5TH GENERATION



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 democray.

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 2023-2024 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.

Council further engaged in a 3-day Strategic Session dated 17 to 19 April 2023 to align the Vision and Mission statement that will form the basis of this document. During the workshop it was identified that indicators in the SDBIP and IDP is not aligned.

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 Economical 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 JJ Van Der Colff

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) publicise 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 A Gibbons **Acting 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.
- Conduct community engagements in collaboration with Conservation South Africa and Department of Agriculture Forestry and Fisheries to promote participatory planning in farming communities.
- 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.

- 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 is a Category B municipality with a <u>plenary executive system</u> combined with a ward participatory system.

Since 1 November 2021 after the Amendment of the Structures Act Karoo Hoogland Municipality is now a combined with a ward participatory system. Since 9 November 2021 – 2026

The Municipal Council of Karoo consists of 11 members.

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

Councillor AS Mietas PA EXCO Member Councillor (Ms) MJ Chadow PA Speaker

Councillor VT Opperman ANC EXCO Member

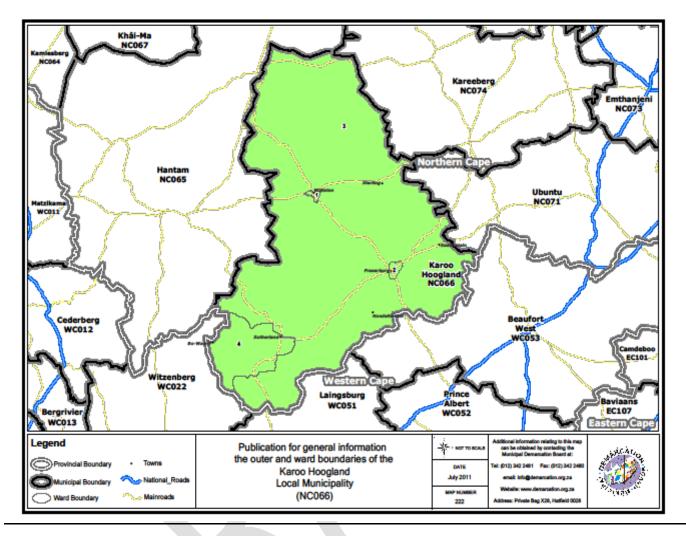
Councillor (Ms) VC Wentzel ANC Councillor (Ms) SA Muller ANC

Councillor JE Davids ANC Whip

Councillor EC Oliphant ANC

Councillor JJ Van Der Colff DA EXCO Member (Chair)

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	96 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.

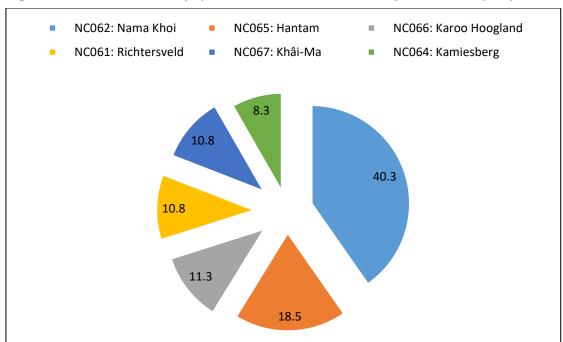


Figure 1: Distribution of the population of Namakwa district by local municipality, 2016

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.

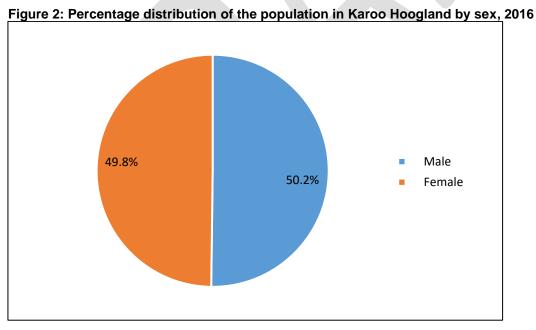


Figure 2 depicts a greater proportion of males than females in Karoo Hoogland municipality, at 50.2% and 49.8% respectively.

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	-	ı	45	ı
Unspecified	133	ı	-	•
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

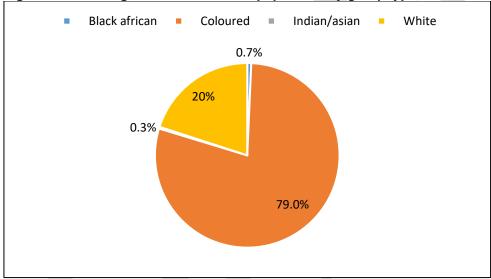


Figure 3 outlines the percentage distribution of the population of Karoo Hoogland in 2016, where the Coloured population group accounts for 79.0% of the population of the municipality, followed by the White, Black African and Indian/Asian population groups.

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

		1996			2001		2011			2 016		
	Male	Female	Total									
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

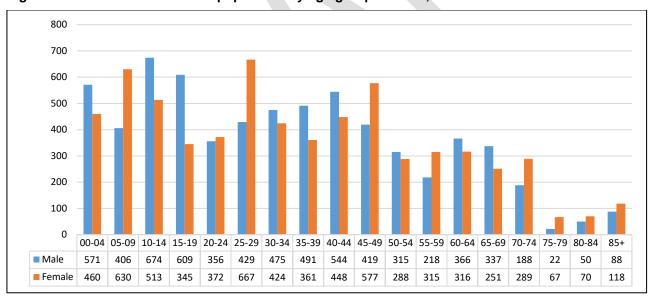


Figure 4 indicates that the greater proportion of the population in Karoo Hoogland is young, consisting mainly of children and youth. There is however a greater proportion of males compared to females for ages from 30 to 44 years, and the female population shows a slightly greater proportion in numbers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

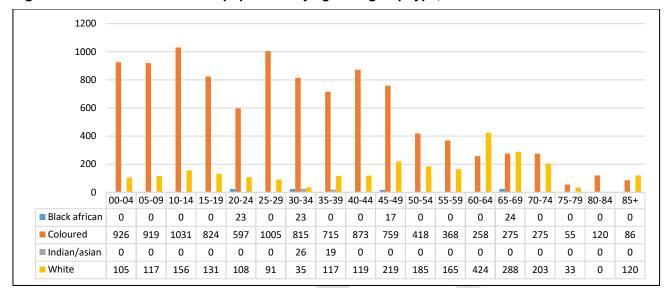


Figure 5: Distribution of the total population by age and group type, 2016

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

Household, 2010		
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 (%)				
- Country	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

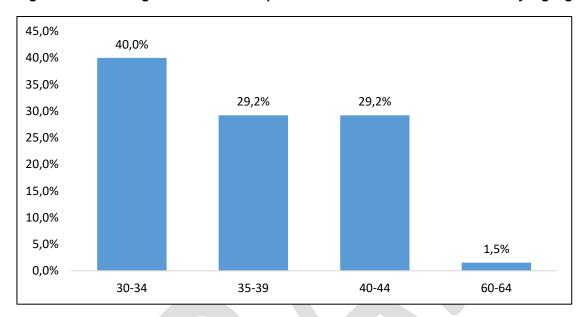


Figure 6 outlines that the majority of foreign nationals residing in Karoo Hoogland municipality are mostly youth, between 30 and 34 years (40.0%).

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
	No difficulty	5 001	4 667	9 668
	Some difficulty	827	1 098	1 925
Seeing	A lot of difficulty	144	250	394
Coomig	Cannot do at all	-	-	-
	Do not know	-	-	-
	Total	5 972	6 015	11 987
	No difficulty	5 560	5 599	11 159
	Some difficulty	346	349	695
Hearing	A lot of difficulty	66	67	133
Tical ing	Cannot do at all	-	-	-
	Do not know	-	-	-
	Total	5 972	6 015	11 987
	No difficulty	5 897	5 917	11 813
	Some difficulty	59	83	143
Communication	A lot of difficulty	-	15	15
Communication	Cannot do at all	16	-	16
	Do not know	-	-	-
	Total	5 972	6 015	11 987
	No difficulty	5 532	5 298	10 830
	Some difficulty	285	501	786
Walking or climbing	A lot of difficulty	155	160	315
stairs	Cannot do at all	-	56	56
	Do not know	-	-	-
	Total	5 972	6 015	11 987
	No difficulty	5 247	5 188	10 435
	Some difficulty	546	649	1 195
Remembering	A lot of difficulty	179	145	324
Remembering	Cannot do at all	-	33	33
	Do not know	-	-	-
	Total	5 972	6 015	11 987
	No difficulty	5 830	5 880	11 710
	Some difficulty	88	84	172
Self-care	A lot of difficulty	37	30	68
och oare	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	Some	Complete	Some	Grade	Lliabor	Total			
	schooling	Primary	Primary	Secondary	12/Std 10	Higher	Iotai			
	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

2010							
	No	Some	Complete	Some	Grade	Higher	Total
	schooling	Primary	Primary	Secondary	12/Std 10	nighei	Total
			Numbe	er		•	•
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	52
parents/students	02
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	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

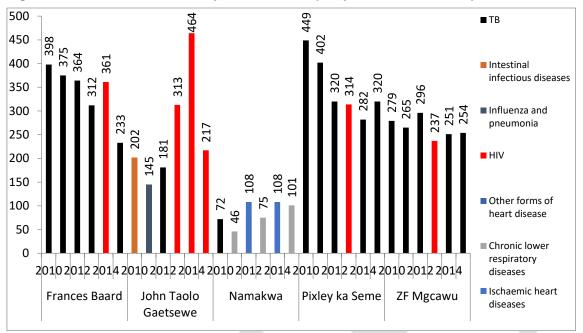


Figure 7 shows that the leading cause of death in Namakwa district in 2010 was TB with 72 recorded deaths recorded. In 2011, the Chronic lower respiratory disease was the leading cause of death with 46 deaths. The Ischaemic heart disease was the leading cause of death in 2012 with 108 deaths, and in 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

	Indigent			Benefitting	
Namakwa District Municipality registered with municipalities	registered with	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 socioeconomic 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 onethird.
- 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 <u>URBAN DIVIDEND</u>



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 foundhaving 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.
- ▶ <u>Identify and implement strategic interventions</u> 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 <u>spatial contracts for key restructuring zones</u> in metropolitan municipalities and intermediate cities
- Develop and <u>implement a model(s) to improve integrated planning in secondary cities</u> to promote spatial integration and economic development.
- Finalise a model/framework/protocol to fast-track <u>release and acquisition of state-owned</u> land key for spatial transformation.
- ➤ Develop and implement a framework to <u>improve alignment and coordination</u> <u>between various SIPs</u> 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, 9 February 2023

Speaker of the National Assembly, Ms Nosiviwe Mapisa-Nqakula,

Chairperson of the National Council of Provinces, Mr Amos Masondo,

Deputy President David Mabuza,

The Executive Mayor of the City of Cape Town, Mr Geordin Hill-Lewis,

Former President Thabo Mbeki.

Former Deputy President Baleka Mbete,

President of the Pan African Parliament, The Right Honourable Chief Fortune

Charumbira,

Chief Justice Raymond Zondo and Members of the Judiciary,

Heads of Institutions Supporting Democracy,

Deputy President of the governing party, Mr Paul Mashatile and leaders of all parties,

Members of Parliament,

Fellow South Africans,

It is a great honour to stand before you this evening to present the State of the Nation.

For we are a nation defined not by the oceans and rivers that form the boundaries of our land.

We are not defined by the minerals under our earth or the spectacular landscape above it. We are not even defined by the languages we speak or the songs we sing or the work we do.

We are, at our most essential, a nation defined by hope and resilience.

It was hope that sustained our struggle for freedom, and it is hope that swells our sails as we steer our country out of turbulent waters to calmer seas.

Even in these trying times, it is hope that sustains us and fuels our determination to overcome even the greatest of difficulties.

Just three years ago, our country was devastated by the worst global pandemic in living memory. Thousands of lives were lost, companies closed, jobs were lost.

COVID-19 did not browbeat us into submission or disillusionment.

Working together, we overcame that crisis, and we have started to recover.

Today our economy is larger than it was before the pandemic.

Between the third quarters of 2021 and 2022, around one and a half million new jobs were created in our economy.

The Presidential Employment Stimulus has provided work and livelihood opportunities to more than one million people.

Last year, our matriculants defied the effects of the pandemic to achieve a pass rate of 80% and we congratulate them for that great achievement.

We see this spirit of determination in our artists, musicians, actors, authors and sportsmen and women, who are making waves at home, on the continent and beyond our shores.

Banyana Banyana made us proud when they won the Women's Africa Cup of Nations to become the champions of Africa.

Zakes Bantwini, Nomcebo Zikode and Wouter Kellerman have made us proud at the Grammy Awards for their collaboration, Bayethe.

What we have achieved as a nation over the past year, despite our challenges, remind us that the promise of South Africa is alive.

The progress we have seen should give us courage as we look to a better future.

And yet, I address you this evening, in homes across the country, many people are suffering, many are worried, many are uncertain and many are without hope.

But of this I am certain. Whatever the difficulties of the moment, whatever crises we face, we will rise to meet them together and, together, we will overcome them.

This, we will be able to do if we work together and leave no one behind.

We gather here at a time of crisis.

Our country has, for many months, endured a debilitating electricity shortage that has caused immense damage to our economy.

And for two years before that, our society was devastated by the COVID-19 pandemic that caused great loss of life and much hardship.

The pandemic worsened a situation of deep unemployment, as the country lost two million jobs. The pandemic negatively affected livelihoods and increased poverty.

In July 2021, we experienced the worst public violence and destruction in the history of our democracy, causing over 300 deaths.

Last year, parts of the Eastern Cape, KwaZulu-Natal and North West were struck by catastrophic flooding that caused extensive loss of life, the destruction of homes and damage to infrastructure.

And now, persistent load-shedding is impeding our recovery from the effects of these events.

We know that without a reliable supply of electricity, businesses cannot grow, assembly lines cannot run, crops cannot be irrigated and basic services are interrupted.

Load-shedding means that households and supermarkets are unable to keep food fresh, water supply is often disrupted, traffic lights do not work and streets are not lit at night.

Without a reliable supply of electricity, our efforts to grow an inclusive economy that creates jobs and reduces poverty will not succeed.

Therefore, as we outline our agenda for the year ahead, our most immediate task is to dramatically reduce the severity of load-shedding in the coming months and ultimately end load-shedding altogether.

Under these conditions, we cannot proceed as we usually would.

The people of South Africa want action, they want solutions and they want government to work for them.

They simply want to know when a problem like load-shedding will be brought to an end.

We are, therefore, focused on those actions that will make a meaningful difference now, that will enable real progress within the next year and that will lay a foundation for a sustained recovery into the future.

We are not presenting new plans, nor are we outlining here the full programme of government.

Rather we are concentrating on those issues that concern South Africans the most:

Load-shedding.

Unemployment.

Poverty and the rising cost of living.

Crime and corruption.

There are no easy solutions to any of these challenges.

Yet we have the strength, the means and the wherewithal to overcome them.

If we work together and act boldly and decisively, leaving no one behind, we will be able to resolve our challenges.

This State of the Nation Address (SoNA) is about seeing hope where there is despair.

It is about showing a way out of these crises.

This evening, we will give an account of our progress in implementing the commitments we made in last year's SoNA.

Over the course of the last year, we have laid a firm foundation based on the commitments we made for faster growth through our investment drive, economic reforms, public employment programmes and an expanding infrastructure programme.

What is clear from our experience of the last few years – indeed from our history as a democracy – is that we are not a people easily resigned to our fate.

When we faced the greatest challenge of apartheid, we did not submit to the oppression that the apartheid regime imposed on our people.

We stood firm and engaged in a struggle, hopeful that our cause would triumph. And it did. Against all odds we were able to defeat the apartheid system.

We can, and we will change the circumstances in which we find ourselves today.

We are both able and determined to overcome these difficulties and place our economy on a firm path to recovery.

Our most immediate priority is to restore energy security.

We are in the grip of a profound energy crisis, the seeds of which were planted many years ago.

We cannot undo the mistakes that were made in the past, the capacity that was not built, the damage that was done to our power plants due to a lack of maintenance, or the effects of state capture on our institutions.

What we can do is to fix the problem today, to keep the lights on tomorrow and for generations to come.

In July last year, I announced a clear action plan to address the energy crisis.

This was to address the electricity shortfall of 4 000 to 6 000 megawatts (MW).

The plan outlined five key interventions:

First, fix Eskom's coal-fired power stations and improve the availability of existing supply.

Second, enable and accelerate private investment in generation capacity.

Three, accelerate procurement of new capacity from renewables, gas and battery storage.

Four, unleash businesses and households to invest in rooftop solar.

Five, fundamentally transform the electricity sector to achieve long-term energy security.

Experts agree that this plan is the most realistic route to end load-shedding.

During the last six months, we have made important progress in implementing the plan.

We have taken steps to improve the performance of Eskom's existing power stations so that the coal-fired power stations that provide 80% of our electricity produce the amount of electricity for which they were designed.

Under its new board, Eskom is deploying people and resources to improve the reliability of the six power stations that have contributed the most to load-shedding.

Eskom is urgently fast-tracking construction of a temporary solution to bring back three units at Kusile power station following the collapse of a chimney stack last year, whilst simultaneously repairing the permanent structure.

We are rebuilding the skills that have been lost and have already recruited skilled personnel at senior levels to be deployed at underperforming power stations.

The Engineering Council of South Africa has offered to give as much assistance as required by deploying engineers to work with the management teams at power stations.

We have deep skills and expertise right here in South Africa – we just need to use them.

National Treasury is finalising a solution to Eskom's R400 billion debt burden in a manner that is equitable and fair to all stakeholders, which will enable the utility to make necessary investments in maintenance and transmission.

Government will support Eskom to secure additional funding to purchase diesel for the rest of the financial year. This should reduce the severity of load-shedding as Eskom will be able to use its diesel-run plants when the system is under strain.

Eskom has launched a programme to buy excess power from private generators and has already secured 300 MW from our neighbouring countries.

The South African Police Service (SAPS) has established a dedicated team with senior leadership to deal with the pervasive corruption and theft at several power stations that has contributed to the poor performance of these stations. Intelligence-driven operations at Eskom-related sites have so far resulted in 43 arrests.

As part of the broader reform process, the restructuring of Eskom that we previously announced is proceeding and the National Transmission Company will be soon operational with an independent board.

Later this year, we will table the Electricity Regulation Amendment Bill to transform the energy sector and establish a competitive electricity market.

As indicated in July last year, and with a view to addressing the load-shedding crisis, we are going to proceed with the rollout of rooftop solar panels.

In his Budget Speech, the Minister of Finance will outline how households will be assisted and how businesses will be able to benefit from a tax incentive.

National Treasury is working on adjustments to the bounce-back loan scheme to help small businesses invest in solar equipment, and to allow banks and development finance institutions to borrow directly from the scheme to facilitate the leasing of solar panels to their customers.

One of the potent reforms we have embarked upon is to allow private developers to generate electricity. There are now more than 100 projects, which are expected to provide over 9 000 MW of new capacity over time.

A number of companies that have participated in the renewable energy programme will soon enter construction and deliver a total of 2 800 MW of new capacity.

Eskom will procure emergency power that can be deployed within six months to close the immediate gap.

We are investing in new transmission lines and substations, especially in areas such as the Eastern Cape, Northern Cape and Western Cape.

All of these measures will result in a massive increase in power to the grid over the next 12 to 18 months, and beyond.

This power will be in line with our diverse mix of energy sources, including our current coal-fired power stations, solar, wind, gas, nuclear, hydro and battery storage.

To fully implement this plan, we need strong central coordination and decisive action.

In a time of crisis, we need a single point of command and a single line of march.

Just as we address the cause of the crisis, we also need to address its impact.

The crisis has progressively evolved to affect every part of society.

We must act to lessen the impact of the crisis on farmers, on small businesses, on our water infrastructure and our transport network.

The National Disaster Management Centre has consequently classified the energy crisis and its impact as a disaster.

We are, therefore, declaring a national state of disaster to respond to the electricity crisis and its effects.

The Minister of Cooperative Governance and Traditional Affairs has just gazetted the declaration of the state of disaster, which will begin with immediate effect.

The state of disaster will enable us to provide practical measures that we need to take to support businesses in the food production, storage and retail supply chain, including for the roll-out of generators, solar panels and uninterrupted power supply.

Where technically possible, it will enable us to exempt critical infrastructure such as hospitals and water treatment plants from load-shedding.

And it will enable us to accelerate energy projects and limit regulatory requirements while maintaining rigorous environmental protections, procurement principles and technical standards.

The Auditor-General will be brought in to ensure continuous monitoring of expenditure, in order to guard against any abuses of the funds needed to attend to this disaster.

To deal more effectively and urgently with the challenges that confront us, I will appoint a Minister of Electricity in The Presidency to assume full responsibility for overseeing all aspects of the electricity crisis response, including the work of the National Energy Crisis Committee.

The Minister will focus full-time and work with the Eskom board and management on ending load-shedding and ensuring that the Energy Action Plan is implemented without delay.

So as to remove any confusion, the Minister of Public Enterprises will remain the shareholder representative of Eskom and steer the restructuring of Eskom, ensure the establishment of the transmission company, oversee the implementation of the just energy transition programme, and oversee the establishment of the State-Owned Enterprises (SOEs) Holding Company.

The process of restructuring government will give us an opportunity to determine the positioning of various areas of responsibilities and how best the various ministries and departments can best serve our national objectives. We are focusing our attention on

the energy crisis right now and will address the restructuring of government in due course.

This is necessary because an effective response to this crisis involves several different departments and entities that require coordination from the centre of government.

We will be including other social partners in an effective structure similar to the one we set up to drive the vaccine rollout.

Extraordinary circumstances call for extraordinary measures.

The energy crisis is an existential threat to our economy and social fabric.

We must spare no effort, and we must allow no delay, in implementing these measures.

As we take these actions to resolve the energy crisis, we are mindful of the risks that climate change poses to our society.

Extreme weather events in the form of drought, floods and wild fires increasingly pose a risk to the health, well-being and safety of people.

We will continue our just transition to a low carbon economy at a pace our country can afford and in a manner that ensures energy security.

We will undertake our just transition in a way that opens up the possibility of new investments, new industrialisation and that, above all, creates new jobs.

The Presidential Climate Commission is guiding much of this work, and, in doing so, building a new model for inclusive and collective decision making, incorporating the individuals, workers, and communities that are most affected in the transition.

Through the Just Energy Transition Investment Plan, R1.5 trillion will be invested in our economy over the next five years in new frontiers such as renewable energy, green hydrogen and electric vehicles.

Several new sectors are emerging in the economy, such as major green hydrogen, electric vehicles and fuel cells.

A number of projects are already underway, including the development of a new facility by Sasol at Boegoebaai in the Northern Cape, the Prieska Power Reserve in the Free State, and the Hydrogen Valley initiative in Limpopo, Gauteng and KwaZulu-Natal.

The Northern Cape has already attracted well over R100 billion in investments in renewable energy projects.

These and other massive investments in renewable energy will create jobs and stimulate local economies not only in the Northern Cape, but also in the Eastern Cape, Western Cape and Mpumalanga, turning even the most arid desert into a giant energy source.

Above all, our just transition will prioritise workers and communities in vulnerable industries to ensure that no one is left behind.

Fellow South Africans,

Our economy needs to grow much faster if we are to meaningfully reduce unemployment.

In the SoNA last year, we spoke of our intention to forge a comprehensive social compact that would join all social partners in a common programme to rebuild our economy and enable higher growth.

We were not able to conclude a social compact in the timeframe we had envisaged because a number of new circumstances emerged that made it difficult for social partners to forge a consensus.

The social partners have expressed their intention to conclude a social compact and have continued to work on a framework to enable joint action in key areas such as energy, transport and logistics, employment creation and skills development, investment and localisation, social protection, crime and corruption.

While we remain committed to forging a new consensus among all sectors of our society, we have also undertaken practical collaboration in specific areas. A number of other compacts have been concluded amongst social partners.

We see the commitment of all social partners in the compacts that have been forged to fight the COVID-19 pandemic and undertake the largest vaccination programme in our history.

We have seen it in initiatives like the Solidarity Fund that mobilised society, citizen activism and funding to achieve common goals, and in partnerships to end gender-based violence and femicide (GBVF), and to respond to the effects of climate change.

We have seen the benefits of this approach to promote investment and to develop master plans in sectors of the economy such as automotive, clothing and textiles, poultry, sugar, agriculture and global business services.

The master plans that have been concluded are supporting the revival of the relevant sectors, the injection of investment by the private sector and the creation of new jobs and livelihoods.

We are pleased that social partners, particularly business, has been providing support to implement the Energy Action Plan in the spirit of social compacting. Similarly, we have developed a close working partnership with both labour and community in supporting other aspects of the energy crisis response.

Just as energy is essential for economic growth, so is a reliable water supply and an efficient transport and road infrastructure system.

Our rail network has suffered from many years of underinvestment, lack of maintenance, criminal activity and inefficiency.

To address this, last year, we adopted the National Rail Policy to guide the modernisation and reform of the rail sector, providing, among other things, for third-party access to our rail network.

We are working across government to develop a Transnet Roadmap that will translate our policy commitments into reality, including the restructuring of Transnet Freight Rail to create a separate Infrastructure Manager for the rail network by October 2023.

Transnet and private sector companies will conclude partnerships at the Durban and Ngqura container terminals, to enable new investment in our ports and improve their efficiency.

This will help our ports regain their global position as some of the most efficient ports once again.

There has been great success in repositioning the Port Elizabeth Automotive Terminal, which has more than doubled its capacity and has already seen an increase in exports.

Many more vehicles destined for overseas markets are rolling off the Port Elizabeth Automotive Terminal.

Transnet is also rehabilitating its idle locomotives and expanding its fleet.

We have faced challenges in the transportation of commuters on passenger rail.

Following the restructuring that is underway in the Passenger Rail Agency of South Africa, 13 commuter rail lines have been reopened, significantly reducing the cost of travel for many workers.

The reliable supply of water is essential for the well-being of people and the growth of our economy.

To ensure water security now and into the future, the Department of Water and Sanitation is leading the process of investing in major infrastructure projects across the country.

After being delayed for several years, full-scale construction works for the Lesotho Highlands Phase Two project will commence this year.

The Lesotho Highlands project is critical for ensuring security of water supply to Gauteng, Free State, Mpumalanga, North West and the Northern Cape.

Several decades after it was first proposed and nine years after a sod-turning ceremony was held, the first phase of the Umzimvubu Water Project will start in the next financial year.

This phase, which involves construction of the Ntabelanga Dam, irrigation infrastructure and the distribution of water to communities, will be financed by government.

The next phase will be the construction of the Lilane Dam, which will include a hydropower station.

Major projects to increase the capacity of the Clanwilliam Dam, Hazelmere Dam and the Tzaneen Dam will improve the supply of water to the West Coast, eThekwini and the eastern part of Limpopo.

Last year, we announced a comprehensive turnaround plan to streamline the process for water use licence applications, which is vital to enable greater investment.

Since then, we have cleared the backlog of water-use licences and reduced the turnaround time for applications to 90 days.

Our infrastructure build programme is gaining pace through the work of the Infrastructure Fund and Infrastructure South Africa, which has been established to support strategic infrastructure projects.

One of the greatest obstacles to infrastructure investment is the lack of technical skills and project management capacity.

To fix this, Infrastructure South Africa has been allocated R600 million for project preparation, specifically in rural and under-resourced areas.

The support and planning mechanisms that we have put in place over several years are now starting to bear fruit in increased public investment in infrastructure.

By January this year, projects worth R232 billion were under construction and projects worth nearly R4 billion had been completed.

The completed projects include new human settlements in Gauteng, road upgrades and the development of small harbours.

In a major development, the South African National Roads Agency – SANRAL – has awarded road construction contracts worth R18 billion over the last three months.

The construction of the Msikaba Bridge and Mtentu Bridge will be finished and make travel in the Eastern Cape, much better.

This investment will substantially benefit the construction industry and enable largescale job creation, skills development and poverty relief, especially in nearby rural communities.

Last year, we said we would increase the construction of rural bridges as part of the Welisizwe programme, to enable residents to easily and safely reach schools, workplaces and amenities.

Twenty-four bridges in KwaZulu-Natal are currently under construction and site preparations are being made for a further 24 bridges.

In the telecommunications sector, the completion of the spectrum auction has unlocked new investment and contributed R14 billion to the fiscus.

During the course of this year, we will migrate the remaining households to digital television signal and complete the switch-off of analogue transmission.

This will release valuable spectrum for the roll-out of 5G mobile networks and will reduce the cost of data.

These actions will bring us closer to our vision of affordable, high-speed Internet access for all.

In the SoNA last year, we said that we would concentrate our efforts on mobilising greater levels of investment, which is essential to growing the economy and creating jobs.

