



Knysna

Municipality • Munisipaliteit • uMasipala

2017-2022

Amended IDP Section 25

inclusive • innovative • inspired

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FOREWORD BY THE EXECUTIVE MAYOR



This is an amended 2017/2022 Integrated Development Plan (IDP) for the Knysna municipal area. The IDP is the strategic document used to guide planning, development and decisions that drive service delivery. It is clear that the Greater Knysna is on a path of financial recovery. After years of decline, the long-term financial plan encapsulated within this IDP is our driving focus to ensure that we become an effective and efficient Municipality.

Greater Knysna faces many challenges, some more complex than others and this was made clear during our public engagements. We need to build a town for the future and it will take all of us to ensure that this happens. As Executive Mayor, I am aware of the numerous responsibilities bestowed on the Council to bring about fundamental changes to Greater Knysna. We must ensure that there is a positive effect on the

livelihoods of all our residents.

With the approval of the amended 2017 /2022 IDP, Knysna Municipality has embarked on a journey towards excellent local government. Our priorities remain:

1. Basic Services
2. Good Governance
3. Municipal transformation and Organisational Development
4. Local Economic Development
5. Sound Financial Management

Our goal as Council is to look at both internal and community priorities and implement them in the most prudent manner. We have to create an enabling environment that must be guided by our residents. This IDP must demonstrate the effective use of scarce resources and be a tool that enables us to attract additional funds and opportunities. We have taken the most important needs of our local communities into account and attempted to address them.

I would like to thank all citizens, political parties and all other stakeholders who participated in the IDP/ Budget process. I would also like to thank the Acting Municipal Manager, all Directors and the IDP team as well as the support staff who have worked long hours to ensure that this IDP document is completed according to legislation.

Councillor Levael Davis

Executive Mayor

FOREWORD BY ACTING MUNICIPAL MANAGER



The Amended Integrated Development Plan (IDP) 2017 – 2022 of Knysna Local Municipality which, as mandated by the Constitution (Act 108 of 1996) and all Local Government Legislation, is the principal strategic framework that guides all decision-making within Knysna Municipality. The IDP contains the course that the Municipality follows in line with its strategic framework, including vision, mission and strategic objectives that guide us in the fulfilment of our Constitutional and Legislative mandate.

The reality is that, due to the late Local Government elections on 1 November 2021, sufficient time was not available to develop a new IDP for the term of Council. Council thus adopted the IDP of the previous Council with amendments as per Section 25 (3) (a) & (b) of the Municipal Systems Act (Act 32 of 2000). A complete planning process to inform a new trajectory for Local Government in the Greater Knysna will thus follow this Amended IDP.

As communities suffer the negative effects of very real economic strain, Knysna Municipality finds itself in a place where the sustainability of our budgets is becoming a very real challenge. Within this context, the IDP played an immensely important role to keep decision-making objective.

The IDP facilitated the development of a set of strategic objectives and a roadmap at the hand of pre-determined objectives to ensure that focused impacts can be made in the coming five years. The amended IDP has restructured planning in such a way that the reader will be able to see exactly what will be happening in his/her community within the coming years. This was strengthened by the commitment of Council to approve a three year budget. This allows for the improvement of all processes that influence service delivery to the public and can the way forward be communicated better to all communities.

The newly elected Ward Committee structure ensures the relationship with all communities, as we are committed to the inclusion of residents in Municipal processes. Several representative platforms are also included in the Ward Committee structures. More stakeholder meetings with strategic partners will be arranged.

However, it is important to note that Knysna is experiencing serious pressure on its sources of income together with rising cost factors. Objective planning needs to be continued throughout the cycle of the IDP, together with proper monitoring of progress on goals as provided in the National Development Plan and the Knysna Long Term Financial Plan. The management of organizational performance in delivery on the goals set out in the IDP is of utmost importance to ensure the continued delivery of services to our communities in a manner that enhances their quality of life.

The IDP started to facilitate a renewed process of joint planning with all spheres of Government to ensure that people are placed first when it comes to client services. Pro-active action plans are formalised to limit the impact of disasters on our residents and all of these strategic issues find their origin in the IDP.

One fact continues to surface in the content of the IDP and it tells us that our future is in the hands of all. Communities need to pick up their responsibility to join Government forces and make the Knysna dream a

reality. The diverse nature of Greater Knysna region is an asset and it needs to be considered something to be proud of. As Knysna Municipality reaches for new heights, we look forward to a strengthened commitment of accountability to communities.

Johan Jacobs

Acting Municipal Manager

27 May 2022

ACRONYMS AND ABBREVIATIONS

ART	Anti-Retroviral Treatment	NDP	National Development Plan
BBBEE	Broad-Based Black Economic Empowerment	NDPG	Neighbourhood Development Program Grant
BESP	Built Environment Support Program	NERSA	National Energy Regulator of South Africa
BNG	Breaking New Ground	NGO	Non-Governmental Organisation
CAPEX	Capital Expenditure	NT	National Treasury
CBD	Central Business District	OPEX	Operating expenditure
CBP	Community Based Planning	PAY	Premier's Advancement of Youth
CBP	Community Based Planning	PDI	Previously Disadvantaged Individual
CFO	Chief Financial Officer	PGWC	Provincial Government Western Cape
CPF	Community Policing Forum	PMS	Performance Management System
CRDP	Comprehensive Rural Development Programme	PSDF	Provincial Spatial Development Framework
CRM	Customer Relations Management	PSP	Provincial Strategic Plan
CWP	Community Works Programme	PPP	Public-Private Partnership
DCoG	Department of Co-operative Governance	PT	Provincial Treasury
DEA	Department of Environmental Affairs	RBIG	Regional Bulk Infrastructure Grant
DEADP	Department of Environmental Affairs and Development Planning	RO	Reverse Osmosis
DM	District Municipality	RO	Reverse Osmosis
DoRA	Division of Revenue Act	ROD	Record of Decision-making
DSD	Department of Social Development	APD	Association for Persons with Disabilities
DWA	Department of Water Affairs	SALGA	South African Local Government Organisation
ECD	Early Childhood Development	SAMDI	South African Management Development Institute
EE	Employment Equity	SASSA	South Africa Social Security Agency
EMP	Environmental Management Plan	SETA's	Sector Education and Training Authorities
EPWP	Expanded Public Works Programme	SCM	Supply Chain Management

GAMAP	Generally Accepted Municipal Accounting Practice	SDBIP	Service Delivery and Budget Implementation Plan
GKMA	Great Knysna Municipal Area	SEA	Strategic Environmental Assessment
GRAP	Generally Recognised Accounting Practice	SMME's	Small, Medium and Macro-sized Enterprises
GRRRI	Garden Route Rebuild Initiative	SONA	State of the Nation Address
HIV/Aids	Human Immunodeficiency Virus, Acquired Immunodeficiency Syndrome	MI	Megaliter (1,000,000 litres)
HR	Human Resources	MSDF	Municipal Spatial Development Framework
HSP	Human Settlement Plan	NEMA	National Environmental Management Act, No. 107 of 1998)
ICS	Incident Command System	OPCAR	Operation Clean Audit Report
IDP	Integrated Development Plan	MM	Municipal Manager
IFRS	International Financial Reporting Standards	MOU	Memorandum of Understanding
IMFO	Institute for Municipal finance officers	MPAC	Municipal Public Accounts Committee
INEP	Integrated National Electrification Programme	MPC	Multipurpose Centre
ISDF	Integrated Strategic Development Framework	MSA	Local Government: Municipal Systems Act, No. 32 of 2000
ITP	Integrated Transport Plan	mSCOA	Municipal Standard Chart of Accounts
IUDF	Integrated Urban Development Framework	PPP	Public Private Partnership
KI	Kilolitre (1,000 litres)	SANParks	South African National Parks
KPA	Key Performance Area	SANRAL	South African National Roads Agency
KPI	Key Performance Indicator	SAPS	South African Police Services
kWh	Kilowatt-hour	SRA	Special Rates Areas
LED	Local Economic Development	SOPA	State of the Province Address
LLF	Local Labour Forum	Stats SA	Statistics South Africa
LM	Local Municipality	SWOT	Strengths, Weaknesses, Opportunities and Threats
MAYCO	Mayoral Committee	TB	Tuberculosis
MBRR	Municipal Budget And Reporting Regulations	UISP	Upgrading of Informal Settlements Programme
MEC	Member of Executive Council	WSP	Workplace Skills Plan

MERO	Municipal Economic Review & Outlook	VIP	Ventilated Improved Pit (toilet)
MFMA	Local Government: Municipal Finance Management Act, No. 56 of 2003	WTW	Water Treatment Works
MGRO	Municipal Governance Review & Outlook	WWTW	Waste Water Treatment Works
MIG	Municipal Infrastructure Grant		



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MISSION

To provide affordable quality services, alleviate poverty, and facilitate social and economic development in the Greater Knysna municipal area through integrated development planning, skills development and the sustainable use of resources.

VALUES

Ethical conduct and leadership.

Honesty and integrity.

Customer centric responsiveness.

Transparent communications.

Managing resources responsibly.

Mutual respect.

Good governance.

RECORD OF AMENDMENTS

The following amendments have been made to the document:

The Executive Summary has been updated

Chapter 1 heading is been updated from Executive Summary to Situational Analysis. All subsections, amended.

Chapter 2 Strategic Agenda heading remains the same. All its subsections, amended.

Chapter 3 heading changed from International, National, and Provincial Policy Directives to Implementing the IDP. All its subsections, amended.

Chapter 4 heading changed from Institutional Perspective to Strategic Agenda. All its subsections, amended.

Chapter 5 heading changed from Greater Knysna at a glance to Long term Financial Plan. All its subsections, amended.

The following chapters have been consolidated:

Chapter 1 and portions of Chapter 5

Chapter 2 and portions of Chapter 5

Portions of Chapter 3 and the Executive Summary

Portions of Chapter 3 and 7

Chapter 4 and 6

EXECUTIVE SUMMARY

The Municipal Systems Act, Act 32 of 2000 (MSA) prescribes that all local municipal structures are to prepare and approve Integrated Development Plans (IDPs) for the term of Council and for each specific financial year and thereafter it may review with the intent amend its IDP during the term of Council. The IDP serves as a strategic tool for transforming local governments towards facilitation and management of development within their areas of jurisdiction. The IDP as identified by the Municipal Systems Act is a key component in entrenching developmental local government principles. In conforming to the Act's requirements, the Executive Mayor is to manage the drafting of the IDP and accordingly assign specific responsibilities to the Municipal Manager. The Municipal Finance Management Act (Act no. 56 of 2003) directs that sound and sustainable management of the financial affairs of the municipality and other institutions in the local spheres of government is possible if all programs, projects and actions be undertaken in conformance with stipulated policy and regulations. It does this by ensuring that its developmental programmes is aligned to its budget, and in so doing Knysna Municipality, through its integrated development planning process, therefore delivers in accordance with the community needs and priorities, whilst committing to the budgetary programmes as enacted by the Auditor-General. Knysna Municipality's commitment Municipal Vision, strategy and implementation to developing a "caring and liveable municipality" will be the focal point of the 2022/23 IDP Review, with a specific emphasis on the alignment of the. The focus of the five 2017/18– 2022/23 IDP is on building a more inclusive developmental municipality that would translate vision into action. This review being the final review of the amendment of the 2017-2022, 5-Year IDP we would seek aims to consolidate around the developmental vision of the municipality. Knysna Municipality is strategically applying the Municipality's Infrastructure Services Delivery program.

CHAPTER 1: SITUATIONAL ANALYSIS

A complete and detailed analysis of Knysna municipality is included in Chapter 1. The issues and challenges included in the chapter include the following:

Geography

Demographics

Education

Health

Poverty

Basic Service Delivery

Safety and Security

Economy and Labour Market Performance

Public Infrastructure Spend

Social Profile

Gender Mainstreaming

SWOT Analysis

Good Governance

Public Amenities

Alignment between the Integrated Development Plan and One Plan

A SWOT analysis was prepared for the Five Year IDP, which indicates how some of the challenges the municipality faces can be overcome through the implementation of innovative and creative programmes. One must note that the challenges and issues do not occur in isolation of each other and often there is an interrelatedness between challenges that the municipality face.

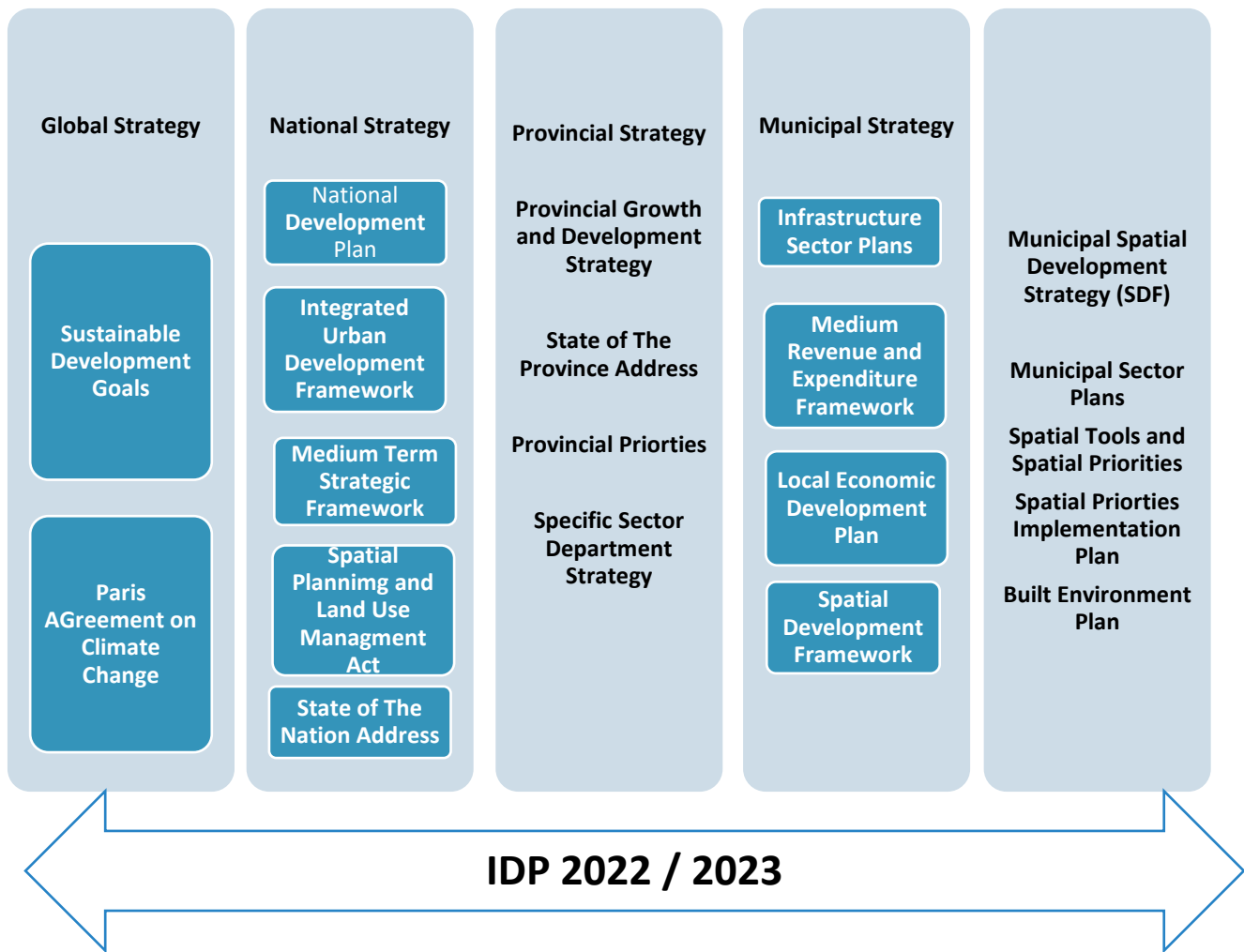
CHAPTER 2 STRATEGIC AGENDA

In this chapter, we reflect on how we intend on being a more responsive, effective, efficient and accountable municipality we thus outline how we translate our long-term vision into an effective plan that aligns municipality budget, monitoring and evaluation mechanisms and systems and estimate timelines for delivery.

This approach is to achieve greater alignment between the long-term objectives and the IDP (in context of international, national, provincial and local development policies).



The global national and provincial policy underpins the strategic approach to the development of the Municipality. The objectives of these policies influenced the development of the strategic direction of the Municipality. Whilst we have assessed and identified key policies, the most recent and relevant developmental policies (as depicted in the diagram below) are - Sustainable Development Goals, National Development Plan, Service Delivery Agreement Outcomes, Medium Term Strategic Framework 2022 – 2025.



SUSTAINABLE DEVELOPMENT GOALS (SDGs)

The Sustainable Development Goals intend to being is a universally shared common, accepted vision to progress to a just, safe and sustainable environment for all inhabitants. The SDGs are based on the moral principle of the Millennium Development Goals that no country should be left behind and that each country has a common responsibility in delivering on the global vision. In the development of the SDG's each of the goals are conceived as ideals, challenging countries and at local level within countries, which must be aspired towards. The SDG targets and goals are applicable to both developed and developing countries alike. These universal targets and goals represent differing degrees of challenges for differing countries depending on their circumstances. The goals are also flexible enough to allow for differentiated approach through all levels of government.

PARIS AGREEMENT ON CLIMATE CHANGE

The Paris Agreement is universally regarded as a seminal point in the development of the international climate change regime under the United Nations Framework Convention on Climate Change (UNFCCC). The Paris Agreement was adopted on 12 December 2015 at the 21st session of the Conference of the Parties to the UNFCCC COP21, held in Paris from 30 November to 13 December 2015. The Agreement was adopted after four years of intense negotiations mandated by the 17th UNFCCC COP held in Durban in 2011.

NATIONAL DEVELOPMENT PLAN (NDP 2030 VISION)

The National Development Plan (NDP) aims to improve service delivery for all citizens of South Africa, whilst integrating national, provincial and local policies and programmes into a singular, target orientated and long term-based plan. The Plan drives a collective approach to improving the lives of each citizen and communities as a collective themselves have a specific role to play in this regard. The Spatial component of the NDP, which is the

Integrated Urban Development Framework (IUDF) provides a macro spatial context for urban development. These will also include the SIP projects. Projects identified as catalytic restructuring projects that would change spatial form of municipalities that budgeted for in the MTREF.

TOWARDS AN INTEGRATED URBAN DEVELOPMENT FRAMEWORK (IUDF)

One of the key objectives of government is to facilitate economic growth, job creation, reduce poverty and income inequality. The framework for integrated urban development is a key governmental initiative to realise this objective because it leverages the potential of our cities and towns, which are South Africa's engines of growth and job creation. Urban areas offer the advantages of economic concentration, connectivity to global markets, the availability of new technologies and the reality of knowledge economies. Given the challenges that urban areas face, there is a need to forge a sustainable growth vision for our urban and rural spaces that will guide our development priorities and choices. The framework identifies key levers, such as the Municipal Support Programme, which can provide lessons of shaping economic incentives and capacity building for spatial integration in municipalities as well as raising awareness of green municipality practices for protecting the environment and managing the impact of climate change.

MEDIUM TERM STRATEGIC FRAMEWORK

The MTSF is the government's five-year implementation plan of its strategic plan, the National Development Plan (NDP) for the period 2019-2024. The implementation of the National Development Plan (NDP) is structured around 7 priority outcomes which cover the focus areas identified in the NDP and Government's electoral mandate. This include education, health, safety and security, economic growth and employment, skills development, infrastructure, rural development, human settlements, local government, environment, international relations, public sector, social protection, nation building and social cohesion.

NATIONAL PRIORITIES, STATE OF THE NATION ADDRESS (2022) – President Republic South Africa Priorities for the State of the Nation Address can be summarised as follows:

National State of Disaster

The President announced on Tuesday 22 March 2022 that the State of National Disaster will be extended to 15 April 2022 when Cabinet will report on the review of the State of Disaster.

At present all spheres of government and public realises and experience the effects of the State.

Creating Conditions for Private Sector Investment

Load shedding and high cost of doing business continue to affect the economy, investment promotion and job creation. Government has to create the environment for businesses to invest, grow and employ more people. SA's problems are structural and also being affected by lack of broadband spectrum, power shortages, poor infrastructure. Government to implement far-reaching reforms to unlock investment, reduce cost of doing business and increase competitiveness. Electricity crisis one of the greatest threats to economic revival and growth.

Water Infrastructure

Government to prioritise institutional reforms to ensure future water security, investment in water resources and maintenance of existing assets. Government has also embarked on the process of institutional reform in capacitating the Department of Water and Sanitation and reviewing water boards in as far as their mandates are concerned and ensuring that they serve municipalities in terms of the District Development Model. The Minister of Water and Sanitation, who visited every water source in the country, champions the reforms. A comprehensive turnaround plan was implemented to streamline the process for water use license

applications. The target is to clear the backlog of applications by June 2022 and to process 80% of all applications within 90 days during the next financial year. In addition, legislation for the establishment of the National Water Resources Infrastructure Agency will be published for public comment within the next month.

SMME Growth

Government to implement measures to unleash the potential of small businesses, micro businesses and informal businesses. Has also started discussions with social partners as part of the social compact process to review labour market regulations for smaller businesses to enable them to hire more people, while continuing to protect workers' rights. A new, redesigned loan guarantee scheme is being introduced to enable small businesses to bounce back from the pandemic and civic unrest. Red tape team led by CEO Siphon Nkosi being established to review red tape affecting the SMMEs and recommend on how these can be streamlined.

Infrastructure

Energy, road, water management projects to be prioritised under the R100 billion Infrastructure Fund, focusing on water, sanitation, and student accommodation among other projects. The Infrastructure Fund is now working with state entities to prepare a pipeline of projects with an investment value of approximately R96 billion in student accommodation, social housing, telecommunications, water and sanitation and transport. Several catalytic projects worth R21 billion are expected to start construction this year. Of this, R2.6 billion is contributed by government and the balance from the private sector and developmental finance institutions. Government will make an initial investment of R1.8 billion in bulk infrastructure, which will unlock seven private sector projects valued at R133 billion.

Social Infrastructure Mechanism

Focus will be on school infrastructure and speed up delivery of infrastructure including building new schools in rural areas. Government is introducing an innovative social infrastructure delivery mechanism to address issues that afflict the delivery of school infrastructure. The mechanism will address the speed, financing and funding, quality of delivery, mass employment and maintenance. The new delivery mechanism will introduce a Special Purpose Vehicle, working with prominent DFIs and the private sector, to deliver school education infrastructure.

Localization Plans

An important pillar of our Economic Reconstruction and Recovery Plan is to revitalise our manufacturing base and create globally competitive export industries. In the past year, we launched new master plans in the steel industry, furniture and global business services. Through these plans, business, government and labour are working together to increase production and create more jobs in the sector.

Energy

Over the next few years, new energy generation projects will be coming online, including several renewable energy projects. Of these projects, include 2,600 MW from Bid Window 5 of the renewable energy programme; 2,600 MW from Bid Window 6 of the renewal energy programme, which will soon be opened and 3,000 MW of gas power and 500 MW of battery storage.

Eskom, also established a separate transmission subsidiary, and unbundling will complete by December 2022. The utility has continued with its intensive maintenance programme, to reverse many years of neglected

maintenance and underperformance of existing plants. To regulate all of these reforms, Cabinet yesterday approved amendments to the Electricity Regulation Act for public

Public and Social Employment

A revitalized National Youth Service will recruit its first cohort of 50,000 young people during the next year, creating opportunities for young people to contribute to their communities, develop their skills and grow their employability. The Department of Higher Education and Training will place 10,000 unemployed TVET graduates in workplaces from April 2022.

STATE OF THE PROVINCE ADDRESS (2022) – Premier Western Cape

Normalization of COVID-19 response and looking into the future

The provincial response must continue to be evidence-lead and data driven. Despite having the highest number of cases at the peak of the pandemic, the hospitalizations, oxygen usage and deaths remained relatively low in the province.

Dignity through Jobs and Safety

Facilitating private sector investment that create jobs. Investing in catalytic infrastructure to respond to private sector investment in order to create business growth.

Economic Infrastructure

Investing in assets that facilitate economic growth inclusive of quality roads that enable goods to be transported and sold at home.

Social Housing Infrastructure

Creating social housing opportunities close to economic hubs.

Sustainable growth

Western Cape Climate Change Response Strategy – Vision 2050 sets out the Western Cape Government’s commitment to building a resilient, non-carbon future in a sustainable way.

DISTRICT DEVELOPMENT MODEL (ONE PLAN)

The President launched the District Development Model Planning Approach in 2019. The district-driven development model directs the turning of plans into action and ensuring proper project management and tracking. District Development Model will be pursued through single and integrated plans per district synchronised with Integrated Development Plans in municipalities. The plans will elaborate the key transformation processes required to achieve long-term strategic goals and a desired future in each of the 44 districts and eight (8) metros. Each district plan will outline the role of each sphere of government, prioritising the following:

Managing urbanisation, growth and development;

Supporting local economic drivers;

Accelerating land release and land development;

Investing in infrastructure for integrated human settlement, economic activity and the provision of basic services; and Addressing service delivery in municipalities.

The municipality is currently developing the One Plan for the municipality. A detailed diagnostic has been developed for the municipality with key elements listed in the situational analysis, as and when various

components of the One Plan are approved via the existing institutional mechanisms, they would be incorporated into the municipal IDP.

WESTERN CAPE PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK

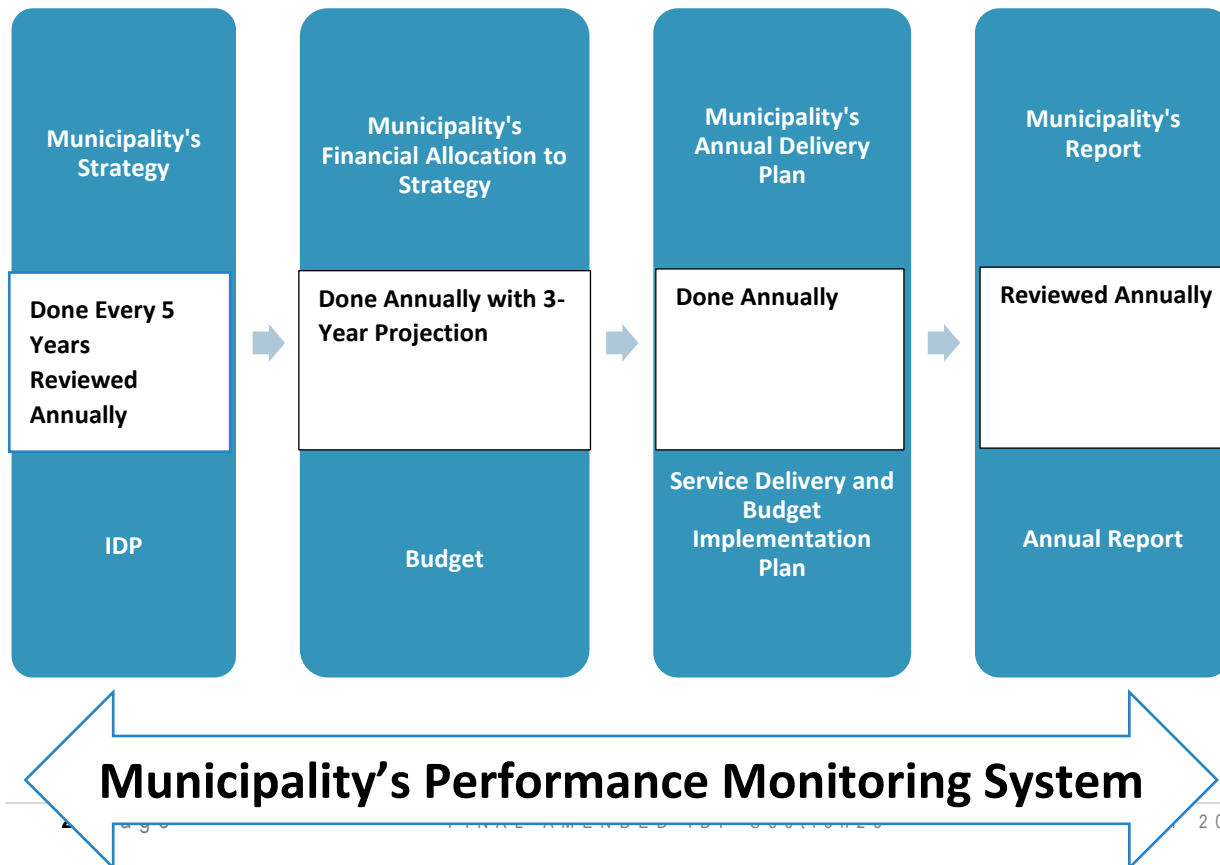
The PSDF focusses on One Cape 2040’s vision of “a highly-skilled, innovation driven, resource efficient, connected, high opportunity and collaborative society”.

The PSDF envisages the spatial expression of these themes as follows:

- Educating Cape.
- Working Cape
- Enterprises in these markets.
- Green Cape
- Safeguard their ecosystems.
- Connecting Cape
- Living Cape and
- Leading Cape

CHAPTER 3 IMPLEMENTATION OF THE IDP

The IDP drives the strategic development of the Municipality and the budget influences the strategic objectives identified in the IDP. The Service Delivery Budget Implementation Plan (SDBIP) gives effect to the Municipality’s programmes and projects based on the IDP targets and associated budgets. The performance of the Municipality is reported on, on a quarterly basis to Council and the public in the form of a non-financial and financial report against the targets set in the SDBIP. An annual report is developed and presented to the Auditor General for audit and thereafter to Council for approval.



Annual Report

The annual report is a collection of the year's activities as recorded by the scorecard, the budget and the quarterly targets.

Municipality Performance Monitoring & Evaluation System

The Municipality sets broad five-year targets that are assessed on annual basis. Five-year targets is a result of what the newly established Council sets itself to achieve. The performance management system is broken down into the development of the individual performance plans for senior management and the revision of the municipal scorecard. The individual performance of senior management in accordance with performance plans are assessed quarterly and annually by a Performance Evaluation Committee in compliance with the municipality's Performance Management Policy. Municipal scorecard links with the national KPAs and against the Strategic Objectives of the IDP.

THE FIVE NATIONAL KEY PERFORMANCE AREAS ARE:

1. Basic Service Delivery
2. Local Economic Development (LED)
3. Good Governance and Public Participation
4. Municipal Institutional Development and Transformation
5. Municipal Financial Viability and Management

Organisational Structure to deliver on our Strategy

It is important that an organizational structure, capable of implementing the strategy, is in place. **The detailed organogram is included in the IDP Chapter on implementation. Not all Director posts are filled.**

The SDBIP

The implementation of the Municipality’s IDP over the 2022/23 financial year finds expression through the Service Delivery Budget Implementation Plan (SDBIP). The SDBIP is the implementation tool used to align the budget with the IDP. The focus of the SDBIP is both financial and non-financial measurable performance objectives in the form of service delivery

targets and other performance indicators. At the end of each of the strategic objectives in Chapter 3 a summarized version of the SDBIP is included.

Municipality’s Capital and Operating Budget to deliver on our Strategy (*information will be included after the tabled draft budget*)

IDP Strategic Objective	2022/2023 Financial Year			2023/2024 Financial Year			2024/2025 Financial Year		
	Operating	Capital	Revenue	Operating	Capital	Revenue	Operating	Capital	Revenue
To Improve and maintain current Basic Service delivery through specific infrastructural development projects	598,802	93,295	633,595	622,261	108,161	672,357	625,256	169,524	731,398
To promote a safe and healthy environment through the protection of our natural resources	146,997	10,315	128,225	153,314	3,324	133,866	162,185	7,991	139,890
To create an enabling environment for social development and economic growth	6,930	1,200	1,596	7,074	3,170	1,666	7,418	640	1,741
To encourage the involvement of communities in the matters of local government through the promotion of open channels of communication	54,845	795	5,082	57,982	5	5,227	60,553	5	5,418
To structure and manage the municipal administration to ensure efficient service delivery	182,556	9,815	333,082	196,609	12,490	347,553	207,342	5,910	364,169
To grow the revenue base of the municipality	71,144	2,155	6,947	76,364	2,325	7,227	79,727	3,325	7,473
TOTAL	1,061,275	117,574	1,108,527	1,113,606	129,475	1,167,896	1,142,482	187,396	1,250,089

CHAPTER 1: SITUATIONAL ANALYSIS

1.1 Geography

Knysna Municipality is located on the Southern coast of the Western Cape Province and forms part of the Garden Route District Municipality. The municipality is approximately 500 kilometres east of Cape Town and 267 kilometres west of Port Elizabeth. Knysna Municipality is renowned for its appealing natural resources such as the estuary, mountains, farmland, forests, valleys, lakes, and beaches, which attract scores of domestic and international tourists to the area. The Greater Knysna Municipal Area (GKMA) covers a total of 1, 059 km² that stretches from Swartvlei in Sedgefield in the West to Harkerville in the east. The municipal area is bordered by the Outeniqua Mountains in the North and the Indian Ocean in the south. Geographically, the N2 highway forms the spinal cord of Knysna town and is strategically located around the estuary. The area enjoys a mild climate with an average annual rainfall of approximately 750 mm and the temperature ranges from 8°C in winter to 28°C in summer making it a favourite holiday and retirement destination throughout the year. The demarcation of the Knysna municipal area is illustrated on the map below:

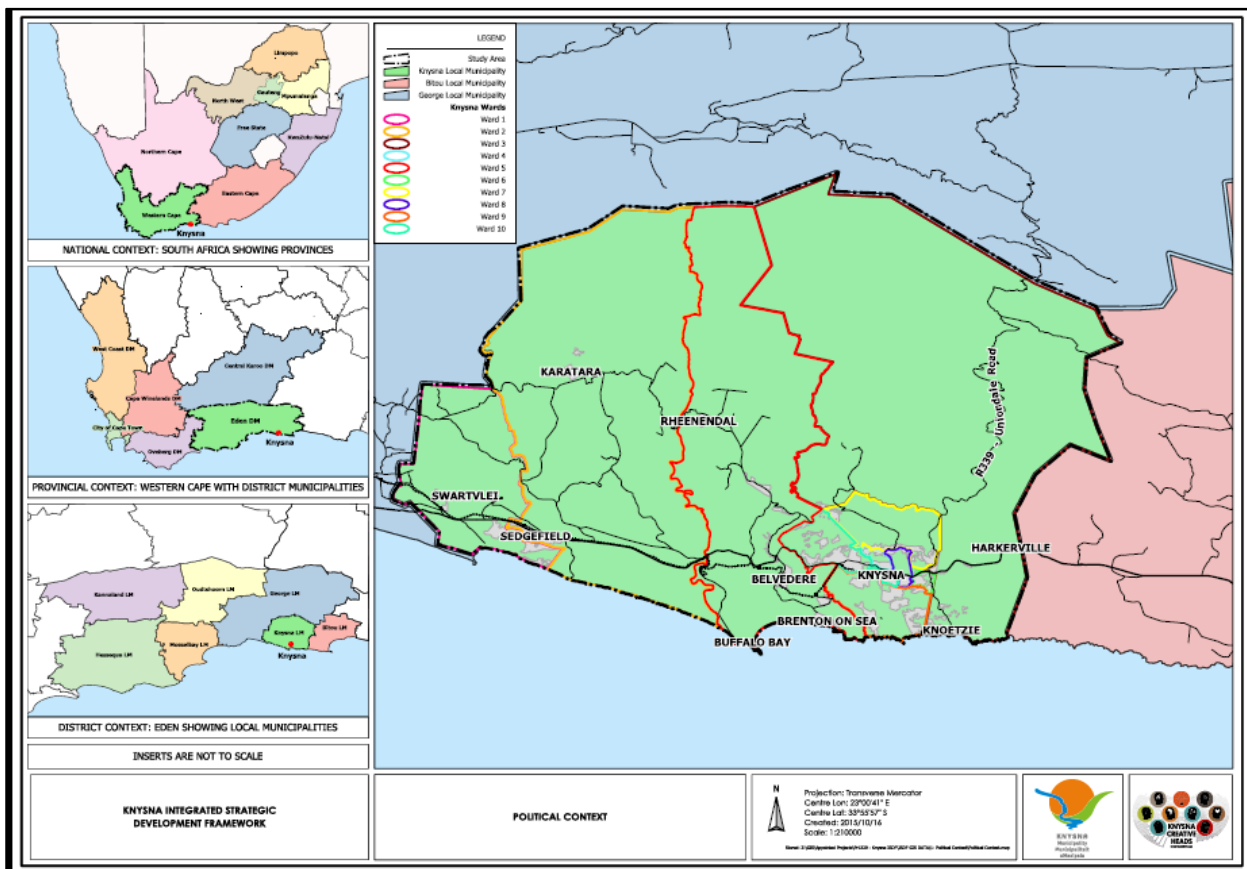
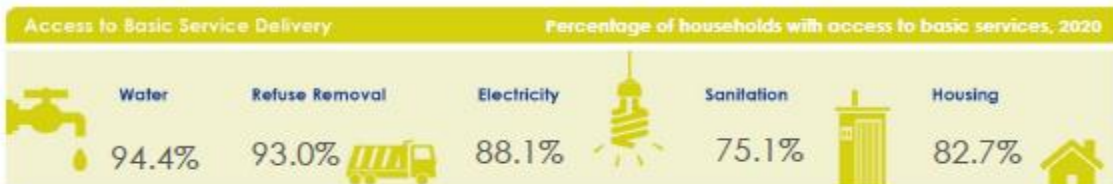
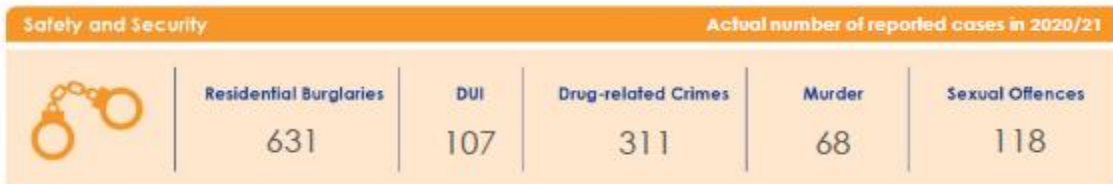
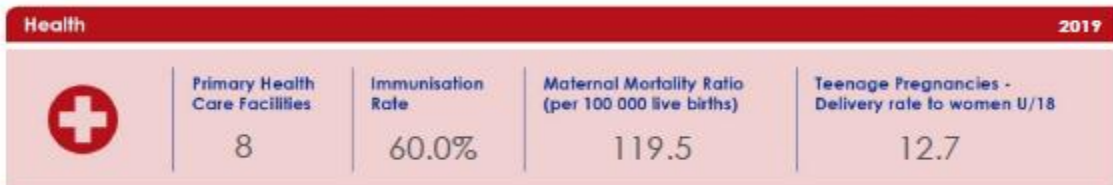
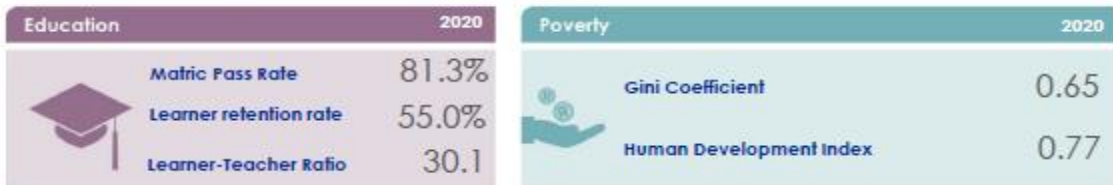


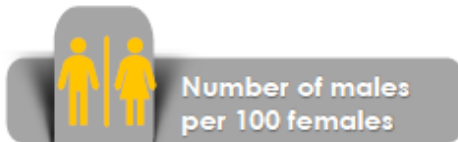
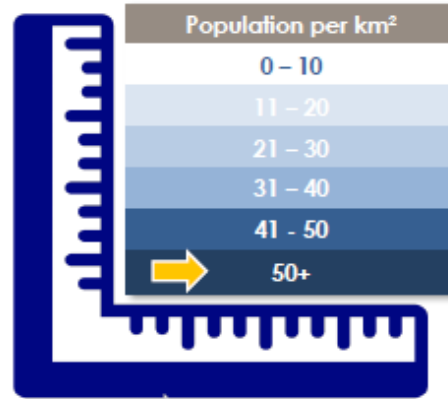
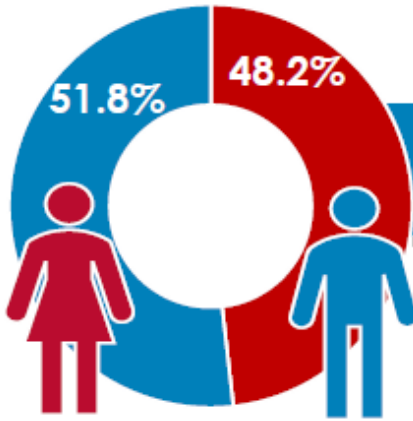
Figure 1: Great Knysna Municipal Area showing local municipality demarcations

Knysna: At a Glance

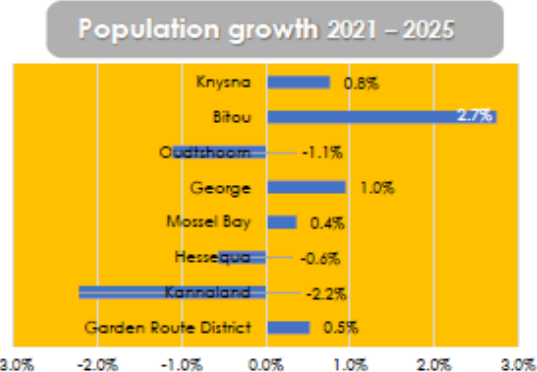
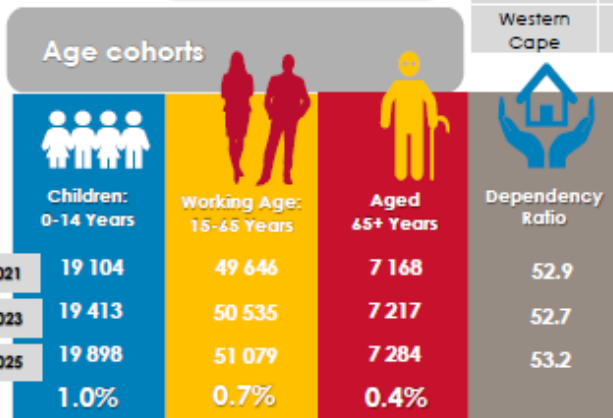
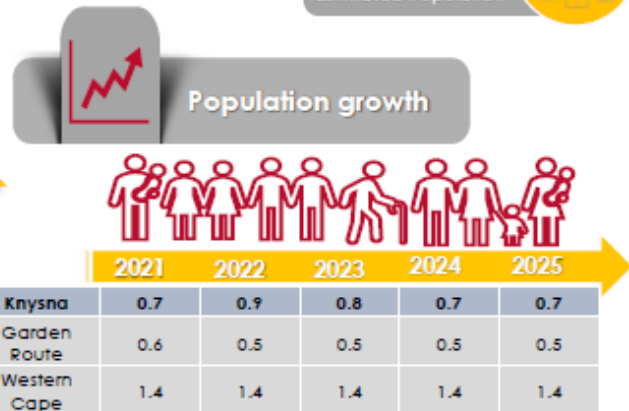
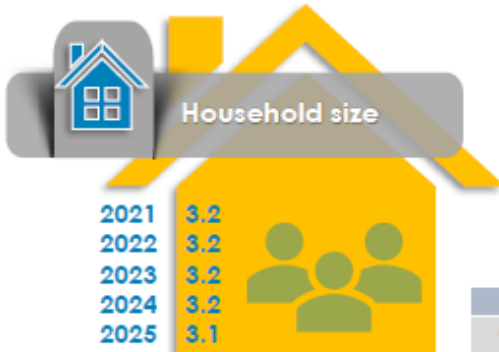


Knysna

DEMOGRAPHICS



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



2021 Socio-Economic Profile: Knysna Municipality

1.1.1 Demographics

1.1.1.1 Population

The population of Knysna is 75 918 people in 2021, making it the fourth smallest population in the Garden Route District. This total is expected to grow to 78 262 by 2025, equating to an average annual growth rate of 0.8 per cent.

1.1.1.2 Sex Ratio

The overall sex ratio (SR) depicts the number of males per 100 females in the population. The data indicates that there are slightly more females than males in the Knysna Municipal Area with a ratio of 51.8 per cent (females) to 48.2 per cent (males). The number of males per 100 females for Knysna is expected to increase slightly year on year towards 2025 which could be attributed to in-migration of working males to the Knysna municipal area.

1.1.1.3 Age Cohorts

Between 2022 and 2025, the largest population growth is projected in the 0-14 years age cohort which is expected to grow at an annual average rate of 1.0 per cent; followed by the 15-65 years of age cohort which is expected to grow at an annual average rate of 0.7 per cent and 0.4 per cent for the aged population. These predicted growth rates will increase the dependency ratio from 52.9 in 2021 to 53.2 in 2025. Higher dependency places strain on the income of the working age population.

1.1.1.4 Household Sizes

Household size refers to the number of people per household. The actual size of household is projected to decline from 3.2 people per household in 2021 to 3.1 in 2025. Contributing factors to a reduction in household size could include, but are not limited to, lower fertility rates, ageing population, construction of smaller households, etc. Smaller household sizes often lead to a greater demand for housing as the population grows.

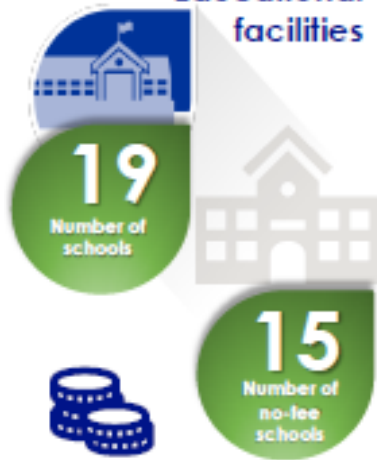
1.1.1.5 Population Density

Amidst rapid urbanisation across the Western Cape, population density figures will aid public sector decision makers to mitigate environmental, individual health and service delivery risks. In 2021, the population density of the Knysna Municipal area was 69 persons per square kilometre. In order of highest to lowest, the various local municipal areas in the GRD compares as follows:

Kannaland	5 people/km ²
Hessequa	9 people/km ²
Oudtshoorn	26 people/km ²
George	43 people/km ²
Mossel Bay	48 people/km ²
Bitou	70 people/km ²
Knysna	69 people/km²

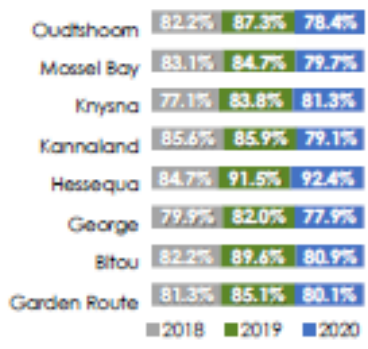
EDUCATION

Educational facilities

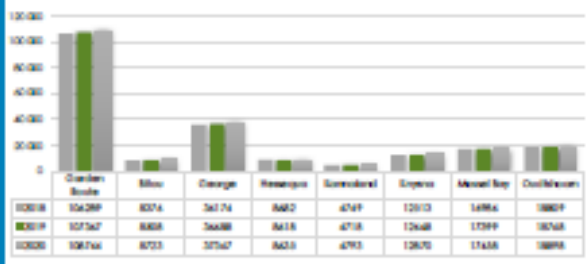


12 Number of schools with libraries

Education outcomes



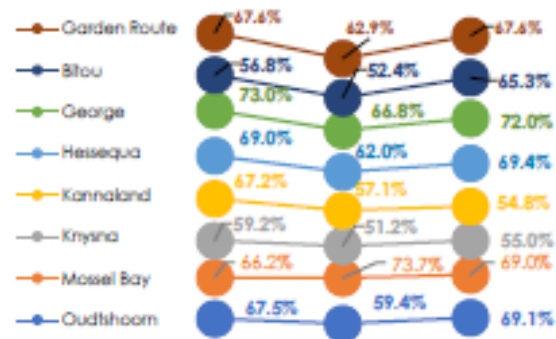
Learner enrolment



Learner-Teacher Ratio 2018 -2020

Municipality	2018	2019	2020
Garden Route	30.1	30.1	30.1
Bitou	32.22	32.3	32.3
George	29.9	29.6	29.9
Hessequa	28.6	28.9	29.0
Kannaland	31.4	31.6	30.9
Knysna	30.0	30.3	30.1
Mossel Bay	30.2	30.2	30.2
Oudshoorn	30.0	29.7	29.5

Learner retention



1.2. Education

1.2.1 Learner Enrolment, the Learner-Teacher Ratio, and Learner Retention Rate

Learner enrolment in Knysna increased by 0.9 per cent annually from 12 513 in 2018 to 12 870 in 2020. This annual average increase is higher than the District annual average growth rate of 1.1 per cent and is reflective of the high 0-14 age population growth rate. The learner teacher ratio is at 30.1 and is on par with the GRD retention rate and has been stagnant since 2018. The learner retention rate in Knysna is on a downward trend, declining from 59.2 per cent in 2018 to 55.0 per cent in 2020 and is the second lowest in the District.

1.2.2 Number of Schools

In 2020, Knysna had a total of 19 public ordinary schools. The number of schools contributed to the relatively high learner teacher ratio when compared to the other municipalities in the District.

1.2.3 Number of No-Fee Schools

Given the tough economic climate, schools have been reporting an increase in parents being unable to pay their school fees. In an effort to alleviate some of the funding challenges, the Western Cape Department of Education (WCED) offered certain fee-paying schools an opportunity to become no-fee schools. The Knysna municipal area has an increasing proportion of no fee schools, with 78.9 per cent of schools registered with the Western Cape Department of Education as no-fee schools in 2020. Note that Knysna has the fourth lowest proportion of no fee schools in the District.

1.2.4 Schools with Libraries and Media Centres

Schools with libraries and media centres has gradually decreased from 13 in 2018 to 12 in 2020. Access to libraries and media centres can have a positive impact on the overall quality of education.

1.2.5 Education Outcomes (Matric Pass Rates)

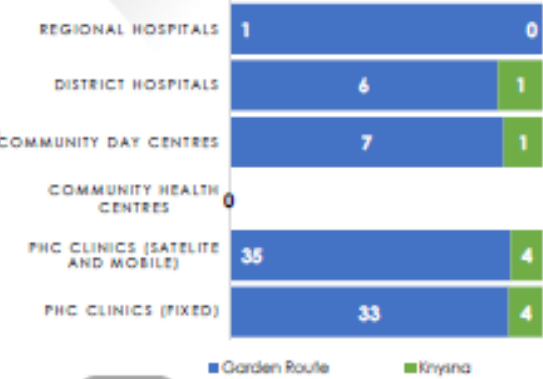
Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagement in the labour market, policy choices and decisions in the sphere of education play a critical role in determining the extent to which future economic and poverty reduction plans can be realised. Knysna's matric outcomes fluctuated from 77.1 per cent in 2018 to 83.8 percent in 2019 and declined to 81.3 per cent in 2020, however, the pass rate exceeds the district average performance for the same period.

