1-2 Years)	Maintain dialogue and report back to District municipality and appropriate sector departments
Medium Term Strategies (3-4 Years)	Maintain dialogue and report back to District municipality and appropriate sector departments
Long Term Strategies (5 Years)	Maintain dialogue and report back to District municipality and appropriate sector departments

Key Focus Area 12: Cemeteries

Function	Cemeteries
Key Focus Objective (SMART)	The establishment and maintenance of cemeteries in accordance with applicable by-laws and legislation by 2026
Short Term Strategies (1-2 Years)	Conduct cemetery audit to establish status quo Develop Cemetery Master plan Procure automated cemetery record management system Develop cemetery maintenance plan Identification of suitable land for cemeteries Maintenance and development of cemetries
Medium Term Strategies (3-4 Years)	Provision of suitable land for new cemeteries Implementation of the Cemetery Master plan Maintain cemeteries
Long Term Strategies (5 Years)	Implementation of the Cemetery Master plan Maintain cemeteries

Key Focus Area 13: Fleet Management

Function	Fleet Management
Key Focus Area Objective (SMART)	To ensure that processes and control are effectively managed by 2023
Key Focus Area Outcome	Optimum availability of municipal services
Short Term Strategies (1-2 Years)	Develop Fleet Management Plan Employment of additional staff and capacitating the existing staff Secure adequate funding for replacement of ageing fleet
Medium Term Strategies (3-4 Years)	Implementation of Fleet Ment Plan

Long Term Strategies (5 Years)	Implementation of Fleet Management Plan

Key Focus Area 14: Disaster Management

Function	Disaster Management
Key Focus Area Objective (SMART)	To focus on ways and means to prevent and/or mitigate the risks and/or results of disasters and to maximise preparedness for potential emergencies and disasters, thus optimizing the safe guarding of life and property by 2026
Key Focus Area Outcome	Mitigate the risk and or results of disasters
Short Term Strategies (1-2 Years)	Mitigate the risks and/or results of disasters
Medium Term Strategies (3-4 Years)	Capacity building to communities
Long Term Strategies (5 Years)	Review the Disaster Mana Risk reduction & Disaster Management Control Centre gement Plan

To focus on ways and means to prevent and mitigate and or results of disasters and to maximize preparedness for potential for potential emergencies and disasters thus optimizing the safe guarding of life and property.

The National Development Plan, under its priority to transition to a low-carbon economy, it promotes that there is a need to move away from the unsustainable use of natural resources. It warns that changes in energy generation, water conservation and the uses of both are likely to be challenging and potentially disruptive for society and that competent institutions, innovative economic instruments, clear and consistent policies and an educated and understanding electorate will be required. Key proposals to support the transition to low-carbon economy include:

- Support for a carbon budgeting approach, linking social and economic considerations to carbon reduction targets
- Introducing an economy-wide price for carbon complemented by a range of programmes and incentives to raise energy efficiency and manage waste better
- A target of 5 million solar water heaters by 2030
- Building standards that promote energy efficiency
- Simplifying the regulatory regime to encourage renewable energy, regional hydroelectric initiatives and independent power producers
- Set of indicators for natural resources accompanied by publication of annual reports on health of identified resources to inform policy
- Target for the amount of land and ocean under protection
- Achieve the peak, plateau and decline trajectory for greenhouse gas emission with the peak being reached about 2025
- By 2030 an economy-wide carbon price should be entrenched
- Zero emission building standards by 2030
- Absolute reduction in total volume of waste disposed to landfill each year

- At least 20 000MW of renewable energy should be contracted by 2030
- Improved disaster preparedness for extreme climate events
- Increased investment in new agricultural technologies, research and the development of adaption strategies to protect rural livelihoods and expansion of commercial agriculture

National Outcome 10 promotes environmental assets and natural resources that are well protected and continually enhanced and the output of sustainable environmental management. This is to be achieved through solid waste management to ensure waste minimization, improved collection and disposal and recycling by ensuring that the percentage of households with basic waste collection and disposal facilities.

This goal responds to the institutional priority issue that relates to environmental management

The municipality should come up with innovative ways on how it can increase community awareness and participation in environmental management activities and initiatives. Especially in the light of the vision of the municipality focusing on agriculture and tourism, the municipality is rich in agriculture and has a wealth of culture and ecotourism focus points that should be protected to ensure future sustainability. A further critical aspect that needs to be addressed and/or avoided is unplanned development and informal settlements that put a strain on the sensitive environment in terms of debushing, erosion, fires, air-, water and ground pollution.

This advent therefore necessitates the need to identify and protect the environment. The municipality needs to develop an environmental management plan which ought to give rise to intensifying recycling initiatives. Lastly environmental by-laws with appropriate punitive mechanism and action plan need to be developed, promulgated and enforced to strengthen compliance thereof.

The outcome to be achieved through this goal is protected flora and fauna for sustainable ecotourism and agro-economy that will ultimately lead to a better quality life for the whole community. This means eradicating informal settlements, monitoring and managing environment. To achieve the outcome the following critical areas have been identified that should be prioritised and addressed through implementation of various projects:

Key Focus Area 15: Environmental Management

Function	Environmental Management
Key Focus Area Objective (SMART)	To ensure communities are contributing toward Climate Change and reduction of Carbon footprint by 2026
Short Term Strategies (1-2 Years)	Develop Environmental Master Plan Monitor implementation waste management programme Enforcement of relevant by-laws Implementation of strict pollution control Monitoring of water quality, air quality management, noise

	management Awareness campaigns on environmental issues Hosting of events on environmental calendar Initiate green – economy programmes and also create awareness to communities
Medium Term Strategies (3-4 Years)	Monitor implementation waste management programme Enforcement of relevant by-laws Implementation of strict pollution control Monitoring of water quality, air quality management, noise management Awareness campaigns on environmental issues Hosting of events on environmental calendar Develop climate change programmes in response to the critical elements of climate change.
Long Term Strategies (5 Years)	Monitor implementation waste management programme Enforcement of relevant by-laws Implementation of strict pollution control Monitoring of water quality, air quality management, noise management Awareness campaigns on environmental issues Hosting of events on environmental calendar

Key Focus Area 16: Safety and Security

Function	Safety and Security
Key Focus Area Objective (SMART)	Facilitate safe and secure neighborhoods and ensure that all legislated road ordinance and local by-laws are enforced to provide a safe environment for all road users and minimise traffic violations and road accidents traffic law enforcement by 2026
Key Focus Area Outcome	Safe and secure neighborhoods
Short Term Strategies (1-2 Years)	Enforcement of all local by-laws Skills and infrastructure development Filling of critical budgeted vacant posts Implement Law enforcement projects to improve the safety and security of the public in general
Medium Term Strategies (3-4 Years)	Enforcement of all local by-laws Implement Law enforcement projects to improve the safety and security of the public in general.
Long Term Strategies (5 Years)	Enforcement of all local by-laws Established Control room monitoring the whole CBD via cameras

7.4 KPA 2: LOCAL ECONOMIC DEVELOPMENT

Strategic Objective: Create economic centres that provide an enabling environment for business growth job creation and SMME opportunities

The National Development Plan aims for an economy that will create more jobs by:

- Realising an environment for sustainable employment and inclusive economic growth
- Promoting employment in labour-absorbing industries
- Raising exports and competitiveness
- Strengthening government capacity to give leadership to economic development
- Mobilising all sectors of society around a national vision it further aims to achieve the following targets by 2030:

It further aims to achieve the following targets by 2030:

- Unemployment rate should fall to 14% by 2020 and 6% by 2030 requiring an additional 11 million jobs
- Proportion of adults should increase from 41% to 61%
- Proportion of adults in rural areas working should rise from 29% to 40%
- Labour force participation should rise from 54% to 65%
- Gross Domestic Product (GDP) should increase by 2.7 times in real times
- Proportion of national income earned by the bottom 40% should rise from about 6% to 10% in 2030
- Broad ownership of assets by historical disadvantage groups to increase

- Public employment programmes should reach 1 million by 2015 and 2 million by 2030

The NDP further aims to have an inclusive and integrated rural economy it is envisaged that by 2030 South Africa rural communities should have greater opportunities to participate fully in the economic social and political life of the country. A million jobs to be created through agriculture development based on effective land reform and the growth of irrigated agriculture and land production. The focus is also on basic service that enable people to develop the capabilities they need to take advantage of economic opportunities throughout the country and contribute to the development of their communities through remittance and the transfer of skills. Food security and the empowerment of farm workers is also a priority. Industrties tourism and small enterprises should be developed where potential exist.

National Outcome 4 and 7 relate to decent employment through inclusive economic growth and vibrant equitable and sustainable rural communities with food security for all. The outputs of these tow outcomes refer to the implementation of community works programmes.

Karoo Hoogland Municipality strives towards contributing to the priorities set out in the NDP and National Outcomes through the implementation of the goal: Inclusive growing economy.

This goal responds to priority issue that relates to economic growth

Karoo Hoogland Municipality seeks to compile programmes and formulate policies and by-laws that encourage entrepreneurship and thereby monitor evaluate performance of the local economy and investment trends. Project designs should include labour intensive methods and identify opportunity areas and expose SMME's to incubation projects which will stimulate development and thereby enhance job creation. Through the aforementioned initiatives the municipality strives to reduce the unemployment rate.

Existing policies should be reviewed or new policies develop to become more enabling and focussed on establishment of partnerships and networks that will enhance the SMME value chain.

Critical areas the following actions were undertaken to prepare the LED:

- Updated socio-economic and demographic information for the Karoo Hoogland Local Municipality through the use of secondary information (existing data bases)
- To take Undertake an in-depth analysis of the real (but latent) development opportunities in the key economic sectors in the study area
- Capacity building of Local LED officials
- Identify practical sectoral programmes that could be used as basis for pro-active economic development initiatives
- Undertake focused analysis of key sectors taking cognizance of the first and second economy constraints and opportunities
- To promote an inclusive, participatory process that integrates strategic planning, community participation, sustainability and good decision making with Local economic development
- Emphasise Local job creation, alleviation of poverty and redistribution of opportunities and wealth

Karoo Hoogland Local Municipality seeks to compile programmes and formulate policies and by-laws that encourage entrepreneurship and thereby monitor and evaluate performance of the local economy and investment trends. Project specifications need to be developed that they will incorporate labour intensive methods and identify opportunity areas and expose SMMEs to incubation projects which will stimulate development and thereby enhance job creation. Through the aforementioned initiatives the municipality strives to positively reduce the unemployment rate. Existing policies should be reviewed or new policies developed to become more enabling and focussed on establishment of partnerships and networks that will enhance and expand the SMME value chain.

The outcome to be achieved through this goal is improved economic conditions for the community. This means that the municipality intents to facilitate processes for the creation of a prosperous and poverty free community.

The following projects initiatives will assist successful implementation of this goal:
- Cooperatives and enterprise support initiatives
- Implementation of LED strategy
- Training of SMMEs
- Support to Agri-park initiatives

The following Key Focus are linked to the above strategic goal:

- Community Works Programme
- Extended Public Works Programme (EPWP)

The following Key Performance Areas are developed for KPA 3 during the Strategic Planning Workshop during the period of the 17 to 19 April 2023

Key Focus Area 17: Economic Growth and Development

Function	Economic Growth and Development
Key Focus Area Objective (SMART)	To facilitate economic growth and sustainable job creation by 2027
Key Focus Area Outcome	Reduce the level of unemployment
Short Term Strategies (1-2 Years)	Create conducive condition for economic growth and job creation
Medium Term Strategies (3-4 Years)	Investment attraction and retention
Long Term Strategies (5 Years)	Investment attraction and retention

Key Focus Area 18: Extended Public Works Programme (EPWP)

Programme/Function	Extended Public Works Programme
Programme Objective Outcome (SMART)	The establishment and promotion of opportunities that create job opportunities through the mechanism of EPWP, both in Capital labour intensive projects and LED initiatives by 2027
Key Focus Area Outcome	To create job opportunities
Short Term Strategies (1-2 Years)	Ensure that the procurement process recognizes the role of awarding tenders to contractors who employ or sub contract work to emerging SMME's Establish labour intensive projects such as cleaning, waste recycling etc. Partner through the

	Social Economic Developmet Plans and EPWP programmes to leverage FTE work opportunities
Medium Term Strategies (3-4 Years)	Continue with above
Long Term Strategies (5 Years)	Continue with above

7.5 KPA 3 FINANCIAL VIABILITY

Strategic Objective: Improve financial viability and sustainability through efficient budget processes financial systems and legislative requirements

This goal relates directly to the National Outcome 9 which is: A responsive, accountable, effective and efficient local government system. Under this outcome, outputs 1 and 6: Administrative and financial capability as well as Implement a differentiated approach to municipal financing, planning and support relate directly to the goal under discussion. The following sub-outputs are advocated:

- The average monthly collection rate on billings to rise
- The percentage of municipalities with debtors more than 50% of own revenue to be reduced from
- 24% to 12%e to 90%
- The percentage of municipalities that are overspending on opex to improve from 8% to 4%
- The percentage of municipalities under-spending on capex to be reduced from 63% to 30%
- The percentage of municipalities spending less than 5% of opex on repairs and maintenance to be reduced from 92% to 45%
- Improve national and provincial policy, support and oversight to local government
- The percentage of municipalities that are overspending on OPEX to improve from 8% to 4%
- The percentage of municipalities spending less than 5% of opex on repairs and maintenance to be
- reduced from 92% to 45%
- The percentage of municipalities under-spending on capex to be reduced from 63% to 30%

As indicated previously, the NDP states that to grow faster and in a more inclusive manner, the country needs a higher level of capital spending in general and public investment in particular.

This goal responds to the institutional priority issue that relates to revenue enhancement.

The municipality needs to increase revenue generation to ensure sufficient funds are available to invest into projects for the communities. The municipality must be able to pay commitments and have sufficient reserves and investments. The intention is for the municipality to become less grant dependent and be in a financial position to fund infrastructure projects from own funds.

The following key strategic projects/initiatives have been identified that will assist the municipality to achieve this goal:

- Consumer data cleansing
- SMART metering
- Community based waste management
- Revenue enhancement strategy

The following programmes are linked to this strategic goal:

- Legislative Compliance
- Financial Management
- Revenue
- Expenditure
- Supply Chain Management
- Indigents

The following strategies per programme were developed for this Strategic Objective within KPA during the Strategic Planning Workshop during the period of the 17 – 19 April 2023.