We said that we would give impetus to the campaign that we embarked on nearly five years ago to raise R1.2 trillion in new investment.

Last year, the 4th South Africa Investment Conference (SAIC) raised R367 billion in investment commitments, bringing our five-year investment target firmly within sight.

Over the last year, many of these commitments have resulted in the companies that made those commitments investing in new factories, call centres, solar power plants, undersea fibre optic cables, the expansion of production lines and the adoption of new technologies.

Importantly, these investments have resulted in new jobs and new opportunities for small emerging businesses.

On 13 April this year, we will hold our 5th SAIC.

At this conference, we will set a new target to mobilise more than R2 trillion in new investment by 2028.

The investments that have flowed into the economy to date have contributed to a substantial increase in local production.

These investments have encouraged our efforts to buy local.

Last year, I delivered the SoNA wearing a suit and shoes proudly made in South Africa.

This evening, I am drinking water from a glass made in Wadeville last week by workers from Katlehong, Vosloorus and Germiston.

For many years, South Africa has been importing its drinking glasses.

Now we are increasingly making them locally.

But it's not just glasses.

If you go to hospital for an operation, chances are you will receive an anaesthetic made in a world-class manufacturing facility in the Eastern Cape.

During my State Visit to the United Kingdom last year, a South African firm obtained a licence to produce an oral vaccine for cholera for the first time here in South Africa.

Competition merger agreements have provided for more fuel to be refined locally and more food to be bought from local farmers.

Last year, we committed to unlocking investment in the hemp and cannabis sector.

We are moving to create the enabling conditions for the sector to grow.

The Department of Agriculture, Land Reform and Rural Development and the Department of Health will address existing conditions for the cultivation of hemp and cannabis to allow outdoor cultivation and collection of harvests from traditional farmers.

This will unlock enormous economic energy in the rural areas of the country, especially in the Eastern Cape, KwaZulu-Natal and Mpumalanga.

Urgent work is being finalised by government to create an enabling regulatory framework for a whole plant, all legitimate purposes approach for complimentary medicines, food, cosmetics, and industrial products, aligned to international conventions and best practices.

This includes the reprioritisation of departmental budgets for sector development and support for traditional, black farmers, and the alignment of the SAPS enforcement with regulatory reforms.

A growing economy must also be an increasingly inclusive economy.

The inaugural Black Industrialists Conference in July last year showed the successes of black South Africans in producing food, car parts, furniture, clothing, steel, chemicals and mining products, creating many thousands of jobs and adding to our gross domestic product.

We now have almost 1 000 black industrialists participating in the black industrialists programme.

As an example of the technological prowess of these industrialists, one of the award winners at the conference was Astrofica Technologies, a company co-founded by a

black woman, Jessie Ndaba, that provides data solutions for the operation of satellites.

We have made progress in the last year in achieving greater levels of worker ownership in the economy.

There are now more than 400 000 workers who own shares in the firms they work for.

Growth and the creation of jobs in our economy will be driven by small- and mediumsized enterprises, cooperatives and informal businesses.

Last year, we launched the bounce-back loan scheme administered by banks and other financial institutions, and guaranteed by government, for companies that need finance to recover from the effects of the pandemic.

The Department of Small Business Development will work with National Treasury on how the scheme can be strengthened to assist small and medium enterprises and businesses in the informal sector.

To address the challenge of youth unemployment, the Employment Tax Incentive has been expanded to encourage businesses to hire more young people in large numbers.

Last year, I announced that we would be seeking to reduce red tape so that we can rid our country of the unnecessary bureaucracy that often holds us back.

The red tape reduction team in The Presidency under Mr Sipho Nkosi has been working with various departments to make it easier to do business.

It has taken a collaborative approach, working with departments and agencies in areas such as the mining rights system, tourism transport operator licenses, visas and work permits, early childhood development and the informal sector.

This year, we will finalise amendments to the Businesses Act, 1991 (Act 71 of 1991) to reduce regulatory impediments for small, medium and micro enterprises (SMMEs) and co-operatives and make it easier for entrepreneurs to start businesses.

Through the Small Enterprise Finance Agency – we plan to provide R1.4 billion in financing to over 90 000 entrepreneurs.

Government, in partnership with the SA SME Fund is working to establish a R10 billion fund to support SMME growth. Government is looking at the possibility of providing R2.5 billion for the fund and for the balance of R7.5 billion to be raised from the private sector.

The licensing of the PostBank will lay the foundation for the creation of a state bank that will provide financial services to SMMEs, youth- and women-owned businesses and underserved communities.

As the National Assembly considers the Postbank Amendment Bill, the Postbank is reviewing its service offerings so that it can provide a viable and affordable alternative to

the commercial banks.

The most effective and sustainable way to build an economy is to equip people with the skills and know-how to drive it.

We have therefore been working to strengthen the link between the skills that we develop and the skills the workplace needs.

This year, the National Skills Fund will provide R800 million to develop skills in the digital and technology sector through an innovative model that links payment for training to employment outcomes.

We reiterate our call to companies, departments and SOEs to remove the requirement for work experience for young people seeking entry-level positions.

Last year, we said that we would place over 10 000 Technical and Vocational Education and Training (TVET) college graduates in employment.

We have surpassed that figure and have now set a target for 2023 of 20 000 TVET to be placed in employment.

The number of students entering artisan training in TVET colleges will be increased from 17 000 to 30 000 in the 2023 academic year.

One of the key ingredients for economic growth and competitiveness is the ability to attract skills which the economy needs.

Having completed a comprehensive review of the work visa system, we will move quickly to implement the recommendations put forward.

These include establishing a more flexible points-based system to attract skilled immigration, implementing a trusted employer scheme to make the visa process easier for large investors and streamlining application requirements.

We will also be introducing a remote worker visa and a special dispensation for highgrowth start-ups.

While the reform programme is underway, we will continue to support public and social employment to provide work to those who need it.

Last year, we spoke about the value of the Presidential Employment Stimulus in providing work and livelihood opportunities.

The initiative has now created over one million opportunities, reaching every province and district in our country.

Last week, a new cohort of 150 000 school assistants started work at more than 22 000 schools, offering dignity, hope and vital work experience to young people who were unemployed.

The Social Employment Fund is recruiting 50 000 participants in its next phase to undertake work for the common good, and the revitalised National Youth Service will create a further 36 000 opportunities through non-profit and community-based organisations.

The Department of Home Affairs has appointed the first cohort of 10 000 unemployed young people to digitise more than 340 million paper-based civic records.

There are now more than three million users registered on SAYouth.mobi, a zero-rated online platform for young South Africans to access opportunities for learning and earning.

This has been done in close collaboration with the National Youth Development Agency (NYDA), which continues to provide valuable assistance to young entrepreneurs and work seekers.

I really applaud the NYDA in the manner in which it assists youth to secure employment.

The Presidential Employment Stimulus is also supporting people to earn their own living.

Around 140 000 small-scale farmers have received input vouchers to buy seeds, fertiliser and equipment, providing a boost for food security and agricultural reform.

This initiative has led to the cultivation of some 640 000 hectares of land.

An impressive 68% of these farmers are women.

This year, we aim to provide 250 000 more vouchers to small-scale farmers.

These are examples of the difference that government can make in people's lives through innovation, creativity and commitment.

Fellow South Africans.

The rising cost of living is deepening poverty and inequality.

Millions of South Africans are unable to provide for themselves and their families.

There is the single mother in Alex, worried about how she will make ends meet as the cost of maize and taxi fares continues to rise.

There is the factory worker in Gqeberha who now faces an uncertain future as loadshedding brings the assembly line to a halt.

It is the job of the state to provide a minimum level of protection below which no South African will fall.

Right now in our country, there are more than 25 million people who receive some form of income support.

In addition, around two million indigent households receive free basic water, free basic electricity and free solid waste removal.

Around 60% of our budget is spent on what is known as the social wage, providing various forms of support, basic services and assistance to households and individuals to combat poverty and hunger.

In support of this work and to counter the rising cost of living, we will continue the Social Relief of Distress (SRD) Grant, which currently reaches around 7.8 million people.

We will ensure that existing social grants are increased to cushion the poor against rising inflation.

This will be set out in the budget by the Minister of Finance.

Work is underway to develop a mechanism for targeted basic income support for the most vulnerable, within our fiscal constraints.

This will build on the innovation we have introduced through the SRD Grant, including linking the data that we have across government to make sure we reach all those who are in need.

National Treasury is considering the feasibility of urgent measures to mitigate the impact of load-shedding on food prices.

This year, we will take steps to unlock massive value for poor households by expediting the provision of title deeds for subsidised houses.

The current backlog in processing title deeds is over one million houses, which amounts to an estimated R242 billion in assets that should be in the hands of South Africa's poorest households.

We will focus not just on eradicating this backlog, but on making the title deed system more effective and more accessible.

As we undertook in the SoNA last year, the Department of Public Works and Infrastructure has finalised the transfer of 14 000 hectares of state land for housing.

Access to quality education for all is the most powerful instrument we have to end poverty.

We need to start with children who are very young, providing them with the foundation they need to write and read for meaning, to learn and develop.

It is, therefore, significant that the number of children who receive the Early Childhood

Development (ECD) subsidy has more than doubled between 2019 and 2022, reaching one-and-a-half million children.

The Department of Basic Education is streamlining the requirements for ECD centres to access support and enable thousands more to receive subsidies from government.

While at the other end of the basic education journey, we must applaud last year's matric pass rate of 80%, with all provinces showing improved results.

This was up from 76% the year before.

The share of bachelor passes in no-fee schools improved from 55% in 2019 to 64% in 2022.

This means that the performance of learners from poorer schools is steadily improving, confirming the value of the support that government provides to them.

What these results reveal is that there is a silent revolution taking place in our schools.

Schools must be safe and allow for effective learning and teaching.

The Sanitation Appropriate for Education Initiative – known as SAFE – together with government's Accelerated School Infrastructure Delivery Initiative has built 55 000 appropriate toilets with resources from the public and private sector.

To produce the skills our country needs, we are expanding vocational education and training systems through the implementation of the approved curriculum of the three stream model.

This year, government plans to finalise the Comprehensive Student Funding Model for higher education, particularly for students who fall outside the current National Student Financial Aid Scheme criteria; reaching those who are known as the 'missing middle'.

Honourable members,

Violent crime takes a heavy toll on every South African.

Communities across our country live in fear for the safety of their families.

This situation cannot continue.

We are strengthening the SAPS to prevent crime and improving the capacity of the National Prosecuting Authority (NPA) and courts to ensure perpetrators are brought to justice.

This includes putting more police on the streets and setting up specialised teams that will focus on specific types of crime.

Last year, we undertook to recruit 12 000 new police personnel.

Since then, more than 10 000 new recruits graduated from police academies and a further

10 000 will be recruited and trained this year.

The specialised police teams that are working on tackling crimes like kidnapping, extortion and illegal mining have had several breakthroughs, arresting dozens of suspects and achieving several convictions.

Firm action is being taken to tackle economic sabotage and related crimes that are causing great damage to the economy.

Multi-disciplinary Economic Infrastructure Task Teams are now operational in 20 identified hotspots.

Last year, I drew attention to the enormous damage caused by the theft of copper cable and metal from our electricity system, train lines and other public infrastructure.

Since then, the police have been cracking down on cable theft.

In December, government introduced a temporary ban on the export of scrap copper cable and certain metals to disrupt criminal syndicates and enable a new trading system to be put in place.

Just as we have embarked on economic reforms in electricity, water, telecommunication and logistics through Operation Vulindlela, we are embarking on a process of reform to improve the effectiveness of our fight against crime.

We will use our competitiveness in call centre operations to support the proper functioning of the 10111 help line, partnering with the private sector.

This is to ensure that when people call the police, their calls are answered and their emergencies are attended to.

We will also use data driven methods in a more sophisticated way to identify and target crime hotspots.

Significantly, more funding will be made available in this budget for the police, the NPA and the Special Investigating Unit.

Crimes against women and children remain a deeply disturbing feature of our national life.

In November last year, we held the second Presidential Summit on GBVF to assess progress in the implementation of the National Strategic Plan, which adopted as a comprehensive, effective and united response to this pandemic.

One of the great successes of our effort to fight GBV is the extent to which social partners have rallied around the National Strategic Plan.

In January last year, I signed into law three key pieces of legislation that afford greater protection to survivors of GBV and ensure that perpetrators are no longer able to use legislative loopholes to evade prosecution.

We continue to improve the accessibility and functioning of Sexual Offences Courts and expand the network of Thuthuzela Care Centres.

A key aspect of the National Strategic Plan is the economic empowerment of women.

Since announcing our determination to direct at least 40% of public procurement to women-owned businesses, we have sought to establish an enabling environment to support women entrepreneurs.

We have trained more than 3 400 women-owned enterprises to prepare them to take up procurement opportunities.

Through the Women's Economic Assembly, we have seen industry associations and companies committing to industry-wide gender transformation targets.

The Industrial Development Corporation has earmarked approximately R9 billion to invest in women-led businesses.

Other entities, including the Public Investment Corporation and the National Empowerment Fund, have also committed to establish special purpose vehicles to support women-owned businesses.

We must all play our part, as individuals, institutions and leaders across society, to end these crimes against women and children.

Last year, I said that we would take decisive action against corruption and make a clear break with the era of state capture.

The State Capture Commission headed by Chief Justice Raymond Zondo completed its work and submitted the final part of its report in June last year.

As a country, we owe Chief Justice Zondo, the Commission staff and all those who provided testimony a huge debt of gratitude for their extraordinary public service.

The recommendations of the Commission are being implemented according to the plan that I submitted to Parliament in October last year so that the systemic weaknesses identified by the Commission are addressed and state capture is never allowed to occur again.

The National Anti-Corruption Advisory Council, consisting of people from across society, is in place to advise on suitable mechanisms to stem corruption, including an overhaul the institutional architecture for combatting corruption.

We are working to capacitate the Witness Protection Unit and will introduce

amendments to the Protected Disclosures Act, 2000 (Act 26 of 2000) and Witness Protection Act, 1998 (Act 112 of 1998) to strengthen protections for whistle-blowers.

Work is already underway to improve access to the witness protection programme for public servants that expose maladministration, corruption and unethical conduct.

We will finalise the draft Public Procurement Bill to address weaknesses identified by the State Capture Commission and improve efficiency, value for money and transparency.

Our reinvigorated law enforcement agencies are taking firm action against companies and individuals alleged to have been involved in state capture.

The NPA Investigating Directorate, which I established in 2019, has taken 187 accused persons to court in 32 state capture and corruption cases.

Over R7 billion has so far been returned to the state from state capture cases.

To date, R12.9 billion of funds and assets have been frozen.

This year, the Investigating Directorate will be established as a permanent entity within the NPA.

Fellow South Africans,

To achieve any progress in addressing the urgent challenges we face, we need a capable and effective State.

Our greatest weaknesses are in state-owned enterprises and local government.

Many of our SOEs are struggling with significant debt, under-investment in infrastructure, the effects of state capture and a shortage of skills.

We will implement the recommendation of the Presidential SOE Council to establish a state-owned holding company as part of a centralised shareholder model that will ensure effective oversight of SOEs.

Separately, I have instructed The Presidency and National Treasury to work together to rationalise government departments, entities and programmes over the next three years.

National Treasury estimates that we could achieve a potential saving of R27 billion in the medium term if we deal with overlapping mandates, close ineffective programmes and consolidate entities where appropriate.

The poor performance of many local governments remains an area of concern.

Too many of our municipalities, 163 out of 257, are dysfunctional or in distress due to poor governance, ineffective and sometimes corrupt financial and administrative management and poor service delivery.

Government is implementing a number of interventions to address failures at local government level and improve basic service delivery.

These include enhancing the capacity of public representatives and officials, maintaining and upgrading local infrastructure, and invoking the powers of national government to intervene where municipalities fail to meet their responsibilities.

A professional public service, staffed by skilled, committed and ethical people, is critical to an effective state and ending corruption, patronage and wastage.

In response to the State Capture Commission and in line with the framework for the professionalisation of the public service, integrity assessments will become a mandatory requirement for recruitment to the public service and entry exams will be introduced.

We are amending legislation and strengthening the role of the Public Service Commission to ensure that qualified people are appointed to senior management positions and to move towards creating a single, harmonised public service.

Honourable members,

Just as we are committed to improving the fortunes of our countrymen and women and to advancing shared prosperity for all, so too is our commitment to achieving a Better Africa and a Better world.

We are greatly concerned at the recent escalation of tensions between Israelis and Palestinians, and call for an end to hostilities and for a resumption of the stalled peace process.

South Africa expresses its deepest condolences to the government and people of Türkiye following the devastating earthquake earlier this week.

As a country we are immensely proud of the efforts of Gift of the Givers to help those affected by the earthquake.

We remain deeply concerned about the ongoing Russia-Ukraine conflict and urge all parties to cease hostilities and seek a peaceful solution through dialogue.

South Africa's fortunes are inextricably linked to those of our continent, and to the Southern African Development Community in particular.

For the sake of our own stability and prosperity, we are duty bound to pursue interventions that will bring peace, stability and development in our continent.

We will continue to expand trade and investment opportunities with our global trade partners and will look to attract investment and financing to South Africa through our participation in multilateral forums such as the G20, which we will host in 2025.

This year South Africa assumes the chairship of the Brazil, Russia, India, China and

South Africa group of countries.

Our focus will be on collaboration on sustainable development, the just energy transition, industrialisation and the implementation of the African Continental Free Trade Area.

South Africa, together with our neighbours in the Southern African Customs Union, will soon finalise our industrial offer on the African Continental Free Trade Area.

Once fully operationalised, the Continental Free Trade will provide an unprecedented opportunity to deepen African economic integration, grow national economies, and open up new frontiers and markets for South African companies.

Fellow South Africans.

A nation's true character is revealed in times of crisis.

A nation is defined by how its people meet the gravest of difficulties – whether they work together and confront their challenges as one, united by a common purpose, or whether they surrender to the problems before them.

We are a nation seized with the challenges of the present, but we are also a nation striving to fulfil the promise of our future.

When we took our first steps on the road to democracy, we had a clear vision of where that road would lead us.

We saw a country in which all people were equal.

We saw a country in which the wealth of our resources would be enjoyed by all.

We saw a country in which we could live together in peace, in which we could work together to build a common identity and a shared future.

Our nation is founded on a Constitution which affirms the democratic values of dignity, equality and freedom, and the rights of each and every one of us.

The actions we have outlined this evening, building on the work we have already done, will bring us closer to that vision.

They will enable us, working together and with purpose, to emerge from this crisis as a nation transformed.

We will emerge from this crisis with an electricity system that is more efficient, more reliable and more competitive.

We will emerge with ports and railways that again rival the best in the world, with broadband access for more South Africans in more parts of the country, and with a sustainable supply of quality water.

We will welcome more tourists to our country, and develop and attract the skills our economy needs.

We will create work for those who are unemployed, and give hope to those who have waited too long.

With more police on the street, with functioning community policing forums and an effective and independent prosecution authority, our people will be able to count on the protection of the State.

By fighting economic sabotage and organised crime, our infrastructure will be more secure and businesses will be able to operate more freely.

Through a strengthened and expanded social protection system, fewer people will live in poverty and fewer households will experience hunger.

We must do all of these things, not only to overcome our immediate challenges, but to renew the promise of South Africa.

It is a promise that we have kept alive in our hearts and in our actions.

This year, it will be 10 years since we bid farewell to Nelson Mandela, the first President of a democratic South Africa, our beloved Madiba. It will also be 105 years since his birth.

As we honour his great life, let us draw inspiration from the words he spoke at his inauguration in 1994, when he said:

"Out of the experience of an extraordinary human disaster that lasted too long, must be born a society of which all humanity will be proud.

"Our daily deeds as ordinary South Africans must produce an actual South African reality that will reinforce humanity's belief in justice, strengthen its confidence in the nobility of the human soul and sustain all our hopes for a glorious life for all."

To build such a society, to overcome the great difficulties of the moment, we need to work together. We need to stay the course.

We need, as a nation, at this time more than any other, to reveal our true character.

We need to work together and leave no one behind.

I thank you

Final State of the Province address by the Premier of the Northern Cape, Dr Zamani Saul Calvinia, Namakwa district

Speaker of the Northern Cape Provincial Legislature, Ms Newrene Klaaste,

Alvorens ek my Provinsiale Rede aan julle voordra, wens ek graag my waardering aan u uit te spreek om dit hier in Calvinia te kan doen.

Dames en Here, ons is vandag hier bymekaar in Calvinia, Hantam Munisipaliteit, in die noordwestelike hoek van die provinsie, in die Namakwa Distriksmunisipaliteit. Hantam is 'n Khoi- naam wat beteken "berge waar die bolle groei". Die IXam, 'n San-stam, was die eerste mense wat die land bewoon het.

Dames en Here, julle sal ook opgemerk het dat die Provinsiale Regering die afgelope dae baie teenwoordig was in die streek om aan te vul wat ons reeds op 'n gereelde basis doen en wat ons maandaat vereis, ons moet doen.

Ek is ook baie bly om aan te kondig dat in ons strewe om die Provinsie te moderniseer, het ons aan Graad 12 leerlinge met eTablette begin voorsien wat gelaai is met wereldklas studie materiaal. Die tabletprojek vir graad 12 is hierdie week in Frances Baard Streek geloots en ons het alreeds aan vyf skole in die Hantam e-tablette voorsien. Die res van die tablette sal nou in Maart aan alle graad 12-leerders versprei word. Hierdie belegging van meer as Tagtig Miljoen Rand is gedoen om die kwaliteit van onderwys te verbeter en die gebruik van tegnologie te normaliseer. Ek is optimisties dat hierdie belegging in ons jongmense die goeie uitslae sal lewer.

In Williston het ons 'n projek gaan loots van 150 huise om tydelike en modder strukture te vervang en sodoende die waardigheid van ons mense te herstel en vervul. Ek is ook bly om aan te kondig dat in ons poging om gesondsheids dienste te verbeter en ook ons reaksie tyd op ambulans dienste te verskerp, het ons veertien addisionele ambulanse afgelewer wat die mense van die Namakwa streek sal bedien. 9 ambulanse en 10 pasient voertuie

Ek wil ook die gemeenskap aanmoedig om probleme of ontevredenheid oor ambulans dienste onder die aandag van die Departement van Gesondheid te bring.

Daar word wyd bespiegel dat hierdie dienste nou eers gelewer word omdat die Provinsiale Staatsrede nou hier plaasvind, maar ek kan U verseker dat dit nie die geval is nie. Elke dag- Maandag tot Vrydag ontvang kinders onderrig in ons skole. Elke dag word gesongheids dienste gelewer in die streek. Elke maand, op die regte tyd en plek ontvang mense hul maandelikse toelae sonder om enigeen van ons te herinner dat dit tyd is daarvoor nie.

Elke dag het ons munisipale en ander stads dienste in ons gemeenskap en elke dag voorsien hierdie regering vervoer en ten minste een voedsame maaltyd aan ons leerlinge. Dames en Here, die Provinsiale Regering is deeglik bewus van die water nood as gevolg van die droogte in die Hantam Distrik is. Die lae reënval in die distrik het n negatiewe impak op die munisipaliteit se kapasiteit om water te voorsien. Die Regering gee aandag aan hierdie probleem en ek kan vandag met trots aankondig dat 'n projek van ongeveer Een Honderd En Tagtig Miljoen Rand die probleem van waterbeperkings hok sal slaan. Met die opgradering en belegging kom ook baie werksgeleenthede wat die mense van die Hantam Streek sal bevoordeel.

Ek wil namens die Provinsiale Regering en wetgewer ons dank uitspreek aan die gemeenskap van Calvinia en die omliggende dorpe vir julle vriendelikheid waarmee hierdie verrigtinge vandag kan geskied.

Ladies and gentlemen, this year marks a decade since the passing of the father of the post-apartheid democracy, former president Nelson Mandela, in 2013. He was this iconic leader who ratified our country's first democratic Constitution that gave birth to the new

South Africa. That historic signature brought with it a constitutional pledge for a democratic, non-racial, non-sexist and prosperous South Africa.

It is therefore appropriate that the world leaders at the Nelson Mandela peace summit declared 2019-2028 as the Nelson Mandela decade of peace.

We recall the sacrifice of our struggle hero's such as Chief Albert Luthuli, Oliver Tambo, Nelson Mandela, Winnie Mandela, Charlotte Maxeke, Sophie de Bruyn and Brian Hermanus and many heroes and martyrs of our struggle.

The theme for this State of the Province Address is "Building a Provincial Roadmap for Decisive Action through resilience, hard work and progress".

Standing before you today, in my capacity as Premier I have responsibility to reflect on the State of the Province. It is clear from the SONA 2023 and other policy documents, that the execution of our priority service delivery areas for 2023 are:

- energy security; climate change and a just transition;
- fighting poverty, unemployment and inequality, infrastructure,
- fighting crime and corruption;
- skills development, and
- localisation and investment,

In the State of the Nation Address this year, the President, His Excellency Mr Cyril Ramaphosa, raised the importance of social compacting and joint implementation of our priority areas. Each one of us in the province has an important role to play in achieving the objectives stated above for a better life for all.

Madam Speaker, little did I know that soon after my inaugural address in 2019 that COVID-19 would be sweeping across the globe, the country and every corner of the Province, where the poorest of the poor were left the most vulnerable.

Honourable Members, as you know we had to reprioritise a huge portion of the budget to support the most vulnerable of our communities. Covid 19 rushed all of us into a new digital era, which required new systems and structures such as; e-health, e-education, and e-government. We did not "let a crisis go to waste".

Honourable members, three years back we made a commitment to drive the modernisation programme in the province. Last year we stated how access to the World Wide Web (WWW) can enhance the provision of government services including e-health, e-education and e-government. At that time we started the development of a provincial broadband strategy. I am now happy to report that our broadband strategy will be in full swing through its prioritised building blocks for implementation starting 1st April 2023.

We know that a provincial broadband network is a digital highway, in the past year we had significant investment in broadband infrastructure deployed by both Vodacom and MTN.

Madam Speaker, Vodacom Central Region, has invested R230 Million in our province this Financial Year to expand broadband coverage in deep rural areas, upgrading base station sites and network resilience.

Madam Speaker and Honourable members, MTN also built 5 new connectivity sites for the Northern Cape. This year, MTN is planning to build 25 new connectivity sites and modernise 48 sites in our province at an estimated cost of R180 million.

Madam Speaker and Honourable Members, in total Vodacom and MTN will invest about R410 Million this financial year in our province. These investments will ensure connectivity for all and drive inclusive digital access in the province. Connectivity and inclusive digital access are the central pillars for modernisation of our province.

Madam Speaker, SA Connect Project will implement one thousand five hundred and ninety nine (1 599) sites for Phase two over the next three years in clinics and schools in our province. This will expand access to internet services and improve the efficiency of public services. This initiative lays the ground for much complex domains of the fourth industrial revolution (4IR) such as artificial intelligence.

Madam Speaker and Honourable members, our project for a digital Thusong Service Centre model App has been conceptualised. This App will take government services to your cell phone; we are quite excited to start the development of this App.

The Office of the Premier together with the Centre for Public Service Innovation (CPSI) is driving this initiative. I am happy to announce that the appointment of software developers at the CPSI is at a final stage.

Honourable members, as part of modernising the Education sector the plans on the expansion of broadband connectivity is on track. All Public ordinary and Special Needs Education schools are provided with routers (3G Dongles) and receive 3Gigga Bytes of data on a monthly basis to facilitate their connectivity for administration. This remains a temporary measure given the fact that connectivity at schools is not only needed for administration purposes; but more so, for teaching and learning.

In view of Cabinet approval of the revised model of South Africa (SA) Connect Phase 2 and its implementation thereof, the Department has been engaging different role players to ensure that all Northern Cape public schools are connected during this second phase of SA Connect.

It should be noted that Government investment of the Grade 12 education tablets is part of rolling out our e-learning support strategy for this year. These tablets are loaded with Edukite software which can be accessed, anytime and free of data costs. More intensive support will be provided to schools, in line with the whole school development approach, which will focus on school

management development, teacher development, infrastructure support and parental involvement. These are some of the critical pillars needed to improve learner outcomes and school performance.

Ladies and Gentleman, indeed, the Fourth Industrial Revolution is transforming the provision of health services and medicine. These scientific and technological advances promise to yield breakthrough diagnoses and therapies including precision medicine and medical cures. These technological advances will transform public healthcare.

The implementation of phase 2 of our digital patient record system will continue in 2023 with the digitisation of the existing files in selected facilities.

Honourable Speaker, the implementation of improved systems as well as IT systems and connectivity has also contributed to the implementation of the Bokamoso Digital Health Strategy. This enabled JTG to improve connectivity in facilities from 30% to around 70%.