HEALTH

Tuberculosis



Healthcare facilities



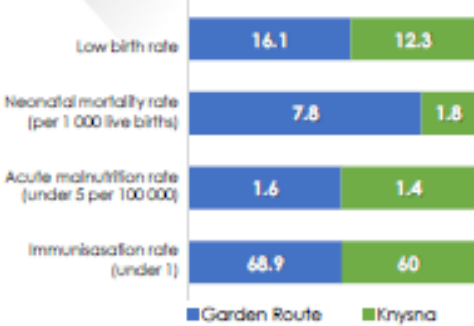
Maternal health

	Maternal Mortality Rate		Delivery rate to women under 20 years		Termination of pregnancy rate	
	2019/20	2020/21	2019/20	2020/21	2019/20	2020/21
Knysna	0.0	119.5	11.7	12.7	0.6	0.6
Garden Route District	33.4	121.5	15.6	14.7	0.6	0.5

Emergency medical services

Health Indicator	Knysna	Garden Route
BMS Operational Ambulances	2	28
No. of operational ambulances per 10 000 people	4	2

Child health



HIV/AIDS

Area	Registered patients receiving ART		Number of new ART patients	
	2019/20	2020/21	2019/20	2020/21
Knysna	4 265	4 624	356	301
Garden Route	25 738	26 996	2 576	2 068

1.3 Health

1.3.1 Healthcare Facilities

According to the 2019 Inequality Trend report by Statistics South Africa, 75.1 per cent of household in South Africa usually use public healthcare facilities when a household member is ill compared to 24.9 per cent who use some private healthcare facilities in 2017. This is associated with the low proportion of households with access to Medical Aid, which low at 16.9 per cent for South Africa and 25 per cent for the Western Cape in 2017. In terms of healthcare facilities, the Knysna municipal area had eight primary healthcare clinics in 2020/2021, which comprises of four fixed and four mobile clinics. In addition, there is one district hospital and one community day centre.

1.3.2 Emergency Medical Services

Provision of more operational ambulance can provide greater coverage of emergency medical services. Knysna has four ambulances per 10 000 inhabitants in 2020 which is more than the District average. It is worth noting that this number only refers to Provincial ambulances and excludes all private service providers.

1.3.3 HIV/AIDS/TB

Knysna's total registered patients receiving ARTs increased by 359 patients between 2019/2020 and 2020/2021. A total of 26 996 registered patients received ART in the Garden Route District in 2020/2021. Knysna, at 4 624 patients, represents 17.1 per cent of registered patients receiving ART in the Garden Route District. The number of new ART patients recorded was 301 in 2020/2021.

The Knysna municipal area experienced an escalation of reported tuberculosis (TB) cases from 2018/2019 to 2019/2020 from 588 to 599 then the number of TB cases declined to 431 in 2020/2021.

1.3.4 Child Health

Immunisation rates in the Knysna municipal area is at 60.0 per cent and is lower than that of the Garden Route District at 68.9 per cent in 2020/2021. The Immunisation rate for Knysna has however increased significantly from the 2017/2018 rate of 50.4 per cent.

The number of malnourished children under five years (per 100 000) in Knysna in 2020/2021 was 1.4, a deterioration from the 2019/2020 rate of 0.1. The neonatal mortality rate (per 1000 live births) in the Knysna municipal area improved from 5.8 in 2018/2019 to 1.8 in 2020/2021.

1.3.5 Maternal Health

The maternal mortality rate in the Knysna municipal area was 119.5 per 100 000 live births in 2020/2021 and has increased significantly from 0.0 in 2019/2020. The maternal mortality rate is lower than the Garden Route District rate of 121.55 as recorded in 2020/2021.

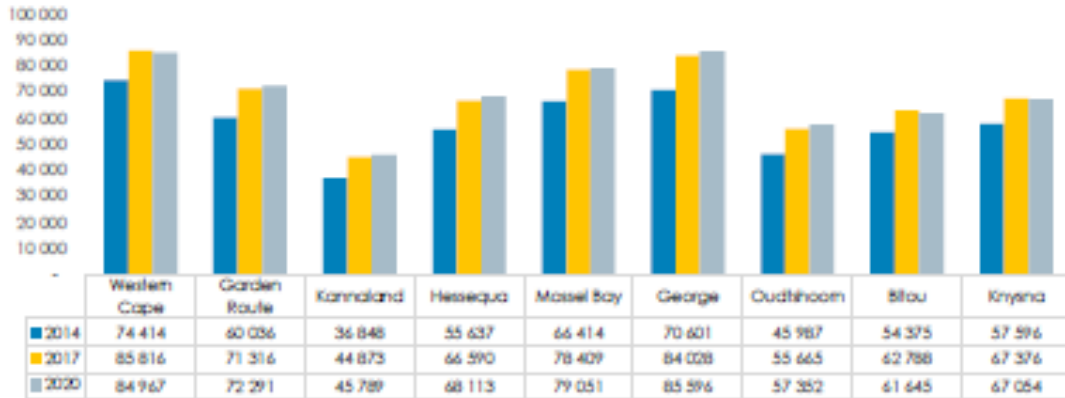
The delivery rate to women and under 19 years in Knysna was recorded in 12.7 per cent in 2020/2021 and is slightly lower than the District rate of 14.7 cent. Teen delivery is on a downward trend in the Knysna municipal area, declining from 55.7 per cent in 2016/2017.

The termination of pregnancy rate has remained constant at 0.6 per cent in 2019/2020 and 2020/2021 within the Knysna municipal area. Conversely, the District had a higher teen delivery rate but lower levels of terminations.

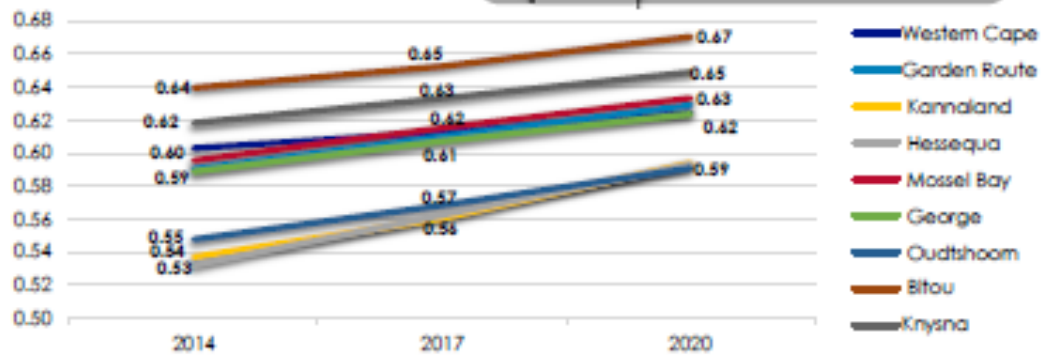
POVERTY



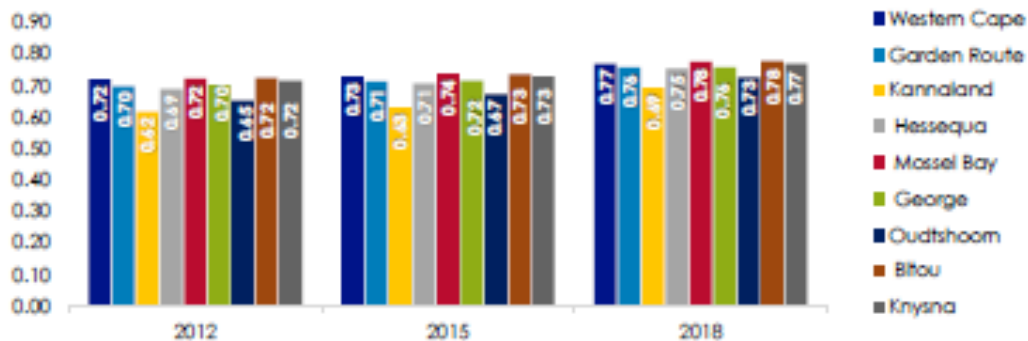
GDP per capita



Income inequality



Human development



1.4 Poverty

1.4.1 GDP per capita

An increase in real GDP per capita, i.e. GDP per person, is experienced only if the real economic growth rate exceeds the population growth rate.

At R67 054 in 2020, Knysna's GDP per capita are below that of the GRD's figure of R72 291 and the Western Cape figure of R84 967. It is positive to note that the GDP per capita has been on an upward trend, despite the sluggish economy.

1.4.2 Income inequality

Even though real GDP per capita reflects changes in the overall well-being of the population, the money will not be equally distributed across the population. The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality has increased in Knysna from 0.62 in 2014 to 0.65 in 2020 and is therefore higher than the 2030 NDP goal. It is however slightly lower than the GRD Gini coefficient of 0.63.

1.4.3 Human development

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

There has been a general increase in the HDI in the Knysna municipal area from 0.70 in 2012 to 0.77 in 2018. The trend for the Garden Route District has been similar. The rise in the HDI is attributed to an increase in the GDP per capita, literacy rates and life expectancy since 2012.

2. Good Governance

During the past 5 years, the municipality has experienced good progress towards ensuring good governance. There is a realisation that being responsive to local conditions and demands is at the core of creating effective and accountable governance that can enable the municipality to change the socioeconomic conditions of the citizens. Although a lot of progress has been achieved with regards to these aspects, there is still a lot required to ensure that these traits are deeply entrenched within the municipality.

With regards to being responsive to local conditions and demands, the municipality has implemented a number of programmes to enable it to listen to what people on the ground want and respond to it, and ensure that policies respond to the needs of the citizens of Knysna Municipality. Processes for citizen engagement have been put in place, systems for internal and external communication with communities and citizens have been put in place. There are also systems in place to ensure accountability, efficiency, and effectiveness of the Municipality.

2.1 Public Participation and Stakeholder Engagement

A programme to create integrated mechanisms, processes, and procedures for citizen participation have been implemented. This include creating stakeholder engagement forums, Community based planning, ward committees, support to vulnerable groups to encourage their participation in local communities.

2.1.1 Community Based Planning

Community Based Planning (CBP) is an approach to participatory planning that has been designed to promote and advance community action. It is dynamically linked to the statutory Integrated Development Plan (IDP) and Budget process. CBP as a process, enables the greater involvement of stakeholders in the development of credible IDP. It therefore, seeks to ensure that the municipal annual budget is guided by the priorities of the wards. CBP process is planned for Council in preparation for the new 5-Year IDP. The development of ward-based plans will be instrumental in creating a credible IDP and strengthened ward programs under leadership of Ward Councillors.

2.1.2 Ward Committees

Ward Committees are a legislated structure provided for to enhance public participation by giving community members a voice towards community development initiatives within Wards. The Municipality has established Ward Committees, in all 11 wards of Knysna Municipality. All elected ward committee members will be undergoing an induction program on Municipal processes in pursuit to better equip them to carry out their respective responsibilities.

Ward Committees are operational in all Wards, with administrative support provided by the Public Participation Unit, through Secretariat and Office of the Speaker Departments.

The Municipality Administration Unit will continuously strive to improve systems and procedures to support Ward Committees to ensure that their participation enhances community participation, and the intended interface between Council and Communities.

2.2 Communication

The Municipality has committed itself to effective communication with its stakeholders to ensure all share its vision and to meet the information needs of the residents. To achieve this, the Municipality has a multi-approached strategy to disseminate information and to reach as many people as possible. The strategy ensures a two-way communication system, designed to not only communicate to communities, but also have dialogue with residents. The Municipality engages various communication platforms at multiple levels to build awareness of the municipality's programmes and foster active stakeholder involvement in municipal governance processes. A communication policy is also in place to ensure that communication takes place in a more coordinated way. The following communication platforms are used to communicate with residents:

1. Knysna Municipality Newsletter
2. Social media (YouTube, Twitter, Facebook)
3. Radio
4. Website

2.3 Internal Audit

The Municipality has an Internal Audit Unit, which functions under the management and control of the Municipal Manager. As guardians of good governance, Internal Audit is an independent audit activity within Knysna Municipality that provides independent and objective assurance, designed to add value and improve the Municipality's operations. It assists the Council to accomplish its objectives by applying a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management, and Control processes, in accordance with the International Standards for Professional Practice of Internal Auditing; and further espoused by King and Municipal Finance Management Act (MFMA), 2003 (Act 56 of 2003). The approved Internal Audit Charter, clearly defines roles and responsibilities of Internal Audit.

The establishment of Audit Committee of Knysna Municipality is in accordance with Section 166 of the MFMA and is functional. It has an approved Audit Committee Charter with clear roles and responsibilities. It reports to EXCO/Council at least twice annually. The Audit Committee handles a separate meeting focusing on Performance Management and audit of performance information and Risks linked to performance. It also oversees the performance monitoring of contracts above R10million. The Internal Audit unit verifies and validates an audit log, presenting it to the Audit committee on a quarterly basis.

2.4 Risk Management

The municipality has an established Risk Governance Model, with various structures that performs Assurance, Stewardship and Oversight roles. There is a recently reviewed Enterprise Risk Management (ERM) policy and framework, in order to align with integrated reporting and best practice, taking into account municipal strategic goals defined in the IDP. Strategic and operational risk profiles are developed annually, reviewed, monitored, and reported on an ongoing basis to recognize emerging, materialized and avoided risks as well as opportunities. The municipality measures its risk maturity in line with National Treasury levels to ensure continuous improvement.

2.5 Anti-Fraud Strategy

The political leadership continues with the effort root out corruption and maladministration within the municipality. The implementation of the fraud risk management strategy continues as planned. The strategy includes a training and awareness campaign to ensure that communities know and are aware of their rights so that they are able to take action when there is an abuse of their rights and/or their rights remain unmet. Part

of fraud prevention is the promotion of an ethical culture within the Municipality. The Municipality has a toll-free hotline where the citizens can report any unbecoming conduct and/or conduct that result in improper prejudice regarding the affairs of the Municipality. The municipality processes all reported matters for investigation. The Municipality has also set up an Independent Disciplinary Board for Financial Misconduct cases. This board ensures the implementation of all recommendations from the investigative unit.

2.6 Performance Monitoring and Evaluation

The monitoring and evaluation of the performance of the organisation and its employees is critical for the Municipality. Supported by various legislation and regulations, the Performance Monitoring and Evaluation Unit of the Municipality, monitors the key performance indicators, programmes, and projects, which aim to achieve the goals, articulated in the Integrated Development Plan (IDP) of the Municipality.

The Service Delivery Budget Implementation Plan (SDBIP) is the tool, which monitors the progress of actual delivery and budget, spend on the various projects and programmes, undertaken by the Municipality in order to achieve its IDP goals. The municipality applies the principles of the Balanced Scorecard methodology when developing the SDBIP. Furthermore, an Individual Performance Management System is in place for Senior Management, as well as employees within the municipality. The introduced Evaluations section evaluates projects, programmes, and policies in the municipality, identifying value for money, as well as value add to the community. A dashboard of operational indicators is also included within the Evaluations component. The various methods of Monitoring and Evaluation are important to ensure the achievement of the objectives of the Municipality timeously, enabling the municipality to address its challenges.

2.7 Declaration of Interest (DOI)

All employees of Knysna Municipality are required to complete and submit their disclosure of interest forms (DOI) upon engagement by the municipality. Thereafter, it is a compulsory requirement for all employees to submit their DOI for every three-year compliance period, or update quarterly if applicable, whether or not they are engaged in private business or work. The Municipal Manager and Directors are required in accordance with regulation 4(d) of the Local Government: Municipal Performance Regulations for municipal managers and managers directly accountable to municipal managers, 2006 submit their DOI annually.

In terms of section 4 (2) of Schedule 2 of the Municipal Systems Act, employees may not be engaged in any business, trade or profession other than the work of the municipality, except with the prior consent of the municipality. Section 4 (3) of Schedule 2 of the Municipal Systems Act, provides that no staff member of a municipality may be party to or beneficiary under a contract for the provision of goods or services to any municipality or any municipality entity established by a municipality.

BASIC SERVICE DELIVERY



Total number of households

23 092

Knysna Municipality

175 680

Garden Route District

Formal main dwelling

16 650

Knysna Municipality

145 268

Garden Route District

72.1%

82.7%



63.1% Knysna
78.1% Garden Route
House/brick structure
on separate stand/yard



6.4% Knysna
0.7% Garden Route
Traditional dwelling



6.7% Knysna
6.2% Garden Route
Flat/apartment/duplex/
house or room/flat
on shared property



1.5% Knysna
1.2% Garden Route
Other/Unspecified



1.8% Knysna
1.5% Garden Route
House/flat/room in
backyard



4.2% Knysna
6.2% Garden Route
Informal dwelling in
backyard



19.4% Knysna
9.2% Garden Route
Informal dwelling
not in backyard



Piped water inside
dwelling/within 200m

Knysna 94.4%
Garden Route 95.2%



Electricity as primary
source of lighting

Knysna 88.1%
Garden Route 90.7%



Rush/chemical toilet

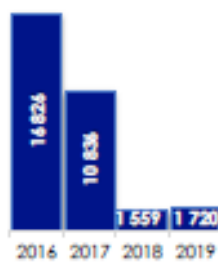
Knysna 75.1%
Garden Route 85.1%



Refuse removed at least
once a week

Knysna 93.0%
Garden Route 86.5%

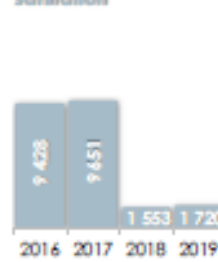
Free basic water



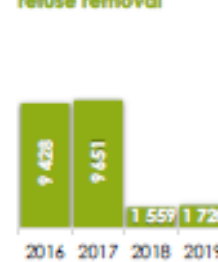
Free basic electricity



Free basic sanitation



Free basic refuse removal



3.1 Basic service delivery

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

The latest official statistics was collect by Statistics South Africa from the 2016 Community Survey; the 2021 Census will provide the updated official statistics. The municipality obtains information on free basic services from Statistics South Africa's Non-Financial Census of survey findings.

3.1.1 Housing and household services

With 23 092 households in the Knysna municipal area, only 72.1% had access to formal housing, the second lowest when compared with other municipalities in the Garden Route District, the district average was 82.7 per cent. Considering the high level of households living in informal dwellings (27.9 per cent), access to formal housing is a challenge in the Knysna municipal area.

Though there was a relatively low proportion of households living in formal dwellings, service access levels were significantly higher. Access to piped water inside/within 200m of the dwelling was at 94.4 per cent, access to a flush or chemical toilet at 75.1 per cent, access to electricity (for lighting) at 88.1 per cent and the removal of refuse at least weekly by local authority at 93.0 per cent of households. These access levels were below the District averages for all services excluding access to refuse removal.

3.1.2 Free basic services

Municipalities also provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. The number of households receiving free basic services in the Knysna municipal area has shown a huge decline from 20196 to 2019 in all services. The stressed economic conditions exert pressure on household income levels, which is in turn likely to see the number of indigent households and the demand free basic services increase in the upcoming years.

Knysna



MURDER		2018/19	2019/20	2020/21
Actual Number	Knysna	18	28	10
	Garden Route District	215	204	163
Per 100 000	Knysna	25	37	13
	Garden Route District	35	33	26

SEXUAL OFFENCES		2018/19	2019/20	2020/21
Actual Number	Knysna	118	140	118
	Garden Route District	1 070	991	838
Per 100 000	Knysna	158	185	155
	Garden Route District	173	159	133



DRUG-RELATED OFFENCES		2018/19	2019/20	2020/21
Actual Number	Knysna	682	728	311
	Garden Route District	7 300	5 790	3 534
Per 100 000	Knysna	915	966	410
	Garden Route District	1 181	927	563



DRIVING UNDER THE INFLUENCE		2018/19	2019/20	2020/21
Actual Number	Knysna	230	329	107
	Garden Route District	1 740	1 932	690
Per 100 000	Knysna	309	437	140
	Garden Route District	281	309	110



Fatal Crashes	Knysna	14	12	5
Road User Fatalities	Knysna	16	15	5

RESIDENTIAL BURGLARIES		2018/19	2019/20	2020/21
Actual Number	Knysna	689	710	631
	Garden Route District	5 156	4 844	3 990
Per 100 000	Knysna	925	942	831
	Garden Route District	834	776	635



3.2 Safety and Security

3.2.1 Murder

The Knysna unlawful and intentional killings (murder) of persons in the Knysna municipal area, murder rating (per 100 000 people) the number of murders fluctuated from 18 in 2018/2019 to 28 in 2019/2020 before declining to 10 in 2020/2021. The murder rate decreased from 37 in 2019/2020 to 13 in 2020/2021. The murder rate for the Garden Route District also declined (33 in 2019/2020 and 26 in 2020/2021) and is higher than that of the Knysna municipal area, 2017's global murder rate was 6.1 (per 100 000 people) and is significantly below the reports within both the District and the Municipality.

3.2.2 Sexual Offences

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

In 2020/2021 there were 118 sexual offences in the Knysna municipal area, equating to 155 cases per 100 000 people. It is on the decline from 2019/2020 but remains at higher levels than those reported in the GRD of 133 cases per 100 000 people. South Africa rates amongst the top five countries in the world of reported rape; it is a huge problem requiring redress.

3.2.3 Drug-Related Offences

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

Drug-related crime within the Knysna area halved from 682 cases in 2018/2019 to 311 cases in 2020/2021 and largely attributed to the decriminalisation of marijuana. When considering the rate per 100 000 people, it declined from 966 to 410 in Knysna. The District had a higher incidence of drug-related offences with 563 cases per 100 000 people in 2020/2021.

3.2.4 Driving Under the Influence (DUI)

A situation where the driver of a vehicle is over the legal blood alcohol limit.

The number of cases per 100 000 people of driving under the influence of alcohol or drugs in the Knysna area shows a declining trend from 437 in 2019/2020 to 140 in 2020/2021. The significant decline is largely due to the COVID-19 related restrictions on alcohol and the implementation of curfews. The declining trend in DUI's in Knysna showcases road user fatalities, declining from 16 fatalities in 2018/2019 to five fatalities in 2020/2021. The incidence of DUI's is slightly higher than the District which had an incidence rate of 110 per 100 000 people in 2020/2021.

3.2.5 Residential Burglaries

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

The 2020/2021 crime statistics released by SAPS and Stats SA indicate that the number of residential burglaries increased by 6.3 per cent in South Africa from 2019/2020. Residential burglary cases within the Knysna municipal area however decreased significantly by 8.4 per cent from 689 in 2018/2019 to 631 in 2020/2021. When considering the rate per 100 000 population i.e. 831 per 100 000 in 2020/2021, Knysna's rate is above the Districts rate of 635 cases per 100 000 people in the same reporting year.

Economy and Labour Market Performance

SECTOR	GDP			Employment		
	R Million value 2019	Trend 2015 – 2019	Real GDP growth 2020e	Number of jobs 2019	Average annual change 2015 - 2019	Net change 2020e
PS Primary Sector	177.9	-4.9	12.7	2 341	13	-170
Agriculture, forestry & fishing	171.7	-5.0	13.3	2 335	13	-170
Mining & quarrying	6.2	1.7	-17.2	6	-0	0
SS Secondary sector	1 148.9	-0.2	-14.3	4 447	-32	-829
Manufacturing	612.5	0.8	-10.7	1 882	-9	-162
Electricity, gas & water	110.0	-0.7	-6.0	81	2	0
Construction	446.4	-1.7	-21.9	2 484	-25	-367
TS Tertiary sector	3 742.2	0.7	-5.9	19 975	346	-1 379
Wholesale & retail trade, catering & accommodation	980.0	-0.1	-10.9	7 537	160	-718
Transport, storage & communication	404.0	0.0	-16.1	974	1	-49
Finance, insurance, real estate & business services	1 257.4	1.0	-4.1	3 960	82	-219
General government	625.0	1.0	1.1	2 778	4	25
Community, social & personal services	455.7	1.6	-1.9	4 726	99	-418
Krystna	5 069.0	0.2	-4.4	24 763	327	-2 078

Skill Levels Formal employment	Skill Level Contribution 2020 (%)	Average growth (%) 2014 - 2020	Number of jobs	
			2019	2020
Skilled	23.4	0.4	4 582	4 373
Semi-skilled	44.1	-1.0	8 906	8 235
Low-skilled	32.4	-1.3	6 563	6 046
TOTAL	100.0	-0.8	20 051	18 654

Informal Employment	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Number of Informal jobs	6 517	6 516	6 57	6 815	7 046	7 274	6 749	7 044	7 001	6 712	6 031
% of Total Employment	28.5	28.0	27.4	27.8	28.0	28.0	25.9	26.6	26.0	25.1	24.4

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

2021 Socio-Economic Profile: Krystna Municipality

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3.3 Economy and Labour Market Performance

3.3.1 Sectoral Overview

In 2019, the economy of Knysna was valued at R 5.089 billion (current prices) and employed 26 763 people. Historical trends between 2015 and 2019 indicate that the municipal area realised an average annual growth rate of 0.2 per cent, mainly attributed to the tertiary sector that registered a positive annual growth rate of 0.2 per cent.

In terms of sectoral contribution, the finance, insurance, real estate, and business services (R 1.257 billion), wholesale and retail trade, catering and accommodation (R 980.0 million) and general government (R 625 million) sectors were the main drivers that contributed to the positive growth in the Knysna economy. Growth in the economy slowed to -6.6 % (percent) in 2020, with only the agriculture sector registering growth resulting from improved drought conditions and favourable commodity prices.

Net employment in all sectors mirrored the declining GDP growth rate, with only General Government managing to create jobs (25) in 2020. The largest amount of job losses occurred within the Tertiary sector (-1 379), followed by the Secondary sector (-529). Despite the growth of 13 % (percent) in the Primary sector, it still registered 170 job losses.

3.3.2 Formal and Informal Employment

It is estimated that Knysna's total employed will in 2019 amount to 26 763 workers of which 20 051 (75.0 per cent) are employed in the formal sector while 6 712 (25 per cent) are informally employed. Employment in the formal sector had an annual average decline of 3.7 per cent over this period.

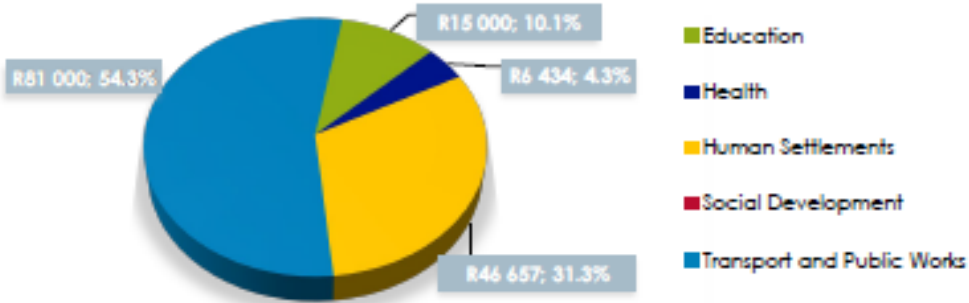
Most of the formally employed consisted of semi-skilled (44.1 per cent) and low-skilled (32.4 per cent) workers. The skilled category contributed 23.4 per cent of total formal employment and notably outpaced the other two categories in terms of average annual growth – between 2016 and 2020. Semi-skilled employment declined by 1.0 per cent, while jobs requiring low-skilled workers declined by 1.3 per cent. The growth in the skilled category (0.4 per cent) reflects the market demand for more skilled labour, especially with the growing tertiary sector in the Knysna municipal area.

3.3.3 Unemployment

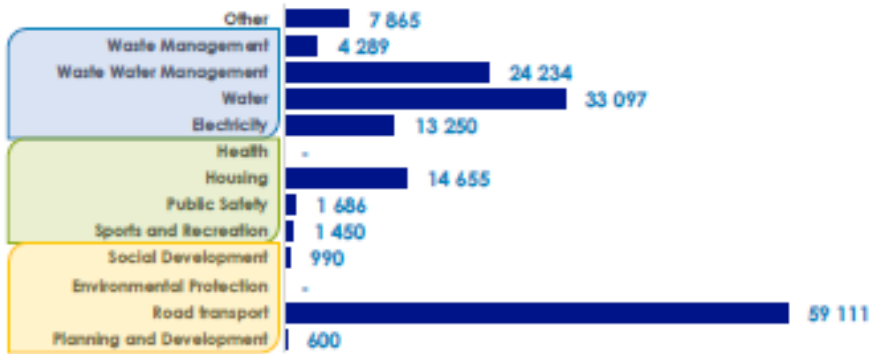
Knysna (18.9 per cent) in 2020 has the second highest unemployment rate in the entire Garden Route District and is above the District (15.4 per cent) and on par with the Western Cape (18.9 per cent) unemployment rates. Unemployment has been volatile from 2010-2020. After jumping from 18.1 per cent in 2018 to 19.4 per cent in 2019, it declined slightly to 18.9 per cent in 2020. This was largely due to an increase in the discouraged work seekers and not economically active population. This was due to the sluggish economy and negative growth in most sectors. Unfortunately, most job losses affected low and semi-skilled workers who are more vulnerable to living in poverty during times of economic decline.

PUBLIC INFRASTRUCTURE SPEND

Provincial infrastructure spend (R'000)



Municipal infrastructure spend (R'000)



3.4 Public Infrastructure Spend

3.4.1 Spending On Social Infrastructure

Spending on social infrastructure aids in social development and has the spill over effect of enabling economic growth. The Western Cape Government (WCG) will spend 45.7 per cent of its infrastructure budget on social infrastructure.

As displayed in the pie chart the WCG will be allocating 31.3 per cent of its infrastructure budget on human settlements. This is crucial in light of in-migration, population growth, land invasions and increasing demand for housing. The Municipality has allocated a further R14.655 million towards this function.

A healthy and resilient community increases productivity and reduces pressures on government resources. Spending on health is especially necessary in response to the pressures of the COVID-19 pandemic on health infrastructure. The Department of Health subsequently allocated 4.3 % (percent) (R6.434M) of infrastructure spending towards health.

3.4.2 Spending On Economic Infrastructure

Economic infrastructure is defined as infrastructure that promotes economic activity. Considering the sluggish economic growth throughout the country, spending on economic infrastructure is crucial to stimulating economic activity.

The WCG allocated R81 million (54.3 per cent of the infrastructure budget) towards economic infrastructure, i.e. Transport and Public Works. Road transport and public works related infrastructure go a long way towards unlocking the region's economic potential, especially with Knysna's position on the Garden Route making it an economic hub and prime tourist destination. The Municipality assists by contributing a further R59.111 million (i.e. 37.0 per cent of total municipal infrastructure spending) towards road transport. As part of their economic infrastructure allocation, the Municipality will also contribute R600 000 towards Planning and Development.

3.4.3 Spending On Trading Services

Basic services are crucial to improving the living conditions of citizens within the municipal area and enabling economic activity for businesses via access to water, electricity, sanitation and refuse removal. The majority of the Municipality's infrastructure budget i.e. 46.4 per cent or R 74.870 million is allocated towards the provision of basic services. The majority of spending on trading services have been allocated towards water management (R 33.097 million). This was followed by wastewater management (R 24.234 million), electricity (R 13.250 million), and waste management (R 4.289million) followed this.

4. Social Profile

4.1.1 Alcohol & Substance Abuse

ALCOHOL & SUBSTANCE ABUSE			
STRATEGIC OBJECTIVE	<p>To create an enabling environment for social development and economic growth.</p> <p>To ensure the provision of bulk infrastructure and basic services through the upgrading and replacement of ageing infrastructure, and the expansion of new infrastructure</p>		
<p>Even though the control of behavioural social challenges relating to alcohol & substance abuse is not as a core competency of local government, it still has a detrimental effect on the communities in the GKMA. The below profile in respect of alcohol & substance abuse provides an indication of the current reality, challenges as well as specific programmes targeted by the Social Development unit within the municipality to facilitate improvement in this regard.</p>			
STATUS QUO	CHALLENGES	RISKS	
<p>Currently there is no state subsidized rehabilitation centre in the area; the nearest rehabilitation centre is in Cape Town.</p> <p>The Knysna Alcohol and Drug Centre (KADC) focusses on Community Based Rehabilitation, with the following programmes:</p> <ul style="list-style-type: none"> Comprehensive assessment for individuals using alcohol or drugs Motivational Interviewing Family Education Sessions Random drug testing Referrals to accredited rehabilitation centres Youth programmes focusing on alcohol & substance abuse awareness <p>Knysna Municipality has entered into a MOU with the Department of Social Development to form partnerships to share resources and work in an integrated manner</p>	<p>Recovered addicted clients experience challenges to re-integrate into communities, especially in respect of employment opportunities and learner ships as they are generally 'excluded' due to criminal records.</p> <p>Limited funding for NGO's combating alcohol & substance abuse</p> <p>Challenges with the establishment of LDAC as sector departments are hesitant to form part of the initiative, the unstable political climate also hampers the establishment of this structure</p>	<p>Alcohol & Substance abuse normally results in an increase in unemployment and crime</p> <p>Breakdown in family structures</p> <p>Domestic violence, women & child abuse</p> <p>Increase in homeless people</p> <p>Prostitution</p> <p>Teenage pregnancies</p> <p>Early school leavers</p>	
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
<p>Establishment of a Local Drug Action Committee (LDAC) in order to secure a collaborative co-ordination to combat drug & substance abuse in the community</p>	<p>A functional Knysna LDAC which comprises of the respective Government Departments, NGO's, CBO's and other social development partners.</p>	<p>2022/2023</p>	<p>Revive and mobilize the LDAC to focus on the rolling out of planned interventions</p>
<p>LDAC to develop and implement Alcohol & Drug Abuse Intervention Plans</p>	<p>Intervention plans will include short, medium and long term action plans</p>	<p>2022/2023</p>	<p>There is a stronger commitment from government departments, NGO's and private sector to</p>

	(Drug Action Plan) with a set of indicators to measure deliverables and outcomes		address the challenges associated with alcohol & drug abuse in communities
Development and establishment of Awareness Programmes.	Awareness Programmes are implemented through a number of stakeholder organisations including KADC that will provide training to community members, to focus on awareness programs (These awareness programs will form part of the Action Plans of the LDAC)	Ongoing	The provision of ongoing support and assistance to organisations working in the field of substance abuse.

4.1.2 People with Disabilities

PEOPLE WITH DISABILITIES		
STRATEGIC OBJECTIVE	To create an enabling environment for social development and economic growth. To ensure the provision of bulk infrastructure and basic services through the upgrading and replacement of ageing infrastructure, and the expansion of new infrastructure.	
STATUS QUO	CHALLENGES	RISKS
As per the information obtained from SASSA, there were approximately 2377 people with disabilities (grant dependent) in the GKMA in 2018. Knysna Municipality and APD will continue with a process with all relevant stakeholders e.g. Department of Human Settlement, SASSA, Department of Health, etc. to engage regularly with communities to ensure that they are well informed of services and that people living with disability are informed about their rights. Health and Social services must be accessible and relevant to persons	<p>LEVEL OF SERVICE</p> <p>Need to streamline services to people with disabilities.</p> <p>Lack of Comprehensive Policy to coordinate services amongst different government and non-government organizations.</p> <p>Over reliance on NGO's to render services to people with disabilities.</p> <p>Limited community based services for people living with disabilities.</p> <p>Limited economic and employment opportunities for people living with disabilities.</p> <p>Limited opportunities for students with disability to further their studies at a facility of higher education.</p>	<p>Unsafe living conditions for people who are wheelchair bound in the informal settlements.</p> <p>Absence of an Early Childhood Development Centre for children living with disability – parents indicated that it is difficult for them to keep a job, especially where they have cerebral handicapped children, as they require fulltime and special care.</p>

<p>with disabilities across all impairment conditions. To ensure that information is available, that health care workers treat persons with disabilities and their families with dignity and respect, and that the system is able to respond in an appropriate and timely manner to the needs of persons with disabilities.</p> <p>In terms of Human Settlement, accessible and well-designed housing and neighbourhoods contribute significantly to improving the living status of persons with disabilities. This requires that universal design principles be applied in respect of human settlement planning.</p> <p>FACILITIES <u>Knysna APD: Die Werkswinkel</u> is located in Hornlee and accommodates 22 members aged between 21 and 59 years old. Die Werkswinkel is funded through a partnership between the Western Cape Department of Social Development (DSD) and APD.</p> <p><u>Services rendered at Die Werkswinkel:</u> Equip disabled people with skills to do wood and needlework. Provide disabled people with the ability to work and earn and income. Raising self-esteem of disabled people. Developing of life skills Allow disabled people to use and advance their own working skills. Opportunity for disabled people to start their own businesses Provide them with the opportunity to be self-sustainable and provide for their families.</p>	<p>Limited housing opportunities for people with disability. Potholes in pavements make it difficult to move easily with a wheelchair. Lack of wheelchair accessibility at clinics and other public amenities Lack of minimum space in waiting areas Lack of adequate access to toilet facilities Lack of disabled friendly RDP houses</p> <p>FINANCIAL CONSTRAINTS Organizations rendering services to people living with disabilities, have trouble with funding, and is under pressure to remain financially sustainable. The school for the deaf located in Knysna may close its doors due to a lack of funding.</p> <p>FACILITIES The closest special school for children with disability is Carpe Diem and is located in George. This impact negatively on the social fabric of families in Knysna and surroundings as they are separated for long periods. The closest school for hearing impaired children is in Worcester, most parents will have trouble to afford these costs. Our public amenities are not disable - friendly. This means that people living with disabilities (PLWD) are unable to access the much-needed services rendered at these public facilities. This is also evident in Knysna Municipality's corporate building making it difficult for clients to gain access to senior staff and council chambers.</p> <p>Knysna APD: Little Angels day care Centre Little Angels is urgently looking for a new venue to accommodate the children. The previous facility is a formal safety risk and the children could no longer attend the Day care.</p>	
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Knysna APD: Little Angels was established in 2017, located in Hornlee and currently the only day-care in the Knysna/Sedgefield area to accommodate the needs of children with mild and severe disabilities with ages ranging from 3-18 year.

Goals:

To create an atmosphere which is stimulating, encouraging, safe, clean, healthy and adaptive to each child with a disability's individual needs, to empower and encourage the children with a disability to develop to their full potential by improving and stimulating them on an educational, physical, mental and emotional level.

To access the mental and physical health of each child, provide daily attention, to measure the abilities of children and put the activities that suit their levels, and utilize their capabilities to the maximum limit possible.

To take care of children with disabilities on a daily basis and to assist them and alleviate their families' load; enabling the parents, especially the mothers to be relieved of 24hr care and help them go to work and take time for leisure.

To develop skills of the disabled and helpless children, so that as they grow, they can be self-reliant, skillful, and capable in the family and community.

Knysna APD: Social Services

The social work department provides individual and group counselling, peer support, community development, awareness and life skills to ensure that each individual enjoys a productive, fulfilling, and quality life. Services rendered also ensures

that families and the community at large are educated, well informed, and supported.

School for the Deaf (Still awaiting feedback from Carpe Diem)

Sivuyela, Knysna's only school for deaf children, operates out of an annex to the Hornlee Community Hall from February 2014.

The school started again 1 October 2016 on a more permanent basis, in an unused building adjacent to the community center in Hornlee, with sponsorship to refurbish and renovate the building for this purpose.

The school currently has six learners aged between 9- 14 years old, learning areas include sign language, reading, and writing.

The school is currently registered with the Western Cape Department of

Education(*Specialized Education*)

The school will now operate as a satellite of Carpe Diem Special School and there is a possibility that the school will be moved to a mainstream school as close as possible to the current school

Epilepsy South Africa

Situated in Knysna, Epilepsy South Cape has a Residential Care Facility catering for 60 multiple-disabled adults of whom 97% have epilepsy.

This facility provides holistic care in a rehabilitative manner concentrating on family preservation through maintaining contact with the families and rebuilding damaged relationships.

PARTNERSHIPS

Knysna Municipality currently has an MOU with the Department of

<p>Social Development that mainly focusses on Youth Development Programmes, Early Childhood Development, Substance Abuse, and Older Persons as well as skills development programmes for people with disabilities.</p>			
<p>PROPOSED INTERVENTIONS</p>	<p>DELIVERABLES</p>	<p>TIMEFRAMES</p>	<p>PROGRESS</p>
<p>All housing developments must reserve a number of appropriately designed units for people living with disabilities</p>	<p>Accessible human settlements and neighbourhoods.</p>	<p>2022/2023</p>	<p>The Housing Allocation Policy of Knysna Municipality makes provision that approximately 10% of all housing beneficiaries must be reserved for people with disability. The design of houses and the areas were specifically adjusted to accommodate and provide easy access to people with disability. Councillors identified houses in their respective communities for possible wheelchair ramps to allow for easier access for people with disabilities at existing dwellings.</p>
<p>Establishment of a school for children with disabilities which can also incorporate the existing school for the deaf</p>	<p>Children with disabilities must have equitable access to Early Childhood Development (ECD) Programmes and facilities Little Angel's Day Care is the first day care centre in the Sedgefield/ Knysna area to accommodate the special needs of children with disability. They offer a safe haven with trained staff, which include a principal and 4 Carers. The Day-care is supported by The Department of Education's CSPID team, which comprises of a Psychologist,</p>	<p>Ongoing</p>	<p>Support and assistance to be provided to Special needs schools to ensure sustainability</p>

	Physiotherapist, Speech Therapist, Education Specialist, and Occupational Therapist. Staff is thus capacitated to implement a stimulating daily programme to ensure each individual child's educational, cognitive, physical, and emotional development.		
Establishment of a disability forum	Establishing a forum with various stakeholders (APD, Epilepsy, DSD, Department of Labor, and LED) to create a holistic space to tackle challenges faced by the disabled community.	2022/2023	The Disability Forum to be establish by community members to implement Action plans/interventions; e.g. Conduct an audit on public amenities, parking, pavements and signage to make the environment wheelchair friendly.
Celebrating Special Days in conjunction with other stakeholders to enhance awareness of disabilities	Special days e.g. International Disability Day & Disability Right workshops	Ongoing	The Special Days celebrations will form part of the intervention plans of the Disability Forum

4.1.3 Elderly People


ELDERLY PEOPLE		
STRATEGIC OBJECTIVE	To create an enabling environment for social development and economic growth.	
STATUS QUO	CHALLENGES	RISKS
<p>Individuals older than 60 years of age are classified as being elderly. The 2016 Community Survey of Stats SA indicate that there are approximately 6 033 elderly residents in the GKMA</p> <p>FACILITIES</p>	<p>FACILITIES</p> <p>An assessment of the Department of Social Development indicates that a large number of elderly people in the GKMA is dependent on government grants.</p>	<p>Should Vermont Old Age continue to experience ongoing funding issues, it may result in the Old Age Home having to close its doors. This will have a negative impact on the community.</p>

Old Age Home	Location	Activities	Estimated Occupation Rate	
Vermont Old Age Home	Hornlee	-Recreational programmes -Spiritual activities -Occupational Therapists providing the elderly with physiotherapy	60 Residents	<p>Accessibility of community based services, need to be strengthened.</p> <p>Abuse (e.g.: physical, emotional, financial abuse) of older persons by family members.</p> <p>The Vermont Old Age Home in Hornlee and Loeriehof in Knysna town are almost at capacity with limited support staff.</p> <p>There are no formal homes for the elderly in the remote regions or the northern areas of Knysna, which means Vermont, must accommodate all elderly away family support structures.</p> <p>FINANCIAL CONSTRAINTS</p> <p>Vermont Old Age Home has trouble with funding, as the current funding is not covering all the expenses.</p> <p>Downscaling of activity programmes for the elderly due to limited financial resources.</p>
Loeriehof Old Age Home	Knysna	-Recreational programmes -Spiritual activities	76 Residents	
<p>PARTNERSHIPS</p> <p>The Knysna Municipality, Social Services section has formed partnerships with a wide range of stakeholders including the Older Persons Forum to ensure better integration of services.</p> <p>CURRENT PROGRAMMES/PROJECTS</p> <p>Knysna Municipality to assist the Golden Games, through the Older Persons Forum.</p> <p>Celebrating special days through education programmes and assistance to Elderly Service Centre Clubs (Community Based).</p>				
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS	
To facilitate increased participation of local older persons in the Golden Games which will enhance their physical well-being.	To enhance community based programmes aimed at improving the wellness of older persons in communities	Ongoing	A number of programmes for the elderly are being rolled out on a continuous basis which include Local and Regional Golden Games events, Indoor mini-sport days, mini-makeovers which are very valuable for the physical and psychological well-being	
Establishment of an Older Persons Forum for the GKMA. Vermont, Loeriehof, DSD, Service Centre Clubs	To establish a holistic integrated plan in collaboration with all relevant stakeholders such as Vermont Old Age			



(community based programmes) SAPS, SASSA .	Home, Loeriehof, Department of Social Development and Age-in-Action. Facilitate participation in programmes such as the Older Person’s Week etc.		
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4.1.4 Homeless People

HOMELESS PEOPLE		
STRATEGIC OBJECTIVE	To create an enabling environment for social development and economic growth.	
STATUS QUO	CHALLENGES	RISKS
<p>On the 26th of March 2020, President Ramaphosa, to combat the Covid 19 pandemic, announced a nationwide lockdown.</p> <p>This lockdown compelled Knysna Municipality to establish a temporary homeless shelter at Loerie Park Sports Grounds. The intake of homeless people varied between 90 and 100 individuals during the period of the lockdown.</p> <p>The lockdown has afforded the municipality the opportunity to establish a more accurate and up to date database of homeless people. This information supports each individual’s health profile, alcohol & substance dependency, physical or mental disability status, race, social grant dependency as well as the need for psychiatric treatment.</p> <p>The temporarily shelter also created the opportunity for the homeless people to be reconnected with much needed medical services especially mental health issues and substance abuse counselling.</p> <p>The shelter operated solely on donations received by the public, churches, and government institutions that provided food and toiletries.</p> <p>The ease of lockdown restrictions, allowed for an exit strategy in partnership with the Department of Social Development, as the facility is only a temporary shelter. Most of the homeless people</p>	<p>Lack of an appropriate premises or land for a shelter for homeless people</p> <p>Lack of specialized services welfare organization dealing with homeless people</p> <p>Lack of housing opportunities</p> <p>High rate of poverty and unemployment</p> <p>Excessive alcohol and substance abuse amongst homeless people</p> <p>People living on the streets compromise tourism attraction and may impact negatively on the property value of specific areas.</p> <p>The perceptions or resistance by residents NIMBY (Not in my backyard syndrome) to have a shelter</p>	<p>Unemployment rate increase in the current economic climate and leads to crime and substance abuse</p> <p>People living on the streets hampers tourism attraction and may influence negatively on the property value of specific areas.</p> <p>Business in central town experience low sales as customers avoid shopping where homeless people are</p>
		 <p>standing in front of shops.</p>

<p>were not reunified with family members due to various reasons. Some of them returned to the streets of Knysna. The temporarily homeless shelter closed during April due vandalism of Loerie Park, sport facility.</p> <p>Knysna Municipality together with various government departments, private sector, and faith-based organisations have established partnerships in order to find a long-term sustainable solution to the homelessness problem.</p> <p>The establishment of a permanent shelter is still ongoing amidst an established homeless forum to support targeted implementation plans.</p>		<p>Lack of resources and manpower of Local Government, limited patrolling of the Main Road and other prominent places.</p>	
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
To establish more accurate baseline data of all homeless people in the GKMA.	A comprehensive database with up to date baseline information in respect of homeless people	2022/2023	It seems that the number of homeless people have increased over the last couple of years. A contributing factor is the 2017 Knysna fires, which left a number of people homeless. The current pandemic, Covid 19 also impacted negatively on the lives of people as they lost their jobs and ended on the streets.
Homeless Forum has been established	To establish a holistic integrated strategic plan with all stakeholders develop practical and sustainable options that will not only benefit the homeless but the public in general.	2022/2023	Long term planning will be discussed with relevant stakeholders and interest groups during 2022 (Homeless Forum action plans),
Law enforcement involved in a programme to manage public places.	Less people living on the streets	Ongoing	The municipality's Law Enforcement Unit is continuously patrolling public spaces where homeless people are prevalent.
Facilitate a process with the Department of Social Development to establish a shelter for homeless people in Knysna	Functional shelter for homeless people subsidized by the Department of Social Development	Ongoing	Discussions with the Department of Social Development aims to see the establishment of a shelter for the homeless. Council resolved and earmarked the Municipality Building in Church Street for a permanent Homeless Shelter-

4.2 Gender Mainstreaming

Gender mainstreaming it is a strategy to make women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of the policies and programmes in all political economic and societal spheres so that women and men benefit equally from socio-economic opportunities in the workplace and society in general. Sex is a biological difference between men and women, whereas gender refers to social construct, as determined by the socio cultural attitudes, stereotypes and norms in any given society.

GENDER MAINSTREAMING			
STRATEGIC OBJECTIVE		To create an enabling environment for social development and economic growth.	
Due to the imbalances of the South African history, prioritising women rights aims to narrow the socio-economic gap between women and men. Stereotyping of jobs specifically reserved for women is a common practice and often result in limited skills development and empowerment programmes for women.			
STATUS QUO		CHALLENGES	RISKS
<p>Gender mainstreaming is a concerted campaign to enhance equitable access for men and women to resources and opportunities especially in respect of decision-making processes. In the case of Knysna Municipality, the top management team is male dominated with only two female directors in senior management positions. Political representation by women is slightly better with 6 out of 21 Councillors being women. Knysna Municipality and Department of Local Government formed a partnership during June 2016 to support the implementation of the Gender Mainstreaming for the GKMA. A gap analysis on existing programs focus on; gender specific programs, gender management system, employment practices, and the environment and will guide the municipality to formulate a Gender Action Plan in consultation with the Department of Local Government.</p>		<p>Due to the institutionalised discriminating history of South Africa, women are still facing immense challenges which include:</p> <ul style="list-style-type: none"> Access to social emancipation Economic empowerment of women Access to equitable employment opportunities Financial dependency from their male counterparts Gender-based violence, etc. More women are prone to poverty and unemployment than men 	<p>Violation of women's rights in the workplace in the workplace and society in general</p> <p>Women might not experience equal access to employment and business opportunities as well as skills development programmes</p> <p>Women not taking up leadership positions in government and the private sector</p> <p>Denying women's rights of access to equal education opportunities and access to primary health care</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS

Institutionalisation of Gender Mainstreaming	Compiling a Gender Mainstreaming Policy for Knysna Municipality Development of A gender Mainstreaming Strategy Development of a Gender Mainstreaming Action Plan with clear deliverables and timeframes	2020/2021	These documents are currently in draft phase.
Revitalisation of the Employment Equity Forum	Identify committed Council members and administrative representatives to serve on a function Employment Equity Forum.	2021/2022	This structure still needs to be established.
Youth Empowerment Programme for women	Development of a dedicated programme to empower young women and prepare them to take up leadership positions in society	2021/2022	This programme is currently in the development phase
Economic empowerment of women	Ensure that the SMME incubator programme of the LED department makes specific provision for women entrepreneurs	Ongoing	Currently a number of women entrepreneurs participate in the SMME incubator programme of the Knysna Municipality LED department.
Ensure improved safety environment for women	Establishment of a safe house for victims of gender-based violence especially for children	2021/2022	IGR discussions are currently underway between Local Government, Departments of Community Safety and Social Development in this regard

4.3 Early Childhood Development

Research studies across the world confirm that early learning opportunities make a real and lasting difference in children's lives. All three spheres of government have different roles to play to provide the building blocks for access to quality early stimulation, education and care for children, especially those children in vulnerable communities. Early Childhood Development (ECD) services are child-centred and emphasise the important role of parents and caregivers in the support and upbringing of children under the age of six years. The service also offers training and support programmes to ECD practitioners. So far, the Knysna Municipality has collaborated with the Knysna Education Trust to conduct an audit of registered and unregistered pre-schools and crèches in the GKMA. The outcome of this partnership will be to establish an inter-departmental action plan that will

assist KET to get unregistered crèches and pre-schools registered. Training needs of ECD practitioners has also been identified and will be provided to ECD educators in due course.