Key Focus Area: Legislative Compliance

/Function	Legislative compliance
Key Focus Ares Objective (SMART)	Compliance to MFMA, other relevant legislation, internal policy and procedural requirements within prescribed timelines Programme Objective Outcome by 2024
Key Focus Area Outcome	Legislative compliance within defined time frames
Short Term Strategies (1-2 Years)	Retain qualified and competent staff Regularly review legislative amendments and update polices / procedures accordingly Maintain processes and procedures currently in operation
Medium Term Strategies (3-4 Years)	Retain qualified and competent staff Regularly review legislative amendments and update polices / procedures accordingly Maintain processes and procedures currently in operation
Long Term Strategies (5 Years)	Retain qualified and competent staff Regularly review legislative amendments

	and update polices / procedures accordingly Maintain processes and procedures currently in operation

Key Focus Area 20: Financial Management

Function	Financial Management
Key Focus Area Objective (SMART)	To implement sound financial management practices by 2027
Key Focus Area Outcome	Obtain a Clean Audit opinion from the office of the AG
Short Term Strategies (1-2 Years)	Resolve all financial issues raised in internal and external audit action plans. Mentain the Unqualified Audit opinion. Preparation of AFS internally. Rotation of suppliers in supplier database Retention of qualified competent staff
Medium Term Strategies (3-4 Years)	Resolve all financial issues raised in internal and external audit action plans. Maintain the Unqualified Audit opinion. Preparation of AFS internally. Rotation of suppliers in supplier database Retention of qualified competent staff
Long Term Strategies (5 Years)	Resolve all financial issues raised in internal and external audit action plans. Maintain Clean Audit opinion. Retention of qualified competent staff

Key Focus Area 21: Revenue

Function	Revenue
Key Focus Objective (SMART)	To increase revenue generated from own sources to 90% by 2024
Key Focus Outcome	To reduce Grant dependency
Short Term Strategies (1-2 Years)	Develop revenue enhancement strategy To implement data cleansing processes to ensure revenue database is accurate To increase the revenue base by identifying areas that municipality is not billing for services Enforce debt control policies and procedures Conduct awareness campaigns to instil a culture of payment within the municipality Review tariff structures to be cost effective Review by-laws pertaining to revenue collection Introduction of SMART metering systems Reduction of illegal connections

	Introduction of p
Medium Term Strategies (3-4 Years)	To increase the revenue base by identifying areas that municipality is not billing for services Review of tariff structures to be cost effective Review by-laws pertaining to revenue collection Partner with Eskom database to collect outstanding debt
Long Term Strategies (5 Years)	Extension of municipal electricity licensed areas. Apply to obtain the water services authority status.

Key Focus Area 22: Expenditure

Function	Expenditure
Key Focus Area Outcome (SMART)	The effective management of operational and capital spending patterns in line with budget mandates and projected cash flow requirements by 2027
Key Focus Area Outcome	Financial Liquidity
Short Term Strategies (1-2 Years)	Implementation of proper documents management system. Provision of data management system. Compliance to internal financial controls processes by user departments Education of departments in correct financial procedures
Medium Term Strategies (3-4 Years)	Compliance to internal financial controls processes by user departments
Long Term Strategies (5 Years)	Compliance to internal financial controls processes by user departments

Key Focus Area 23: SCM

Function	Supply Chain Management
Key Focus Area Programme Objective (SMART)	To effectively procure goods and services for the organisation in a timely and cost-effective manner in full compliance to legislative requirements by 2027
Key Focus Area Outcome	Effective and efficient procurement of goods and services
Short Term Strategies (1-2 Years)	Implementation of documented departmental procurement plan Compliance with supply chain management acts and regulations Implementation of proper documents management system. Provision of

	adequate filing storage facility. Improvement of internal controls on payments. Introduction of the system where prospective supplier database is rotated. Compliance with the assest management policy and GRAP standards Implementation of CSD for maintenance of prospective service providers
Medium Term Strategies (3-4 Years)	Implementation of documented departmental procurement plan Compliance with supply chain management acts and regulations Introduction of the system where prospective supplier database is rotated.
Long Term Strategies (5 Years)	Implementation of documented departmental procurement plan Compliance with supply chain management acts and regulations Introduction of the system where prospective supplier database is rotated.

Key Focus Area 24: INDIGENTS

Function	Indigents
Key Focus Area Objective (SMART)	To ensure that all qualifying indigent beneficiaries are registered to obtain free basic services by 2027
Key Focus Area Outcome	Provision of free basic services
Short Term Strategies (1-2 Years)	Re-validation of the registered indigents. Conduct awareness campaign on indigent benefits
Medium Term Strategies (3-4 Years)	Re-validation of the registered indigents. Implement a rehabilitation programme to make existing indigents financially self-sustainable
Long Term Strategies (5 Years)	Re-validation of the registered indigents. Implement a rehabilitation programme to make existing indigents financially self-sustainable

7.6 KPA 4: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

Strategic Objective: Promote skilled labour force through education and training to improve employability

The NDP priority of Building a capable and developmental State advocates the following:

A state that is capable of playing a developmental and transformative role.
A public service immersed in the development agenda but insulated from undue political interference
Staff at all levels has the authority, experience, competence and support they need to do their jobs
Relations between national, provincial and local government are improved through a more proactive approach to managing the intergovernmental system

Clear governance structures and stable leadership enable state-owned enterprises (SOEs) to achieve their developmental potential

National Outcome 12 that deals with an efficient and development oriented public service targets the following outputs:

Business processes, systems, decision rights and accountability management
The institutional capacity and effectiveness of municipalities is increased

Clean, Responsive and Accountable Administration This goal responds to the institutional priority issues that relate to training and development that will ensure a responsive and performing workforce and resources that will create a customer-focused, friendly and helpful working environment.

The municipality must attract and retain skilled personnel and provide WSP & skills audit related training in support of the strategic intent of the municipality. The outcome to be achieved through this goal is and efficient workforce. This means to leverage the municipality's staff capacity to drive efficiency and effectiveness.

The following Key Focus Areas are linked to the above strategic goal:

- Performance Management
- ICT
- Organisational Development
- Workplace Health, Safety and EAP

- Labour Relations

The following strategies per programme were developed for KPA during the Strategic Planning Workshop during the period of the 17 – 19 April 2023.

Key Focus Area 25: ICT

Function	ICT
Key Focus Area Objective (SMART)	Implementation of effective ICT systems and availability of secured information and data by 2027
Key Focus Area Outcome	Implementation of effective ICT systems and availability of secured information and data by 2027
Short Term Strategies (1-2 Years)	Integration of computer and network hardware and software which enable users to access, store, transmit, and manipulate information by 2027
Medium Term Strategies (3-4 Years)	Implementation of ICT master systems plan Securing of adequate funding to support ICT projects Maintain software and hardware to keep abreast with developing technology Implementation of disaster recovery plan
Long Term Strategies (5 Years)	Securing of adequate funding to support ICT projects Maintain software and hardware to keep abreast with developing technology

Key Focus Area: Organisational Development

Function	Organisational Development
Key Focus Area Objective (SMART)	To ensure the Improved efficiency and effectiveness of the Municipal Administration by 2023. By capacitating existing and new staff and by the selection and appointment of competent staff
Key Focus Area Outcome	Capacitated, motivated and effective staff
Short Term Strategies (1-2 Years)	Review the organisational structure and ensure alignment to IDP and organisational needs Conduct skills needs audits and align it to the WSP Ensure filling of all critical positions Conduct an employee satisfaction survey Follow up on survey to improve relations Implement employee assistance programme (EAP)

	Develop employee retention strategy Review and update the Employment Equity Plan
Medium Term Strategies (3-4 Years)	To review the organisational structure and ensure alignment to IDP and organisational needs Maintain short term strategies Implementation of employment equity targets
Long Term Strategies (5 Years)	To review the organisational structure and ensure alignment to IDP and organisational needs

Key Focus Area 27: Performance Management

Function	Performance Management
Key Focus Area Objective (SMART)	Performance management is a systematic approach to management, which equips leaders, managers, workers and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the municipality in terms of indicators, to determine its efficiency, effectiveness and impact; thereby ensuring improved cost effective service delivery to the community by 2023
	Monitoring and evaluation of the organisation's implementation of its strategic objectives, programmes and projects in line with the approved IDP through the SDBIP framework
Short Term Strategies (1-2 Years)	Compliance to all relevant legislation and the Municipal PMS Framework Reviewal of PMS framework and procedure manual Capacitation of all staff members in terms of PMS Cascading of individual performance management to lower levels Convene PMS stakeholder feedback sharing Implementation of the automated performance management system
Medium Term Strategies (3-4 Years)	Cascading of individual performance management to all staff members
Long Term Strategies (5 Years)	Effective and efficient performance management system Effective and efficient performance management

	system for the benefit of optimizing organisational performance and improved service delivery

Programme 28: Key Focus Areas

Function	Work place Health and Safety
Key Focus Area Objective (SMART)	Occupational health is concerned with the health and safety of employees at work. The aim of the programme is to promote a healthy, safe and legislative compliant work environment, and a healthy, active and productive worker by 2027
Key Focus Area Outcome	To improve the health and safety of the employees in compliance with the Act
Short Term Strategies (1-2 Years)	Appointment of qualified safety officer Establish status quo i.t.o municipality's health and safety plan Development of health and safety policy Appointment of all legislative posts Provision for training of above posts Promote health and safety in the workplace Provide qualified counselling with respect to the Employment Assistance Programme
Medium Term Strategies (3-4 Years)	Ensure health and safety programme is sustained Provide qualified counselling with respect to the Employment Assistance Programme
Long Term Strategies (5 Years)	Ensure health and safety programme is sustained Provide qualified counselling with respect to the Employment Assistance Programme

Key Focus Area: Labour Relations

Function	Labour Relations
Key Focus Area Objective (SMART)	To ensure fair labour practices that comply with the Labour Relations Act at all times 2023
Key Focus Area Outcome	To ensure fair labour practices that comply with the Labour Relations Act are systematically applied at all times
Short Term Strategies (1-2 Years)	To conduct training workshops on internal labour policies Follow up on quarterly LLF meetings Ensure implementation of approved labour relation policies and

	procedures
Medium Term Strategies (3-4 Years)	Maintain sound and effective labour practices and stability
Long Term Strategies (5 Years)	Review and monitoring of the labour policies and acts

7.7 KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategic Objective: Ensure an informed community through implementation of communication strategies/ Promote community participation through local government structures

Related to this goal are the following NDP priorities:

- Reforming the public service
- Fighting corruption
- Transforming society and uniting the country

In light of the abovementioned priorities, the NDP states that a plan is only as credible as its delivery mechanism is viable. A capable state is an essential precondition for South Africa's development. A capable state does not materialize by decree, nor can it be legislated or created from conference resolutions. It has to be painstakingly 237 | P a g e built, brick by brick, institution by institution, and sustained and rejuvenated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems and consistent and fair application of rules.

High corruption levels frustrate society's ability to operate fairly and efficiently and the state's ability to deliver on its development mandate. Political will is essential to combat the scourge of corruption. The fight against corruption has to be fought on three fronts: deterrence, prevention and education. Deterrence helps people understand that they are likely to be caught and punished. Prevention is about systems (information, audit and so on) to make it hard to engage in corrupt acts. The social dimension of corruption can only be tackled by focussing on values, through educations. International experience shows that with political will and sustained application of the right strategies, corruption can be significantly reduced and public trust restored.

National Outcome 12 that deals with an efficient and development oriented public service targets the following outputs:

Business processes, systems, decision rights and accountability management
The institutional capacity and effectiveness of municipalities is increased
Clean, Responsive and Accountable Administration

This goal responds to the institutional priority issue that relates to internal controls. This means improved and effective enforcement of internal controls and systems. Increased engagement with relevant sectoral stakeholders and communities. Empowering communities to become actively involved in public participation processes. Improved turnaround time and adherence to service delivery standards. The outcome to be achieved through this goal is public confidence through an unqualified audit opinion. This means to be an organisation that practices responsible, accountable, effective and efficient corporate governance.

Key Performance Areas linked to this strategic goal are:

- Audit
- Risk Management
- Performance Management
- Good Governance and Oversight
- Legal Services
- Policies
- By-laws
- Customer / Stakeholder Management
- Community Participation

The following strategies per programme were developed for this Strategic Objective within KPA during the Strategic Planning Workshop during the period of the 17 – 19 April 2023.

Key Focus Area 30: Good Governance

Function	Good Governance and Oversight
Key Focus Area Objective (SMART)	To provide transparency and openness in the daily administration of the Institution for the benefit of all stakeholders To create a culture of accountability and transparency as per the National Development Plan (NDP) priorities of • Reforming the public service • Fighting corruption • Transforming society and uniting the country
Key Focus Area Outcome	An accountable and transparent administration
Short Term Strategies (1-2 Years)	Develop sound business processes, policies, systems and accountable management Capacitate all levels of management in sound governance practices Implement effective risk

	management and internal audit systems Obtain an Unqualified Audit Opinion from the Office of the AG
Medium Term Strategies (3-4 Years)	Develop sound business processes, policies, systems and accountable management Maintain effective risk management and internal audit systems Implement effective risk management Obtain a Clean Audit Opinion from the Office of the AG
Long Term Strategies (5 Years)	Maintain all Medium-Term Strategies

Key Focus Area 31: Community Participation

Function	Community Participation
Key Focus Area Objective (SMART)	The creation of structures to enable communities to effectively participate in the development and economic growth of their respective communities
Key Focus Area Outcome	To strengthen participatory governance within the community
Short Term Strategies (1-2 Years)	The establishment of effective Ward Committee's
Medium Term Strategies (3-4 Years)	Capacitate Ward committee members Implement quarterly Ward operational plans Ensure that monthly Ward committee meetings are held as scheduled Ensure Councillor participation at all meetings
Long Term Strategies (5 Years)	As above

Key Focus Area 32: IDP Development

Function	IDP Development
Key Focus Area Objective (SMART)	The Local Government Municipal Systems Act (MSA) No.32 of 2000 as amended, and other relevant supplementary legislative and policy frameworks require that local government structures prepare Integrated Development Plans (IDPs). In compliance with the relevant legislation
Key Focus Area Outcome	To provide the strategic framework that guides the municipality's planning and budgeting over the course of a political term to address the needs of the community within acceptable budget

	parameters
Short Term Strategies (1-2 Years)	Ensure that all phases of the development of an IDP as legislated are complied with Ensure alignment of IDP and Budget Review the IDP annually taking cognizance of budget and internal/ external factors according to approved process plan Ensure that the strategic mandate (intent) of the IDP is effectively delivered through the mechanism of the SDBIP Effective communication to the community through Ward committee participation
Medium Term Strategies (3-4 Years)	Maintain above
Long Term Strategies (5 Years)	Maintain above

Key Focus Area 33: Customer and Stakeholders Relationship Management

Function	Customer/Stakeholder Relationship Management
Programme Objective Outcome (SMART)	Create positive relationships with all relevant stakeholders through the appropriate management of their expectations and agreed objectives To strengthen participatory governance within the community
Key Focus Area Outcome	Support an organisation's strategic objectives by interpreting and influencing both the external and internal environment
Short Term Strategies (1-2 Years)	Establish effective Ward committee structures Establish appropriate forums and meet not less than once per quarter Train all employees on the principles of Batho Pele Establish a Customer Relations unit Ensure effective communication channels using all available mediums Conduct both employee / customer satisfaction surveys at least every second year
Medium Term Strategies (3-4 Years)	Maintain the above disciplines
Long Term Strategies (5 Years)	Maintain the above disciplines

Key Focus Area: Risk Management

Function	Risk Management
Key Focus Area Objective (SMART)	The identification, assessment, and prioritisation of risk; defined in ISO 31000 as the effect of uncertainty on objectives, whether positive or negative, followed by coordinated and economical application of resources to minimise, monitor, and control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities
Key Focus Area Outcome	To have a risk management system at optimized maturity level by 2024
Short Term Strategies (1-2 Years)	Development, implementation and assessment of municipal risk register Capacitate the risk committee members and all municipal staff Resolving identified risks Review effectiveness of risk management processes Review Risk Management Plan, strategy and policy Facilitation of departmental risk registers Appointment of risk champions Enforcement of policies and procedures
Medium Term Strategies (3-4 Years)	Maintain and enhance risk management systems Monitor and optimize risk implementation
Long Term Strategies (5 Years)	Maintain and enhance risk management systems Monitor and optimize risk implementation

Key Focus Area 35: Audit

Programme/Function	Audit
Key Focus Areas Objective (SMART)	Internal auditing is a catalyst for improving an organization's governance, risk management and management controls by providing insight and recommendations based on analyses and assessments of data and internal business processes
Key Focus Areas Outcome	To provide oversight and sound governance within the Institutions administrative and financial processes
Short Term Strategies (1-2 Years)	Capacitate internal audit unit Implement 90% of Internal Audit and Auditor General’s recommendations Effective implementation of risk-based audit plan Annual review of internal audit charter

Medium Term Strategies (3-4 Years)	Obtain unqualified audit opinion Functional internal audit system Fully capacitated internal audit unit
	Effective internal controls, risk management and governance

To measure the progress in achieving the abovementioned strategic objectives, key performance areas and outcomes, a strategic scorecard was developed. To assist with linking please reference to each Key Performance Area that are linked to a KPA and Strategic Objective.