Honourable Speaker and Honourable Members; the implementation of the Digital Call Centres for EMS in partnership with VODACOM in Upington and Kimberley has seen a drastic increase in the number of calls from an average of 3000 to 10 000 calls per month. We also note the improvement from 45% to 85% in the management of calls for ambulances.

Government in conjunction with the World Health Organisation has established the Health Informatics Unit and the Provincial Health Emergency Operations Centre (PHOEC).

This will help to improve health management, data analysis, planning, emergency and disaster response. The official launch will be on the 23rd of March 2023. This will be the first of its kind in the Sub-Saharan Africa.

Madame Speaker, according to "StatsSA Quarterly Labour Force Survey (QLFS) for Q4: 2022, 12 000 jobs were gained between the third quarter and the fourth quarter of 2022. The total number of persons employed now in the province is 336 thousand. Accordingly, the number of unemployed persons in the Northern Cape decreased from 116 thousand to 95 thousand. The above changes in employment and unemployment in the province resulted in the official unemployment rate decreasing by 4, 3 percentage points from 26, 4% in the third quarter to 22, 1% in the fourth quarter of 2022.

Honourable Speaker, these are the lowest unemployment figures in the province in 14 years; and directly correlates to the more than 25% increase in our GDPR from R96 Billion in 2019 to R124 Billion in 2022.

Honourable members, now we have the lowest official unemployment rate in the country.

The expanded unemployment rate is also on the decrease by 1, 9 percentage points to 44,0%. The unemployment rate by sex (gender) in the Northern Cape shows that female unemployment rate (19.1%) is lower than male unemployment rate (24.4%). This is the only province in the country where the female unemployment rate is lower than that of male.

Honourable Members, it is also worth noting that the province has the lowest unemployment rate amongst the youth at 30.1%. We have made these strides despite the challenges posed by the intermittent load-shedding.

Madame Speaker, we remain determined to continue to break the back of the persistent challenge of youth unemployment. The MEC responsible for Youth, Women, Disability, Children, Communication and e-Government will assemble an expert team that will assist us to come up with district based interventions to tackle youth unemployment.

Furthermore, Honourable Speaker, the MEC will interface, facilitate and coordinate extension of Youth Service Centres across the Province, youth social cohesion initiatives, youth economic empowerment and youth health initiatives with all relevant sector departments and the private sector.

We expect this team to conclude their work by August this year so that our focus moves towards practical implementation of their recommendations.

Madame speaker, through collaborative efforts a total of eleven thousand eight hundred and fifty two (11 852) unemployed youth benefitted from skills development programmes such as Internships, Learnerships, Apprenticeship, Artisanship, Work Integrated Learning and skills programmes.

Furthermore the Provincial Government has entered into a multi-year partnership with MLAB South Africa for the provision of training of young people. The programme is designed to help

participants acquire the much needed skills such as building WordPress websites, social media marketing and develop mobile Apps that will be tested via the Youth Service Centres.

Ladies and gentlemen, we have also seen an increase in the number of students opting for vocational education through the increased enrolments in our TVET colleges:

- A total of 11 897 students have enrolled to study in various programs on offer at the TVET colleges within the Province.
- The Namakwa Rural TVET College has been accredited as a trade test centre for Engineering trades. This will provide an opportunity for apprentices to be certified as artisans.
- In terms of the Expanded Publics Works Programme 65 570 work opportunities were created, and
- This year a total of 7000 Education Assistants and General School Assistants will
 be appointed in Phase IV of the Presidential Youth Employment Initiative.
 It is collectively these interventions that have made a positive impact on the reduction of the provincial unemployment rate especially amongst the youth.

Honourable Speaker, it is also important to note that all Provincial Departments have developed capacity to pay correct invoices within 30 days, except for the Department of

Health which has managed to reduce the waiting time from 92 days to 46 days. This is a positive development for our small businesses.

Honourable Speaker, the frequent load shedding is an impediment to conducting business in South Africa. Similarly, challenges in the transportation system limit the economic benefits from the commodity boom. Rising inflation hurts the purchasing power of low-income households and negatively affects the country's competitiveness and financing costs. With all these challenges the provincial economy grew by 2.0% in 2022. For 2023 the provincial economic growth is expected to be around 2.7%.

Madame Speaker, Infrastructure investment is the backbone of a thriving economy. Through the implementation of an integrated infrastructure growth path the province will be able to improve the socio-economic conditions of the residents of the Northern Cape.

The infrastructure expenditure for the last three financial years amounted to about R 10 billion, with R 5.7 billion for Economic Infrastructure and R 4.2 billion for Social Infrastructure.

For 2023/24 MTEF we have a projected infrastructure budget of R 9 billion of which R5 billion is for Economic Infrastructure and R4 billion for Social Infrastructure. The annual breakdown is as follows; R3 billion in 2023/24, R 2.7 billion in 2024/25 and R3 billion in 2025/26.

Madame Speaker, our infrastructure priorities focus on building of schools, health facilities, roads, housing, energy, water and sanitation.

Madame Speaker, this infrastructure portfolio will be further enhanced through the receipt of additional capital investment via the application and sourcing of additional funding to realise the objective of economic growth through infrastructure delivery.

Madame Speaker, the opportunity regarding recycling of tyres has not been exploited fully in our province. To this effect, the province will be investing R 15 million in the establishment of a tyre granulator facility in Kimberley. These granules have a myriad of uses and could be the first step in creating a series of industries linked to the use of this tyre crumb. This project will be launched in May this year.

Madame Speaker, in 2022 we signed a landmark Memorandum of Understanding (MOU) with the Western Cape Provincial Government to develop a green hydrogen corridor stretching along the west coast of SADC. Plans are afoot as part of this endeavour to also sign an MOU with the Eastern Cape Government. These initiatives support the collaborative effort between the Northern- and Western-Cape, to expand to Namibia and the Eastern Cape.

This corridor will achieve energy resilience and security towards a Western SADC Green Hydrogen Corridor. Green Hydrogen is emerging as a global solution towards a 'Just Energy Transition', which will also provide local benefits to our community where it will contribute to attracting foreign direct investment, economic growth and job creation. This is part of an energy security social compact, which will include a diverse range of social

partners. Through this, we will achieve a consensus on how to achieve energy security for our Province and country.

Madame Speaker, nationally, a R600 billion investment pipeline has been identified and designated under our country's Green Hydrogen National Programme. We are happy that additional projects were gazetted in December last year as part of the Green Hydrogen National Programme (GHNP). Of the nine projects, four are located in the Northern Cape (the Prieska)

Power Reserve, Ubuntu Green Energy Hydrogen Project, Upilanga Solar and Green H2 Park and Boegoebaai Green Hydrogen Development Programme).

These projects are aligned to the Provincial Growth and Development Plan 2040 and anchor the much-needed development towards achieving a growing province.

Since the launch of our Green Hydrogen Strategy, we have made significant progress on the master plan for a green hydrogen special economic zone, which aims to support 40 Gigawatts of electrolyser capacity by 2050.

Madame Speaker, our province expects to yield substantial investment going forward. The N14 Industrial Corridor has advanced very well to date and one of the earliest breakthroughs is the Upington Industrial Park, which will see phase one construction starting in the new financial year. The Kathu Industrial Park has received support from Anglo and Infrastructure South Africa to fast- track implementation.

Madame Speaker, our government is pleased to announce that the designation of the Namakwa Special Economic Zone is at an advanced stage, approval has been granted by the Department of Trade, Industry and Competition (DTIC) and we are just awaiting Cabinet approval. The DTIC and the Province signed a 50/50 agreement, wherein we each committed R1 Billion for cost sharing towards the top structure and the Province will further contribute R600m for Bulk infrastructure development.

Madame Speaker, despite lack of a sufficient budget to service our provincial roads, we are committed to increase access to affordable and reliable transport infrastructure. The Province also transferred 16 roads over to SANRAL on 02 November 2022. This will help the Province to focus on roads which are used mainly by local motorist.

A pivotal development related to the latter is the fact that SANRAL will also be opening an office here in the Northern Cape; this will help to strengthen focus on our roads which are critical to the success of our provincial and the national economy.

Madame Speaker and Honourable members, through the Operation Vala Zonke the Province completed twenty three thousand square meters of potholes and this was achieved by utilising internal road maintenance teams and some work was outsourced which created over 120 jobs.

The Province will continue with the Contractor Development programme as part of developing small contractors to compete in the bigger market. In this regard we are targeting an intake of 50 small contractors annually into the incubation program.

We are also very pleased with the strides made by the Northern Cape Construction Company. The first intake of staff completed their training and is currently sharpening their skills through conducting practical work in Kimberley.

Madame Speaker, we have previously announced the initiative directed towards the development of our small towns, including our mining towns. We have rolled out the Township and Rural Economy Grant in pursuance of this goal. Notably a number of our socio-economic partners are buying into this ideal as stated in our Provincial Growth and Development Plan.

Honourable Members, our province remains the future of the mining sector in the country. Hence, we had many interactions with mining companies and have concluded various social compacts in the area of skills development, SMME support and Corporate Social Investment.

Vedanta mine pledged a R21 billion rand investment in the Northern Cape. In Phase one of the project, a R6 billion investment created 2700 permanent jobs in the Aggeneys area. Phase 2 was launched in August 2022 with a R7 billion rand investment, estimated to create 2500 jobs during construction and a 1000 more jobs once in operation. This will also generate massive opportunities for SMMEs. The mine's capacity will be doubled in phase 2, with the construction of a smelter, which will create many downstream opportunities.

Honourable Members, in partnership with Provincial Government, Vedanta will build an oncology treatment centre in Springbok, which will strengthen support for Cancer patients through the referral pathway towards the tertiary hospital in Kimberley (RSMH). We are also working in partnership with Indumeni Expectra Consortium and HealthCare Professionals to provide innovative, creative and cost effective solutions at our healthcare facilities. This includes infrastructure upgrades. These and many other ventures we have referred to, account for the successive improvements and reduction of unemployment in the Province.

Madame Speaker, I have the pleasure to announce that the Vaal- Gamagara bulk water supply phase one was completed. This bulk water supply scheme is supplying water to several towns and mines in the Mining Corridor. The project also created over 179 jobs over the construction phase. The construction of the Vaalharts Revitalization Multi-year Project will continue, and this work will include overnight reservoirs, installation of subsurface drainage to rehabilitate salinisation and water logging of irrigated land.

Furthermore, the Department of Water and Sanitation is currently funding 42 projects in the Province and seven were completed in the last financial year. Planning is also underway for twelve regional bulk infrastructure projects which will focus on addressing bulk water and sanitation challenges at various municipalities. Importantly, national government has called for nominations for the Vaal Orange Catchment Management Agency (VOCMA) Governing Board. It is important that qualifying persons apply before the 31st March 2023.

The government's food security interventions includes the following:

- Provision of Grant support for infrastructure development of Land Reform Farms for improved and increased production;
- Training and Capacity Building of farmers;
- Technical and extension advisory services;
- Support to households to address food insecure challenges in the Province. In addition we will continue to provide Pre and Post Settlement support to land reform beneficiaries in our province.

Honourable Members, government's first priority is to address the infrastructure challenges faced by all our towns and as a starting point we are focusing on Kimberley. In 2021 the Province put in place a turnaround strategy for Kimberley and R500 000 000 was made available to address disconcerting and urgent infrastructure challenges.

In addition, National Treasury has now allocated R1.9 billion to the Sol Plaatje Municipality to improve Water and Sanitation services. This allocation forms part of the Regional Bulk Infrastructure Grant, which will support the Sol Plaatje Municipality's Integrated Bulk Supply System Intervention over the next three financial years. This will enable the Municipality to realise their priorities in terms of urgent refurbishment of old water supply infrastructure that is in a poor state of repairs.

Honourable Speaker, Sol Plaatje University had 3 693 students who registered for 2022. From the revised enrolment plan (2023 – 2025), the institutional intention is to grow the student numbers in Natural and Applied Sciences and Economic and Management Sciences.

For the 2023 academic year a total of 28 454 applications (undergraduate and postgraduate) were received. This is an increase of just under 9000 against the applications received for 2022. In terms of infrastructure the University total spent on infrastructure development, since inception in 2013, amounts to R2.2 Billion, of this R350 million was spent in 2022.

Honourable Speaker, through the Unemployed Agriculture Graduate Programme the Province is placing unemployed Agricultural graduates in various commercial enterprises across the Province for two years. The next intake will be in 2023/24 with about 80 graduates to be placed.

Honourable Speaker we are pushing full steam with the insourcing. Seven Departments have already insourced cleaners and by the end of this financial year we will be done with the in-souring of security services in the Treasury, Premier's Office, Transport, Safety and Liaison and Agriculture, Environmental Affairs, Rural Development and Land Reform. As I have mentioned in the SOPA 2022 that the Department of Transport, Safety and Liaison

will create a Directorate in their organogram that will take full responsibility and accountability of in-sourced security services.

Madame Speaker, through the Premier's Bursary Fund we continue to support students to advance the skills development in the Province. Bursary allocation for 2024/25 will be R14, 9 million.

Our young people continue to benefit from financial assistance from various funders to further their studies at the Institutions of Higher Learning. We can report that a total of 3 866 students benefitted from NSFAS funding and other bursaries.

Honourable Speaker, the Just Energy Transition Investment Plan (JET IP) was announced by our President Cyril Ramaphosa at COP27 which outlined the investment requirements towards South Africa's decarbonising commitments and promote sustainable development in our vulnerable communities. One of the new policy developments in the Northern Cape is the Northern Cape Green Hydrogen Strategy which is centred on driving economic growth and mitigating climate change towards a just transition.

Honourable Members, since 2019 the turn-around time on Environmental Impact Assessments (EIAs) in the Province improved from about 40% to 85%. The commitment is to reach 100% by 2023/24.

The Province has developed a renewable energy strategy that focuses on rooftop solar PV installation. The strategy seeks to address the limited participation of small, medium and micro- scale enterprises in the renewable energy value chain. The objective is to assist the SMMEs in entering into power purchase agreements with the government and Private sector to acquire loan funding from banks to procure the PV systems. 51 SMME's have received the PV Green card training. The Northern Cape Solar Energy Business Incubator (NOCSOBI) was also established and we will launch it in April 2023.

Madame Speaker, Northern Cape has being plagued by a number of natural disasters such as floods, droughts and sinkholes, amongst others. The effects of climate change have been felt very close to home. I am reminded of the farm workers who tragically passed away reportedly due to heat stroke and the severe drought where more than half of the farms in the Pixley ka Seme District have been impacted for almost a decade, the raging fires in and around Kimberley and the flooded areas of the Lower Orange River. These natural disasters threaten the provincial livestock and crops industries.

I want to thank the Gift of the Givers for the aid to areas affected by floods and drought in the Province. Special reference can be made to the increased flow in the Gariep River, cutting off communities from areas around Keimoes. Communities in that area have been assisted with aid in the form of food and bottled water, the drilling of 238 boreholes, and contributing to food security by providing fodder.

The JET Investment Plan has committed R1, 6 Billion over the next five (5) years to pilot Skills Development Zones (SDZ) in Mpumalanga, the Eastern Cape, and the Northern Cape. This will boost our efforts to create the much needed job opportunities.

Honourable Speaker, a total of thirteen thousand five hundred and seventy four Grade 12 candidates wrote all subjects in the 2022 National Senior Certificate examination. Ten thousand and seventy two candidates successfully completed their final examination, bringing the overall pass rate to 74,2% which represents 2.8% increase. This reflects the second highest total of Grade 12s for the 6th Administration. These results also marked an increase of candidates that received Bachelor Degree University entrance.

Honourable Speaker, We remain committed in achieving an 80% matric pass rate and central to this is to strengthen student support and teacher development. Linked to this is the urgent need to strengthen our intake capacity for Early Childhood Development as about 75% of our children in the province do not have access to ECD. ECDs should be effective centres for learning and the Department of Education must within the next two weeks provide me a plan on how to achieve this.

It is important for us to join hands in improving the education system and make partnerships a priority to achieve this. We collaborated with the following partners in Education namely; A Better Africa/NECT and Glabaleq/Accione.

Noteworthy is the fact that 9 schools in the Province have obtained a 100% pass rate. Out of the thirteen thousand five hundred and seventy four (13 574) full time candidates that completed the NSC Examination, a total of 30.8% received a Bachelor's degree university entrance, 26.9% received Diploma entrances and 16.5% received Certificate entrance.

To ensure that Text books are delivered on time the Province has a text book procurement model to support and coordinate the timeous delivery of text books.

Honourable Speaker, in the past nine (9) months, no COVID-19-related deaths has been reported. The Province has maintained its level 4 vaccination program success rate amongst all nine Provinces. Our goal for this year (2023-2024) is to attain Ideal Facilities Status for at least fifty percent of our sites. This will ensure that we are prepared for the launch of the National Health Insurance in 2026. Our relationship with Anglo American and Right to Care will facilitate this objective's realization.

Honourable Speaker, for the 2022–2023 fiscal year, the Northern Cape has appointed 6 958 staff members, comprising contracts, temporary employees, and permanent employees.

We have increased medication availability to stabilize at an average of 85% across all of our facilities. The procurement of three new delivery vehicles for R2, 1 million has helped to ensure that there is improved supply of medication.

To expand the present pool of available vehicles and replace aging vehicles, we are purchasing ambulances. Out of the 54 ambulances anticipated, we are launching 14 new vehicles, some of which have off-road capabilities. We will do rehabilitation outreach as part of the Resetting of the

Health System to strengthen our Districts. The waiting time for wheelchairs for those in need has decreased. We have distributed 1 531 wheelchairs.

The Northern Cape has experienced attrition of more than 5% of People Living with HIV (PLHIV) on Antiretroviral. However, with the ease and lifting of lockdown regulations in 2022, an increase in the retention of People Living with HIV who are on antiretroviral treatment.

Honourable Speaker, the burden of non-communicable diseases, such as diabetes and hypertension has increased. Our number of patients who are now treated for these conditions are 4 398 for diabetes and 6 186 for hypertension in 2022/23 from 900 and 1 781. Showing an increase of 3 498 and 4 405 respectively.

Honourable Speaker, the Northern Cape is amongst the highest proportion of households that experience hunger. The 10% increase in food insecure households is concerning and requires multi-sectoral approach. More than half of the households with young children that experienced hunger were in urban areas. The R350 social relief of distress (SRD) grant has become a lifeline for many people who lost their source of income during the Covid-19 pandemic restrictions.

Before Covid-19, Provincial government funded 143 Non-Profit Organizations, serving 33 000 individuals at R 26.6 million annually. Through Covid-19, the food security programme identified 88 un-serviced areas and invested R10 million. There is allocation to fund the establishment of an additional 70 new nutrition centres during the 2022/23 financial year. In the process, we created 177 work opportunities demonstrating the resilience we had endured during the difficult times.

The Provincial government therefore continues to work together with different stakeholders, government, non-governmental organisations and civil society to address food insecurity. As a Province we will continue to support food insecure households. We will ramp up our efforts to support subsistence farmers with garden starter packs, garden equipment in all 5 Districts for own food production.

Honourable Speaker, domestic violence continues to be a deadly crime, a social menace, and a costly public health and economic problem. Most victims are women and children, the brutal killing of our women and children is completely unacceptable. This atrocious behaviour shows a need to move from policy to action and provide a stronger societal focus on prevention and early intervention to support women and children against this scourge.

Last year we convened a successful Provincial GBVF Summit that was attended by more than 300 participants drawn from all sectors of society. Working with our communities and the police, we will prioritise the GBVF hotspots, which include Galeshewe, Kimberley, Roodepan, Kagisho and Upington.

The Province has completed its District One Plans for the five districts, and these are in the process of being published for public participation. We encourage communities to participate in these engagements. Once the One Plans are finalised and launched by end of 2023 it will be ready for full implementation. It is also expected that a DDM Monitoring & Evaluation Plan would be finalised by the end of June 2023.

Honourable Speaker, we have already started with the rationalisation of Provincial Public Entities and Trusts utilising internal capacity across provincial government to drive the respective processes. All preliminary work (legal, financial and HR) pertaining to the Rationalisation of Provincial Public Entities will be finalised by end of March this year followed by full implementation.

The two regulatory entities in the Province, which are the Liquor Board and Gambling Board will also be merged by the end of 2023.

One of the key pillars of the 6th Administration is good governance. Thus Operational Clean Audit was driven from the centre to assist and support Departments to obtain improved audit outcomes in the 2022/23 financial year. This resulted in the Province attaining improved audit outcomes, with 4 Departments attaining clean audits (Office of the Premier, Department of Social Development, Provincial Treasury and Sport, Arts and Culture). The Provincial Government Departments have all migrated out of disclaimers.

This coordinated approach to improve audit outcomes in the Northern Cape Provincial Government will be intensified in the 2023/24 financial year to ensure that we continue achieve the objective of 100% clean audits across the provincial departments.

The state of local government remains a concern, thus the Office of the Premier expanded the scope of the Operation Clean Audit to include municipalities. In this regard we are proud to announce that all municipalities in our Province managed to submit their Financial Statements to the Office of the Auditor General on time in terms of the MFMA for the 2021/22 financial year.

The Local Government Anti-corruption forum was launched with all hands on deck to deal with corruption cases at municipal level.

Honourable Speaker, the Province concluded and a Memorandum of Understanding (MOU) with the Office of the Public Protector to strengthen cooperation in combating and eradicating fraud, corruption, maladministration and malpractice in the Northern Cape. We are confident that this intervention will yield the required results

Ladies and Gentleman, last year we proclaimed that we were at the mid-term of the sixth administration. We have now entered the twilight of the current term of governance; we are thus focusing on the consolidation of our work to build a modern, growing and successful Province. We have stated in 2019 what constitutes the priorities of this 6th Administration. Hence the question.

What did we present here today?

- We presented figures that attest to the fact that we are reducing unemployment, with lowest official unemployment in the country.
- We also presented figures to demonstrate that we are growing the economy.

- We presented projects that show that, together with our partners we are succeeding in modernising our province through massive investment in broadband infrastructure, e-health and e-education.
- We presented figures that demonstrated increased spending and investment in both social and economic infrastructure.
- We presented information that demonstrated that there is sustained improvement in Grade 12 outcomes, both quantitatively and qualitatively.
- In this SOPA we demonstrated that there are increased training opportunities for young people in the province.
- We also demonstrated the fact that there is maturing of social compacting with labour and business community.
- We also demonstrated that there is intensification of the fight against corruption.
- It is for everyone to see that there are significant improvements in audit outcomes.
- We also demonstrated that measures are in place to intensify our fight against GBVF.

In conclusion, Ladies and Gentlemen, this SOPA is an accurate reflection of the work done by this 06th Provincial Administration in the past few years and a true reflection of our commitment for the year ahead of us.

Madam speaker, Ladies and Gentleman, I am certain that with our collective resolve and determination, we will, as a Province overcome our current difficulties and challenges with the necessary resilience and hard work.

In this regard I think it entirely appropriate that I close this address with the life changing experience of our home-grown gift to the world, our operative soprano, Pretty Yende.

Pretty Yende was born in Mpumalanga and with hard work and perseverance she is now a regular and globally much-sought after leading lady by opera houses.

About a decade ago, Yende made her debut at the New York Metropolitan Opera House. The lead soprano fell ill and Yende was given that role. She just had a week to practice all the songs.

During the opening night, Yende proceeded down the stairs to deliver her debut performance to New York's most discerning classical music audiences, and she suddenly tripped and fell.

A moment later, Yende got up, dusted herself off and sang her heart out. At the conclusion she received a rapturous standing ovation which is unprecedented for a first performance.

Ladies and Gentleman, I share this incident with you with unbridled pride. You see, we South Africans are made of stronger stuff and I am confident that when we act in unity behind a common purpose or cause, we will achieve whatever we set out to do. If Pretty Yende could mesmerise the world after a dramatic fall, so can we, both as a Province and Nation, united in faith, hope and resilience.

Honourable Speaker, let me then, thank all my colleagues, the MECs and all the MPLs for their continued support.

I also want to thank the Director General of the Province and his army of more than 26 000 public servants for their hard work and sometimes working under extremely challenging circumstances. Let me also express my gratitude to my beautiful wife for her unwavering support that she's always combat ready to give me. My mom, siblings and children will always serve as my energiser and I want to thank them for that. To all the Northern Capers, let's push this thing and make it work for our common prosperity.

I thank you.

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. 							

	>	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.
Manan	>	Submit final IDP and Budget to Council for adoption.
Mayor	>	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.
	>	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.
Ward Councillors /	>	Monitor the implementation of the IDP, budget and SDBIP with respect to
Ward Committees		their particular wards.
,, 41 41 60 111111111111111111111111111111	>	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.
	>	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.
Municipal Manager	>	Ensure that the budget is prepared in the prescribed format and includes
Municipal Manager		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).
	>	The CFO performs all the budgeting duties as delegated by the Accounting
		Officer in terms of Section 81 of the MFMA
Chief Financial Officer	>	Managing and co-ordinates the entire budgeting process
	>	Ensure proper alignment between the IDP and budget processes
	>	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-
IDP Manager		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.						
	>	Provide relevant technical, sector and financial information analysis.						
	>	Provide technical expertise in consideration and finalisation of strategies						
Hand of Donountry and		and identification of projects.						
Head of Departments	>	Provide departmental, operational and capital budgetary information.						
	>	Preparation of project proposals, integration of projects and sec						
		programmes.						
	~	Refinement and quality check of IDP document to ensure compliance with						
		legislation.						
	>	Consist of Municipal Manager, Senior Management, IDP Manager/Office.						
Steering Committee	~	To provide technical assistance to the mayor in discharging the						
Steering Committee		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.						
	>	Provide an organisational mechanism for discussion, negotiation and						
		decision making between stakeholders.						
IDP Representative	>	Represents the interest of their constituencies in the IDP process.						
Forum	>	Monitors the performance of the planning and implementation process.						
1 OI WIII	>	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. 								

>	Ensure horizontal alignment of the IDP between the municipality and the								
	District municipality.								
<i>∠</i>	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								
	council when tabling the budget.								
>	Conduct Medium Term Revenue and Expenditure Framework (MTREF)								
	budget and IDP assessments.								
>	Contribute sector expertise and knowledge.								
>	Provide sector plans and programmes for inclusion in the IDP and budget.								
>	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.								
	A A A A A								

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 subparagraphs (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.