The table below provides the service delivery focus of the partnership between Knysna Municipality and Knysna Education trust:

EARLY CHILDHOOD DEVELOPMENT			
STRATEGIC OBJECTIVE		To create an enabling environment for social development and economic growth	
The constitutional mandate of Early Childhood Development is vested in the national and provincial Departments of Social Development. Local government plays a partnership role to ensure that children in all walks of life get an early start in terms of access to quality ECD facilities.			
STATUS QUO		CHALLENGES	RISKS
<p>ECD services include the establishment and registration of facilities for children under the age of six years.</p> <p>The service also offers training and support programmes to ECD practitioners.</p> <p>So far, the Knysna Municipality has collaborated with the Knysna Education Trust (KET) to conduct an audit of registered and unregistered pre-schools and crèches in the GKMA.</p> <p>The outcome of this partnership will be to establish an inter-departmental action plan that will assist KET to get unregistered crèches and pre-schools registered.</p> <p>Training needs of ECD practitioners has also been identified and will be provided to ECD educators in due course.</p> <p>2700 Child Population 0-5 years in Knysna: Six funded ECD's in the Knysna Area. 28 Registered but unfunded ECD facilities 2700 children benefitting from funded ECD program: 39 Total of un-registered facilities in area Total number of children are 51 in the Knysna Area Department of Social Development officials are responsible for overall child protection services to all children in need of care and protection.</p>		<p>Large number of children under 5 years not benefitting from ECD program</p> <p>Mushrooming of un-registered facilities (not complying with minimum norms and standards for registration)</p> <p>A lot of parents being unemployed and cannot afford school fees at ECD Facilities.</p> <p>Challenges which hamper registration of ECD's:</p> <p>Inadequate infra structure and ablution facilities</p> <p>Lack of fire and safety equipment.</p> <p>cost of health clearance certificates,</p> <p>electrical safety building plans,</p> <p>Zoning or consent usage;</p> <p>Educational resources including playground areas, and equipment.</p> <p>Qualified ECD teachers.</p> <p>Limited budget for the funding of ECD programs</p>	<p>Limited knowledge of ECD's (registered and non-registered) hampers proper planning for this important function</p> <p>Safety of children in un-registered facilities compromised</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
Capacity building and training of ECD practitioners	To provide assistance with capacity building training e.g. First Aid Training, Fire training, Computer Literacy training, fundraising training ECD Qualification	2022/23	Vangasali is a new program that assists ECD Facilities to register on different levels in order to help with sustainability in the future.

<p>Registration of unregistered ECD centres</p>	<p>Identifying functional crèches which adhere to the minimum requirements criteria set by Department of Social Development for registration</p>	<p>Ongoing</p>	<p>Provide assistance to unregistered crèches to adhere to minimum registration requirements in respect of the following: Compliance with fire safety requirements Approval of building plans Health competency certificates Zoning certificates</p>
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4.4 Youth Development

YOUTH DEVELOPMENT		
STRATEGIC OBJECTIVE	<p>To create an enabling environment for social development and economic growth.</p> <p>To encourage the involvement of communities in the matters of local government through the promotion of open channels of communication</p>	
DEPARTMENTAL GOALS	<p>To implement skills development programmes that will have a direct impact on job opportunities to decrease the youth unemployment rate.</p> <p>To create entrepreneurial opportunities for youth</p>	
STATUS QUO	CHALLENGES	RISKS
<p>YOUTH PROFILE</p> <p>2017 StatsSA Community Survey indicates that 25 706 people in the GKMA fall within the youth category of 15-34 years</p> <p>The services available at the Youth Development Centers include computers, internet access, mobile networking</p> <p>Key performance areas of the Youth Advisors is to</p> <p>Assist with implementing programmes provided by the Youth Desk</p> <p>Assist with planning, organizing and coordination various event.</p> <p>Provide information on all youth desk services in all areas of the community.</p> <p>Networking with Provincial and National youth structures</p> <p>Report writing and administration of youth Centre</p> <p>PARTNERSHIPS</p> <p>Garden Route District Municipality</p> <p>Social Development</p> <p>Department of the Premier</p> <p>Skills Education Training Authorities (SETA's)</p> <p>National Youth Development Agency (NYDA)</p> <p>Provincial/National Departments</p> <p>Private Sector Partners</p> <p>Local Stakeholders involve with youth development</p> <p>CURRENT PROGRAMMES/PROJECTS:</p> <p>The Youth development section is in process of establishing a Youth Development Strategy, which will be linked to a Budget and</p>	<p>FACILITIES</p> <p>Limited spaces and no premises available to identify a Skills Centre within Knysna.</p> <p>COMMUNICATION</p> <p>To increase the free access to Wi-Fi accessibility the broader community of Knysna.</p> <p>The municipality should evaluate its Communication Strategy, by utilizing a variety of social media platforms and tools to communicate more effectively with the diverse communities – Youth desk would like to create Knysna Youth App.</p> <p>Municipality to ensure the credibility and consistency of its data especially in respect of youth development.</p>	<p>Property being vandalized by vagrants; this will affect the budget as additional cost would have to be incurred for the maintenance of the property.</p> <p>Unemployment, crime, and substance abuse rate to increase.</p>

Implementation Plan of programmes, projects, and initiatives.			
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
To develop a Youth Development Strategy	To assist with the elimination of ad hoc programmes and have a more holistic approach in terms of youth development programmes.	Complete	The Youth Development Strategy was approved by Council in August 2021
<u>Youth Employment Interventions:</u> Develop skills programmes that focus on job creation or opportunities. <u>Promote youth entrepreneurship:</u> Provide business skills training and mentoring opportunities.	Contributing to economic growth through the development of youth skills by providing the following: In-house training that will make the youth marketable and employable	2022/2023	Skills Summit scheduled for March or April 2022.
To identify space for Skills Centre and to encourage and support business enterprises with community training initiatives.	Contributing to economic growth.	2022/2023	African Skills identified a building in Industrial area for a Skills Centre / Private College. This project could not launch in August 2020, due to Covid regulations and the new date for the launched was set for March 2021. The municipality is currently having discussions with African Skills for collaborative learnerships and or training.
Roll-out of youth development programmes	Identification of youth development programmes & projects in the GKMA under the auspices of the Youth Advisory Offices	2021/2022	There is no budget available for this project during the 2021/2022 financial year, funding applications will be made during the 2022/2023 financial year.

			The process for the Establishment of Knysna Youth Council will start over the next few months (February 2022)-May 2022. A new implementation plan for program will be set out to link programs to the Youth Council and Youth Advisors offices.
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4.5 Sport and Recreation

SPORT DEVELOPMENT	
STRATEGIC OBJECTIVE	To create an enabling environment for social development and economic growth. To encourage the involvement of communities in the matters of local government through the promotion of open channels of communication
<p>Sport and recreation is a vital developmental tool to maximize social development through the provision of facilities and programmes for all members of society. Investment into sport development programmes can facilitate personal, social, and economic benefit. Sport & recreation activities are a very effective vehicle for social cohesion and integration of communities across the spectrum of society. The residents of Knysna are passionate about sport and have prioritized various sport development programmes during the IDP public participation process. In terms of the Constitution, the key focus of local government is to provide adequate sport and recreational facilities to communities.</p>	
DEPARTMENTAL GOALS	To maximize access, development and excellence at all levels of participation in sport and recreation in order to improve social cohesion and the physical and psychological well-being of residents.
STATUS QUO	CHALLENGES
<p>Sport facilities in Smutsville, Rheenendal MPC's, Dam se Bos and Hornlee have been upgraded.</p> <p>The White Location sport facility is currently in the process of being finalised as part of the capital investment program of the municipality</p> <p>Sport development programs are currently being implemented in conjunction with the relevant federations and the Youth Development Section of the municipality</p>	<p>FACILITIES</p> <p>With soccer being the largest sport code in our municipal area, our facilities are at times over utilized. The municipal department of Integrated Human Settlement (IHS) should allow for a more integrated approach when they design housing developments. This will ensure for the inclusion of open spaces for sport & recreational purposes.</p> <p>Sport facilities should be made accessible to the entire community including people with disability. Ramps to be constructed at sport facilities in order to make it accessible to people with disability.</p> <p>Facilities to accommodate sport such as boxing, karate, basketball, etc. needs to be considered.</p> <p>The Sports desk will provide input on the needs of the sport fraternity during the review of the SDF of Knysna Municipality</p>

		<p>CAPACITY</p> <p>Shortage of staff makes it difficult to roll out development programs in the GKMA. The new organogram only makes provision for a liaison officer between Knysna Municipality and the Sport Council, because sport development is not a core function of Local Government.</p> <p>Substance abuse is a huge problem in certain areas of the GKMA. Sport and recreation activities should be used as a mechanism to keep people away from criminal activity</p> <p>Establishment of sport council remains a challenge for Knysna Municipality due to the lack of participation from different sport codes.</p>	
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
Establishment of a functional Sport Council	To establish a fully functional Sport Council that consists of all the sport codes in Knysna. The Sport Council will act as an advisory body to council with matters relating to facility upgrading, events and sport development programmes.	2019/2020	A workshop will be scheduled with all the relevant role players to discuss the way forward regarding the establishment of a functional sport council.
Sport Facilities	The municipality is currently in the process of developing/upgrading a number of sport facilities in the GKMA. The goal of these upgrades will be to promote multi-purpose use of the facilities by as many sport codes as possible. This will also pave the way to introduce new sport codes to the different communities.	2019/2020	A MIG application has been submitted to upgrade sport facilities in the Rheenendal, Bongani, Hornlee and Smutsville areas. The upgrading will commence as soon as the technical report from the Consulting Engineers have been finalized and approved. Funding applications for phase 2 of Bongani and Rheenendal sport facilities have been submitted to MIG offices. Funding have been secured for the upgrading of Karatara netball courts and ablution facility.

<p>Development Programmes</p>	<p>To assist the clubs in improving their institutional and performance abilities in order to excel in their respective sport codes. With the necessary assistance and education, we can ensure that they deliver proper coaching to the athletes.</p>	<p>Quarterly</p>	<p>Sport development is not a core function of local government and subsequently Knysna Municipality assist sport federations and schools as and when required.</p> <p>We need to ensure that the sport codes and clubs become financially sustainable.</p>
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The map below indicates the location of the different sport facilities in the GKMA:

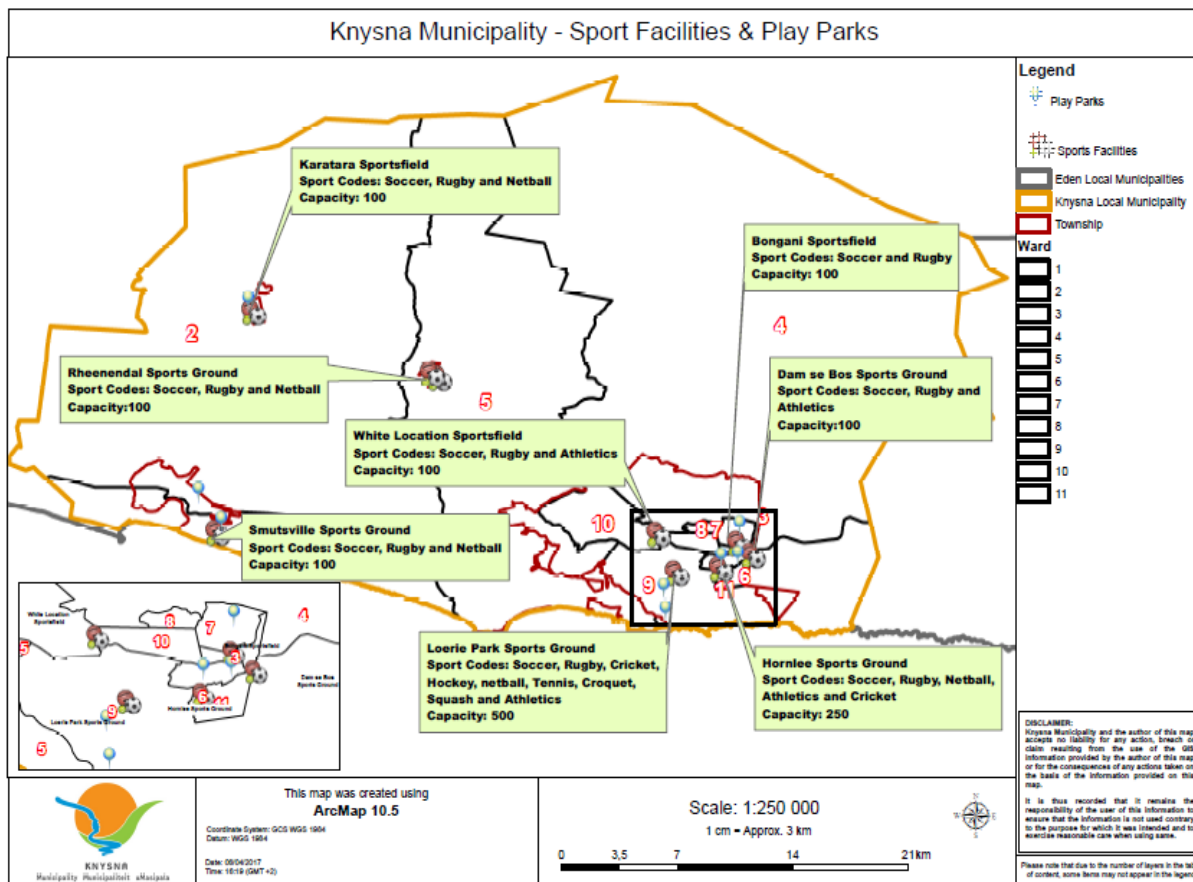


Figure 2: Sport Facilities & Play Parks

4.6 Parks and Recreation Services

PARKS & RECREATION SERVICES		
STRATEGIC OBJECTIVE	To promote a safe and healthy environment through the protection of our natural resources.	
STATUS QUO	CHALLENGES	RISKS:
<p>Core functions of the Parks & Recreation Section currently include:</p> <ul style="list-style-type: none"> Grass cutting at public open spaces Tree maintenance Gardening Alien vegetation control on municipal land done through guidance of environmental control plan Maintenance of public amenities Establishment and maintenance of play parks Cemeteries Municipal Halls Buffalo bay Caravan Park Sport field Establishment/ Maintenance <p>The play parks are normally established in areas identified by the respective ward councillors after consultation with their ward committees and is in most instances funded from the annual budget requested by the ward councillor.</p> <p>Due the limited land, availability as well as limited financial resources the play parks usually only consist of minimum playing equipment and does not include any landscaping environment.</p>	<p>Limited land availability for the establishment of play parks</p> <p>Community does not take ownership and responsibility for play parks which normally gets vandalized fairly quickly</p> <p>Play parks are used as a gathering place for criminals, which compromise the safety of the kids for whom it is intended.</p> <p>People can be injured on board walks and stairs when they are broken because of vandalism or high volumes of human traffic, and third party claims can be lodged against the municipality.</p> <p>Do not have sufficient burial space; most of the cemeteries in the GKMA do not have capacity. The Department should embark on a process to establish a regional cemetery.</p> <p>One of the biggest challenges is the appointment of caretakers for each municipal hall and sports field facilities as well as ensuring the maintenance thereof.</p> <p>Beautifying of public open spaces and gardening is a big challenge at this stage due to the water crisis in our country. Alternative water wise methods/technologies are being explored in this regard.</p> <p>Vacant position of Horticulturist.</p> <p>Other challenges include but are not limited to:</p> <ul style="list-style-type: none"> Advanced Training of chainsaw operators for effective tree maintenance Continuous implementation of health & safety requirements both internally & externally 	<p>If a child is injured at a play park where it is not up to the South African National Safety Standards, it might open up the municipality for liability claims.</p>

PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
<p>To promote community ownership in respect of play parks and recreational facilities.</p>	<p>Minimize vandalism and promote community ownership through stakeholder participation.</p>	<p>Ongoing</p>	<p>Communities are constantly being made aware at various platforms that the public assets such as play parks belong to them end they must take care of it</p>
<p>Creation of modernized landscaped gardens will be more manageable and sustainable upon the appointment of an Horticulturist</p>	<p>Less water usage and minimize density in gardens.</p>	<p>Funding of the filling of the vacant Horticulturist position has been requested in the 2022/2023 financial year.</p>	<p>This matter will be address upon the appointment of a Horticulturist</p>
<p>Rehabilitation program in CBD with the planting of indigenous trees where oak trees has been removed.</p>	<p>CBD Revitalisation project</p>	<p>Funding of the filling of the vacant Horticulturist position has been requested in the 2022/2023 financial year.</p>	<p>CBD and surrounds. The drought conditions makes this intervention difficult To be dealt with when Horticulturist is appointed</p>

4.7 Public Amenities

LIBRARY SERVICES		
STRATEGIC OBJECTIVE	<p>To create an enabling environment for social development and economic growth.</p> <p>To encourage the involvement of communities in the matters of local government through the promotion of open channels of communication</p>	
<p>The circulation numbers of libraries in the GKMA are continuously increasing and there seem to be a growing demand from remote rural communities for satellite library services. The Western Cape Department of Cultural Affairs & Sport (DAC) provide most of the funding for the establishment of facilities and the rendering of the service through grant funding.</p>		
DEPARTMENTAL GOALS	<p>Creating and strengthening reading habits of children at an early age</p> <p>Facilitating the development of information and computer literacy skills</p> <p>Support and participate in literacy activities and programs for all age groups</p> <p>Provide adequate information services to local enterprises, associations and interest groups</p> <p>Promote access to library facilities</p> <p>Ensuring access for citizens to all sorts of community information</p>	
STATUS QUO	CHALLENGES	RISKS
<p>The library service continues to operate on the principle of free and equal access to all citizens of the town.</p> <p>The following services are rendered at library outlets in the GKMA:</p> <ul style="list-style-type: none"> -Fiction books - available in all three official languages (English, Xhosa and Afrikaans), available in all age categories. -Non-fiction - available in Afrikaans, Xhosa, and English. -Audio visual materials (CD's and DVD's) -Computer and internet access to the public, schools, and business community. -Assistance with school projects in the form of research, pamphlets distribution, and photo-copying services. -E-Books free to all members of the library. - Activity halls that can be rented out to the public. 	<ul style="list-style-type: none"> * The reading environment at homes is unsatisfactory as the majority of parents are non-readers and therefore do not inculcate a reading culture in their children. * Material in indigenous languages is in short supply; as a consequence thereof, the development of a reading culture amongst indigenous peoples is circumscribed. * The social nature of mass media such as television undermines the development of a reading culture, which is sometimes construed as anti-social. * The rise in the cost of living, coupled with the recent economic recession has negatively impacted on the ability to publish and purchase books. 	<p>Constitutional compliance issues relating to the proper assignment of the library function to the municipality impacts on stability of the sector.</p>

<p>-DAC provides most of the funding for infrastructure projects as a subsidy to the municipality. Three infrastructure projects were completed during the previous council's term.</p>			
<p>PROPOSED INTERVENTIONS</p>	<p>DELIVERABLES</p>	<p>TIMEFRAMES</p>	<p>PROGRESS</p>
<p>Establishment of Smutsville Library.</p>	<p>Approximately 380 square meter library for the Smutsville Community</p>	<p>May 2024</p>	<p>Council will submit a funding request for the establishment of a 380-m2 Smutsville library to the provincial department of Cultural Affairs & Sport for consideration.</p>
<p>Renovation & upgrading of the Leisure Island library</p>	<p>Approximately 130 square meter library established for the Leisure Island community.</p>	<p>May 2027</p>	<p>Council will submit a funding request to the Department of Cultural Affairs and Sport for the upgrading of the existing Leisure Island library. It is estimated that the upgrading will yield and additional 60 square meters floor space</p>

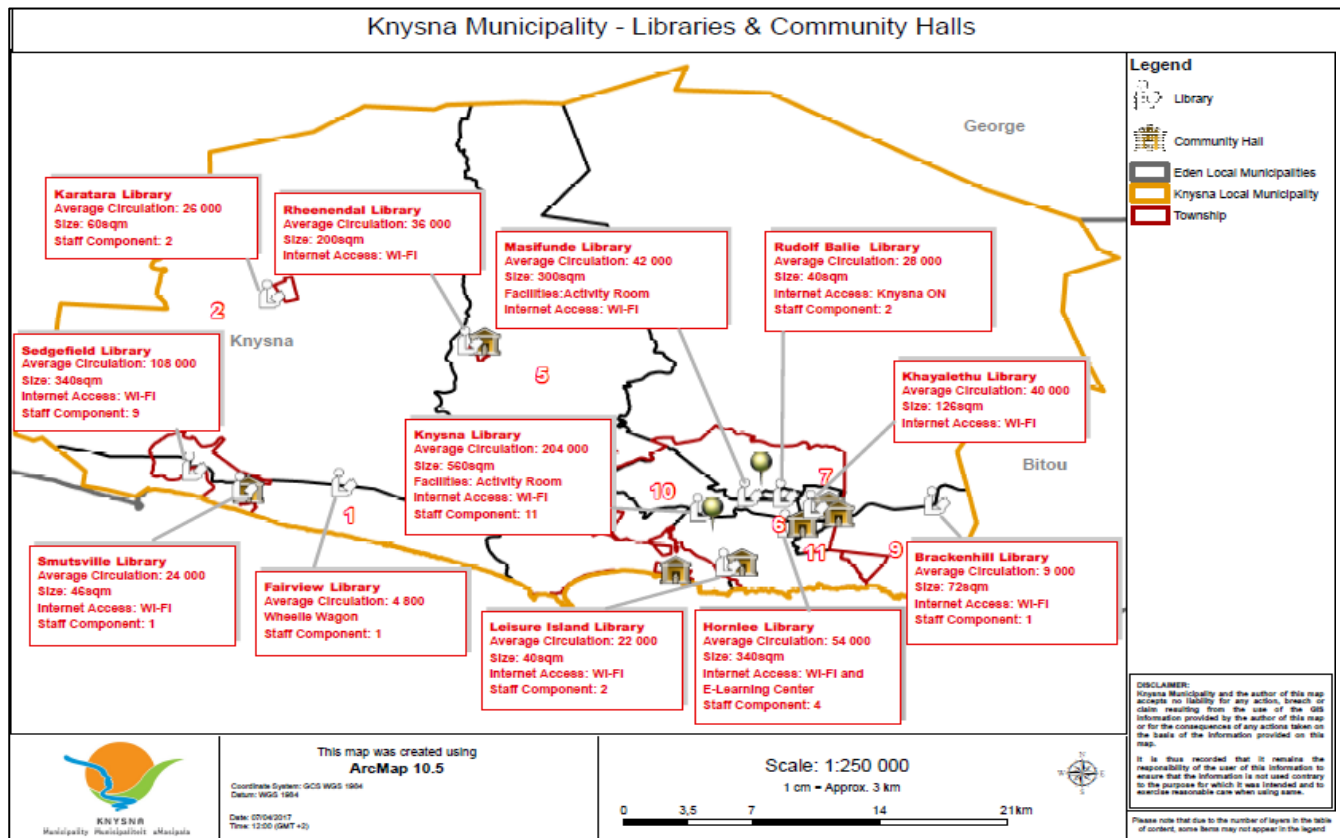


Figure 3: Libraries & Community Halls

4.8 Community Safety

Section 12 of the Constitution stipulates that every person have the right to safety and security and subsequently, the strategic objectives of Council focuses quite strongly on ensuring a safe and secure environment for the people who live here as well as the visitors to the area. Knysna Municipality participates actively in the programmes and projects of SAPS, the Department of Community Safety, Community Police Forums, and any other agency that aims to facilitate safety and security. Representatives from Knysna Municipality serve on the local Community Police Forums and joint crime prevention operations between the law enforcement department of the municipality, Provincial Traffic and the SAPS are done on a regular basis. The SAPS interact on a regular basis with the municipality to address factors that might hamper effective policing of crime, which includes street naming, house numbering, and installation of adequate lighting in crime hotspots, empty buildings, and overgrown open spaces.

Knysna Municipality, in collaboration with the Community Police Forums, the South African Police Service, and Provincial Department of Community Safety, embarked on the development and implementation of a Community Safety Plan to address crime challenges in the Greater Knysna Municipal Area. This plan can be regarded as a collaborative partnership to combat crime and establish safer communities. During the public participation process, it was apparent that communities and stakeholders want to see more visible and effective policing and have prioritised the establishment of SAPS service stations closer to crime-infested areas. The SAPS Cluster in the Garden Route District has conducted a comprehensive feasibility study for the establishment of additional police or satellite stations, especially in the Northern Areas of Knysna, Rheenendal and Karataru. The municipality will certainly assist if land or premises are required for the establishment of police stations where possible. The SAPS has however indicated that plans for the establishment of a satellite

police station in the Northern Areas of Knysna will not continue due to the lack of financial resources and will explore alternative options to improve visible policing especially in remote areas. The need for satellite police stations at the recent IDP Technical Integrated Municipal Engagements as well as the meet & greet sessions between the Executive Mayor and the MEC for Community Safety in the Western Cape emphasises its importance.

The Community Safety Plan defines clear roles and responsibilities for the respective authorities in respect of community safety and it focusses on the effective implementation of the following joint national and local crime prevention campaigns:

Child protection week

16 Days of activism against violence against women and children

International Drug Awareness Day (usually during youth month in June every year)

Special focus on crimes against women and children, domestic violence and sexual offences (During women's month in August every year)

Safer Schools Campaign (deployment of neighbourhood watch volunteers at schools where a high rate of incidents occurs)

Back to School Campaign (Assisting to get early school leavers back in the school system)

Victim Support Programme

Love your Car Initiative

Substance abuse awareness programmes

Implementation of holiday programmes with NGO's

Other challenges that the Community Safety Plan is focussed on addressing include but is not limited to the following:

Visible Policing

Inadequate resources for effective policing

Limited partnerships between SAPS and Municipal Community stakeholders

Poor lighting in certain areas

Alcohol & Drug abuse

Gangsterism at schools

School Vandalism

PROTECTION SERVICES			
STRATEGIC OBJECTIVE	<p>To promote a safe and healthy environment through the protection of our natural resources</p> <p>To structure and manage the municipal administration to ensure efficient service delivery</p> <p>To promote social & economic development</p> <p>To improve and maintain current basic service delivery through specific infrastructural development projects</p>		
STATUS QUO	CHALLENGES	RISKS	
<p>LEVEL OF SERVICE The focus of the Protection Services Department is to combat crime, protect and secure the community of Knysna and their properties and to enforce traffic management regulations and relevant municipal by-laws in terms of the Municipal Law Enforcement Strategy</p> <p>CAPACITY The staff complement for Traffic Management and By-Law Enforcement is inadequate and therefore unable to extend its operational hours to cover business hours from 07H00 – 22H00, when most businesses are still active.</p> <p>PARTNERSHIPS Provincial Department of Transport & Public Works Provincial Department of Community Safety SAPS Road Traffic Management Corporation SANParks Security Companies</p>	<p>FACILITIES The Shadow Centre for the screening of drunk drivers is located at George (approximately 65 km's away) and thus outside the Knysna area of jurisdiction. Feasibility study will have to be conducted by Province to establish a fully resourced Shadow Centre in Knysna.</p> <p>FINANCIAL CONSTRAINTS The department is receiving limited allocation of funds to appoint the desired number of staff members to work shifts over weekends and during the week. The officials who were tasked to assist with driving license tests, should not hamper/impact on the normal operational shifts system, this will be addressed by the organizational review that is currently being undertaken within the organization. The introduction of a shift system has been addressed in the new organizational review and provision has been made for additional law enforcement officials.</p> <p>INFRASTRUCTURE The traffic congestion (bottleneck) in the Main Road, past the Hospital, is a point of concern with the growing vehicle population in GKMA. It is suggested that a Transportation Planner be requested to investigate a solution to the ongoing problem.</p>	<p>Unsafe public roads, which can lead to loss of life, damage to vehicles, which can subsequently result in litigation processes.</p> <p>Non-compliance to by-laws and legislative regulations</p> <p>Contact and property related crimes</p> <p>Civil claims due to inadequate Law Enforcement.</p> <p>Response Time to call-outs and traffic management incidents</p> <p>Visible law enforcement required at political and civil protest situations in communities</p> <p>Traffic congestion on the N2 especially during peak holiday season</p> <p>Dark patches on the N2 end-route to Plettenberg bay especially stray animals crossing the busy N2</p>	
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS

<p>Improve efficiency of traffic law enforcement by implementing a shift system</p>	<p>Establishment of three shifts in order to extend the visibility of traffic law enforcement for a longer period of time</p>	<p>March 2023</p>	<p>Feasibility study recommended the implementation of a shift system Additional traffic and law enforcement posts were created in the new organogram Recruitment processes for new position will commence in due course. Positions have been advertised appointments will be done early in 2020 subject to financial approval for the positions.</p>
<p>Construction of a N2 by-pass by SANRAL.</p>	<p>Alleviate traffic congestion on Knysna Main Road</p>	<p>2022/2023</p>	<p>Feasibility study is currently underway for the planning and design of a N2 re-alignment project by SANRAL with the support of Council</p>
<p>Improved traffic flow in the Knysna CBD.</p>	<p>CBD Revitalization Project</p>	<p>2022/2023</p>	<p>Project is being lead internally by the LED department An Urban Design Framework was done by an external consultant for the 1st phase which include the upgrading of Gray Street via a comprehensive public participation process</p>
<p>Ease traffic congestion in peak traffic situations</p>	<p>Broaden the by-pass lay-byes to make it easier to pass motor vehicles turning right on Vigilance Drive en-route towards George Rex Drive</p>	<p>2022/2023</p>	<p>Development of an Transportation Framework Plan to streamline the traffic flow on the N2</p>
<p>Parking Management System and correction of underutilization of parking garages at shopping malls.</p>	<p>To alternate parking for motorists. Encourage motorists to park at parking garages in shopping malls.</p>	<p>2022/2023</p>	<p>Dedicated campaign to promote off-street parking at the shopping centres</p>
<p>Upgrading of Nekkies and Hornlee intersections on the N2</p>	<p>Improve safety and access/exit from N2. Street lighting along the N2 from George Rex intersection to Kruisfontein</p>	<p>2023/2024</p>	<p>Discussions with SANRAL is currently underway to provide funding for these initiatives on the N2</p>

FIRE & RESCUE SERVICES		
STRATEGIC OBJECTIVE	To promote a safe and healthy environment through the protection of our natural resources To structure and manage the municipal administration to ensure efficient service delivery	
STATUS QUO	CHALLENGES	RISKS
<p>LEVEL OF SERVICE</p> <ul style="list-style-type: none"> Fire Prevention Public Education Plan scrutiny for compliance with fire regulations Public Safety Event risk assessments Burn Permit applications Fire Break and plot clearing compliance Populations certificate applications Dangerous goods transportation applications Flammable substance storage applications Temporary Structure certificate applications Fireworks display applications Firefighting Rescue and medical response Humanitarian calls responses <p>Core focus areas of the Fire & Rescue Services Unit:</p> <ul style="list-style-type: none"> Preventing the outbreak and spread of fire Fighting or extinguishing a fire Protection of life or property against fire or other threatening danger The rescue of life or property from a fire or other danger <p>FACILITIES</p> <p>Location of fire stations in the GKMA and the radius of service area:</p> <ul style="list-style-type: none"> Knysna Fire Station = 35 Waterfront Drive, Knysna Sedgefield Fire Station = off N2 Sedgefield Concordia Fire Station = Concordia Rd Concordia. Karatara Fire Station, Bosdorp, Karatara <p>INFRASTRUCTURE</p> <ul style="list-style-type: none"> Adequate fleet of specialized fire & rescue vehicles Specialized equipment: <p>CAPACITY</p> <ul style="list-style-type: none"> Adequate staff complement per fire station is available to address any disaster situation that might occur <p>PARTNERSHIPS</p> <ul style="list-style-type: none"> Garden Route District Municipality Disaster Management 	<p>Training facilities:</p> <p>No accredited fire training facilities in existence. We do have an obscure visibility and confine space entry training area for Self Contained Breathing Apparatus</p> <p>The municipality currently makes use of external service providers to provide off-site accredited training</p> <p>Access control in Northern Areas, rough terrain, hoses being unable to reach area etc.</p> <p>Establishment of satellite fire station in Rheenendal – response time is currently 30+minutes</p>	<p>Natural disasters (droughts, floods, etc.)</p> <p>Fires</p> <p>Civil unrest</p> <p>Xenophobic attacks, etc.</p>

Neighbouring municipalities Department of Local Government: Disaster Management NGO's SAPS			
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
Community fire prevention outreach programmes	4 x per month	Ongoing	Fire risk awareness and fire prevention outreach programmes are being facilitated in partnership with SANPARKS, NGO's and CBO's
Establishment of satellite fire stations	1x in the GKMA	2022/2023	Suitable premises are currently being explored for the relocation and upgrading of the Sedgefield Fire Station. Input will be provided into the review process of the Knysna SDF in this regard
Fire Safety Risk Inspections	10 x per month	Ongoing	Monthly fire safety inspections are carried out.
Compliance with hazardous substances legislation (Dangerous goods vehicles inspections)	4 x per month	Ongoing	Inspections are conducted on a monthly basis
Upgrading of facilities at the Knysna fire Station	Building on a new fire engine bay	2022/2023	Started with first phase, rezoning, and received one bid. Budget submissions were made for the 2021/2022

			budget cycle and submissions will be made for the 2022/2023 budget cycle. (Alterations purposes).
Construction of a new Fire Station in Sedgefield	Suitable land to be identified for the relocation of the Sedgefield Fire Station	2022/2023	This is one of the priorities determined by the Sedgefield ward committees Input to be provided during the Knysna Municipality SDF review process
Improved human and technical capacity at the Fire & Rescue Services	Filling of Critical Vacancies as per new Approved Organogram to improve efficient response to any Fire & Rescue situations	2022/2023	Complete requisition form for filling of vacancies, 1x Junior & 1 x Snr firefighter.

4.9 Disaster Management

The Knysna Municipal Disaster Management Plan serves to confirm the organizational and institutional arrangements within the Greater Knysna to effectively prevent disasters from occurring and to lessen the impact of those hazards that cannot be avoided. The Disaster Management Act states “Disaster Management is a continuous and integrated, multi-sectoral and multi-disciplinary process of planning and implementation of measures aimed at disaster prevention, mitigation, preparedness, response, recovery, and rehabilitation.”

Disaster Management is defined as “*a continuous and integrated multi-sectoral and multi-disciplinary process of planning and implementation of measures aimed at disaster prevention, - mitigation, -preparedness, - response, -recovery, and -rehabilitation*” – as per Section 1 of the Disaster Management Act, 57 of 2002.

Knysna made history, a first in the Western Cape for Disaster Management, an invitation to comment on the draft review of the Disaster Management Plan for a period of 30 days. Living up to our vision: inclusive, innovative, and inspired.

Knysna Municipality has and currently experience the impact of Disasters, the COVID-19 International Pandemic.

Previously we experience various disasters that impact Knysna, like the Knysna/ Sedgefield drought, Floods, whale at Buffalo Bay, International ship stranded at Buffalo Bay- Kianu Satu and then the 2017/18 devastating fires.

The current COVID-19 has shown again that the Capacity of the Disaster Management section is critical at local Government Level. Most of the Municipal Disaster Management functions is add to another function or Department and only becomes critical when a disaster occurs.

Knysna COVID-19 MACC- Multi Agency Co-ordination Centre (JOC) was established with all stakeholders explaining how the JOC will operate and the way forward.

JOC consist of different clusters, these clusters are as follows:

Dept. of Health as leading agent; Dept of Environmental Health reside under Dept of Health;

SAPS; Law Enforcement, Dept of Correctional Services, SANDF and Justice form part of the Safety & Security Cluster, and SAPS as the Cluster Lead.

Education cluster

Social Services Cluster- Led by Dept of Social Development (DSD) and joined by Local Social Development. This cluster also had sub-clusters, collection and distribution section, call Centre, homeless shelters, soup kitchens, and an APP tool, improved and managed by the IT Department.

Transport cluster lead- dealt with all traffic and transport related concerns; and

Business, economic and tourism cluster lead and communication cluster lead.

Cluster leads then have meetings with their clusters and deals with matters of concern and discuss operational plans. The Cluster lead then give feedback at the JOC and raise matters to be escalated to District or Provincial for clarity or feedback.

Therefore, it is important that the capacity of Disaster Management is seen as a vital component within the Municipal Structures.

The *slogan* to best describe this initiative is-“**Disaster Risk Management is everybody’s business**”

Purpose

The National Disaster Management Centre (NDMC) provided a set of guidelines; developed in terms of section 19(a) of the Disaster Management Act (DMA) and section 3.6 of the National Disaster Management Framework, 2005 (NDMF) provides a uniform structure and checklist to organs of state to develop a Disaster Management Plan.

This plan confirms the arrangements for managing disaster risks and for preparing for – and responding to disasters within the Greater Knysna Municipality (GKM) as required by the Disaster Management Act.

The Disaster Management Act requires the Greater Knysna Municipality to take the following actions: to prepare a Municipal Disaster Management Plan for its area according to the circumstances prevailing in the area and incorporating all external role-players; to co-ordinate and align the implementation of its Municipal Disaster Management Plan with those of other organs of state, institutional and any other relevant role-players; and to regularly review and update its Municipal Disaster Management Plan (refer to Disaster Management Act, 57 of 2002, as amended – Section 48)

The Disaster Management Plan is to be seen as an information guide to the relevant role players. It shall advise the role-players how to lead in case of a disaster to prevent or at least mitigate negative effects on the Knysna Local Municipality (KLM).

Disaster Management: Strategic Objective

To promote a safe and healthy environment through the protection of our natural resources;
To structure and manage the municipal administration to ensure efficient service delivery;
To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication; and
To improve and maintain current basic service delivery through specific infrastructural development projects.

Disaster Management

In terms of Section 53 (1) of the Disaster Management Act, 57 of 2005 each municipality must –

prepare a disaster management plan for its area according to the circumstances prevailing in the area; co-ordinate and align the implementation of its plan with those of other organs of state and institutional role-players; and Regularly review and update its plan; and through appropriate mechanisms, processes and procedures established in terms of Chapter 4 of the Local Government: Municipal Systems Act (Act No. 32 of 2000), consult the local community on the preparation or amendment of its plan.

Knysna Municipality is primarily responsible for the implementation of the Disaster Management Act (No. 57 of 2002) within its area of jurisdiction, with a specific focus on ensuring effective and focused disaster risk reduction planning.

Shared responsibilities for disaster management

Although the Community Services Directorate, within the Knysna Municipality assigned with the Disaster Management function should direct and facilitate the disaster management process, it cannot perform the entire spectrum of disaster management activities on its own. Disaster management is everybody's business.

The disaster management activities to be performed within departments include participation in disaster risk reduction as well as preparedness and response.

It is advised where a department has primary responsibility for a specific hazard; the department’s role in disaster management for that specific hazard will be more than mere participation. It will have to lead risk reduction as well as preparedness activities due to its expertise in the field.

Departments that are responsible for specific services in normal conditions will remain responsible for such services during disasters. The declaration of a state of disaster and the tighter coordination instituted during disasters does not absolve any agency of its assigned responsibilities. Coordination will take place by the nodal point.

Legislation assigns responsibility for most disaster risks to specific departments or functions. There are risks that require more than one stakeholder therefore, it is required that each stakeholder involved is aware of their roles and responsibilities.

The Disaster Management Plan of the Municipality is Reviewed Annually and:

- forms a core component of its Integrated Development Plan (IDP);
- anticipates the types of disasters that are likely to occur in the municipal area and their possible effect;
- places emphasis on measures that reduce the vulnerability of disaster-prone areas, communities and households;
- seeks to develop a system of incentives that will promote disaster management in the municipality;
- identifies the areas, communities or households at risk;
- takes into account indigenous knowledge relating to disaster management;
- promotes disaster management research;
- identifies and address weaknesses in capacity to deal with disasters;
- provides for appropriate prevention and mitigation strategies;
- facilitates maximum emergency preparedness; and
- Contains contingency plans and emergency procedures in the event of a disaster.

DISASTER MANAGEMENT		
STRATEGIC OBJECTIVE	To promote a safe and healthy environment through the protection of our natural resources To structure and manage the municipal administration to ensure efficient service delivery To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication To improve and maintain current basic service delivery through specific infrastructural development projects	
STATUS QUO	CHALLENGES	RISKS

<p>LEVEL OF SERVICE Disaster Management is a continuous and integrated multi-sectoral, multi-disciplinary process which deals with: the planning; and implementation of measures, aimed at: preventing, mitigating or reducing the risk of disaster; emergency preparedness; and Post-disaster recovery and rehabilitation as a co-ordination process.</p> <p>FACILITIES A local municipality must establish capacity for the development and co-ordination of a disaster management plan and the implementation of a disaster management function.</p> <p>PARTNERSHIPS Garden Route District Municipality Disaster Management Department of Local Government: Disaster Management SAPS</p>	<p>FINANCIAL CONSTRAINTS The department is experiencing a limited allocation of resources for the effective and efficient operations of Disaster Management.</p> <p>CAPACITY Knysna Disaster Management Unit has inadequate capacity to render the level of service, as stated in the Status Quo and to fulfil its mandate as outlined in the Disaster Management Act.</p> <p>INFRASTRUCTURE/ FACILITIES No Incident Command Centre to be used during any disaster.</p>		<p>Key findings of the Knysna Municipality Disaster Risk Assessment which was done in 2018 determined the probability and severity of the following risks: Drought Fire Floods, gale-force winds and thunderstorms Alien invasive species Frequent disruption of water supply Estuary pollution Hazardous material (Hazmat) road accident risk General road accidents</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
Hazard, Risk and Vulnerability Assessment (HRVA)	Community based Risk Assessment Report	2020/2021	Disaster Management Solutions has been appointed by Western Cape Department of Local Government to undertake a Review of the GRDM Disaster Risk Assessment. In order for them to successfully update the District's disaster risk profile, we will assist in providing information from our functional area in relation to the priority District hazards
Institutional arrangements for effective Disaster Management practices	Establishment of a functional Disaster Management Centre	2020/2021	The establishment of a Disaster Management Centre will not happen soon, due to affordability.
	Functional Disaster	Ongoing	Knysna Municipality is an active participant in the

	Management Advisory Forum		Garden Route District and the Provincial Disaster Management Advisory Forums
	Drafting of Standard Operating Procedures	Ongoing	Drafting of SOP's- Will form part of the update Annexures of the Disaster management plan.
	Establishment of adequate human resource capacity for the effective management of disasters in the GKMA	2020/2021	The organogram must make provision for the appointment of the following positions as part of the Disaster Management Unit: Disaster Manager Disaster Management Officer Administrative Assistant

4.10 Access to Free Basic Services

4.10.1 Provision of Water

Objective

The Departments objective is to provide safe, potable water and final effluent, which complies to SANS 241:2015 Standards and our licenses in accordance with the various legislations i.e. Water Act and license conditions.

Legislation

Sections 12 and 13 of the Water Services ACT (Act No 108 of 1997) place a duty on Water Services Authorities. The Department of Water and Sanitation had developed a new set of WSDP guidelines (October 2010) to assist WSAs with the WSDP process and to provide a framework for the capturing of the data. The business elements included in the guidelines and addressed in the three Modules of Knysna Municipality's WSDP and follow as:

- Administration
- Demographics Profile
- Service Levels Profile
- Social-Economics Background Profile
- Water Services Infrastructure Profile
- Operation and Maintenance Profile
- Associated Services Profile
- Water Resources Profile
- Conservation and Demand Management Profile
- Financial Profile
- Institutional Arrangements Profile
- Social and Customer Service Requirements Profile
- Needs Development Profile

Water and Sewer Overview

The Greater Knysna area has the following Water and Wastewater Treatment Facilities respectively:

Area	Water Works - Capacity (MI)	Wastewater - Capacity (MI)
Belvidere		0.300
Brenton on Lake		0.170
Buffalo Bay	0.900	-
Karatara	0.900	0.150
Knysna	22.00	8.200
Sedgefield	1.5	1.500
Rheenendal	1.0	0.300

The department manages networks that are made up of the following infrastructure:

Water Infrastructure

Dams	3
Water Treatment Schemes	9
Raw water pipelines	+ - 42km
Potable Water Mains	404 km
Reservoirs and Elevated Tanks	49
Water Pump stations	55

Sewer Infrastructure

Sewer Treatment Plants	7
Sewer Pipelines	416 km
Sewer Pump stations	110

Challenges

Financial Constraints;
 Vandalism and Theft;
 Human Resource Capacity;
 Rapid Population Growth;
 Ageing Infrastructure; and
 Load shedding

WATER PROVISION		
STRATEGIC OBJECTIVE	To ensure the provision of bulk infrastructure and basic services through the upgrading and replacement of ageing infrastructure, and the expansion of new infrastructure. To grow the revenue base of the municipality	
STATUS QUO	CHALLENGES	RISKS
<p>Knysna is generally a water scarce area and is particularly vulnerable to long periods with little to no rainfall to fill rivers from which most of its raw water is sourced. Drought situations have been prevalent for the last couple of years due to inconsistent rainfall patterns especially during winter months. The impact of climate change has added significant pressure on the municipality's water supply and subsequently the municipality was compelled to implement level 3 water restrictions across the GKMA. These restrictions placed higher tariffs on water consumption to encourage users to use less water.</p> <p>INFRASTRUCTURE Knysna Municipality has a total number of ten water schemes under its area of jurisdiction and applies innovative technologies, which include reverse osmosis, boreholes, the Bigai Natural Spring, desalination plants, and surface water schemes. Emergency infrastructure include the Reverse Osmosis Plant that services the Knysna area as well as the desalination plant that services the Sedgefield area. Both the Desalination and Reverse Osmosis plants are in preservation mode due to financial constraints, in addition to the financial constraint, currently there is no need for their use.</p> <p>CAPACITY Akkerkloof Dam - 860 MI (storage); Glebe Dam - 150 MI (storage) Gouna River - 2.7 MI/day Bigai Stream - 0.5 MI/day Homtini River - 1.1 MI/day (Rheenendal) Karatara River - 3.3 MI (Sedgefield & Karatara) Goukamma River – 2.3 MI (Buffels Bay)</p>	<p>Insufficient quality ground water sources To review and concentrate on Pressure Management system for the next phase of water Conservation Rapid population growth puts pressure and water provision infrastructure Ageing water treatment and reticulation infrastructure Inadequate water storage and treatment capacity Inconsistent water security Skills retention within the department is limited Financial constraints to upgrade existing infrastructure or acquisition of new infrastructure</p>	<p>The biggest risk to the town is sustainable water security; The ability of Knysna Municipality to fulfil its constitutional responsibility to provide basic services to all its citizens in a sustainable manner, may be compromised; Load shedding; Water Works positions; Vandalism at key infrastructure points.</p>

PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
Water restrictions	Level 1 water restrictions implemented across the GKMA	Ongoing	Water restrictions remain in place, depending on rainfall patterns and water availability
Review of water tariff design structure	Tariff policy review currently under scrutiny.	Ongoing	Cost reflective tariff for water has been implemented to ensure financial sustainability.
Water leakage detection system	Water ambassadors were deployed in certain areas to identify and repair water leaks timeously. .	Undetermined	Leaks were repaired on private households by the water ambassadors. A leak detection device needs to be acquired in order to deal with reticulation leaks. *financial constraints*
Installation of water management devices at individual households	Phase 1 – Water management devices have been installed at 7 500 households in the Greater Knysna, which will assist in collecting revenue upfront	Ongoing	Phase 1 has been completed. Phase 2 is currently being rolled out and more meters were installed, however, funding is depleted for phase 2 therefore targets of the Municipality cannot be met.
Ensuring that all areas under Knysna’ jurisdiction have access to clean water	Planning to address the backlogs with MIG funding allocated	Ongoing	Ensure 100% spending of annual MIG allocation for water related projects
Eradication of water provision backlogs	Backlogs addressed parallel to the roll out of the housing programme	Ongoing	Water provision to households has improved gradually over the last few years.
Ensure long term water security	Upgrading the capacity of the Charlesford pumping scheme; Feasibility of Kruisvallei Dam	2020/2021	The recent upgrade of the Charlesford and East ford pump stations in 20/21 has significantly improved water capacity and security.