KPI	Unit of Measurement	Ward	Owner	Baseline	Source of evidence	Calculation Type	Target Type	Annual Target
Submit the Risk-based Three-Year Strategic Plan and Annual Risk Based Audit Plan to the Audit Committee 30 June 2025	Number of plans submitted	All	**Municipal Manager**	0	Audit Committee Minutes	Carry Over	Number	**1**
Review the Risk Register and submit to Council for consideration by 30 June 2025	Reviewed Risk Register submitted	All	**Municipal Manager**	1	Minutes of the Council meeting	Last-Value	Number	**1**
Sign the Municipal manager and the Senior Managers Performance Agreements by 31 July 2024	Number of Performance agreements signed by Senior managers	All	**Municipal Manager**	3	Signed performance agreements	Accumilative	Number	**3**
The percentage of the municipal capital budget actually spent on capital projects by 30 June 2025 [(Actual amount spent on projects /Total amount budgeted for capital projects) X100]	% Of capital budget spent	All	**Municipal Manager**	21%	Capital Expenditure Report	Last-Value	Percentage	**95**
Submit the Oversight Report together with the Annual Report to Council by 31 March 2025	Number of reports submitted	All	**Municipal Manager**	1	Council agenda and minutes	Last-Value	Number	**1**

Submit IDP Process Plan annually to Council for approval by 31 August 2024	Annual IDP Process Plan submitted	All	**Municipal Manager**	1	Council agenda and minutes	Last-Value	Number	**1**
Review and submit the 2025/26 IDP to Council by 31 May 2025	IDP submitted to Council	All	**Municipal Manager**	1	Council agenda and minutes	Last-Value	Number	**1**
Create 50 job opportunities by 30 June 2025	Number of job opportunities created by 30 June	All	**Municipal Manager**	50	Signed contracts	Accumilative	Number	**50**
Number of people from employment equity target groups appointed in the three highest levels of management during the 2024/25 financial year in compliance with the municipality's approved employment equity plan	Number of people that will be appointed in the three highest levels of management in compliance with a municipality's approved employment equity plan	All	**Municipal Manager**	New KPI	Appointment letters	Accumilative	Number	0

Spend 0.003% of operational budget on training by 30 June 2025 {(Actual total training expenditure divided by total personnel budget) x100}	% Of the operational budget spent on training	All	**Municipal Manager**	0,00%	Annual Financial Statements	Last-Value	Percentage	**0,003**
Spend 95% of the library operational conditional grant by 30 June 2025 {(Actual expenditure divided by the total grant received) x 100}	% of budget spent	All	**Municipal Manager**	95,00%	Inzalo Financial System Expenture Report	Last-Value	Number	**95**
Submit the 2024/25 Procurement Plan to the Municipal Manager for approval by 30 June 2025	Number of Procurement Plans submitted to Municipal Manager	All	**Chief Financial Officer**	1	Proof of Procurement Plan submitted to the Municipal Manager	Last-Value	Number	**1**
Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June 2025 {(Short Term Borrowing + Long Term Borrowing) / (Total Operating Revenue - Operating Conditional Grant) x 100}	% of debt coverage	All	**Chief Financial Officer**	45%	Annual Financial Statements	Last-Value	Percentage	**45**

Financial viability measured in terms of the outstanding service debtors as at 30 June 2025 {(Total outstanding service debtors/ revenue received for services) X100}	% Of outstanding service debtors	All	**Chief Financial Officer**	100%	Annual Financial Statements	Last-Value	Percentage	**90**
Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2025 {(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)}	Number of months it takes to cover fix operating expenditure with available cash	All	**Chief Financial Officer**	1	Annual Financial Statements	Last-Value	Number	**1**
Achieve a debtor payment percentage of 90% by 30 June 2025 {(Gross Debtors Closing Balance + Billed Revenue - Gross Debtors Opening Balance - Bad Debts Written Off)/Billed Revenue) x 100}	% Debtor payment achieved	All	**Chief Financial Officer**	90,00%	Annual Financial Statements	Stand-Alone	Percentage	**90**

Provide free basic water to indigent households in terms of the approved indigent policy as at 30 June 2025	Number of households receiving free basic water	All	**Chief Financial Officer**	920	Inzalo Financial System Report	Last-Value	Number	920
Provide free basic electricity to indigent households earning in terms of the approved indigent policy at 30 June 2025	Number of households receiving free basic electricity	All	**Chief Financial Officer**	600	Inzalo Financial System Report	Last-Value	Number	600
Provide free basic sanitation to indigent households in terms of the approved indigent policy at 30 June 2025	Number of households receiving free basic sanitation	All	**Chief Financial Officer**	1210	Inzalo Financial System Report	Last-Value	Number	1 210
Provide free basic refuse removal to indigent households in terms of the approved indigent policy at 30 June 2025	Number of households receiving free basic refuse	All	**Chief Financial Officer**	1210	Inzalo Financial System Report	Last-Value	Number	1 210

Number of residential properties that are billed for refuse removal as at 30 June 2025	Number of residential properties that are billed for refuse removal residential tariffs using the erf as a property	All	**Chief Financial Officer**	2198	Inzalo Financial System Report	Last-Value	Number	2 198
Number of residential properties which are billed for electricity or have pre-paid meters as at 30 June 2025 (excluding Eskom areas(Steinkops; Kommagas; Billetrap)	Number of residential properties which are billed for electricity or have pre paid meters (Excluding Eskom areas)	All	**Chief Financial Officer**	1200	Inzalo Financial System Report	Last-Value	Number	1 200
Number of residential properties that which are billed for water or have pre paid meters that is connected to the municipal water infrastructure network as at 30 June 2025	Number of residential properties which are billed for water or have pre paid meters	All	**Chief Financial Officer**	1882	Inzalo Financial System Report	Last-Value	Number	1 882
Number of residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) which are billed for sewerage as at 30 June 2025	Number of residential properties which are billed for sewerage	All	**Chief Financial Officer**	2383	Inzalo Financial System Report	Last-Value	Number	2 383

Submit the adjustments budget for approval to Council by 28 February 2025	Number of adjustment budget reports submitted to Council	All	**Chief Financial Officer**	1	Proof of submission	Last-Value	Number	**1**
Submit the draft budget to Council by 31 March 2025	Number of draft budgets submitted to Council	All	**Chief Financial Officer**	1	Proof of submission	Last-Value	Number	**1**
Submit the Annual Financial Statements by 31 August 2024 to the Office of the Auditor General	Number of Annual Fin budget reports submitted of the AG	All	**Chief Financial Officer**	1	Proof of submission	Last-Value	Number	**1**
Limit unaccounted for electricity to less than 12% by 30 June 2025 {(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased)x 100}	% unaccounted for electricity	All	**Chief Financial Officer**	19,50%	Annual Financial Statements	Last-Value	Percentage	**12**

Limit unaccounted for water to less than 15% by 30 June 2025 {(Number of Kilolitres Water Purchased or Purified - Number of Kilolitres Water Sold) / Number of Kilolitres Water Purchased or Purified x 100}	% unaccounted for water	All	**Chief Financial Officer**	19,46%	Annual Financial Statements	Last-Value	Percentage	**15**
95% of water samples comply with SANS 241 microbiological indicators on a quarterly basis	% compliance of samples tested	All	**Director Infrastructure Services**	99,90%	DWS IRIS published results accompanied by Excel spreadsheet signed-off	Stand-Alone	Percentage	**95**
Spend 100% of the MIG grant allocation by 30 June 2025 [(Actual expenditure/total grant allocation received) x 100]	% of MIG grant spend	All	**Director Infrastructure Services**	95,00%	Inzalo Financial System Expenture Report	Last-Value	Percentage	**100**
Spend 100% on the WSIG grant allocation by 30 June 2025 [(Actual expenditure/total grant allocation received) x 100]	% of WSIG grant spend	All	**Director Infrastructure Services**	95,00%	Inzalo Financial System Expenture Report	Last-Value	Percentage	**100**

Spend 95% of the capital budget for Williston WWTW by 30 June 2025[(Actual amount spent on projects /Total amount budgeted for capital projects)X100]	% of budget spent	Williston	Director Infrastructure Services	New KPI	Inzalo Financial System Expenture Report	Last-Value	Percentage	95
Spend 95% of the capital budget for the upgrade of the internal network in Frasenburg (INEP) by 30 June 2025[(Actual amount spent on projects /Total amount budgeted for capital projects)X100]	% of budget spent	fraserburg	Director Infrastructure Services	New KPI	Inzalo Financial System Expenture Report	Last-Value	Percentage	95
Spend 95% of the capital budget for the upgrade of bulk water Sutherland (WSIG)by 30 June 2025[(Actual amount spent on projects /Total amount budgeted for capital projects)X100]	% of budget spent	Sutherland	Director Infrastructure Services	New KPI	Inzalo Financial System Expenture Report	Last-Value	Percentage	95

SECTION H:
SECTOR PLAN INTERGRATION

This phase of the IDP serve to integrate issues raised ranging from the analysis phase. It gives a synopsis of available sector plans that were developed to contribute in addressing challenges identified in all institutional KPA's. The following tables serve to detail the sector plans developed and their role in aligning institutional policy.

8.1 KPA 1: BASIC SERVICE DELIVERY

Sector Plan and By Laws	Summary
Spatial Development Framework	The purpose of a Spatial Development Framework is to provide general direction to guide Integrated Development Planning and decision making as well as actions over a multi-year period and to create a strategic framework for the formulation of appropriate land use management system. The compilation of a Spatial Development Framework was identified as an important Land Use Management tool that is aligned to the District SDF, PSDF and NSDP.. The SDF addresses the most prevalent spatial needs in the municipal area will be addressed. It incorporates a spatial settlement strategy that promotes mixed land use and enhances service delivery. In addition, the SDF clearly outlines the current situation, as well as the desired form and composition of the municipal settlement development by addressing: ➢ Current trends regarding development and service provision ➢ Capital investment programmes/priority areas ➢ Strategic Development Areas ➢ Policy direction and objectives ➢ Sustainable rural development ➢ Urban development boundary ➢ Movement ➢ Nodal development ➢ Density/settlements ➢ Environmental management guidelines ➢ Optimal location for Multi-Purpose Community
SPLUMA	SPLUMA aims to develop a new framework to govern planning permissions and approvals, sets parameters for new developments and provides for different lawful land uses in South Africa. SPLUMA is a framework law, which means that the law provides broad principles for a set of provincial laws that will regulate planning. SPLUMA also provides clarity on how

	planning law interacts with other laws and policies. The law is important because the repeal of many apartheid era laws has left our planning laws fragmented, complicated and inconsistent. For this reason, section 3 of SPLUMA says that the law tries to develop a 'uniform, effective and comprehensive system' of planning that 'promotes social and economic inclusion'. Although SPLUMA has progressive elements, the coming into effect of the law has been subject to a lot of controversy and debate. This is largely as a result of the powers that SPLUMA and its Regulations grant to traditional councils. While CLS (and others) have argued that SPLUMA and its Regulations grant too much power to traditional councils, the traditional leadership lobby has resisted the Act and has called for government to suspend its implementation on the basis that they were not consulted properly during the legislative process.
Refuse Removal	The purpose of the bylaw is to promote a safe and healthy environment to the residents of Karoo Hoogland and also to provide procedures, methods and practices to regulate refuse dumping and removal.
Waste bylaw	The bylaw covers issues around waste management information system, basic services, commercial services, and transportation and disposal waste. It also contains information regarding the administrative enforcement.
Electricity bylaw	The electricity supply bylaw was approved by council in terms of the Municipal Systems Act 32 of 2000. It provides conditions and also regulates supply of electricity in the municipal licensed areas (Williston and Fraserburg). Other areas of the municipality are supplied by ESKOM.
Environmental Management Plan	The aim of the project is to develop an EMF that will guide local and provincial decision-making to manage sustainable development of the NDM. This EMF will outline the environmental, social and economic aspects of the NDM. The EMF will also provide the provincial, district and local authorities with decision support guidelines that will assist in executing their respective mandates in an objective and efficient manner. The specific objectives of the EMF include the following: ➢ To develop an EMF and a SEMP to facilitate decision-making which will ensure sustainable management of the natural resources; ➢ To provide strategic guidance on both environmental, economic and social issues in the EMF area; ➢ To identify environmentally sensitive areas; ➢ To identify the environmental and development

	opportunities and constraints; ➢ To assess the economic and environmental potential of the area; ➢ To provide a decision support system in respect of environmental issues and priorities in the EMF area; ➢ To formulate a strategy that will incorporate issues such as land use, planning and sensitive environmental resources; and ➢ To include existing policies as frameworks for establishing values, guidelines and standards for future developments.
Biodiversity Sector Plan	The Karoo Hoogland LM (KHLM) encompasses an extensive area, and consists of a flat, undulating landscape, with mesa's dotted across the landscape. Rainfall occurs mostly in summer, with between 100-300mm expected per year. One of the SKEP priority areas, the Bokkeveld-Hantam-Roggeveld corridor, follows a south east trajectory through the municipality, encompassing Sutherland within its scope. This area – rigorously identified as key biodiversity rich locations within an already significant biodiversity hotspot - contains not only critical water management sites, but also a remarkable number of unique invertebrate and plant life. The Karoo Hoogland municipality is home to a wide variety of endemic bulbs, invertebrates and Fauna. Primitive scarab beetles, monkey beetles – which are found almost exclusively in Southern Africa, within which distinct species are concentrated within different areas throughout the Succulent Karoo – as well as various bees and wasps, exist in this habitat that are found now here else on earth. These insects act as key pollinators within the area – enabling the continuation of floristic life and dynamism. The municipality also contains unique bird life and a wide variety of other insect life that distinguishes this region from the biodiversity located within all the other local municipalities in the district. The Roggeveld mountain range contains not only a high diversity of these insects, but also consists of catchment areas critical to water availability in the region. The conservation of the KHLM's biodiversity will do much to contribute to the future socio-economic well-being and development of all inhabitants of the municipality.
Disaster Management Plan	The Namakwa District Municipality executed a detailed disaster hazard, vulnerability and risk assessment for it's area of jurisdiction, including all six local municipalities. With this information it become possible to compile a disaster management level two plan. Mainly because the disaster management level 2 plan predominately focuses on the