SECTION SIX: 2021/2022 IDP AND BUDGET PROCESS TIME-SCHEDULE

FOR THE APPROVAL OF THE 2022/2023 IDP, BUDGET AND SDBIP

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

Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & & Comments
1	June 2021	Assess the 2020/2021 IDP & Budget process to address deficiencies, improvements and ensure integration and alignment of processes for 2021/2022	IDP Office	IDP Manager & CFO	Internal Process	29 June 2021	COMPLETED
2	July 2021	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 SIPDM Policy Contract management Register finalisation Commitments Register Finalisation	All Departments	CFO & Senior Managers	Internal Process	12 July 2021 – 20 August 2021	COMPLETED
3		Draft 2021/2022 <i>IDP and Budget process time schedule</i> outlining the steps and timeframes for compilation of the 2022/2023 IDP, Budget and two outer year's Budget and SDBIP	IDP Office	IDP Manager & CFO	MFMA S21(1)(b)	30 July 2021	COMPLETED
4	July 2021	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	Internal Process	29 July 2021	
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	30 July 2021	

Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & & Comments
6	ly 2021	Ward Committee Meetings to review the prioritisation of community needs in approved IDP and discuss the process for developing Neighbourhood Plans: Communicate final approved 2021/2022 Budget, Tariffs and IDP to Ward Committees.	Mayor	Mayor	MSA	30 July 2021	
7	July	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	30 July 2021	
8	12	Signing of 2021/2022 performance contracts for Section 57 Managers Signing of lower levels staff Mutual agreements there after in August 2021 Publish signed Performance Agreements on website(August) and send to Prov Treasury and Coghsta for compliance assurance	Office of the MM	Municipal Manager	MFMA S53(1)(c)(iii)	28 July 2021	COMPLETED
9	Jul 2021	Prepare and finalise Departmental Plans	All Departments	Municipal Manager Senior Managers	Internal Process	26 - 30 July 2021	
10	7	Final Section 57 Managers 2021/2022 Performance Assessments	ММ	Municipal Manager Mayor	MSA and MFMA	28 July 2021	COMPLETED
11		Finalise logistic processes in respect of each of the IDP and budget meetings and table a business plan to Management in this regard.	IDP Office	IDP Manager	Internal Process	30 July 2021	
MIG1		MIG ANNUAL REPORT SUBMISSION	Director : Infrastructure	Municipal Manager	MIG Compliance	13 August 2021	COMPLETED
12	ıg 2021	Convene Steering Committee Meeting. Final Discussion of Public Participation Meeting Processes.	IDP Office	IDP Manager	MSA Ch 5	19 August 2021	
13	Aug	Operational Budget: Salary/Wages schedules to Senior Managers for scrutiny & Corrections	ВТО	Senior Managers	Internal Process	19 August 2021	

Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & & Comments
14		IDP Public Participation Meetings. Communicate Capital Projects per Ward on 2022/2023 budget, Reconfirm / review service delivery/development priorities.	IDP Office Mayor	IDP Manager Senior Managers Ward Councillors Mayor	MSA Ch5 S29	16 - 20 August 2021	
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	23 - 27 August 2021	
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	27 August 2021	
17	Aug 2021	Tabling of and briefing Council on the Draft 2021/2022 IDP/Budget Process Plan for approval, including time schedules for IDP/Budget Public participation meetings for the 2022./2023 Budget and IDP and SDBIP Processes GENERAL COUNCIL MEETING (Possibly VIRTUAL due to International pandemic: COVID-19) Table Approved Top Layer SDBIP 2021/2022 to Council Table Delegations of Power acc to MFMA to Council Council – Declarations signing	IDP Office BTO	IDP Manager CFO	MFMA S21(1)(b)	31 August 2021	
18		Submission of AFS 2020/2021 to Auditor General, Council and Audit Committee Submission of Draft Annual Report 2020/2021 and Submission of Schedule of Key Deadlines and Submission of Annual Performance Report 2020/2021	MM/CFO	CFO Municipal Manager	MFMA	31 August 2021	
Item No	Period	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments

19		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	3 September 2021	COMPLETED
LUM S	2021	Review of LUMS - Steering Committee meeting on Progress - Virtual	Planning And Dev	Admin Manager	Internal Process	2 September 2021	COMPLETED
20	Sep	Attend District IDP Managers Forum Meeting. Develop uniform guidelines for IDP/Budget review.	IDP Office	IDP Manager Municipal Manager	Internal Process	3 September 2021	
21		Forward adjustment budget (hard and electronic copies) to National Treasury and Provincial Treasury after approval.	ВТО	CFO	MFMA S28(7)	3 September 2021	
22		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	8 - 23 September 2021	
23	2021	SPECIAL COUNCIL MEETING Upper Limits of Senior Managers	Office of the MM, Mayor	Municipal Manager, CFO, Mayor	Internal Process	28 September 2021	No Meeting
24	Sep	Operational Budget: Salary/Wages schedules with corrections and recommendations to be returned to Finance Department	All Departments	Senior Managers	Internal Process	29 September 2021	
25		Attend Quarterly Provincial IDP Manager Forum Meeting in preparation for IDP Indaba	IDP Office	IDP Manager		23 September 2021	
26		Submission of all SDBIP KPI Evidence for uploads for Q1 // Evaluation of performance of Service Providers on Q1	IDP Office	IDP Manager	Internal Process	1 -15 October 2021	COMPLETED
27	21	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	вто	Senior Managers	Internal Process	7 October 2021	
28	Oct 2021	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) Escalate community needs relating national/ provincial mandates to relevant organ(s) of state	IDP Office	IDP Manager	MSA	11 - 22 October 2021	
Item	Perio d	Activity	Co – Co- ordinating	Responsibility	Legislative Requirement and Information	Target date	Progress against target & & Comments
No 29	၁	Review and costing of municipal rates and tariffs.	Department BTO	Senior Managers	Internal Process	15 October 2021	Comments

		Preparation of tariffs and bulk resource (water (Water		Steering Committee			
		Board), electricity (NERSA), etc.) engagement					
		documentation.					
		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 Office	IDP Manager	Internal Process	15 October 2021	
		IDP/Budget needs analysis.					
31		Table Revised Strategic Plan in Council for approval					
		COUNCIL MEETING: Compliance	Office of the	Municipal Manager	Internal Process	28 October 2021	COMPLETED
		Quarterly Reports tabling	MM	Withincipal Manager	internal Frocess	28 October 2021	COMPLETED 27 OCTOBER 2021
		Review of LUMS Progress – to Council	`				
32		Review Municipal Spatial Development Framework	Planning and Development	Municipal Manager	Internal Process	27 October 2021	No review to be done with new council in March 2022
33		Submit Quarterly Report (July 2021 – September 2021)	Office of the				COMPLETED
		on implementation of budget and financial state of affairs to Council and on Performance	MM	Mayor	MFMA S52(d)	28 October 2021	COMPLETED 27 OCTOBER 2021
34	1	Engagements with Provincial Government regarding any					
31		adjustments to projected allocations for next 3 years in	вто	Senior Managers	MFMA S28		
		terms of the MTREF	Dio	bemor ividingers		30 October 2021	
35		Updating and review of strategic elements of IDP in light of the focus of Council	IDP Office	IDP Manager	MSA	30 October 2021	
36		of the focus of Council					
30		Operational Budget: Income / Expenditure inputs and					
	Nov 2021	statistics to be returned to Budget Office	All	Senior Managers	Internal Process	30 November 2021	
	Z %		Departments	Somor Managers	111001111111111111111111111111111111111	501(0) cmocr 2021	
			Co - Co-		Legislative		Progress against target
Item	Perio	Activity	ordinating	D	Requirement	Towart date	& Community
No 37	d	Spatial Development Annual Revision Meetings	Department	Responsibility	and Information	Target date	Comments No review to be done with new council in
37	21	Spatial Development Annual Revision Meetings	All	Senior Managers,	Into1 D	2 5 N 1 2021	March 2022
	NOV 2021		Departments	MM	Internal Process	2 – 5 November 2021	Materia 2022

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	2 - 25 November 2021	
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	24 November 2021	
40	1	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	2 - 25 November 2021	
41	202	Capital Budget: Inputs from the different Departments to be returned to the Budget Office	All Departments	Senior Managers	Internal Process	26 November 2021	
42	Nov	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	26 November 2021	
43		Based on financial statements of 2020/2021 determine municipality's financial position & assess its financial capacity & available funding for next three years	ВТО	CFO	Internal Process	30 November 2021	
44		Finalise Salary Budget for 2022/2023	ВТО	CFO	Internal Process	30 November 2021	
45		Submit Bulk Resource documentation (water (Water Board), electricity (NERSA)) for consultation on municipal tariffs for 2022/2023 and the two outer Budget years.	ВТО	CFO	Internal Process	25 November 2021	COMPLETED
46		Obtain Audit Report from Auditors for Audit Action Plan for 2020/2021	вто	CFO	Internal Process	30 November 2021	COMPLETED
47	Dec 2021	Finalise preliminary projections on operating revenue and expenditure budget for 2022/2023	ВТО	CFO	Internal Process	9 December 2021	
48	Dec 2021	Convene IDP Representative Forum Meeting to give feedback and discuss outcome of Budget steering committee meeting	IDP Office	Municipal Manager IDP Manager CFO	MSA	10 December 2021	
Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
49	Dec	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 2021	

50		Compiling an Audit Action Plan pertaining to findings of the AG	ВТО	CFO		15 December 2021	COMPLETED
51		Finalise expenditure on operational budget for the budget year and two outer years.	ВТО	CFO	Internal Process	15 December 2021	
52		Conclusion of Sector Plans and integration into the IDP document	IDP Office	IDP Manager	MSA	15 December 2021	
53		Finalise departmental Plans and link to IDP	All Departments	IDP Manager Senior Managers	MSA	15 December 2021	
54		Submission of Audit Report & Audit Action Plan to Council	Office of the MM	Municipal Manager	MFMA	December 2021	COMPLETED in January 2022
55		Request and/ or follow-up with Water Board/ NERSA/ other Bulk Service providers for feedback on proposed municipal 2022/2023 tariffs and engagement documentation submitted in Oct 2021	ВТО	CFO	MFMA	14 January 2022	
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	20 January 2022	
57	1 2022	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	21 January 2022	
58	Jan	Tabling of 2021/2022 Mid-Year Assessment (to potentially influence 2022/2023 budget) to Council	Office of the MM	Municipal Manager Senior Managers	MFMA S72	28 January 2022	COMPLETED
59		Meetings and formal consultation with Bulk Service Providers (ESKOM and relevant Water Board on bulk purchase price increase assumptions	ВТО	CFO	MFMA S23	26-27 January 2022	
60		Submit Quarterly Report (Oct 2020 – Dec 2020) on implementation of budget and financial state of affairs to Council. Consider combining with MFMA S. 72 midyear performance assessment.	Office of the MM	Mayor	MFMA S52(d)	28 January 2022	COMPLETED
Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
61	n 2	Tabling of 2020/2021 Annual Report to Council COUNCIL MEETING: Compliance	Office of the MM	Municipal Manager	MFMA S127(2)	28 January 2022	COMPLETED
62	Jan	Convening Budget Steering Committee Meeting for the purpose to discuss and prioritise draft Capital projects for	Office of the MM	Steering Committee	MSA S29	28 January 2022	

		the next three years					
63		Final review of municipal strategies, objectives, KPA's, KPI's and targets	IDP Office	IDP Manager Steering Committee	Internal Process	31 January 2022	IN PROCESS UNTIL 10 MARCH 2022
64	1	Review all budget related policies	ВТО	CFO	MBRR 7	10 - 31 January 2022	IN PROCESS UNTIL 10 MARCH 2022
65		Adjustment Budget: Finalise Capital and Operational budget projections for 2021/2022	ВТО	CFO	MBRR 21	28 January 2022	
66		Submit Annual Report to Auditor General, Provincial Treasury and COGTA	Office of the MM	Municipal Manager	MFMA S(127)(5)(b)	2 February 2022	COMPLETED : LG PORTAL
67	2022	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	16 Feb 2022 Virtual Meeting	
68	Feb 2	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	3 - 11 February 2022	Ward Committees to be established 7 – 9 Feb 2022 after Election of November 2021
69		Review tariffs and charges and determine affordable tariffs and finalise income budget.	ВТО	CFO	MFMA s20	18 February 2022	
70		Attend Provincial IDP INDABA Incorporate Sector Departments Projects in Draft IDP.	IDP Office	IDP Manager Senior Managers	Internal Process	18 February 2022	
71	2022	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 - 4 February 2022	
72	Feb 2	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	22 - 24 February 2022	
73		Present Draft IDP and Budget to Steering Committee for quality check	IDP Office BTO	Steering Committee	MBRR S4	24 February 2022	
Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
74	2022	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	24 February 2022	Comment
75	Feb 3	Table Adjustment Budget to Council for approval COUNCIL MEETING	Office of the MM	Municipal Manager	MBRR S23	25 February 2022	28 February
76]	Amend IDP, SDBIP, KPI's and performance agreements	Office of the	Municipal Manager	MFMA 28	25 February 2022	28 February

		i.t.o adjustment budget	MM	Senior Managers			
77		Present Draft IDP and Budget to Steering Committees for quality Check (Including recommendations / adjustments made at meetings of 25 February 2022)	IDP Office BTO	Steering Committee	MBRR 4	4 March 2022	
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	9 & 10 March 2022	
79	2	Forward Adjustment Budget (hard and electronic copies) to National and Provincial Treasury after approval	ВТО	CFO	MBRR 24	11 March 2022	
80	202	Publication of approved Adjustment Budget after approval per MSA and on municipal website	ВТО	CFO	MBRR 26	4 March 2022	
81	March	Municipal Manager presents final draft IDP, Budget, SDBIP and Budget related policies to the Mayor for perusal and tabling to Council	Office of the MM	Municipal Manager	Internal Process	17 March 2022	
MPAC		MPAC to meet for draft Oversight Report	MPAC	MPAC	Interna Process	22/23 Marh 2022	
82		Municipal Manager submit draft IDP, Budget, and related policies to the Office of the MM for inclusion in Council Meeting Agenda	Office of the MM	Municipal Manager	Internal Process	21 March 2022	
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 2022/2023	Office of the MM	Municipal Manager	MFMA S16	30 March 2022	
Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
84	.022	Training workshop for councillors to equip councillors for Public participation meetings. Briefing of councillors on logistical arrangements for public participation meetings.	Office of the MM	Municipal Manager Senior Managers	MFMA	29 March 2022	
85	Mar 2022	Council to Consider and adopt an oversight report on 2020/2021 Annual Report COUNCIL MEETING	Office of the MM	Municipal Manager	MFMA S129(1)	30 March 2022	
LUMS		Revised LUMS for Approval to Council	Admin/SPLUMA	MM	Internal	30 March 2022	

86	April 2022	Advertise & Inviting public comments on Draft Budget, Proposed Tariffs, and IDP. Place copies of Draft Budget and IDP at all municipal buildings.	Office of the MM BTO	Municipal Manager CFO	MBRR S15 MFMA S22	5April 2022(Advertise) 5 April - 6 May 2022 (public comments)	
87		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)	8 April 2022	
88		Attend District IDP Managers Forum- Present Draft IDP for input.	IDP Office	IDP Manager	Internal Process	14 April 2022	
89	22	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	11 – 26 April 2022	
90	il 2022	Engagement with the Provincial Treasury on draft budget benchmark (SPRINGBOK)	Office of the MM	Municipal Manager	MFMA Ch 5	22 April 2022 Friday	
VAC	April	Freedom Day				27 April 2022	Wednesday
91	A	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)	28 April 2022 - 29 April 2022	
92		Submit Quarterly Report (Jan 2022 – Mar 2022) 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)	29 April 2022	
Item No	Perio d	Activity	Co – Co- ordinating Department	Responsibility	Legislative Requirement and Information	Target date	Progress against target & Comments
VAC	-					2 May 2022 - Monday	Due to 1 May Workers day holiday
93	2022	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)	3 - 13 May 2022	
94	May	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 and 13 May 2022	
95	May	Table final IDP, budget & related documents to Council for approval. COUNCIL MEETING	Office of the MM	Municipal Manager	MFMA S24(1)	30 May 2022	

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	3 June 2022	
97	2022	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.	IDP Office BTO	CFO IDP Manager	MFMA S24(3)	8 June 2022	
98		Publication of Approved Budget and IDP within 10 workings days on Municipal Website	BTO IDP Office	CFO IDP Manager	MFMA S75(1)(a)	8 June 2022	
99	June	Submit draft SDBIP to Mayor within 14 days after approval of budget	Office of the MM	Municipal Manager	MFMA S69(3)(a)	13 June 2022	
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)	Calculated from 30 May 2022 – 28 days (27 June 2022)	
101		Place approved IDP, budget, SDBIP and related documents on CD for all councillors and distribute. Upload to website	IDP Office	IDP Manager	Internal Process	8 July 2022	
102	July 2022	Promulgation of Resolution Levying Rates within 60 Days of Final Budget and Tariffs approval (Acc Revised Specimen of 16 February 2021)	BTO / CFO	Admin Manager	Internal Process Municipal Property Rates Act, 2004 S14(2)	7 July 2022 Before : 30 July 2022	
						·	

SECTION SEVEN: Proposed Schedule for 2022/2023 IDP and Budget Public Engagement Sessions

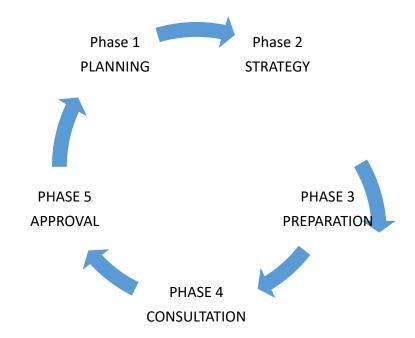
Date	Day	Time	Topic	Ward	Venue	Ward Councillor	Facilitator	Admin Support	Senior Managemen Representative
11 October 2021	Monday	14H00	Draft Budget & IDP	1 & 3					
12 October 2021	Tuesday	14H00	Draft Budget & IDP	2 & 3					
13 October 2021	Wednesday	14H00	Draft Budget & IDP	3 & 4					

After Election 4 wards will change to 6 wards and consulations will then be done with each town ward and the surrounding rural ward of that town

18 April 2022	Monday	14H00	Draft Budget &	Williston			
			IDP	& Farms			
19 April 2022	Tuesday	14H00	Draft Budget &	Fraserburg			
			IDP	& Farms			
20 April 2022	Wednesday	14H00	Draft Budget &	Sutherland			
			IDP	& Farms			



The phase in the IDP & Budget process have been indicated in the in the diagram below. The process speaks to planning, preparation. Implementation and monitoring on the IDP, Budget and PMS.



PHASE	ACTIVITIES	DIRECTORATE/STRUCTURE
Preparation	 Approval of IDP proses Plan 	Council
	 Information session with Ward Committees 	Community Services
Analysis	 Conduct a community needs analysis through a comprehensive process public participation Conduct a socio-economic analysis Conduct ward-based plans Conduct organizational SWOT analysis 	 Mayor MM/Directors/Managers Community Services MM
Strategy	 Develop strategic objectives through strategic planning session of council Set specific service delivery and development targets Review Sector Plans 	CouncilMM/Directors/Managers
Project	Develop business plans to give effect to the strategic objectives of Council	Directors/Managers
Integration	 Horizontal & vertical alignment of council strategic objectives with other spheres of government 	Municipal Manager
	Actively participate in relevant inter-governmental engagements	CouncilMM/Directors/Managers

March 2022 - 1 -

Approvoal	Apply all legislative requirements to ensure the credibility of the IDP	MayorCouncil
	process	

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 implementation, evaluation monitoring the IDP processes are and of 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 socioeconomic 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.

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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	<u>Proposals</u>
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	1
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

	Local Municipality					
Hazard / Risk	Karoo Hoogland	Hantam	Kamiesberg		Richtersveld	Khai-Ma
Drought						
Flood						
Wind Storm						
Storms & Cyclone						
Dam Failure						
Hazmat						
Landing Strips: Private						
Aircraft Accidents						
Veld Fire						
Structural Fire						
Snow						
Storm water						
Nuclear Waste						
Lightning						
Soil Erosion						
Vulnerability	Karoo Hoogland	Hantam	Kamiesberg	Nama Khoi	Richtersveld	Khai-Ma
Telecommunication						
Roads						
Water						
Sanitation						
Electricity						
Human Disease						
Health Services						
Agri Disease						
Abattoir						
Poverty						
Ambulance Services						
Mine Activities						
Open Cast Mines						
Dumping Sites						
Shortage of Mortuary						
Shortage of Old Age Houses						
Gas Development						
Rising of See Temperatures	7					
See Rescue Services						



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.

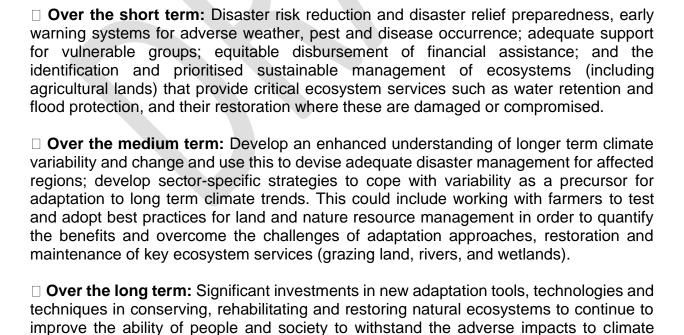
Impacts Analysis

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 socioeconomic 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.

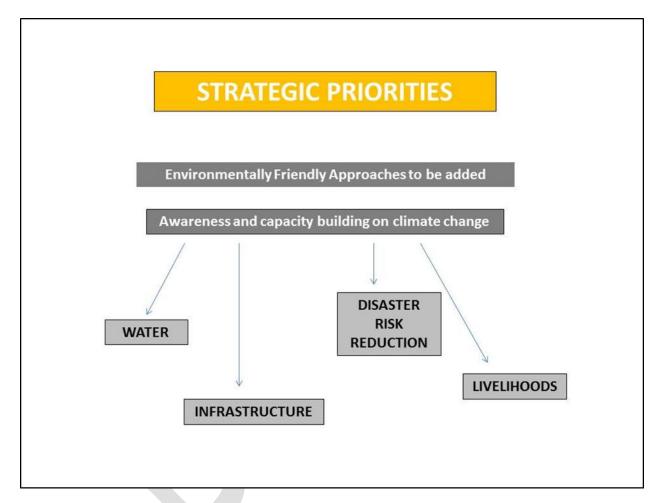
Local government is in the front line of implementation and service delivery, and thus local government needs to pursue adequate mitigation and adaptation strategies, which should include participation from the public sector, the private sector and NGOs. There is a need for collaboration amongst all 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:



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 guarrying 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:

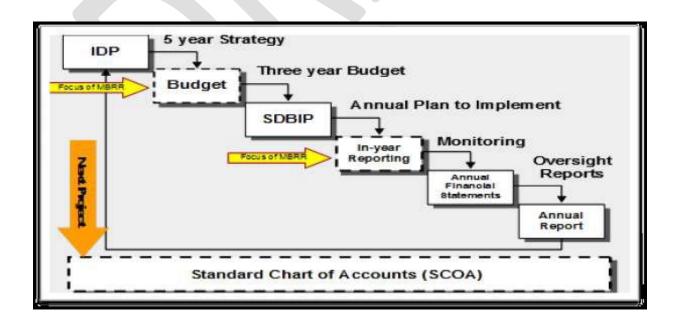
- ➤ An assessment of development in the municipal area, identifying development challenges, marginalised and vulnerable citizens and communities
- ➤ A long-term development vision for the municipal area that overcomes its development challenges

- 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.

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 is under construction 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 in the current financial year it is envisage with the assistance of Department of Water and Sanitation to use the R 10 million for the eradication of the UDS toilets phase 1 towards Sutherland Ward 4 to improve the delivery of water in Sutherland.

Sutherland Ward 4 and 6 will get a project funded under WSIG in 2023/2024 planning and implementation in 2024/2025.

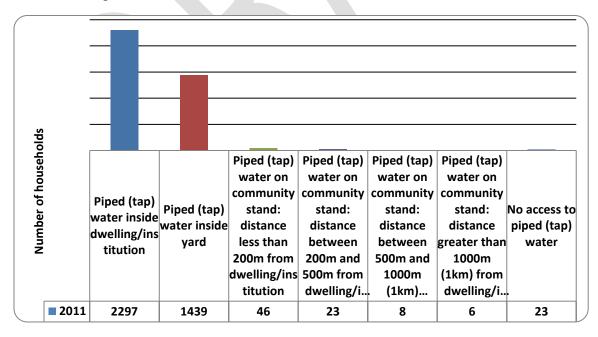
The municipality does not have separate personnel attending to this function as there is a general working team who attend to all infrastructure matters including the provision of water. A portion of the total salary budget is allocated to water services.

The municipality implemented prepaid water meters starting in Ward 4 Sutherland and will be rolled out to the towns of Fraserburg and Williston in 2021/22 to 2022/23 financial years this is to protect the water resources of the municipality to serve future generations and enhance revenue collection.

The cold winter temperatures in Sutherland damage most of the prepaid meters as mentioned above. Phase to of the project will start in 2022/2023 and 2023/2024.

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



PROVISION WASTE WATER (SANITATION)

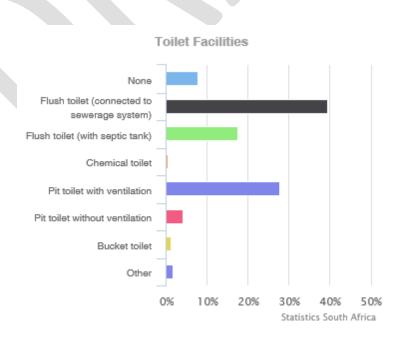
Karoo Hoogland Municipality is providing sanitation as outlined in their powers and functions. The role of the municipality is to ensure that the services is provided adequately to the communities.

- ➤ 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 will be 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.



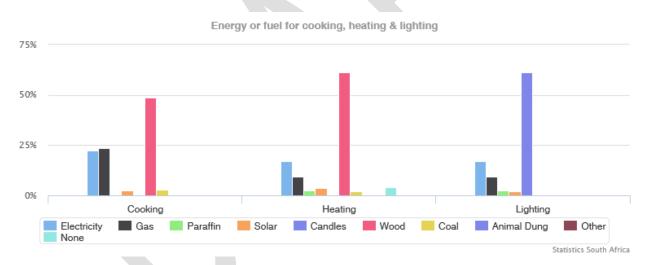
ELECTRICITY PROVISION

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. If successful this project will be implemented in the 2022/2023 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.



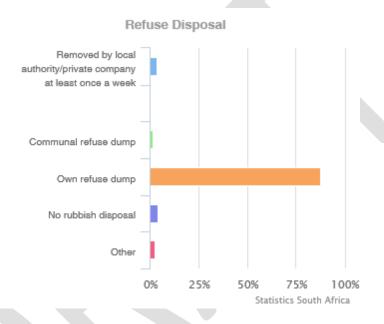
WASTE MANAGEMENT

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:

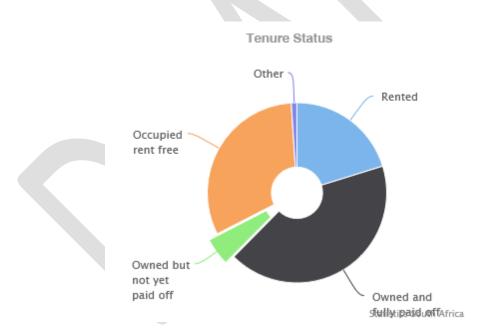
Conduct adequate planning to promote housing

- ➤ 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

<u>TOWN</u>	<u>NHNR</u>	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	• None

		(Infill)	
• SUTHERLAND	• 255	• Erven 451 – 456	None
		 A portion of erf 210 	

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 stopstart 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;
- 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

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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:

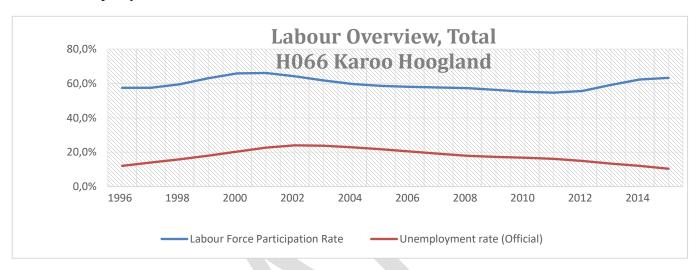
- > Poverty relief through effective basic service delivery and job creation,
- Assist with economic interventions in sector development (agricultural, tourism and renewable energy,
- Facilitate education, literacy, skills development and capacity building within the Local economy,
- > Promote business 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



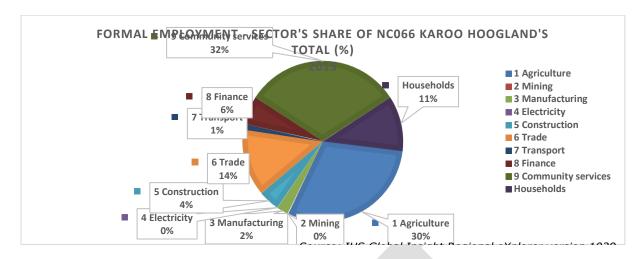
Employment status

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

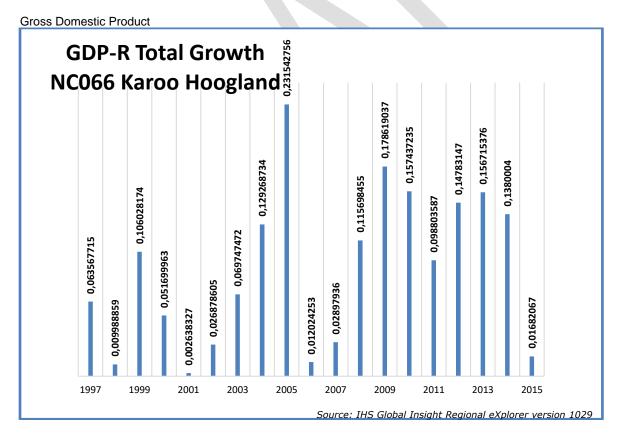
tourism opportunities consistently increased and absorbed local labour. Although there was a recession in 2008 it cannot be identified in terms of the statistics. As unemployment is one of the priority issues in KarooHoogland Municipality raised by the community, these statistics confirm that unemployment 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.



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	e &	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, 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 (i.e. substations, access roads and distribution power lines.

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. Preconstruction 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

SKA will be built in two main phases, between 2018 and the late 2020s, the first phase will involve testing the full system in a "proof of concept" manner. 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. The SKA will alredy start conducting science observations in 2020 with a partial array.

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

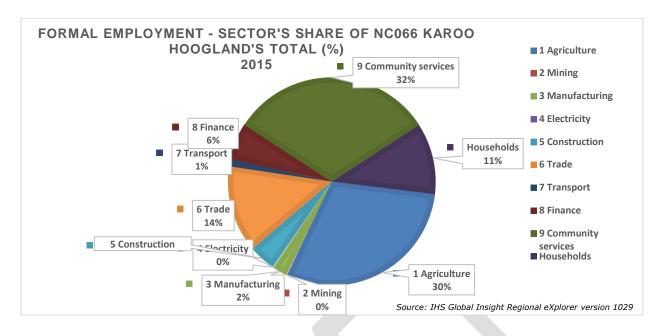
Vision (current)

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.