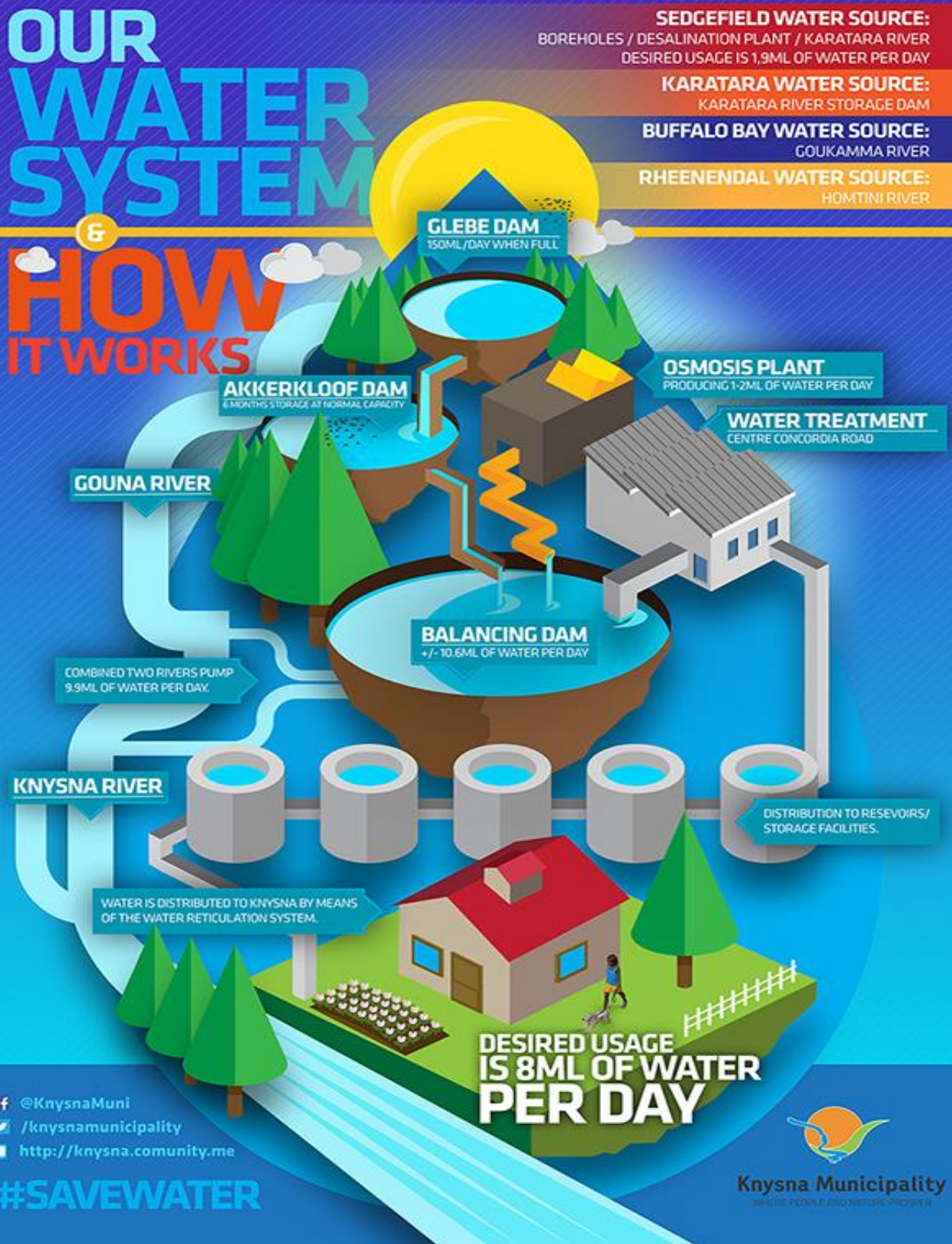
		Undetermined-2021/2022	A report was submitted to further investigate the phasing of the dam. Feasibility study is currently underway
Improved water quality	Improve institutional capacity as well as implementing effective maintenance and administration procedures at all systems	Ongoing	The water quality produced by all water treatment systems in Knysna Municipality conforms to SANS 241:2015. Any failures are reported and resampling is undertaken.
Ageing infrastructure	<p>The following projects were rolled out and are still ongoing:</p> <p>Upgrade CBD water reticulation network replacement project phase 2</p> <p>Hornlee water reticulation upgrade phase 1</p> <p>Knysna Water Conservation and Water Demand Management Project is still ongoing</p>	Ongoing	<p>High priority areas where frequent pipe breaks occurred in the CBD have been replaced with new water reticulation system.</p> <p>The Knysna CBD phase 1 is 100% complete.</p> <p>The Knysna CBD phase 2 is 95% complete.</p> <p>The Hornlee reticulation phase 1 is 95% complete.</p> <p>The Knysna Water Conservation and Water Demand Management project is 98% complete.</p>
Public Private Partnerships	To ensure water security and risk mitigation, providing the opportunity for innovation in partnership with private	Ongoing	No PPP has been concluded in the GKMA

	sector companies and Ratepayers Associations		
Water Security	Current review underway for Water Services Development Plan Audit report is complete and submitted to the Department of Water and Sanitation. Feasibility study of a dam at Kruisvallei is currently underway.	Ongoing	Review Annually

The map below indicates the location and capacities of the following available water sources in the GKMA:

OUR WATER SYSTEM

HOW IT WORKS



f @KnysnaMuni
 /knysnamunicipality
 http://knysna.comunity.me

#SAVEWATER



SANITATION SERVICES			
STRATEGIC OBJECTIVE	To improve and maintain current basic service delivery through specific infrastructural development projects		
STATUS QUO	CHALLENGES	RISKS	
<p>Access to sanitation services has improved significantly within the Greater Knysna. In the 2019/20 financial year most residents had access to sanitation services i.e. Waterborne or chemical toilets. This can largely be attributed to the comprehensive rollout of the Access to Basic Services programme between the provincial Department of Human Settlements and the Municipality.</p> <p>Capacities of Wastewater Treatment Plants are as follows:</p> <p>Knysna – 10.2 Ml/day (upgraded 2020/21)</p> <p>Sedgefield –1.5 Ml/day (upgraded 17/18)</p> <p>Karatara – 150 kl/day</p> <p>Brenton – 170 kl/day</p> <p>Rheenendal – 900 kl/day</p>	<p>Expansion of infrastructure to meet current and future development requirements.</p> <p>Efficient Effluent quality control programme to minimize the risk of pollution of the estuary and ground water resources.</p> <p>Knysna WWTW has struggled to comply with Special Standards</p> <p>The revision of the Water Act places difficulty on compliance as the current processes have not been designed to deal with nutrient removal effectively</p> <p>Financial constraints to upgrade existing sewer reticulation or acquisition of new infrastructure</p> <p>Storm Water ingress remains a problem</p> <p>Oil and Grease and Blood which enters the Knysna WWTW is problematic</p> <p>Vandalism in all towns</p> <p>Load shedding</p> <p>Ageing/Old infrastructure</p> <p>Global Warming</p>	<p>Current expansion of infrastructure to meet current and future development requirements is a high risk which can materialize</p> <p>This can have a detrimental effect on the environment which will ultimately impact tourism and livelihoods</p> <p>The pollution risks can further affect plant and other species.</p> <p>Vandalism and theft</p> <p>Offenders who abuse the sewerage reticulation systems</p> <p>Effluent quality not to standard, therefore poses a threat to the environment and health</p> <p>Illegal dumping at Pump stations has a negative impact on reticulation network and the managing thereof</p>	
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
<p>Investigation of future sanitation infrastructure requirements</p>	<p>Conducting a feasibility study for the establishment of an additional WWTW at Windheuwel</p>	<p>Has started in 2020/2021</p>	<p>Feasibility study is underway</p>

Modelling existing infrastructure for new developments	Inclusion of sewer master plan projects in the budget cycle	Ongoing	Knysna and Sedgefield WWTW's has been upgraded which will improve the existing design and operational capacity of the plants
Improved effluent quality	Improve institutional capacity as well as implementing effective maintenance and administration procedures at all WWTW systems	Ongoing	The upgrading of the Knysna WWTW will result in improved effluent quality.
Eradication of sanitation backlogs	Roll out of Access to Basic Services programme in all informal settlements which runs concurrently with the housing development programmes	Ongoing	Interim Basic Services project is currently underway in the Greater Knysna
Sewer Master Plan review and update	Updating of water & sewer master plans annually	Ongoing	Sewer Master Plan was last updated in 2019/2020, as part of the long-term capital investment framework this is crucial. Currently no budget available.

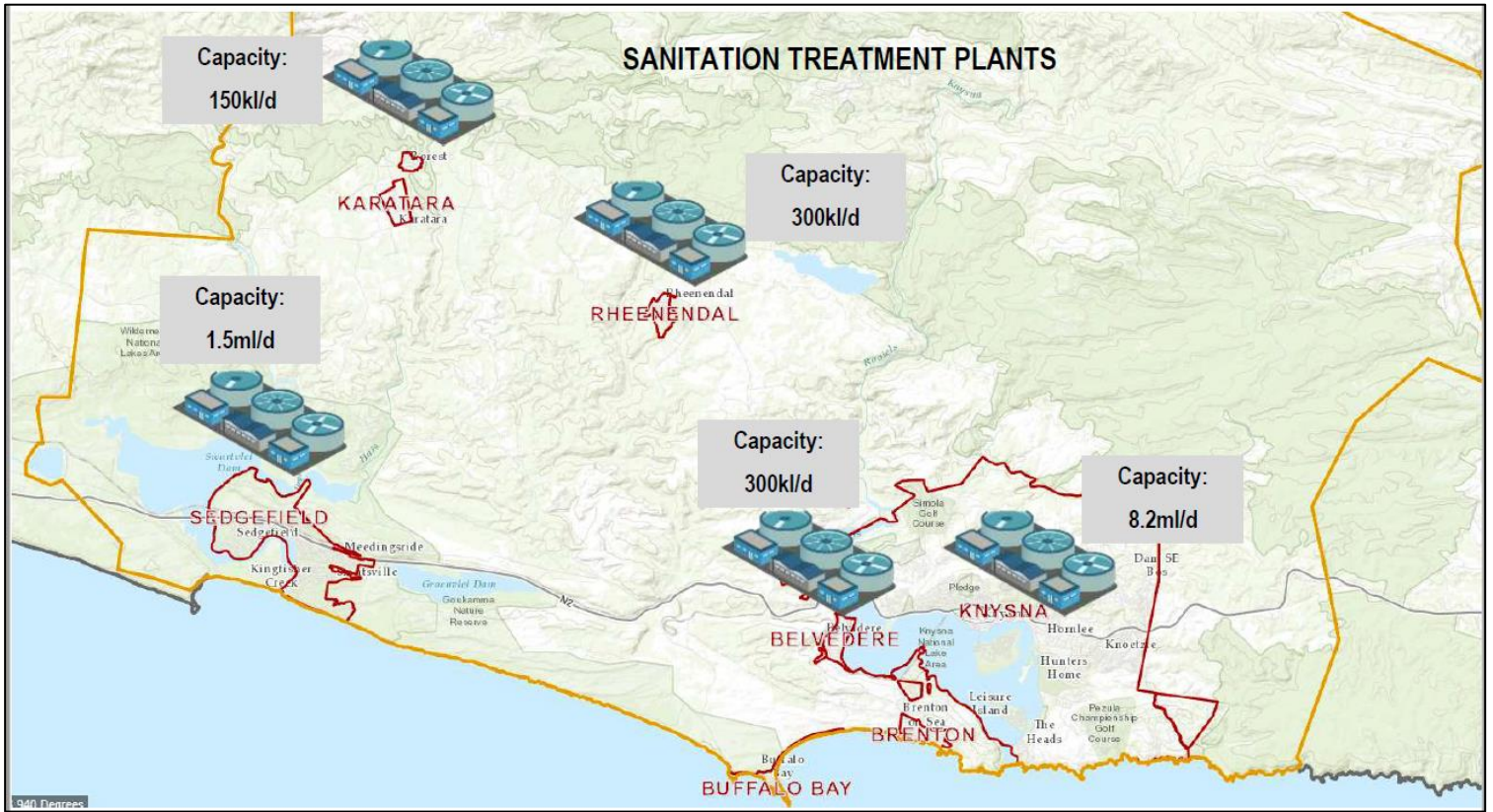


Figure 4: Knysna Sanitation Treatment Plants

4.10.3 Provision of Electricity

Legislative requirements

The Constitution’s prime mandate for Local Government to provide services in a sustainable manner (Section 152).

The Electricity act in sections 27(a) to (d) states that a municipality has the duty to:

- Comply with all the technical and operational requirements for electricity networks determined by the Regulator;
- Integrating its reticulation services with its integrated development plans;
- Preparing, implementing, and requiring relevant plans and budgets;
- Progressively ensuring access to at least basic reticulation services through appropriate investments in its electricity infrastructure.

Objectives

The Electricity Master Plan aligned to the Integrated Development Plan (IDP) and Spatial Development Framework (SDF) of the Municipality, complemented by inputs from individual customers. The goal of the project is to develop an Electricity Distribution Network Plan for a ten (10) year period and 20-year load growth projections in the form of a set of high, realistic and low growth scenarios. This exercise will determine a Capital investment plan into three categories: Refurbishment, Major Maintenance, and Strengthening. The study shall also include the need to link the information obtained through the master planning exercise with the asset registers, maintenance schedules, and organizational design.

ELECTRICITY		
STRATEGIC OBJECTIVE	To ensure the provision of bulk infrastructure and basic services through the upgrading and replacement of ageing infrastructure, and the expansion of new infrastructure. To grow the revenue base of the municipality	
The provision of sustainable and affordable electrical services is one of the corner stones of any vibrant economy and Knysna Municipality is no exception. A fundamental consideration for future developments and investment is the affordability of electricity, which might compromise the economic viability of intended development projects. Currently the municipality has adequate capacity to deliver bulk electricity services for any current or future residential or commercial developments in the area. The below profile in respect of electricity services provides an indication of the current reality, challenges as well as specific programmes proposed by the Electro-technical Services Department within the municipality to facilitate improvement in this regard.		
STATUS QUO	CHALLENGES	RISKS

<p>Electricity is one of the major income generators for the municipality. Provide electricity and street lighting to all formal households, electricity, and street or high mast lights to most informal areas in the GKMA. The biggest source of energy for lighting and cooking purposes in Knysna is electricity with 24 490 households (94.7%) having access to electricity in the GKMA in 2016 which is an improvement on the 89% in 2011. Despite this increase, which can largely be attributed to the accelerated housing delivery programme and the electrification of some informal settlements in Die Gaatjie (Sedgefield), Lapland (Rheenendal), there are still 1 387 households in the GKMA who has to rely on alternative energy sources such as paraffin, battery power and candles.</p>	<p>The mushrooming of informal settlements in areas in the GKMA creates the continuous need for additional electrification capacity. Theft of electricity through illegal connections Vandalism on the existing infrastructure Limited resources to maintain and monitor the network to ensure reliable operations</p>	<p>Health and safety risk Shock hazards as illegal connections and vandalising of infrastructure are not safe to the public Inconsistent and unaffordable electricity provision can have an adverse impact on economic growth Lack of alternative energy sources can have a negative environmental impact</p>
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PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
<p>Implementation of the Medium Voltage (MV) distribution network master plan.</p>	<p>Upgrading of Phases 1-3 of the Workshop substation which includes the implementation of new switch gear</p>	<p>2021/2022</p>	<p>Currently busy with phase 3. Completed – 30 June 2022</p>
	<p>Decommissioning of the old substation and commissioning of the new substation</p>	<p>2021/2022</p>	<p>Currently busy with phase 3. Completed – 30 June 2022</p>
	<p>Replacement of overhead lines with underground MV cables</p>	<p>2019/2020</p>	<p>Project completed (Sedgefield Area)</p>

Upgrading of and acquisition of new electricity infrastructure as part of the long term capital investment programme	Acquisition of a new substation to ensure reliability of electricity supply to Hornlee and Oupad	2019/2020	Project completed.
	Upgrading of the Eastford Substation – Phase 2	2019/2020	Project completed.
	Upgrading of the Sedgefield substation – Phase 2	2018/2019	Project completed.
	Ring supply of electricity in Knysna Industrial area	2018/2019	Project completed.
	Upgrading of the Saltriver – Brenton power line and substation	2018/2019	Project completed.
	Upgrading of the switching station in Hornlee	2018/2019	Project completed.
Eradication of electricity backlogs	Electrification of informal settlements in high priority areas	2019/2021	Business plan submitted to the Department of Energy to apply for INEP funding for electrification projects Electricity supply to the Brackenhill community has been restored by Eskom
Ensuring reliable public lighting	The department is regularly maintaining sections of public lighting to ensure reliable lighting.	Ongoing	Programme implemented to replace public lighting with energy efficient LED fittings. Electrical department has submitted an application for funding to DMRE
	Installation of high mast lighting in prioritised areas	Ongoing	Most areas in GKMA covered with high mast lights as per the master plan, however the installation of high mast lighting in dependent on grant funds.
Alternative energy sources in remote areas that cannot be connected to the grid	The department has appointed a consultant to	Ongoing	The solar geyser project was suspended by ESKOM and the Department of Energy as they are

	investigate the possibility of supplying energy in remote areas through solar energy. An application was submitted to DoE, for possible funding		currently reviewing their funding model in this regard
Operational and maintenance plan	Implementation of RCM and lean maintenance strategies for all municipal electricity infrastructure	Ongoing	This is ongoing, as the department must maintain all equipment.
	LV network evaluation and audits identifying problematic infrastructure	Ongoing	Maintenance schedules are being updated
	Greater focus on network reliability and target for zero unplanned outages	Ongoing	Maintenance schedules are being updated
	Implementation of online bulk metering for Eskom supply points	2022/2023	Discussion is currently underway with Eskom in this regard
	Conversion of analogue repeaters to digital and procuring of 170 additional radio handsets	2019/2020	Project completed

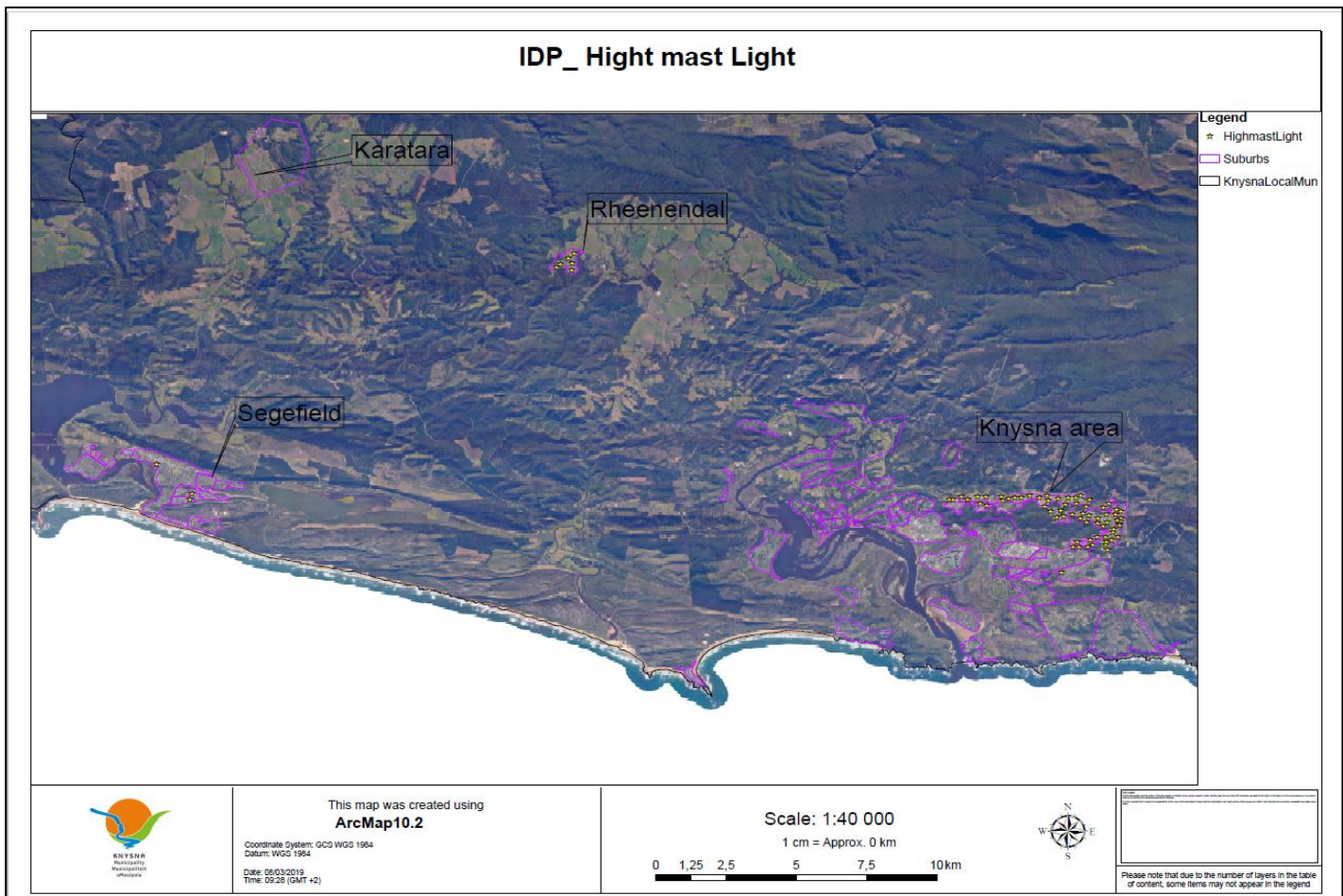


Figure 5: Distribution of high mast lights in the GKMA

Some areas do experience power outages (both planned and unplanned) but the frequency thereof is not outside of acceptable norms. The areas mostly affected by unplanned outages are the rural areas where overhead line systems are exposed to storms and lightning, as well as cable theft.

The mushrooming of informal settlements across the GKMA creates the continuous need for additional electrification capacity. Continuous requests for electrification has emerged from remote agricultural and forestry villages such as Brackenhill, Diepwalle, etc. Most of these settlements are located on private land and the whole issue of provision of basic services linked to a feasible funding model is being discussed between local government and the other spheres of government on a national level. Knysna Municipality has been improving the electricity infrastructure by implementing a number of infrastructure related projects over the past couple of years. All formalized areas have access to street lighting, as well as informal areas, which are under the UISP housing programme. A Master Plan was compiled for high mast lighting in the GKMA and a funding application has been submitted to MIG in this regard. An additional three high mast lights were installed in the 2018/19 financial year in line with the abovementioned master plan, which should have a significant impact in the safety situation of those areas.

For a number of years Council had to apply strict conditions to land use and development applications due to the electricity consumption for the GKMA being at capacity. ESKOM has completed the upgrading of the line between Blanco, George, and Bitou as well as the building of a new 132 kV overhead line to Knysna. This new supply line has freed up considerable electricity capacity. This is mainly as a result of inspecting bulk metres as

well as household pre-paid metres regularly to ensure correct readings at all times. Furthermore, as part of Council's revenue enhancement program the rollout of pre-paid meters will be accelerated to allow the municipality to load service arrears onto pre-paid systems to ensure customers pay for all municipal services.

Future Planning for Electricity Provision

The municipality recently reviewed the Medium Voltage (MV) distribution network master plan in order to ensure that the electricity network is able to accommodate all planned developments for the next five years. The objectives of this master plan are:

To identify the network components that need to be augmented to address the immediate challenges in terms of electricity distribution.

To cater for longer-term load growth and new township developments culminating from the SDF process.

To serve as a basis for any new construction initiatives so that it can be carried out in a planned and phased manner without putting unnecessary pressure on the existing electricity infrastructure.

To serve as a business plan for the implementation of the augmentation work with proper costing, deliverables and timeframes.

To ensure that the electricity network comply with relevant safety and quality standards.

Knysna Municipality does not have a long-term strategy to explore alternative energy sources, but it does promote and support private initiatives to explore the generation of energy through biogas and wind farms in the area. The solar geyser project was suspended by ESKOM and the Department of Energy because they are currently reviewing their funding model in this regard.

4.10.5 Waste Management

Residents have to be made aware of waste management and the integral part it plays in the creation of a safe and healthy environment. Pollution and waste management is not the responsibility of local government alone. The private sector and residents have important roles to play, because waste directly affects their lives. Knysna Municipality renders a very effective refuse removal service to almost every household and business in the Greater Knysna Municipal Area as indicated in the illustration below. In 2017 an overall 24 389 (94%) of households in Knysna Municipality were estimated to have their household refuse removed at least once a week by the municipality, which includes most of the informal households. This is a significant improvement of 308 households in 2016, which had access to such service.

Waste Management is a core function of local government and a basic service delivered by Knysna Municipality. It is a major generator of revenue for the municipality and therefore Knysna Municipality has put mechanisms in place to deliver this service on a sustainable basis in the most cost-effective way. Section 11(4) of No. 59 of 2008: National Environmental Management: Waste Act, 2008 requires local municipalities to develop Integrated Waste Management Plans (IWMP). The 3rd generation IWMP was adopted by Council in January. A total of seven goals were identified in the IWMP. The development of these goals has been informed by the situational analysis and gap needs assessment. The seven goals include:

Effective waste information management and reporting

Improved waste education and awareness

Improved institutional functioning and capacity

Provision of efficient and financially viable waste management services

Increased waste minimization and recycling

Improved compliance and enforcement; and

Improved future planning

Knysna Municipality currently implements a multi-bag system as part of its waste minimisation programme, which allows for the disposal of household refuse. This programme enables the municipality to provide clear bags to resident’s free-of-charge for the disposal of recyclable waste. The recyclable waste is collected as part of the weekly collection and is taken to the nearest recycling facility. Residents may also deposit their recyclable goods directly at the recycling facilities in Knysna and Sedgefield. In the absence of wheelie bins at some households, black bags are provided for the disposal of non-recyclable waste. In addition, residents can purchase blue plastic bags from the municipality’s Customer Care Centre for the disposal of garden refuse. The cost of transporting the refuse to an appropriate site for disposal is included in the charge fee for these bags.

The municipality will continue to roll out its “Wise Up on Waste” awareness campaign at schools to educate learners regarding the handling of certain types of waste and the appropriate disposal thereof. The existing swap shops will continue to enhance the re-cycling programme at selected primary schools even though adequate human resources to champion the programme as well as lockdown regulations remain a constraint and hampers the successful roll out of the awareness campaign.

The municipality renders an efficient and sustainable refuse removal service to all formal and informal residential areas in all the wards in GKMA on a weekly basis. Access to informal settlements for the collection of refuse is becoming a challenge in the Northern Areas, with the uncontrolled development of informal houses. Knysna Municipality have two licensed Garden disposal facilities which one of them is a drop-off site in Sedgefield.

Similarly, to other municipalities in the Garden Route District and especially those located at the eco-sensitive coastline of the Southern Cape, Knysna Municipality do not have an accredited landfill site of its own. The Garden Route District Municipality obtained permission from the Department: National Treasury to embark on a project for the establishment of a Regional Waste Disposal Facility adjacent to the current Petro SA site, on a Public Private Partnership (PPP) basis. The Regional Waste Management Facility was launched on 11 February 2020. The lead partner has since withdrawn from the project. Garden Route District Municipality appointed Jan Pam Consulting Engineers to explore other ways and possibilities to develop with facility.

This facility will provide a regional waste management service to accommodate approximately 8500 tons of domestic waste generated per month in the municipal areas of Bitou, Knysna, George, and Mossel Bay. However, it is also designed to accommodate domestic waste from Hessequa and Oudtshoorn Municipalities in the near future.

The municipality will also pilot a community waste management programme in two of the municipal wards to explore and assess ways to localize solutions to waste management challenges in communities. The municipality launched a composting project in Sedgefield to minimize green waste that is transported to the landfill and provided compost bins, scale and worms for the project.

Knysna Municipality experiences a number of fundamental challenges in terms of effective waste management as indicated in the tables, below, which also illustrates appropriate interventions required to address such challenges.

WASTE MANAGEMENT	
STRATEGIC OBJECTIVE	To ensure the provision of adequate and well maintained bulk infrastructure and basic services

To promote a safe and healthy environment through the protection of our natural resources
 To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication

STATUS QUO	CHALLENGES		RISKS
<p>2016 Community Survey indicates that approximately 94% of households in GKMA have access to a weekly refuse removal service, which includes informal settlements.</p> <p>EPWP contract workers have been appointed to do refuse collection services in some wards, farms, and forestry village's. This is part of Council's commitment towards job creation.</p> <p>FACILITIES The PETRO SA regional landfill site will only be accessible to the municipality until the end of June 2019 upon which the municipality will have to find an alternative solution for its waste disposal. It is anticipated that the first cell of the Garden Route Regional Waste Disposal Facility will be in operation by then.</p> <p>Regular reviews of permitting waste disposal is taking place between GRDM and PetroSA to determine the further use of its landfill site.</p> <p>Phase 1 of the Knysna Waste Transfer Station was recently upgraded to enhance the solid waste compaction capacity prior to transporting it to Mossel Bay.</p> <p>An application for extension of the current licence for The Old Place garden refuse site has been granted, as there is no alternate facility.</p> <p>Western Cape Department of Environmental Affairs & Development Planning (DEA&DP) has already closed the Brenton Garden Refuse site as per instruction. Rehabilitation of the site will commence in due course as per the closing report. A contractor has appointed to start with the closure of Brenton on Sea landfill site and should be on site by February 2022.</p>	<p>FINANCIAL CONSTRAINTS The R10m contribution of Knysna Municipality towards the Garden Route Regional Waste Disposal Facility will result in a significant increase on the refuse removal tariff in the 2019/20 financial year.</p> <p>Appointment of Environmental Consultants for External Audits on Waste Facilities (Legal requirements) is done on a yearly basis</p> <p>HUMAN RESOURCE CAPACITY Supervision of Private Contracts (Ward based clean-up tenders)</p> <p>Staff training needs are in process, with HR via the Skills Audit.</p> <p>TECHNOLOGICAL RESOURCES Smaller municipal 1-ton trucks collect waste where municipal compactor cannot reach in the Northern Areas of Knysna.</p> <p>Changing the awareness and attitude of people regarding waste, separation and recycling.</p> <p>The Waste Management Section will purchase an additional truck and trailer before the end of 2019/20 financial year.</p>		<p>Contribution from Knysna Municipality towards the establishment of the Garden Route Waste Disposal Facility will result in a significant waste removal tariff increase for at least three consecutive financial years.</p> <p>Municipality does not have an alternative site to dispose of household waste.</p> <p>Internal and External Audits are legal requirement and stated within license. Cost for audits need to be budgeted for and should be done by an external consultant.</p> <p>Closing Report of garden refuse site(s) should be done in accordance to the decommissioning license and a consultant must be appointed in this regard</p> <p>Removal of recyclable material and wet waste from the waste management stream</p> <p>A significant increase in the volumes of builder's rubble due to the clean-up operation post the Knysna fire disaster</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS

Continuation of the Wise-up-on-Waste Education & Awareness campaigns	To reduce / eliminate wet waste out of the waste stream through a waste minimization and beneficiation programme Educate the public to decrease the volumes of waste going to the landfill Introduction mascot to schools and uses with roadshows and recycling programs	Ongoing	Various Education & Awareness campaigns take place on an ongoing basis
Roll-out of a comprehensive wheelie bin system in all wards	Complete the current implementation of wheelie bins to all households in the GKMA	Ongoing	Process is ongoing; project is currently at 50% completion.
Expanded re-use & recycling programme	Increased participation in waste recycling initiatives in all wards		Swop shop initiatives were in progress at selected schools but has since been hampered due to lockdown regulations The e-waste and used motor oil facility may be utilized by residents in the GKMA. This project has been halted due to funding constraints.
Upgrading of the Knysna Waste Transfer station	Adding an extra disposal line at the Waste-by-rail, for separation of recyclables off-line	Ongoing	Currently being done on an ongoing basis
Establishment of accredited garden waste sites	Obtain licenses from the relevant authorities for accredited garden refuse and	2020/2021	This project is currently on hold because the identified site falls within the George municipal boundary. George Municipality is not

	builders' rubble sites in the Wilderness area. The extension of lease was for a further six years.		keen to apply for the licensing of the site from Department of Environmental Affairs & Development Planning in this regard. The Municipality will have to consider the possibility of an PPP agreement
Effective law enforcement to prohibit illegal dumping	Decrease in illegal dumping activities Implementation of a WhatsApp campaign, that allows for immediate response to reporting as well as issuing fines to perpetrators	Ongoing	Law enforcement for illegal dumping is continuing Knysna Municipality is in the process of amending the by-law to introduce an incentive approach in this regard EPWP contract workers and the CWP workers currently assist the municipality with the cleaning up of illegal dumping sites.

4.10.6 Roads and Storm Water

Legislative requirements

The IDP is the chief planning instrument at local-government level in terms of the MSA. The IDP further seeks to integrate all other planning instruments and of most relevance with respect to Roads and Storm water are the MSDF (Municipal Spatial Development Framework) and the National Land Transport Strategic Framework (NLTSF). The MSDF and NLTSF are governed by their own respective legislation such as SPLUMA, LUPA, etc. for the MSDF and the NLTA for roads and transport. On the transport side, the key municipal planning instrument is the Integrated Transport Plan (ITP), which is mandatory in terms of the NLTSF, which sets the contents of the ITP.

In this regard, there is however, no requirement or mention for a Roads Masterplan (RMP) or Storm Water Masterplan (SWMP) in legislation and as such these may be referred to as Sectoral Plans that find expression in and through the IDP.

Objectives

The Knysna IDP states that: *“The MSDF is essentially a tool to achieve the desired spatial form of the municipality over a long-term horizon and plays a leading role in the broader municipal planning system.”* The spatial form in this context relates to the spaces created where roads and storm water systems are established and positioned namely road reserves, parks, and public open spaces and, how these spaces interact for the long-term benefit of all.

The main objective of the RMP is not to create roads per se but to respond to the MSDF and other town planning policies that shape towns and their futures. The RMP therefore only concerns itself with the upgrade and maintenance requirements of town’s over time through its Pavement Managements System (PMS) and Road Maintenance Plan (RMP). Similarly, a Storm Water Management Plan (SWMP) is a necessary outcome of urban development and exists for the protection of these of human settlements and other related land uses. The SWMP in essence responds to the changing urban form and has a long-term outlook, as changes in urban form does not occur frequently.

The NLTA however creates additional responsibilities with respect to public transport as expressed in the ITP. The objective of the ITP are set by the MEC from time to time and must be updated every 5 years with local authorities who operate a public transport system, such as a bus service, having to submit a Comprehensive Integrated Transport Plan.

Current status

The municipality is in process of reviewing the IDP and will amend all sectoral plans where so required. The RMP will be informed by the current update with respect to road upgrades, meaning an increase in capacity or performance while the priorities with respect to maintenance and rehabilitation will be dealt with by the PMS. The PMS, as approved by Council in 2018, lists the resurfacing and rehabilitations priorities and forms part of the national road maintenance strategy called RRAMS (Rural Road Asset Management System) as put in place by the National Department of Transport.

The SWMP has been completed for the CBD, Industrial area and needs to be updates for the remaining suburbs of Knysna and other hamlets. The SWMP reviews the ability of the system to cope with the land uses that it serves and proposes upgrades to be made. In this regard the Western Cape Government had already issued a directive as part of the Infrastructure Standards for Human Settlements that all storm water systems designs need to be increased by 20% due to climate change which means that all systems installed before the directive

are now under capacitated meaning a complete overhaul may be required. This is notwithstanding the requirement to upgrade systems that are outside their design and serviceability lifespans which results in emergency repairs being required due to collapse.

The RMP with respect to traffic and capacity needs to be done to respond to some congestion issues being experienced in town presently and to respond to the proposed Urban Renewal, densification and other land use changes that have taken place over time and are planned for the future. The impact of densifying the CBD with mixed-use precincts and the creation of shopping centres in suburbs needs to be analysed based on their impact on the entire network as well their impact on particularly public transport, which has higher priority than private transport in terms of the NLTA. In other words, taxi's and busses need to be accommodated before cars and other forms of private transport and non-motorised transport need to be accommodated and encouraged.

It is of critical importance that the aforementioned plans be updated as soon as possible because without them, the MSDP cannot be completed nor can subsequent land use plans be fully enacted because without a proper situation analysis being in place the impact and full life cycle costs cannot be determined.

The 2018/2019 IDP stated that the *“IDP is the principal planning instrument that guides and informs the municipal budget, the planning process has to provide a forum for identifying, unpacking and resolving the real issues that face the residents of the Greater Knysna Municipal Area (GKMA). By clearly identifying these issues in consultation with communities, it affords the municipality the chance to propose realistic and workable solutions that can be budgeted for, implemented, and monitored in a controlled environment. At the heart of the IDP lies the improvement in the provision of basic municipal services and expanding the livelihood opportunities for the residents of the Greater Knysna Municipal Area. The IDP also focusses on expanding and transforming municipal capacity, enterprise development, and exploring new ways of working and living together. This is especially relevant in an ever-changing environment.”* (Knysna IDP 2019). These sector plans therefore provide an environment for informed dialogue and decision making with the aim of supporting ‘realistic and workable solutions’.

ROADS

STRATEGIC OBJECTIVE	<p>To ensure the provision of bulk infrastructure and basic services through the upgrading and replacement of ageing infrastructure, and the expansion of new infrastructure.</p> <p>To grow the revenue base of the municipality</p>
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One of the main characteristics of Knysna Municipality is that the N2 runs through the two major economic centres namely Knysna and Sedgefield, which obviously has its advantages and disadvantages. The below profile in respect of roads provides an indication of the current reality, challenges as well as specific programmes targeted by the Infrastructure Services Directorate within the municipality to facilitate improvement in this regard.

STATUS QUO ROADS	CHALLENGES	RISKS
<p>Knysna Municipality has 220 km of tarred roads, of which 33 km are in a very poor condition, 109 km are in a poor condition, 57 km are in a fair condition, and 7 km are in a good condition.</p>	<p>Aged infrastructure Insufficient budgets Insufficient planning time and funds New developments accelerate damage</p>	<p>Increased costs over time Increased public liability claims Accelerated asset depreciation Financial losses</p>

PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
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REPAIRS AND MAINTENANCE PROJECTS

SANRAL N2 Re-alignment Project (N2 by-pass)	The need for the potential realignment of the N2 through the Garden Route section will therefore remain relevant and the planning for such realignment must continue.		
Repair roads and related services	Repaired potholes, etc.	2022/2023	This is an ongoing programme of Knysna Municipality to repair per annum
Resurfacing of roads	Resurfaced roads	2022/2023	The resurfacing programme of the Infrastructure Services Department commenced in January 2022 through which roads in the CBD will be resurfaced before June 2022.
Gravel road maintenance	Re-gravelled roads	Ongoing	This is an ongoing programme of the Infrastructure Services Department and gravel road maintenance will be

			done according to Councils priority list
CAPITAL PROJECTS (NEW INFRASTRUCTURE PROJECTS)			
Establishing of dedicated cycle routes	Paving of a cycle route along George Rex Drive and Costa Sarda as part of the Working for the Coast Project	2021/2022	SANParks will be acting as the implementing agent. Currently in the design & layout phase.
Upgrading of roads/streets	Upgrading of prioritised roads/streets in all wards in the GKMA	2021/2023	Roads will be upgraded in wards 1, 2, 3, 4, 5, 7, and 8. Ward councillors will provide the street names. The first phase of the project commenced in 2019 and is ongoing.
Upgrading of the storm water network	High priority areas where storm water infrastructure is required needs to be identified	2021/2023	The storm water master planning is currently under review Costing and design will determine the phased-in budgeting approach for the implementation of the master plan

4.11 Cemeteries

There are eight cemeteries in the GKMA of which only four are operational and maintained on a continuous basis. All the cemeteries are nearing the end of their capacity as indicated in **Table 13** below and finding new space is critical. A major challenge for the establishment of a new cemetery is the lack of available land. A tender process to procure appropriate land for the establishment of a new cemetery resulted in a site at Windheuvel identified. The drafting of new layout plans for the new cemetery have subsequently continued. Plans are underway to extend the Sedgefield cemetery; exploring other plans to establish a regional cemetery for the Greater Knysna at a location that would be suitable for burial as well as cremations are in process.

Cemetery	Capacity	Percentage occupied
Hunters Home	14 344	93%
Knysna Town	214	100%
Bongani	154	100%
Sedgefield 1	233	93%
Sedgefield 2	416	98%
Smutsville	382	100%
Rheenendal	1500	80%
Karatara	862	81%

Table 1: Status quo of cemeteries in GKMA

4. 12 Environmental Management

Knysna embodies all the natural features that make the Garden Route one of the most popular destinations in South Africa. In 2022, Knysna was voted in the top 20 “most loved destinations” in the world ((Tourism Sentiment Index). Local and international visitors are drawn to the area to enjoy vast tracts of indigenous forest, pristine mountain fynbos, abundant wildlife, and a coastline that includes at least two blue flag beaches. Our most outstanding feature, the Knysna Estuary, is also the most valuable estuary in South Africa.

The beauty and functionality of Knysna’s natural assets is not distributed evenly throughout the municipal area. What cannot be seen from the tourist viewing sites and the sandy beaches are the heavily polluted streams and highly degraded landscapes in the northern areas of the town and the highly compromised wetlands in the low-lying areas. Most of the major environmental challenges faced by the Municipality reflect the inequalities of historical town planning in South Africa.

Illegally dumped solid waste and sewerage spills because of blockages and an overburdened treatment works are the biggest contributors to chemical and bacteriological pollution of fresh water systems and ultimately the estuary. If the origin of the pollution is not addressed the estuary is at risk of not being fit for recreational purposes which will have a profound effect on tourism.

The imperative to keep Knysna ecologically functional and beautiful is supported by the fact that it is situated within the boundaries of the Garden Route National Park and forms part of one of the world’s bio-diversity hotspots - the Cape Floral Kingdom. This ensures that Knysna Municipality works in cooperation with environmental authorities such as SANParks, Cape Nature, DEA&DP civil society groups, and non-profit organisations to ensure that natural resources are protected and enhanced for future generations.

Managing the risks associated with climate change is one of the biggest ecological challenges faced by Knysna Municipality. The ability to adapt to climate-driven changes is increasingly important as the town’s economy is

directly affected by shortages of water, sea level changes, and extreme weather events that can lead to devastating fires, floods, and droughts. A Climate Change Risk and Vulnerability Assessment forms the basis of a Climate Change adaptation plan that will allow for better planning and improved risk management through implementation of specifically designed programmes and projects that will help Knysna adapt to inevitable climate driven changes.

Even before the June 2017 fire, Invasive Alien Plant Species threatened to displace species of high biodiversity value in the coastal lowland areas. The same invasive plant species also consume vast quantities of water in our catchments, negatively influencing streamflow in a town with little water storage capacity and a heavy reliance on freshwater resources for domestic purposes. Invasive plants also contribute to high fuel loads and pose a fire risk throughout the municipal area. Compliance with the National Environmental Management: Biodiversity Act that requires the municipality to draft and implement an Invasive Plant Control Plan for municipal properties is a priority, but is not sufficient to reduce the threat posed by invasive alien plants. Private landowners will also need to exercise a duty of care, particularly in areas that burnt in 2017. Enforcement of the relevant legislation needs to be improved and a coherent working relationship developed between the three tiers of government.

The functionality of wetlands in low-lying areas of Knysna and Sedgefield needs to be improved in order to mitigate anticipated climate-driven changes in rainfall patterns where protracted droughts are expected to be followed by short, intense rainfall events. Flood attenuation or the ability to respond to flood events by slowing the velocity of water and improving the retention of water during dry spells are two key functions that healthy wetlands provide. A wetland restoration and rehabilitation programme is required to restore functionality to highly compromised wetlands throughout the municipal area. One of the strategic objectives of the Council of Knysna Municipality is to promote a safe and healthy environment through the protection of our natural resources. This urgently needs to be incorporated into the internal functioning of the municipality particularly in Integrated Human Settlements, Water and Sanitation and Roads and storm water Management. Compliance with Environmental Legislation within our own organisation is critical if we are to retain the functionality and resilience of the natural systems that support the town.

Finally, retaining environmental functionality requires an innovative management approach that will enable our town to become a model Green Town where waste becomes a resource, where water conservation and augmentation techniques are piloted, and where pro-active, innovative environmental programmes provide livelihood opportunities throughout the municipal area.

ENVIRONMENTAL MANAGEMENT		
STRATEGIC OBJECTIVE	<p>To ensure that the natural environment of Knysna is one that sustains life, promotes equity and uses innovative solutions for complex environmental challenges</p> <p>To encourage community participation in finding solutions to environmental challenges through an inclusive process of policy, programme and project design.</p>	
STATUS QUO	CHALLENGES	RISKS
Knysna has experienced a number of extreme climate-driven challenges in the last decade including two floods, a protracted drought, and two wildfires that resulted in the loss of human life.	<p>EXTREME WEATHER EVENTS:</p> <p>Drought: the biggest challenge is to reduce demand - we are still using too much water. Keeping mountain catchment areas clear of invasive alien plants in the Knysna, Gouna, and Karatara and Homtini catchments is another major challenge post-fire.</p>	<p>EXTREME WEATHER EVENTS:</p> <p>Drought: Water shedding.</p> <p>Economic losses - reduced tourism and trade.</p>

<p>Pollution of freshwater systems and the estuary is chronic; loss of critically endangered vegetation such as Knysna Sand Fynbos and habitat for naturally occurring fauna is at risk as the town expands. Compliance with relevant environmental legislation is not uniform within and outside of the organisation with the effect that the town is under severe pressure to retain the natural assets that drive the economy.</p>	<p>Fire: The biggest challenge is effectively managing fire risk including fuel loads, the wild land urban interface, securing defensible spaces and growing a fire wise culture.</p> <p>Floods: The biggest challenge is managing risk and storm water flows to reduce damage to natural and manmade infrastructure and estuarine health.</p>			<p>Fire and Floods: Loss of life, natural and manufactured infrastructure.</p> <p>Proliferation of invasive plant species and concomitant loss of indigenous vegetation.</p>
	<p>POLLUTION: Reducing the chemical and organic pollutants entering the most important estuary in South Africa is the biggest challenge faced by the Municipality.</p> <p>Improving the health of highly polluted and degraded sub-catchments is the second biggest challenge.</p>			<p>POLLUTION: Economic losses – reduced subsistence fishing.</p> <p>Degradation of endangered marine flora and fauna.</p>
	<p>COMPLIANCE The biggest challenge is achieving compliance with a suite of environmental legislation on state-owned and private property. Notably the National Environmental Management Act, Environmental Impact Assessment Regulations and OSCAE Regulations as per the Environmental Conservation Act 1989; but also the National Environmental Management Biodiversity Act, National Water Act and the National Environmental Management Integrated Coastal Management Act.</p>			<p>COMPLIANCE Degradation of fresh water, marine and terrestrial ecosystems because of non-compliance with relevant legislation.</p> <p>Increased legal costs of internal non-compliance and concurrent reputational damage.</p>
	<p>BECOMING A MODEL 'GREEN' TOWN An overarching challenge that incorporates all of the above is turning Knysna into a town that is a flagship for best environmental practice and sustainable living.</p>			<p>RISK OF NOT BEING A MODEL 'GREEN TOWN' Ecological goods and services become exhausted and unable to sustain the 'business as usual' development model.</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	TARGETS	PROGRESS
<p>Integrated Invasive Alien Plant and fuel reduction strategy and implementation plan.</p>	<p>Initial clearing of IAP's and follow-up treatments Facilitate fire and water resilience by removing invasive aliens,</p>	<p>2022 - 2050</p>	<p>Maintenance of cleared areas</p>	<p>Invasive Plant Control Plan drafted and approved by National Department of Environmental Affairs. Initial clearing and follow-up has been completed for all municipal owned properties in Sedgefield, Karatara, Rheendal,</p>

	capturing storm water and improving the functionality of rivers and wetlands			Brenton on Sea, Brenton Lake and priority sites in Knysna central. Follow-up and maintenance is on-going. Herbicide assistance programme for private landowners is on-going. Skills training programme completed for invasive plant management including accredited forestry skills.
Waste to Energy pilot project.	Converting waste to energy.	2022 - 2025	Feasibility study completed and results submitted to council for way forward.	RFP drafted for advertising.
Blue Flag Beaches	Retain blue flag status for Buffalo Bay and Brenton and attempt min one more Blue Flag for Knysna.	2022	Buffalo Bay beach Brenton Beach and possibly Leisure Isle	Knysna Municipality has obtained blue flag status for Buffalo Bay and Brenton beaches in the years prior to 2020 and again in 2021.
Programmes to protect the coastline	Coastal Management Bylaw	2022	All coastal areas in the GKMA	Dune Management Plan drafted for the Sedgefield Dune; Draft bylaw drafted for public participation.
Estuary Pollution Management		2022 - 2050	Knysna and Sedgefield estuaries	As chair of the Estuary Pollution Committee SANParks is driving the effort to prevent further degradation of the estuary in partnership with all the relevant departments at Knysna Municipality; the Garden Route District Municipality; the BGCMA and relevant Western Cape officials where necessary. Effective implementation of the River Health project

				which employs approximately 30 women who regularly clear solid waste items from the streams flowing into the estuary
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4.12.1 Impact of Pollution and Waste

Despite efforts to maintain the cleanliness of the town, particularly in close proximity to the estuary, forests, seashore, rivers and other conservation areas, it must be emphasized that any pollution within the urban area will ultimately impact upon the estuary as it is eventually carried along streams and storm water channels that flow into the estuary. Similarly, the natural watercourses, storm water channels, and groundwater may be polluted from a number of human-induced factors. These can be summarized as follows:

- Informal settlement areas having limited or no access to adequate toilet and waste water disposal systems;
- Leaks and blockages in sewer infrastructure or sewer pipes are often in close proximity to storm water pipes
- Private septic tank units leaking or not operating effectively
- Operation failure and constraints at waste water treatment plants
- Illicit disposal of chemicals in storm water system or natural watercourses and
- Leaks and contamination from industrial and business activities

The Knysna Estuary Pollution Committee formed in 2009 comprises of South African National Parks, Garden Route District Municipality and Knysna Municipality as well as representatives of the Western Cape Government Department of Environment and Development Planning and the Breede Gouritz Catchment Management Agency. With support and guidance from the committee, more than one MSc has been undertaken giving all stakeholders a better understanding of the different sources of pollution entering the estuary and subsequently effective programmes have been put in place to reduce known levels of pollution.

4.12.2 Impact of Climate Change

The impacts of climate change are already a measurable reality and if not addressed timeously, they will exacerbate current service delivery challenges faced by local governments such as provision of water and sanitation, access to energy and job security. In doing so, they will create new challenges, making it more difficult for local governments to become sustainable and climate resilient in the long term. Achieving sustainability and climate resilience requires the ability to adapt to climate change.

The Knysna IDP recognises that managing the risks associated with climate change is one of the biggest ecological challenges faced by the residents of Knysna. What we have learned from recent experiences is that an ecological disaster almost always translates into economic hardship. Whether its drought or fire or a pandemic there is always an economic price tag on ecological disaster. The ability to adapt to climate-driven changes is increasingly important as the town's economy is directly affected by shortages of water, sea level changes, and extreme weather events that can lead to devastating fires and floods. A climate adaptation plan, and associated programmes and projects is required in order to start building the resilience we need to address these challenges.

In light of the above, Knysna Municipality has embarked on a priority project to develop a climate change adaptation plan. The Aim of the Knysna climate change adaptation plan is to effectively manage inevitable climate change impacts through interventions that build and sustain Knysna Municipality's social, economic,

and environmental resilience. This includes working closely with disaster management in building our emergency response capacity for all priority sectors as stipulated in the National Climate Change Response Policy (NCCRP) 2011. A climate change adaptation plan must be preceded by the development of a risk and vulnerability assessment, which highlights the sectors and population groups within the local government area, that are most vulnerable to the impacts of climate change, as well as setting a target to reduce their vulnerability and enhance their resilience.

4.12.3 Coastal Management By-Law

The purpose of the by-law is to preserve and protect the coastal zone, which includes public property, sensitive coastal areas, and coastal access land within the Knysna Municipal Area. The control of coastal access land secures equitable access to the benefits of coastal public property for all residents and visitors to the Knysna Municipal Area. Furthermore, the control of activities within the coastal zone will ensure the continued benefit of these areas by ensuring they remain in a safe and functional state. Coastal areas perform essential functions for the maintenance of ecosystem services and controlling activities within such areas will ensure the ecology of such areas can continue to function at an optimal level.

4.12.4 Air Quality Management

Knysna's geographic location in a basin means it is sensitive to air pollution as can be seen by the 'inversion layer' of fog, which, at times, is present over the estuary and CBD. In the town's more industrial past the presence of timber factories producing smoke and soot may have reduced air quality. Currently there are fewer industries which have resulted in less emissions which are mostly confined to the industrial area higher above the town and less likely to be 'trapped' within the basin.

An increase in traffic, particularly heavy vehicles, does mean more vehicular emission, which has a negative air quality impact, however this is not unique to Knysna, and the concern is limited relative to the number of vehicles in more populated areas. Some households within Knysna do still rely on open fires for heating and cooking which also contributes towards atmospheric pollution, even though it is on a very small scale. The hazardous safety and health risk is greater because some residents light these fires inside their homes without adequate ventilation. Knysna Municipality participated in the development of a district-wide Air Quality Management Strategy with Garden Route District Municipality. The Air Quality Management Strategy has been completed and approved by council.

Knysna Municipality will pursue the vision and mission of the Air Quality Management Plan through a series of nine objectives (listed below), each aimed at supporting the air quality management plan compiled for Garden Route District Municipality.

Objective 1: Set Air Quality Goals

Objective 2: Set Up Air Quality Management Systems

Objective 3: Carry out Risk Assessments

Objective 4: Assess and Select Control Measures

Objective 5: Implementation of Intervention and Monitoring Effectiveness

Objective 6: Revise Air Quality Goals

Objective 7: Integrate the AQMP into the IDP

Objective 8: Compliance Monitoring

Objective 9: Review the Air Quality Management Plan

To meet the requirements of both the Air Quality Act and National Framework extensive steps were taken to inform the public of the AQMP review process and to solicit comments as widely as possible. Advertisements of the two public meetings were published in local newspapers; details of the process were given to the Air Quality Forum members, all industries, ratepayers associations, NGOs, etc. Many opportunities was, therefore, given to the public in general to comment on all of the reports. By appointing an air quality officer, Knysna has already formalised the air quality management function in its area.