	implementation of appropriate disaster risk reduction programmes, which is the main responsibility of the local municipality, these plans have to be aligned the IDP and SDF of each local municipality. Hence, this level 2 plan dealt with information relevant to the Karoo Hoogland Local Municipality (KHLM).
Indoor Air Quality	Indoor air quality is a major determination of personal exposure to pollutants in today's world. Manny people spend much of their time in numerous different indoor environments. The ambient air quality of South Africa is regulated by the National Environmental Management Air Quality Act 39 of 2004 governed by the constitution which states that everyone has the right to and environment that is not harmful to their health or well-being. One way to characterize indoor air quality is to examine typical residence for levels of pollutants that are common place. Another way is to examine energy efficient residences to determine which pollutants if any are at increased levels. Sutherland is a town with about three thousand inhabitants in the Northern Cape Provice it lies in the western Roggeveld Mountains in the karoo. Sutherland is the coldest town in South Africa wih and average yearly temperature of 11.3 degree Celsius and an annual minimum temperature of 2.8 degree Celsius snowfall is common in winter. The coldest temperature recorded in Sutherland was – 16.4 degree Celsius on 12 July 2003 the climate in the region is semi-arid.
Climate Change Adaption Plan	Namakwa District Municipality is one of five districts in the Northern Cape Province. The Namakwa District Municipality is located in the far northwest of the Northern Cape, stretching from the Lower Orange River in the North to the border of the Western Cape Province in the South. The District is rich in biodiversity, scenic landscapes and seasonal flower displays which major tourist attractions are contributing significantly towards the District Municipality's tourism and economic activity. The District Municipality comprises of the following six local municipalities: Richtersveld Local Municipality, Nama Khoi Local Municipality, Khai Ma Local Municipality, Kamiesberg Local Municipality, Hantam Local Municipality and Karoo Hoogland Local Municipality (Namakwa District Municipality 2016). Whilst Namakwa is the largest District Municipal Area in the Northern Cape, it has a very low population density, with communities spread out across the District. The land and

population dynamic significantly increases the costs and logistical limitations on service provision, including healthcare, road maintenance, education, and water, is therefore poses a great challenge in the District.

The District Municipal Area is situated within the Orange and Breeder-Gouritz-Berg Hydrological Zones, two of six hydrological zones in South Africa (**Error! Reference source not found.**). These hydrological zones not only reflect water management areas but have been grouped according to climatic and hydrological characteristics (Department of Environmental Affairs 2013c)

Based on a range of data and projections included in Department of Environmental Affairs Long Term Adaptation Scenario Reports, four possible climate scenarios have been identified for South Africa, these being:

- 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 (Department of Environmental Affairs 2013c).

Based on these climate scenarios, rainfall projections have been developed for each of the hydrological zones, indicating differences and variable rainfall patterns in different seasons.
Error! Reference source not found. displays the rainfall projection within the four climate change scenarios described above, for the Orange and the Breeder-Gouritz-Berg Hydrological zones, based on the Long Term Adaptation Scenario Reports (Department of Environmental Affairs 2013c).

Climate Scenarios	**Rainfall Trends**	
	Orange Hydrological Zone	**Breede-Gouritz-Berg Hydrological Zones**
Warmer Wetter	Increased rainfall in all seasons	Decreased rainfall in autumn, and increased rainfall in winter and spring
Hotter Wetter	Increased rainfall in all seasons	Decreased rainfall in autumn, and increased rainfall in winter and spring
Warmer Drier	Decreased rainfall in summer, spring and autumn	Decreased rainfall in all seasons, and a strong decrease in rainfall in the west
Hotter Drier	Decreased rainfall in summer, spring and autumn	Decreased rainfall in all seasons, and a strong decrease in rainfall in the west

A climate change vulnerability assessment conducted by Conservation South Africa (Bourne et al. 2015) identified climate change projections for the Namakwa District Municipal Area and its local municipalities using data from three regionally downscaled Global Climate Models (CSIRO; MPI- Max Planck Institute for Meteorology; and MIROC- Model for Interdisciplinary Research on Climate, medium resolution). Overall, the models suggest temperature increases over time, with dramatic increases in the longer term. Aridity in the District can be expected to increase regardless of changes in rainfall patterns.

The identified projections for the District include[1] (Bourne et al. 2015):

- Temperature increases of 1.8 degrees Celsius in the medium term (2040-2059) and 3.9 degrees Celsius in the long term (2081-2100) are projected.
- Some variation in temperature is predicted between the coastal and inland areas with the inland areas

	experiencing 20% warmer temperatures than coastal areas. • Overall, rainfall is projected to decrease in the District, with variation in the reduction of rainfall across the District. • Rainfall projections are less certain than the temperature projections, with some models suggesting increases in rainfall, especially in the interior over the long term. Based on this assessment, The following major temperature related impacts have been identified (Bourne et al. 2015): • An increase in temperatures is expected to result in increased evapotranspiration and the drying out of soils which will result in increased water stress. This will have an impact on agriculture, water quality and availability, and runoff. • An increase in the magnitude of storm events is expected due to increased summer temperatures. This will have flooding implications (Bourne et al. 2015). Regarding rainfall, the Namakwa District is already extremely water scarce, with large areas in the north regularly receiving less than 100mm of rainfall annually. Although inconsistent, rainfall patterns show slight drying trends, with an approximated 20mm per year reduction by 2100. Seasonal changes suggest the largest rainfall reductions in the winter for coastal areas and in the late summer for inland areas (Bourne et al. 2015). Increasing temperatures and changes in rainfall patterns could increase water scarcity across the District and consequently impact agriculture, biodiversity and communities in the area. Climatic change impacts could therefore exacerbate poverty, increase pressure on resources, and result in the extinction of certain species.
Integrated Waste Management Plan	In the first place, the purpose of the Integrated Waste Management Plan for the local municipality is to enable the municipality to fulfil its constitutionally mandated functions. Integrated Waste Management Planning forms a critical part of the framework for local government and needs to be undertaken in accordance with the roles and responsibilities prescribed for local government in the Constitution of the Republic of South Africa, 1996. Clause 155 of the constitution establishes three categories of municipalities: • Metropolitan municipalities (Category A): autonomous local authorities with exclusive municipal powers within their areas

	• Local municipalities (Category B): share executive and legislative authority with the District Municipality in which they are located • District municipalities (Category C). Have executive and legislative authority in an area that contains several local municipalities District and local municipalities are intended to have differing but complementing roles and responsibilities. District municipalities must be concerned with macro level functions such as the planning and promotion of integrated development planning, land, economic and environmental development. Local municipalities are concerned with the provision of specific services, such as health, housing, water, electricity and waste removal and disposal services (DPLG, 2007). The National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008) further describes the legal requirement for local government authorities to put in place Integrated Waste Management Plans. The IWMP is intended for use as a sector plan within the district municipality, where it is to inform planning and budgeting around waste management within the district municipality. The over-arching purpose is to ensure that waste management planning within Karoo-Hoogland Local Municipality is aligned with the NDM IWMP, national policy and standards, sustainable, practical, implementable and acceptable to all key role players and parties expected to implement the plan, and that appropriate management frameworks and capacity are in place for the local municipality to discharge its responsibilities for delivery of waste management services. The guiding national policies for waste management to which the IWMP must give effect are described in the National Waste Management Strategy, 2011 (NWMS). Central to the NWMS is the implementation of the waste management hierarchy, the goal of which is to divert waste from landfills through waste reduction, reuse, repair, and recycling, composting and other forms of diversion consistent with the principles of sustainable development. The Karoo-Hoogland LM Integrated Waste Management Plan (IWMP) examines distinct solid waste practices and how those individual elements interact as pieces of a larger management system. The IWMP includes: • A situational analysis of waste management practices and infrastructure within the local municipality. • A gaps and needs analysis in relation to waste management.

	• An integrated waste management strategy that outlines the strategic objectives for waste management within the context of a logical framework. • An Implementation Plan • A monitoring and evaluation framework.
District Development Plan	**Cabinet approved the DDM as a government approach** to improve integrated planning and delivery across the three spheres of government with district and metropolitan spaces as focal points of government and private sector investment. **The envisaged integrated planning and delivery in the district and metropolitan sites** will be enabled by joint planning, budgeting and implementation process. **The DDM is anchored on the development of the "One Plan".** The One Plan is an intergovernmental plan setting out a long-term strategic framework to guide investment and delivery in the 52 district and metropolitan space. **This plan** is meant to be jointly developed and agreed to by all spheres of government. **The purpose of this presentation** is to outline the activities for the development of the District and Metro One Plans. **The purpose of this Circular** is to provide guidance on the implementation of the District Development Model (DDM): • Provides the DDM intent and conceptual clarity. • Outline the process towards the development of the One Plan; • Provide guidance on the content of the One Plan; • Provide for the establishment of technical and political structures for the purpose of implementing the DDM including formulation, implementation and monitoring of the One Plan; and • Ensure immediate-medium-longer term implementation actions in relation to critical milestones elaborated in DDM Implementation Plans for each district and metropolitan space are implemented.

8.2 KPA 2: LOCAL ECONOMIC DEVELOPMENT

Sector Plan	Summary
LED Strategy	The goal of this document is to assist and support the Karoo Hoogland Local Municipality within the Namakwa District Municipality to generate a LED Strategy to ensure incorporation of the most recent development changes in the Local economy as well as the alignment with Provincial and National initiatives and to develop implementation plans. The LED study forms part

	of the IDP process and is one of the milestones toward achieving Local economic development within the Karoo Hoogland LM area. The purpose of the LED is for Karoo Hoogland Local Municipality to create the enabling environment to allow economic development to occur. The following actions were undertaken to prepare the LED: ➢ Updated socio-economic and demographic information for the Karoo Hoogland Local Municipality through the use of secondary information (existing data bases) ➢ To take Undertake an in-depth analysis of the real (but latent) development opportunities in the key economic sectors in the study area ➢ Capacity building of Local LED officials ➢ Identify practical sectoral programmes that could be used as basis for pro-active economic development initiatives ➢ Undertake focused analysis of key sectors taking cognizance of the first and second economy constraints and opportunities ➢ To promote an inclusive, participatory process that integrates strategic planning, community participation, sustainability and good decision making with Local economic development ➢ Emphasise Local job creation, alleviation of poverty and redistribution of opportunities and wealth ➢ Focus explicitly on opportunities for SMME development in all economic sectors ➢ Promote the creation of an enabling environment conducive for economic development by addressing human resource development and an institutional framework as key components of programmes and projects ➢ Ensure that the development opportunities have a definite geographic and spatial orientation to provide guidance in terms of sustainable future spatial development planning ➢ Ensure that the strategy aligns with and add value to the existing policies, strategies and private sector initiatives ➢ To provide a strategic framework for implementation of LED initiatives ➢ Develop viable LED projects as per the revised strategy (carry out individual project development projections)
Regional Spatial	The Department of Agriculture, Land Reform and Rural

Development Strategy	Development (DALRRD), (1) in partnership with the South African Local Government Association (SALGA), and (2) with the support of a consortium of expert service providers headed by Akanya Development Solutions (ADS), embarked on the preparation of the Karoo Regional Spatial Development Framework (KRSDF) in June 2020. In accordance with the preamble and the guiding principles of the Spatial Planning and Land Use Management Act, Act 16 of 2013 (SPLUMA), the objectives of the 2030-National Development Plan (NDP), and the directives of the Draft National Spatial Development Framework (NSDF), the core focus of the KRSDF is to ensure (1) equitable basic service provision and social development, (2) sustainable and inclusive economic growth and job creation, and (3) decisive spatial transformation, in accordance with a shared spatial, social and economic development vision for the region. In more detail, the DALRRD's key objectives with the preparation of the KRSDF are to: • Address the spatial, social and economic imbalances created by the past colonial and apartheid systems in the Region, and ensure that it can play a meaningful role in the national economy; • Through strategic analysis of the regional space economy, identify, nurture, support and strengthen key economic sectors and broaden participation in such sectors; • Ensure, sustain and deepen buy-in to the idea of the Karoo as 'Region', as already reflected in the cooperation and commitment of a wide range of regional stakeholders; and • Align and coordinate the plans, policies, strategies and frameworks of (1) different spheres and sectors of government, and (2) those of the private sector, to ensure maximum benefit from the limited and shrinking national fiscus. In its conceptualisation of the project, the DALRRD recognised the hard work already done by a number of passionate regional actors and organisations, through which the foundation for the KRSDF was laid. The next section engages these preceding years, and the contributions made to get to the point of embarking on the preparation of the KRSDF.
Carnarvon Sutherland	This is a thirty (30) year Tourism Master Plan report which is undertaken to boost tourism by identifying and exploring

Tourism Master Plan 2020 - 2050	products that will attract tourists into Carnarvon – Sutherland Corridor in the Northern Cape Province. The Master Plan consists of tourism concept, natural and cultural features and captivating possible activities in the Carnarvon – Sutherland region of South Africa. This Tourism Master Plan further elucidates areas that require intervention so that the tourism industry optimally perform in the next thirty (30) years, 2020 – 2050. The selection of the products is informed by the goal to reduce poverty, increase employment and create ownership opportunities through sustainable tourist development. The Carnarvon – Sutherland Corridor is known for the Square Kilometre Array (SKA) and agricultural activities such as sheep production. The Carnarvon-Sutherland Corridor is home to unique natural and human attractions that could create a strong niche tourism market in the heart of Karoo. By its nature (limited natural resources that cannot sustain large influxes of visitors and long distances), the area is not suitable for mass tourism. However, it is suitable for the type of tourist who has disposable income and is willing to spend it. The distance between Carnarvon to Sutherland is 240km. Carnarvon–Sutherland Corridor is inclusive of small towns such as Loxton, Fraserburg) and Williston. The attractions in the study area include the Tankwa Karoo National Park. The towns are located within two District Municipalities namely, Namakwa District Municipality (Sutherland – Karoo Hoogland Local Municipality) and Pixley ka Seme District Municipality (Carnarvon- Kareeberg Local Municipality). Sutherland is the coldest place in South Africa with an average minimum temperature is 3°C throughout the year and the average maximum is 20.5º C. The coldest temperature recorded in Sutherland was −16.4 ºC on 12 July 2003Sutherland's arid climate and remote location 1,450 metres above sea level make its night skies among the world's clearest and darkest. The Southern African Large Telescope (SALT), is the largest single optical telescope in the southern hemisphere. Snowfall is common in winter and rainfall ranges from 170mm to 300mm. Carnarvon is a small town in the Karoo located in the Kareeberg Local Municipality.