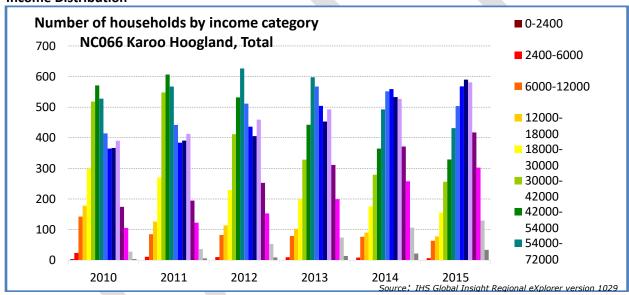
The LED goals for Karoo Hoogland Local Municipality are as follows:

- 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

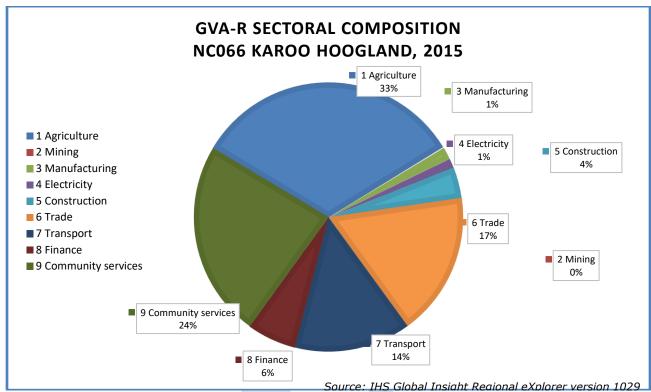


Income Distribution



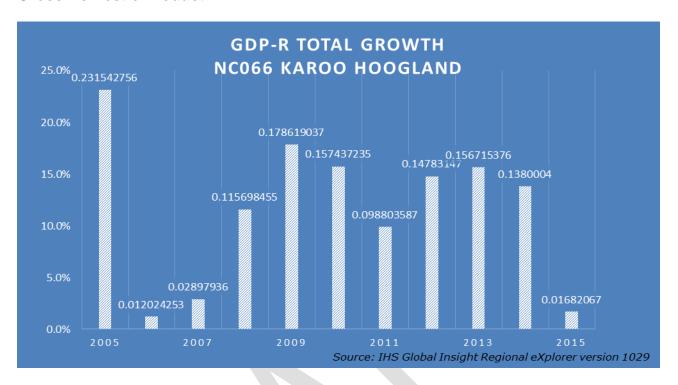
The biggest income groups per household between 2010 and 2011 were in the R42000-R54000 bracket and steady decline in the outer years, with a sharp increase in the R54000 – R72000 group in 2012. The group with the steadiest growth of income over the period was the R96000-R132000 group as indicated in 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.

PILLARS AND THURST PILLARS THRUST TASK/PROJECTS

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

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 waterefficient 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 2023 / 2024 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 2022/23 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 2023/ 2024 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 5.0% except for electricity which is limited to 5.0% 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

Description	Ref	2018/19	2019/20	2020/21		Current Ye	ar 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 Budget Year +1 Bu 2022/23 2023/24		Budget Year +2 2024/25	
Revenue By Source	4											
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	-	-	-	_	-	-	
otal Revenue (excluding capital transfers and ontributions)		55,911	57,301	65,427	64,825	66,903	66,903	68,878	73,199	74,540	78,664	

Description		f 2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget Full Year Forecast		t Budget Year 2022/23 Budget Year +1 2023/2	Budget Year +1 2023/24	24 Budget Year +2 2024/25
ECEIPTS:	1,	2								
perating Transfers and Grants										
National Government:		22,029	24,851	31,101	27,881	27,881	27,881	34,152		37,6
Local Government Equitable Share		20,059	22,416		25,231	25,231	25,231	30,429		35,0
Finance Management EPWP Incentive		1,970	2,435	2,800 1,000		2,650	2,650	2,650 1,073		2,
Erwr aceave		-	-	1,000	0	-	-	1,0/3	_	
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	
Other transfers/grants [insert description]										
District Municipality:			-	-	-	-	-	-	-	
[insert description]										
Other grant providers:		_	-	_	96	96	96	97	97	
Post Retirement Benefit		-	-	-	96	96	96	97	97	
otal Operating Transfers and Grants	5	22,029	24,851	31,101	27,977	27,977	27,977	34,249	35,358	37,
apital Transfers and Grants										
National Government:		4,779	10.087	8.981	18.276	18,276	18,276	30.562	10,734	11,
Municipal Infrastructure Grant (MIG)		2,779	8,087	8,981	8,276	8,276	8,276	17,562		8,
Integrated National Electrification Programme Grant		2,000	2,000	-	-	-	-	-	2,000	2,
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:		_	-	- 1	_	_	_	_	_	
[insert description]										
Other grant providers:				1	1			_		

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 Cooperative 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 2023 / 2024 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 2023

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 5% FOR SANITATION FROM 1 JULY 2023 IS PROPOSED. THIS IS BASED ON THE INPUT COST ASSUMPTIONS RELATED TO WATER. IT SHOULD BE NOTED THAT ELECTRICITY COSTS CONTRIBUTE APPROXIMATELY 5 % 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 5% percent increase in the waste removal tariff is proposed from 1 July 2023. 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 %.



TABLE 3 MBRR TABLE SA14 - HOUSEHOLD BILL

Description		2018/19	2019/20	2020/21	Cı	irrent Year 2021/	22	2022/23 Med	ium Term Reven	ue & Expenditure	Framework
•	Ret	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2022/23	Budget Year 2022/23	Budget Year +1 2023/24	Budget Year +2 2024/25
Rand/cent								% incr.			
Monthly Account for Household - 'Middle Income	<u> </u>										
Range'											
Rates and services charges:											
Property rates		-	-	-	-	-	-	480.0%	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	960.0%	-	-	-
Electricity: Consumption		-	-	-	-	-	-	960.0%	-	-	-
Water: Basic levy		-	-	-	-	-	-	480.0%	-	-	-
Water: Consumption		-	-	-	-	-	-	480.0%	-	-	-
Sanitation		-	-	-	-	-	-	480.0%	-	-	-
Refuse removal		-	-	-	-	-	-	480.0%	-	-	-
Other		-	-	-	_	_	-	-	_	-	-
	-total	-	-	-	-	-	-	-	-	-	-
VAT on Services		-	-	-		-	-	480.0%		-	_
otal large household bill:		-	-	-	-	-	-	-	-	-	-
% increase/-decrease			-	-	-	-	-		-	-	-
	2	 		<u> </u>							
lonthly Account for Household - 'Affordable Rai	nge'				1						
ates and services charges:					4						
Property rates		-	-	-	-	-	-	480.0%	-	-	-
Electricity: Basic levy		-	-	-	-	-	-	960.0%	-	-	-
Electricity: Consumption		-	-	-	-	-	-	960.0%	-	-	-
Water: Basic levy		-	-	-	-	-	-	480.0%	_	-	-
Water: Consumption		-	_	_	_	_	_	480.0%	_	-	_
Sanitation		_	_	_	_	_	_	480.0%	_	_	_
Refuse removal		_	_	_	_	_	_	480.0%	_	_	_
Other		_	_	_	_	_	_	- 100.070	_	_	_
	-total			_			-		_	-	_
VAT on Services	-total		_	_				480.0%	-	_	_
		_		<u> }</u>						-	<u> </u>
otal small household bill:		_	_	-		_	-	-	_	-	-
% increase/-decrease			-	-	- [_	-		_	-	-
onthly Account for Household - 'Indigent'	3										
lousehold receiving free basic services											
lates and services charges:											
Property rates				_						-	
Electricity: Basic levy			_	Ī		_		_	_	Ξ	_
Electricity: Dasic levy Electricity: Consumption		_	_	_		_	-	_	_	_	_
Water: Basic levy		_	-	_		_	-	480.0%	_	_	_
Water: Consumption		_	_	Ī		_	-	480.0%	_	Ξ	_
Sanitation			_	_	_	_		480.0%	_	_	_
Refuse removal			_	1]	_		480.0%	_	_	
Other			_	_			-	480.0%	_	_	_
	-total		-	-	-		-			-	
VAT on Services	-wa	_		1	_			480.0%	_	-	-
otal small household bill:				-				480.0%	-	-	
		-		-		_		_	_	_	_
% increase/-decrease	- 1		-	-	_ \	-	-		-	-	-

1.2 OPERATING EXPENDITURE FRAMEWORK

The KHM's expenditure framework for the 2023 / 2024 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 2023 / 2024 budget and MTREF (classified per main type of operating expenditure):

Table 4 Summary of operating expenditure by standard classification item

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 &		15,209	(2,164)	(478)	10,285	12,099	12,099	14,074	23,547	2,291	3,448
contributions											
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

NC066 Karoo Hoogland - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2018/19	2019/20	2020/21	Cu	urrent Year 2021/2	22	2022/23 Mediu	m Term Revenue Framework	& Expenditure
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		-	-	-	- 1	-	-	-	-	-
Housing		-	-	-	- 1	-	-	-	-	-
Health		-	-	-	- 1	-	-	-	-	-
Economic and environmental services		(221)	-	9,981	0	8,276	8,276	9,635	8,734	8,916
Planning and development		-	_	-	- 1		_	-	_	_
Road transport		(221)	-	9,981	0	8,276	8,276	9,635	8,734	8,916
Environmental protection		-	-	-	- 1	-	-	-	-	-
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		-	-	-	- 1	-	-	-	-	-
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		-	-	-	- 1	-	-	-	-	-
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	- 1	-	-	0	-	_
Road transport		3,781	7,255	4,969	7,365	7,367	7,367	6,857	7,164	6,936
Environmental protection		-	_	-	-	- 1	-	-	-	-
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	N	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 2023/ 2024 financial year totals

R 29.5 million, which equals 37 % 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 2023 / 2024 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 2023 / 2024 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.

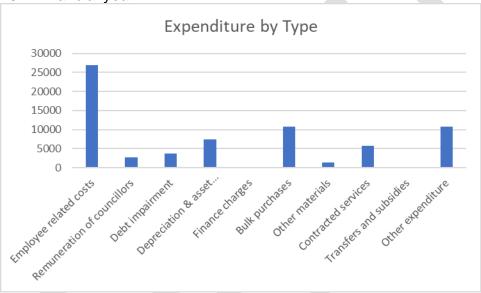


FIGURE 1 MAIN OPERATIONAL EXPENDITURE CATEGORIES FOR THE 2023 / 2024 FINANCIAL YEAR

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 5 MBRR Table A1 - Budget Summary

NC066 Karoo Hoogland - Table A1 Budget Summary

Description	2016/17	2017/18	2018/19		Current Ye	ar 2019/20		∠UZU/21 Mediu	m Term Revenue Framework	e & Expenditure
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 + 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
	50,082	49,638	55,330	59,088	58,556	58,556	58,556	63,296	65,981	69,058
Total Revenue (excluding capital transfers and	00,002	40,000	00,000	00,000	00,000	00,000	00,000	00,200	00,001	05,000
contributions)										
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		20,788	21,624
								20,303		
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	"	10,525	45,001	20,000	7,020	4,020	7,020	1,070	10,000	0,000
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 Transfers recognised - capital	11,240 10,150	22,221 20,688	53,607 53,478	35,087 35,087	10,087 10,087	10,087 10,087	10,087 10,087	8,766 8,065	20,765 20,352	10,628 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
Community wears Equity	102,001	171,100	220,101	212,000	100,000	100,000	100,000	100,101	100,020	204,000
Cash flows										
			F7 407	38,465		16,576	16,576	8,388	19,853	11,049
Net cash from (used) operating	11,542	21,851	57,427	30,400	16,576	10,010				
Net cash from (used) operating Net cash from (used) investing					16,5/6 (10,087)		(10,087)	(8,065)	(20,352)	(10,562
Net cash from (used) investing	11,542 (7,878)	(22,322)	(53,361)	(35,087)	(10,087)	(10,087)		(8,065) (286)	(20,352)	
Net cash from (used) investing Net cash from (used) financing	(7,878) -	(22,322) (634)	(53,361) (507)	(35,087) (303)	(10,087) (303)	(10,087) (303)	(303)	(286)	(286)	(286
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end		(22,322)	(53,361)	(35,087)	(10,087)	(10,087)				(286
Net cash from (used) investing Net cash from (used) financing	(7,878) - 3,520	(22,322) (634) 2,414	(53,361) (507) 5,974	(35,087) (303) 9,049	(10,087) (303) 12,160	(10,087) (303) 12,160	(303) 12,160	(286) 2,526	(286) 1,741	(10,562) (286) 1,942
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end	(7,878) -	(22,322) (634)	(53,361) (507)	(35,087) (303)	(10,087) (303)	(10,087) (303)	(303)	(286)	(286)	(286) 1,942
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation	(7,878) - 3,520	(22,322) (634) 2,414	(53,361) (507) 5,974	(35,087) (303) 9,049	(10,087) (303) 12,160	(10,087) (303) 12,160	(303) 12,160	(286) 2,526	(286) 1,741 6,249	(286) 1,942 6,537
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments	(7,878) - 3,520 3,520	(22,322) (634) 2,414 2,414	(53,361) (507) 5,974	(35,087) (303) 9,049 2,479	(10,087) (303) 12,160 2,479	(10,087) (303) 12,160 2,479	(303) 12,160 2,479	(286) 2,526 5,974	(286) 1,741 6,249	(286) 1,942 6,537 (7,289)
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall)	(7,878) - 3,520 3,520 5,633	(22,322) (634) 2,414 2,414 5,023	(53,361) (507) 5,974 5,974 8,122	(35,087) (303) 9,049 2,479 (7,357)	(10,087) (303) 12,160 2,479 (7,734)	(10,087) (303) 12,160 2,479 (7,734)	(303) 12,160 2,479 (7,734)	(286) 2,526 5,974 (4,777)	(286) 1,741 6,249 (6,973)	(286) 1,942 6,537
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management	(7,878) - 3,520 3,520 5,633 (2,113)	(22,322) (634) 2,414 2,414 5,023 (2,609)	(53,361) (507) 5,974 5,974 8,122 (2,148)	(35,087) (303) 9,049 2,479 (7,357) 9,836	(10,087) (303) 12,160 2,479 (7,734) 10,213	(10,087) (303) 12,160 2,479 (7,734) 10,213	(303) 12,160 2,479 (7,734) 10,213	5,974 (4,777) 10,751	(286) 1,741 6,249 (6,973) 13,222	(286 1,942 6,537 (7,289) 13,826
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV)	(7,878) - 3,520 3,520 5,633 (2,113) 222,698	(22,322) (634) 2,414 2,414 5,023 (2,609) 268,800	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423	(35,087) (303) 9,049 2,479 (7,357) 9,836	(10,087) (303) 12,160 2,479 (7,734) 10,213	(10,087) (303) 12,160 2,479 (7,734) 10,213	(303) 12,160 2,479 (7,734) 10,213	(286) 2,526 5,974 (4,777) 10,751	(286) 1,741 6,249 (6,973) 13,222 248,469	(286 1,942 6,537 (7,289 13,826
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation	(7,878) - 3,520 3,520 5,633 (2,113)	(22,322) (634) 2,414 2,414 5,023 (2,609)	(53,361) (507) 5,974 5,974 8,122 (2,148)	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500	5,974 (4,777) 10,751	(286) 1,741 6,249 (6,973) 13,222	(286) 1,942 6,537 (7,289)
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV)	(7,878) - 3,520 3,520 5,633 (2,113) 222,698	(22,322) (634) 2,414 2,414 5,023 (2,609) 268,800	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423	(35,087) (303) 9,049 2,479 (7,357) 9,836	(10,087) (303) 12,160 2,479 (7,734) 10,213	(10,087) (303) 12,160 2,479 (7,734) 10,213	(303) 12,160 2,479 (7,734) 10,213	(286) 2,526 5,974 (4,777) 10,751	(286) 1,741 6,249 (6,973) 13,222 248,469	(286 1,942 6,537 (7,289 13,826 256,763 7,651
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets	(7,878) - 3,520 5,633 (2,113) 222,698 7,203	(22,322) (634) 2,414 2,414 5,023 (2,609) 268,800 8,864	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423 7,696	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0	(286) 2,526 5,974 (4,777) 10,751 240,386 7,500	(286) 1,741 6,249 (6,973) 13,222 248,469 7,574	(286 1,942 6,537 (7,289 13,826 256,763 7,651
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets Repairs and Maintenance	(7,878) - 3,520 5,633 (2,113) 222,698 7,203	(22,322) (634) 2,414 2,414 5,023 (2,609) 268,800 8,864	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423 7,696	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0	(286) 2,526 5,974 (4,777) 10,751 240,386 7,500	(286) 1,741 6,249 (6,973) 13,222 248,469 7,574	(286 1,942 6,537 (7,289 13,826 256,763 7,651
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets Repairs and Maintenance	(7,878) - 3,520 3,520 5,633 (2,113) 222,698 7,203 - 1,779	(22,322) (634) 2,414 2,414 5,023 (2,609) 268,800 8,864 - 1,166	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423 7,696 - 1,341 4,043	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500 – 1,536	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(286) 2,526 5,974 (4,777) 10,751 240,386 7,500 - 1,659	(286) 1,741 6,249 (6,973) 13,222 248,469 7,574 - 1,941	(286 1,942 6,537 (7,289 13,826 256,763 7,651 - 1,910
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets Repairs and Maintenance Free services Cost of Free Basic Services provided Revenue cost of free services provided	(7,878) - 3,520 3,520 5,633 (2,113) 222,698 7,203 - 1,779	(22,322) (634) 2,414 2,414 5,023 (2,609) 268,800 8,864 - 1,166	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423 7,696 - 1,341	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500 – 1,536	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(286) 2,526 5,974 (4,777) 10,751 240,386 7,500 – 1,659	(286) 1,741 6,249 (6,973) 13,222 248,469 7,574 - 1,941	(286 1,942 6,537 (7,289 13,826 256,763 7,651 - 1,910
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets Repairs and Maintenance Free services Cost of Free Basic Services provided Revenue cost of free services provided Households below minimum service level	(7,878) - 3,520 3,520 5,633 (2,113) 222,698 7,203 - 1,779	(22,322) (634) 2,414 5,023 (2,609) 268,800 8,864 - 1,166 3,006 505	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423 7,696 - 1,341 4,043 4,240	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500 - 1,536 3,917 1,582	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536 3,917 1,582	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(286) 2,526 5,974 (4,777) 10,751 240,386 7,500 - 1,659 4,871 1,783	(286) 1,741 6,249 (6,973) 13,222 248,469 7,574 - 1,941	(286 1,942 6,537 (7,289 13,826 256,763 7,651 - 1,910
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets Repairs and Maintenance Free services Cost of Free Basic Services provided Revenue cost of free services provided Households below minimum service level Water:	(7,878) - 3,520 3,520 5,633 (2,113) 222,698 7,203 - 1,779	(22,322) (634) 2,414 2,414 5,023 (2,609) 268,800 8,864 - 1,166 3,006 505	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423 7,696 - 1,341 4,043	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500 - 1,536 3,917 1,582	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536 3,917 1,582	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(286) 2,526 5,974 (4,777) 10,751 240,386 7,500 - 1,659 4,871 1,783	(286) 1,741 6,249 (6,973) 13,222 248,469 7,574 - 1,941 5,095 1,865	(286 1,942 6,537 (7,289 13,826 256,763 7,651 - 1,910
Net cash from (used) investing Net cash from (used) financing Cash/cash equivalents at the year end Cash backing/surplus reconciliation Cash and investments available Application of cash and investments Balance - surplus (shortfall) Asset management Asset register summary (WDV) Depreciation Renewal and Upgrading of Existing Assets Repairs and Maintenance Free services Cost of Free Basic Services provided Revenue cost of free services provided Households below minimum service level	(7,878) - 3,520 3,520 5,633 (2,113) 222,698 7,203 - 1,779	(22,322) (634) 2,414 5,023 (2,609) 268,800 8,864 - 1,166 3,006 505	(53,361) (507) 5,974 5,974 8,122 (2,148) 262,423 7,696 - 1,341 4,043 4,240	(35,087) (303) 9,049 2,479 (7,357) 9,836 237,423 7,500 - 1,536 3,917 1,582	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536 3,917 1,582	(10,087) (303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(303) 12,160 2,479 (7,734) 10,213 237,423 7,500 0 1,536	(286) 2,526 5,974 (4,777) 10,751 240,386 7,500 - 1,659 4,871 1,783	(286) 1,741 6,249 (6,973) 13,222 248,469 7,574 - 1,941	(286 1,942 6,537 (7,289 13,826

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).
- 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 6 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	Cu	ırrent Year 2021/2	2	2022/23 Mediu	m Term Revenue Framework	& Expenditure
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		-	- 1	_	_		_	-	_	_
Housing		- 1	_	_	_	-	_	_	_	_
Health		- 1	_	_	_	_	_	_	_	_
Economic and environmental services		(221)	_	9,981	0	8,276	8,276	9,635	8,734	8,916
Planning and development		`- 'l	_]	_			_	_	_	_
Road transport		(221)	_	9,981	0	8,276	8,276	9,635	8,734	8,916
Environmental protection		`- 1	_	_			_	_	_	_
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	1	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	_,		1,12	_	- 1	-	-,	_	_
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		-	- 1	-	-	-	-	-	-	-
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		- 1	- 1	_	-	-	-	-	-	-
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 7 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	Cu	urrent Year 2021/	22	2022/23 Mediu	m Term Revenue Framework	& Expenditure
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		- 1	- 1	-	- 1	-	-	-	-	_
Vote 6 - [NAME OF VOTE 6]		- 1	-	-	- 1	-	-	-	-	_
Vote 7 - [NAME OF VOTE 7]		- 1	- 1	-	_	-	-	-	_	_
Vote 8 - [NAME OF VOTE 8]		- 1	- 1	-	_	-	-	-	_	_
Vote 9 - [NAME OF VOTE 9]		-	- 1	-	- 1	_	-	-	_	_
Vote 10 - [NAME OF VOTE 10]		- 1	-	-	- 1	-	-	-	-	_
Vote 11 - [NAME OF VOTE 11]		- 1	-	-	_	-	-	-	-	_
Vote 12 - [NAME OF VOTE 12]		-	-	-	_ [_	-	_	_
Vote 13 - [NAME OF VOTE 13]		-	-	-	_ [_	_	-	_	_
Vote 14 - [NAME OF VOTE 14]		- 1	-	-	_	-	_	-	_	_
Vote 15 - [NAME OF VOTE 15]		- 1	-	-		-	-	-	_	_
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		- 1	- 1	11,200	-	-		-	-	_
Vote 6 - [NAME OF VOTE 6]		- 1	- 1	_	- 1	-	_	-	-	_
Vote 7 - [NAME OF VOTE 7]		- 1	- 1	_	-	-	_	-	_	_
Vote 8 - [NAME OF VOTE 8]		- 1	- 1	-	-	-	-	-	_	_
Vote 9 - [NAME OF VOTE 9]		- 1	- 1	-	- 1	-	-	-	_	_
Vote 10 - [NAME OF VOTE 10]		- 1		-		-	-	_	-	_
Vote 11 - [NAME OF VOTE 11]		- [-	-	_	-	-	-	_	_
Vote 12 - [NAME OF VOTE 12]		-	_	-	- 1	-	-	_	-	_
Vote 13 - [NAME OF VOTE 13]		-	_	-	- 1	-	-	-	-	_
Vote 14 - [NAME OF VOTE 14]		- 1	-	-	_	-	-	-	_	_
Vote 15 - [NAME OF VOTE 15]		- 1	7	_	_	-	-	-	_	_
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 8 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 Ye	ar 2021/22		2022/23 Mediu	m Term Revenue Framework	& Expenditure
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		55,911	57,301	65,427	64,825	66,903	66,903	68,878	73,199	74,540	78,664
contributions)											
- "	_									***************************************	
Expenditure By Type		04.400	05.000	07.004	00.075	07.047	07.047	07.047	00.000	00.000	00.050
Employee related costs	2	24,102	25,063	27,294 2,651	28,375	27,847	27,847 4,081	27,847 4,081	28,030	29,282 4,490	30,052
Remuneration of councillors	3	2,688	2,633 178	2,051	4,119	4,081 3,936	3,936		4,421 5,936	5,906	4,816 5,993
Debt impairment	2	-	12,242	12,199	3,936 9,500	9,500	9,500	3,936 9,500	9,500	9,926	10,361
Depreciation & asset impairment Finance charges	4	100	2,909	2,625	9,500	105	9,500	105	9,500	9,926	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	4	-	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
					V i			***************************************		1	İ
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
Toronto and a shaiding and in the state of											
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 &		15,209	(2,164)	(478)	10,285	12,099	12,099	14,074	23,547	2,291	3,448
contributions											
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	١.	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	45.000	(0.404)	- (470)	40.005	42,000	42,000	44.074	- 22 547		
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 9 MBRR TABLE A5 - BUDGETED CAPITAL EXPENDITURE BY VOTE, STANDARD CLASSIFICATION AND FUNDING SOURCE

Vote Description	Ref	2018/19	2019/20	2020/21		Current Ye	ar 2021/22		2022/23 Mediu	m Term Revenue Framework	& Expenditure
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		-	-	-	- 1	-	-	-	-	-	-
Vote 6 - [NAME OF VOTE 6]		-	-	-	- 1	-	-	-	_	-	-
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]		-	-	-	- 1	-	-	-	_	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	- 1	_	-	-	-	-	-
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		-	-	_	- 1	-	-	-	-	-	-
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]		-	7	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	_	_	-	-	-	-	- 1	-
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 10 MBRR TABLE A6 - BUDGETED FINANCIAL POSITION

NC066 Karoo Hoogland - Table A6 Budgeted Financial Position

Description	Ref	2018/19	2019/20	2020/21		Current Ye	ar 2021/22		2022/23 Mediu	m Term Revenue Framework	& Expenditure
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											1 1 1
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		.,20.	_	_					_	-	_
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
	"	241,024	201,000		200,000	271,270	211,210	271,270		200,104	200,704
Biological		4.075	339	293	340	_ 293	293	293	- 250	365	365
Intangible Other non-current assets		4,675	339	293	340	293	293	293	350	303	300
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
	-	555,555	010,700	010,040	012,004	001,240	001,240	007,240	007,223	012,021	012,021
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 11 MBRR TABLE A7 - BUDGETED CASH FLOW STATEMENT

NC066 Karoo Hoogland - Table A7 Budgeted Cash Flows 2022/23 Medium Term Revenue & Expenditure Description 2019/20 2020/21 Current Year 2021/22 Framework Audited Audited Audited Adjusted Full Year Pre-audit Budget Year Budget Year +1 Budget Year +2 Original Budget 2024/25 Outcome Outcome Outcome Budget Forecast outcome 2022/23 2023/24 CASH FLOW FROM OPERATING ACTIVITIES 6 474 6 474 6 474 6.474 Property rates 7.199 7.074 7.074 18,390 11,615 20,222 20.485 21.480 21.480 Service charges 20,222 20,222 20.222 1,732 2,632 Other revenue 1,731 1,731 1,731 2,325 2,632 Transfers and Subsidies - Operational 29,477 29,477 29,477 31,132 31,377 31,377 Transfers and Subsidies - Capital 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 (67) (67) (67) (67 21,395 (69 (72) (72) NET CASH FROM/(USED) OPERATING ACTIVITIES (14,612) (12,525) (36,844) 26,170 21,395 21,395 17,417 7,442 7,442 CASH FLOWS FROM INVESTING ACTIVITIES Receipts Proceeds on disposal of PPE (3) Decrease (increase) in non-current receivables Decrease (increase) in non-current investments (18.346) (18 346) (18 346 Capital assets (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 (301) (301 (301) (301) (222) (301) (301) (301 NET CASH FROM/(USED) FINANCING ACTIVITIES (301) (200)(211) (222)(301) (301) (301) (301 (239)(286) 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: 2,414 4,275 8,588 8,588 8,588 5,101 11,717 8,138 Cash/cash equivalents at the year end: (12,400) (6,777) (32,791) 11,797 11,336 11,336 11,336 11,717 8,138 4,545

TABLE 12 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 Ye	ar 2021/22		2022/23 Mediu	m Term Revenue Framework	& Expenditure
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						ŭ					
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 13 MBRR TABLE A10 - BASIC SERVICE DELIVERY MEASUREMENT