Section 15 (1) of the No. 39 of 2004: National Environment Management: Air Quality Act, 2004 makes the development of an Air Quality Management Plan a statutory requirement and the sole objective of the plan is to assess the state of air quality within the region. With the promulgation of the National Environmental Management: Air Quality Act 17, the focus of air quality management shifted from source control to management of pollutants in the ambient environment through air quality management planning. Exposure to ambient air pollutants can cause a range of significant effects on quality of life such as offensive odours, irritation of eyes, the upper respiratory system and skin, and acute and long-term toxic effects and therefore has to be monitored effectively. The actions required can be summarised as follows:

Programmes for 2022/2023	
Provincial forum meetings	Quarterly
Regional forum meetings	Quarterly
In partnership with GRDM	Vehicle Emissions Testing
Updating of Emission Inventory for the GKMA	
Monitoring of ambient air quality and point, non-point and mobile emissions	Roaming on a continuous basis
Clean Fire Campaign	In partnership with GRDM
Updating of Draft by-law	
Monitoring of dust complaints	Done on an continuous basis
Registration of small boilers within the GKMA	As and when needed
Noise nuisance complaints	On going
Comment on fire permits	This is done in collaboration with the fire department on an ongoing basis

Table 2: Implementation of Air Quality Management Plan

CHAPTER 2: STRATEGIC AGENDA

Strategic planning and development imperatives

Local government plays a fundamental role in improving the quality of life for the people of Greater Knysna and towards providing growing opportunities within our municipal boundaries. As much as this is part of our focus, our strategic intent is the forging of strong and lasting inter-governmental relationship with all neighbouring municipalities, the District municipality, and our Provincial government. The uniqueness of local government and in our instance Knysna municipality, being closest to the people of Knysna provides opportunity to build on being the primary driver of development with the rollout of service delivery whilst also ensuring that environmental, economic and social advancements takes places accordingly.

Strategic planning in local government and more specific in Knysna municipality is informed by the objectives of various policy directives and legislative frameworks. Strategic planning for the municipality fundamentally follows a top down approach, which includes policy directives at a global level all the way down to a municipal level as indicated as illustrated in Figure 124. Essentially, Chapter 2 in the 4th Generation IDP Review outlines the key policy directives that inform the strategic direction of the municipality.

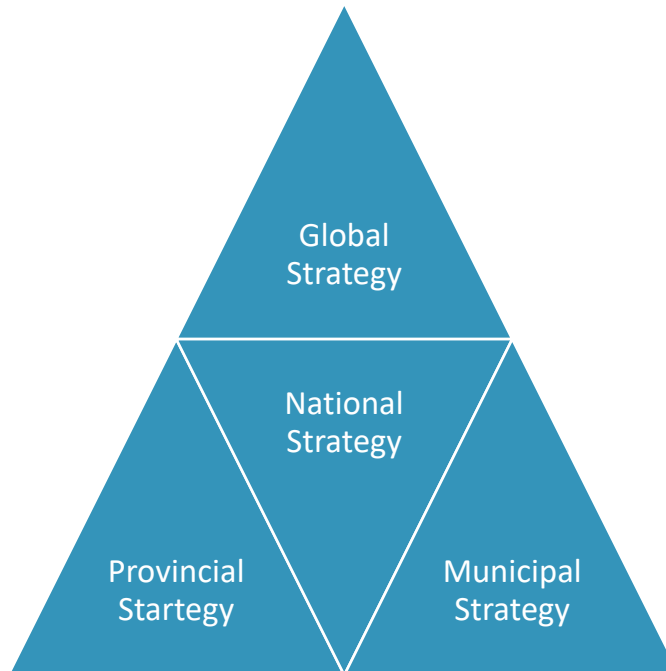


Figure 6: Strategic Alignment

Since the advent of the democratic local government era in December 2000, Knysna Municipality continues making great strides with the rolling out of basic services. Knysna municipality makes a considerable contribution towards inclusivity and innovation during the delivery of services as we realise our vision. The number of opportunities created all contribute towards radical economic transformation and reduce of socio-economic inequalities. The protection of our environment and redressing spatial inequalities remains a priority for municipality. Improvements in ensuring that the municipality remains a financially sustainable institution are seen, fostering economic growth opportunities in an inclusive manner and is responsive, effective, and efficient.

We acknowledge major advances with the delivery of goods and services, though recognition must be given that some challenges require redress in a strategic manner. Our current and past experience taught us that much more is in planning in the context of strategic planning for improved delivery in our future.

Our values drive us to establish a credible capable organisation structure, with required capacity to achieve our targeted strategic indicators successfully.

Strategic planning. The figure below outlines the municipality’s strategic framework, clearly linking our Vision, Mission, Values, and Strategic objectives. The other area covered in the remainder of this document is a direct link between our Strategic Objectives and the National Key Performance Areas, and Key Performance Indicators.

Strategy is hardly to be defined and realised without credible, well defined, and resourced key performance indicators linked to timeframes.

The strategic global, national and provincial policy underpins the strategic approach to the development of Knysna municipality. The objectives of these policies influenced the development of the strategic direction of the Municipality. Whilst we have assessed and identified key policies, the most recent and relevant developmental policies (as depicted in the diagram below) - Sustainable Development Goals, National Development Plan, Service Delivery Agreement Outcomes, Medium Term Strategic Framework 2019 – 2024.

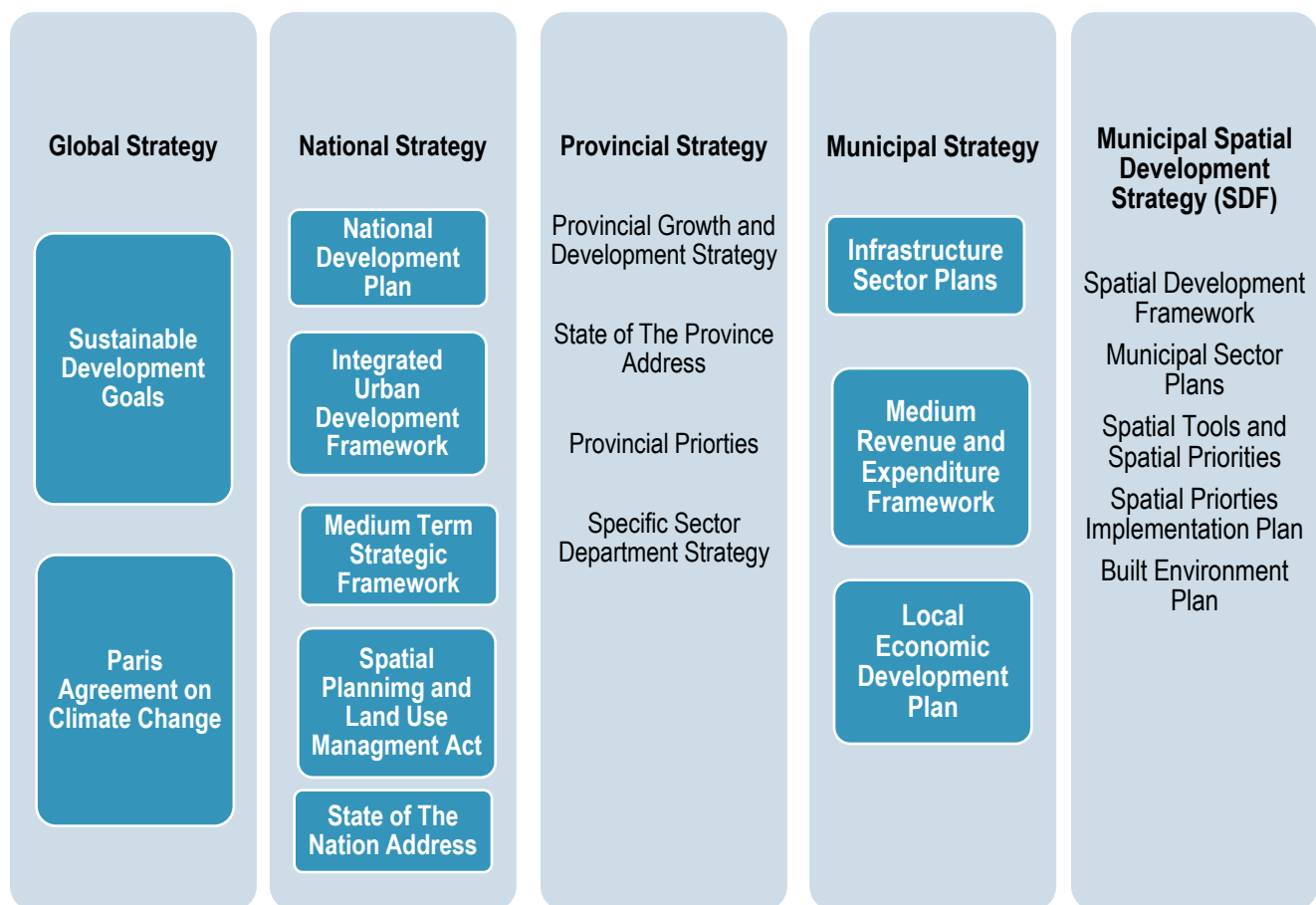


Figure 7: Policy Framework

2.1 Global policy directives

2.1.1 Sustainable development goals

The Sustainable Development Goals (SDGs) is a set of seventeen aspirational "Global Goals" with 169 targets between them. This global development framework is set against which all countries need to align their development trajectories in order to address the development challenges of the 21st century. The SDGs is a set plan of action for everyone, also focusing on the wellbeing of the planet and prosperity, reinforcing the need for a paradigm shift towards a sustainable development path.

The SDGs seek to build on the successes and principles of the Millennium Development Goals with the primary objective being; to leave nobody behind. All member states of the United Nations share a common responsibility of ensuring the achievement of the global development vision. As indicated in Figure below, the SDGs consist of 17 goals and 169 targets that member states across the globe are mandated to implement in their development discourse. The target date for achieving the associated goals and targets is set for 2030. One of the departure points in developing the SDG's was that countries would need to ensure that there is a balance between the economic, political, social and environmental effort required to ensure that these goals are achieved.



Figure 8: Sustainable Development Goals

The role of the municipality in the context of the SDGs is to contextualise all the associated goals and targets of the SDGs. The applicable SDG that deals with the local government context is SDG 11, which focuses on building 'Sustainable Towns and Communities-Making Towns and Human Settlements Inclusive, Safe, Resilient and Sustainable'. The associated SDG targets should influence the development of programs and projects that the municipality aims to implement through its IDP.

2.1.2 Paris agreement on climate change

The Paris Agreement brings all nations into a common agenda to undertake efforts to combat climate change and adapt to its effects, with enhanced support to assist developing countries. As such, it directs a new course in the global climate effort. At COP 21 in Paris, all parties to the UNFCCC reached a landmark agreement towards combatting climate change, accelerating and intensifying actions and investments required towards building a sustainable low carbon future.

The primary objective of the Paris Agreement is to strengthen the global response to the threats of climate change by sustaining a global temperature rise that is below 2 Degrees in this century whilst also pursuing

efforts to ensure that the temperature increase is limited to 1.5 Degrees. The essential elements of the Paris Agreement is illustrated below.



Figure 9: Elements of the Paris Agreement

South Africa being a signatory to the Paris Agreement has an obligation to limit temperature increases to 1.5°C, above pre-industrial levels. C40 Cities Climate Leadership Group have developed ‘Deadline 2020’ that will provide more clarity and guidance to achieve their emission reduction targets.

It is critical that the ‘Implementation Plan’ gap be addressed, and a step in the right direction for Knysna Municipality will be to develop an Implementation Plan, which will include the following sectors identified by the DCCS and Deadline 2020: Urban Planning, Transportation, Energy, Buildings, and Waste. It should be noted that while the Implementation Plan is to be drafted, there are a number of projects currently being implemented by the Knysna Municipality that can be aligned to the Paris Agreement Implementation Plan. The Paris Agreement is also an important tool in mobilising potential finance, technological support, and capacity building for developing countries, and will also help to scale up global efforts to address and minimise loss and damage from climate change and increase climate resilience. The Table below illustrates the alignment of the six strategic objectives of the municipality and the global sustainability frameworks.

	To improve and maintain current basic service delivery through specific infrastructural development projects	To create an enabling environment for social development and economic growth	To grow the revenue base of the municipality	To structure and manage the municipal administration to ensure efficient service delivery	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	To promote a safe and healthy environment through the protection of our natural resources
Paris Agreement						
Sustainable Development Goals						

Figure 10: Alignment between Global Policies and KLM Strategic Objectives

2.2 National and Provincial Policy Directives

2.2.1 National Development Plan (NDP) - November 2011

The National Development Plan, hereafter referred to as the NDP is a result of the work done by the National Planning Commission tasked with the development of a Vision and Plan for South Africa. The Commission consulted broadly on the Draft Plan and Cabinet finally approved the NDP in 2012. The NDP is the country's long-term development plan premised on a 30-year horizon that illustrates the path to follow towards South Africa being a Developmental State. The NDP offers a long-term development perspective and serves four broad objectives as depicted in the figure below

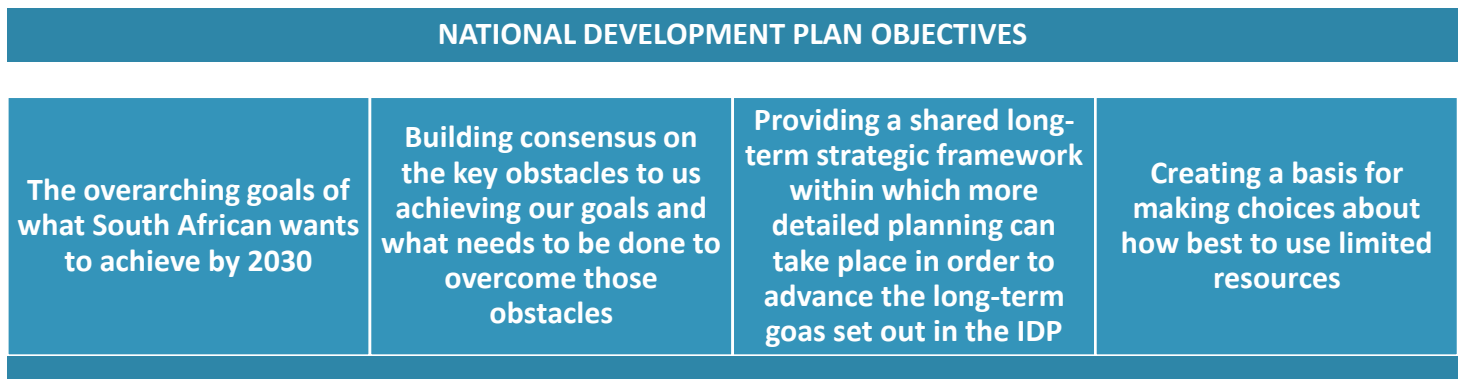


Figure 11: NDP Objectives

The NDP emphasise the importance of strengthening local government, to ensure municipalities are enabled to achieve their developmental mandate. This include infrastructure and basic services roll out and development planning. The Plan aims to secure a decent standard of living through the elimination of poverty, reducing levels of inequality and consider key priority areas as indicated in the below Figure . The 6 strategic objectives of Council are aligned with key priority areas of the NDP as indicated in Table following.



Figure 12: National Development Plan Priority Areas

	To improve and maintain current basic service delivery through specific infrastructural development projects	To create an enabling environment for social development and economic growth	To grow the revenue base of the municipality	To structure and manage the municipal administration to ensure efficient service delivery	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	To promote a safe and healthy environment through the protection of our natural resources
Create Jobs						
Unite the Nation / Greater Knysna Community						
Fight Corruption						
Build A Capable State						
Inclusive Planning						
Use resources Properly						
Expand Infrastructure						

Table 3: Development Matrix – National Development Plan (NDP)

2.3 The Integrated Urban Development Framework

The Integrated Urban Development Framework hereafter referred to as the IUDF is government’s national urban, responding policy position to guide the future growth and management of urban areas. to the countries rapid urbanisation challenges through ensuring effective planning and is an extension of Chapter 8 of the NDP, which is about transforming human settlements and the national space economy, and interfaces with the challenges currently facing South Africa and the development framework set out in the SDG Goal 11. In the development history of South Africa, urbanisation has always been an accelerator of growth and development, bringing about enormous changes in the spatial distribution of people and resources, and in the use and consumption of land.

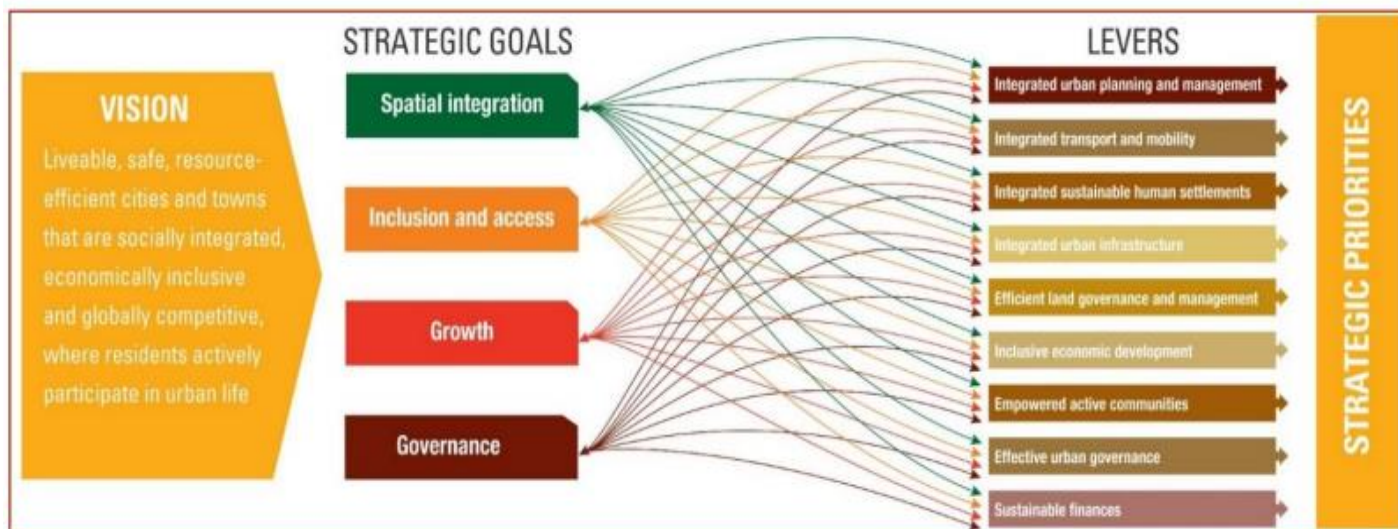
2.4 National and Provincial Policy Directives

2.4.1 Integrated Urban Development Framework (IUDF)

The Integrated Urban Development Framework (IUDF) is government’s policy position to guide the future growth and management of urban areas. In the economic history of humanity, urbanisation has always been an accelerator of growth and development, bringing about enormous changes in the spatial distribution of people and resources, and in the use and consumption of land.

The IUDF is informed by 4 Strategic Goals with 9 levers under the vision of creating Liveable, safe, resource-efficient cities and towns that are socially integrated, economically inclusive and globally competitive where residents actively participate in urban life’ as indicated in the figure below.

Figure 13: IUDF Goals and Policy Levers (Source: South African Cities Network)



The IUDF pronounces on how South Africa will transform urban centres in the quest of addressing historical spatial and socio-economic challenges amidst concerted programs of ensuring integrated and equitable access to sustainable human settlements.

2.4.2 Delivery Agreements

The MTSF structure is around 14 priority outcomes, which cover the focus areas identified in the NDP and Government’s electoral mandate. These consist of the 14 outcomes, which were the focus of the 2014-2019 administration, as well as two new outcomes (social protection, nation-building and social cohesion).

2.4.3 Medium-term Strategic Framework (MTSF): 2019 – 2024

The MTSF is the government’s strategic plan for the period 2019-2024. The MTSF is the five-year implementation phase of the National Development Plan (NDP) and is structured around 7 priority outcomes which cover the focus areas identified in the NDP and Government’s electoral mandate. These include education, health, safety and security, economic growth and employment, skills development, infrastructure, rural development, human settlements, local government, environment, international relations, public sector, social protection, nation building and social cohesion.

2.4.4 Development planning principles

Spatial Planning and Land Use Management in the context of South African planning and development is administered by the Spatial Planning and Land Use Management Act No. 16 of 2013 (SPLUMA). SPLUMA became effective as the national framework for spatial planning and land use management on the 1st July 2015 and essentially mandates all municipalities in the country to operate within the legislative requirements of the Act. SPLUMA is purpose driven to ensure that all spatial and development imbalances within the urban and rural context are addressed accordingly in order to bring forth inclusive spatial and socio-economic growth as indicated below under Figure 138. The implementation of SPLUMA in municipalities fundamentally implies that municipalities must now take responsibility for establishing Municipal Planning Tribunals. Municipalities are to prepare a single wall-to-wall scheme for the entire municipal jurisdiction and the management of the municipal land use system; compile and adopt a spatial planning and land use by-law to regulate the municipal spatial development framework and land use management in the municipality.

PURPOSE OF SPLUMA	
Sets Development Principles and Norms	<ul style="list-style-type: none"> • Provides for development principles, norms and standards for development • Specifies the relationship between the spatial planning and the land use management system and other kinds of planning • Provides for the sustainable and efficient use of land • Setting up municipal planning tribunals to address all planning related
Addresses Inequality	<ul style="list-style-type: none"> • Ensures that the system of spatial planning and land use management promotes social and economic inclusion • Redress the imbalance of the past and ensures equity in the application of spatial planning and land use management
Alignment of Spheres of Government	Provides for Co-operative Government and inter-relations amongst the national, provincial and local spheres of government

Figure 14: Purpose of SPLUMA

2.4.4.1 The current overarching legislative and policy requirements pertaining to planning and development include the following:

Spatial Planning and Land Use Management Act No. 16 of 2013 (SPLUMA)

Municipal Systems Act No 32 of 2000 – Chapter 5 relating to :-

Integrated Development Plan (IDP)

Spatial Development Framework (SDF)

Western Cape Planning and Development Act No. 6 of 2008 (PDA)

Town Planning Ordinance No 27 of 1949 (Section 67 in particular)

Subdivision of Agricultural Land Act, Act 70 of 1970

Land Use Schemes

National Building Regulations

Within the context of SPLUMA, the following outlines the functions and mandates of National and Local Government:

2.4.4.2 Municipal Planning

Municipal planning, for the purposes of SPLUMA, consists of the following elements:

the compilation, approval and review of integrated development plans;

the compilation, approval and review of the components of an Integrated Development Plan prescribed by legislation and falling within the competence of a municipality, including a spatial development framework and a land use scheme; and

the control and regulation of the use of land within the municipal area where the nature, scale, and intensity of the land use do not affect the provincial planning mandate of provincial government or the national interest.

2.4.4.3. National Planning

National planning, for the purposes of SPLUMA, consists of the following elements:

the compilation, approval and review of spatial development plans and policies or similar instruments, including a national spatial development framework;

the planning by the national sphere for the efficient and sustainable execution of its legislative and executive powers insofar as they relate to the development of land and the change of land use; and

the making and review of policies and laws necessary to implement national planning, including the measures designed to monitor and support other spheres in the performance of their spatial planning, land use management and land development functions.

SPLUMA requires national, provincial and municipal spheres of government to prepare Spatial Development Frameworks that, inter alia, establish a clear long term vision, guide planning and development decisions across all sectors, provide clear and accessible information, address inclusion and integration of all areas into the social, economic and environmental objectives of the relevant sphere of government, identify risks of particular spatial patterns, indicate priority areas and provide direction for strategic development, infrastructure investment, undertake and consider substantial public engagement and ensure plans and programmes of all spheres of government are coordinated and aligned. In addition, Spatial Development Frameworks must outline specific arrangements for prioritising, mobilizing, sequencing and implementing public and private infrastructural and land development investment in the priority spatial structuring areas identified in the

spatial development frameworks. Chapter 2 Subsection 7(a)-(e) of SPLUMA requires that all SDF's give effect to the following development principles as indicated in Figure 139 below:



Figure 15: SPLUMA principles

2.5 Western Cape Provincial Spatial Development Framework - March 2014

2.5.1 Guiding principles

The 2014 PSDF applies the following spatial principles:

Spatial justice

Sustainability and resilience

Spatial efficiency

Accessibility

Quality and liveability

2.5.2 Spatial goals

To address the spatial challenges identified the PSDF takes the Western Cape on a path towards: more inclusivity, productivity, competitiveness and opportunities in urban and rural space-economies; better protection of spatial assets (e.g. cultural and scenic landscapes) and strengthened resilience of natural and built environments; and Improved effectiveness in the governance of urban and rural areas.

2.5.3 The Spatial Vision

The PSDF builds on One Cape 2040's vision of "a highly-skilled, innovation driven, resource efficient, connected, high opportunity, and collaborative society." For each of these societal attributes aspired to One Cape 2040 identifies thematic 'big step' changes that need to take place.

The PSDF envisages the spatial expression of these themes as follows:

Educating Cape: Everyone has access to a good education, and the cities, towns and rural villages are places of innovation and learning.

Working Cape: There are livelihood prospects available to urban and rural residents, and opportunities for them to find employment and develop

Enterprises in these markets.

Green Cape: All households can access basic services that are delivered resource efficiently, residents use land and finite resources prudently, and

Safeguard their ecosystems.

Connecting Cape: Urban and rural communities are inclusive, integrated, connected, and collaborate.

Living Cape: Living and working environments are healthy, safe, enabling, and accessible, and all have access to the region's unique lifestyle offering.

Leading Cape: Urban and rural areas are effectively managed

2.5.4 The Spatial Agenda

To deliver on the WCG's strategic objectives the PSDF focuses on growing the economy, building greater environmental resilience and much better inclusion. To these ends, the Provincial spatial agenda may be summarised as follows:

Growing the Western Cape economy in partnership with the private sector, non-governmental and community based organisations

Using infrastructure investment as primary lever to bring about the required urban and rural spatial transitions

Improving oversight of the sustainable use of the western cape's spatial assets

2.5.5 The Spatial Logic

The logic underpinning the PSDF's spatial strategy is to:

CAPITALISE and build on the Western Cape comparative strengths (e.g. gateway status, knowledge economy, lifestyle offering) and leverage the sustainable use of its unique spatial assets.

CONSOLIDATE existing and emerging regional economic nodes as they offer the best prospects to generate jobs and stimulate innovation.

CONNECT urban and rural markets and consumers, fragmented settlements and critical biodiversity areas (i.e. freight logistics, public transport, broadband, priority climate change ecological corridors, etc.)

2.5.6 Interrelated Themes

The policy framework covers provincial spatial planning's three interrelated themes, namely:

Sustainable use of the Western Cape's resources

Biodiversity and ecosystem services

Soils and mineral resources
 Resource consumption and disposal
 Landscape and scenic assets
 Water
 Opening-up opportunities in the
 Provincial space-economy
 Regional economic infrastructure
 Rural space-economy
 Urban space-economy
 Developing integrated and sustainable
 settlements
 Sense of place and settlement patterns
 Accessibility
 Land use and density
 Facilities and social services
 Informality, housing delivery, inclusion,
 and urban land markets.



Figure 16: SPLUMA principles

DIAGRAM.8 THE 3 SPATIAL THEMES AND THEIR ASSOCIATED ELEMENTS, SUPPORTED BY SPATIAL GOVERNANCE

2.6 NATIONAL TREASURY CIRCULAR 88 IDP

2.6.1 Outcomes indicators

The circular 88 aims to support the alignment of planning and reporting instruments for a prescribed set of municipal performance indicators. The Municipal Systems Act (MSA) and the MFMA require alignment between planning and reporting instruments such as the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and the Annual Report. This circular aims to clarify the alignment by prescribing municipal performance indicators for municipalities. In providing guidance and conceptual clarity and alignment between the IDP, SDBIP, and the performance part of the Annual Report, this MFMA Circular has conceptual benefit for all municipalities. The content of the circular has been informed by a performance reporting reform initiative undertaken by National Treasury, in collaboration with the Department of Cooperative Governance, the Department of Planning, Monitoring and Evaluation, Statistics South Africa and in consultation with the Auditor-General of South Africa, amongst others. The intention of this reform is to rationalise the reporting requirements of metropolitan municipalities. It was identified early on in this reform initiative that rationalising the reporting requirements of municipalities necessitates clarification and resolution of inconsistencies in the statutory requirements of the IDP, SDBIP and the performance part of the Annual Report.

2.7 Western Cape’s provincial strategic plan: 2019-2024

The Western Cape Government (WCG) Strategic Plan for 2019-2024 states that ‘As the Western Cape Government, our commitment is to the people of the province – working with them to ensure access to services and opportunities that improve their lives now, and in the future’.

The WCG in its Government Action Plan and the Premier’s State of the Province Address 2019 reaffirms with the inclusion of “Innovation and Culture” as one of the Province’s five (5) Vision-Inspired Priorities (VIPs), its commitment to build on the foundation of good governance.

Figure 1 Western Cape Province’s five VIPs

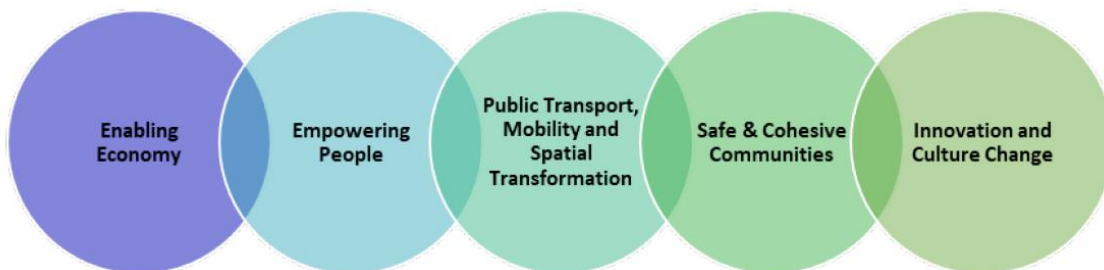


Figure 17: Western Cape Provincial Government Vision Inspired Priorities

At the start of 2020, South Africa like the rest of the world experienced the COVID-19 outbreak affecting all industry and communities across the country. The president declared state of national disaster on 15 March 2020, followed by periodic extension of Disaster-related restriction. The national lockdown exposed the high levels of poverty many communities were subject to for decades. COVID-19 confirmed the extreme infrastructure challenges communities face on a daily basis, with municipalities unable to respond thereto appropriately. The broken services include healthcare services, access to running water, sanitation, housing, transport, and the means to access telephonic modes of communication. COVID-19 continues to affect operations, infrastructure, and finances of municipalities across the Western Cape Province. A review of the WCG Action Plan for appropriate response to COVID-19 was required, hence three focus areas were identified which include Jobs, Safety and Well-being.



Figure 18: Western Cape Government Elevated Priorities

The advancement of good governance across the three spheres of government is a requirement to achieve greater levels and quality of service delivery to stimulate integrated, sustainable, and equitable services.

The WCG applies the Joint District and Metro Approach (JDMA) as its response to the District Development Model known as the One Plan. The Integrated Management approach adopted by the WCG is rooted within the co-operative government imperatives of Chapter 3 of the Constitution. This includes the responsibilities in

terms of Section 154 and Section 155 (6) of the Constitution; to monitor, support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions. Chapter 13 of the National Development Plan emphasises the need for improved inter-governmental coordination to build a capable state, with an emphasis on improving both “strategic coordination “and “routine coordination’.

The JDMA is a geographical and team-based, citizen-focused approach to provide integrated government services through a strengthened National Government, WCG and Local Government interface. It is characterised by a geographically differentiated and targeted approach with a single implementation/support plan per district and appropriate levels of coordination by interface teams. The WCG, in partnership with the national organs of state and Western Cape Municipalities, aim to give effect to the imperatives of coordination, coherence, alignment, integration and complementarity by implementing Integrated Management. The outcome of the Integrated Management approach focusses on improving the living conditions of citizens of the Western Cape Province. The approach makes provision for a series of integrated engagements to improve co-planning, co-budgeting, co-implementation, co-review and co-adjustment.

OBJECTIVES OF THE DDM AND JDMA	
DDM	JDMA
<p>Solve the silos at a horizontal and vertical level; Maximize impact and align plans and resources at our disposal through the development of “One District, One Plan and One Budget”; Narrow the distance between people and government by strengthening the coordination role and capacities at the District level; Ensure inclusivity through gender-responsive budgeting based on the needs and aspirations of our people and communities at local level; Build government capacity to support municipalities; Strengthen monitoring and evaluation at district and local levels; Implement a balanced approach towards development between urban and rural areas; Ensure sustainable development whilst accelerating initiatives to promote poverty eradication, employment and equality; and Exercise oversight over budgets and projects in an accountable and transparent manner</p>	<p>Is a geographical (District) and team based citizen focused approach; Has the output of a single implementation plan to provide planning and strategic priorities, developmental initiatives, service delivery and capacity building; Has the desired outcome of improving the living conditions (lives) of citizens; Has a horizontal interface (between provincial departments) and a vertical interface (National, Provincial and Local government spheres); Does not exclude local municipalities; Is not a functions and power debate; and Promotes collaboration using the District Coordinating Forum as the governance instrument for co-planning, co-budgeting and co-implementation to strengthen service delivery to communities</p>

Planned JDMA initiatives					
Key Regional Strategic Priority	Municipal Area	Project	Budget	Responsible Actors	Timeframes
A Water Secure Future	Garden Route District	Sustainable water and Sanitation projects and infrastructure Garden Route District promotes all	To be determined	COGTA DLG BGCMA DWS All B-Municipalities	10-20 years

The DDM also focuses on building state capacity through the stabilization of Local Government with a view to improve cooperative governance, integrated planning and spatial transformation, and inclusive economic development where citizens are empowered to contribute and partner in development.

The DDM is anchored on the “One Plan.” The “One Plan” is defined as an intergovernmental plan setting out a 25-30 years long-term strategic framework (consisting of short, medium and long-term actions) to guide investment and delivery in relation to each of the 52 district and metropolitan spaces. This plan for each space is to be jointly developed and agreed to by all three spheres of government.

MUNICIPAL STRATEGIC OBJECTIVE	NDP CHAPTER	INTEGRATED URBAN DEVELOPMENT FRAMEWORK CHAPTER	MEDIUM STRATEGY FRAMEWORK CHAPTER	BACK TO BASICS APPROACH CHAPTER	WESTERN CAPE PROVINCIAL STRATEGIC PLAN CHAPTER
To improve and maintain current basic service delivery through specific infrastructural development projects	Chapter 4 – Economic Infrastructure	<p>Policy level 1: Integrated Urban Planning and Management</p> <p>Policy level 3: Integrated Sustainable Human settlements</p> <p>Policy level 4: Integrated Urban Infrastructure</p>	<p>6.9 Responsive, accountable, effective and efficient local government</p> <p>6.12 An efficient, effective and development-oriented public service</p>	3.3.1 Basic Services: Creating conditions for decent living	Priority 4: Mobility and Spatial Transformation
To promote a safe and healthy environment through the protection of our natural resources	Chapter 6 – Environmental Sustainability	Policy level 5: Efficient land governance and management	6.10 Protect and enhance our environmental assets and natural resources	3.3.1 Basic Services: Creating conditions for decent living	Priority 1: Safe and Cohesive communities
To create an enabling environment for social development and economic growth	Chapter 3 – Economy and Employment	Policy level 6: Inclusive economic development	6.4 Decent employment through inclusive growth	3.3.1 Basic Services: Creating conditions for decent living	Priority 2: Growth and Jobs
To grow the revenue base of the municipality	Chapter 14 – Building a capable state	Policy level 9: Sustainable finances	6.12 An efficient, effective and development-orientated public services	3.3.4 Sound financial Management	Priority 2: Growth and Jobs

MUNICIPAL STRATEGIC OBJECTIVE	NDP CHAPTER	INTEGRATED URBAN DEVELOPMENT FRAMEWORK CHAPTER	MEDIUM STRATEGY FRAMEWORK CHAPTER	BACK TO BASICS APPROACH CHAPTER	WESTERN CAPE PROVINCIAL STRATEGIC PLAN CHAPTER
<p>To structure and manage the municipal administration to ensure efficient service delivery</p>	<p>Chapter 3 – Economy and Employment</p> <p>Chapter 4 – Economic infrastructure</p> <p>Chapter 14 – Building a capable and developmental state</p>	<p>Policy level 6: Inclusive Economic Development</p> <p>Policy level 9: Sustainable finances</p>	<p>6.9 Responsive, accountable, effective and efficient local government</p> <p>6.5 A skilled and capable workforce to support an inclusive growth path</p> <p>6.12 An efficient, effective and development-orientated public services</p>	<p>3.3.5 Building capable institutions and administrations</p>	<p>Priority 2: Growth and Jobs</p> <p>Priority 5: Innovation and Culture</p>
<p>To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication</p>	<p>Chapter 13 – Building Safer Communities</p> <p>Chapter 15 – Fighting corruption</p>	<p>Policy level 7: Empowered active communities</p>	<p>6.13 A comprehensive, responsive and sustainable protection system</p> <p>6.14 A diverse, socially cohesive society with a common national identity</p>	<p>3.3.2 Public Participation: Putting people first</p>	<p>Priority 3: Empowering people</p>

2.9 The Municipal Imperatives and Interventions

Towards achieving efficient service delivery, the municipal vision is translated into all the operational programs and plans within the municipality. At an operational level, the municipality is informed by various plans that includes the Five Year IDP and SDF, the Service Delivery and the Budget Implementation Plan as indicated in the Figure below. This section will essentially look at the municipal strategic imperatives and interventions that assist in ensuring that the municipality achieves the desired state of development.

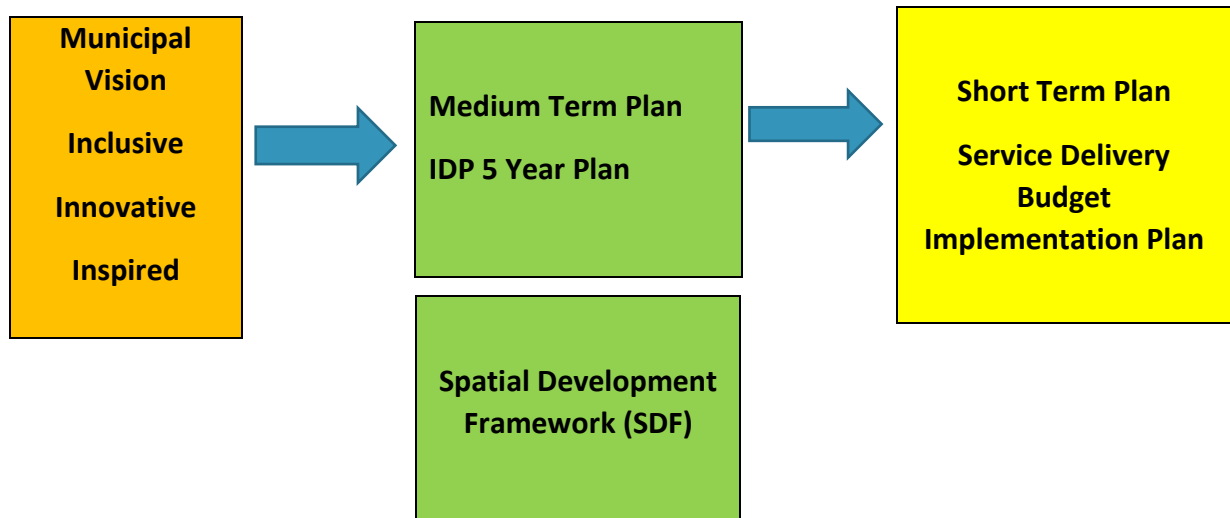


Figure 19: Municipal Strategy

2.9.1 The Knysna Municipality Vision

The Municipal Vision provides the municipality with a single strategic statement, which all line departments are advancing in their respective departments. The vision is Outcome Based Planning aligned to the visions of the National Planning Vision as well as the Western Cape Provincial Growth and Development Strategy.

Figure 150 provides a summary of a long-term vision of the municipality

2.9.2 The Spatial Development Framework (SDF)

Knysna Municipality developed the first Spatial Development Framework (SDF) and Council approved SDF in 2008. The subsequent SDF's have moved away from a uni-centric model based only on intensifying development in the urban core towards a more polycentric model that recognizes the need to improve linkages between existing urban, sub-urban and local (or secondary) nodes in an attempt to address the spatial disparities in access to social and economic opportunities across the entire municipal area. The SDF is the primary spatial strategy response to the development context, needs and vision of the municipality as described in the IDP.

The first Knysna municipality Spatial Development Framework (SDF) which was SPLUMA compliant was developed in 2016 and thereafter first reviewed in 2017/18 and then annual reviews were undertaken in unison with the IDP.

2.9.2.1 Spatial vision, principles, and directives

The Knysna MSDF plays a leading role in the broader municipal planning system. A MSDF is required in terms of both SPLUMA and the Municipal Systems Act (2000) (MSA), which requires a SDF as a core component of the Municipality's Integrated Development Plan (IDP). The IDP drives budget prioritisation and allocation decisions. These decisions should be consistent with and work towards realising the vision, spatial strategies and plan set out in the MSDF. The MSDF is the spatial expression of the IDP within a medium to long term vision at the municipal scale that must seek:

To drive through the vision, principles and policy directives set out in national and provincial legislation, strategies, policies and plans.

Importantly, Knysna's spatial transformation vision and plan will not be realised without the close alignment of budget prioritisation and allocation decisions across the spheres of government that allocate and manage land use rights, which in turn, themselves, impact on the cost of running the Municipality.

Spatial Vision

The aim through the spatial development framework is to create an integrated development vision which is *"Inclusive, Innovative and Inspired"*, the complementary spatial planning vision leading the Knysna MSDF is to:

"Establish Knysna as an authentic place that works for all of its residents and continues to attract visitors. Build an equitable and inclusive society within a sustainable and resilient ecosystem."

The KMA faces very significant spatial and ecological limits to spatial growth, which, if overstepped will become counter-productive to its very survival and prosperity. The Knysna Municipality Spatial Development Framework (KMSDF) advocates smart growth, seeking synergy between its people, their needs and the environment. This is at the centre of its ability to support the many role players and stakeholders to achieve sustainability, resilience and realise sufficient opportunity and resources for all of Knysna's people.

Spatial Development Strategies

To implement the vision, there are two spatial strategies that frame the approach to the spatial planning, policies for development and land use management and proposals for investment which collectively make up the KMSDF:

Manage risk, safeguard resilience: The integrity of Knysna's environmental and economic assets must be central to a secure future for all.

The objective of this strategy is to ensure that land use and settlement growth is directed and managed to protect and rehabilitate the functionality of Knysna's environmental services and systems. These support life and livelihoods, offer the potential for further prosperity, as well as buffer the impacts of climate change and extreme events to life and property. In other words, the intention is to secure a sustainable and resilient base for Knysna to function and prosper.

II. Drive inclusivity for economic and social well-being: Access to opportunity for all

The three objectives of this strategy are to:

To promote development that is inclusive, integrated and efficient, located in the right place and of a high urban design quality

To ensure that opportunities, services and amenities are accessible to all in an equitable manner

To recognise limited resources must be shared in a strategic manner, where they are leveraged effectively for the benefit of as many people in need as possible, while basic needs are met.

It should be noted that there is resilience in a strategy to drive inclusivity too. The more people and households participating in the economy and integrated into the infrastructure and social services systems in the settlements, the more resilient they will be to environmental and economic shocks.

MANAGE RISK, SAFEGUARD RESILIENCE: THE INTEGRITY OF KNYSNA'S ENVIRONMENTAL AND ECONOMIC ASSETS MUST BE CENTRAL TO A SECURE FUTURE FOR ALL.

The **objective** of this strategy is to ensure that land use and settlement growth is directed and managed to protect and rehabilitate the functionality of Knysna's environmental services and systems - natural assets.

These support life and livelihoods, offer the potential for further prosperity, as well as buffer the impacts of climate change and extreme events to life and property. In other words, the intention is to secure a sustainable and resilient base for Knysna to function and prosper.

DRIVE INCLUSIVITY FOR ECONOMIC AND SOCIAL WELL- BEING: ACCESS TO OPPORTUNITY FOR ALL

The three objectives of this strategy are to:

To promote development that is inclusive, integrated and efficient, located in the right place and of a high urban design quality

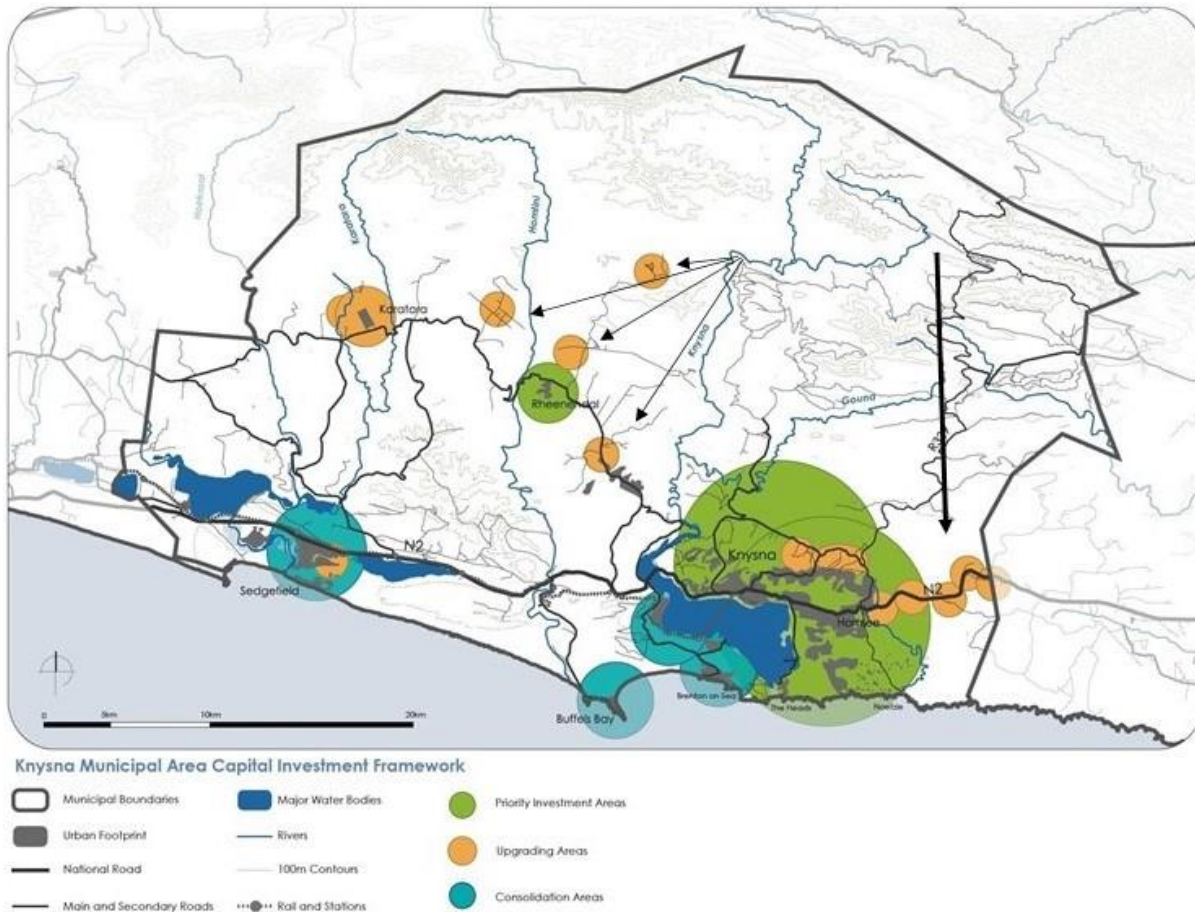
To ensure that opportunities, services and amenities are accessible to all in an equitable manner

To recognise limited resources must be shared in a strategic manner, where they are leveraged effectively for the benefit of as many people in need as possible, while basic needs are met.

Spatial Development Plans & Proposals

INVESTMENT PLANNING & PRIORITISATION

The KMSDF identifies four spatial categories for guiding investment planning, presented at both the municipal-wide scale and Knysna town scale, as shown in the plan below:



The Knysna town and Rheenendal has both been identified as **priority investment areas** where the focus is on getting the basics right as well as adding value through new investment to facilitate social inclusion, attract economic activity and private sector and household investment. This is an area where investment would have the greatest impact on the wider Knysna municipal area. These areas and the priority nodes within Knysna town specifically is the focus of any municipal investment incentives. High quality public space improvement and urban management programmes are further needed to support the economic potential of these areas as well as the opportunity to be spaces for all of Knysna’s citizens to come together. In the case of Rheenendal, the priority is to attract economic activities that support job creation and education initiatives that improve skills and job prospects.

Upgrading areas refers to the upgrading of informal settlements and marginalised rural settlements to bring them to an acceptable standard of performance as urban settlements. These areas include the Northern Areas, Karatara, Smutsville/Sizamile, and the forestry settlements.

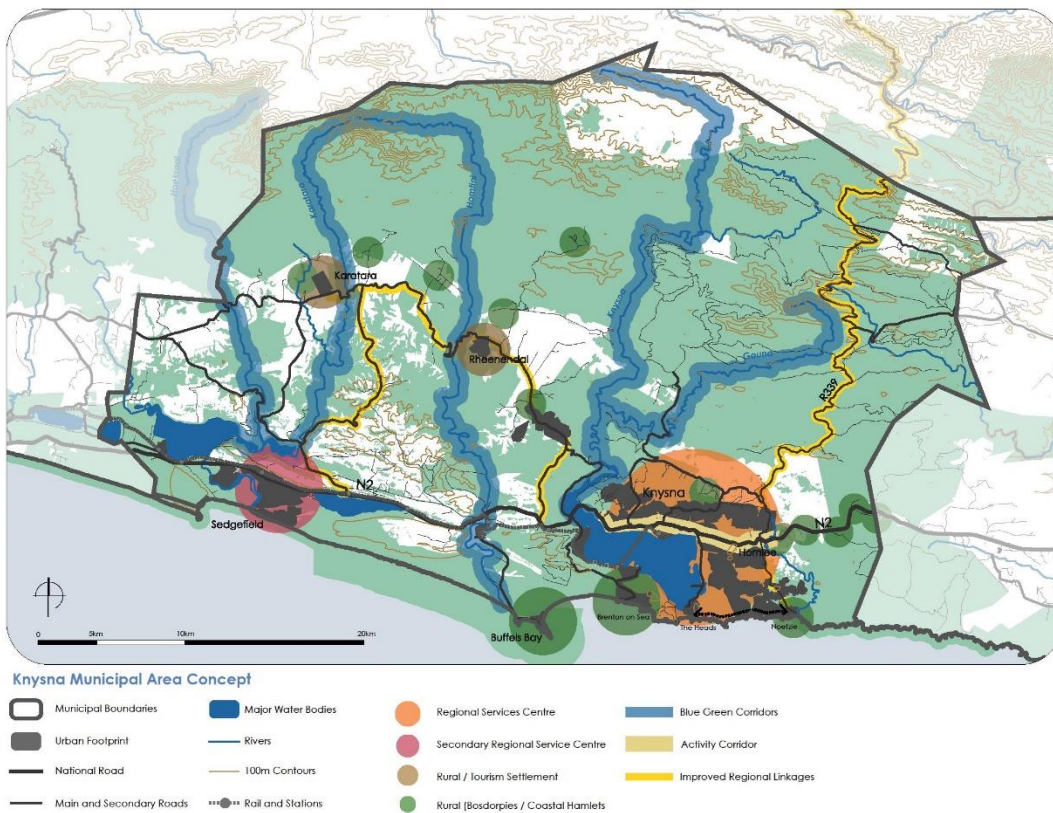
The **areas for consolidation** forms the remaining area of the Municipality where the focus is on ensuring the provision and maintenance of services so that these areas may perform well in its function. Sedgefield, Buffalo Bay, Brenton and Belvedere are amongst those areas where consolidation is to occur.