8.3 KPA 3: FINANCIAL VIABILITY

Sector Plan	Summary
Financial Plan	Financial plan that reflects three-year financials has been developed and is clearly outlined in the analysis phase. This include an audit action plan that is aimed at responding to issues raised by the Auditor General. Issues that were raised by the AG reflects amongst others challenges that the municipality should attend to. Responses have been provided on challenges raised by the AG's report.
Credit and Debt Control	The Chief Financial Officer shall report monthly to the Municipal Manager in a suitable format to enable the Municipal Manager to report to the Executive Mayor as supervisory authority in terms of section 99 of the Systems Act, read with section 100(c). This report shall contain particulars on: Cash collection statistics, showing summarised debt recovery information (numbers of customers; enquires; arrangements; default arrangements; growth or reduction of arrear debt). Where possible, the statistics should ideally be divided into wards, business (commerce and industry), domestic, state, institutional and other such divisions. Performance of all areas against targets agreed to in item 3 of this policy document. If in the opinion of the Chief Financial Officer, Council will not achieve cash receipt income equivalent to the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Municipal Manager who will, if he agrees with the Chief Financial Officer, immediately move for a revision of the budget according to realistically realisable income levels. OBJECTIVE To provide procedures and mechanisms to collect all the monies due and payable to Council arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community.
Property Rates	**WHEREAS** section 3 of the Local Government: Municipal Property Rates Act, 2004 (No6 of 2004) determines that a municipality must adopt a rates policy in accordance to the determination of the Act., this document sets out the policy of Karoo Hoogland Municipality on the levying of rates on rateable property. The Municipality will, as part of each annual operating budget process, impose a rate in the rand on the market value of all rateable properties as recorded in the Municipality's valuation roll

	or supplementary valuation roll(s). Rateable property includes any rights registered against the property, with the exception of a mortgage bond. Generally, all land within a municipal area is rateable unless it is specifically exempted in terms of section 15 of the MPRA. Such exemptions apply to cemeteries, amateur sports grounds and properties owned by welfare organisations. A municipality must, in accordance with section 3 of the MPRA, adopt a rates policy that sets out the broad policy framework within which the municipality rates its area and must, in accordance with section 5 of the MPRA, review and if necessary amend its rates policy annually. ➢ The objective of this policy is also to ensure that- ➢ all ratepayers within a specific category are treated equal and reasonable; ➢ rates are levied in accordance with the market value of the property; ➢ the rate will be based on the value of all ratable property and the amount required by the municipality to balance the operational budget, taking into account the surplus obtained from the trading- and economical services and the amounts required to finance exemptions, reductions and rebates that the municipality approve from time to time; ➢ income from rates will be used to finance community- and subsidized services and not trading- or economical services; ➢ to optimally safeguard the income base of the municipality through exemptions, reductions and rebates that is reasonable and affordable.

8.4 KPA 4: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

Sector Plan – Policies and bylaws	Summary
Employment equity Plan	The employment equity policy is developed to promote equal opportunity, diversity and fair treatment in employment through the elimination of unfair discrimination regardless of race, gender, sex, pregnancy marital status, family responsibility, ethnic or social origin, colour etc. ➢ Objectives of the Plan ➢ The establishment and maintenance of workforce ➢ Equal access to job opportunities ➢ To identify barriers to employment

Work Skills Plan	The municipality develops the WSP on annual basis. The purpose of the plan is to capacitate employees on skills they require to better perform their duties. A skill audit is done to identify scare skills that the institution need for its development and sustainability.
Occupational health and safety policy	The policy has been developed based on the provisions of the bill of rights as contained in the constitution of the Republic of South Africa Act 108 of 1996. The municipality is required to provide and maintain a reasonable and practical work environment that is safe and without risk to the health of the employees.

8.5 KPA 5: GOOD GOVERNANCE

Sector Plan	Summary
Ward Committees Policy	The policy outlines roles functions of ward committees and also gives a guide on how ward committees are established. It further indicates the role communities in the establishment of these committees.
Anti-corruption and fraud strategy/Plan	The policy is developed to govern the reporting investigation and handling of fraud and other crimes of dishonesty. The municipality is committed in ensuring that fraud and corruption are dealt with severely. The policy is therefore based on the following principles: ➢ To have high standard of business ethics ➢ Maintain business control to protect all assets from crime and fraud
Performance Management Framework	The White Paper on Local Government, 1998 proposed the introduction of performance management systems to local government, as a tool to monitor service delivery

	progress at local government. It concluded that the concepts of integrated development planning, budgeting and performance management are powerful tools that can assist municipalities to develop an integrated perspective on development in their area. It will enable them to focus on priorities within an increasingly complex and diverse set of demands and to direct resources allocations and institutional systems to a new set of development objectives. Chapters 6 of the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000), requires local government to: ▪ Develop a performance management system. ▪ Set targets, monitor and review performance based on indicators linked to the Integrated Development Plan ("IDP"). ▪ Publish an annual report on performance management for the councillors, staff, the public and other spheres of government. ▪ Incorporate and report on a set of general indicators prescribed nationally by the Minister responsible for local government. ▪ Conduct an internal audit on performance report audited by the Auditor-General. ▪ Involve the community in setting indicators and targets and reviewing municipal performance. The purpose of this document is to, according to the requirements of the Municipal Systems Act, develop a performance management framework for the Karoo Hoogland Municipality ("KHM"). This framework caters for the development, implementation and roll-out of performance management within KHM.

	This framework is to be read with the Performance Management Policy, and the performance indicators and targets linked to the Integrated Development Plan ("IDP"). The performance indicators include baseline, input, output and outcome indicators, the targets include target dates and HR performance targets and the IDP includes Key Performance Areas (KPAs), priority areas and strategic objectives. The primary objectives of performance management are amongst others, as follows: ▪ Facilitate increased accountability ▪ Facilitate learning and improvement ▪ Provide early warning signals ▪ Facilitate decision-making.

SECTION I:
PROJECTS AND PROGRAMMES

After considering the appropriate strategies the Municipality needed to consider the best way to implement these strategies. This was done through the identification and designing of projects. Projects that were identified but not completed in the previous IDP cycle were also included if they were still relevant to address an identified priority area. Uniform expenditure classifications have already been established and implemented for national and provincial government departments.

The Spatial Development Implementation Framework is a very important component of the Spatial Development Framework. Spatial Budgeting or targeting which involves mapping of the capital infrastructure projects that are proposed in the Integrated Development Plan. This assists to determine whether the development trajectory that is advocated by the IDP is in harmony with the spatial vision that is suggested by the SDF.

In the case of the Karoo Hoogland Municipality, it pertains to the population and space economy which is concentrated on ±20% of the local land cover. In order to efficiently allocate budget resources and capacity within the municipality 80% of the resources investment and interventions needs to be concentrated within the areas with the highest population concentration (20%) in order to obtain visible changes to ground level.

Council prioritized projects to be implemented in this IDP cycle from high, medium and low. Furthermore, council want to ensue equal development and implementation of capital projects. Council envisages to ensure business plans must be submitted to all funding agency which include MIG, EEDMS, WSIG, RBIG, DOE, COGTHA, DBSA and other sector departments.

Below is the budget and funded capital project for the 2023/2024 financial year this is done with accordance to the new MSCOA regulations for municipalities. Projects and programmes of Sector Departments will be included in the Namaqua District Municipality IDP.

NC066 Karoo Hoogland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue - Functional										
Governance and administration		34 806	10 290	37 551	23 537	25 076	25 076	26 087	26 930	27 016
Executive and council		27 731	2 910	30 638	3 351	3 717	3 717	3 796	3 960	4 094
Finance and administration		7 075	7 380	6 913	20 185	21 359	21 359	22 292	22 971	22 922
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		1 674	1 568	1 376	28	27	27	32	30	56
Community and social services		1 674	1 565	1 376	26	25	25	26	28	54
Sport and recreation		–	3	–	2	2	2	5	2	2
Public safety		–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		9 981	14 673	12 430	9 683	9 099	9 099	9 851	8 842	9 198
Planning and development		–	–	–	–	–	–	–	–	–
Road transport		9 981	14 673	12 430	9 683	9 099	9 099	9 851	8 842	9 198
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		22 584	57 336	37 919	71 958	65 085	65 085	77 964	88 909	61 098
Energy sources		11 130	26 365	12 865	22 179	20 612	20 612	25 466	25 498	26 269
Water management		4 397	23 562	16 495	24 861	24 444	24 444	31 559	41 897	12 341
Waste water management		4 003	4 145	5 099	11 062	10 488	10 488	10 961	11 271	11 670
Waste management		3 054	3 263	3 460	13 856	9 542	9 542	9 978	10 243	10 818
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	69 045	83 866	89 275	105 206	99 287	99 287	113 934	124 712	97 369

Functional Classification Description	Ref	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2026/27
Expenditure - Functional									
Governance and administration		41 257	58 608	39 102	37 409	37 409	39 116	40 102	40 170
Executive and council		5 847	11 910	14 923	17 067	17 067	17 968	18 169	18 204
Finance and administration		35 409	46 698	24 179	20 342	20 342	21 149	21 933	21 967
Internal audit		–	–	–	–	–	–	–	–
Community and public safety		12 659	2 146	2 247	2 197	2 197	2 298	2 399	2 407
Community and social services		11 917	1 247	1 363	1 371	1 371	1 436	1 501	1 503
Sport and recreation		720	899	858	797	797	832	868	874
Public safety		21	–	26	28	28	29	31	31
Housing		–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–
Economic and environmental services		6 269	7 129	6 429	6 312	6 312	5 965	6 526	6 609
Planning and development		(100)	954	1 024	871	871	1 051	1 092	1 092
Road transport		6 369	6 176	5 405	5 441	5 441	4 914	5 434	5 517
Environmental protection		–	–	–	–	–	–	–	–
Trading services		21 821	21 903	39 070	40 342	40 342	34 239	34 863	37 086
Energy sources		15 666	15 218	24 226	23 552	23 552	17 323	19 494	21 548
Water management		1 862	1 044	4 829	5 522	5 522	7 165	4 889	4 975
Waste water management		1 980	2 332	6 390	6 991	6 991	5 389	5 932	6 010
Waste management		2 313	3 309	3 626	4 277	4 277	4 362	4 548	4 552
Other	4	–	–	–	–	–	–	–	–
Total Expenditure - Functional	3	82 005	89 786	86 849	86 260	86 260	81 618	83 889	86 272
Surplus/(Deficit) for the year		1 861	(511)	18 357	13 027	13 027	32 316	40 823	11 097

NC066 Karoo Hoogland - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24			2024/25 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue by Vote	1									
Vote 1 - Executive and Council		27 729	2 910	30 637	3 351	3 617	3 617	3 677	3 836	3 970
Vote 2 - Directorate Corporate Services		1 665	1 553	1 367	1 267	1 273	1 273	1 322	1 351	1 466
Vote 3 - Directorate Financial Services		6 387	6 760	6 058	19 527	20 953	20 953	21 881	22 542	22 493
Vote 4 - Directorate Infrastructure Services		33 264	72 643	51 213	81 060	73 444	73 444	87 054	96 984	69 439
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	**69 045**	**83 866**	**89 275**	**105 206**	**99 287**	**99 287**	**113 934**	**124 712**	**97 369**

Total Revenue by Vote	2	69 045	83 866	89 275	105 206	99 287	99 287	113 934	124 712	97 369
Expenditure by Vote *to be appropriated*	1									
Vote 1 - Executive and Council		17 638	5 847	11 910	14 923	17 267	17 267	18 168	18 369	18 404
Vote 2 - Directorate Corporate Services		861	1 276	1 247	1 325	1 318	1 318	1 381	1 443	1 445
Vote 3 - Directorate Financial Services		17 094	34 957	46 535	23 034	19 195	19 195	19 950	20 681	20 714
Vote 4 - Directorate Infrastructure Services		29 475	39 925	30 094	47 553	48 480	48 480	42 119	43 397	45 709
Vote 5 - COMMUNITY & SOCIAL SERVICES		11 200	–	–	14	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	76 268	82 005	89 786	86 849	86 260	86 260	81 618	83 889	86 272
Surplus/(Deficit) for the year	2	(7 223)	1 861	(511)	18 357	13 027	13 027	32 316	40 823	11 097

References

NC066 Karoo Hoogland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Revenue											
Exchange Revenue											
Service charges - Electricity	2	10 928	11 258	12 511	14 468	13 000	13 000	13 650	14 654	15 328	16 033
Service charges - Water	2	3 731	3 904	4 282	4 606	4 400	4 400	5 100	4 100	4 189	4 400
Service charges - Waste Water Management	2	3 372	3 380	3 280	3 943	3 600	3 600	5 272	3 665	3 734	4 000
Service charges - Waste Management	2	2 551	2 654	2 568	6 943	2 800	2 800	2 800	2 829	2 859	3 300
Sale of Goods and Rendering of Services		90	100	271	118	127	127	127	132	139	145
Agency services		99	-	116	63	65	65	65	68	71	74
Interest		-	-	-	-	-	-	-	-	-	-
Interest earned from Receivables		2 034	2 496	3 647	3 780	3 168	3 168	3 168	3 316	3 466	3 566
Interest earned from Current and Non Current Assets		199	416	880	685	1 325	1 325	1 325	1 184	1 349	1 470
Dividends		-	-	-	-	-	-	-	-	-	-
Rent on Land		-	-	-	-	-	-	-	-	-	-
Rental from Fixed Assets		622	580	859	654	505	505	505	528	553	578
Licence and permits		-	-	-	-	-	-	-	-	-	-
Operational Revenue		1 599	4 370	169	543	720	720	720	754	788	825
Non-Exchange Revenue											

066 Karoo Hoogland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expen Framework		
iousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget 202(
il Revenue (excluding capital transfers and contributions)		58 577	59 553	66 192	83 473	78 138	78 138	81 160	82 515	83 989	
enditure											
:mployee related costs	2	27 294	26 863	25 326	29 574	30 274	30 274	30 274	32 008	33 201	
Remuneration of councillors		2 651	3 813	4 783	4 781	5 100	5 100	5 100	5 330	5 569	
Bulk purchases - electricity	2	10 163	10 905	10 253	13 600	12 200	12 200	12 200	13 752	15 501	
nventory consumed	8	1 072	4 399	2 409	1 666	2 778	2 778	2 778	2 906	3 039	
)ebt impairment	3	-	-	(9 803)	-	4 187	4 187	4 187	4 406	4 605	
)epreciation and amortisation		12 199	10 700	11 599	10 400	10 400	10 400	10 400	1 400	2 739	
nterest		2 625	3 731	4 218	130	95	95	95	99	104	
:ontracted services		6 312	93	5 982	9 184	9 680	9 680	9 680	10 804	8 332	
'ransfers and subsidies		175	60	2 553	86	86	86	86	340	94	
rrecoverable debts written off		907	7 064	21 461	5 400	800	800	800	25	26	
)perational costs		12 766	14 086	8 868	12 029	10 659	10 659	10 659	10 548	10 678	
.osses on disposal of Assets		-	-	-	0	-	-	-	-	-	
)ther Losses		106	291	2 140	0	-	-	-	-	-	
il Expenditure		76 268	82 005	89 786	86 849	86 260	86 260	86 260	81 618	83 889	
plus/(Deficit)		(17 691)	(22 452)	(23 594)	(3 376)	(8 122)	(8 122)	(5 101)	897	100	

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Surplus/(Deficit)		(17 691)	(22 452)	(23 594)	(3 376)	(8 122)	(8 122)	(5 101)	897	100	200
Transfers and subsidies - capital (monetary allocations)	6	8 981	24 314	22 357	21 733	21 149	21 149	21 149	31 419	40 723	10 897
Transfers and subsidies - capital (in-kind)	6	1 487	–	726	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097