Description	Ref	2016/17	2017/18	2018/19	Cu	rrent Year 2019/2	20	2020/21 Mediu	m Term Revenue Framework	& Expenditure
Description	Kei	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									
<u>Water:</u> 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 dwelling 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	402	402	432		402		402	432	}
	4	-	-	-	-	-	-	_	_	_
Other water supply (at least min.service level) Minimum Service Level and Above sub-total	1 4	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
	3	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307	2,307
Using public tap (< min.service level)	4	_	_	_	_	_	_	_	_	_
Other water supply (< min.service level)	4	-	- [-	_	- [_	_	_	_
No water supply									ļ <u>-</u>	<u> </u>
Below Minimum Service Level sub-total	1_	-	-							
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		2,001	2,007	2,001	2,007	2,001	2,001	2,007	2,001	2,001
Other toilet provisions (< min.service level)		_ [_			_ [_	_	_	_
No toilet provisions		_	_	_			_	_		_
·									<u>-</u>	
Below Minimum Service Level sub-total Total number of households	5	2.307	2.307	2.307	- 0.007	2.307	2.307	2.307	2.307	2.307
lotal number of nouseholds))	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)		_	7	_	_	_		_	_	_
Electricity - prepaid (< min. service level)		_	-		_	_	_	_	_	_
Other energy sources		_	_	_	_	_	_	_	_	_
Below Minimum Service Level sub-total		_	- 2			-			_	_
Total number of households	5	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335	1,335
		1,555	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
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			-	-	-	- I	-	_	_	-
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)	1	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
		745	745	745	000	000	000	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		1,318
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	5,33

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
- o 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;
 - o 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;
 - o 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;
 - o 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:
 - o 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 14 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)

NC066 Karoo Hoogland - S	Supporting Table SA4 Reco	5	on o	of IDP strategic	objectives a	nd budget (re	evenue)					
Strategic Objective	Goal	Goal Code	Ref	2018/19	2019/20	2020/21	Cu	rrent Year 2021/	22	2022/23 Mediu	m Term Revenue Framework	& Expenditure
R thousand			IXCI	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
	Legislative Compliance 3			- Outcome	- Cutcome	(1,487)	0	212	212	209	219	228
Statements)	9					(1,121)	-					
	Financial Management/ Financial			(123)	_	(1,003)	8,434	8,295	8,295	18,652	8,752	8,935
	Viability			` '		(,,			.,	.,		
	Legislative Compliance 6			0	-	-	-	-	-	-	-	-
	Education Libraries			(10)	(1,740)	(1,664)	1,600	1,598	1,598	1,303	103	108
upliftment within communities				(/	(.,)	(1,000)	.,	.,	.,	.,		
Facilitate Promotion of health and	Health Services 2			337	892	1	-	-	-	-	-	-
Well-being of communities												
Improve road infrastructure	Roads and Storm Water 3			221	-	(8,981)	-	-	-	-	-	-
Improved efficiency and	Performance Management 1			(3)	-	-	-	-	-	-	-	-
effectiveness of the Municipal												
Administration												
	Fleet Management			(11)	-	-	-	-	-	-	-	-
vehicles	M-4			(0.040)	(0.044)	(054)	(4.070)	(050)	(050)	(4.422)	(4.504)	(4.500)
	Water and Sanitation			(8,616)	(9,041)	(654)	(1,672)	(252)	(252)	(1,433)	(1,501)	(1,568)
for all residents	Lasislativa Camplianas 6			(EAC)								
	Legislative Compliance 6			(546)	-	-	-	-	-	-	-	-
employees To account for use of community	Economic Crouth and			(3)	(0)	_	2	2	2	2	2	2
facilities museums and swimming-				(3)	(0)	-	2	2	2	2	2	2
pool	Development to											
	Performance Management 2			_	(243)	_	_	_	_	_	_	_
ethical and best human capital	i enormance management z			_	(240)		_	_	_	_	_	_
To collect and manage fines and	Financial Viability			(1)	_	_	1	0	0	1	1	1
penalties	i manolar viability			(1)			'	ŭ	Ů	· ·	i i	· ·
	Good Governance 5			(0)	_	_	_	_	_	_	_	_
business continuity with minimum	Sood Sovernance o			(0)								
risk and maintenance cost												
1	Good Governance 7			(8)	_	(0)	1	_	_	16	17	17
development via fines lost books				(-)		(4)						-
and grants												
	Financial Viability 1			_	(21)	-	0	_	_	_	_	-
grants	, , , ,				` ′							
	Financial Viability 3			(21)	(43)	(68)	66	86	86	70	73	77
manage property	,			` '	` ´	` ′						
To effectively monitor outstanding	Financial Viability 4			(640)	(500)	(676)	824	901	901	1,041	711	743
debtors by collecting interest on												
late accounts												
· ·												
To enhance sustainable service	Roads and Storm Water 1			(4)	-	-	-	-	-	-	-	-
delivery through infrastructure												
development												
	Health Services 1			290	442	1,105	(1,060)	(1,103)	(1,103)	(1,101)	(1,154)	(1,205)
for all residents with reference to												
combinable diseases	F1 . 15			(0)			(4.0)	(0)	(0)	(45)	(40)	(470)
	Electrification_Water and			(0)	-	-	(16)	(2)	(2)	(15)	(16)	(17)
- 1	Sanitation_Roads and Storm											
	Water_Waste											
	Management_Housing_Project											
	Management 2			(055)	(4.005)	(000)	4.000	505	505	4.070	4 400	4.504
	Financial Management			(355)	(1,025)	(630)	1,239	535	535	1,372	1,438	1,501
management To manage and control	Economic Growth and			(372)	(587)	(621)	505	587	587	525	550	574
	Development 17			(312)	(307)	(021)	303	301	301	525	330	514
commonage transparity	2010lopillont II											
To manage sales of Goods and	Financial Viability - To manage			(54,793)	(55,672)	(61,101)	73,125	72,333	72,333	83,063	74,021	78,122
	sales of Goods and Rendering of			(2.,.20)	(,2)	(=:,:31)	,	,	,	22,230	,	,
	services											
	WSP			(21)	(74)	(96)	37	200	200	38	40	42
staff training and development				(,	. ,	()						
	Good Governance 4			0	-	-	-	-	-	-	-	-
acquiring professional services												
To prevent misuse of municipal	Good Governance 8			(4)	(9)	(8)	1	1	1	1	2	2
equipment and property												
	SPLUMA			(8)	(9)	(11)	14	2	2	15	15	16
Integrated Spatial Land												
Development Policy /Increase												
Regulations of built environment												
To provide free basic services to	Legislative Compliance 2			-	-	-	2	2	2	2	2	2
registered indigents												
	Legislative Compliance/ Financial			-	-	-	0	-	-	-	-	-
	Management/ Financial Viability											
the development of a financial												
plan			0									
Allocations to other priorities		r	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 15 MBRR TABLE SA5 - RECONCILIATION BETWEEN THE IDP STRATEGIC OBJECTIVES AND BUDGETED OPERATING EXPENDITURE



Part	C066 Karoo Hoogland - Supporting Table SA5 Reconciliation or Strategic Objective Goal Control Co				2018/19	objectives ar 2019/20	2020/21		urrent Year 2021/	22	2022/23 Medium Term Revenue & Expenditure			
Processed Processed Processed Control 1985 19				Ref	Audited	Audited	Audited		Adjusted	Full Year	Framework Budget Year Budget Year +1 Budget Ye			
Community Policy and Community Policy Policy Policy Policy Policy and Community Policy Poli	thousand FS (Annual Financial	Legislative Compliance 3		Н	Outcome	Outcome	Outcome		Budget	Forecast	2022/23	2023/24	2024/25	
Community Problems (Community Community Commun	tatements)													
Designation Performance Pe	udgeting	Financial Management/ Financial Viability			-	-	108	820	1,598	1,598	1,073	1,120	1,169	
Coulous conclusion and companies of companies of the control fields of companies of	community Participation	Good Governance/ Community Participation			186	-	4	-	-	-	-	-	-	
Bediens Promotive for Promotive for	compliance to Legislation	Legislative Compliance 1			-	252	469	35	737	737	1,199	1,123	1,300	
Commercia principal procession of the Commercia of the		Legislative Compliance 6			5	28,731	30,961	33,599	31,197	31,197	31,809	33,231	34,175	
In the management of section of s	quipment owned by the	Financial Viability 6			-	-	-	44	0	0	-	-	-	
Comment Andering	f the municipality via audit	Good Governance 2			125	(1,171)	72	104	118	118	107	112	116	
Final State Promotion of Teach and State State (1997)		Legislative Compliance 4			1,334	2,260	9,032	2,427	3,276	3,276	4,600	3,552	3,709	
Personal Standard S		Education Libraries			30	42	39	316	256	256	121	126	132	
projection of the Salah Complanes 5 33 88 48 50 110 110 22	acilitate Promotion of health and /ell-being of communities	Health Services 2			1	-	-	-	-	-	-	-	-	
Progress and Infrastructure Roads and Storm Water 2 15		Safety and Security			-	-	21	40	40	40	25	26	27	
Processor of standards and Storm Water 2	nplementation of the Skills evelopment Plan	Legislative Compliance 5			83	88	48	90	110	110	250	262	273	
Performance Management 1 1,647 1,655 1,863 1,863 167 1,877 1,577 1,577 2,283 2,286 Rethreshows and fish Management Rethreshows of shadout desiration Performance Management Rethreshows of shadout desiration of an addetine Rethreshows of shadout desiration of an addetine Rethreshows of shadout desiration of a deciration for municipal to activately involve the public in Cocord (overmance) Cocord (overmance) Cocord (overmance) To activate proper personal desiration of a deciration shadout desiration of a de	nprove road infrastructure	Roads and Storm Water 3			14	3,029	155	1,685	1,685	1,685	1,650	1,724	1,800	
Continue analysis of the Municipal Administration		Roads and Storm Water 2			75	-	-	-	-	-	-	-	-	
Production of standards seriation Production of standards seriation Production of standards seriation Seammentston of municipal amployees Seammentston of municipal amployees Social seriations Seammentston of municipal amployees Social seriations Social Seriation of Seamment Seriations Social Seri	flectiveness of the Municipal	Performance Management 1			1,647	1,625	1,883	167	1,517	1,517	2,283	2,385	2,490	
Renumeration of municipal employees Cool Government Community Cool Government Society Cool Government Soci	lptimise availability of municipal ehicles	Fleet Management			802	821	781	593	503	503	704	736	768	
To definely involve the public in control facilities to ensure protection and control for control facilities to ensure protection and control facilities and control facilities to ensure protection and control facilities and control facilit		Water and Sanitation			-	475	-	2,312	2,312	2,312	2,312	2,416	2,521	
Participation Participatio		Legislative Compliance 6			28,342	-	-	-	-	-	-	-	-	
Substitute Controllarly with minimum and an extension of the control of the con	o actively involve the public in ical government management	Good Governance/ Community Participation 1			35	7	-	12	1	1	-	-	-	
required for efficient envice delivery or country for impact with residual project of the country of the countr	usiness continuity with minimum	Good Governance 5			63	-	-	-	-	-	-	-	-	
development via fine to lot books and grants. To effectively monitor and manage projectly To effectively monitor and manage projectly To enhance sustainable service elevelopment To ensure a postal sand Storm Water 1 93 3,845 176 4,606 4,567 4,567 4,572 4,777	equired for efficient service	Education Libraries /WSP			32	8		15	0	0	13	13	1-	
To enhance sustainable service delivery involvability and services of the proper operation and services of the	evelopment via fines lost books	Good Governance 7			19	145	171	122	124	124	75	78	8:	
delevery more of the part of	o effectively monitor and nanage property	Financial Viability 3			291	328	298	431	392	392	221	231	24	
To ensure monies are collected Financial Visibility 7 1 1	elivery through infrastructure	Roads and Storm Water 1			93	3,845	176	4,606	4,567	4,567	4,572	4,777	4,98	
To ensure proper operation and Electrification, Water and Similation (Fueds and Storm Valent Control of existing indicativation and equipment of Fundament Control of Electrification, Water and Solution (Fueds and Storm Valent) (Fueds and Storm Va	or all residents with reference to ombinable diseases				0	54	1,052	90	48	48	90	94	9	
Similation Continue Continu	o ensure monies are collected	Financial Viability 7				-		-	-	-	-	-	-	
To Facilist Economic Growth Project Management 4 0	naintenance of existing ifrastructure and equipment	Sanitation_Roads and Storm Water_Waste			1,405	541	628	750	622	622	696	727	79	
To manage sales of Goods and Rendering of services states of Goods and Rendering of services and	o Facilitate Economic Growth	Project Management			4	-	-	0	-	-	-	-	-	
Rendering of services Service		Financial Management			1,953	5,880	3,580	6,450	6,660	6,660	11,406	12,304	11,37	
Depresent misuse of municipal Good Governance 8 815 677 520 869 512 512 570 595	o manage sales of Goods and tendering of services	sales of Goods and Rendering of			10,034	17,410	12,274	13,717	12,595	12,595	13,778	14,571	15,407	
equipment and property To provide free basic services to Legislative Compliance 2 18 6 50 119 80 80 112 117 registered intigents		Good Governance 4			2,077	3,254	2,864	3,438	3,609	3,609	2,534	2,648	4,08	
registered indigents	o prevent misuse of municipal quipment and property	Good Governance 8			815	677	520	869	512	512	570	595	62	
T 1 3 16 1 16 0 5 1F 17	o provide free basic services to agistered indigents	Legislative Compliance 2			18	6	50	119	80	80	112	117	12	
to seek comment or to Legislative Comprisive Francia 150 14	rovincial treasury to assist with ne development of a financial lan	Legislative Compliance/ Financial Management/ Financial Viability			-	155	14	-	-	-	-	-	-	

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:

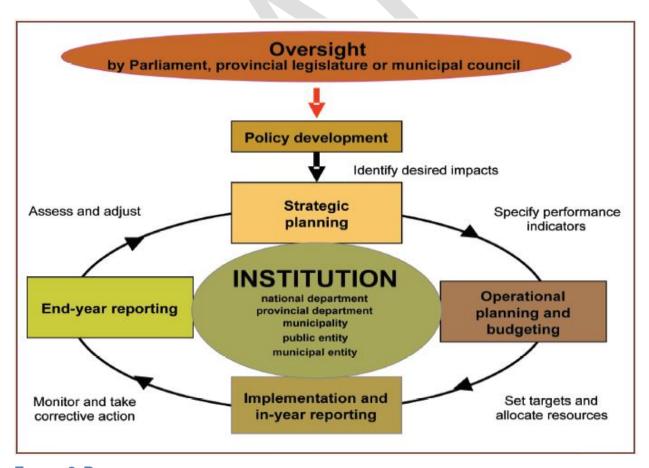


FIGURE 2 PLANNING, BUDGETING AND REPORTING CYCLE

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 16 MBRR TABLE SA7 - MEASURABLE PERFORMANCE OBJECTIVES

NC066 Karoo Hoogland - Supporting Tab Description	Unit of measurement	2018/19	2019/20	2020/21	Current Year 2021/22			2022/23 Medium Term Revenue & Expenditure Framework		
p		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		3400 1110		- Juliani i		- Lauger	. 51,500.01	2022.20		
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) 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										
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 17 MBRR TABLE SA8 - PERFORMANCE INDICATORS AND BENCHMARKS

Description of financial indicator	Basis of calculation	2018/19	2019/20	2020/21		Current Ye	ar 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
Sorrowing 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%
afety of Capital	_										
Gearing iquidity	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%
Current Ratio Current Ratio adjusted for aged debtors	Current assets/current liabilities Current assets less debtors > 90 days/current liabilities	0.5 0.5	0.5 0.5	0.6 0.6	1.2 1.2	5.0 5.0	5.0 5.0	5.0 5.0	5.8 5.8	5.0 5.0	5.0 5.0
Liquidity Ratio evenue Management	Monetary Assets/Current Liabilities	0.2	0.1	0.2	0.3	2.2	2.2	2.2	2.5	0.6	0.6
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										
reditors 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%
ther Indicators											
	Total Volume Losses (kW)	0	,				0	0		0	
	Total Cost of Losses (Rand '000)	U	U	U	U	U	U	_	U	U	
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	_	_	_	_	_	_	-	-	_	-
	Total Volume Losses (kt)	-	-	-	-	-	-	_	_	-	-
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	0	0	0	0	0	0	0	0	0	
Tidal Establish Ecoco (E)	% 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 P regulation financial viability indicators	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%
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within	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	financial year) Total outstanding service debtors/annual	89.8%	71.4%	87.4%	44.8%	29.5%	29.5%	27.9%	44.9%	44.0%	42.1%
iii. Cost coverage	revenue received for services (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.

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 18 BREAKDOWN OF THE OPERATING REVENUE OVER THE MEDIUM-TERM

NC066 Karoo Hoogland - Supporting Table SA1 Supportinging detail to 'Budgeted Financial Performance' 2022/23 Medium Term Revenue & Expenditure 2018/19 2020/21 Current Year 2021/22 2019/20 Audited Audited udget Year +1 2023/24 dget Year + Original Budge R thousand REVENUE ITEMS: 12.649 8.047 7.51 9.689 9 766 9.76 9.766 9 669 10 133 10.57 Less Revenue Foregone (exemptions, reductions and reb and impermissable values in excess of section 17 of MPRA) Net Property Rates 11,202 6.850 7.824 9.303 9.303 9.303 ervice charges - electricity revenue 10,053 10,516 10,940 13,101 13,220 13,220 13,220 13,983 15,29 14,654 Total Service charges - electricity revenue Less Revenue Foregone (in excess of 50 kwh per indigent household per month) Less Cost of Free Basis Services (50 kwh per indigent 546 280 567 594 151 280 620 household per month) Net Service charges - electricity rev 10.506 13.21 Service charges - water revenue Total Service charges - water revenue 3,809 2,835 3,227 5,883 4,688 4,68 4,68 6,187 6,484 6,76 Less Revenue Foregone (in excess of 6 kilolitres per indigent household per month) Less Cost of Free Basis Services (6 kilolitres per indigent (473) 1,724 household per month) 4.198 Net Service charges - water revenue 3.232 4,198 4.688 rvice charges - sanitation revenue Total Service charges - sanitation revenue

Less Revenue Foregone (in excess of free sanitation service 3,341 4,146 4,561 4,784 4,79 4,79 5,034 5,276 5,50 to indigent households) 337 Less Cost of Free Basis Services (free sanitation service to Net Service charges - sanitation revenue Service charges - refuse revenue Total refuse removal rotal landfill revenue 2,389 389 118 3,609 3,872 3,872 3,872 4,003 4,195 4,38 Less Revenue Foregone (in excess of one removal a week to 1.103 1.103 1.103 1.101 1.154 indigent households) 373 1.105 1.060 1.209 Less Cost of Free Basis Services (removed once a week to indigent households)

Net Service charges - refuse revenue Other Revenue by source Other Revenue Total 'Other' Revenue 1.160 620 1 157 EXPENDITURE ITEMS: Employee related costs 18 899 20.163 21.300 23.066 22.567 22.567 22.567 22.708 23.725 24.76 1,618 1,367 1,540 1,618 1,618 2,144 2,240 Medical Aid Contributions 35 43 (270 Overtime Performance Bonus 1,695 1,782 1,912 1,800 1,879 1,420 Motor Vehicle Allowance 681 747 1.421 145 397 397 397 98 63 677 95 46 638 95 46 638 105 110 Cellphone Allowance 60 135 67 159 95 100 Housing Allowances Other benefits and allowances 995 599 205 638 842 878 939 Payments in lieu of leave Long service awards 313 423 152 228 21 228 228 Post-refirement benefit obligations 264 28.375 Less: Employees costs capitalised to PPE 28.375 24,102 27.294 27.847 27.847 28.030 29.282 30.052 otal Employee related costs 25.063 27.847 epreciation & asset impairment 12,136 9,500 9,500 9,500 9,500 9,926 10,361 Depreciation of Property, Plant & Equipment 12,179 9,500 Lease amortisation (0) 12.242 12,199 9.500 9.500 9.500 9.500 9.500 10.36 Total Depreciation & asset impairment -9.926 Bulk purchases - electricity 10,61 12,95 9,482 Electricity bulk purchases otal bulk purchases Transfers and grants 134 175 67 122 122 122 Cash transfers and grants 199 Non-cash transfers and grants Total transfers and grants 199 134 175 67 122 122 122 64 Contracted services 2,097 1,687 1,335 2,339 2,339 2,339 3,534 3,692 2,546 Outsourced Services Consultants and Professional Services 3.002 3 654 3.805 3.809 3.805 2 723 2 845 4 288 1,759 6,747 Total contracted services 6,312 7,615 7,592 5,325 3,031 7,615 7,615 7,933 8,291 Other Expenditure By Type 245 253 216 234 234 234 235 Contributions to 'other' provisions Audit fees 1 670 2 260 2 780 2 427 3 276 3 276 3 276 4 600 3 552 3 709 7,725 Total 'Other' Expenditure 7,015 11,427 12,871 8,037 8,037 11,536 11,483 11,999 Employee related costs Inventory Consumed (Project Maintenance) Contracted Services 1,299 Other Expenditure Total Repairs and Maintenance Expenditure 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.

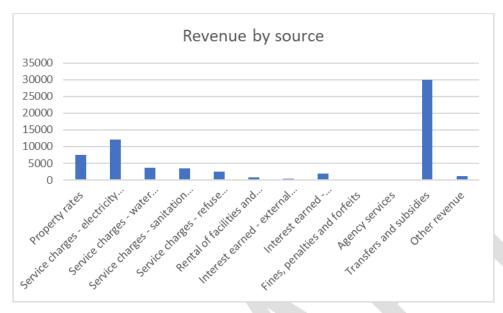


FIGURE 4 BREAKDOWN OF OPERATING REVENUE OVER THE 2023 / 2024 MTREF

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 19 MBRR SA15 - DETAIL INVESTMENT INFORMATION

No funds are currently invested

TABLE 20 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 21 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 Corporations, 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 22 MBRR TABLE SA 17 - DETAIL OF BORROWINGS

NC066 Karoo Hoogland - Supporting Table SA17 Borrowing 2020/21 Medium Term Revenue & Expenditure Borrowing - Categorised by type 2017/18 2018/19 Current Year 2019/20 Framework Audited Audited Audited Original Adjusted Full Year Budget Year Budget Year +1 Budget Year +2 R thousand 2020/21 2022/23 Budget 2021/22 Outcome Outcome Outcome Budget Forecast 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 2,374 4.242 4,471 1,667 1,667 1,425 1,190 943 1,667 Municipality sub-total 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 Other Securities Entities sub-total Total Borrowing 2,374 4,242 4,471 1,667 1,667 1,667 1,425 1,190 943

TABLE 23 MBRR TABLE SA 18 - CAPITAL TRANSFERS AND GRANT RECEIPTS

Description	Re	ef 2018/19	2019/20	2020/21		Current Year 2021/	22	2022/23 Medi	um Term Revenue & Expen	diture 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/
RECEIPTS:	1,	2								
Operating Transfers and Grants										
National Government:		22,029		31,101	27,881	27,881		34,152		37,6
Local Government Equitable Share		20,059		27,301	25,231	25,231		30,429		35,0
Finance Management EPWP Incentive		1,970	2,435	2,800 1,000	2,650	2,650	2,650	2,650 1,073		2,€
EVVV noemve		-	-	1,000		-	-	1,0/3	-	
Other transfers/grants [insert description]										
Provincial Government:					_	_	-	-	-	
Other transfers/grants (insert description)										
District Municipality:		_		_	_		_	_	_	
[insert description]										
Other grant providers:		_	-	-	96	96	96	97	97	
Post Retirement Benefit		-	-	-	96	96	96	97	97	
otal Operating Transfers and Grants		5 22,029	24,851	31,101	27,977	27,977	27,977	34,249	35,358	37,7
apital Transfers and Grants										
National Government:		4,779		8,981	18,276	18,276		30,562		11,0
Municipal Infrastructure Grant (MIG)		2,779		8,981	8,276	8,276		17,562		8,9
Integrated National Electrification Programme Grant Water Services Infrastructure Grant		2,000	2,000	1	10.000	10.000	10.000	13.000	2,000	2,0
					14,410		,			
Other capital transfers/grants [insert desc]										
Provincial Government:		_	-	-	_	-	-	-	-	
Other capital transfers/grants [insert description]										
District Municipality:		_	_	_	_	-	-	_	-	
[insert description]										

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..
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

TABLE 24 MBRR TABLE A7 - BUDGET CASH FLOW STATEMENT

Description	Ref	2018/19	2019/20	2020/21		Current Yea	ar 2021/22		2022/23 Mediu	m Term Revenue Framework	& Expenditure
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		- 1		` - '	(90)	(90)	(90)	(90)	(92)	(93)	(93)
Transfers and Grants	1	_	_	_	(67)	(67)	(67)	(67)	(69)		
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)	. <u></u>	(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)	·\$	(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)	
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 25 MBRR 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 26 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 midyear 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 27 MBRR SA19 - EXPENDITURE ON TRANSFERS AND GRANT PROGRAMMES

Description	Ref	2018/19	2019/20	2020/21		Current Year 2021/	22	2022/23 Media	um Term Revenue & Expen	diture 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		27,511
Local Government Financial Management Grant EPWP Incentive		1,746	1,382	2,325	3,167	3,186	3,186	1,922	2,009	3,908
Other transfers/grants [insert description]										
Provincial Government:		_	2,018	775	1,437	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 Water Services Infrastructure Grant		12,612 11,126	6,875 (18,212)	-	8,276 10.000	142,106	142,106 10.000	17,562 13.000		8,734
Water Services intrastructure Grant		11,120	(18,212)	-	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:		_	_	_	_	_	_	_	_	_
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	1	41,215	8.071	16,351	46.803	180,379	180,379	61,801	41,992	43,518

TABLE 28 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	Cı	urrent Year 2021/	22	2022/23 Mediu	m Term Revenue Framework	& Expenditure
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)	2,000	- 0,141	- 0,147			-
				(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	+	-	12,242	(1,000)	2,000	5,255	5,255	2,000	2,000	2,000

1.12 COUNCILLOR AND EMPLOYEE BENEFITS

TABLE 29 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	n Ref	2016/17	2017/18	2018/19	Cı	irrent Year 2019/2	0	2020/21 Mediu	m Term Revenue Framework	& Expenditure
R thousand		Audited	Audited	Audited	Original	Adjusted	Full Year	Budget Year	Budget Year +1	Budget Year +2
Kulousanu		Outcome	Outcome	Outcome	Budget	Budget	Forecast	2020/21	2021/22	2022/23
	1	A	В	С	D	E	F	G	Н	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		2,100	0,020	0,200	5	5		6	6	5,250
Medical Aid Contributions		_	_	_	· ·	· ·	ŭ	· ·	ŭ	·
Overtime		_	_	_						
Performance Bonus		_	_	_	419	419	419	422	439	456
Motor Vehicle Allowance	3	_	_	_	410	410	410	722	400	100
Cellphone Allowance	3	_	_	_	36	36	36	72	72	72
Housing Allowances	3				30	30	30	'2	12	1
Other benefits and allowances	3									
Payments in lieu of leave	"	_	_	_						
Long service awards		_	_							
Post-retirement benefit obligations	6	_	_	_						
Sub Total - Senior Managers of Municipality	0	2,798	3,325	3,260	3,451	3,451	3,451	3,506	3,577	3,773
% increase	4	2,790	18.8%	(2.0%)	5.9%	3,431	3,431	1.6%	2.0%	5.5%
/6 IIICIease	"		10.076	(2.076)	J.5 /6	-	-	1.076	2.070	3.370
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	1	21,116	24,838	28,422	29,748	29,748	29,748	29,732	31,424	33,32
	1	/	17.6%	14.4%	4.7%	-		(0.1%)	<u> </u>	6.0%

TABLE 30 MBRR SA24 – SUMMARY OF PERSONNEL NUMBERS

NC066 Karoo Hoogland - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	Ref		2018/19		Cu	ırrent 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	1				-	-	-	-	-	-
Total municipal employees headcount	6, 10									
Finance personnel headcount	8, 10		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
- I) 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	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 &	100.00%	100.00%							
	Responsibility									
5	Disciplinary Code and Procedures	100.00%								

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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	0.00%	
	Development		
24	Recruitment, Selection and	100.00%	
	Appointments		
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 bylaws 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 A Gibbons Acting Municipal Manager

Chief Financial Officer

Mr S 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 subcomponents 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 adhoc 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 2017-2018 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 coordinate 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

- 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

Strengths

- 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

- Climate change that will impact on water resources and agricultural activities
- Water supply
- Water quality
- Political dynamics/uncertainties

Opportunities

- 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
- Enabling policy environment

Key priority areas were identified from the SWOT through pains and enablers and are as follows:

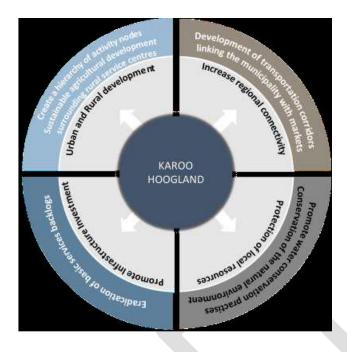
Table 70: Pains and Enablers

Pains	Enablers
	Revenue enhancement
Revenue base / collection	
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	Promote skilled labour force through
Institutional Development	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.