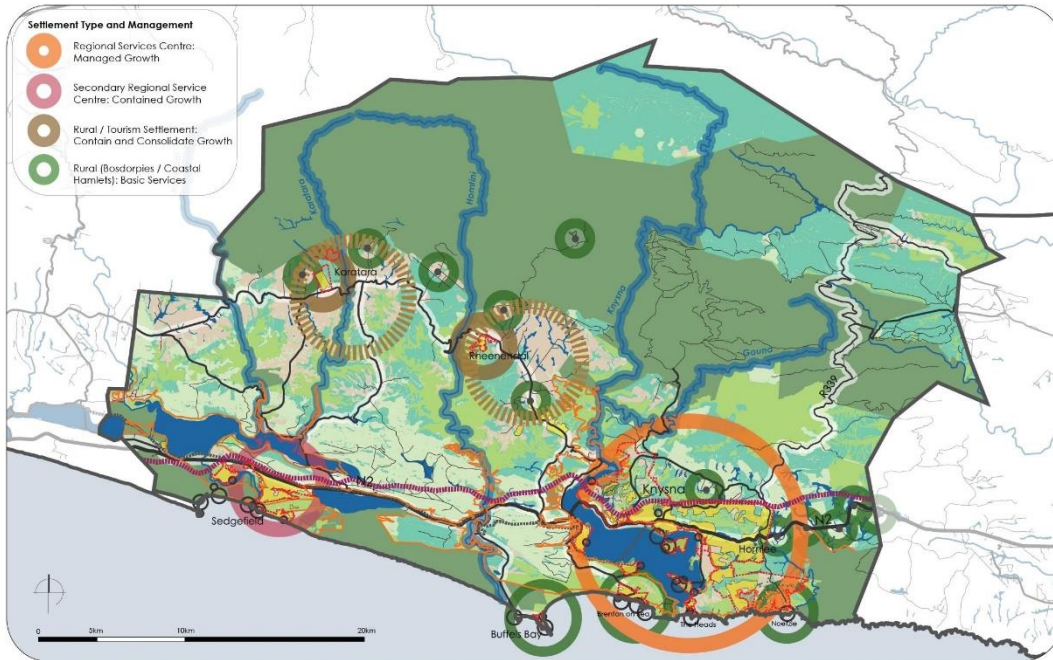
The areas to the east of Knysna town and along the proposed N2 by-pass in the Northern Areas have been identified for **medium- to long-term urban growth**. This urban growth means expanded utility infrastructure

and must be informed by a local development framework and fiscal impact assessment prior to any private or public led development proposals are initiated.

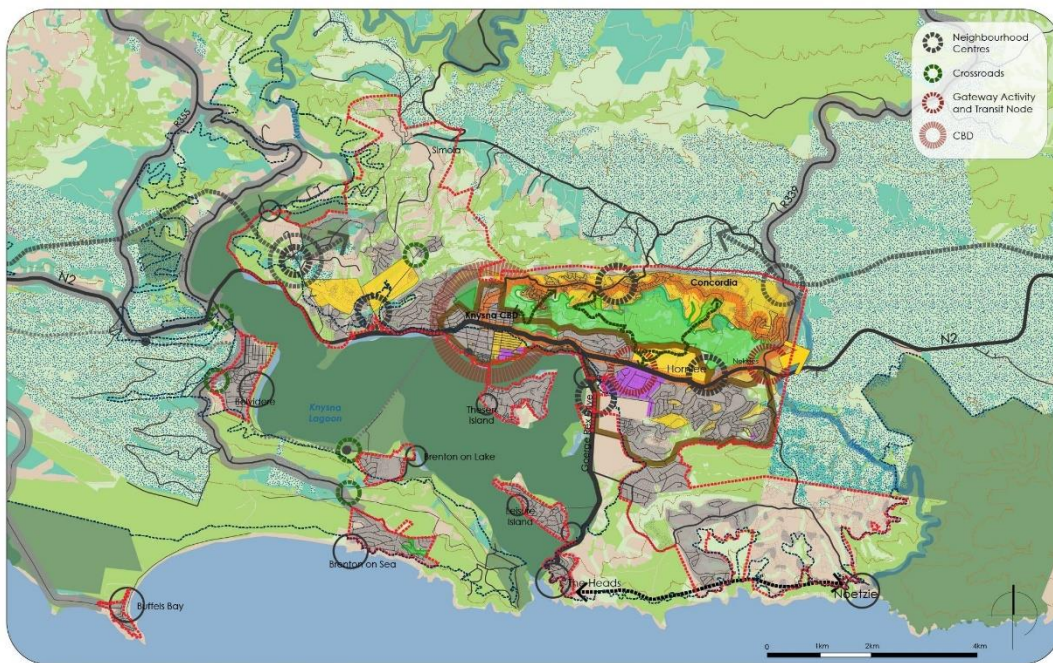
COMPOSITE SPATIAL DEVELOPMENT FRAMEWORK

The Knysna Municipal Area hosts a number of settlements each of which play their own distinctive role in the regional economy. Land uses within these settlements should be managed with due respect for their role in the system of settlements in the Knysna Municipal Area and their local economy, as set out spatially in the below concept plan and spatial development framework plan.





Knyrna Municipal Area Spatial Development Framework



Knyrna Town Spatial Development Framework



CENTRE & ACCESSIBILITY NETWORK TYPE	NAME/ LOCATION	FUNCTION / ROLE
Primary	Knysna CBD	Core centre of Knysna town to be maintained and improved to accommodate a vibrant mix of residential, commercial, office and public facilities knitted together by a high quality public realm of complete streets and public spaces connecting with and pulling through the blue and green natural assets. Building heights to a maximum of four storeys (12m) are allowed in terms of the Municipal Zoning Scheme By-law for business premises. This should be allowed for residential purposes too and linked to planning gains associated with public realm improvements, active frontages and inclusionary housing for example. This is a priority area for more detailed planning with particular consideration of infill development, the future rail concession, the optimum future of the taxi rank and under-utilised land; as well as, the streetscape.
Secondary: Neighbourhood Centres (Transit interchanges)	Masifunde	Centrally located to serve the Northern Areas, higher order public facilities and a high quality public transport interchange should be located here supported by a public realm of design excellence and a further clustering of urban activities.
	Hornlee	A civic precinct serving the Hornlee area and surrounds. Higher order public facilities and a high quality public transport interchange should be located here supported by a public realm of design excellence and a further clustering of urban activities.
Activity Streets	Main Road, Northern Corridors (Concordia Road to Chungwa Street)	The Business Plan for the Neighbourhood Partnership Development Grant developed for this area should be implemented. Walkability is a priority along this route.
	Gray Street	A primary activity street in the CBD hosting a mix of land uses. The Urban Design Framework for Gray Street should be implemented. This should be transformed into a complete street. Walkability is a key priority along this street. The Gray Street transformation should be the pilot for the improvement of other activity streets in the Knysna CBD.
	Long Street	A primary activity street in the CBD. Walkability is a priority along this route
Activity Corridors	N2 through Knysna town between the Waterfront Drive intersections	A high order corridor with concentrations of activity along it. Walkability should be secured along this route in areas of high concentration of activity.
Secondary: Gateway Activity and Transit	Nekkies	The Eastern Gateway into Knysna and into the Northern Areas –this should be upgraded and maintained to give dignity and pride to this gateway to Knysna with improved services, facilities and high density of mixed uses that

CENTRE & ACCESSIBILITY NETWORK TYPE	NAME/ LOCATION	FUNCTION / ROLE
Nodes		serves several surrounding communities in an integrated way to a high design and maintenance standard.
	N2/ Heidevallei/ Industrial Area	A potential new gateway to the Industrial Area and a significant new mixed use and mixed income development at Heidevallei
Proposed future Neighbourhood Centre	Intersection of George Rex Drive and Vigilance Drive	The precinct where the African Craft market is currently located. Currently no public infrastructure in place. The property should be treated as a strategic municipal investment property - its economic value addition is not currently realised. The site is located along a tourism, community, industry and residential activity corridor (Industrial/Hornlee access + Leisure Isle/Heads/Pezula) and is within a wetland area. There is a need to improve the ecological services provided by the Bongani wetlands bordering the African Craft Market. Currently the level of pollution entering the estuary from the Bongani river system is unacceptably high. A rehabilitated wetland and riparian zone will improve flood mitigation and reduce the pollutants entering the estuary while creating an opportunity for the development of an urban wetland park. The centre should be developed around low impact economic opportunities that draw benefits from being located in a natural, highly visible and aesthetically pleasing site. This precinct should cater for economic possibilities such as a multi-purpose events/business tourism facility with low environmental impact, a more formalised micro-enterprise space/facility but allow for balance with regard to community/green/public open space system. A public slipway has been identified as a key need by the boat building industry and this location has been identified as ideal. This should be explored further as potential economic infrastructure.
	Old Cape Road (Salt River node)	The location of this centre should be considered alongside the possible location of an N2 bypass/ old N2 intersection in this area and what that might mean for land uses, as well as providing convenience for current and future residents of this area stretching to Blaricum Heights
Tertiary: Crossroads (Transit points)	Various	Points at which commuters need to change direction and change mode of transport to access areas separated from the Knysna town. Small scale convenience related land uses should be permitted at these intersections as well as dignified public space and transport infrastructure.

Priority Public Sector Projects

The MSDF (2020) has identified priority public sector projects associated with human settlement development, education and health facilities for the Knysna municipal area which are set out in the below, not all of which have allocated budget as yet. These projects are all aimed at meeting existing demand:

Area	Sector	Type of infrastructure	Current Project Stage	Budget	Number of opportunities	Implementation Period
Knysna town	Education	Concordia Primary School		R250,000		2018/19
	Education	Concordia Secondary School		R450,000		2018/19
	Education	Knysna Secondary School		-		
	Education	Ethembeni Day Care Hilda Stent Creche		-		
	Health	Knysna Forensic Pathology Laboratory		R2,000,000		2018/19 and onwards
	Health	Khayeletu Clinic Upgrade		-		2019/20
	Health	Hornlee Clinic Relocation and Expansion		-		TBC
	Human Settlement	Informal Settlement Upgrading (Top Structures): Bloemfontein Ethembeni Happy Valley Hlalani Hornlee Vision White Location Xolweni		-		
						158
						200
						120
						165
						359
					476	
					150	
					220	
Human Settlement	Informal Settlement Upgrading (Services):Vision				1393	
Human Settlement	Integrated Residential Project (Planning): Heidevallei				1200	
Sedgefield	Health	Sedgefield Clinic Upgrade				
	Health	Sedgefield EMS Upgrade				
	Human Settlement	Informal Settlement Upgrading (Planning)			200	
Rheenendal	Education	Rheenendal Primary School		R200,000		2018/19
	Human Settlement	Integrated Residential			322	

Area	Sector	Type of infrastructure	Current Project Stage	Budget	Number of opportunities	Implementation Period
		Project (Planning)				
Karatara		Integrated Residential Project (Planning)			214	
Other	Disaster Risk Management			R5,000,000		2018/19

Opportunities have been identified to provide educational infrastructure including primary and secondary schools to be established in the Northern Areas, in Knysna. Healthcare facilities and infrastructure include clinics, emergency service upgrades and as well as a pathology lab at Knysna Provincial Hospital. These investments are aimed at meeting existing demand and, importantly, forms part of the priority investment area of the KMSDF. It is also important to note that human settlement upgrading continues in the Northern Areas and to the east of the Knysna town.



Whilst these immediate needs have been identified, it is imperative that the implications of urban growth are not neglected. As such, the estimated increase of the population over the next ten years shall require the establishment of early childhood development centres, both primary and secondary schools, sport fields, a local library, community hall or centre, cemetery, as well as community parks in order to ensure that there are adequate facilities and amenities to serve approximately 5000 additional households over the medium- to long-term period.


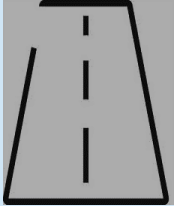
Capital Expenditure Framework


It is crucial that the choices around how to spend the capital budget pay close attention to the need for timeous renewal of infrastructure. The failure of infrastructure (waste water, storm-water and electricity in particular) will and does have a dire impact on the environmental systems in the municipal area – for example the Knysna estuary – and in turn on the economy. While the current Medium Term (three year) Revenue and Expenditure Framework Budget for the Municipality allocates approximately 27% of its budget to renewal of infrastructure which is above the benchmark – this is still R95 million short of actual need.

2.10 Strategic Objectives

Knysna Council deliberated and approved a strategic framework inclusive of strategic objectives aligned to the National Key Performance Areas, Provincial Strategic Goals of the Western Cape Government and District strategic framework. The table below depicts the Strategic Objectives, underpinned with identified change interventions through which the municipality intends to realise those objectives. The development of directorates/department business plans with identified interventions translated into key performance indicators is instrumental into realising Council strategic objectives. This annual review of the municipality IDP allows for assessment of performance, assessment of any change in environment and/or which may hinder or weigh-in against achieving set targets.

STRATEGIC OBJECTIVE	TO IMPROVE AND MAINTAIN CURRENT BASIC SERVICE DELIVERY THROUGH SPECIFIC INFRASTRUCTURAL DEVELOPMENT PROJECTS	
Focus area	Challenges	Interventions
<p>Sanitation</p> 	<p>Migration patterns result in a rapid increase in population growth in the Knysna area</p> <p>Mushrooming informal housing settlements and the upgrading thereof place excessive pressure on the existing services and infrastructure capacity</p> <p>Uncontrolled informal settling in the road reserve and other SANRAL land makes the provision of basic services and infrastructure virtually impossible</p> <p>Anything other than a full waterborne system is perceived as a lower standard of service.</p> <p>Limited resources are available to alleviate the sanitation backlogs</p> <p>Vandalism of sanitation infrastructure and public amenities</p> <p>Sub-standard quality of effluent from WWTW's</p> <p>Dependency on conventional sanitation technologies</p>	<p>To explore the utilisation of alternative household sanitation systems and to educate the community in respect of appropriate use of such systems</p> <p>To conduct a comprehensive survey on sanitation backlogs especially in informal settlements and remote rural areas which will inform the sanitation master planning</p> <p>Implement an acceleration programme to provide adequate basic sanitation to all households by 2022 with the assistance of other spheres of government</p> <p>Implement an effective maintenance plan for all sanitation infrastructure</p> <p>Effective implementation of the Access to Basic Services (ABS) programme with the assistance of Department of Human Settlements</p> <p>Building bathrooms onto existing houses in GKMA</p> <p>Incremental and systematic raising of standards of service provision (E.g.; Sanitation facilities in forestry villages)</p> <p>Feasibility study to convert Knysna WWTW to a waste-to-energy plant and improve capacity, supply grey water to industries as well as improve effluent quality</p> <p>Feasibility study to establish an additional WWTW at the Windheuwel site.</p>
<p>Water Supply</p> 	<p>There are still a large number of households who do not have access to drinking water inside their homes or on their premises especially in informal settlements</p> <p>Limited budget is available to alleviate the water supply backlogs in the GKMA</p> <p>Migration patterns has an adverse impact on the already limited water resources of the municipality</p> <p>None of the water treatment systems have Blue Drop Status</p>	<p>Providing of quality drinking water to all formal households</p> <p>To conduct a comprehensive survey on water services backlogs especially in informal settlements and remote rural areas which will inform the water services master planning</p> <p>Providing of basic level of water to all informal households – within 200m</p> <p>To maintain all municipal water assets to extend the lifespan of assets within available budget</p> <p>Improve water management capacity to ensure sustainable water provision during dry summer season</p> <p>Implementation of water management devices at indigent households</p>

	<p>Knysna is predominantly dependent on river and groundwater abstraction systems for water supply, and face a high risk of insufficient flow volumes given fluctuating rainfall patterns arising from climate change.</p> <p>Water security is severely compromised due to the limited storage infrastructure especially during drought situations.</p>	<p>Upgrading of the Charlesford pump storage scheme Conduct research and develop a water security plan to secure the valuable resource over the next 50 years.</p>
<p>Electricity</p> 	<p>Electrification is dependent on funding from other spheres of government</p> <p>Limited availability of qualified and competent electrical technicians</p> <p>Proper township establishment is a pre-requisite for electrification of informal settlements</p> <p>High cost of electricity for end users and potential developers</p> <p>Feasibility of overhead distribution network vs. underground cabling</p>	<p>To ensure access to electricity to most households in formalised areas</p> <p>To increase intake of Knysna Eastford and Sedgefield substations by 2020 and minimise electricity losses</p> <p>To consider alternative energy supply opportunities</p> <p>To maintain all municipal electricity assets in order to extend the lifespan of assets</p> <p>Annually review the infrastructure maintenance plan and maintain assets within available budget</p> <p>Accelerated programme for the electrification of informal settlements with INEP funding from the Department of Energy</p> <p>Electrification must be incorporated in the establishment of new residential developments</p> <p>Accelerated implementation of high mast lighting master plan in low cost housing developments</p>
<p>Streets and Storm Water Management</p> 	<p>Relatively poor condition of roads infrastructure especially in township areas</p> <p>Irregular maintenance of roads infrastructure</p> <p>Ineffective public transport and ITC networks in certain areas limits connectivity and subsequent access to economic opportunities</p> <p>Roads infrastructure backlog (estimated at R85m) is much higher than available financial resources</p> <p>Absence of proper storm water infrastructure in certain areas</p>	<p>To improve the conditions of all roads, streets and storm water drainage systems in terms of the RRAMS and Storm Water Master Plan</p> <p>Implementation of an effective pothole repair programme</p> <p>Implementation and monitoring of MIG and EPWP projects to be completed within required timeframes</p> <p>To maintain all municipal streets and storm water assets to extend the lifespan of assets</p> <p>Forming partnerships with property owners and private sector stakeholders to assist with the upgrading and maintenance of roads infrastructure</p> <p>Re-opening the discussions with SANRAL to conduct a feasibility study for the much anticipated N2 re-alignment initiative (N2 by-pass)</p>


		<p>Develop a comprehensive transportation framework plan to address the ineffective traffic flow and public transport systems in the GKMA</p>
<p>Integrated Human Settlements</p> 	<p>Increasing demand for adequate quality housing opportunities</p> <p>Limited availability of suitable land for implementation of human settlement projects</p> <p>Housing delivery is dependent on funding from other spheres of government</p> <p>Migration trends resulting in an increase in population which subsequently increase the demand for houses at the lower end of the income bracket</p> <p>Uncontrolled settlement of people on municipal or SANRAL land</p> <p>Limited resources for emergency housing initiatives as a result of disaster situations</p> <p>Urban expansion, including informal settlements, existing land uses impact on sensitive natural systems, increases vulnerability to disaster and results in a mounting infrastructure maintenance backlog.</p>	<p>To provide housing opportunities and secure land tenure</p> <p>Compile a GAP Housing Strategy that is in line with a long term Human Settlement Plan to meet the growing demand for social housing opportunities</p> <p>Conduct an audit of all state-owned land which can be utilised for human settlement purposes (e.g.: Kruisfontein, Windheuwel)</p> <p>Human Settlement Plan to be reviewed and updated as part of the MSDF review process</p> <p>To formalise informal settlements where possible and appropriate</p> <p>To decrease the housing backlog and reduce the housing waiting list per ward</p> <p>Pro-actively re-align the planning processes for housing development with national and provincial funding cycles</p> <p>Effective co-ordination of statutory processes to accelerate the delivery of housing opportunities</p> <p>Availability of SANRAL land for human settlement purposes</p> <p>Effective planning of Temporary Relocation Sites (TRA's) which reduces hazardous fire risks</p> <p>Using invasive plant material as a key input into building labour intensive, cost-effective and fire-resistant housing.</p> <p>Provide opportunities for rental stock</p>

	<p>Potential risk of illegal land occupation in ecologically sensitive areas</p> <p>Perpetuation of segregated settlement patterns through subsidised housing programmes.</p>	<p>Provide opportunities for integrated housing projects at Heidevallei</p>
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STRATEGIC OBJECTIVE		
TO CREATE AN ENABLING ENVIRONMENT FOR SOCIAL DEVELOPMENT AND ECONOMIC GROWTH		
Focus Area	Challenges	Interventions
<p>Decent employment opportunities and job creation</p>	<p>The slow growth in the local economy has resulted in increased unemployment and decreased job creation, as well as a decline in revenue</p> <p>Lack of incentives to attract meaningful investment</p> <p>Slow pace of land reform especially in rural areas</p> <p>Seasonality of the economy and resultant employment opportunities</p> <p>Recovering initiatives after the negative impact of the recent fire disasters on the local economy</p> <p>Lack of funding to roll out planned interventions, slow turnaround time, staff capacity constraints.</p>	<p>Review land-use management practices and collaboration amongst key stakeholders to align development plans</p> <p>Assess all Council property holdings for investment and/or development purposes</p> <p>Reduce poverty and unemployment through optimal implementation of EPWP and CWP job creation initiatives</p> <p>Training & skills development for SMME's through improved participation in the Knysna Municipality Incubator Programme</p> <p>Increase employment opportunities for women, youth and people with disability annually by 10%</p> <p>To empower local emerging contractors through catalytic infrastructure projects in all spheres of government</p> <p>Establish effective partnerships with the business sector</p> <p>Foster a culture of entrepreneurship through increased participation in market days</p> <p>Repair and replace tourism signs and tourism infrastructure where required</p> <p>PR campaign to promote Knysna as a world class tourism destination which is open for business</p> <p>Development of a Knysna Renewal Strategy as part of the Garden Route Rebuild Initiative (GRR)</p> <p>Development of a Tourism Destination Marketing Plan</p> <p>Revitalisation project of the Knysna CBD</p>

STRATEGIC OBJECTIVE	TO CREATE AN ENABLING ENVIRONMENT FOR SOCIAL DEVELOPMENT AND ECONOMIC GROWTH	
Focus Area	Challenges	Interventions
Rural development	<p>Remote location of rural communities and settlements makes the cost for basic services and infrastructure non-feasible (forestry villages)</p> <p>Limited economic opportunities for rural communities</p> <p>Limited access to government services for rural communities</p> <p>High cost and in-effective public transport systems for rural communities</p>	<p>Apply the Garden Route District SDF guidelines for investment in rural nodes</p> <p>To facilitate the implementation of a marketing and investment plan which also focuses on agri-tourism</p> <p>Implementation of development programmes through the Comprehensive Rural Development Programme (CRDP) in rural nodes of Rheenendal, Karatara and surrounding farming areas</p> <p>Secure significant socio-economic and infrastructure investment through the CRDP initiative</p> <p>Strong rural development focus in Knysna SDF review process</p> <p>Promote inclusive living spaces and “complete villages” where possible by directing investment that complements existing demographics and consolidates existing economies.</p>

STRATEGIC OBJECTIVE	TO PROMOTE A SAFE AND HEALTHY ENVIRONMENT THROUGH THE PROTECTION OF OUR NATURAL RESOURCES	
Focus Area	Challenges	Interventions
Environmental Conservation	<p>The impact of the disaster on the natural landscape and system require both immediate hazard mitigation and long-term rehabilitation measures.</p> <p>Climate change has a direct impact on agricultural production, the sustainability of the community and vulnerability to extreme weather events</p> <p>Poorly maintained beaches impacts negatively on tourism perceptions</p>	<p>To facilitate the improved management of our natural environment</p> <p>Commission research on alternative energy sources to reduce the impact on the environment</p> <p>Develop a comprehensive Climate Change Adaptation Strategy</p> <p>Pro-active strategy to mitigate the risk of potential environmental disasters</p> <p>Effective implementation of an alien vegetation eradication programme on state and privately owned land</p>

	Alien invasive plants species are prevalent	<p>Implementation of the proposed Mission: Zero Waste initiative</p> <p>Implementation of an incentivised green rebates policy</p> <p>Promote inclusive living spaces.</p> <p>Identify risk prone areas / hotspots.</p> <p>Prioritise areas in accordance with long-term conservation objectives and what needs to be done in which time frame to ensure these objectives.</p> <p>Short-term rehabilitation (e.g. clearing of alien vegetation, stabilisation of slopes) to be prioritised based on factors that affect slope erosion and long-term conservation priorities</p> <p>Drafting of an Urban Design Framework for the upgrading Green Hole at Leisure Island.</p>
<p>Disaster management</p> 	<p>Climate change will have an impact on the likelihood of natural disasters (eg: rising sea level, etc.)</p> <p>The Knysna municipal area has been prone to natural disasters such as floods and droughts in the recent past</p> <p>Regular occurrences of fires in informal settlements and veld fires</p> <p>Limited accessibility for emergency vehicles in informal settlements</p> <p>Relatively slow reaction time to fires in remote rural areas</p> <p>High cost of resources required to combat disasters</p>	<p>To enhance effective disaster management and fire services in conjunction with Garden Route District Municipality</p> <p>Annual review and effective implementation of the Disaster Management Plan</p> <p>Improve the capacity of the disaster management unit to deliver the function effectively</p> <p>To facilitate community safety initiatives and awareness programmes</p> <p>Establishment of adequately resourced satellite fire stations in remote areas</p> <p>Risk reduction and contingency planning</p> <p>Fire breaks, slope stabilisation, alien vegetation clearing</p> <p>Development of a business model and SOP to share resources between neighbouring municipalities and provincial government in the case of a disaster</p>

STRATEGIC OBJECTIVE		TO CREATE AN ENABLING ENVIRONMENT FOR SOCIAL DEVELOPMENT AND ECONOMIC GROWTH
Focus Area	Challenges	Interventions
Youth development	<p>Increasing youth unemployment rate</p> <p>Increasing involvement of youngsters in criminal activity</p> <p>Relatively high rate of teenage pregnancies</p> <p>Low skill level of local youth</p>	<p>Youth development programmes championed by the Knysna Municipality Youth Council</p> <p>Collaboration with sector departments, NGO's and the private sector to enhance the impact of youth development programmes</p> <p>Facilitate skills development and economic opportunities for youth entrepreneurs</p>

	Limited opportunities for youth entrepreneurs High rate of early school leavers Alcohol and substance abuse especially amongst the youth	
Care for the elderly	Inadequate capacity of retirement homes for the elderly	Knysna Municipality and Department of Social Development (DSD) to draft a MOU to determine their individual roles and responsibilities that will enable them to assist with the identification and implementation of social programmes that will improve the livelihoods of communities
Opportunities for women and people living with disability	Not all the public amenities in the municipal area are disabled friendly Increase in sex related crime especially against children	Conduct an audit of public facilities that are not disabled friendly To promote employment equity by focusing on disabled in the employment equity plan and recruitment processes
Gender Based Violence	Women and children are exposed to gender-based violence	A focus will be placed on Gender Based Violence within the next financial year as well as for the next 5 year strategic term
HIV/Aids awareness	People in rural areas have limited access to quality primary health care facilities The HIV and TB prevalence have increased during the past few years	To facilitate the implementation of an effective HIV/Aids awareness campaign in partnership with the relevant sector departments To establish partnerships to improve social conditions of communities by means of MOU's with relevant sector departments Preventative programmes for TB, HIV/AIDS and other prevalent diseases

STRATEGIC OBJECTIVE	TO GROW THE REVENUE BASE OF THE MUNICIPALITY	
Focus Area	Challenges	Interventions
Sound Financial Planning	Limited financial resources to fund basic services, address backlogs, maintain existing infrastructure, is exacerbated by the underfunding of government departments and the impact of slow growth in the economy Although the municipality would like to provide wider access to free basic services, the debtor levels and unwillingness of certain	Development of a long term financial strategy for Knysna Municipality Developing a Capital Investment Framework to align capital investment and budgeting processes across all spheres of government (as required by the Spatial Planning and Land Use Management Act) Implementing a Revenue Enhancement Strategy to identify additional sources of revenue for

	<p>communities to pay for specific services remains a challenge.</p> <p>Further challenges include the continuous increase in staff costs and the integration of municipal systems.</p> <p>Direct costs due to physical damage to capital assets, including buildings and infrastructure.</p> <p>Reduced revenue projections due to lower re-valuation of properties that destroyed or affected by the fire disaster. Affected residents and businesses not re-investing insurance benefits into reconstruction. Knock-on impact of municipality-wide decline in property values due to property surplus, due to increase in supply and decline in demand.</p> <p>Less consumption of services from residents and businesses which have been adversely affected by the fire disaster</p> <p>Long-term affordability of current and future infrastructure within a context of declining government funding.</p> <p>Cost of financial incentives to developers, businesses, and households to stimulate recovery efforts.</p>	<p>financing major capital projects and maintenance of assets</p> <p>Reviewing and effectively implementing the debt collection policy</p> <p>Conversion to pre-paid systems for all municipal services</p> <p>Sweating of municipal assets to optimise its economic potential</p> <p>To improve financial efficiencies by introducing and monitoring cost saving measures</p> <p>Effective Implementation of municipal-wide risk management strategies</p> <p>Put systems and procedures in place to regain the Clean Audit of the municipality through OPCAR</p> <p>Offset reduced government revenue by increased flows of external assistance (e.g. disaster funding, donations)</p> <p>Explore the feasibility of Special Rates Areas (SRA's)</p>
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STRATEGIC OBJECTIVE	TO STRUCTURE AND MANAGE THE MUNICIPAL ADMINISTRATION TO ENSURE EFFICIENT SERVICE DELIVERY	
Focus Area	Challenges	Interventions
Institutional Capacity Building	<p>The recruitment process for the appointment of the Municipal Manager position still needs to be finalized</p> <p>Even though the municipal vacancy rate has improved significantly, with nearly 80% of all posts filled, the frequent staff turn-around remains a challenge.</p> <p>The ability to attract scarce skills, as well as availability of funding to develop human resources remains a challenge.</p>	<p>Continuously improve the capacity of municipal staff and councillors to achieve the strategic objectives of Council</p> <p>Implementation of the newly approved Organisational Structure of the municipality</p> <p>Utilisation of local retired professionals (Grey Power) to assist with technical expertise</p> <p>To identify areas for training and development to enhance service delivery</p> <p>Implement an effective staff succession and retention policy</p> <p>Conduct an organisation-wide functionality and productivity audit</p> <p>Institute an enterprise-wide performance management system.</p>

	<p>High cost of staff structure limits the filling of new posts</p> <p>Limited co-operation between the municipality and private sector</p> <p>The lack of adequate office space for administration to serve the public and operate efficiently remains a challenge.</p>	<p>Implement an integrated workflow tool to improve joint planning between municipal departments</p> <p>Appoint a service provider to make a recommendation regarding the office layout and space required to operate efficiently as a municipality.</p> <p>Conduct a change capacity assessment to identify the challenges the municipality will face when they adapt to data governance programme and organisational change.</p>
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TO ENCOURAGE THE INVOLVEMENT OF COMMUNITIES IN THE MATTERS OF LOCAL GOVERNMENT, THROUGH THE PROMOTION OF OPEN CHANNELS OF COMMUNICATION		
STRATEGIC OBJECTIVE		
Focus Area	Challenges	Interventions
Ward committee System	<p>Optimal functioning of the ward committee system to improve public participation</p> <p>Improved communication between ward committees and the constituencies they represent</p> <p>Capacity building and training programmes for ward committees</p> <p>Limited collaboration between municipality and other government sector departments in public participation processes</p>	<p>To enhance the effectiveness of ward committees by providing them with the required resources to function optimally</p> <p>Capacity building & training of ward committees in municipal systems, IDP, Community Based Planning (CBP) and performance management processes</p> <p>Include vulnerable groups in stakeholder forums and ward committees</p> <p>Hosting of regular Ward Committee Summits in partnership with relevant government sector departments</p>
Communication	<p>Improved Intergovernmental Relations (IGR) with other spheres of government</p> <p>Ineffective communication strategy between the municipality and stakeholders</p> <p>Current public participation process do not yield the desired outcomes</p>	<p>To improve municipal communication internally and externally</p> <p>Drafting and implementation of a comprehensive Communication Strategy which identify multiple tailor-made communication solutions for different stakeholders (horses-for-causes)</p> <p>Establish sector forum engagements to facilitate meaningful participation</p> <p>Livestreaming of major municipal activities and events</p>
Responsive and accountable system of Local Government	<p>Councillors to have more frequent feedback and consultation sessions with communities</p> <p>Effective response to complaints and suggestions by citizens</p>	<p>To establish service level agreements with communities and align with performance management to ensure high quality service delivery standards.</p> <p>Implementation of a satisfactory client service system at all municipal outlets (CRM)</p>

	<p>Allocation of resources in the budget must reflect the real needs of communities</p>	<p>Establishment of '086 Knysna' for centralizing the complaints management system</p> <p>Implementation of a hotline to report suspicion of alleged misconduct, fraud or corruption</p> <p>Effective oversight role of Council through MPAC and other platforms</p> <p>Appropriate communication structures have been created to improve communications with fire victims and rest of the community</p>
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CHAPTER 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Good governance is about the processes for making and implementing decisions. Good decision-making processes, and good governance share several characteristics, which have a positive impact on achieving the objectives, and goals listed in this IDP:

3.1 Good governance is Accountable

Accountability is a fundamental requirement of good governance. Knysna Municipality has a responsibility to report, explain and be answerable for the consequences of the decisions it has made on behalf of the community it represents.

3.2 Good governance is Transparent

The community should be able to follow and understand the decision making process. This means that they will be able to clearly see how and why a decision was made – what information, advice and consultation Council considered, and which legislative requirement (when relevant) council followed. Processes must be established that allow for community inputs on all Council decisions.

3.3 Good Governance is Responsive

It is a measure of accountability wherein leaders and public servants address the needs of the entire community. It can be indicated “by a deliberate citizen and customer-orientation policy being consistently espoused by the local administration” or by “the presence of mechanisms and procedures for swift recourse on unfair practices and avenues for the community to articulate issues requiring local government assistance”. Municipality rejuvenation into becoming SMART

3.4 Good Governance is Equitable and Inclusive

A community’s well-being results from satisfaction expressed by all members feeling their interests have been considered by council in the decision making process. This means that all groups, particularly the most vulnerable, should have the opportunities to participate in the process.

3.5 Good Governance is Effective and Efficient

Local government should implement decisions and follow processes that make the best use of the available people, resources and time to ensure the best possible results for their community.

3.6 Good Governance is Participatory

Anyone affected by or interested in a decision should have the opportunity to participate in the process for making that decision. This can happen either by providing community members with information, asking for their opinion, given opportunity to make recommendations, or in some cases, be part of the decision- making process.

3.7 How Do We Ensure We Are Accessible and We Promote Good Governance

There is increased recognition of the value of accessibility, transparency and accountability in governance beyond the traditional domain of financial performance, in South Africa and around the world. How do we go

about in becoming Customer Centric, ensuring that development targets and measures set for the Municipality's performance emanate from a strong foundation of "putting people first".

3.7.1 Promote co-operative and inter-governmental relations

The range of critical issues faced by Knysna Municipality is dealing with sustainable co-ordinated programs between all three spheres of government, the private sector and civil society partners. An inter-governmental relations programme promotes alignment with national and provincial government priorities and ensures alignment of Knysna municipality system, organisation, strategy, budget and implementation programmes with those of other spheres of Government. Government programs and services cut across jurisdictional boundaries, and we must deliver such in a seamless manner, co-operative governance is therefore critical. Inter-governmental co-ordinates engagement with neighbouring municipalities to provide conducive platform to exchange technical support to one another, share knowledge and expertise in matters of mutual interest.

Knysna Municipality will continue to explore opportunity to establish a mechanism and systems to implement a Model similar to that of the District Development Model (DDM), with the aim to strengthen the our IDP processes, more importantly the delivery of services across jurisdictional boundaries for the benefit of our communities. Using this model, all of government departments may come together to meaningfully participate in the development of the Knysna Municipality own One Plan Pilot to serve as an impact performance framework tracking the commitments and spending of national and provincial sector departments within the Knysna Municipality.

3.7.2 Customer Services

The Customer Care Services interacts directly with the public, to enhance service delivery for the betterment of the Municipality and our clients. The direct over-the-counter interaction provides for personal interaction, which clients appreciate allowing also for clear direct understanding on the issue reported or information needed. Our customer care officials always provide a professional service; with the utmost care, politeness and dedication building on the brand of Knysna municipality.

There are two units in the municipality focussing on Customer Care, the one handling all enquiries, queries and requests on municipal accounts and/or service related enquiries, which is located in the Finance Directorate, Revenue Services department in the Main Street. The registration of all queries is important for both record and future planning purpose. Clients may register their complaint/enquiry/requests via e-mail at accounts@knysna.gov.za

The next unit that deals with Customer Care is located in the Main building, mainly registering and processing all/other general and service delivery related enquiries/queries and/or requests. Members of the public and clients may visit the office directly and/or call the municipality to register complaints/enquiry and/or request. There is a specified turn-around response time within which to provide feedback, either telephonically and/or in person.

3.8 Create integrated mechanisms, processes and procedures for public participation



Local Government legislation and policies lays great emphasis on municipalities to create a culture of community participation and stakeholder engagement in municipal planning and decision-making processes. As such, Knysna Municipality developed and approved a Public Participation policy, which is intent on stimulating a culture of municipal governance that complements formal representative government with a system of participatory governance.

A process to provide integrated mechanisms, processes, and procedures for community participation is in place. This include creating stakeholder engagement forums, Community based planning, ward committees, support to vulnerable groups to encourage their participation in local communities.

3.9 Community Based Planning



Community Based Planning (CBP) is an approach of participatory planning designed to promote and advance community action. It is dynamic and linked to the statutory Integrated Development Plan (IDP) and Budget process. CBP as a process enables greater involvement of stakeholders in the development of a credible IDP. It therefore, seeks to ensure that the municipal annual budget is guided by the priorities of the wards. The IDP/PMS and Budget Office embarked on a comprehensive public participation programme in all wards of the GKMA to solicit inputs on the Draft amended IDP as well as the budget. The public participation commenced on 25 April 2022 and concluded on 16 May 2022. This process afforded communities the opportunity to provide their inputs into aforementioned documents before its final tabling to Council. The initiate of ward or community based plans will be instrumental in enhancing a credible IDP and strengthen ward programs under leadership of Ward Councillors and Ward Committees.





3.10 Ward Committees

Ward Committees are a legislated structure established in terms of The Local Government, Municipal Structures Act (1998), Chapter 4, Section regulating the establishment, elections and operations of ward committees, to enhance public participation by giving community members a voice towards community development initiatives within Wards. Knysna Municipal Council under the leadership of Office of The Speaker, rolled-out the establishment of ward committees from 13 January 2022 to 17 February 2022 and successfully established Ward

Committees, in all 11 wards of Knysna Municipality, Ward Overview Annexure for list of all elected Ward Committee members.

A formalised process of notification and awareness was undertaken with the advertisements were placed in all relevant local newspapers, mobilising all Sectors/ Geographic Areas/Block representatives together with members of community to participate in the election of Ward Committees. All provisionally selected ward committee members names were published in all relevant local newspapers for comments and objections, all registered public comments and objections received were considered by the Office of the Speaker together with all the Ward Councillors, as required by the Knysna Municipal Council Ward Committee Constitution.

All elected ward committee members will be undergoing an induction program on Municipal processes in pursuit to better equip them to carry out their respective responsibilities. In addition, all ward committees formed part of a Ward Committee Inauguration workshop that took place at Hornlee Civic on 07 May 2022. The Workshop provided the ward committees with an overview of all municipal directorates and their respective functions, the IDP and Budget processes as well as inputs from the Department of Local Government.

A report on the election of Ward Committees, together with elected Ward Committee members was drafted and approved by Council. Ward Committees are operational in all Wards, with the administrative support provided by the Public Participation Unit, through Secretariat and Office of the Speaker Departments. All ward committee members are entitled and will receive a monthly stipend, for services rendered whilst in service of the Ward community. The Municipality will continuously strive to improve systems and procedures to support Ward Committees to ensure that their participation enhances community consultation and the intended interface between Council and Communities.

The instituting of appropriate and relevant community participation mechanisms, processes and procedures is vital in ensuring that communities forms part of decision-making processes within the Council. Ward Committees will be crucial in the following areas with the overall goal of promoting community participation through:

- Municipal Services
- Policy Development and Review
- Sectoral

This assures different sectors of community; specifically vulnerable groups (i.e. youth, women, disabled) participate in processes of Council. The policy and program encourages communities to use their strengths and actively move towards self-empowerment. Community based planning for all wards within the municipality becomes central to long and short-term municipal planning, satisfying community direct involvement.

3.11 Greater Knysna Food Security Action Forum

The Covid-19 pandemic has exacerbated an already vulnerable situation in which many families are struggling to meet their nutritional needs.

A growing interest amongst community members and families emerged, seeking to generate food gardens for households, community gardens, soup kitchens, pre-schools, old age homes and orphanages. In response to this growing awareness, and to establish constructive ways to address the need, a forum has been established consisting of provincial and local government as well as community partners. Through cooperation, resource pooling and synergy between these partners, this forum aims to provide the resources needed to empower local people to grow their own food using sustainable methods.

3.11 .1 Aims and Objectives of Greater Knysna Food Security Action Forum

Creation of community, household and school food gardens and nurseries through the GKMA, using organic, sustainable practices such as natural composting, seed saving and swapping and integrated pest management Assuring that each garden and nursery has access to a reliable and sustainable water source, as well as the infrastructure to support irrigation

Generation of employment opportunities through the creation and maintenance of the food gardens and nurseries

Increase of available, home grown and nutritious food to all residents residing in the GKMA

3.11.2 Greater Knysna Food Security Action Forum Beneficiaries

The following wards will be beneficiaries of the programme:

- Ward 2
- Ward 4
- Ward 5
- Ward 6
- Ward 7
- Ward 8
- Ward 9
- Ward 10
- Ward 11

Partner Organisations:

The following organisations forms part of this initiative:

Knysna Municipality (Public Participation Unit, Environmental Management Office, Social Development Office, Economic Development Office, Youth Desk), Community Development Workers Programme (CDWP), Community Work Programme (CWP), Greenhearted, Knysna Initiative for Learning and Teaching (KILT), MTO group and the National Development Agency (NDA).

3.12 Effectively communicate the programmes and policies of the Knysna Municipality to the complete range of audiences, both internally and externally

Knysna Municipality approved a Communication Strategy, aimed at:

Deliver professional standard of communication and information by way of internal and external communication instruments

Ensure communication process is accessible, open and transparent

Develop and encourage good media relationships

Promote and encourage inter-governmental relations

Promote clear understanding of the municipality vision, aims and objectives

Ensure public platforms are not used for individual gain or general misuse and abuse..

Internal communication is processed using various instruments such as; newsletters, Intranet and Email, Notices and Customer Care whilst external communication is processed using the; Website, Newsletters, Media (printed and audio), Advertising, Branding, Mobile etc.

Central to creating organisational culture is communication, the catalyst that directs all forms of engagement with specific intent. Knysna Municipality in this instance approved a Communication Strategy that directs and drive communication; " with the purpose of sharing information with the public, the press and employees via the Omni channel approach". Communication strategic programmes are developed to ensure all citizens and customers/clients remains informed and are central partners in the development. The communication programme seeks to devise mechanisms for making Knysna Municipality information (citizens' rights and responsibilities, the Municipality's programmes, policies and processes) available and accessible to all stakeholders. A comprehensive communication strategy for both internal and external communication, harness the energies of staff to deliver on the vision and strategy, and secondly ensuring Knysna Municipality principles of participation, engagement and information-sharing are given meaning.

Knysna Municipality has a multi-approached strategy to disseminate information and to reach as many residents and members of the public as possible. The strategy ensures a two-way communication system, designed to not only communicate to communities, but also have dialogue with residents.

The Municipality engages various communication platforms at multiple levels to build awareness of the municipality's programmes and foster active stakeholder involvement in municipal governance processes. A communication policy is also in place to ensure that communication takes place in a more coordinated way. The following communication platforms as per the aims of the strategy is used to communicate both internally and externally.

A specific process included in the strategy, directs organisational arrangements and procedures during a crisis or disaster.

3.13 Create and Efficient, Effective and Accountable Administration

The Constitution dictates the govern of Public Administration by democratic values and principles including, among others, a high standard of accountability and professional ethics. To this end, the Municipality is introducing and implementing several programmes listed hereunder. Taking into account the size and multi-disciplinary nature of our Municipality, the programmes are designed to achieve the objectives of this Strategic Focus Area.

The introduction of programs and services in accordance with Good Governance Key Performance Area (KPA) is administered to enhance efficiency, accountability, accessibility and smoothen the interface between Council, the Administration and the Citizenry. Through this institutional arrangement, operational support is given to Ward Committees and also training is provided, to allow them to perform their responsibilities effectively. Administrative support provided to Council structures, enhances capacity to provide effective oversight. To give effect hereto, an innovative, strong and robust record management system is in place and implemented.

3.14 Create a Clean and Accountable Organisation

Creating a clean and accountable organisation requires the building of an ethical organisation that is free of fraud, free of corruption or any activities that prejudice any member of society unfairly. The Municipality's Fraud Prevention Policy provides for the pro-active and re-active measures aimed at fighting corruption. The Municipality's anti-corruption strategy for the current period focuses more on the pro-active measures. There focus will thus be on the promotion of an ethical culture, preventing and detecting fraud and corruption by creating awareness and encourage the reporting of unbecoming behaviour and actions.

3.15 Organise Integrated Risk Assurance to Strengthen Administrative Governance in Pursuit of Efficient, Effective Service Delivery to Realise Batho Pele Principles

The obligation of Council and the Municipal Manager is to undertake risk assessment of the Operations of Council, to establish and maintain an environment that cultivates ethical behaviour, risk management, control and governance. Knysna Municipality is committed to the principles of continuous improvement, accountability and responsible management and efficient and effective operations. The Municipality therefore, maintains a system of Internal Audit; focusing on supporting the Municipality to accomplish its objectives by providing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, performance management and governance processes.

Aiming to:

Provide support for the development of a corporate governance ethos and mind-set, which provides the basis for a sound, prudent and ethical management;

Provide organization wide risk assurance that the control environment within areas reviewed is adequate to manage the related risks within acceptable limits and at reasonable cost;

Provide advice regarding improvement of the existing risk levels, controls, processes and/or outputs, by recommendations in reports;

Provide update on emerging and materialized risk issues and topical regulatory requirements and actions required to management and the audit committee; and

Provide advisory services, assisting Council to prevent, detect and combat fraud and corruption, via forensic auditing.

The aim therefore is to make a considerable impact to generate and preservation of value to and improve the operations of the Municipality as mandated in terms of the Internal Audit Charter, the Audit Committee Terms of Reference, applicable legislation (the Municipal Finance Management Act, the Municipal Systems Act and Performance Regulations).

3.16 Declaration of Interest (DOI)

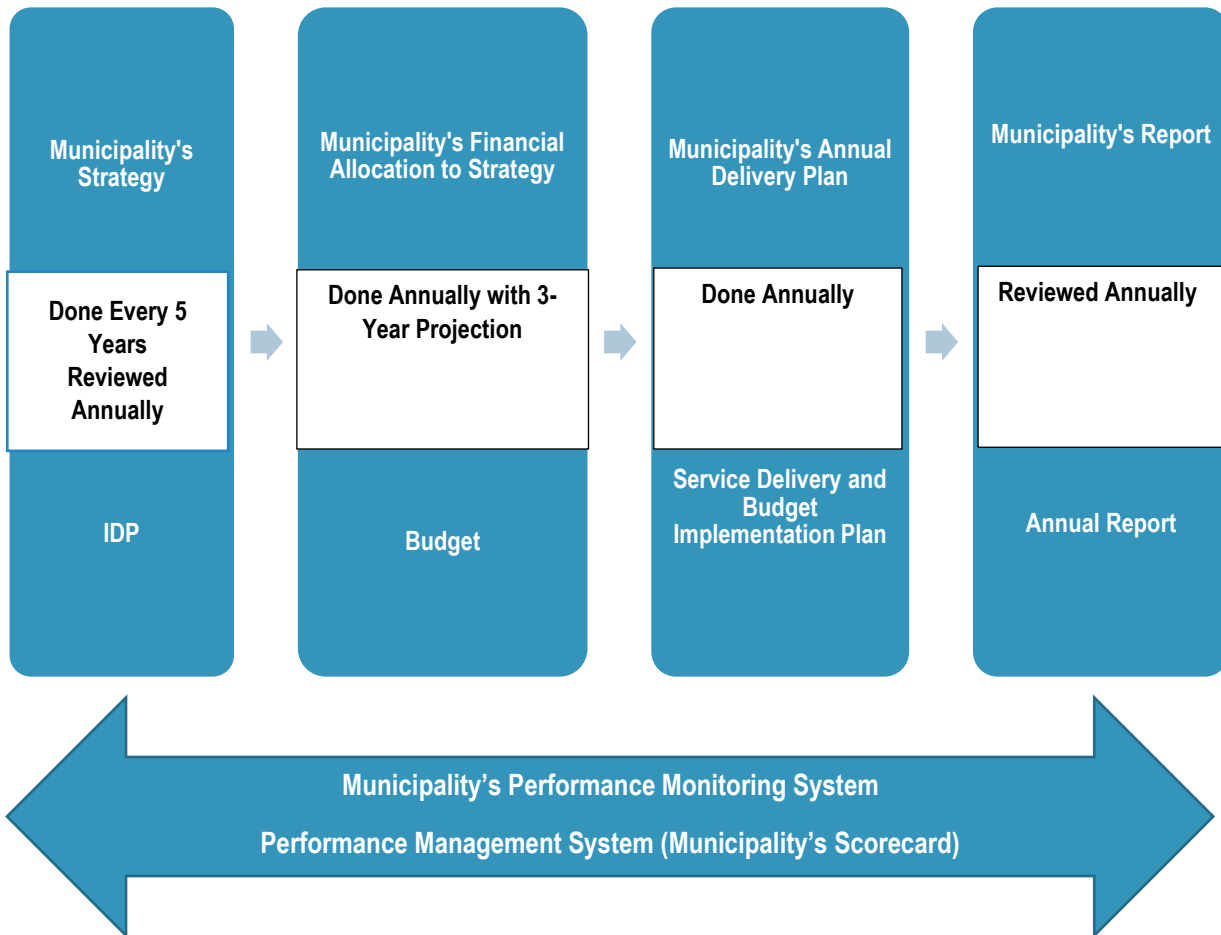
All employees of Knysna Municipality must complete and submit their disclosure of interest forms (DOI) upon engagement by the municipality. Thereafter, it will be compulsory for all employees to submit their DOI for every three-year compliance period, or update quarterly if applicable, whether or not they are engaged in private business or work. The Municipal Manager and Directors are required in accordance with regulation 4(d) of the Local Government: Municipal Performance Regulations of 2006 submit their DOI annually.

In terms of section 4 (2) of Schedule 2 of the Municipal Systems Act, employees may not be engaged in any business, trade or profession other than the work of the municipality, except with the prior consent of the municipality. Section 4 (3) of Schedule 2 of the Municipal Systems Act, provides that no staff member of a municipality may be party to or beneficiary under a contract for the provision of goods or services to any municipality or any municipality entity established by a municipality.

CHAPTER 4: IMPLEMENTING THE IDP (SDBIP)

4.1 Introduction

The IDP drives the strategic development of the Municipality and the budget influences the strategic objectives identified in the IDP. The Service Delivery Budget Implementation Plan (SDBIP) gives effect to the Municipality's programmes and projects based on the IDP targets and associated budgets. The performance of the Municipality is reported on, on a quarterly basis to Council and the public in the form of a non-financial and financial report against the targets set in the SDBIP. An annual report is developed and presented to the Auditor General for audit and thereafter to Council for approval.



4.2 Institutional Structure to Deliver On Our Strategy

An approved organisational structure, capable to deliver on the strategy is in place. The diagram following shows an organogram of the municipality's macro structure as per the Figure. The IDP Office in the Office of The Municipal Manager is responsible for the drafting of this document in collaboration with directorates across the municipality.



4.3 Municipal Capital and Operational Budget to Deliver On Our Strategy

The municipality budget is compiled according to IDP principles and follows a process that prioritises the strategic programmes within the Municipality. It is internally monitored on a monthly (Section 71 MFMA) and quarterly (Section 52 MFMA) basis to ensure maximum expenditure, especially of the capital budget.