NC066 Karoo Hoogland - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Surplus/(Deficit)		(17 691)	(22 452)	(23 594)	(3 376)	(8 122)	(8 122)	(5 101)	897	100	200
Transfers and subsidies - capital (monetary allocations)	6	8 981	24 314	22 357	21 733	21 149	21 149	21 149	31 419	40 723	10 897
Transfers and subsidies - capital (in-kind)	6	1 487	–	726	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097
Income Tax		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after income tax		(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097
Share of Surplus/Deficit attributable to Joint Venture		–	–	–	–	–	–	–	–	–	–
Share of Surplus/Deficit attributable to Minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097
Share of Surplus/Deficit attributable to Associate	7	–	–	–	–	–	–	–	–	–	–
Intercompany/Parent subsidiary transactions		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	1	(7 223)	1 861	(511)	18 357	13 027	13 027	16 048	32 316	40 823	11 097

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital multi-year expenditure sub-total	7	–	(21)	14 794	21 733	27 354	27 354	27 354	32 274	40 723	10 897
<u>Single-year expenditure</u> *to be appropriated*	2										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	60	–	–
Vote 2 - Directorate Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 3 - Directorate Financial Services		–	–	(17)	600	1 250	1 250	1 250	–	–	–
Vote 4 - Directorate Infrastructure Services		–	2 733	702	0	1 400	1 400	1 400	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital single-year expenditure sub-total		–	2 733	685	600	2 650	2 650	2 650	60	–	–
Total Capital Expenditure - Vote		–	2 713	15 479	22 333	30 004	30 004	30 004	32 334	40 723	10 897

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Capital Expenditure - Functional											
Governance and administration		–	(4 191)	324	0	–	–	–	370	–	–
Executive and council		–	–	–	–	–	–	–	310	–	–
Finance and administration		–	(4 191)	324	0	–	–	–	60	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		–	–	–	600	7 455	7 455	7 455	–	–	–
Community and social services		–	–	–	600	7 455	7 455	7 455	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		–	6 060	–	1 963	2 663	2 663	2 663	500	–	–
Planning and development		–	6 060	–	–	–	–	–	–	–	–
Road transport		–	–	–	1 963	2 663	2 663	2 663	500	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		–	153 958	15 156	19 770	19 886	19 886	19 886	31 464	40 723	10 897
Energy sources		–	–	–	–	–	–	–	2 768	1 881	1 699
Water management		–	127 828	15 550	19 770	13 000	13 000	13 000	20 045	30 000	–
Waste water management		–	23 397	–	0	6 186	6 186	6 186	8 651	8 842	9 198
Waste management		–	2 733	(394)	0	700	700	700	–	–	–
Other		–	–	–	–	–	–	–	–	–	–

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Total Capital Expenditure - Functional	3	-	155 828	15 479	22 333	30 004	30 004	30 004	32 334	40 723	10 897
Funded by:											
National Government		-	147 055	15 550	21 733	27 354	27 354	27 354	31 419	40 723	10 897
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	147 055	15 550	21 733	27 354	27 354	27 354	31 419	40 723	10 897
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	2 713	(415)	600	2 650	2 650	2 650	915	-	-
Total Capital Funding	7		149 767	15 135	22 333	30 004	30 004	30 004	32 334	40 723	10 897

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
Capital multi-year expenditure sub-total	7	–	**(21)**	**14 794**	**21 733**	**27 354**	**27 354**	**27 354**	**32 274**	**40 723**	**10 897**
Single-year expenditure *to be appropriated*	2										
Vote 1 - Executive and Council		–	–	–	–	–	–	–	60	–	–
Vote 2 - Directorate Corporate Services		–	–	–	–	–	–	–	–	–	–
Vote 3 - Directorate Financial Services		–	–	(17)	600	1 250	1 250	1 250	–	–	–
Vote 4 - Directorate Infrastructure Services		–	2 733	702	0	1 400	1 400	1 400	–	–	–
Vote 5 - COMMUNITY & SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - [NAME OF VOTE 6]		–	–	–	–	–	–	–	–	–	–
Vote 7 - [NAME OF VOTE 7]		–	–	–	–	–	–	–	–	–	–
Vote 8 - [NAME OF VOTE 8]		–	–	–	–	–	–	–	–	–	–
Vote 9 - [NAME OF VOTE 9]		–	–	–	–	–	–	–	–	–	–
Vote 10 - [NAME OF VOTE 10]		–	–	–	–	–	–	–	–	–	–
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–	–

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	-	-	-	-	-	-	-
Vote 7 - [NAME OF VOTE 7]		-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8]		-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9]		-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10]		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		-	2 733	685	600	2 650	2 650	2 650	60	-	-
Total Capital Expenditure - Vote		-	2 713	15 479	22 333	30 004	30 004	30 004	32 334	40 723	10 897

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Governance and administration		–	(4 191)	324	0	–	–	–	370	–	–
Executive and council		–	–	–	–	–	–	–	310	–	–
Finance and administration		–	(4 191)	324	0	–	–	–	60	–	–
Internal audit		–	–	–	–	–	–	–	–	–	–
Community and public safety		–	–	–	600	7 455	7 455	7 455	–	–	–
Community and social services		–	–	–	600	7 455	7 455	7 455	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	–	–	–	–	–	–	–
Housing		–	–	–	–	–	–	–	–	–	–
Health		–	–	–	–	–	–	–	–	–	–
Economic and environmental services		–	6 060	–	1 963	2 663	2 663	2 663	500	–	–
Planning and development		–	6 060	–	–	–	–	–	–	–	–
Road transport		–	–	–	1 963	2 663	2 663	2 663	500	–	–
Environmental protection		–	–	–	–	–	–	–	–	–	–
Trading services		–	153 958	15 156	19 770	19 886	19 886	19 886	31 464	40 723	10 897
Energy sources		–	–	–	–	–	–	–	2 768	1 881	1 699
Water management		–	127 828	15 550	19 770	13 000	13 000	13 000	20 045	30 000	–
Waste water management		–	23 397	–	0	6 186	6 186	6 186	8 651	8 842	9 198
Waste management		–	2 733	(394)	0	700	700	700	–	–	–
Other		–	–	–	–	–	–	–	–	–	–

Vote Description	Ref	2020/21	2021/22	2022/23	Current Year 2023/24				2024/25 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2024/25	Budget Year +1 2025/26	Budget Year +2 2026/27
Water management		–	127 828	15 550	19 770	13 000	13 000	13 000	20 045	30 000	–
Waste water management		–	23 397	–	0	6 186	6 186	6 186	8 651	8 842	9 198
Waste management		–	2 733	(394)	0	700	700	700	–	–	–
Other		–	–	–	–	–	–	–	–	–	–
Total Capital Expenditure - Functional	3	–	155 828	15 479	22 333	30 004	30 004	30 004	32 334	40 723	10 897
Funded by:											
National Government		–	147 055	15 550	21 733	27 354	27 354	27 354	31 419	40 723	10 897
Provincial Government		–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Transfers and subsidies - capital (monetary allocations) (Nat / Prov Departm Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educ Institutions)		–	–	–	–	–	–	–	–	–	–
Transfers recognised - capital	4	–	147 055	15 550	21 733	27 354	27 354	27 354	31 419	40 723	10 897
Borrowing	6	–	–	–	–	–	–	–	–	–	–
Internally generated funds		–	2 713	(415)	600	2 650	2 650	2 650	915	–	–
Total Capital Funding	7	–	149 767	15 135	22 333	30 004	30 004	30 004	32 334	40 723	10 897

FUNDED CAPITAL PROJECTS FOR THE 2023/2024 FINANCIAL YEAR

Project Number: 9.1

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2024-2025	BUDGET 2025-2026	BUDGET 2026-2027	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide quality of living human settlements with adequate infrastructure	R 8.6 million			Upgrading of the Williston Waste Water Treatment Plant	Water and Sanitation	MIG	Outsourced	Ward 1 Ward 5	Default

Project number 9.2

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2024-2025	BUDGET 2025-2022	BUDGET 2026-2027	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide quality of living human settlements with adequate infrastructure	R 20 million			Sutherland Bulk Water Upgrade	Water and Sanitation	RBIG	Outsourced	Ward 6	Default

Project number 9.3

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2024-2025	BUDGET 2025-2026	BUDGET 2027-2028	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide quality of living human settlements with adequate infrastructure	R 2.6 million			Fraserburg Electrical Upgrade	Electrical	INEP	Outsourced	Ward 2	Default

Project number 9.4

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2024-2025	BUDGET 2025-2026	BUDGET 2027-2022	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide quality of living human settlements with adequate infrastructure	R 1.2 million			Upgrade of Streets and Pedestrian Routes	EPWP	EPWP	Outsourced	All Wards	Default

PROJECT OR INTERVENTION

KPA 2 LOCAL ECONOMIC DEVELOPMENT

Project Number: 9.5

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote social cohesion through economic and social development	-	-	-	Drug and alcohol abuse programs	Poverty Alleviation	Social Development Karoo Hoogland LM	Outsourced	All Wards	Default

Project Number: 9.6

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote social cohesion through economic and social development	-	-	-	Improved life skills and Development	Poverty Alleviation	Social Development Karoo Hoogland LM	Outsourced	All Wards	Default

Project Number: 9.7

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote BBBEE	-	-	-	Entrepreneurship Program	SMME Development	SEDA Karoo Hoogland LM	Outsourced	All Wards	Default

Project Number: 9.8

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote social cohesion through economic and social development	-	-	-	Tuition in Home language	Poverty Alleviation	DE KHM ENEL ROGGEVELD WIND FARM	Outsourced	All Wards	Default

Project Number: 9.9

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Transform urban areas to vibrant economic centres that are safe	-	-	-	Agri-Processing Zone	Poverty Alleviation	Department Of Rural Development and Land Reform Karoo Hoogland LM	Outsourced	All Wards	Default

Project Number: 9.10

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote growth and diversification of the local economy	-	-	-	Link to SARAO Visitors Centre	Tourism	Department of Economic Development and Tourism Karoo Hoogland LM SARAO	Outsourced	All Wards	Default

Project Number: 9.11

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote growth and diversification of the local economy	-	-	-	IT Service Centre	Economic Growth and Development	Department of Economic Development and Tourism Karoo Hoogland LM SARAO	Outsourced	All Wards	Default

Project Number: 9.12

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Transform urban areas to vibrant economic centers	-	-	-	SIP 15 – 16 Broadband Role Out	Economic Growth and Development	Karoo Hoogland LM SARAO	Outsourced	All Wards	Default

Project Number: 9.13

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Transform urban areas to vibrant economic centers that are safe and secure	-	-	-	Telemedicine Healthcare Services	Economic Growth and Development	Department of Health Karoo Hoogland LM	Outsourced	All Wards	Default

Project Number: 9.14

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Transform urban areas to vibrant economic centers that are safe and secure	-	-	-	Improve linkage to Tankwa National Park (Signage Roads)	Economic Growth and Development	Karoo Hoogland LM Tankwa National Park	Outsourced	All Wards	Default

Project Number: 9.15

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote Growth and diversification of the local economy	-	-	-	Astro Tourism Route (Sutherland Fraserburg, Williston, Carnarvon) Proposed visitors' site	Economic Growth and Development	Karoo Hoogland LM Tankwa National Park SARAO Department of Economic Development and Tourism	Outsourced	All Wards	Default

Project Number: 9.16

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote Growth and diversification of the local economy	-	-	-	Business Plans per Farm to be developed/ Facilitated	Economic Growth and Development	Karoo Hoogland LM Department of Agriculture	Outsourced	All Wards	Default

Project Number: 9.17

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote Growth and diversification of the local economy	-	-	-	Support and ringfence local produce production	Economic Growth and Development	Karoo Hoogland LM Department of Agriculture	Outsourced	All Wards	Default

Project Number: 9.18

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote Growth and diversification of the local economy	-	-	-	Skilled based educational programs	Economic Growth and Development	Karoo Hoogland LM Office of the Premier	Outsourced	All Wards	Default

Project Number: 9.19

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote Growth and diversification of the local economy	-	-	-	Access to Bursaries	Economic Growth and Development	Karoo Hoogland LM Office of the Premier	Outsourced	All Wards	Default

Project Number: 9.20

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Taring of R 353 and R 356 Routes linking Sutherland Fraserburg and Williston	-	N/A	-	Roads	Economic Growth and Development	DPRW DOT NDM KHM	Outsourced	All Wards	Default

Project Number: 9.21

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Feasibility Study on Uranium Mining	-	N/A	-	Mining	Economic Growth and Development	NCEDA DEDAT DMR NDM KHM	Outsourced	All Wards	Default

Project Number: 9.22

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Feasibility Study on Oil and Gas Exploration	-	N/A	-	Oil and Shale Gas	Economic Growth and Development	DEDAT DMR NDM KHM NCEDA	Outsourced	All Wards	Default

Project Number: 9.23

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Taring of the road to Calvinia	-	N/A	-	Roads	Economic Growth and Development	DPRW DOT NDM KHM	Outsourced	All Wards	Default

Project Number: 9.24

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Cutting of Prosopis Trees	-	R 10 million	-	Infrastructure	Economic Growth and Development	DWA EPWP NDM KHM	Outsourced	All Wards	Default

Project Number: 9.25

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote Growth and diversification of the local economy	-	N/A	-	Access to Bursaries	Economic Growth and Development	Karoo Hoogland LM Office of the Premier	Outsourced	All Wards	Default

Project Number: 9.26

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote Growth and diversification of the local economy	-	N/A	-	Thusong Service Centres	Economic Growth and Development	Office of the Premier	Outsourced	All Wards	Default

KPA 4 INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION

Project Number: 9.27

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote improved skills through education and training	-	-	-	Skills training for educators	WSP	Department of Education Karoo Hoogland LM	Outsourced	All Wards	Default

Project Number: 9.28

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2023	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Promote improved skills through education and training	-	-	-	Smart Schools (IT enforced)	WSP	Department of Education Karoo Hoogland LM	Outsourced	All Wards	Default

KPA 1 BASIC SERVICE DELIVERY

Project Number: 9.29

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide quality of living human settlements with adequate infrastructure	-	N/A	N/A	Solar and Wind Farms (Renewable Energy)	Electrification	Renewable Energy Companies Karoo Hoogland LM	Outsourced	All Wards	Default

Project Number: 9.30

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide quality of living human settlements with adequate infrastructure	-	-	-	Off Grid town networks	Electrification	Renewable Energy Companies Karoo	Outsourced	All Wards	Default

								Hoogland LM			

Project Number: 9.31

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide Quality of living human settlements with adequate infrastructure	-	-	-	Expanded protected area expansion strategy	Environmental Management	Karoo Hoogland LM Department of Environmental Affairs Nature Conservation and Rural Development	Outsourced	All Wards	Default

Project Number: 9.32

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide Quality of living human settlements with adequate infrastructure	-	-	-	Shale gas Fracking	Project Management	Karoo Hoogland LM Department of Environmental Affairs Nature Conservation and Rural Development	Outsourced	All Wards	Default

Project Number: 9.33

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide Quality of living human settlements with adequate infrastructure	-	R 9 million	-	Sustainable Human Settlements	Housing	Karoo Hoogland LM COGSTHA	Outsourced	All Wards	Default

Project Number: 9.34

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide Quality of living human settlements with adequate infrastructure	-	-	-	Energy Efficient Building typologies	Electrification	Karoo Hoogland LM COGSTHA	Outsourced	All Wards	Default

Project Number: 9.35

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-2022	BUDGET 2022-2023	BUDGET 2023-2024	MSCOA PROJECT	MSCOA FUNCTION SEGMENT	MSCOA FUND SEGMENT	MSCOA ITEM SEGMENT	MSCOA REGION SEGMENT	MSCOA COSTING
		Provide Quality of living human settlements with adequate infrastructure	-	-	-	Public Transportation and logistics Network	Safety and Security	Karoo Hoogland LM	Outsourced	All Wards	Default

SECTION J
FINANCIAL PLAN

THE FININCIAL STRATEGY

The financial framework wherein Council executes its mandate as a Category B, Grade 3 local authority finds its subsistence from the vision and mission statements of the municipality The activities of Council are driven by their desire to fulfil the developmental role of a local authority and to maintain sustainable municipal services on a generally accepted standard to all its residents. Council endeavours to realise these aspirations within the essentiality of financial viability. Basic economic principles as well as good and sound business practices are taken into consideration when implementing operational activities as well as capital projects. In order to executes its mandate and fulfil in its desires it is essential that the municipality have access to adequate sources of revenue from both its own operations, intergovernmental transfers and external investors.