Strategic Objective	Key Focus Area
Provide Quality living human	Electrification
settlements with basic infrastructure for	Water and Sanitation
all residents	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
Create consumic control that was ide	Building Plans/Administration
·	Economic growth and development
	Poverty Alleviation Tourism
,	
	SMME Development
	Legislative compliance Financial Management
	Revenue
	Expenditure
regisiative requirements	SCM
	Indigents
Promote skilled labour force through	Legislative compliance
	ICT
	New review policies
5p.0 j 0.0	Workplace health and safety
	Provide Quality living human settlements with basic infrastructure for

		Labour Relations
		Performance Management
		WSP
		LGSETA
5	Ensure an informed community	Good Governance
	through implementation of	Community Participation
	communication strategies	IDP Development
	Promote community participation	Customer Stakeholder Relationship Management
	through local government structures	Risk Management
	Ensure responsive and accountable	Audit
	governance	PMS
	Ensure an informed community	
	through implementation of	
	communication strategies	
	Promote community participation	
	through local government structures	

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.



КРА	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:	Ensure an informed community	Good Governance
Good Governance and Public Participation	through implementation of communication strategies	Community Participation IDP Development
	Promote community participation	Customer Stakeholder
	through local g Ensure responsive	Relationship Management
	and accountable governance	Risk Management
	overnment structures	Audit
	Ensure an informed community	PMS
	through implementation of	
	communication strategies	
	Promote community participation	
	through local government structures	

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

Eurotion	Doods and Starm Water
Function	Roads and Storm Water
Key Focus Area Objective (SMART) Key Focus Area Outcome	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 Ensure that all roads are accessible to
ney rodds Area Outcome	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
Ol and Tarres Official and a 14 O.V.	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	/ proc	edures
acco	rdingly	Maintain	processes	and
proce	edures cu	irrently in o	peration	

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)	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
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system	for	the	benefit	of	optimizing
organisa	ationa	al per	formance	an	d improved
service	deliv	ery			

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/ 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 O (SMART)	bjective Outcome	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 O	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 Stra	ategies (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						
	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.

IDP Reference Nr	Department	Strategic Objectives	Key Performance Indicator (KPI)	Unit of Measure / Unit of Measurement	Annual Target 2022/23	Annual Target 2023/24	Annual Target 2024/25
TL_0001	Infrastructure Services	Provide quality of living human settlements with adequate infrastructure	Limit unaccounted electricity losses to less than 15% at 30 June 2023	Percentage lost during distribution (Units lost/Units purchased) x 100	Less than 15%	Less than 15%	Less than 15%
TL_0002	Infrastructure Services	Provide quality of living human settlements with adequate infrastructure	Submit quarterly water quality tests reports for E.coli to Council	Number of reports to Council	4	4	4
TL_0003	Infrastructure Services	Provide quality of living human settlements with adequate infrastructure	Submit annually results of full SANS 241 test to Council by 30 June 2023	Number of full SANS 241 tests submitted to Council.	1	1	1

TL_0004	Infrastructure Services	Promote healthy living and working environments	Percentage of formal residential properties with access to basic level of water, sanitation, electricity and solid waste removal as at June 2023	% of formal residential properties with access to basic level of water, sanitation, electricity and solid waste removal [(number of formal residential properties with access to basic services/total formal residential properties with access to basic services) x 100]	100%	100%	100%
TL_0005	Infrastructure Services	Provide quality of living human settlements with adequate infrastructure	100% spend on the WSIG grant allocation by 30 June 2023 [(Actual expenditure/total grant allocation received) x 100]	% of the allocation spend [(Actual expenditure/total grant allocation received) x 100]	100%	100%	100%
TL_0006	Infrastructure Services	Provide quality of living human settlements with adequate infrastructure	100% spend on the MIG grant allocation by 30 June 2023 [(Actual expenditure/total grant allocation received) x 100]	% of the allocation spend [(Actual expenditure/total grant allocation received) x 100]	100%	100%	100%
TL_0007	Infrastructure Services	Promote healthy living and working environments	Submit quarterly status of boreholes report to Council.	Number of reports to Council	4	4	4
TL_0008	Infrastructure Services	Promote healthy living and working environments	Limit unaccounted water losses to less than 15% as at 30 June 2023	Percentage lost during distribution (Units lost/Units purchased) x 100	Less than 15%	Less than 15%	Less than 15%

TL_0009	Infrastructure Services	Promote BBBEE and SMME Development	Create job opportunities - FTE's (full time equivalent) through the EPWP by 30 June 2023	Number of full time equivalent (FTE's) created by 30 June 2023	50	50	50
TL_0010	Municipal Manager	Improved financial sustainability	The percentage of the municipal capital budget actually spent as at 30 June 2023 (Actual amount spent on capital projects/Total amount budgeted for capital projects) x 100	% of the municipal capital budget actually spent as at 30 June 2022 [(Actual amount spent on capital projects/Total amount budgeted for capital projects) x 100]	100%	100%	100%
TL_0011	Finance	Improved financial sustainability	Financial viability measured in terms of the outstanding service debtors as at 30 June 2023 (Total outstanding service debtors, including property rates/ Revenue received for services, including porperty rates and rental from fixed assets) x 100	Total outstanding service debtors, including property rates/ Revenue received for services, including porperty rates and rental from fixed assets x 100 - Percentage	25%	25%	25%

TL_0012	Finance	Improved financial sustainability	Financial viability measured in terms of the available cash to cover fixed operating expenditure at 30 June 2023 (Cash and cash equivalents unspent conditional grants – overdraft + short term investment/ monthly fixed operational expenditure excluding (depreciation, amortization and provision of bad debts, impairment and loss on disposal of assets	Number of months it takes to cover fix operating expenditure with available cash	2	2	2
TL_0013	Finance	Improved financial sustainability	Financial viability measured in terms of the municipality's ability to meet it's service debt obligations as at 30 June 2023 [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue]	% of debt coverage [(Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue]	15%	15%	15%
TL_0014	Finance	Improved financial sustainability	Submit quarterly reports on the implement of the Municipal Standard Chart of Accounts to Council	Number of reports to Council	4	4	4

TL_0015	Finance	Improved financial sustainability	Provide free basic services(water, electricity, refuse and sanitation) to all indigent households (% of indigent households, earning less than the threshold, with access to free basic services	% of indigent households, earning less than the threshold with access to free basic services [number of indigent households earning less than threshold that received services/total number of indigent households earning less than threshold) x 100]	100%	100%	100%
TL_0016	Municipal Manager	Ensure responsive and accountable governance	Table Annual Report to council within seven months after the end of the financial year (before 31 January 2023)	No of Annual Reports to Council	1	1	1
TL_0017	Finance	Ensure responsive and accountable governance	Submit the final budget for consideration to Council by 31 May 2023	Final budget submitted to Council by 31 May 2023	1	1	1
TL_0018	Finance	Ensure responsive and accountable governance	Submit the adjustments budget for approval to Council by 28 February 2023	Final budget submitted to Council by 28 February 2023	1	1	1
TL_0019	Finance	Ensure responsive and accountable governance	Submit the Annual Financial Statements by 31 August 2022 to the Office of the Auditor General	Annual Financial Statements submitted to AGSA by 31 August 2022	1	1	1

TL_0020	Finance	Ensure responsive and accountable governance	Submit the draft budget to Council by 31 March 2023	Draft budget submitted to Council by 31 March 2023	1	1	1
TL_0021	Finance	Ensure responsive and accountable governance	Submit the Mid-year budget performance report in terms of s72(1)(a)(i); s72(1)(b) subsection (2) and (3) of the MFMA to Council by 31 January 2023	Mid-year Budget Report submitted to Council by 31 January 2023	1	1	1
TL_0022	Finance	Improved financial sustainability	Achieve a debtor payment percentage of 75% at 30 June 2023 ((Gross debtors opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue) X 100	Debtor payment percentage [((Gross debtors opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue) x 100]	75%	75%	75%
TL_0023	Finance	Improved financial sustainability	% of Operating revenue budget raised/collected [(actual revenue/budgeted revenue) x 100] by 30 June 2023	% of Operating revenue budget raised/collected [(actual revenue/budgeted revenue) x 100]	95%	95%	95%
TL_0024	Municipal Manager	Promote improved skills through education and training	Fill funded vacancies within 6 months from date of declaration of vacancy	% vacancies filled within 6 months	100%	100%	100%

TL_0025	Municipal Manager	Promote improved skills through education and training	Annually review of the Organogram and submit to Council for approval by 30 June 2023	Reviewed organogram submitted to Council by 30 June 2023	1	1	1
TL_0026	Municipal Manager	Promote improved skills through education and training	Percentage of the municipalities operational budget actually spent on implementing the Workplace Skills Plan by 30 June 2023 [(Actual amount spent on training/operational expenditure budget) x 100]	% of the operational expenditure budget actually spent on implementing the workplace skills plan [(Actual amount spent on training/operational expenditure budget) x 100]	0,10%	0,10%	0,10%
TL_0027	Municipal Manager	Promote improved skills through education and training	Report on the number of people from employment equity target groups employed in the three highest levels of management in compliance with Karoo Hoogland's Employment Equity plan by 30 June 2023	Number of reports to Council	2	2	2
TL_0028	Municipal Manager	Promote improved skills through education and training	Top layer SDBIP 2023/2024 submitted to Mayor within 14 days after the budget has been approved	Top layer SDBIP submitted	1	1	1

TL_0029	Municipal Manager	Promote improved skills through education and training	Prepare the Mid-year performance part of the report in terms of s72 of the MFMA to submit to MM and Mayor by 25 January 2023	Report drafted and submitted by the 25 January 2023	1	1	1
TL_0030	Municipal Manager	Promote improved skills through education and training	Signing of performance agreements with all identified personnel before 31 July 2022 (MM, Directors)	Number of performance agreements signed by 31 July 2022	3	3	3
TL_0031	Municipal Manager	Promote improved skills through education and training	Submit the draft Annual Report to Council by 31 August 2022	Draft Annual Report submitted to Council by 31 August 2022	1	1	1
TL_0032	Municipal Manager	Ensure informed and participative citizenry	Prepare and submit quarterly progress reports to the Audit Committee on the implementation of the Risk Based Audit Plan (RBAP) and progress made with the proposed corrective actions in internal audit reports by the applicable sections.	Number of reports to Audit Committee	4	4	4
TL_0033	Municipal Manager	Ensure informed and participative citizenry	Submit the Oversight Report on the Annual Report to Council by 31 March 2023	Oversight to Report to Council	1	1	1

TL_0034	Municipal Manager	Ensure informed and participative citizenry	Spend 90% of the Library Grant by 30 June 2023	% of the allocation spend [(Actual expenditure/total grant allocation received) x 100]	100%	100%	100%
TL_0035	Municipal Manager	Ensure informed and participative citizenry	Submit IDP Process Plan to Council for approval by 31 August 2022	IDP Process Plan to Council	1	1	1
TL_0036	Municipal Manager	Ensure informed and participative citizenry	Review the IDP and submit draft to council by 31 March 2023	Draft reviewed IDP submitted to Council by 31 March 2023	1	1	1
TL_0037	Municipal Manager	Ensure informed and participative citizenry	Develop the Risk Based Audit Plan for 2023/24 and submit to the Audit Committee by 30 June 2023	Risk Based Audit Plan submitted to the Audit Committee by 30 June 2023	1	1	1

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	Summary
By Laws	
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 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** The Karoo Hoogland LM (KHLM) encompasses an extensive Sector Plan 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 socioeconomic well-being and development of all inhabitants of the municipality. The Namakwa District Municipality executed a detailed disaster Disaster hazard, vulnerability and risk assessment for it's area of Management Plan jurisdiction, including all six local municipalities. With this information it become possible to compile a disaster Mainly because the disaster management level two plan. 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 n ot 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 p rojection 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	Breede-Gouritz-Berg						
	Hydrological Zone	Hydrological Zones						
Warmer	Increased rainfall in	Decreased rainfall in						
Wetter	all seasons	autumn, and increased						
		rainfall in winter and spring						
Hotter	Increased rainfall in	Decreased rainfall in						
Wetter	all seasons	autumn, and increased						
		rainfall in winter and						
		spring						
Warmer	Decreased rainfall in	Decreased rainfall in all						
Drier	summer, spring and	seasons, and a strong						
	autumn	decrease in rainfall in						
		the west						
Hotter Drier	Decreased rainfall in	Decreased rainfall in all						
	summer, spring and	seasons, and a strong						
	autumn	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 include¹ (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	Cabinet approved the DDM as a government approach to
Development Plan	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. Outling the propose towards the development of the One.
	 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.
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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 20.5° C. The coldest temperature recorded in Sutherland was –16.4 °C 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	The policy has been developed based on the provisions of
and safety policy	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	The policy is developed to govern the reporting
strategy/Plan	 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	The White Paper on Local Government, 1998 proposed
Management Framework	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.

U - Lable AZ Dudgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2019/20	Audited Audited	2021/22	Current Year 2022/23			2023/24 Medium Term Revenue & Expenditure Framework		
	1	Audited Outcome		Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Revenue - Functional										
Governance and administration		27 458	34 806	10 290	21 769	24 588	24 588	23 537	24 691	25 672
Executive and council		22 793	27 731	2 910	3 214	3 208	3 208	3 251	3 384	3 516
Finance and administration		4 665	7 075	7 380	18 554	21 380	21 380	20 285	21 307	22 156
Internal audit		_	_	_	_	_	_	_	_	_
Community and public safety		1 996	1 674	1 568	1 236	1 237	1 237	28	29	31
Community and social services		1 996	1 674	1 565	1 234	1 235	1 235	26	27	29
Sport and recreation		0	_	3	2	2	2	2	2	2
Public safety		_	_	_	_	_	_	_	_	_
Housing		_	_	_	_	_	_	_	_	_
Health		_	_	_	_	_	_	_	_	_
Economic and environmental services		_	9 981	14 673	9 635	9 635	9 635	9 683	8 914	9 102
Planning and development		_	_	_	_	_	_	_	_	_
Road transport		_	9 981	14 673	9 635	9 635	9 635	9 683	8 914	9 102
Environmental protection		_	_	_	_	_	_	_	_	_
Trading services		30 968	22 584	57 336	71 121	71 510	71 510	68 027	59 587	62 238
Energy sources		13 189	11 130	26 365	19 339	19 358	19 358	22 156	24 599	25 915
Water management		11 792	4 397	23 562	32 719	33 090	33 090	24 861	12 600	13 065
Waste water management		3 347	4 003	4 145	10 010	10 010	10 010	11 062	11 776	12 228
Waste management		2 640	3 054	3 263	9 054	9 054	9 054	9 949	10 612	11 030
Other	4	_	_	_	_	_	_	_	_	_
Total Revenue - Functional	2	60 422	69 045	83 866	103 761	106 971	106 971	101 275	93 221	97 043
Expenditure - Functional										
Governance and administration		37 426	35 843	41 329	38 321	36 446	36 446	41 509	43 342	45 396
Executive and council		8 710	18 628	5 847	13 515	13 357	13 357	14 823	15 493	16 133
Finance and administration		28 716	17 215	35 481	24 806	23 090	23 090	26 686	27 849	29 264
Internal audit		_	_	_	_	_	_	_	_	_

o - Table Az Duugeteu i manciai i errormance (revenue anu expenditure by functional classification)

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Cu	rrent Year 2022/	23	2023/24 Medium Term Revenue & Expenditure Framework			
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Community and public safety		1 996	1 674	1 568	1 236	1 237	1 237	28	29	31	
Community and social services		1 996	1 674	1 565	1 234	1 235	1 235	26	27	29	
Sport and recreation		0	-	3	2	2	2	2	2	2	
Public safety		-	-	-	-	-	_	_	_	_	
Housing		_	_	_	_	_	_	_	_	_	
Health		_	_	_	_	_	_	_	_	_	
Economic and environmental services		_	9 981	14 673	9 635	9 635	9 635	9 683	8 914	9 102	
Planning and development		_	_	-	_	_	_	_	_	_	
Road transport		_	9 981	14 673	9 635	9 635	9 635	9 683	8 914	9 102	
Environmental protection		_	_	_	_	_	_	_	_	_	
Trading services		30 968	22 584	57 336	71 121	71 510	71 510	68 027	59 587	62 238	
Energy sources		13 189	11 130	26 365	19 339	19 358	19 358	22 156	24 599	25 915	
Water management		11 792	4 397	23 562	32 719	33 090	33 090	24 861	12 600	13 065	
Waste water management		3 347	4 003	4 145	10 010	10 010	10 010	11 062	11 776	12 228	
Waste management		2 640	3 054	3 263	9 054	9 054	9 054	9 949	10 612	11 030	
Other	4	-	_	-	-	-	_	_	_	_	
Total Revenue - Functional	2	60 422	69 045	83 866	103 761	106 971	106 971	101 275	93 221	97 043	
Expenditure - Functional											
Governance and administration		37 426	35 843	41 329	38 321	36 446	36 446	41 509	43 342	45 396	
Executive and council		8 710	18 628	5 847	13 515	13 357	13 357	14 823	15 493	16 133	
Finance and administration		28 716	17 215	35 481	24 806	23 090	23 090	26 686	27 849	29 264	
Internal audit		_	_	-	-	-	_	_	_	_	
Community and public safety		2 776	13 632	12 659	2 175	2 410	2 410	2 247	2 356	2 466	
Community and social services		2 043	12 064	11 917	1 440	1 463	1 463	1 363	1 429	1 496	
Sport and recreation		733	1 547	720	710	921	921	858	899	941	
Public safety		-	21	21	25	25	25	26	27	29	
Housing		_	_	_	_	_	_	_	_	_	

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

Functional Classification Description	Ref	2019/20	2020/21	2021/22	Cu	rrent Year 2022/	23	2023/24 Mediu	e & Expenditur	
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Health		-	_	-	-	-	_	_	_	_
Economic and environmental services		8 169	5 699	6 269	6 984	7 195	7 195	6 329	6 635	6 94
Planning and development		915	730	(100)	995	1 151	1 151	1 024	1 074	1 124
Road transport		7 255	4 969	6 369	5 989	6 044	6 044	5 305	5 561	5 82
Environmental protection		_	_	_	-	_	_	_	_	_
Trading services		21 424	21 093	21 821	34 059	35 773	35 773	42 469	45 463	49 836
Energy sources		11 151	11 015	15 666	16 430	16 433	16 433	23 829	26 036	29 213
Water management		5 203	1873	1 862	8 276	9 038	9 038	6 694	6 965	7 466
Waste water management		3 137	3 266	1 980	6 667	7 133	7 133	7 340	7 641	8 17
Waste management		1 933	4 940	2 3 1 3	2 686	3 168	3 168	4 607	4 821	4 987
Other	4	_	-	-	-	-	-	_	-	-
Total Expenditure - Functional	3	69 795	76 268	82 077	81 539	81 824	81 824	92 555	97 796	104 644
Surplus/(Deficit) for the year		(9 373)	(7 223)	1 789	22 221	25 147	25 147	8 720	(4 574)	(7 60

References

^{1.} Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes

^{2.} Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)

^{3.} Total Expenditure by Functional Classification must recondile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)

^{4.} All amounts must be classified under a functional classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

Vote 2 - Directorate Corporate Services										
		1 740	1 665	1 553	1 233	1 219	1 219	1 267	16	17
Vote 3 - Directorate Financial Services		4 039	6 387	6 760	17 958	20 738	20 738	19 527	20 514	21 326
Vote 4 - Directorate Infrastructure Services		31 850	33 264	72 643	81 356	81 807	81 807	77 129	69 202	72 074
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	60 422	69 045	83 866	103 761	106 971	106 971	101 275	93 221	97 043
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council	'	8 710	17 638	5 847	13 515	13 357	13 357	14 823	15 493	16 133
Vote 2 - Directorate Corporate Services		2 043	861	1 276	1 252	1 275	1 275	1 325	1 389	1454
Vote 3 - Directorate Financial Services		27 727	17 094	35 029	24 375	22 608	22 608	25 434	26 542	27 901
Vote 4 - Directorate Infrastructure Services		31 314	29 475	39 925	42 384	44 570	44 570	50 959	54 357	59 141
Vote 5 - COMMUNITY & SOCIAL SERVICES		-	11 200	00 020	14	14	14	14	15	15
Vote 6 - [NAME OF VOTE 6]		_	11200	_	17	17	14	17	13	13
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 14]		_	_	_	_	_	_	_	_	_
Total Expenditure by Vote	2	69 795	76 268	82 077	81 539	81 824	81 824	92 555	97 796	104 644
Surplus/(Deficit) for the year	2	(9 373)	(7 223)	1 789	22 221	25 147	25 147	8 720	(4 574)	(7 601)

Description	Ref	2019/20	2020/21	2021/22		Current Ye	ear 2022/23		2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Revenue												
Exchange Revenue												
Service charges - Electricity	2	10 506	10 928	11 258	13 401	13 401	13 401	13 967	14 445	15 109	15 804	
Service charges - Water	2	3 232	3 731	3 904	4 395	4 395	4 395	6 187	4 606	4 812	4 992	
Service charges - Waste Water Management	2	2 890	3 372	3 380	3 764	3 764	3 764	5 034	3 943	4 122	4 288	
Service charges - Waste Management	2	2 282	2 551	2 654	2 902	2 902	2 902	2 902	3 035	3 175	3 318	
Sale of Goods and Rendering of Services		60	90	100	105	105	105	105	118	123	129	
Agency services		-	99	-	60	60	60	60	63	66	69	
Interest		-	-	-	-	-	-	-	-	-	-	
Interest earned from Receivables		1 896	2 034	2 496	2 637	3 095	3 095	3 095	3 780	4 003	4 228	
Interest earned from Current and Non Current Assets		270	199	416	583	625	625	625	685	717	750	
Dividends		-	-	-	-	-	-	-	-	-	-	
Rent on Land		-	-	-	-	-	-	-	-	-	-	
Rental from Fixed Assets		591	622	580	541	589	589	589	654	684	716	
Licence and permits		-	-	-	-	-	-	-	-	-	-	
Operational Revenue		1 366	1 599	4 370	348	348	348	348	543	568	595	
Non-Exchange Revenue												
Property rates	2	-	-		7 735	7 735	7 735	7 735	7 432	7 777	8 141	
Surcharges and Taxes		-	-	-	650	3 000	3 000	3 000	1 485	1 553	1 625	
Fines, penalties and forfeits		1	4	28	13	1	1	1	12	13	14	
Licences or permits		-	-		-	-	-	-	-	-	-	
Transfer and subsidies - Operational		26 611	32 765	29 763	35 449	35 444	35 444	35 444	37 768	38 061	39 348	
Interest		389	584	604	615	945	945	945	971	1 023	1 077	
Fuel Levy		-	-		-	-	-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	(0)	
Caina an diapagal of Assata												

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Non-Exchange Revenue												
Property rates	2	-	-	-	7 735	7 735	7 735	7 735	7 432	7 777	8 141	
Surcharges and Taxes		-	-	-	650	3 000	3 000	3 000	1 485	1 553	1 625	
Fines, penalties and forfeits		1	4	28	13	1	1	1	12	13	14	
Licences or permits		_	_	_	_		_	_	_		_	
Transfer and subsidies - Operational		26 611	32 765	29 763	35 449	35 444	35 444	35 444	37 768	38 061	39 348	
Interest		389	584	604	615	945	945	945	971	1 023	1 077	
		309	004	004	010	940	940	940	9/1	1 023	1077	
Fuel Levy		-	-	-	-		-	-	-	-	-	
Operational Revenue		-	-	-	-	-	-	-	-	-	(0)	
Gains on disposal of Assets		-	-	-	-	-	-	-	-	-	-	
Other Gains		-	-	-	-	-	-	-	-	-	-	
Discontinued Operations												
Total Revenue (excluding capital transfers and contributions)		50 092	58 577	59 553	73 199	76 409	76 409	80 038	79 542	81 807	85 091	
Expenditure												
Employee related costs	2	25 063	27 294	26 863	28 030	27 197	27 197	27 197	29 574	31 023	32 481	
Remuneration of councillors		2 633	2 651	3 813	4 421	4 423	4 423	4 423	4 781	4 968	5 117	
Bulk purchases - electricity	2	9 482	10 163	10 905	11 534	11 534	11 534	11 534	13 600	15 327	18 040	
Inventory consumed	8	1 380	1 072	4 399	1 515	1 677	1 677	1 677	1 666	1 742	1 823	
Debt impairment	3	-	-	-	4 936	4 936	4 936	4 936	5 706	5 793	5 793	
Depreciation and amortisation	4	12 242	12 199	10 700	9 547	9 547	9 547	9 547	10 400	10 878	11 379	
Interest		2 909	2 625	3 731	85	134	134	134	130	136	142	
Contracted services		3 031	6 312	93	10 267	9 500	9 500	9 500	9 384	9 816	10 267	
Transfers and subsidies		134	175	60	64	74	74	74	86	90	95	
Irrecoverable debts written off		178	907	7 064	1 000	2 139	2 139	2 139	5 400	5 648	6 565	
Operational costs		11 427	12 766	14 158	10 140	10 664	10 664	10 664	11 829	12 374	12 943	
Losses on disposal of Assets		1 315	-	-	0	0	0	0	0	0	0	
Other Losses		-	106	291	0	0	0	0	0	0	0	
Total Expenditure		69 795	76 268	82 077	81 539	81 824	81 824	81 824	92 555	97 796	104 644	

Description	Ref	2019/20	2020/21	2021/22	Current Year 2022/23				2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
Other Losses		-	106	291	0	0	0	0	0	0	0	
Total Expenditure		69 795	76 268	82 077	81 539	81 824	81 824	81 824	92 555	97 796	104 644	
Surplus/(Deficit)		(19 703)	(17 691)	(22 524)	(8 341)	(5 415)	(5 415)	(1 786)	(13 013)	(15 988)	(19 553)	
Transfers and subsidies - capital (monetary allocations)	6	10 087	8 981	24 314	30 562	30 562	30 562	30 562	21 733	11 414	11 952	
Transfers and subsidies - capital (in-kind)	6	243	1 487	-	-	_	_	_	-	-	_	
Surplus/(Deficit) after capital transfers & contributions		(9 373)	(7 223)	1 789	22 221	25 147	25 147	28 776	8 720	(4 574)	(7 601)	
Income Tax		-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) after income tax		(9 373)	(7 223)	1 789	22 221	25 147	25 147	28 776	8 720	(4 574)	(7 601)	
Share of Surplus/Deficit attributable to Joint Venture		-	-	-	-	-	-	-	-	-	-	
Share of Surplus/Deficit attributable to Minorities		-	-	-	-	-	-	-	-	-	-	
Surplus/(Deficit) attributable to municipality		(9 373)	(7 223)	1 789	22 221	25 147	25 147	28 776	8 720	(4 574)	(7 601)	
Share of Surplus/Deficit attributable to Associate	7	-	-	-	-	-	-	-	-	-	-	
Intercompany/Parent subsidiary transactions		_	-	_	-	-	-	_	-	_	_	
Surplus/(Deficit) for the year	1	(9 373)	(7 223)	1 789	22 221	25 147	25 147	28 776	8 720	(4 574)	(7 601)	

References

- 1. Classifications are revenue sources and expenditure type
- 2. Detail to be provided in Table SA1
- 3. Debt impairment includes Impairment and Reversal of Impairment Losses
- 4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
- 5. Repairs & maintenance detailed in Table A9 and Table SA34c
- 6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
- 7. Equity method (Includes Joint Ventures)
- 8. All materials consumed including water consumed and materials used in operations.