The Municipality's complete budget comprises of an operating budget and a capital budget. The Operating Budget is based on a detailed estimate income and expenses, forecasted on revenue from various resources to address cost needs for a financial year. A Capital Budget is a Plan for long term investments towards the initiatives by the municipality e.g. project funding.

The consolidated budget for 2022/23 financial year is R1, 178, 8490 billion and is made up of an operating budget of R1, 061,275 billion and capital budget of R117,574 million. The revenue sources for planned expenditure are from various sources; e.g. *grants, loans, subsidies* and internally generated revenue. All funds acquired through the loan application processes fund Capital projects and not operational expenditure. As a non-delegated municipality as defined by National Treasury, the municipality has to meet stringent requirements when preparing and reporting on the budget. A detailed copy of the Municipalities Medium Term Revenue and Expenditure Framework provides in-depth analysis and explanation of the budget.

IDP Strategic Objective	2022/2023 Financial Year			2023/2024 Financial Year			2024/2025 Financial Year		
	Operating	Capital	Revenue	Operating	Capital	Revenue	Operating	Capital	Revenue
To Improve and maintain current Basic Service delivery through specific infrastructural development projects	598,802	93,295	633,595	622,261	108,161	672,357	625,256	169,524	731,398
To promote a safe and healthy environment through the protection of our natural resources	146,997	10,315	128,225	153,314	3,324	133,866	162,185	7,991	139,890
To create an enabling environment for social development and economic growth	6,930	1,200	1,596	7,074	3,170	1,666	7,418	640	1,741
To encourage the involvement of communities in the matters of local government through the promotion of open channels of communication	54,845	795	5,082	57,982	5	5,227	60,553	5	5,418
To structure and manage the municipal administration to ensure efficient service delivery	182,556	9,815	333,082	196,609	12,490	347,553	207,342	5,910	364,169
To grow the revenue base of the municipality	71,144	2,155	6,947	76,364	2,325	7,227	79,727	3,325	7,473
TOTAL	1,061,275	117,574	1,108,527	1,113,606	129,475	1,167,896	1,142,482	187,396	1,250,089

Table 4: Summary of KLM MTREF budget
Source: Draft 2022/23-25 Annual Budget – (Financial Services Directorate)

Capital Budget per Directorate and Department

Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
Column Reference	A	B	C	D	E	F	G	H	I	J
1	COUNCIL GENERAL	Program Office Furniture	9/107-20-68	Internally Generated Funds	100 000	0	100 000	0	0	All
2	COMMUNICATION	New Vehicle	9/145-2-2	Borrowings	250 000	0	250 000	0	0	All
3		Total: Executive and Council =			350 000	0	350 000	0	0	
4	DIRECTOR: CORPORATE	Installation of Wheelchair lift	9/101-61-61	Borrowings	869 565	-869 565	0	869 565	0	All
5	DIRECTOR: CORPORATE	New Fencing 14 Church Street, 42 Old Toll Road, Milkwood Flats,	9/101-63-63	Internally Generated Funds	0	0	0	600 000	800 000	10
6	DIRECTOR: CORPORATE	Replace abestos roofs - municipal offices - Clyde Street, Sedgefield	9/101-64-64	Borrowings	800 000	0	800 000	500 000	500 000	2,7,10
7	DIRECTOR: CORPORATE	New airconditioners	9/101-62-62	Internally Generated Funds	235 000	0	235 000	100 000	100 000	All
8	DIRECTOR: CORPORATE	Ward 11 Office	9/101-71-71	Borrowings	0	0	0	700 000	0	11
9	DIRECTOR: CORPORATE	Window Blinds for Municipal Offices	9/101-72-72	Internally Generated Funds	50 000	0	50 000	200 000		All
10	DIRECTOR: CORPORATE	Program Office Furniture	9/101-39-39	Internally Generated Funds	70 000	0	70 000	50 000	50 000	All
11	PUBLIC PARTICIPATION	Program Plant & Equipment	9/101-73-73	Internally Generated Funds	18 700	0	18 700	0	0	All
12	PUBLIC PARTICIPATION	Program Plant & Equipment	9/102-10-10	Internally Generated Funds	36 000	0	36 000	0	0	All
13	INFORMATION TECHNOLOGY	Data Centre Upgrade	9/106-23-23	Internally Generated Funds	300 000	0	300 000	100 000	100 000	All
14	INFORMATION TECHNOLOGY	Program Computer Equipment	9/106-6-8	Internally Generated Funds	160 000	0	160 000	160 000	160 000	All
15	INFORMATION TECHNOLOGY	Program Computer Equipment	9/106-6-9	Internally Generated Funds	130 000	0	130 000	65 000	65 000	All
16	INFORMATION TECHNOLOGY	UPS System	9/106-20-20	Internally Generated Funds	60 000	0	60 000	0	0	All
17	INFORMATION TECHNOLOGY	New Server and Switches	9/106-24-24	Borrowings	980 000	0	980 000	0	0	All
18		Total: Corporate Services =			3 709 265	-869 565	2 839 700	3 344 565	1 775 000	
19	DIRECTOR: FINANCE	Buildings Refurbishment	9/101-65-65	Internally Generated Funds	30 000	0	30 000	0	0	All
20	DIRECTOR: FINANCE	Program Office Furniture	9/101-2-16	Internally Generated Funds	35 000	0	35 000	5 000	5 000	All
21	INCOME	New LDV	9/101-74-74	Borrowings	380 000	0	380 000	0	0	All
22		Total: Financial Services =			445 000	0	445 000	5 000	5 000	
23	DIRECTOR: PLANNING DEVELOPMENT	Office Furniture	9/101-67-67	Internally Generated Funds	24 550		24 550	0	0	All
24	ENVIRONMENTAL MANAGEMENT	Rehabilitation of the Bongani river Phase 1 of implementation	9/183-2-2	Borrowings	500 000		500 000	2 000 000	3 000 000	7
25		Total: Planning and Development Services =			524 550	0	524 550	2 000 000	3 000 000	
26	HOUSING ADMINISTRATION	Sedgefield Infill - Informal Settlements Upgrading Partnership Gra	9/105-28-28	Provincial Grant	0	0	0	12 420 000	26 165 000	1
27	HOUSING ADMINISTRATION	Knysna Vision(1393) UISP	9/105-16-30	Provincial Grant	0	0	0	2 400 000	6 000 000	3
28	HOUSING ADMINISTRATION	Hornlee Infill - Informal Settlements Upgrading Partnership Grant	9/105-29-29	Provincial Grant	0	0	0	4 800 000	5 945 000	11
29	HOUSING ADMINISTRATION	Service sites	New	Borrowings	0	500 000	500 000	0	0	6,11
30	HOUSING ADMINISTRATION	Servicing of 30 erven on erf 4712 Hornlee	9/105-27-27	Borrowings	1 512 445	0	1 512 445	0	0	11
31		Total: Integrated Human Settlements =			1 512 445	500 000	2 012 445	19 620 000	38 110 000	
32	HALLS / FACILITIES	Upgr Brenton Hall - Underpinning	9/103-28-28	Borrowings	2 200 000	-1 700 000	500 000	2 400 000	500 000	5
33	HALLS / FACILITIES	Furniture Equipment	9/103-32-32	Internally Generated Funds	100 000	0	100 000	120 000	140 000	All
34	PARKS RECREATION	Small Plant Equipment	9/115-30-30	Internally Generated Funds	200 000	0	200 000	220 000	240 000	All
35	SAFETY LAW ENFORCEMENT	CCTV camera Project	9/157-1-1	Internally Generated Funds	200 000	0	200 000	200 000	400 000	All
36	CLEANSING REFUSE REMOVAL SERV.	Acquisition of Compactor Trucks (2)	9/113-28-28	Borrowings	1 700 000	0	1 700 000	1 700 000	0	All
37	CLEANSING REFUSE REMOVAL SERV.	Repl CX 4906 (2004) Street Cleaning Bakkie	9/113-22-22	Borrowings	0	0	0	250 000	0	All
38	CLEANSING REFUSE REMOVAL SERV.	New Front end Loader - Waste Facilities	9/113-29-29	Borrowings	0	0	0	1 600 000	0	All
39	CLEANSING REFUSE REMOVAL SERV.	Replacing bin lifting Equipment	9/113-30-30	Internally Generated Funds	0	0	0	150 000	150 000	All
40	PARKS RECREATION	New Bakkie-Parks Supervisor Sedgefield	9/115-21-21	Internally Generated Funds	0	0	0	380 000	0	All
41	SPORTSFIELDS	MIG: 285770 Upgrade Sportsfield PH2 (Bongani)	9/116-40-40	National Grant	0	9 565 217	9 565 217	0	0	7
42	SPORTSFIELDS	MIG: 285767 - (Rheenendal) Upgrade Sportsground Ph2: Rugby/S	9/116-41-41	National Grant	0	0	0	2 173 913	7 391 304	5
43	CEMETERY	Cemetery Windheuwel	9/124-11-11	Borrowings	600 000	0	600 000	200 000	0	All

Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
44	CEMETERY	Mini Hydraulic Excavator - veh	9/124-12-12	Borrowings	0	0	0	450 000	0	All
45	SAFETY LAW ENFORCEMENT	Trailer	9/157-5-5	Internally Generated Funds	0	0	0	100 000	0	All
46	SAFETY TRAFFIC DEPARTMENT	New Motor Vehicles (Sedans)	9/121-10-10	Borrowings	300 000	0	300 000	600 000	0	All
47	SAFETY TRAFFIC DEPARTMENT	Breatherlizer Sets	9/121-11-11	Internally Generated Funds	50 000	0	50 000	50 000	50 000	All
48	SAFETY TRAFFIC DEPARTMENT	Replacement of Fence-Driving Testing Station	9/121-12-12	Internally Generated Funds	0	0	0	200 000	0	All
49	SAFETY TRAFFIC DEPARTMENT	Motor Cycle Testing Equipment	9/121-13-13	Internally Generated Funds	100 000	0	100 000	0	150 000	All
50	SAFETY LAW ENFORCEMENT	Baboon deterrent equipment	9/157-6-6	Internally Generated Funds	100 000	0	100 000	0	0	9
51	MUSEUM	Museum Upgrade	9/196-1-1	Internally Generated Funds	0	0	0	120 000	0	10

Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
52	LIBRARY	Library Upgrade and refurbishment	9/151-22-22	Internally Generated Funds	0	0	0	60 000	0	10
53	SAFETY FIRE BRIGADE SERVICES	Construction of parking Bay	9/120-20-20	Borrowings	500 000	0	500 000	1 500 000	0	All
54	SAFETY FIRE BRIGADE SERVICES	Establishment of fire stations - Rheenendal	9/120-21-21	Borrowings	0	0	0	1 000 000	1 000 000	5
55	SAFETY FIRE BRIGADE SERVICES	Establishment of fire stations - Khayaletlu	9/120-22-22	Borrowings	1 000 000	0	1 000 000	1 000 000	0	7
56	SAFETY FIRE BRIGADE SERVICES	Replacement of fire engine CX 10515 & CX 43651	9/120-23-23	Borrowings	1 200 000	0	1 200 000	0	1 200 000	All
57	SAFETY FIRE BRIGADE SERVICES	Procurement of fire hose and pressure gauge meter kit	9/120-24-24	Internally Generated Funds	300 000	0	300 000	200 000	200 000	All
58	SAFETY FIRE BRIGADE SERVICES	Procurement of portable handheld radio's	9/120-25-25	Internally Generated Funds	55 000	0	55 000	60 000	70 000	All
59	TRANSFER STATION	Acquisition of Hooklift Truck	9/114-19-19	Borrowings	1 900 000	0	1 900 000	0	0	All
60	TRANSFER STATION	Acquisition of Trailer	9/114-20-20	Internally Generated Funds	0	0	0	600 000	0	All
61	PUBLIC TOILETS	Install turn style system at taxi rank	9/109-10-10	Internally Generated Funds	0	0	0	0	350 000	10
62	Total: Community Services =				10 505 000	7 865 217	18 370 217	15 333 913	11 841 304	
63	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Ward 4	9/104-105-131	Borrowings	500 000	250 000	750 000	250 000	150 000	4
64	ELECTRICITY DISTRIBUTION	Eastford 11KV Line to Concordia	9/104-119-119	Borrowings	0	0	0	500 000	400 000	7,8
65	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Hornlee (Ward 11)	9/104-111-137	Borrowings	500 000	0	500 000	250 000	150 000	11
66	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Ward 6	9/104-130-130	Borrowings	500 000	0	500 000	250 000	150 000	6
67	ELECTRICITY DISTRIBUTION	Electrification of informal areas - Bigai Heights - Ward 6 and 11	New	Borrowings	0	750 000	750 000	0	0	6,11
68	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-100-125	Borrowings	0	250 000	250 000	250 000	150 000	7
69	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-101-126	Borrowings	0	0	0	250 000	150 000	8
70	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP)	9/104-62-69	National Grant	9 330 435	-9 330 435	0	5 217 391	5 451 304	All
71	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-97-122	Borrowings	0	0	0	250 000	150 000	1
72	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 3	9/104-202-202	National Grant	0	3 217 391	3 217 391	0	0	3
73	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 7	9/104-203-203	National Grant	0	1 286 957	1 286 957	0	0	7
74	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 4 & 8	9/104-204-204	National Grant	0	3 217 391	3 217 391	0	0	4,8
75	ELECTRICITY DISTRIBUTION	Electrification of Formal Houses (INEP) - Ward 1	9/104-206-206	National Grant	0	1 608 696	1 608 696	0	0	1
76	ELECTRICITY DISTRIBUTION	Electrification of informal areas	9/104-98-123	Borrowings	0	0	0	250 000	150 000	3
77	ELECTRICITY DISTRIBUTION	8 ton crane Truck 20 m-t (Sedg): Vehicle Replacement	9/104-123-123	Borrowings	0	0	0	0	2 700 000	All
78	ELECTRICITY DISTRIBUTION	Salt River Control Plant Upgrade	9/104-124-124	Borrowings	0	0	0	400 000	200 000	10
79	ELECTRICITY DISTRIBUTION	Vehicle replacement CX39578 - NISSAN 2.7D	9/104-128-128	Borrowings	380 000	0	380 000	0	0	All
80	ELECTRICITY DISTRIBUTION	Vehicle replacement -Toyota Hilux 2.4D	9/104-129-129	Borrowings	0	0	0	400 000	0	All
81	ELECTRICITY DISTRIBUTION	3 x bakkie 1 ton: New electricians	9/104-75-92	Borrowings	0	0	0	0	400 000	All
82	ELECTRICITY DISTRIBUTION	Brenton - Upgrade power supply	9/104-94-119	Borrowings	0	0	0	600 000	0	5
83	ELECTRICITY DISTRIBUTION	Western Feeder 11kV line refurbishments	9/104-141-141	Borrowings	500 000	0	500 000	500 000	700 000	1
84	ELECTRICITY DISTRIBUTION	Eastern heads Feeder 11kV line refurbishments	9/104-142-142	Borrowings	0	0	0	700 000	0	9
85	ELECTRICITY DISTRIBUTION	Xolweni SS to Sawmill RMU replacement of OH to underground re	9/104-143-143	Borrowings	800 000	0	800 000	400 000	0	4
86	ELECTRICITY DISTRIBUTION	Groenvlei 11kV line replacement	9/104-144-144	Borrowings	0	0	0	0	900 000	2
87	ELECTRICITY DISTRIBUTION	EMI -Smart metering project	9/104-145-145	Borrowings	250 000	0	250 000	500 000	500 000	All
88	ELECTRICITY DISTRIBUTION	Asset replacements refurbishments	9/104-6-41	Internally Generated Funds	2 000 000	0	2 000 000	1 350 000	2 700 000	All

Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
89	ELECTRICITY DISTRIBUTION	RMU & Transformer	New	Borrowings	0	800 000	800 000	0	0	All
90	WORKSHOP & DEPOT	Vehicle Replacements	9/194-1-1	Borrowings	0	0	0	400 000	0	All
91	Total: Electrical Services =				14 760 435	2 050 000	16 810 435	12 717 391	15 001 304	
92	DIRECTOR : INFRASTRUCTURE	Program Tools Equipment	9/101-33-33	Internally Generated Funds	500 000	0	500 000	450 000	0	All
93	RDS,S/WTR,DRAINAGE:STORM WATER	Upgrade Stormwater Infrastructure	9/117-28-28	Borrowings	250 000	0	250 000	250 000	250 000	All
94	RDS,S/WTR,DRAINAGE:STORM WATER	Upgrade Stormwater Infrastructure	9/117-19-19	Borrowings	750 000	0	750 000	500 000	1 000 000	All
95	RDS,S/WTR,DRAINAGE:STREETS	Resealing of Streets	9/110-107-107	Borrowings	7 500 000	0	7 500 000	3 500 000	6 750 000	All
96	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 3	9/110-99-99	Borrowings	0	0	0	2 000 000	2 000 000	3
97	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 4	9/110-100-100	Borrowings	3 000 000	0	3 000 000	2 000 000	2 000 000	4
98	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 7	9/110-102-102	Borrowings	3 000 000	0	3 000 000	2 000 000	2 000 000	7
99	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Gravel Roads Ward 8	9/110-103-103	Borrowings	0	0	0	2 000 000	0	8
100	RDS,S/WTR,DRAINAGE:STREETS	Cola Beach - Stormwater Infrastructure Refurbishment	9/110-112-112	Borrowings	850 000	0	850 000	0	0	1
101	RDS,S/WTR,DRAINAGE:STREETS	George Rex Drive - Upgrade	9/110-113-113	Borrowings	1 000 000	0	1 000 000	4 000 000	10 000 000	9
102	RDS,S/WTR,DRAINAGE:STREETS	Road Safety Improvements	9/110-116-116	Borrowings	100 000	0	100 000	250 000	250 000	All
103	RDS,S/WTR,DRAINAGE:STREETS	Sedgefield Mouth parking area refurbishment	9/110-117-117	Borrowings	500 000	0	500 000	1 000 000	2 000 000	1
104	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Karatara)	9/110-129-129	National Grant	0	0	0	0	1 304 348	2
105	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Rheenendal)	9/110-130-130	National Grant	0	0	0	0	1 304 348	5
106	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads - Ph2 (Northern Areas)	9/110-131-131	National Grant	0	0	0	0	2 956 522	All
107	RDS,S/WTR,DRAINAGE:STREETS	MIG 374126 : Surfacing of Gravel Roads - Ph1 (Northern Areas)	9/110-136-136	National Grant	0	5 095 380	5 095 380	5 095 380	0	3,4,7,8

Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
108	RDS,S/WTR,DRAINAGE:STREETS	MIG : Upgrade of Gravel Roads	9/110-87-87	National Grant	5 095 380	-5 095 380	0	0	0	3,4,7,8
109	RDS,S/WTR,DRAINAGE:STREETS	NDPG - Public Transport Facilities	9/110-115-115	National Grant	4 347 826	0	4 347 826	4 347 826	8 695 652	All
110	RDS,S/WTR,DRAINAGE:STREETS	MIG: Rehabilitation of Streets	9/110-132-132	National Grant	5 792 278	0	5 792 278	8 971 466	8 174 782	6,11
111	RDS,S/WTR,DRAINAGE:STREETS	Upgrade Roads - Bigai Heights - Ward 6 & 11	New	Borrowings	0	750 000	750 000	0	0	6,11
112	RDS,S/WTR,DRAINAGE:STREETS	New Vehicle: 1 Ton LDV	9/110-119-119	Borrowings	0	0	0	380 000	0	All
113	RDS,S/WTR,DRAINAGE:STREETS	New Vehicle: 1.5 Ton LDV	9/110-120-120	Borrowings	450 000	0	450 000	0	0	All
114	RDS,S/WTR,DRAINAGE:STREETS	Veh Repl - CX1741 (Digger Loader)	9/110-121-121	Borrowings	0	0	0	0	1 250 000	All
115	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Repl: Chevrolet Corsa	9/110-122-122	Borrowings	0	0	0	380 000	0	All
116	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Repl: NISSAN 2.7 D	9/110-123-123	Borrowings	0	0	0	380 000	0	All
117	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Repl: NISSAN NP300	9/110-124-124	Borrowings	0	0	0	380 000	0	All
118	RDS,S/WTR,DRAINAGE:STREETS	Vehicle Replacement CX44804	9/110-52-52	Borrowings	0	0	0	380 000	0	All
119	RDS,S/WTR,DRAINAGE:STREETS	Pavement ripper	9/110-133-133	Internally Generated Funds	199 500	0	199 500	0	0	All
120	RDS,S/WTR,DRAINAGE:STREETS	Rehabilitation of Streets	9/110-134-134	Borrowings	0	0	0	4 000 000	4 470 000	All
121	SPORT FIELDS	MIG: 285770 Upgrade Sportsfield PH2 (Bongani)	9/116-40-40	National Grant	9 565 217	-9 565 217	0	0	0	7
122	SPORT FIELDS	MIG: 285767 (Rheenendal) Upgrade Sportsground Ph2: Rugby/Soc	9/116-41-41	National Grant	0	0	0	0	0	5
123	SEWERAGE RETICULATION SERVICES	MCC Replacement	9/112-59-59	Borrowings	1 350 000	0	1 350 000	750 000	0	All
124	SEWERAGE RETICULATION SERVICES	MIG : Rehabilitation of Khayaletu Sewer Bridge	9/112-73-73	National Grant	1 200 000	0	1 200 000	2 532 174	0	7
125	SEWERAGE RETICULATION SERVICES	MIG : Damsebos to Hlalani Bulk Sewer Link	9/112-74-74	National Grant	869 565	0	869 565	2 638 974	3 981 739	3
126	SEWERAGE RETICULATION SERVICES	Replacement of Pump, Valves and rails	9/112-60-60	Borrowings	750 000	0	750 000	750 000	1 000 000	All
127	SEWERAGE RETICULATION SERVICES	MIG 295640 : Upgrading of Sedgefield Bulk Sewer Infrastructure P	9/112-40-40	National Grant	0	10 267 385	10 267 385	2 728 007		2
128	SEWERAGE RETICULATION SERVICES	MIG : Upgrading of the Sedgefield Wastewater Infrastructure, Ph	9/112-61-61	National Grant	10 267 385	-10 267 385	0	0	0	2
129	SEWERAGE RETICULATION SERVICES	Brenton on Lake to Belvedere Sewer Link	9/112-65-65	Borrowings	500 000	0	500 000	1 900 000	0	5
130	SEWERAGE RETICULATION SERVICES	Increase storage capacity at Salt River Sewer Pumpstation feeding	9/112-66-66	Borrowings	500 000	0	500 000	0	0	10
131	SEWERAGE RETICULATION SERVICES	Knysna Windheuwel WWTW	9/112-67-67	Borrowings	500 000	0	500 000	1 000 000	13 800 000	All
132	SEWERAGE RETICULATION SERVICES	Rehabilitate Sewer Pipe Bridge in Khayaletu	9/112-68-68	Borrowings	1 000 000	0	1 000 000	0	0	7
133	SEWERAGE RETICULATION SERVICES	Replace Bio-disc in Belvidere	9/112-69-69	Borrowings	800 000	0	800 000	0	0	5
134	SEWERAGE RETICULATION SERVICES	Upgrade main Sewer Pump Station and sewers in the CBD	9/112-25-17	Borrowings	2 000 000	0	2 000 000	0	0	10
135	WATER PURIFICATION WORKS	Fencing and Security of Key Points	9/118-55-55	Borrowings	2 000 000	0	2 000 000	1 000 000	0	All
136	WATER PURIFICATION WORKS	Knysna Dam Phasing	9/118-56-56	Borrowings	1 500 000	0	1 500 000	1 500 000	0	All
137	RDS,S/WTR,DRAINAGE:STORM WATER	Retaining Wall Knysna Heights - Stormwater	9/117-36-36	Borrowings	0	750 000	750 000	0	0	10
138	WATER PURIFICATION WORKS	Retaining Wall Knysna Heights	9/118-57-57	Borrowings	750 000	-750 000	0	0	0	10
139	WATER RETICULATION	Water Demand management devices	9/119-49-49	Borrowings	6 500 000	0	6 500 000	2 750 000	0	All
140	WATER RETICULATION	Upgrade Knysna CBD Water reticulation	9/119-51-51	Borrowings	3 250 000	0	3 250 000	2 000 000	0	10
141	WATER RETICULATION	Refurbish Fire Damaged Infrastructure	9/119-73-73	Borrowings	0	0	0	1 250 000	0	All
142	WATER RETICULATION	Re-align Karawater pipeline	9/119-82-82	Borrowings	0	0	0	800 000	0	2
143	WATER RETICULATION	Water services infrastructure Grant	9/119-78-78	National Grant	0	0	0	0	29 075 652	All
144	SEWERAGE RETICULATION SERVICES	Veh Repl: CX 12804 NISSAN NP 300 2.5D	9/112-72-72	Borrowings	0	0	0	380 000	0	All

Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
145	WATER RETICULATION	Veh Repl: CX44803	9/119-37-37	Borrowings	0	0	0	380 000	0	All
146	WATER RETICULATION	Veh Repl: CX 40142 NISSAN NP300	9/119-79-79	Borrowings	0	0	0	380 000	0	All
147	WATER RETICULATION	Veh Vacuum tanker (Water Sewer)	9/119-80-80	Borrowings	0	0	0	0	3 600 000	All
148	WATER PURIFICATION	Refurbish Akkerkloof and Glebe Dam Tower	9/118-90-90	Borrowings	200 000	0	200 000	0	0	All
149	WATER RETICULATION	Pipeline from PG Bison to Akkerkloof 600m. 150 mm pipeline to T	9/119-83-83	Borrowings	0	0	0	1 000 000	0	All
150	WATER RETICULATION	Upgrade of pipeline from Khayaletu Pumpstation (Tyi-Tyi Street)	9/119-46-46	Borrowings	0	0	0	900 000	0	3,7
151	SEWER RETICULATION	Chambers - outfall sewers	9/112-75-75	Borrowings	500 000	0	500 000	500 000	0	All
152	WATER RETICULATION	Old Place Pipe replacement - Melkhouid, Old Toll Road, Camdeboo	9/119-85-85	Borrowings	0	0	0	6 000 000	0	10
153	WATER RETICULATION	Paradise pipe replacement - Circular Drive, Camdeboo Drive, Meyer D	9/119-86-86	Borrowings	0	0	0	0	2 500 000	10
154	WATER PURIFICATION	Knysna WTW - refurbishment of building	9/118-91-91	Borrowings	200 000	0	200 000	300 000	0	All
155	WATER RETICULATION	Sedgefield - water line - Makou to Swallow	9/119-87-87	Borrowings	0	0	0	0	1 500 000	1,2
156	SEWERAGE PURIFICATION	Replace Compressors @ Sedgefield WWTW	9/111-130-130	Borrowings	500 000	0	500 000	0	0	1,2
157	WATER RETICULATION	Knysna Brenton feed - Bulk line replacement	9/119-88-88	Borrowings	0	0	0	0	1 000 000	5
158	WATER RETICULATION	Buffalo bay replacement of pipeline(s)	9/119-89-89	Borrowings	500 000	0	500 000	1 500 000	0	5
159	WATER PURIFICATION	Buffalo Bay : Upgrade Water Treatment Works	9/118-92-92	Borrowings	0	0	0	1 000 000	1 000 000	5
160	WATER PURIFICATION	Replace and refurbish Sand filters all WTW	9/118-93-93	Borrowings	4 000 000	0	4 000 000	0	0	All
161	SEWER PURIFICATION	Replace and refurbish dry bed filter media all WWTW	9/111-131-131	Borrowings	0	0	0	0	2 000 000	All
162	SEWER RETICULATION	Roos Bolton - Sewer line	9/112-76-76	Borrowings	0	0	0	0	1 300 000	10
163	SEWER RETICULATION	Jett Machine	9/112-77-77	Borrowings	0	0	0	0	500 000	All

Row Number	Directorate and Department	Capital Project Item Description	Vote Number	Funding Source	Tabled Budget 2022/2023	Amendments	Annual Budget 2022/2023	Indicative Budget 2023/2024	Indicative Budget 2024/2025	Ward Allocation
164	WATER RETICULATION	Tools and Equipment	9/119-90-90	Internally Generated Funds	50 000	0	50 000	0	0	All
165	WATER RETICULATION	Drone	9/119-91-91	Internally Generated Funds	0	0	0	250 000	0	All
166	WATER RETICULATION	Metal detector	9/119-92-92	Internally Generated Funds	25 000	0	25 000	0	0	All
167	WATER RETICULATION	Leak detector	9/119-93-93	Internally Generated Funds	200 000	0	200 000	0	0	All
168	WATER RETICULATION	New reservoir @ Noetzie	9/119-94-94	Borrowings	0	0	0	0	2 000 000	9
169	WATER RETICULATION	Purchase of new 20mm Water Meters	9/119-95-95	Borrowings	750 000	0	750 000	0	0	All
170	SEWER PURIFICATION	Odour control	9/111-132-132	Borrowings	600 000	0	600 000	0	0	All
171	WATER RETICULATION	MCC replacement	9/119-96-96	Borrowings	450 000	0	450 000	0	0	9
172	WATER RETICULATION	Standpipes	New	Internally Generated Funds	0	150 000	150 000	0	0	All
173	WATER RETICULATION	Bulk Water Supply - Rheenendal	New	Internally Generated Funds	0	250 000	250 000	0	0	5
174	WATER RETICULATION	Loggers	9/119-97-97	Internally Generated Funds	25 000	0	25 000	0	0	All
175	Total: Infrastructure Services =				84 637 152	-8 415 217	76 221 935	76 453 826	117 663 043	
176	Grand Total: Capital Expenditure Budget =				116 443 847	1 130 435	117 574 282	129 474 695	187 395 652	

4.4 The Municipality's Performance Management System

The Municipality sets broad five-year targets, which the municipality annually assess and report on. Five-year targets are targets set by the newly established Council which it wants to achieve during its term of office. Individual performance of senior management in accordance with performance plans are on a quarterly and annual basis assessed by a Performance

Evaluation Committee in compliance with the municipality's Performance Management Policy. Municipal scorecard links with the national KPAs and against the Strategic Objectives of the IDP.

4.4.1 The Five National Key Performance Areas Are:

1. Basic Service Delivery (BSD)
2. Local Economic Development (LED)
3. Good Governance and Public Participation (GGPP)
4. Municipal Institutional Development and Transformation (MIDT)
5. Municipal Financial Viability and Management (MFVM)

The adopted Organisational Performance Management Policy framework for Senior Management provides directive on the Organisational and Executive Individual Performance Monitoring processes.

National and Provincial Assessment Process for each Task		
Process	Provincial	National
IDP	Western Cape Department Local Government	Department of Provincial and Local Government (DPLG), National Treasury
BUDGET	Western Cape Provincial Government – Dept. Local Government, Provincial Treasury	National Treasury Auditor General
SDBIP	Western Cape Provincial Government – Dept. Local Government,	National Treasury Auditor General
PMS	Provincial Treasury	National Treasury Auditor General
ANNUAL REPORT	Western Cape Provincial Government – Dept. Local Government,	National Treasury Auditor General

Table 5: Assessment Authority Knysna Municipality

4.4.2 The SDBIP

The implementation of the Municipality's IDP over the 2022/23 financial year is given effect through the Service Delivery Budget Implementation Plan, hereafter referred to as the SDBIP. The SDBIP is the implementation tool used to align the budget to the IDP. The focus of the SDBIP is both financial and non-financial measurable performance objectives in the form of service delivery targets and other performance indicators.

The SDBIP is essentially the management and implementation tool, which sets in-year information, such as annual, quarterly, monthly service delivery and monthly budget targets. The SDBIP links each service delivery

output to the budget of the Municipality, thus providing credible management information and a detailed plan for how the Municipality will provide such services and the inputs and financial resources to be used.

The SDBIP is a layered plan, with the top layer of the plan dealing with consolidated service delivery targets and in-year deadlines, and linking such targets to top management. The lower layer details of the SDBIP requires more detail on each output for which they are responsible for, and breaking up such outputs into smaller outputs and linking these to each middle-level manager. The format of the SDBIP is prescribed by the LG: MFMA, Circular No. 13, as issued by the Department: National Treasury of the Republic of South Africa. The five necessary components are:

Monthly projections of revenue to be collected for each source.

Monthly projections of expenditure (operating and capital) and revenue for each vote.

Quarterly projections of service delivery targets and performance indicators for each vote.

Ward information for expenditure and service delivery.

Detailed capital works plan broken down by ward over three years.

4.4.3 The Annual Report

The structure of the Annual Report of every financial year must be in line with the National Treasury Municipal Finance Management Act Circular No. 63. In accordance with section 121 (1) of the Local Government Act 56 of 2003 (MFMA). The Annual Report provides an accrual of the year's activities, the audited performance report against the budget as recorded on the municipality's SDBIP, promoting accountability to the local community for the decisions made throughout the year by the municipality.

The Annual Report also includes, inter alia, the Audited Annual Financial Statements of the municipality, the Audited Annual Performance Report of the municipality prepared in terms of section 46 of the Local Government Municipal Systems Act. The Annual Report further includes the Auditor-General Audit Report; and the corrective action taken that the municipality must take in response to issues raised in the Annual Performance Report and the Auditor- General's Audit Report.

The municipality's latest Annual Report for 2020/2021 is available online on the municipal website, www.knysna.gov.za and at all municipal libraries across the Greater Knysna.

4.4.4 Risk Management

Like any other organisation, Knysna Municipality operates in an environment that is dynamic and complex. The municipality is not immune to disruptions and programs are prone to embedded risks unique to the environment of the municipality. To meet the municipality set objectives, require operations and programs designed to withstand any form of operation turbulence.

In acknowledging of the Municipality current registered and inherent risks, the Municipality endorsed the implementation of Enterprise Risk Management in line with Section 62(1) (c) of the Municipal Finance Management Act No. 56 of 2003. The Public Sector Risk Management Framework as well as King IV Code of Corporate Governance further informs Risk Management in Knysna municipality. The enterprise risk management methodology as approved by Council is aligned to ISO 31 000. The current initiatives are to

improve ERM processes and the risk culture across the organization with the objective being the achievement of the desired maturity levels in the next 3 to 5 years.

Risk management practices is progressing into becoming more pro-active, than reactive to materializing risks. This will improve as risk owners take responsibility and accountability for managing risks in their respective areas. The municipality established an Integrated Risk Management Committee, chaired by the The committee meets periodically in accordance with a set schedule and attendees include senior managers, managers and risk champions.

The following table outlines the alignment of Knysna Municipalities SDBIP to national requirements and municipal strategic objectives:

Strategic Focus Area / National Key Performance Area (NKPA and MKPA)	Strategic Objective (SO)	Priority (PR)
Basic Service Delivery	To improve and maintain current basic service delivery through specific infrastructural development projects	Sanitation
		Electricity
		Streets and Storm Water Management
		Water Supply
		Integrated Human Settlements
	To promote a safe and healthy environment through the protection of our natural resources	Environmental Conservation
		Disaster management
Local Economic Development	To create an enabling environment for social development and economic growth	Decent employment opportunities and job creation
		Rural development
		Youth development
		Care for the elderly
		Opportunities for women and people living with disability
		HIV/Aids awareness

Strategic Focus Area / National Key Performance Area (NKPA and MKPA)	Strategic Objective (SO)	Priority (PR)
Municipal Financial Viability and Transformation	To grow the revenue base of the municipality	Sound Financial Planning
Municipal Transformation and Organisational Development	To structure and manage the municipal administration to ensure efficient service delivery	Institutional capacity building
Good Governance and Public Participation	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Ward committees System
		Communication
		Responsive and accountable system of Local Government

The following table outlines the horizontal alignment of Knysna Municipality's SDBIP against Local, District, Provincial and National strategies:

LOCAL	DISTRICT	PROVINCIAL	KEY PERFORMANCE AREAS	NATIONAL (NDP)	NATIONAL (SDG's)
Knysna Strategic objectives	Garden Route District Municipality Strategic Objectives	Provincial Strategic Goals	National and Municipal	National Development Plan	Sustainable Development Goals
To create an enabling environment for social development and economic growth.	Grow the district economy	Creating opportunities for growth and jobs	Local Economic Development	An economy that will create more jobs	No poverty
					No hunger
					Good jobs & economic growth
To promote a safe and healthy environment through the	Promote sustainable environmental management	Enable a resilient, sustainable, quality and	Basic Service Delivery	Environmental Sustainability and resilience	Sustainable cities & communities
					Renewable energy

LOCAL	DISTRICT	PROVINCIAL	KEY PERFORMANCE AREAS	NATIONAL (NDP)	NATIONAL (SDG's)
Knysna Strategic objectives	Garden Route District Municipality Strategic Objectives	Provincial Strategic Goals	National and Municipal	National Development Plan	Sustainable Development Goals
protection of our natural resources.	and public safety	inclusive living environment			Climate change
					Responsible consumption
To structure and manage the municipal administration to ensure efficient service delivery.	Build a capacitated workforce and communities	Improving education outcomes and opportunities for youth development	Municipal Transformation and Organisational Development	Improving the quality of education	Quality education
To promote a safe and healthy environment through the protection of our natural resources.	Healthy and socially stable communities	Increase wellness, safety and tackling social ills	Basic Service Delivery	Health Care for all	Good health
To grow the revenue base of the Municipality	Increase social cohesion	Enable a resilient, sustainable, quality and inclusive living environment	Municipal Financial Viability and Transformation	Nation building and Social Cohesion	Gender equality
					Reduced inequalities
					Peace & justice
To improve and maintain current basic service delivery through specific infrastructural development projects	Conduct regional bulk infrastructure planning, implement projects, roads maintenance, public transport, manage and develop	High speed broadband infrastructure	Basic Service Delivery	Improving Infrastructure & Building safer communities	Clean water & sanitation
					Innovation and infrastructure

LOCAL	DISTRICT	PROVINCIAL	KEY PERFORMANCE AREAS	NATIONAL (NDP)	NATIONAL (SDG's)
Knysna Strategic objectives	Garden Route District Municipality Strategic Objectives	Provincial Strategic Goals	National and Municipal	National Development Plan	Sustainable Development Goals
	Council fixed assets				
To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication.	Promote good governance	Embed good governance and integrated service delivery through partnerships and spatial alignment	Good Governance and Public Participation	Reforming the public service through better economic Infrastructure	Partnerships for the achievements of the goals

4.4.5 Circular 88 – Outcome Indicators

The Municipal Systems Act (MSA) and the MFMA require alignment between planning and reporting instruments such as the Integrated Development Plan (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and the Annual Report. It aims to support the alignment of planning and reporting instruments for a prescribed set of municipal performance indicators. This is particularly in relation to the goals and objectives set out over the medium term in the IDP, and how they are measured. National Treasury, in conjunction with Municipality's across the country has embarked on a reporting reform process. The intention of this reform is to rationalise the reporting requirements of metropolitan municipalities and as such prescribes municipal performance indicators for metropolitan municipalities. At the level of Outcomes, the reporting reform initiative has sought to measure performance indicators in relation to city transformation (in particular space), as well as to reflect the constitutionally vested powers and functions of metropolitan municipalities. Table 112 below lists the outcome indicators, which will be monitored for the 2021/22 financial year.

FD1.11	Percentage of compliance with the required attendance time for structural firefighting incidents	90,00%	100,00%	100,00%	#DIV/0!	#DIV/0!					
FD1.11(1)	(1) Number of structural fire incidents where the attendance time was less than 14 minutes										
FD1.11(2)	(2) Total number of distress calls for structural fire incidents received										
LED1.1	Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area				#DIV/0!	#DIV/0!					
LED1.11(1)	(1) R-value of operating expenditure on contracted services within the municipal area										
LED1.11(2)	(2) Total municipal operating expenditure on contracted services										
LED1.2	Number of work opportunities created through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	400,00	300,00	100,00	0,00	-100,00					
LED1.21(1)	(1) Number of work opportunities provided by the municipality through the Expanded Public Works Programme										
LED1.21(2)	(2) Number of work opportunities provided through the Community Works Programme and other related infrastructure										
LED2.1	Percentage of the municipality's operating budget spent on indigent relief for free basic services				#DIV/0!	#DIV/0!					
GG6.11(1)	(1) R-value of operating budget expenditure spent on free basic services										
GG6.11(2)	(2) Total operating budgets for the municipality										
LED3.1	Average time taken to finalise business licence applications	7,00	5,00	7,00	#DIV/0!	#DIV/0!					
LED3.11(1)	(1) Sum of the total working days per business application finalised										
LED3.11(2)	(2) Number of business applications finalised										
LED3.3	Average number of days from the point of advertising to the letter of award per 80/20 procurement process	120,00	120,00	120,00	#DIV/0!	#DIV/0!					

Table 6: National Outcome Indicators

Reporting on the SDBIP is required by and prescribed in the LG: MFMA wherein the roles and responsibilities of the Mayor and Accounting Officer are outlined. The various in-year reporting requirements include:

Monthly:

Section 71 of the LG: MFMA requires that the Accounting Officer must by no later than 10 working days after the end of each month, report on the state of the municipality’s budget reflecting year-to-date actuals against revenue and expenditure, and projections for the remainder of the financial year.

Quarterly:

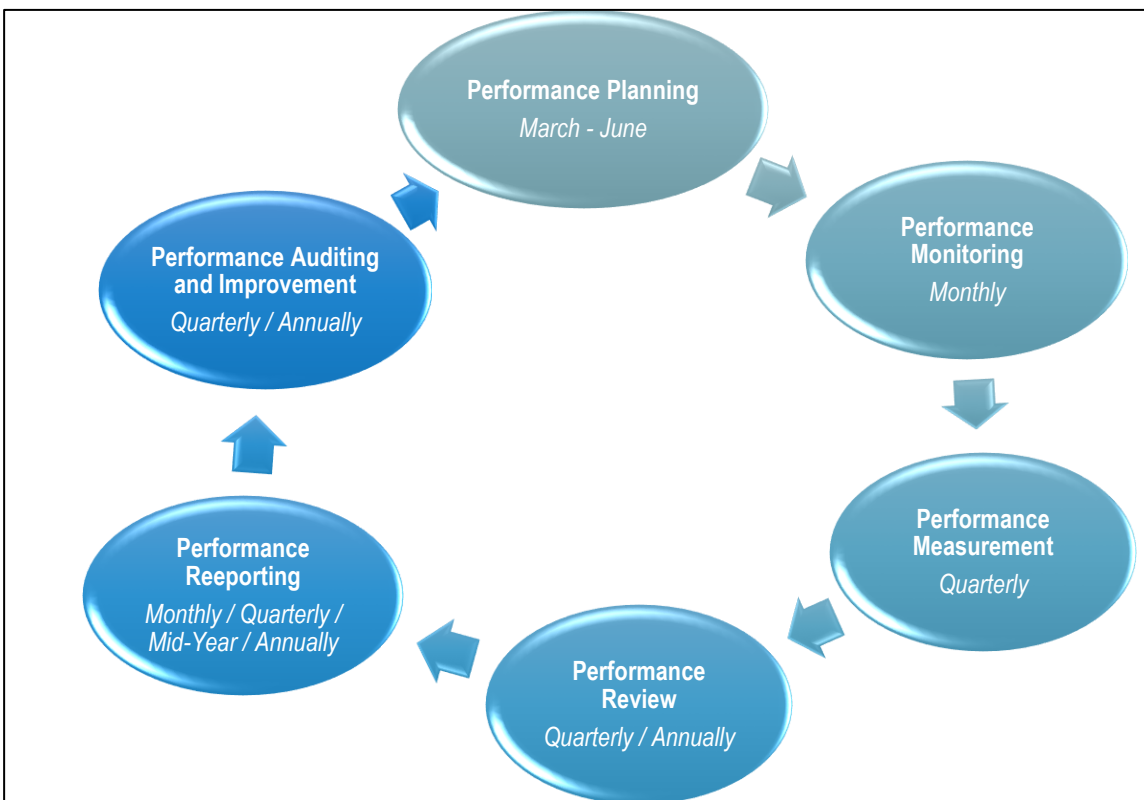
Section 52(d) of the LG: MFMA requires that the Mayor must, within 30 days after the end of each quarter, report on the implementation of the budget and the financial state of affairs of the municipality. The non-financial information contained in the SDBIP, forms part of this report.

Mid-Year:

Section 72 of the LG: MFMA requires that the Accounting officer must by 25 January of each year, assess the performance of the municipality during the first half of the financial year, taking into account the monthly reports as done in terms of Section 71, including service delivery performance, targets and performance indicators set in the SDBIP.

As a result of the preceding, the Municipality is required by Section 46 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) to prepare for each financial year a performance report reflecting municipal performance and of each external service provider, including targets and performances in this regard for the previous financial year, and measures taken to improve performance.

The performance cycle can be summarised in the following diagram:



4.5 Performance Management Framework

The purpose of the Performance Management Framework is to provide guidance and a platform to the Municipality in terms of planning, implementation, assessing, monitoring, measuring, reviewing, and managing performance throughout the organisation. The framework outlines the course on how the municipality's performance process, for the organisation as a whole will be conducted, organised and managed,

The framework has the following objectives:

- Clarify processes of implementation;
- Ensure compliance with legislation;
- Demonstrate how the system will be piloted;
- Define clear roles and responsibilities of the various stakeholders;
- Promote accountability and transparency; and
- Reflect the linkage between the IDP, MTREF and Service Delivery and Budget Implementation Plan (SDBIP) and service provider performance.

The most recent Performance Management Framework of the Municipality was approved at end-May 2021 and will again be presented to Council at the end of May for approval, together with a Draft 2022/2023 SDBIP, for noting by Council.

2022/2023

**Draft Service Delivery and Budget Implementation Plan
(SDBIP)**

NOTE: The municipal scorecard table refers - All strikethrough segments are to be amended, the segments marked in bold are the replacements.