10.1 GRANTS

Grants received were expended during the period under review..

10.2 SPENDING AGAINST CAPITAL BUDGET

10.3 CAPITAL EXPENDITURE

The funding for the capital budget is derived from Grants. All funds received were expended.

Due to the limited number of suppliers in the region it happens often that goods and services are procured from the sole suppliers.

Were applicable the municipality deviate into Section 36 of the Supply Chain Management Regulations.

10.4 GRAP COMPLIANCE

The Annual Financial Statements will be GRAP compliant and for this purpose Council appointed a qualified person to review the statements before submission.

10.5 MSCOA COMPLIANCE

All municipalities need to be SCOA compliant by 1 July 2017 the municipality conducted its first meeting on 6 October 2015 and the MSCOA Project Implementation team were established.

Section 216 of the Constitution of the Republic of South Africa, 1996 provides that national legislation must prescribed measure to ensure transparency and expenditure control each sphere of government by introducing generally recognized accounting practice (GRAP) uniform expenditure classifications and uniform treasury norms and standards. The Local Government Municipal Finance Management Act, 2003 (Act No. 56 of 2003)(MFMA), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe by regulations such measure in terms of section 168 thereof.

Uniform expenditure classifications have already been established and implemented for national and provincial government departments. However currently each municipality manages and reports on its financial affairs in accordance with its own organizational structures and unique chart of accounts. The result is disjuncture amongst municipalities and municipal entities and between municipalities and other spheres of government as to how they classify revenue and expenditure and consequently report thereon. This compromises transparency reliability and accuracy throughout the planning and reporting process and impedes the ability of national government ti integrate information and to formulate coherent policies in response to the objectives of local government.

Consequently, the Minister of Finance has interms of section 168 of the Local Government Municipal Finance Management Act, 2003 (Act No 56 of 2003) and acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs gazette the Municipal Regulations on Standard Chart of Accounts (mSCOA) into effect on 22 April 2014. Municipal SCOA provides a uniform and standardized financial transaction classification framework. Essentially this means that mSCOA prescribed the method (the how) and format (the look) that municipalities and their entities should use to record and classify all legislative reporting. This is done at transactional level and ensures that a municipality and its entities have minimum business processes in place. This will result in an improved understanding of the role of local government in the broader national policy framework and linkage to other government functions.

The Regulations apply to all municipalities and municipal entities and indicate its applicability and relevance to each specific municipal environment while accommodating organizational uniqueness and structural differences. The Regulations provides for a three year preparation and readiness window and all 278 municipalities must be compliant to the mSCOA within its respective financial applications (systems) by 1 July 2017 going forward.

Chapter 6 of the MFMA tasks the municipal Manager of the municipality with managing the financial administration of the municipality. Since mSCOA is a municipal reform the Municipal Manager has the overall responsibility to manage the successful implementation of the mSCOA project within the municipality to ensure the municipality is able to capture all transactions (at posting level) in accordance with mSCOA within its respective financial applications by 1 July 2017.

The Municipal Manager can delegates some of these responsibilities and has tasked the mSCOA Steering Committee in writing, to advise the Municipal Manager and to drive and oversee the successful implementation of the Municipal Regulations on Standard Chart of Accounts in the municipality by 1 July 2017. To fulfill its responsibilities the mSCOA Steering Committee has assigned a Project Manager and mSCOA Project Implementation Team in writing on the rems set out below.

Terms of the Project Implementation Team:
This Terms of Reference is effective from 06/10/2015 and shall continue until satisfactory implementation of mSCOA within the municipality and will only terminate by agreement of the Steering Committee, the Municipal Manager and the municipal council.

Membership
The mSCOA Project Implementation Team led by the Project manager who was assigned by the mSCOA Steering Committee of the municipality should be a multi-disciplinary team and include the following functions and skills:

- Finance, budgeting and reporting
- Performance reporting;
- Risk Management/internal audit (as observers only);
- Engineering (project managers)
- Information technology; and
- Human Resources

Representatives of all departments should also be represented on the Project Implementation Team which should be chaired by the Project Manager duly assigned the role in writing. Team members should be assigned in writing and their performance agreements amended to accommodate the responsibilities.

The mSCOA Project Implementation Team of the municipality therefore comprise of the following

NAME:	TITLE:	DEPARTMENT/UNIT	ROLE
JJ Fortuin	Mr	Municipal Manager	Chair/Project Manager
SJ Myburgh	Mr	CFO	Member
F Lötter	Mr	Technical Manager	Member
SJ Van Schalkwyk	Mr	Accountant BTO	Member
C Viljoen	Me	Administration	Secretariat
D Vermeulen	Me	SCM and Expenditure	Member
A Louw	Me	Income	Member
A Gibbons	Mr	IDP Manager	Member
D Malan	Me	HR Manager	Member
AC Haas	Mr	Assets & ICT	Member
W Malgas	Mr	Payroll	Member

Project Implementation Team Meetings:
The mSCOA Project Implementation Team should schedule formal meetings at least once a month and compile an agenda and meeting minutes to be maintained as part of the official project records for review purpose.

Team members should prepare for the meetings and contribute within their field of expertise and assigned role to ensure that full compliance is achieved by 1 July 2017.

Visitors and observers to the mSCOA Project Implementation Team meetings;

The mSCOA Project Implementation Team may allow visitors/observers to attend their meetings and may invite guests to meetings.

Unless the Team requested a visitor to make presentation(s) relevant to mSCOA implementation any such visitor will only be allowed to attend the meeting in the capacity of an observer.

The following will enjoy a permanent invitation to attend meetings as observers:

- The mSCOA Steering Committee;
- The internal audit function of the municipality;
- The risk management function of the municipality;
- The representative of the Auditor General
- The representative of National or Provincial Treasury; and
- Any other observers agreed and invited by the Team.

Roles and Responsibilities of the mSCOA Project Implementation Team:

- The responsibilities of the mSCOA Project Implementation Team are as follows:
- Prepare a mSCOA Project Implementation Plan including the required activities, allocated responsibilities for execution of the plan, assigned deliverables and acceptance criteria, and set timeframes for these deliverables, for submission to the mSCOA Steering Committee for consideration and approval;
- Prepare and maintain a mSCOA Project Risk Register detailing the identified project risks, evaluating these and allocating responsibility including mitigating measures, monitoring of the risk and reporting progress within set timeframes, for submission to the mSCOA Steering Committee for consideration and monitoring;
- Prepare and maintain a mSCOA Project Issue Log detailing the issues which have been encountered, together with the measures which were employed to address the issues and the results and cost thereof;
- To develop a resource plan for the mSCOA implementation project for submission to the mSCOA Steering Committee for consideration and approval;
- Regular reporting of the progress, risk register and issue log to the mSCOA Steering Committee for consideration and key decision making;
- To execute the approved project implementation plan, including but not limited to:
- Assign responsibilities to the Project Implementation Team to execute the plan and deliver all the deliverables documented in the plan;
- Ensure that mSCOA responsibilities are included in the Performance Agreements, Performance Evaluation Templates and other applicable documentation for all team members and other officials as identified by the Project Team,
- Identify and assign officials responsible and accountable for each of the identified risks, who will mitigate these risks and regularly report on progress;

- Monitor and report on progress in terms of each of the deliverables and mSCOA Segments and related project activities, within the implementation team and to the mSCOA Steering Committee; and
- Assist with any risk evaluations, internal or external audit reviews of the mSCOA project.
- Ensure organisational awareness of mSCOA by means of internal workshops, information sharing and feedback across the municipality, the various internal committees and the municipal council;
- Ensure that mSCOA is adopted as a permanent standing item on the senior management meeting (MANCO) agenda for Tracking Progress and Noting Institutional Risk;
- Oversee regular mSCOA risk assessments, development and updates of a mSCOA risk register, and monitor the implementation of mitigating action plans;
- Table a mSCOA progress report, including the updated risk register with the municipal council on a quarterly basis;
- Ensure the municipality's current chart is compared on an account by account level to the Municipal Regulations on a Standard Chart of Accounts (Regulations on mSCOA) (all 7 segments). Any anomalies must be documented and a copy provided to the relevant provincial treasury;
- Ensure the Function Segment of the Regulations on mSCOA classification framework is matched to the current vote and cost centre structures operational in the municipality. Identify and document any anomalies and provide a copy to the relevant provincial treasury;
- Consider the impact of the Regulations on mSCOA on business processes and develop a business process implementation plan to address change, with specific regard to, among others:
- Impact on municipal Functions (Vote Structure, Internal Operational Work Flows, Costing Methodology, etc.)
- Impact on Operational and Capital Projects (Setting Up Project based Budgeting).

Only once the National SCOA Project Team has concluded their engagement with all systems vendors in the local government sphere and advised the municipality on the appropriate way forward -

- Ensure the assessment of current Information Technology infrastructure requirements and that any modifications are conducted with implementation plans to address current infrastructure needs;
- Oversee the appointment process for the accounting and other systems' service provider(s) by means of providing input to the bid specification and evaluation processes;
- Review the Service Level Agreement with the successful service provider(s) to ensure that all mSCOA requirements are addressed and value for money is achieved;
- Preparation of a detailed project implementation plan for data conversion and movement to the mSCOA compliant system once the service provider is appointed, with input from all the relevant stakeholders; and

- Facilitate the budgetary planning provisions of mSCOA to ensure that the project is adequately funded for its implementation.
- Foster collaboration between the municipality, service providers, National/Provincial Treasury and other key stakeholders through:
- Engagement meeting(s) with the Service Provider, clarification of roles and responsibilities, and timeframes;
- Finalize the Memorandum of Agreement (MoA) or Service Level Agreement (SLA) for approval by the municipal manager;
- Establish vendor target dates for converting data and implementation - incorporate into the mSCOA project implementation plan;
- Attend and participate in Vendor forums, user groups and progress meetings;
- Monitor the municipality's implementation progress and compliance against the Regulations on mSCOA, National Treasury and Provincial Treasury communications; and
- Ensure that the Project Manager/ municipality maintains ongoing communications with National and Provincial Treasury during the implementation of the project.

Reporting:

The mSCOA secretariat will on behalf of the Project Team (with the input from each member of the project team) monthly prepare a written report reflecting in a clear and concise manner the progress against the mSCOA project plan, timeframes and mSCOA risk register. The monthly report must be provided to the municipal manager/project sponsor on/before the xxx date of each month. An aggregated report must be compiled for each quarter and submitted to the Municipal Manager/project sponsor on/before xxx date of the quarter for tabling to the municipal council.

Each member of the mSCOA Project Implementation Team commits to:

- Attend all scheduled mSCOA Project Team meetings and if necessary, with the approval of the Project Manager, nominate a proxy to attend on his/her behalf;
- Make timely decisions and implement the required action plans in order to avoid delays in the project implementation;
- Implement action plans to address issues/obstacles, therefore ensuring the successful implementation of the project;
- Maintain the focus of the Project Team/municipality on the agreed scope, outcomes and benefits;
- Provide monthly/quarterly updates and reports to the Municipal Manager/project sponsor and municipal council on the implementation of the project; and
- To be open and honest and act in the best interest of the municipality in all discussions.

Rights of members of the mSCOA Project Implementation Team:

- Each member of the Project Team has the right to be informed of Project Team meetings, in writing and timely;
- Each member of the Project Team has the right to be provided with complete, accurate and meaningful information in a timely manner by respective persons/departments in the municipality relevant to the implementation of the Municipal Regulation on SCOA;
- Each member of the Project Team must be given reasonable time to make key decisions; and
- Each member of the team must be alerted to potential risks and issues that could impact the successful implementation of SCOA, as they arise. It will be the responsibility of the risk owner or any official (for the first time) becoming aware of such risk or issue, to inform the Project Manager/ Administrative Coordinator so that he/ she can inform the Project Team members.

Meetings of the Project Implementation Team:

- All meetings of the Project Team will be chaired by the Project manager (insert designation and name);
- There will only be a quorum present at the Project Implementation Team meeting if xx (insert number or % of) members of the mSCOA Project Implementation Team is present/represented;
- The Project Team shall meet, at a minimum, once every week, until complete implementation of the Municipal Regulation on SCOA. As the need arises, the frequency of the meetings may be increased or reduced, as per a formal resolution of the Project Team;
- Decisions will be made by consensus. If not possible, the Municipal Manager/project sponsor shall have the casting vote in determining the final decision of the mSCOA Project Team;
- The secretariat of the mSCOA Project Team will be appointed by the Project Manager and, will be responsible for preparing the agenda, minutes of meetings and supporting documentation;
- The agenda will be set by the secretariat of the mSCOA Project Team in consultation with its team members. Agenda items should be submitted at least one week (to be decided) prior to a meeting unless it is brought to the meeting as an item requiring urgent attention;
- Proposed agenda items should be accompanied by a short description as well as suggested solutions and relevant documentation (if any); and
- Notice of Project Team meetings must be provided in writing xxx working days before each meeting and must include the proposed agenda and the relevant project documentation.

Code of Conduct of mSCOA Project Implementation Team Members:

- Members should agree to the written assignment of these duties and diligently perform same to achieve compliance with the regulations;
- Members should act in good faith in the best interests of the municipality at all times;
- Members should promptly complete all assigned duties and tasks;
- Members should compile and submit required documentation and reports timely for review by the Project Implementation Team before submission for approval to the same;
- Members should assist the steering committee in the execution of their oversight duty;
- Members should assist the risk managers, internal and external auditors and provide all records and documentation requested by them for review and oversight purposes;
- Members should actively participate in all forums, training and capacity building initiatives applicable to the execution of this project; and
- Members should be advocates for change across the municipality and share their knowledge and experience in a positive and inspiring way.