Vote Description	Ref	2019/20	2020/21	2021/22		Current Ye	ar 2022/23		2023/24 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 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
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		-	_	(21)	100	100	100	100	0	0	0	
Vote 4 - Directorate Infrastructure Services		2 000	-	-	21 562	21 562	21 562	21 562	8 733	18 374	18 906	
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	2 000	-	(21)	21 662	21 662	21 662	21 662	8 733	18 374	18 906	
Single-year expenditure to be appropriated	2											
Vote 1 - Executive and Council		-	_	-	-	-	-	-	_	_	_	
Vote 2 - Directorate Corporate Services		-	_	-	_	-	-	-	_	_	_	
Vote 3 - Directorate Financial Services		-	-	-	-	-	-	-	_	_	_	
Vote 4 - Directorate Infrastructure Services		(2 000)	-	2733	9 000	9 950	9 950	9 950	0	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 Description	Ref	2019/20	2020/21	2021/22		Current Ye	ear 2022/23		2023/24 Medium Term Revenue & Expenditu Framework			
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26	
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		(2 000)	-	2 733	9 000	9 950	9 950	9 950	0	0	0	
Total Capital Expenditure - Vote		-	-	2713	30 662	31 612	31 612	31 612	8 733	18 374	18 906	
Capital Expenditure - Functional												
Governance and administration		6 471	-	(4 191)	100	100	100	100	0	0	0	
Executive and council		-	-	-	-	-	-	-	-	-	-	
Finance and administration		6 471	-	(4 191)	100	100	100	100	0	0	0	
Internal audit		-	-	-	-	-	-	-	-	-	-	
Community and public safety		-	-	-	9 000	9 000	9 000	9 000	-	-	-	
Community and social services		-	-	-	9 000	9 000	9 000	9 000	-	-	-	
Sport and recreation		-	-	-	-	-	-	-	-	-	-	
Public safety		-	-	-	-	-	-	-	-	-	-	
Housing		-	-	-	-	-	-	-	-	-	-	
Health		-	-	-	-	-	-	-	-	-	-	
Economic and environmental services		-	-	6 060	-	-	-	-	0	6 462	6 686	
Planning and development		-	-	6 060	-	-	-	-	-	-	-	
Road transport		-	-	-	-	-	-	-	0	6 462	6 686	
Environmental protection		-	-	-	-	-	-	-	-	-	-	
Trading services		136 224	-	153 958	21 562	22 512	22 512	22 512	8 733	11 912	12 220	
Energy sources		-	-	-	-	950	950	950	-	8 914	9 102	
Water management		112 421	-	127 828	21 562	21 562	21 562	21 562	8 733	2 998	3 118	

Vote Description	Ref	2019/20	2020/21	2021/22		Current Ye	ar 2022/23		2023/24 Medium Term Revenue & Expenditu Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Waste management		-	-	2733	-	-	-	-	0	0	0
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Functional	3	142 695	-	155 828	30 662	31 612	31 612	31 612	8 733	18 374	18 906
Funded by:											
National Government		(10 328)	-	147 055	30 562	31 512	31 512	31 512	8 733	18 374	18 906
Provincial Government		(8 078)	-	-	-	-	-	_	_	-	-
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		(18 407)	-	147 055	30 562	31 512	31 512	31 512	8 733	18 374	18 906
Borrowing	6	-	-	-	-	-	-	_	-	-	-
Internally generated funds		161 102	-	2713	100	100	100	100	0	0	0
Total Capital Funding	7	142 695	-	149 767	30 662	31 612	31 612	31 612	8 733	18 374	18 906

References

- 1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
- 2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
- 3. Capital expenditure by functional classification must reconcile to the appropriations by vote
- 4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
- 6. Include finance leases and PPP capital funding component of unitary payment total borrowing/repayments to reconcile to changes in Table SA17
- 7. Total Capital Funding must balance with Total Capital Expenditure
- 8 Include any conitational interest (MEMA section 46) as nort of relevant conitational 8

R thousand			Medium Term F enditure Fram	
Function	Project Description	Budget Year 2023/24		r Budget Year +2 2025/26
Parent municipality: List all operational projects grouped by Function				
Disaster Management	Expenditure COVID-19 General	-	-	-
Libraries and Archives	Library: Programmes	-	-	-
Mayor and Council	Council_Accomodation_EXP_2021/2022_2021/2022	-	-	-
Roads	EmployeeRelatedCosts_BudgetTreasury	-	-	-
Town Planning, Building Regulations and Enforcement, and City Engineer	Road and Streets Entertainment/Refreshments Costs	-	-	-
Administrative and Corporate Support	Properties_Security_AlarmsCameras_EXP	34	35	37
Cemeteries, Funeral Parlours and Crematoriums	Cemetries Old Graves Williston	1	1	1
Community Halls and Facilities	Properties Maintenance: Electrical Equipment	12	12	13
Community Halls and Facilities	Property Halls_Travelling_subsistence and Accommodation	13	13	14
Community Parks (including Nurseries)	EmployeeRelatedCosts_Parks	650	682	714
Community Parks (including Nurseries)	Parks Maintenance: Properties	145	152	159
Community Parks (including Nurseries)	Parks_Accommodation	10	11	11
Community Parks (including Nurseries)	Parks_EmployeeRelatedCosts	5	5	6
Community Parks (including Nurseries)	Parks_Travel Allowance_Subsistence and Accommodation	45	47	49
Community Parks (including Nurseries)	Subsistance_Parks	2	2	2
Electricity	Electrical_Maintenance_Electrical Equipment_O_EXP	4	4	4
Electricity	Electricity Bulk Purchases: Electricity	13 600	15 327	18 040
Electricity	Electricity Commission: Pre Paid Sales Electricity	232	243	254
Electricity	Electricity Debt Impairment: Electricity	604	639	639
Electricity	Electricity Depreciation	5 943	6 216	6 502
Electricity	Electricity External Loan: Interest DBSA	70	73	77
Electricity	Electricity Fuel and Lubricants	35	37	39
Electricity	Electricity Maintenance: Distribution Networks	315	329	345

R thousand			Revenue & ework	
Function	Project Description	Budget Year 2023/24	Budget Year +1 2024/25	Budget Yea +2 2025/26
Parent municipality: List all operational projects grouped by Function				
Electricity	Electricity Maintenance: Materials	50	52	55
Electricity	Electricity Maintenance: Meters	151	158	165
Electricity	Electricity Municipal Services Accounts	1 802	1 885	1 972
Electricity	Electricity Stationary	9	9	10
Electricity	Electricity_ContractedFees_ElectricityServices_EXP	550	575	602
Electricity	Electricity_Entertainment/Refreshments Costs	2	2	2
Electricity	EmployeeRelatedCosts_Electricity	464	487	509
Finance	Assessment Rates Debt Impairment: Rates	2 000	2 000	2 000
Finance	Assessment Rates Deeds Search Fees	13	13	14
Finance	Assessment Rates Valuation Roll Expenses	100	105	109
Finance	Asset_Disposals	0	0	(
Finance	Assets_Gains and Losses	(0)	(0)	(0
Finance	Bad debts write off	-	0	(
Finance	Budget & Treasury_FinanceLease_Operational_CopierUsage_EXP	110	115	120
Finance	BudgetTreasury_Accommodation	74	77	81
Finance	BudgetTreasury_Travel Allowance	150	157	164
Finance	EmployeeRelatedCosts_BudgetTreasury	8 482	8 897	9 316
Finance	EmployeeRelatedCosts_CFO	1 320	1 385	1 450
Finance	Finance Audit: Committee	375	392	410
Finance	Finance Audit: External	4 600	4 812	5 033
Finance	Finance Bank Charges	295	309	323
Finance	Finance Consultant fees: Actuarial Valuations	30	31	33
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282

R thousand			enditure Fram	
Function	Project Description	Budget Year 2023/24		Budget Year +2 2025/26
Parent municipality: List all operational projects grouped by Function				
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282
Finance	Finance Consultant fees: AFS Support	3 000	3 138	3 282
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: AFS Support	1 500	1 569	1 641
Finance	Finance Consultant fees: Asset Register	200	209	219
Finance	Finance Consultant fees: mSCOA	2 300	2 406	2 516
Finance	Finance Consultant fees: Webpage hosting	40	42	44
Finance	Finance Entertainment/Refreshments Costs	2	2	2
Finance	Finance lease for Copier - Financial Department	103	108	113
Finance	Finance Maintenance: Computer Hardware	61	63	66
Finance	Finance Postage Money Paid	5	5	5
Finance	Finance Postal Bag Rent	1	1	1

Finance	Finance Sebata: Cloud	154	161	168
Finance	Finance Sebata: Connect Attix 5	866	906	948
Finance	Finance Sebata: Connect MPLS	34	36	38
Finance	Finance Sebata: EMS Licence Fees	644	674	705
Finance	Finance Sebata: Offsite Backup	52	54	57
Finance	Finance Stationary	200	209	219
	•			
Finance	Finance Telephone Expenses	630	659	689
Finance	Post Retirement Benefit - Medical	193	203	212
Finance	SCM_Interest Paid	60	63	66
Finance	SCM_Social Responsibility	86	90	95
Finance	Subsistance_BudgetTreasury	4	4	5
Fire Fighting and Protection	Properties_Maintenance_Fire Extinguishers	26	27	29
Libraries and Archives	EmployeeRelatedCosts_Library	1 136	1 192	1 248
Libraries and Archives	Library Cleansing Materials	10	10	11
Libraries and Archives	Library Salga Fees	10	11	11
Libraries and Archives	Library Security: Alarms and Cameras	14	15	15
Libraries and Archives	Library: Rental of Equipment	72	76	79
Libraries and Archives	Library_Security_AlarmsCameras_EXP	14	15	15
Libraries and Archives	Library_Travel Allowance	80	84	88
Libraries and Archives	Subsistance_Library	1	1	1
Mayor and Council	Council Entertainment/Refreshments Costs	14	15	16
Mayor and Council	Council Insurance	535	560	585
Mayor and Council	Council Remuneration	2 183	2 273	2 351

Mayor and Council	Council Security: Alarms and Cameras	13	14	14
Mayor and Council	Council_Mayor_Stationary	30	31	33
Mayor and Council	Council_Travel Allowance	550	575	602
Mayor and Council	EmployeeRelatedCosts_Mayor	898	934	963
Mayor and Council	Expenditure:Remuneration of Councillors:ExecutiveCommitteee:Allowances and Service Related Benefits:Allowances and Service Related:Office-bearer Allowance	804	836	861
Mayor and Council	Expenditure:Remuneration of Councillors:Section79_CommitteeChairperson:Allowances and Service Related	392	407	419
Mayor and Council	Expenditure:Remuneration of Councillors:Speaker:Allowances and Service Related Benefits:Office-bearer Allowance	729	757	780
Mayor and Council	Mayor Salga Fees	500	523	547
Mayor and Council	Subsistance_Council	100	105	109
Mayor and Council	Whip_RemunerationCouncillors	402	418	430
Municipal Manager, Town Secretary and Chief Executive	EmployeeRelatedCosts_Municipal Manager	6 361	6 673	6 987
Municipal Manager, Town Secretary and Chief Executive	MM_Accommodation	70	73	77
Municipal Manager, Town Secretary and Chief Executive	MM_EmployeeRelatedCosts_0_EXP_2021/2022_2021/2022	36	37	39
Municipal Manager, Town Secretary and Chief Executive	MM_Stationary_O_EXP	25	26	27
Municipal Manager, Town Secretary and Chief Executive	MM_Travel Allowance	250	262	274
Municipal Manager, Town Secretary and Chief Executive	Municipal Manager Advertisements: Gazette	112	117	122
Municipal Manager, Town Secretary and Chief Executive	Municipal Manager Cleansing Materials	39	41	43
Municipal Manager, Town Secretary and Chief Executive	Municipal Manager Courier Services	5	5	5
Municipal Manager, Town Secretary and Chief Executive	Municipal Manager Entertainment/Refreshments Costs	2	2	2
Municipal Manager, Town Secretary and Chief Executive	Municipal Manager Legal Fees	502	525	550
Municipal Manager, Town Secretary and Chief Executive	Municipal Manager Training	250	262	274
Municipal Manager, Town Secretary and Chief Executive	Municipal Manager_EmployeeCost	8	9	9
Municipal Manager, Town Secretary and Chief Executive	Subsistance_MM	12	13	14

R thousand			ledium Term F Inditure Frame	
Function	Project Description	Budget Year 2023/24		Budget Year +2 2025/26
Parent municipality: List all operational projects grouped by Function				
Property Services	Bad Debt_Write_Off	1 000	1 046	1 313
Property Services	EmployeeRelatedCosts_Properties	902	947	991
Property Services	Properties Debt Impairment: Other	107	107	107
Property Services	Properties Maintenance: Properties	209	219	229
Roads	MM_Municipal Staff:Salaries, Wages and Allowances_Long Service Award	3 830	4 018	4 206
Roads	MM_Municipal Staff:Salaries, Wages and Allowances_Long Service Award	3 830	4 018	4 206
Roads	Road and Streets Depreciation	1 045	1 093	1 143
Roads	Road and Streets Fuel and Lubricants	60	63	66
Roads	Road and Streets Licences: Vehicles	8	8	9
Roads	Road and Streets Maintenance: Materials	178	186	194
Roads	Road and Streets Maintenance: Vehicles	25	26	27
Roads	Uniforms	160	167	175
Sewerage	Bad Debt_Write_Off	1 000	1 046	1 313
Sewerage	EmployeeRelatedCosts_Sanitation	2 496	2 618	2 741
Sewerage	Sanitation Contracted Fees: UDS Toilets	105	110	115
Sewerage	Sanitation Debt Impairment: Sanitation	950	950	950
Sewerage	Sanitation Depreciation	1 974	2 065	2 160
Sewerage	Sanitation Fuel and Lubricants	452	472	494
Sewerage	Sanitation Maintenance: Distribution Networks	20	21	22
Sewerage	Sanitation Maintenance: Electrical Equipment	20	21	22
Sewerage	Sanitation Maintenance: Vehicles	253	265	277
Sewerage	Sanitation Municipal Services Accounts	52	54	57
Sewerage	Sanitation Water and Food Analysis: NDM function	5	5	5

R thousand			ledium Term R Inditure Frame	
Function	Project Description	Budget Year 2023/24	Budget Year +1 2024/25	
Parent municipality: List all operational projects grouped by Function				
Sewerage	Sanitation_EmployeeRelatedCosts	13	14	15
Solid Waste Removal	Bad Debt_Write_Off	1 200	1 255	1 313
Solid Waste Removal	EmployeeRelatedCosts_Refuse	1 473	1 545	1 618
Solid Waste Removal	I/S_Refuse_Licence_Vehicles_EXP	60	63	66
Solid Waste Removal	Refuse Debt Impairment: Refuse	1 180	1 232	1 232
Solid Waste Removal	Refuse Fuel and Lubricants	306	320	335
Solid Waste Removal	Refuse Maintenance: Properties	25	26	27
Solid Waste Removal	Refuse Maintenance: Vehicles	100	105	109
Solid Waste Removal	Refuse Municipal Services Accounts	48	51	53
Solid Waste Removal	Refuse Refuse Bags Purchases	200	209	219
Solid Waste Removal	Refuse_EmployeeRelatedCosts_Standby_EXP	13	14	15
Town Planning, Building Regulations and Enforcement, and City Engineer	Employee Related Cost:Senior Management:Director Technical Services	1 007	1 056	1 106
Town Planning, Building Regulations and Enforcement, and City Engineer	Office of the Director_Infrastructure_Employee Related Cost	9	9	9
Town Planning, Building Regulations and Enforcement, and City Engineer	Property Services_EmployeeRelatedCosts	8	8	9
Water Distribution	Bad Debt_Write_Off	2 200	2 301	2 626
Water Distribution	Employee Related_travelling and Subsistence	70	73	77
Water Distribution	EmployeeRelatedCosts_Water	1 174	1 231	1 289
Water Distribution	Water and Food Analysis: NDM function	125	131	137
Water Distribution	Water Chemicals	50	52	55
Water Distribution	Water Commission: Pre Paid Sales Water	5	5	5
Water Distribution	Water Debt Impairment: Water	865	865	865
Water Distribution	Water Depreciation	1 438	1 504	1 573
Water Distribution	Water Fuel and Lubricants	250	262	274

R thousand			Medium Term R enditure Frame	
Function	Project Description	Budget Year 2023/24	Budget Year +1 2024/25	Budget Year +2 2025/26
Parent municipality: List all operational projects grouped by Function				
Water Distribution	Water Maintenance: Distribution Networks	50	52	55
Water Distribution	Water Maintenance: Electrical Equipment	258	270	282
Water Distribution	Water Maintenance: Meters	20	21	22
Water Distribution	Water Maintenance: Vehicles	50	52	55
Water Distribution	Water Municipal Services Accounts	81	85	89
Water Distribution	Water Water Research Levy	5	5	5
Water Distribution	Water: Losses Measured	0	0	0
Water Distribution	Water_EmployeeRelatedCosts	16	17	18
	Water Distribution- EmployeeRelatedCost_Overtime	36		40
Parent Operational expenditure		131 135	138 162	146 871
Entities: List all Operational projects grouped by Entity				
Entity A Water project A				
Entity B Electricity project B				
Entity Operational expenditure			-	_
Total Operational expenditure		131 135	138 162	146 871

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FUNDED CAPITAL PROJECTS FOR THE 2023/2024 FINANCIAL YEAR

Project Number: 9.1

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA FUND	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	SEGMENT	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT		SEGMENT	SEGMENT	
		Provide			R 8 562	Upgrading of	Water and	MIG	Outsourced	Ward 1	Default
		quality of			000	the Williston	Sanitation			Ward 5	
		living human				Internal					
		settlements				Water					
		with				Network					
		adequate									
		infrastructure									

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-	BUDGET 2022-	BUDGET 2022-	MSCOA PROJECT	MSCOA FUNCTION	MSCOA FUND SEGMENT	MSCOA ITEM	MSCOA REGION	MSCOA COSTING
COTCOCIVIE		OBJECTIVE	2022	2023	2023	T NOSECT	SEGMENT	SEGIVILITY	SEGMENT	SEGMENT	cosmic
		Provide			R	Upgrading of	Sport and	MIG	Outsourced	Ward 5	Default
		quality of			6 770,775	Streets	Recreation				
		living human									
		settlements									
		with	· ·								
		adequate									
		infrastructure									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA FUND	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-2023	2023-2024	PROJECT	FUNCTION	SEGMENT	ITEM	REGION	COSTING
			2022				SEGMENT		SEGMENT	SEGMENT	
		Provide			R	Upgrade of	Water and	WSIG	Outsourced	Ward 2	Default
		quality of			13 000 000	Fraserburg	Sanitation				
		living human			00	Sewer					
		settlements				Reticulation					
		with									
		adequate									
		infrastructure									

Project number 9.4

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-	BUDGET 2022-2023	BUDGET 2023-	MSCOA PROJECT	MSCOA FUNCTION	MSCOA FUND SEGMENT	MSCOA ITEM	MSCOA REGION	MSCOA COSTING
			2022		2024		SEGMENT		SEGMENT	SEGMENT	
		Provide			R 950	Paving of	EPWP	EPWP	Outsourced	Ward 4	Default
		quality of			000	Streets				Ward 6	
		living human									
		settlements									
		with									
		adequate									
		infrastructure									

PROJECT OR INTERVENTION

KPA 2 LOCAL ECONOMIC DEVELOPMENT

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Drug and	Poverty	Social	Outsourced	All Wards	Default
		social				alcohol	Alleviation	Development			
		cohesion				abuse		Karoo			
		through				programs		Hoogland LM			
		economic									
		and social									
		development									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-		-	Improved life	Poverty	Social	Outsourced	All Wards	Default
		social				skills and	Alleviation	Development			
		cohesion		· ·		Development		Karoo			
		through						Hoogland LM			
		economic									
		and social									
		development									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA PROJECT	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-		FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Entrepreneurship	SMME	SEDA	Outsourced	All Wards	Default
		BBBEE				Program	Development	Karoo			
								Hoogland			
								LM			

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

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Transform	-	-	-	Agri-	Poverty	Department	Outsourced	All Wards	Default
		urban				Processing	Alleviation	Of Rural			
		areas to				Zone		Development			
		vibrant						and Land			
		economic						Reform			
		centres						Karoo			
		that are						Hoogland LM			
		safe									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Link to	Tourism	Department	Outsourced	All Wards	Default
		growth and				SARAO		of Economic			
		diversification				Visitors		Development			
		of the local				Centre		and Tourism			
		economy						Karoo			
								Hoogland LM			
								SARAO			

Project Number: 9.11

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	IT Service	Economic	Department	Outsourced	All Wards	Default
		growth and				Centre	Growth and	of Economic			
		diversification					Development	Development			
		of the local						and Tourism			
		economy						Karoo			
								Hoogland LM			
								SARAO			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Transform	-	-	-	SIP 15 – 16	Economic	Karoo	Outsourced	All Wards	Default
		urban				Broadband	Growth and	Hoogland			
		areas to				Role Out	Development	LM			
		vibrant						SARAO			
		economic									
		centers									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Transform	-	-	-	Telemedicine	Economic	Department	Outsourced	All Wards	Default
		urban				Healthcare	Growth and	of Health			
		areas to				Services	Development	Karoo			
		vibrant						Hoogland			
		economic						LM			
		centers									
		that are									
		safe and									
		secure									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Transform	-	_	-	Improve	Economic	Karoo	Outsourced	All Wards	Default
		urban				linkage to	Growth and	Hoogland			
		areas to				Tankwa	Development	LM			
		vibrant				National		Tankwa			
		economic				Park		National			
		centers				(Signage		Park			
		that are				Roads)					
		safe and									
		secure									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Astro	Economic	Karoo	Outsourced	All Wards	Default
		Growth and				Tourism	Growth and	Hoogland LM			
		diversification				Route	Development	Tankwa			
		of the local				(Sutherland		National Park			
		economy				Fraserburg,		SARAO			
						Williston,		Department			
						Carnarvon)		of Economic			
						Proposed		Development			
						visitors'		and Tourism			
						site					

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Business	Economic	Karoo	Outsourced	All Wards	Default
		Growth and				Plans per	Growth and	Hoogland			
		diversification				Farm to be	Development	LM			
		of the local				developed/		Department			
		economy				Facilitated		of			
								Agriculture			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Support	Economic	Karoo	Outsourced	All Wards	Default
		Growth and				and	Growth and	Hoogland			
		diversification				ringfence	Development	LM			
		of the local				local		Department			
		economy				produce		of			
						production		Agriculture			

Project Number: 9.18

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Skilled	Economic	Karoo	Outsourced	All Wards	Default
		Growth and				based	Growth and	Hoogland			
		diversification				educational	Development	LM			
		of the local				programs		Office of the			
		economy						Premier			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	-	-	Access to	Economic	Karoo	Outsourced	All Wards	Default
		Growth and				Bursaries	Growth and	Hoogland			
		diversification					Development	LM			
		of the local						Office of the			
		economy						Premier			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Taring of R	-	N/A	-	Roads	Economic	DPRW	Outsourced	All Wards	Default
		353 and R					Growth and	DOT			
		356 Routes					Development	NDM			
		linking						KHM			
		Sutherland									
		Fraserburg									
		and									
		Williston									

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-	BUDGET 2022-	BUDGET 2023-	MSCOA PROJECT	MSCOA FUNCTION	MSCOA FUND	MSCOA ITEM	MSCOA REGION	MSCOA COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Feasibility	-	N/A	-	Mining	Economic	NCEDA	Outsourced	All Wards	Default
		Study on					Growth and	DEDAT			
		Uranium					Development	DMR			
		Mining						NDM			
								KHM			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Feasibility	-	N/A	-	Oil and	Economic	DEDAT	Outsourced	All Wards	Default
		Study on				Shale Gas	Growth and	DMR			
		Oil and Gas					Development	NDM			
		Exploration						кнм			
								NCEDA			

Project Number: 9.23

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Taring of	-	N/A	-	Roads	Economic	DPRW	Outsourced	All Wards	Default
		the road to					Growth and	DOT			
		Calvinia					Development	NDM			
								KHM			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Cutting of	-	R 10	-	Infrastructure	Economic	DWA	Outsourced	All Wards	Default
		Prosopis		million			Growth and	EPWP			
		Trees					Development	NDM			
								KHM			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	N/A	-	Access to	Economic	Karoo	Outsourced	All Wards	Default
		Growth and				Bursaries	Growth and	Hoogland			
		diversification					Development	LM			
		of the local						Office of the			
		economy						Premier			

Project Number: 9.26

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Promote	-	N/A	-	Thusong	Economic	Office of the	Outsourced	All Wards	Default
		Growth and				Service	Growth and	Premier			
		diversification				Centres	Development				
		of the local									
		economy									

KPA 4 INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION

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

MTSF OUTCOCME	IUDF	STRATEGIC OBJECTIVE	BUDGET 2021-	BUDGET 2022-	BUDGET 2023-	MSCOA PROJECT	MSCOA FUNCTION	MSCOA FUND	MSCOA ITEM	MSCOA REGION	MSCOA COSTING
OUTCOCIVIE		OBJECTIVE	2021	2022	2023-	PROJECT	SEGMENT	SEGMENT	SEGMENT	SEGMENT	COSTING
		Promote	-	-	-	Smart	WSP	Department	Outsourced	All Wards	Default
		improved skills				Schools		of			
		through				(IT		Education			
		education and				enforced)		Karoo			
		training						Hoogland			
								LM			

KPA 1 BASIC SERVICE DELIVERY

Project Number: 9.29

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Provide quality	-	N/A	N/A	Solar and	Electrification	Renewable	Outsourced	All Wards	Default
		of living human				Wind Farms		Energy			
		settlements				(Renewable		Companies			
		with adequate				Energy)		Karoo			
		infrastructure						Hoogland			
								LM			

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		

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA FUND	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	SEGMENT	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT		SEGMENT	SEGMENT	
		Provide Quality	-	-	-	Expanded	Environmental	Karoo	Outsourced	All Wards	Default
		of living				protected	Management	Hoogland LM			
		human				area		Department			
		settlements				expansion		of			
		with adequate				strategy		Environmental			
		infrastructure						Affairs Nature			
								Conservation			
								and Rural			
								Development			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA FUND	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	SEGMENT	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT		SEGMENT	SEGMENT	
		Provide Quality		-	-	Shale gas	Project	Karoo	Outsourced	All Wards	Default
		of living human				Fracking	Management	Hoogland LM			
		settlements						Department			
		with adequate						of			
		infrastructure						Environmental			
								Affairs Nature			
								Conservation			
								and Rural			
								Development			

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Provide Quality	-	R 9	-	Sustainable	Housing	Karoo	Outsourced	All Wards	Default
		of living human		million		Human		Hoogland			
		settlements				Settlements		LM			
		with adequate						COGSTHA			
		infrastructure									

Project Number: 9.34

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Provide Quality	-	-	-	Energy	Electrification	Karoo	Outsourced	All Wards	Default
		of living human				Efficient		Hoogland			
		settlements				Building		LM			
		with adequate				typologies		COGSTHA			
		infrastructure									

MTSF	IUDF	STRATEGIC	BUDGET	BUDGET	BUDGET	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA	MSCOA
OUTCOCME		OBJECTIVE	2021-	2022-	2023-	PROJECT	FUNCTION	FUND	ITEM	REGION	COSTING
			2022	2023	2024		SEGMENT	SEGMENT	SEGMENT	SEGMENT	
		Provide Quality	-	-	-	Public	Safety and	Karoo	Outsourced	All Wards	Default
		of living human				Transportation	Security	Hoogland			
		settlements				and logistics		LM			
		with adequate				Network					
		infrastructure									

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	Ме	Administration	Secretariat
D Vermeulen	Me	SCM and Expenditure	Member
A Louw	Me	Income	Member
A Gibbons	Mr	IDP Manager	Member
D Malan	Ме	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.

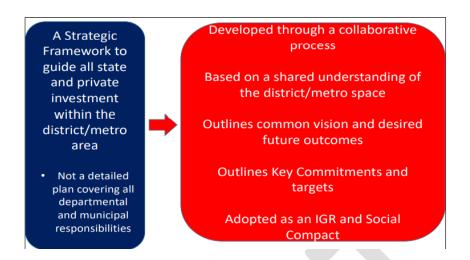
The purpose of this section is to outline the relationship between the municipal IDPs and the One Plans of Districts and Metros.

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.

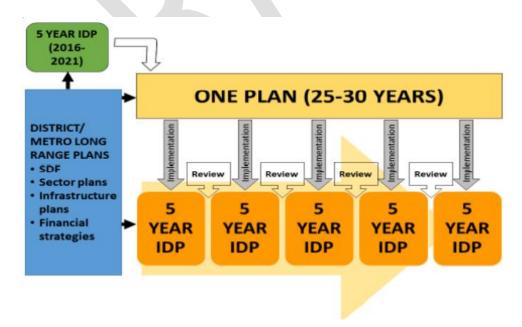


It is important to note that the One Plan is not a summation of government plans and does not necessarily incorporate all the projects and programmes of government departments and State Entities. The One Plan focuses on key and strategic programmes required to catalyst and advance socio-economic transformation. 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.

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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.



CONCLISION

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 16.1.6

Date: 6 June 2023

Duly authorized Representative of the Municipality Mayor J Van Der Colf