Amendment, Modification or Variation of the Terms of Reference:

This Terms of Reference may be amended, varied or modified in writing only after consultation and agreement by the mSCOA Project Team members and in consultation with the Municipal Manager/ project sponsor/ mSCOA Steering Committee.

10.6 CASH / LIQUIDITY POSITION

The effective management of cash as well as the maintenance of a cash flow model to ensure that the municipality will fulfil timorously in all its obligations towards service providers, personnel and other financial commitments is vital for both the short- and long-term survival of the municipality. In addition to budget control and management, a cash flow model is maintained to ensure that expenditure is incurred in line with the cash reserves available within the municipality.

10.7 SUSTAINABILITY

The effective continuation of municipal services is determined by the sustainability of the service. The budgets related to the services are balanced in order to ensure that the expenditure will be covered by the income. Said income is generated through the implementation of Council's tariff structure, which is based on affordability. The level of the services is in line with the affordability level of the community it serves. Due to an unemployment level, in excess of 40% there are a substantial number of poor households, which are not financially equipped to pay for the basic services provided. Hence, subsidisation is supplied be means of a differentiated tariff structure in which case the shortfall is financed from the equitable share from national government.

10.8 EFFECTIVE AND EFFICIENT USE OF RESOURCES

The utilisation of the Municipality's resources is guided by means of standard operating procedures or policy statements provided by the Council.

10.9 ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE

Since the Municipality's activities are mainly financed from public resources, it remains essential to enable to be accountable by means of various forums and processes. As required by legislation, amongst others the Municipal Finance Management Act, no 56 of 2003, the municipality endeavours to be accountable to all its stakeholders who are responsible for providing resources to the Municipality. The compilation of the Integrated Development Plan as well as the Budget is communicated by means of forum meetings and the ward committee system uphold by Council. Hereby all stakeholders can submit their needs and/or requirements for municipal services. As required by legislation, report back meetings are to be held and Council meetings are open for attendance by any stakeholder. The annual reports, including the annual report from the Office of the Auditor General, are compiled within the prescribed format and timeframes.

10.10 REDISTRIBUTION

The Municipality endeavour to treat all people in terms of the Batho Pele principles. A basic level of municipal services is available to all the residents, regardless of their own financial capacity. In case where a basic municipal service is not affordable to a resident, it is financed from the equitable share from national government.

10.11 DEVELOPMENT AND INVESTMENT

Due to the backlogs in basic services, it is essential that the Municipality continue to invest in the development and maintenance of infrastructure to address these backlogs. Council is addressing this matter by means of the Integrated Development Plan as well as the Capital Program.

10.12 BORROWING

Through the various capital markets as well as other financial institutions, financial resources are available to address the backlog in infrastructure development. It is however, essential that a Loan Redemption Fund be maintained which is substantiated by means of a cash investment, in order to fulfil timorously in debt repayment without extra-ordinary fluctuations in tariffs.

10.13 FINANCIAL MANAGEMENT STRATEGIES AND PROGRAMMES

The following financial management strategies and programmes were identified and implemented:

10.14 ASSET MANAGEMENT PLAN

A computerised bar-coded asset management system is maintained in order to ensure accountable utilization and reporting on assets.

10.15 BUDGETARY OFFICE

The establishing of a budget office in terms of the determination of the Municipal Finance Management Act, no 56 of 2003.

10.16 FINANCIAL SCHEDULE

The following 2019/2020 monthly budget reporting regulations schedules reflecting the financial status of the municipality are attached5.

SECTION K
PERFORMANCE MANAGEMENT

11.1 BACKGROUND OVERVIEW

Karoo Hoogland Municipality acknowledges the importance of performance management as a key driver to accelerate service delivery and improve accountability in local government. Improving accountability rests on the creating requisite structures, mechanisms and processes to create a culture of accountability and transparency. In this regard the municipality is committed to implementing a performance management system (PMS) that is commensurate with its resources and best suite its circumstances in order to inculcate a culture of performance amongst in its administration.

In fulfilment of the commitment to improve accountability, the municipality has developed a Performance Management Procedure Management (PMPM) to guide the implementation of the PMS through-out the municipal administration. In this regard, the municipality has outlined a process on the development of performance measures, key performance areas (KPAs), key performance indicators (KPIs) and targets to drive performance management. The municipal performance measures will help to formulate simple, measurable, attainable and realistic KPIs and targets for all the strategies and projects identified.

Performance monitoring has always been a major tool in ensuring quality service delivery, however the municipality has not yet cascaded PMS to the lower levels except for the section 57 managers and will fulfil this mandate on the successful implementation of the automated PMS.

11.2 PURPOSE

The purpose of the framework is to customize the principles and framework of performance management for Karoo Hoogland Local Municipality in order to provide policy measures and practical guidelines for the improvement of organisational and individual performance and service delivery. The Municipal Planning and Performance Management regulations of 2001, sec 7 (1) stipulates that a performance management system (PMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players.

11.3 SCOPE OF APPLICATION

The principles and framework of performance management in Karoo Hoogland Local Municipality applies to section 57 employees as well as other staff categories. Hence these policy measures are applicable to all employees of the municipalities' employees, subject to the relevant regulatory prescripts. This includes fixed-term contract and permanent employees who are governed by collective agreements stemming from the bargaining council process.

11.4 THE CONSTITUTION OF THE RSA, 1996 (ACT 108 OF 1996)

The constitution (1996), section 152, dealing with the objects of local government, paves the way for performance management with the requirement for an “accountable government “. The democratic values and principles in terms of section 195(1) are also linked with the concept of, inter alia, the promotion of efficient, economic and effective use of resources, accountable public administration, to be transparent by providing information, to be response to the needs of the community, and to facilitate a culture of public service and accountability amongst staff.

11.5 MUNICIPAL SYSTEMS ACT, 2000 (ACT 32 OF 2000)

The major PMS policy instruments is the 1998 White Paper on Local Government supported by the Batho Pele Principles, which policies was given legal stature through the adoption of the Municipal Systems Act in 2000 (Act 32 of 2000).

The Act in reference requires the municipalities to:

- Develop a performance management system
- Set targets, monitor and review the performance of the municipality based on indicators
- Linked to their Integrated Development Plan (IDP).
- Publish an annual performance report on performance of the municipality forming part of its annual report as per the Municipal Finance Management Act (MFMA).
- Conduct, on a continuous basis, an internal audit of all performance measures.
- Have their annual performance report audited by the Auditor – General.
- Involve the community in setting indicators and targets and reviewing municipal performance.
- The municipality must compile an annual report, which must include a performance report compiled in terms of the Systems Act.

11.6 MUNICIPAL STRUCTURES ACT, 1998 (ACT 117 OF 1998)

- The needs of the community.
- Its priorities to meet those needs.
- Its processes for involving the community.
- Its organisational and delivery mechanisms for meeting the needs of the community; and
- Its overall performance in achieving the objectives referred to in subsection.
- Municipal Council must further develop mechanisms to consult the community and community Organisations in performing its functions and exercising its powers

11.7 REGULATIONS FOR MUNICIPAL MANAGERS AND MANAGERS REPORTING DIRECTLY TO MUNICIPAL MANGERS, 2006

The regulation describing the process of how the performance of municipal managers will be, describing the process of how the performance of municipal managers will be uniformly directed and monitored. They address the job description, employment contract, as well as the performance agreement that is to be entered into between respective municipalities, municipal managers and managers directly accountable to municipal managers.

11.8 FINANCE MANAGEMENT ACT, NO 56 OF 2003

It requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP) with the service delivery targets and performance indicators. Whilst considering and approving the annual budget the municipality must also set measurable targets for each revenue source and vote. In terms of a circular issued by National Treasury, provision is also made to the compilation on an annual basis of department SDBIP'S.

SECTION L
DISTRICT DEVELOPMENT MODEL

In 2019, Cabinet approved the DDM as a government approach to improve integrated planning and delivery across the three spheres of government with district and metro spaces as focal points of government and private sector investment. The envisaged integrated planning and delivery in the district and metro spaces will be enabled by joint planning, budgeting and implementation process. The DDM articulates an approach by which all three spheres of government and state entities work cooperatively in an impact-oriented way to ensure enhanced performance and accountability for coherent service delivery and development outcomes.

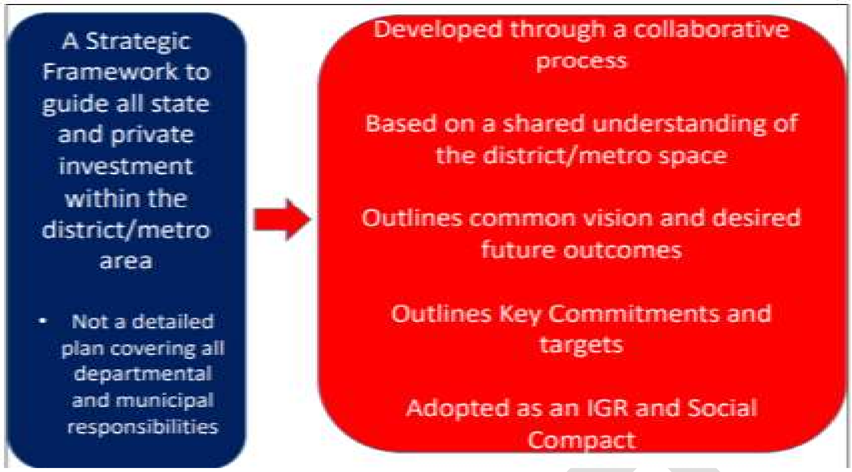
The purpose of this section is to outline the relationship between the municipal IDPs and the One Plans of Districts and Metros.

What is the One Plan?

The DDM is anchored on the development of the One Plan. This plan is an intergovernmental plan that outlines a common vision and desired future outcomes in each district and metro space. It sets out a long-term strategic framework (25-30 years) to guide investment and delivery in each of the 52 district and metropolitan spaces in the country.

Furthermore, the One Plan is formulated jointly by all three spheres of government through a series of collaborative intergovernmental planning sessions.

This process will facilitate a shared understanding of the district/metro space amongst all spheres of government. The formulation of a credible One Plan will enable programmatic implementation over multi-term electoral cycles thereby entrenching predictability and stability in the government planning system. This will improve performance and coherent delivery by the State, which is a necessary prerequisite for achieving desired developmental impacts. It is envisaged that the One Plan will be reviewed every 5 years in line with the local government electoral cycle and the development of the 5-year IDPs.

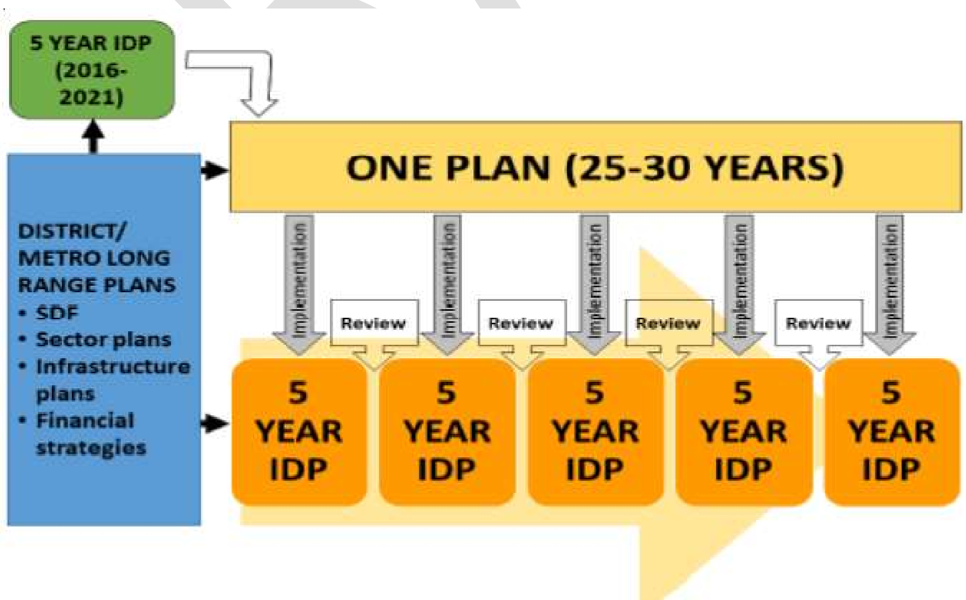


It is important to note that the One Plan is not a summation of government plans and does not necessarily incorporate all the projects and programmes of government departments and State Entities. The One Plan focuses on key and strategic programmes required to catalyst and advance socio-economic transformation. It is however critical for municipalities (district and local municipalities) to be aware of all key investments and plans of other spheres to be implemented within the district space including those that might fall outside the scope of the One Plan. These will be incorporated in the IDPs and other municipal development plans.

Relationship between the IDP and One Plan the DDM introduces a new planning instrument in the form of the One Plan. This process comes into a planning environment where there are existing planning instruments at local, provincial and national levels of government. However, the One Plan was not introduced to replace the IDP or any other existing prescribed development, departmental strategic and annual performance plans that each sphere, department and state entity is responsible for or required to develop. The One Plan is rather informed by these plans and once in place, it will guide the review of these plans and budgets.

ONE PLAN (LONG TERM - 30 YEARS)	IDP (MEDIUM TERM - 5 YEARS)
Long-term vision of the district area of impact and common understanding of goals and objectives amongst stakeholders in the district area.	Determine how the long-term vision, goals and objectives contribute towards addressing challenges at a local level by directing actions and interventions towards the vision.
Long term vision expressed in policy and long range plans across all spheres of government, i.e. NDP, PGDS, NSDF, PSDF, DSDF, etc.	Implementation of short to medium term service delivery programmes and projects informed by the MTSF, municipal SDFs, sectoral/master plans and long term financial strategies.
Determines government-wide key development strategies and priorities to be addressed.	Address municipal strategies, Council development priorities/objectives and community needs.
Conceptualisation of the desired future and results (outcomes and impact) to be achieved by the district area in the long term.	Plans implemented by municipalities and departments respond directly to the desired outcomes and impact.
Spatially referenced plans and budgets at district and metro level with emphasis on long-term catalytic programmes and interventions to unlock development potential.	Focus on implementation of immediate service delivery interventions and priority projects in the One Plan.

The One Plan is expected to strengthen and enhance the IDPs and other plans of municipalities and provide greater certainty and direction for the IDPs. During the development of the One Plans, the IDPs will inform the One Plans. However, once the One Plans are approved, IDPs are to be directed by the priorities and commitments outlined in the One Plans. In this regard, IDPs are the vehicle through which implementation of the One Plans happen at local government level. This relationship is outlined in the figure below.



CONCLUSION

These Revised Guidelines have been developed for all categories of municipalities however; they have been geared specifically for non-metro municipalities, though the principle applies to all municipalities. In the main, these guidelines respond to new policy and legislation imperatives including the NDP, IUDF, SPLUMA and the DDM. The guidelines further emphasize the roles of the various role players in development planning and highlight the significance of transversal planning in development planning.

The Karoo Hoogland Municipality's Final Revised Amended Integrated Development Plan (IDP) was prepared in terms of the Municipal Systems Act (Act 32 of 2000) and is hereby approved by Karoo Hoogland Municipal Council of:

Council Resolution: Item 15.1.6

Date: 22 May 2024

Duly authorized Representative of the Municipality Mayor AS Mietas

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