Annexure A - Amended Alignment Table - Municipal Strategic Objectives

SFA#	Strategic Focus Area / National Key Performance Area	Count	SO#	Strategic Objective	Count	PR#	Priority	Count
SFA1	Basic Service Delivery	18	SO1	To improve and maintain current basic service delivery through specific infrastructural development projects	15	PR01	Sanitation	4
						PR02	Electricity	3
						PR03	Streets and Storm Water Management	1
						PR04	Water Supply	4
						PR05	Integrated Human Settlements	2
			SO2	To promote a safe and healthy environment through the protection of our natural resources	4	PR06	Environmental Conservation	3
						PR07	Disaster management	1
SFA2	Local Economic Development	1	SO3	To create an enabling environment for social development and economic growth	1	PR08	Decent employment opportunities and job creation	1
						PR09	Rural development	0
						PR10	Youth development	0
						PR11	Care for the elderly	0
						PR12	Opportunities for women and people living with disability	0
PR13	HIV/Aids awareness	0						
SFA3	Municipal Financial Viability and Transformation	15	SO4	To grow the revenue base of the municipality	14	PR14	Sound Financial Planning	15
SFA4	Municipal Transformation and Organisational Development	2	SO5	To structure and manage the municipal administration to ensure efficient service delivery	3	PR15	Institutional capacity building	2
SFA5	Good Governance and Public Participation	17	SO6	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	16	PR16	Ward committees System	0
						PR17	Communication	1
						PR18	Responsive and accountable system of Local Government	16
Totals		53			53			53

Annexure B - 2022/2023 Amended Top Level Service Delivery and Budget Implementation Plan (Municipal Scorecard)

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL1	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Submit to the Executive Mayor the draft 2022/2023 SDBIP for consideration by no later than 14 days after the approval of the annual budget in terms of the Local Government: Municipal Finance Management Act, No. 56 of 2003	One Draft Service Delivery and Budget Implementation Plan (SDBIP) submitted to the Executive Mayor	ALL	#	Good Governance and Public Participation	1	-	-	-	1	1
TL2	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Conclude signed performance agreements in terms of Section 57 of the Local Government: Municipal Systems Act, No. 32 of 2000 for the Municipal Manager and Managers directly accountable to the Municipal Manager	Seven signed performance agreements concluded within the legislative deadline	ALL	#	Good Governance and Public Participation	7	7	-	-	-	7

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL3	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Conduct formal performance evaluations of the Municipal Manager and Managers directly accountable to the Municipal Manager in line with the signed performance agreements	Twelve performance evaluations concluded for the financial year	ALL	#	Good Governance and Public Participation	12	6	-	6	-	12
TL4	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Risk-Based Audit Plan submitted to the Audit Committee for approval by end-June of the financial year	One Risk-Based Audit Plan submitted to the Audit Committee by end-June	ALL	#	Good Governance and Public Participation	1	-	-	-	1	1
TL5	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Bi-annually submit performance management-related reports to the Audit Committee	Two performance management-related reports submitted to the Audit Committee	ALL	#	Good Governance and Public Participation	2	1	-	1	-	2

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL6	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Submit the Integrated Development Plan and Budget Time Schedule to Council for consideration by end-August	One Integrated Development Plan and Budget Time Schedule submitted to Council	ALL	#	Good Governance and Public Participation	1	1	-	-	-	1
TL7	Municipal Manager	To grow the revenue base of the municipality	Capital conditional grant spending measured by the percentage (%) spent	95% of the capital conditional grant spent by end-June	ALL	%	Municipal Financial Viability and Management	100%	20%	40%	70%	95%	95%
TL8	Municipal Manager	To grow the revenue base of the municipality	Operational conditional grant spending measured by the percentage (%) spent	95% of the operational conditional grant spent by end-June	ALL	%	Municipal Financial Viability and Management	100%	15%	30%	60%	95%	95%

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL9	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Review and submit the Risk Register to the Risk Management Committee by February of the financial year	One Reviewed Risk Registers submitted to the Risk Management Committee	ALL	#	Good Governance and Public Participation	1	-	-	1	-	1
TL10	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Comply with all the relevant legislation and procedures tested annually by the Auditor-General of South Africa	Less than three findings in the Auditor General's report on material non-compliance with laws and regulations	ALL	#	Good Governance and Public Participation	3	-	<3	-	-	<3
TL11	Corporate Services	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Develop and submit the Oversight Report to Council by end-March in terms of Section 129 (1) of the Local Government: Municipal Finance Management Act, No. 56 of 2003	One Oversight Report submitted to Council by end-March	ALL	#	Good Governance and Public Participation	2	1	-	1	-	1

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL12	Municipal Manager	To grow the revenue base of the municipality	The percentage of the municipality capital budget actually spent on capital projects by 30 June 2023 {(Actual amount spent on projects/Total amount budgeted for capital projects)X100} as-approved in the Capital Budget as at 30 June of the financial year	90% of the municipal capital budget spent by end-June	ALL	%	Municipal Financial Viability and Management	95%	-	-	-	90%	90%
TL13	Municipal Manager	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Submit the Reviewed Integrated Development Plan (IDP) to Council for consideration by end-May	One Reviewed Integrated Development Plan submitted to Council by end-May	ALL	#	Good Governance and Public Participation	1	-	-	-	1	1

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL14	Municipal Manager	To structure and manage the municipal administration to ensure efficient service delivery	Develop and submit the 2021/2022 Annual Performance Report (APR) to the Auditor-General of South Africa (AGSA) by end-August	One Annual Performance Report submitted to the Auditor-General by end-August	ALL	#	Good Governance and Public Participation	1	1	-	-	-	1
TL15	Corporate Services	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Number of Council Meetings held	Four Council meetings held for the financial year	ALL	#	Good Governance and Public Participation	12	1	1	1	1	4

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL17	Corporate Services	To structure and manage the municipal administration to ensure efficient service delivery	Submit the Employment Equity Report to Council on the number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan as at end-June	One Employment Equity Report submitted to Council by end-June	ALL	#	Municipal Transformation and Organisational Development	1	-	-	-	1	1
TL18	Corporate Services	To grow the revenue base of the municipality	The percentage of a municipality's operating budget actually spent on implementing its workplace skills plan by 30 June 2023 {(Actual total training expenditure divided by total training (budget) x100}	90% of the municipal operating budget spent by end-June	ALL	%	Municipal Financial Viability and Management	90%	20%	40%	60%	90%	90%

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL19	Corporate Services	To structure and manage the municipal administration to ensure efficient service delivery	Submit the Workplace Skills Plan to the Local Government Sector Education and Training Authority (LGSETA) by end-April	One Workplace Skills Plan submitted to the Local Government Sector Education and Training Authority (LGSETA) by end-April	ALL	#	Municipal Transformation and Organisational	1	-	-	-	1	1
TL20	Infrastructure Services	To improve and maintain current basic service delivery through specific infrastructural development projects	Limit unaccounted water losses to less than 25%	Less than 25% water losses recorded by end-June	ALL	%	Basic Service Delivery	<25%	-	-	-	<25%	<25%
TL21	Infrastructure Services	To improve and maintain current basic service delivery through specific infrastructural development projects	Municipal Streets and Stormwater capital spending measured by the percentage (%) of budget spent	90% of the Streets and Stormwater capital budget spent by end-June	ALL	%	Basic Service Delivery	95%	-	-	-	90%	90%

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL22	Infrastructure Services	To improve and maintain current basic service delivery through specific infrastructural development projects	90% compliance to general standards with regard to waste water outflow by 30 June of the financial year	90% compliance to the general standards for waste water outflow by end-June	ALL	%	Basic Service Delivery	90%	-	-	-	90%	90%
TL23	Infrastructure Services	To improve and maintain current basic service delivery through specific infrastructural development projects	95% water quality level obtained as per SANS 241 physical and micro parameters by 30 June of the financial year	95% compliance to the SANS 241 in regards to the water quality level by end-June	ALL	%	Basic Service Delivery	95%	-	-	-	95%	95%
TL24	Infrastructure Services	To improve and maintain current basic service delivery through specific infrastructural development projects	Limit electricity losses to less than 11.5% by 30 June of the financial year (Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated)x 100	Less than 11.5% electricity losses by end-June	ALL	%	Basic Service Delivery	New KPI	-	-	-	11.5%	11.5%

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL25	Community Services	To promote a safe and healthy environment through the protection of our natural resources	Submit the Report on the Rehabilitation of Landfill Sites to Financial Services for inclusion in the Annual Financial Statements by end-June	One Report on the Rehabilitation of Landfill Sites submitted to Financial Services by end-June	ALL	#	Basic Service Delivery	1	-	-	-	1	1
TL26	Community Services	To promote a safe and healthy environment through the protection of our natural resources	Submit the Reviewed Disaster Management Plan to Council for consideration by end-May	One Reviewed Disaster Management Plan submitted to Council by end-May	ALL	#	Basic Service Delivery	1	-	1	-	1	1
TL27	Financial Services	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Submit the Section 52(d) Report to Council following the end of each quarter as prescribed in the Local Government: Municipal Finance Management Act, No. 56 of 2003	Four Section 52(d) Reports submitted to Council by end-June	ALL	#	Good Governance and Public Participation	4	1	1	1	1	4

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL28	Financial Services	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Submit the Annual Budget to Council for consideration by end-May as prescribed in the Local Government: Municipal Finance Management Act, No. 56 of 2003	One Annual Budget submitted to Council within the legislative deadline	ALL	#	Good Governance and Public Participation	1	-	-	-	1	1
TL29	Financial Services	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Submit the Adjustment Budget to Council for consideration by end-February as prescribed in the Local Government: Municipal Finance Management Act, No. 56 of 2003	One Adjustment Budgets submitted to Council within the legislative deadline	ALL	#	Good Governance and Public Participation	1	-	-	1	-	1

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL34	Financial Services	To grow the revenue base of the municipality	Financial viability measured in terms of the outstanding service debtors (NKPI Proxy - MSA, Reg. S10(g)(ii))	Service debtors to revenue ratio – (Total outstanding service debtors / revenue received for services) measured by 30 June of the financial year	ALL	%	Municipal Financial Viability and	55.6	-	-	-	50%	50%
TL35	Financial Services	To grow the revenue base of the municipality	Financial viability measured in terms of the available cash to cover fixed operating expenditure (NKPI Proxy - MSA, Reg. S10(g)(iii))	Cost coverage as at 30 June annually [(Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, Provision for bad debts, Impairment and Loss on disposal of assets)	ALL	#	Financial Viability and Management	1.1 month	-	-	-	1.1 month	1.1 month

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL39	Financial Services	To improve and maintain current basic service delivery through specific infrastructural development projects	Provide free basic refuse removal to indigent households	Number of indigent households receiving free basic refuse removal as at 30 June of the financial year	ALL	#	Financial Viability and Management	1,690	1,690	1,690	1,690	1,690	1,690
TL40	Financial Services	To grow the revenue base of the municipality	Submission of Fixed Asset Register (FAR) in compliance with applicable Generally Recognised Accounting Practice (GRAP) Standards to the Auditor-General by end-August	One Fixed Asset Register submitted to the Auditor-General by end-August	ALL	#	Financial Viability and Management	New KPI	1	-	-	-	1
TL41	Financial Services	To grow the revenue base of the municipality	Financial viability measured in terms of the Municipality's ability to meet its service debt obligations (NKPI Proxy - MSA, Reg. S10(g)(i))	Debt coverage ratio ((Total operating revenue – conditional operating grants received) / (Debt service payments due within the year)) measured by 30 June of the financial year	ALL	#	Financial Viability and Management	15.7	-	-	-	15	15

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL42	Financial Services	To grow the revenue base of the municipality	Sound financial management by maintaining an acceptable Liquidity Ratio	Liquidity: Current Ratio, Calculated as (Current Assets / Current Liabilities	ALL	#	Financial Viability and Manage	1.19	-	-	-	1.2	1.2
TL43	Financial Services	To grow the revenue base of the municipality	Financial viability measured in terms of the collection period (average number of days) as at 30 June ((Gross Debtors - Bad Debt Provision) / Billed Revenue)) × 365	Debtors ratio in number of days	ALL	# %	Financial Viability and Management	84 Days	-	-	-	80	80
TL44	Financial Services	To grow the revenue base of the municipality	Achieve an average payment percentage of 91% by 30 June [Gross Debtors (Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100]	Gross Debtors (Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off) / Billed Revenue x 100	ALL	%	Financial Viability and Management	92%	-	-	-	91%	91%

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL45	Financial Services	To grow the revenue base of the municipality	Submission of the Annual Financial Statements to the Auditor-General by end-August	One Annual Financial Statements submitted to the Auditor-General by end-August	ALL	#	Financial Viability and Management	1	1	-	-	-	1
TL46	Financial Services	To grow the revenue base of the municipality	Financial viability measured in terms of number of days taken for creditors to be paid [Trade creditors outstanding/creditors purchases (operating and capital) x 365]	Number of days to pay creditors	ALL	#	Financial Viability and Management	53 days	-	-	-	50 days	50 days
TL47	Financial Services	To grow the revenue base of the municipality	Submission of the Reviewed Long-Term Financial Plan to Council by end-March	One Reviewed Long-Term Financial Plan submitted to Council by end-March	ALL	#	Financial Viability and Management	1	-	-	1	-	1
TL48	Planning and Economic Development	To create an enabling environment for social development and economic growth	Quarterly reporting on grant-funded EPWP projects to the Department: Public Works and Infrastructure	Four reports submitted to the Department: Public Works and Infrastructure by end-June	ALL	#	Local Economic Development	New KPI	1	1	1	1	4

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL49	Planning and Economic Development	To promote a safe and healthy environment through the protection of our natural resources	Submit the Reviewed Municipal Spatial Development Framework (SDF) to Council by end-May	One Reviewed Municipal Spatial Development Framework submitted to Council by end-May	ALL	#	Basic Service Delivery	1	-	-	-	1	1
TL50	Planning and Economic Development	To promote a safe and healthy environment through the protection of our natural resources	Review and submit Draft Climate Change Strategy to Council	One Climate Change Strategy submitted to Council with the Integrated Development Plan	ALL	#	Basic Services	1	-	-	-	1	1
TL51	Human Settlements Administration	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Facilitate seven Public Housing meetings on the human settlements plan for the financial year	Seven Public Housing meetings held for the financial year	ALL	#	Good Governance and Public Participation	New KPI	1	1	3	2	7

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL52	Human Settlements Administration	To improve and maintain current basic service delivery through specific infrastructural development projects	Service Sites for future housing development through the programme on the Upgrading of Informal Settlements Plan (UISP) and Enhanced People's Housing Process (EHPH)	Number of sites serviced through the Human Settlements Development Grant (HSDG) programmes	ALL	#	Basic Service Delivery	New KPI	-	-	30	73	103
TL53	Human Settlements Administration	To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication	Review Human Settlements Master Plan and submit to the Portfolio Committee by 30 June of the financial year	One Reviewed Human Settlements Master Plan submitted to the Portfolio Committee by end-June	ALL	#	Good Governance and Public Participation	1	-	-	-	1	1

REFERENCE NUMBER	DEPARTMENT	STRATEGIC OBJECTIVE	MUNICIPAL PLANNED DELIVERY		WARD	TYPE	NATIONAL KPA	BASELINE	PLANNED TARGETS FOR 2022/2023 SDBIP PER QUARTER				ANNUAL TARGET
			KPI	UNIT OF MEASUREMENT					QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	
TL55	Human Settlements Administration	To improve and maintain current basic service delivery through specific infrastructural development projects	Construct and provide housing opportunities through the programme on Upgrading of Informal Settlements Plan (UISP); Enhanced People's Housing Process (EPHP); and Integrated Rural Development Program (IRDP)	Number of housing opportunities done through the Human Settlements Development Grant (HSDG) programmes	ALL	#	Basic Service Delivery	560	60	40	40	55	195

CAPITAL PROJECT IMPLEMENTATION PLANS 2022/2023/24/25

Directorate Financial Services																				
Project No: 51514 – Program Office Furniture											Location: Municipal area									
Vote Nos: 9/101-2-16											Fin Source: CRR									
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Program Office Furniture																		
<i>Project/Actual ETD</i>		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	14970	5390	00 000	00 000	00 000	5410	5410	5410	5410		0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Infrastructure Services																				
Project: No: 80001 – New Machinery and Equipment											Location: Municipal area									
Vote Nos: 9/101-33-33											Fin Source: CRR									
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Programs Tools & Equipment																		
<i>Project/Actual ETD</i>		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	668	00 000	3091	12789	96690	133790	57275	2786	73228	73228	73228	73227	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000					

Directorate Corporate Services																				
Project No:– 33007 Furniture and Office Equipment										Location: Municipal area										
Vote Nos: 9/101-39-39										Fin Source: CRR										
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Equipment Purchasing							922											
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	00 000	00 000	00 000	00 000	8765	00 000	1559	1559	1559	1558	000 00	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000 00					

Directorate Corporate Services																				
Project No: 33012 New Airconditioners										Location: Municipal area										
Vote Nos: 9/101-62-62										Fin Source: CRR										
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	2	Implementati on																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	13980	00 000	00 000	00 000	00 000	00 000	00 000	56505	56505	56505	56505	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000					

Directorate Corporate Services Project No: 33013– New Fencing Vote Nos: 9/101-63-63 Proj Start: Proj End:																	Location: Municipal area Fin Source: CRR				
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	3	Implementati on																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	800 000	00 000	0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Corporate Services Project No: 33014 – Replace Asbestos Municipal Offices – Clyde Street Vote Nos: 9/101-64-64 Proj Start: Proj End:																	Location: Municipal area Fin Source: Borrowing				
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	4	Implementation																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	500000	00 000	0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Planning and Development

Project No: 33014– Office Furniture **Location: Municipal area**

Vote Nos: 9/101-67-67 **Fin Source: CRR**

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	5	Office Furniture																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	80000	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000					

Directorate Community Services

Project: pj-0/000-00-00 – Halls **Location: Municipal area**

Vote Nos: 9/103-28-28 **Fin Source: CRR**

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	6	Halls																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	350 000	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000					

Directorate Community Services

Project: pj-0/000-00-00 – Halls

Location: Municipal area

Vote Nos: 9/106-6-8

Fin Source: CRR

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	7	Halls																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	1697	00 000	00 000	00 000	5040	4150	00 000	00 000	47278	47278	47278	47279	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 00	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000					

Directorate Infrastructure Services

Project: pj-0/000-00-00 – Electrification of Informal Areas Ward 4

Location: Municipal area

Vote Nos: 9/104-105-131

Fin Source: CRR

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	8	Electrification																		
<i>Projected Cash Flow</i>		Capital	00 000	116346	137466	117051	95359	00 000	00 000	100730	133262	133262	133262	133262	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000					

Directorate Infrastructure Services

Project: pj-0/000-00-00 – Electrification of informal Areas Hornlee

Location: Municipal area

Vote Nos: 9/104-111-137

Fin Source: Borrowings

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Electrification																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	00 000	00 000	00 000	353457	00 000	69941	169151	169151	169151	169149	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	46 000				

Directorate Infrastructure Services

Project: pj-0/000-00-00 – Eastford 11KV Line to Concordia

Location: Municipal area

Vote Nos: 9/104-119-119

Fin Source: CRR

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	2	Brenton Substation																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	900 000	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	-36 000				

Directorate Integrated Infrastructure Services																				
Project: pj-0/000-00-00 – Electrification of Informal areas – Ward 6														Location: Municipal area						
Vote Nos: 9/104-130-130														Fin Source: Borrowings						
Proj Start:		Proj End:																		
<i>Grp</i>	<i>No</i>	<i>Activity</i>	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	<i>Notes (Activity)</i>					
1	8	Electrification																		
<i>Project/Actual ETD</i>		<i>Budget Type</i>	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	<i>YTD June</i>	<i>Bud Save</i>	<i>Commit</i>	<i>Total</i>	<i>Avail</i>	<i>Ave %</i>
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	500 000	00 000	00 000	00 000	00 000	00 000	0000		0000		
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Integrated Human Settlement																				
Project: pj-0/000-00-00 – Service 30 erven of erf 4712 Hornlee														Location: Municipal area						
Vote Nos: 9/105-27-27														Fin Source: Borrowings						
Proj Start:		Proj End:																		
<i>Grp</i>	<i>No</i>	<i>Activity</i>	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	<i>Notes (Activity)</i>					
1	1	Equipment Purchasing																		
<i>Project/Actual ETD</i>		<i>Budget Type</i>	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	<i>YTD June</i>	<i>Bud Save</i>	<i>Commit</i>	<i>Total</i>	<i>Avail</i>	<i>Ave %</i>
<i>Projected Cash Flow</i>		Capital	00 000	00 000	45 000	165025	00 000	77530	00 000	00 000	00 000	00 000	00 000	00 000	00 000	0000		0000		
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Corporate Services

Project: pj-0/000-00-00 – Program Computer Equipment

Location: Municipal area

Vote Nos: 9/106-6-8

Fin Source: CRR

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	2	Replace Laptops																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave%
Projected Cash Flow		Capital	00 000	14005	00 000	121980	132011	00 000	00 000	18216	40888	40888	40888	40889	00 000	00 000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Corporate Services

Project: pj-0/000-00-00 – Program Computer Equipment

Location: Municipal area

Vote Nos: 9/106-6-9

Fin Source: CRR

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	3	Replace Desktops																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	00 000	00 000	00 000	00 000	5375	347	29820	29820	29820	29818	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Corporate Services

Project: pj-0/000-00-00 – Data Centre Upgrade

Location: Municipal area

Vote Nos: 9/106-23-23

Fin Source: CRR

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	3	Replace Desktops																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	169866	00 000	00 000	00 000	2726	-22866	10902	58843	58843	58843	58843	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Integrated Human Settlement

Project: pj-0/000-00-00 – Knysna Vision (1393) UISP

Location: Municipal area

Vote Nos: 9/105-16-30

Fin Source: Provincial Grants

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	4	Implementati on																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	92960	28985	00 000	105987	00 000	00 000	00 000	1182017	1182017	1182017	1182017	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services																				
Project: pj-0/000-00-00 – Program Tools Equipment														Location: Municipal area						
Vote Nos: 9/101-33-33														Fin Source: CRR						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Implementation																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	668		3091	12789	96690	13790	57275	2786	73228	73228	73228	73228	000	0000	0000			
Expenditure to date		Capital	000	000	000	000	000	000	000	000	000	000	000	000	000	00 000				

Directorate Infrastructure Services																				
Project: pj-0/000-00-00 – MIG 366231 Surface of Gravel Roads - Rheenendal														Location: Municipal area						
Vote Nos: 9/110-87-87														Fin Source: National Grant						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	19	Implementation		2																
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	000	000	000	268487	1863316	477597	364137	273890	2823902	2823902	2823902	2823903	000	0000	0000			
Expenditure to date		Capital	000	000	000	000	000	000	000	000	000	000	000	000	000	000				

Directorate Infrastructure Services

Project: pj-0/000-00-00 – Upgrade Knysna WWTW

Location: Municipal area

Vote Nos: 9/111-29-29

Fin Source: Borrowings

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	23	Implementation																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	000	00 000	00 000	00 000	00 000	00 000	00 000	6 612 967	106 000	150 000	150 000	94 000	000	0000	0000			
Expenditure to date		Capital	000	000	000	000	000	000	000	000	000	000	000	000	000	00 000				

Directorate Infrastructure Services

Project: pj-0/000-00-00 – MCC Replacement

Location: Municipal area

Vote Nos: 9/112-59-59

Fin Source: Borrowings

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	23	Equipment Purchasing																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	000	00 000	00 000	00 000	00 000	00 000	00 000	19 700,00	000	000	000	1 825	000	0000	0000			
Expenditure to date		Capital	000	000	000	000	000	000	000	000	000	000	000	000	000	00 000				

Department Infrastructure Services
Project: pj-0/000-00-00 – Upgrade main Sewer Pump Station and sewers **Location:** Municipal area
Vote Nos: 9/112-25-17 **Fin Source:** Borrowings
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	28	Implementation																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	4 220 000	600 000	800 000	327 358	00 000	000	0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000	00 000					

Department Infrastructure Services
Project: pj-0/000-00-00 – MIG Upgrade of Sedgfield WW Infrastructure **Location:** Municipal area
Vote Nos: 9/112-61-61 **Fin Source:** Borrowings
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	29	Implementation																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 00	00 00	00 00	00 00	00 00	00 00	00 00	00 00	173913	173913	173913	173913	000	0000	0000				
<i>Expenditure to date</i>		Capital	000	000	000	000	000	000	000	000	000	000	000	000	000	00 000					

Directorate Infrastructure Services

Project No: 88004 – Surfacing of Gravel Roads in Ward 4

Location: Municipal area

Vote Nos: 9/110-87-87

Fin Source: CRR

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Surfacing of Gravel Roads in Ward 4																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	268487	1863316	477597	364137	273890	2823902	2823902	2823902	2823903		0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Infrastructure Services

Project: No: 88003 – Upgrade Gravel Roads Ward 3

Location: Municipal area

Vote Nos: 9/110-99-99

Fin Source: Borrowing

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Upgrade Gravel Road – Ward3																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	105789	00 000	00 000	00 000	00 000	00 000	62500	62500	62500	62500	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Infrastructure Services

Project No:– 88004 - Upgrade Gravel Roads Ward 4

Location: Municipal area

Vote Nos: 9/110-100-100

Fin Source: Borrowing

Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Upgrade																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	137692	105789	00 000	00 000	00 000	00 000	00 000	62500	62500	62500	62500	000 00	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000 00					

Directorate Infrastructure Services

Project No: 88006 Upgrade Gravel Roads Ward 7

Location: Municipal area

Vote Nos: 9/110-102-102

Fin Source: Borrowing

Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	2	Upgrade																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	47934	00 000	00 000	00 000	00 000	00 000	62500	62500	62500	62500		0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Infrastructure Services

Project No: 88007– Upgrade Gravel Roads Ward 8

Location: Municipal area

Vote Nos: 9/110-103-103

Fin Source: Borrowing

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	3	Implementation																		
<i>Project/Actual ETD</i>		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	105788	00 000	00 000	00 000	00 000	00 000	62500	62500	62500	62500	000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000					

Directorate Infrastructure Services

Project No: 88050 – Resealing of Streets

Location: Municipal area

Vote Nos: 9/110-107-107

Fin Source: Borrowing

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	4	Resealing of Streets																		
<i>Project/Actual ETD</i>		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	2357	00 000	00 000	00 000	966761	00 000	760494	3383222	3383222	3383222	3383222		0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Infrastructure Services
Project No: 88010 – Cola Beach **Location: Municipal area**
Vote Nos: 9/110-112-112 **Fin Source: Borrowing**
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	5	Cola Beach																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	250000		0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	0000					

Directorate Infrastructure Services
Project: 88010 – George Rex Drive **Location: Municipal area**
Vote Nos: 9/110-113-113 **Fin Source: Borrowing**
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	6	Implementation																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	304646	00 000	00 000	00 000	48839	48839	48839	48837	000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000					

Directorate Infrastructure Services
Project: 88010 – Public Transport Facilities **Location:** Municipal area
Vote Nos: 9/110-115-115 **Fin Source:** CRR
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	7	Public Transport Facilities																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	253607	00 000	2000000	2000000	4442045	000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000	00 000	00 000	00 000	00 000	000					

Directorate Infrastructure Services
Project: 88010 – Sedgfield Mouth **Location:** Municipal area
Vote Nos: 9/110-117-117 **Fin Source:** Borrowing
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	8	Equipment Purchasing																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	250000		0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000						

Directorate Infrastructure Services

Project: 90002 – Upgrade main sewer p/station and sewers

Location: Municipal area

Vote Nos: 9/112-25-17

Fin Source: Borrowing

Proj Start: **Proj End:**

<i>Grp</i>	<i>No</i>	<i>Activity</i>	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	<i>Notes (Activity)</i>						
1	1	Civil Contractor																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 000	216039	00 000	00 000	00 000	00 000	00 000	00 000	496490	496490	496490	496491		0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000	00 000					

Directorate Infrastructure Services

Project: 90007 – MCC Replacement

Location: Municipal area

Vote Nos: 9/112-59-59

Fin Source: Borrowing

Proj Start: **Proj End:**

<i>Grp</i>	<i>No</i>	<i>Activity</i>	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	<i>Notes (Activity)</i>						
1	2	MCC Replacement																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	1328546	00 000	00 000	00 000	00 000	00 000	00 000	00 000		0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	-36 000					

Directorate Infrastructure Services
Project: 51628 – Replacement of Pump, Valves and rails **Location:** Municipal area
Vote Nos: 9/112-60-60 **Fin Source:** Borrowings
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	Pump Replacement																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	300549	00 000	53727	00 000	373931	373931	373931	373931	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services
Project: 89019 – Upgrading of the Sedgefield Wastewater Infrastructure, Phase 2 **Location:** Municipal area
Vote Nos: 9/112-61-61 **Fin Source:** CRR
Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	2	Upgrade Sedgefield WW Infrastructure																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	173913	173913	173913	173913	00 000	00 000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services																				
Project: 90010 – Brenton on Lake to Belvedere Sewer Link														Location: Municipal area						
Vote Nos: 9/112-65-65														Fin Source: Borrowings						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	3	Brenton on Lake Belvedere Sewer Link																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	00 000	162000	00 000	00 000	00 000	00 000	84500	84500	84500	84500	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services																				
Project: 90010 – Increase storage capacity at Salt River Sewer Pumpstation feeding Welbedacht and Simola														Location: Municipal area						
Vote Nos: 9/112-66-66														Fin Source: Provincial Grants						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	4	Increase storage capacity																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	250000	00 000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services

Project: 90010 – Knysna Windheuwel WWTW

Location: Municipal area

Vote Nos: 9/112-67-67

Fin Source: Borrowings

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	1	WWTW																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	400000	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services

Project: 90010 – Rehabilitate Sewer Pipe Bridge in Khayaletu

Location: Municipal area

Vote Nos: 9/112-68-68

Fin Source: Borrowing

Proj Start: Proj End:

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	2	Rehabilitation																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	48022	00 000	00 000	00 000	00 000	50495	50495	50495	50493	00 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services
Project: 90010 – Replace Bio-disc in Belvidere
Vote Nos: 9/112-69-69
Proj Start: Proj End:

Location: Municipal area
Fin Source: Borrowings

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	3	Replace Bio-disc in Belvidere																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	379310	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000					

Community Services Directorate
Project: 72011 – Acquisition of Compactor Trucks (2)
Vote Nos: 9/113-28-28
Proj Start: Proj End:

Location: Municipal area
Fin Source: Borrowing

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	5	Equipment Purchasing																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave%	
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	6060000		0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000		00 000					

Directorate Community Services															Location: Municipal area						
Project: 53010 – Small Plant & Equipment															Fin Source: CRR						
Vote Nos: 9/115-30-30																					
Proj Start:															Proj End:						
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	6	Small Plant & Equipment																			
Project/Actual ETD	Budget Type		Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %	
Projected Cash Flow	Capital		00 000	00 000	00 000	399	00 000	40585	57922	00 000	53359	53359	53359	53357		0000		0000			
Expenditure to date	Capital		00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000		00 000					

Directorate Infrastructure Services															Location: Municipal area						
Project: 87001 – Storm water minor improvements (All wards)															Fin Source: Borrowings						
Vote Nos: 9/117-28-28																					
Proj Start:															Proj End:						
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	7	Storm Water Minor Improvements																			
Project/Actual ETD	Budget Type		Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %	
Projected Cash Flow	Capital		00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	250000	000	0000		0000			
Expenditure to date	Capital		00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000	00 000					

Directorate Infrastructure Services															Location: Municipal area					
Project: 92010 – Fencing and Security of Key Points															Fin Source: Borrowings					
Vote Nos: 9/118-55-55																				
Proj Start:															Proj End:					
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	8	Fencing Security Key Points																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	495319	00 000	00 000	00 000	00 000	127438	00 000	344311	344311	344311	344310	000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000	00 000				

Directorate Infrastructure Services															Location: Municipal area					
Project: 92010 – Knysna Dam Phasing															Fin Source: Borrowings					
Vote Nos: 9/118-56-56																				
Proj Start:															Proj End:					
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	9	Knysna Dam Phasing																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	00 000	00 000	00 000	00 000	115455	28846	00 000	176425	176425	176425	176424	000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000				

Directorate Infrastructure Services

Project: 92010 – Retaining Wall Knysna Heights

Location: Municipal area

Vote Nos: 9/118-57-57

Fin Source: Borrowings

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	10	Retaining Wall Knysna Heights		300 000																	
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	250000	000	0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000	00 000					

Directorate Infrastructure Services

Project: 93005 – Capital Spares

Location: Municipal area

Vote Nos: 9/119-49-49

Fin Source: Borrowing

Proj Start: **Proj End:**

Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)						
1	11	Capital Spares																			
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %	
<i>Projected Cash Flow</i>		Capital	851760	1090810	653380	1110940	00 000	00 000	00 000	00 000	73278	73278	73278	73276		0000	0000				
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000		00 000					

Directorate Infrastructure Services																				
Project: 93009 – Distribution														Location: Municipal area						
Vote Nos: 9/119-51-51														Fin Source: Borrowing						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	12	Distribution																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave %
Projected Cash Flow		Capital	00 000	720894	333030	354843	951619	276132	00 000	367815	121884	121884	121884	121885	000	0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	000	00 000				

Directorate Infrastructure Services																				
Project: 93010 – Hornlee Water Supply for informal Settlement														Location: Municipal area						
Vote Nos: 9/119-73-73														Fin Source: Borrowings						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	13	Refurbish Fire Damaged Infrastructure																		
Project/Actual ETD		Budget Type	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	YTD June	Bud Save	Commit	Total	Avail	Ave%
Projected Cash Flow		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	790000		0000	0000			
Expenditure to date		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000		00 000				

Directorate Infrastructure Grant																				
Project: 93010 – Water services Infrastructure Grant														Location: Municipal area						
Vote Nos: 9/119-78-78														Fin Source: CRR						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	14	Water Services Infrastructure																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	810495	851175	987215	826929	990068	184134	00 000	260624	1043155	1043155	1043155	1043155		0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000		00 000				

Community Services Directorate																				
Project: 57001 – Machinery and Equipment														Location: Municipal area						
Vote Nos: 9/157-1-1														Fin Source: CRR						
Proj Start:		Proj End:																		
Grp	No	Activity	Jul22	Aug22	Sep22	Oct22	Nov22	Dec22	Jan23	Feb23	Mar23	Apr23	May23	Jun23	Notes (Activity)					
1	16	Machinery and Equipment																		
<i>Project/Actual ETD</i>		Budget Type	<i>Jul22</i>	<i>Aug22</i>	<i>Sep22</i>	<i>Oct22</i>	<i>Nov22</i>	<i>Dec22</i>	<i>Jan23</i>	<i>Feb23</i>	<i>Mar23</i>	<i>Apr23</i>	<i>May23</i>	<i>Jun23</i>	YTD June	Bud Save	Commit	Total	Avail	Ave %
<i>Projected Cash Flow</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	202084	00 000	146001	146001	146001	146000	0 000	0000	0000			
<i>Expenditure to date</i>		Capital	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	00 000	0 000	00 000				

4.6 Relationship between the IDP, Budget, Performance Management, and Risk Management

The IDP is the principle-planning tool, informing the following Municipal budget process, which gives financial expression of the planning process by way of the IDP. Whilst the IDP focusses on planning, an implementation tool in the form of a SDBIP is developed as guided by the performance management framework, monitoring and managing the evaluating the implementation of programmes and projects as identified and reflected in the IDP.

The of the core component of Performance Management System (PMS) is the Service Delivery Budget Implementation Plan (SDBIP), which sets quarterly targets aligned to the performance contracts of the Senior Managers so that the implementation of projects and key operational programmes which have been budgeted for in a particular financial year can be monitored. The SDBIP once developed is presented by the Municipal Manager to the Executive Mayor whom have to sign-off the plan as part of the Mayor’s statutory obligations. The municipality must publish copy of the signed SDBIP on the municipality website for the information of the public.

Should at the mid-year review of the budget and SDBIP it be found that the budget be adjusted, the probability of amending the SDBIP may require a presentation thereof in line with the adjustment budget and approval by Council. This approval by Council is in terms an amended SDBIP of Council is informed.

Risk Management is one of Management’s core responsibilities according to section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality. It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can affect negatively on the service delivery capacity of the Knysna Municipality. When properly executed risk management provides reasonable assurance that, the institution will be successful in achieving its goals and objectives.

In Knysna Municipality, risk management is now also fully integrated with the IDP and the risks are linked to the strategic outcomes.

The following diagram illustrates the process followed at municipal level with the institution of both the IDP, SDBIP, In-Year reporting and the drafting of the Annual Report.



4.7 The IDP and Ward Planning [Ward priorities May 2022]

Subsequent to following public representative consultation processes amidst the Covid-19 pandemic, the Municipality’s Ward Focus will follow the approval of the Amended IDP by May end-2022. Workshops with the respective ward committees at an area/town level and inputs to confirm the recorded various community inputs. A Ward Committees Indaba via the Office of The Speaker will lay the foundation for town or area plans

for inclusion in the next generation IDP. The municipality will develop Area plans to strengthen the IDP, ensuring the IDP is more targeted and relevant to addressing the priorities/needs of all communities/groups, including the most vulnerable.

4.8 Sector Planning

Knysna Municipality is responsible for the delivery of municipal functions as specified in Schedule 4B and 5B of the Constitution of South Africa and all the strategic planning processes to address these functions should be aligned and fully integrated to ensure sustainable growth and development. There are a number of sector plans and key strategy documents required of a municipality to support the delivery of the above services and infrastructure development in order to achieve its strategic objectives. Each sector plan is championed by a specific department within a directorate of the municipality and generally forms the basis of that directorate's contribution towards achieving the strategic objectives of Council. The alignment of sector plans between all spheres of government is important in ensuring integration of programmes and maximum utilization of available resources.

4.8.1 Integrated Human Settlements

There were approximately 25 877 formal households and 5 088 informal households in the Greater Knysna Municipal Area in 2018. The fire disaster of June 2017 caused extensive damage to both formal and informal residential areas in which approximately 1002 properties in the formal and informal areas were either destroyed or damaged. The estimated value of damage of privately owned structures was estimated at between R4-5billion. The fire has triggered the Council of Knysna Municipality as well as the Provincial Department of Human Settlement and the Housing Development Agency (HDA) to have a more holistic approach towards housing delivery. Housing policies and designs will be done in such a way that it improves resilience and also minimise the impact of future disasters.

The provision of affordable housing units remains a high priority for the Council of Knysna Municipality in order to restore the dignity of poor people and provide them with proper shelter as enshrined in the Constitution of South Africa. However, the challenge is that the demand for housing is ever increasing and vastly exceeds the funding resources that are available. The demand is mainly driven by the high rate of migration to the area. The current housing waiting list is estimated at approximately 9 599 with an annual growth of 3%. A total number of 1 207 low cost houses are approved for construction in the next two financial years. This leaves a remainder of 8 347 units to be built within the next 10 years in order to keep up with the increasing housing demand. It is, therefore, essential that Knysna Municipality collaborate with all relevant stakeholders to address this increasing demand for houses. Because of the steep topography especially in the Northern Areas of Knysna and Sedgefield, as well the lack of suitable land for development, it becomes very costly to deliver quality-housing units for the subsidy amount available from government. Adding to these dynamics is the fact that people have settled on land that is supposed to serve as road reserves or under high voltage power lines which makes the delivery of basic services and the in situ provision of houses virtually impossible. That is why the Department of Human Settlements of Knysna Municipality have to develop innovative strategies and approaches to ensure that adequate quality houses are being built in the area without compromising the long-term financial viability of the municipality.

The map below indicates the current residential areas of the applicants on the housing waiting list of Knysna Municipality:

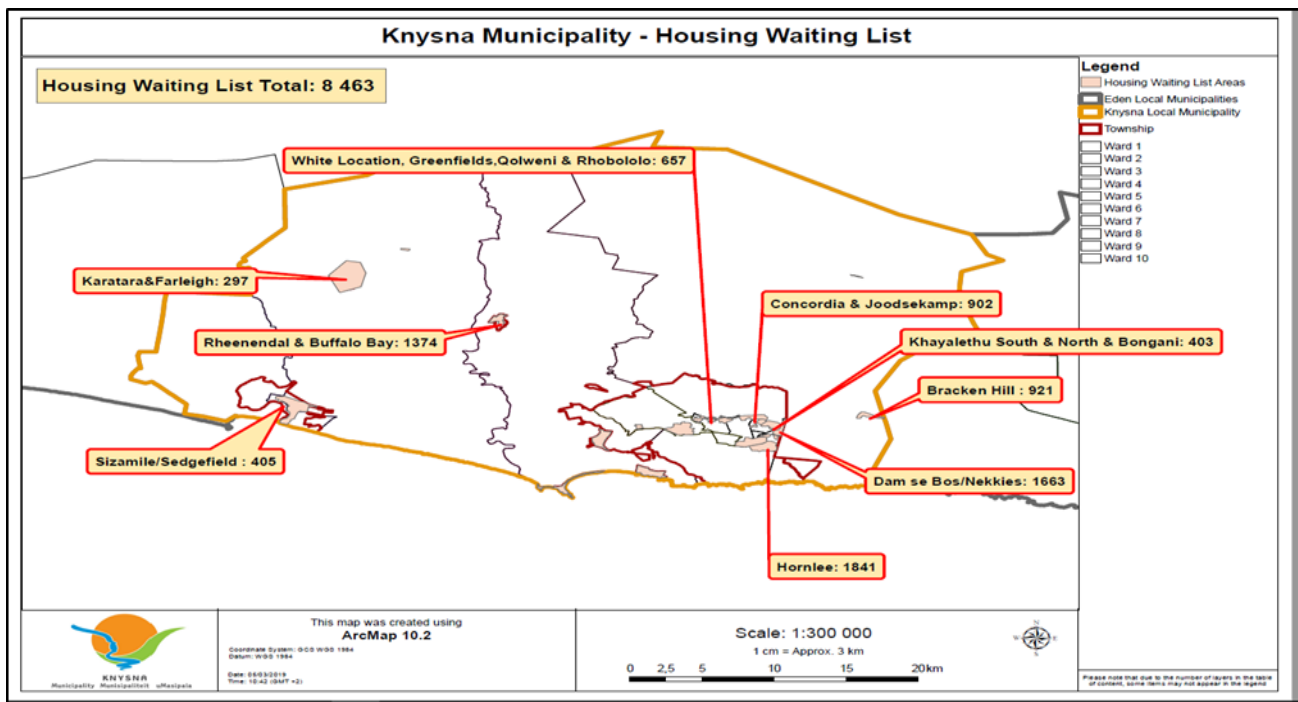


Figure 20: Housing Waiting List: 28 February 2019

4.8.2 Future Planning for Human Settlements

The establishment of integrated human settlements is one of the priorities identified in almost all the wards throughout the Municipality and, consequently, the provision of adequate housing opportunities features prominently in the strategic focus and vision of Council. To address this need, it is paramount that Council foster strategic partnerships with national and provincial government as well as the private sector. The Draft Human Settlement Plan (HSP) of Knysna Municipality serves as a planning, facilitating, and measuring instrument for housing delivery in the GKMA. This strategy will not only conceptually illustrate how housing projects could contribute to creating integrated human settlements, but also identify pilot projects for the municipal area as well as policy, budgets and land options for the next 5 years. The Draft Human Settlement Plan also takes cognizance of the impact of any natural or other disasters that might have an impact on the housing pipeline and subsequently makes provision for emergency housing initiatives. The draft HSP forms an integral part of the long-term planning process of the municipality and should be integrate it with other strategic planning documents including the Economic Development Strategy, Spatial Development Framework (SDF) and the Strategic Environmental Assessment (SEA).

The Draft Human Settlement Plan of Knysna Municipality aims to achieve the following objectives:

- To develop a holistic approach towards housing development inclusive of the municipality's *in-situ* upgrading plans.
- To inform forward planning relating to housing provision and guide the 5-year housing delivery pipeline within a longer-term planning horizon.
- To develop a comprehensive strategy for the management of existing rental stock as well as a proposal for the development of innovative rental options.

- To develop a strategy for the provision of Breaking New Ground (BNG) options for housing delivery which include low cost, affordable, and higher income housing opportunities.
- To develop a strategy for densification and alternative housing typologies.
- To provide emergency housing opportunities for households affected by natural and other disasters within acceptable timeframes.
- Prepare formal layout and engineering designs on formalized serviced sites.
- Prioritize subsidy applications for top structures for the most deserving beneficiaries from the affected informal settlements.
- Expedite development of high-density integrated residential precincts such as Heidevallei.

The draft HSP indicates the need for housing over the short, medium, and long term. It also addresses the current challenges experienced, relating to human settlement planning and how the municipality is to provide adequate housing opportunities. The Human Settlement Plan mainly focuses on the implementation of the Breaking New Ground policies and initiatives, but also makes provision for alternative housing options such as rental units, affordable housing, and social housing. The Housing Pipeline outlines the planned delivery targets for funded projects. The master planning of bulk infrastructure (water, sewerage and electricity) must be aligned and integrated with the targets determined in the HSP. We must note that migration and growth in population will always impact on the need for houses and will, subsequently, expand the housing waiting list.

The shift in housing policies at both national and provincial spheres of government necessitates the compilation of a comprehensive holistic view of settlement planning and development. The new policies are conceptualized in the National Housing Policy (Breaking New Ground) and in the Western Cape Integrated Human Settlements Policy. The plan focuses on good accommodation locations, access to job opportunities, housing typology, variety of tenure and provision of education, health, transport, and other socio-economic facilities that would contribute towards integrated communities and sustainable settlement development. One of the more significant adjustments to the provincial housing allocation policy, which prohibits beneficiaries younger than 40 years, does not bode well with people falling in this age category. The MEC for Human Settlements in the Western Cape has also made his intention known that the current notion of government to build free standing houses for beneficiaries is becoming unsustainable. We anticipate that the future approach would be to provide more people with serviced sites upon which they are required to build their own houses.

Due to the scarce land availability, the planning methodology of Knysna Municipality is based on densification models. The planning of affordable housing for higher income earners is an important consideration for future housing models that will accommodate the whole spectrum of demand. The municipality also needs to engage the private sector in the development of human settlements. The Council of Knysna Municipality recently granted planning approval for the rezoning, subdivision, departure, and road closure for a proposed affordable housing project in Hornlee. The development makes provision for 155 BNG housing units and paves the way for a first of its kind FLISP development that will serve as a pilot project to provide opportunities for potential beneficiaries. This project will specifically benefit qualifying households who earns between R 3 501 and R 22 000 per month. *Currently the appointed project management team from JSA Architects have put together formal application proposals for development funding for the initial demonstration units (30) which will also include the development of FLISP and Housing options as well as relocation facility for temporary usage by decanted beneficiaries.*

Another exciting human settlements project is the development of The South Cape Corridor Development catalytic project of the National Housing Development Agency. The development of the 99ha Heidevallei site as a high density, integrated residential precinct with a focus on the “gap market” is an important component of this project.



Figure 21: Earmarked land for development

The delivery of housing is a national and provincial government competency, but local government on an agency basis is implementing it. Further consultative sessions were held with the PGWC: Human Settlements after the approval of the planning fees for tranche 1 and tranches 2 of the overall project. There is a possibility that the latter authority could be a co-developer with the municipality given the magnitude, size, and scale of the project. A critical analysis of this arrangement is required within the medium term to determine the effect it has on housing delivery in general. The increasing responsibilities placed on local municipalities in this regard directly effects financial viability. While a grant is provided for the installation of internal reticulation to the development, as well as the top structure, what is not provided for is funding for the necessary upgrading repairs and maintenance on the bulk infrastructure because of the additional dwellings and population. It is estimated that a roll out of the current programs will result in Council having to contribute over R5 million per annum, excluding the life cycle costs to the housing delivery programmes. The housing demand is significantly higher than the resources available and that is why the allocation of houses to potential beneficiaries becomes a challenge for the municipality. The Human Settlement Strategy incorporates the approved projects as the business plan with the Western Cape Department of Human Settlements and can be summarised as follows:

INTEGRATED HUMAN SETTLEMENTS

<p>STRATEGIC OBJECTIVE</p>	<ul style="list-style-type: none"> • To create an enabling environment for social development and economic growth • To grow the revenue base of the municipality • To encourage the involvement of communities in the matters of local government through open channels of communication • To ensure the provision of infrastructure and basic services • To redevelop areas affected by emergency situations and resettle families within shortest possible time • To improve and maintain current basic service delivery through specific infrastructural development projects 	
<p>STATUS QUO</p>	<p>CHALLENGES</p>	<p>RISKS</p>
<p>LEVEL OF SERVICE</p> <ul style="list-style-type: none"> - Pipeline for housing opportunities - Acquisition of land for housing development - Housing administration - Using local contractors and procurement of materials in housing developments <p>PARTNERSHIPS</p> <ul style="list-style-type: none"> - National Department of Human Settlements - Western Cape Department of Human Settlements - Department of Public Works and Transport - Housing Development Agency - SHRA - <i>Accredited social housing institutions</i> <p>CURRENT PROGRAMMES/PROJECTS</p> <ul style="list-style-type: none"> - UISP - FLISP - Rectification Programme - Transfer of houses - IRDP - Knysna Re-development Plan as part of Garden Route Rebuild Initiative 	<ul style="list-style-type: none"> • Housing demand is higher than resources available • Rapid migration patterns from other areas • Limited capacity of bulk infrastructure & services to accommodate future housing projects • High demand for affordable housing. • Limited contract management capacity within the municipality • High demand for access to basic services and electrification of informal settlements • Regular emergency situations which necessitate the re-prioritization of housing pipeline projects and re-allocation of budgets • Limited integrated planning between directorates on human settlement projects • Dependency of low cost homeowners on government to repair damaged/dilapidated houses • Strategic acquisition of land and properties • Leveraging the use of our current land and properties for realisation of medium to high density typology projects • Long term socio-economic integration through catalytic projects like Social Housing, CRU, GAP and FLISP 	<ul style="list-style-type: none"> • Houses can only be built if funding is received from Provincial or National Government • Potential local beneficiaries are not going to get housing subsidies if more people reside in informal settlements • Reprioritisation of housing pipeline as result of emergency situations may delay other housing projects • Increased work stoppages • Land invasions and related costs • Socio-political tensions • Poor internal capacity and inability to coordinate work

			<p>with other departments</p> <ul style="list-style-type: none"> • Lack of interests from external development partners like social housing entities • Financial modelling to redefine and enhance project sustainability. • Unstructured allocation and use of land ad State Funding sources
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
WARD 1			
Securing of suitable land for human settlement projects	<ul style="list-style-type: none"> • Land has been identified for human settlement purposes at the back of U-Save and the brick yard site in Smutsville <p>Negotiations are currently underway with the private land owner in this regard</p>	2019/2020	<ul style="list-style-type: none"> • Procuring of the land from private owners is still underway. The PGWC has now approved procuring of privately owned land from Circle Brokers with proposed price being negotiated with the owner. <p>Submission of a Project Initiation Document (PID) to the Provincial Department of Human Settlements.</p>
Bulk Services for informal Settlements	<ul style="list-style-type: none"> • Electrification of the following informal settlements (Slangepark, 	2019/2020	<ul style="list-style-type: none"> • 300 households to have access to electricity by the end of the financial year.

	Onderstegaatjie, Skool) Provision of interim basic services to informal settlements		Funding has been secured to provide water & sanitation facilities to approximately 200 households in the informal settlements
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
WARD 2			
Upgrading of existing bulk services to accommodate future housing development in Karatara	Funding application to be submitted to MIG and RBIG for the upgrading of bulk services infrastructure	2019/2020	Improve capacity of bulk infrastructure for the servicing of 357 sites in Karatara.
Securing of suitable land for human settlements projects	<ul style="list-style-type: none"> The following land parcels have been identified in Karatara for human settlement purposes: Welsyndorp – 100 erven Bosdorp – 114 erven 	2019/2020	<p>A Project Initiation Document has been submitted to the Department of Human Settlements.</p> <p>Approval still pending from the PGWC.</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
WARD 2			
			<ul style="list-style-type: none"> Plots are currently being serviced Beneficiary households have been moved to a Temporary Relocation Area (TRA).
Construction of 61 low cost housing units in Dam se Bos (South)	Construction of slabs is currently underway	2019/2020	<p>Top structures being implemented (61) earmarked for</p>

			completion by EOI contractors – completion by March 2020
Construction of 11 low cost housing units in Nekkie East	Construction still needs to commence.	2019/2020	The Contractor will be on site in June 2019. 3x units being constructed and earmarked for completion by end March 2020.
Construction of 20 low cost housing units in Ou Pad as part of the UISP project	Construction of slabs is currently suspended due to challenges.	2019/2020	Relocation is done and site has been cleared. Retaining walls being built as well as platforms – BUKHO the contractor on site actively building for completion by end May 2020
Construction of 50 low cost housing units in Hlalani as part of the UISP project	Application for the construction of 50 top structures has been approved by the Department of Human Settlements	2019/2020	Busy with retaining walls and platforming – scheduled for completion by May 2020 Top structure development to commence June 2020 by EOIs
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
WARD 4			
Construction of 75 low cost housing units in Bloemfontein as part of the UISP project	Sites have been serviced and construction is currently underway	2019/2020	Construction of duplex housing units is currently underway and the project is 60% complete

			<p>Initial Phase of 75 units completed November 2019</p> <p>Second phase of 75 units being implemented as per reviewed contract towards completion by end June 2020</p>
Construction of 40 low cost housing units in Happy Valley as part of the UISP project	Sites have been serviced and prepared for construction	2018/2019	<p>Project is 100% complete (Phase 1 – 40 units completed June 2019)</p> <p>Casting of 15 slabs completed by October 2019</p> <p>To be followed by top structure development by end June 2020</p>
Construction of 41 low cost housing units in Xolweni as part of the UISP project	Sites are currently being serviced and prepared for construction	2019/2020	<p>Construction of duplex units is currently underway and the project is 50% complete</p> <p>41 First floor slabs casted and now awaiting formal confirmation of small contractors to develop the top structures</p> <p>SC Housing appointed as contractor to undertake 132 units by end June 2020</p>
Construction of 72 low cost housing units in Ethembeni as part of the UISP project	Construction has been completed.	2018/2019	Construction is currently underway and the project is

			<p>100% complete after 71 units were constructed.</p> <p><i>45 New slabs being casted and completed now awaiting appointment of new EOI contractors for top structure</i></p>
<p>Implementation of an emergency housing project as a result of the June 2017 fire disaster</p>	<p>Re-building of approximately 45 low cost housing units for fire victims</p>	<p>2019/2020</p>	<p>The Western Cape Department of Human Settlements is implementing this project. Development Action Group (DAG) was appointed by province to conduct a community facilitation process in this regard.</p> <p>57 slabs been completed and busy with development of the top structures scheduled for completion by June 2020.</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
WARD 5			
<p>Planning approval for 157 low cost housing units in Rheenendal as part of infill development</p>	<p>Planning approval has been granted subject to the following conditions:</p> <p>The project is located approximately 550m from a graveyard which is</p>	<p>2019/2020</p>	<p>Project Initiation Document have been submitted to provincial Department of Human Settlements for funding for servicing sites.</p> <p>Planning fees were approved with appointed professional</p>

	<p>in contravention of the land use planning regulations</p> <p>The decommissioning of the nearby WWTW needs to be undertaken before houses can be built in this vicinity</p>		<p>team co coordinating the implementation exercise.</p> <p>Planning process to be completed by March 2020</p> <p>UISP Project application and implementation to commence during 2020/21</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
Servicing of an additional 312 sites in Hornlee	<p>7 x sites have been identified for infill housing development in Hornlee.</p> <p>Installation of bulk services has been completed for the construction of 155 BNG sites and 177 FLISP housing opportunities</p>	2019/2020	<p>Sites have been serviced and platforms have been constructed</p> <p>JPB appointed to construct 155 BNG units earmarked for completion by June 2020.</p>
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
WARD 9			
	<p>Negotiations are currently underway with Department of Forestry and Fisheries (DAFF) to release a portion of land opposite Kruisfontein for housing development.</p>	2019/2020	<p>Negotiations on going with Department of Forestry, Public Works, SALGA and MTO.</p> <p>This will extend towards eventual transfer of specific forestry villages on or</p>
To acquire additional land for mixed residential development at Kruisfontein and other Forestry villages within the jurisdictional area of the KM.			

	The Housing Development Agency is facilitating the process.		before end of June 2020.
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4.8.3 Economic Development

In terms of Section 152 of the Constitution, it is an object and developmental duty of local government to promote economic development. This constitutional mandate necessitates municipalities to play a facilitative role in creating an enabling environment for economic development. Local Economic Development (LED) is an approach towards economic development which allows & encourages local people to work together to achieve sustainable economic growth & development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area. Sustainable economic growth in this sense refers to economic development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs:

LED aims to improve the economic performance of municipal areas across all industries (agriculture, manufacturing, tourism etc.) and sectors (formal and informal).

LED is an on-going process that involves partnerships and coordination between all departments and relevant stakeholders, rather than a single project or intervention. It involves identifying and using both current and underutilised local resources, ideas and skills to stimulate sustainable economic growth and development. The primary aim of LED is to create an environment that stimulate creation of employment opportunities for local residents in line with the competitive advantages of the area and alleviate poverty and the associated poverty cycles through business development.

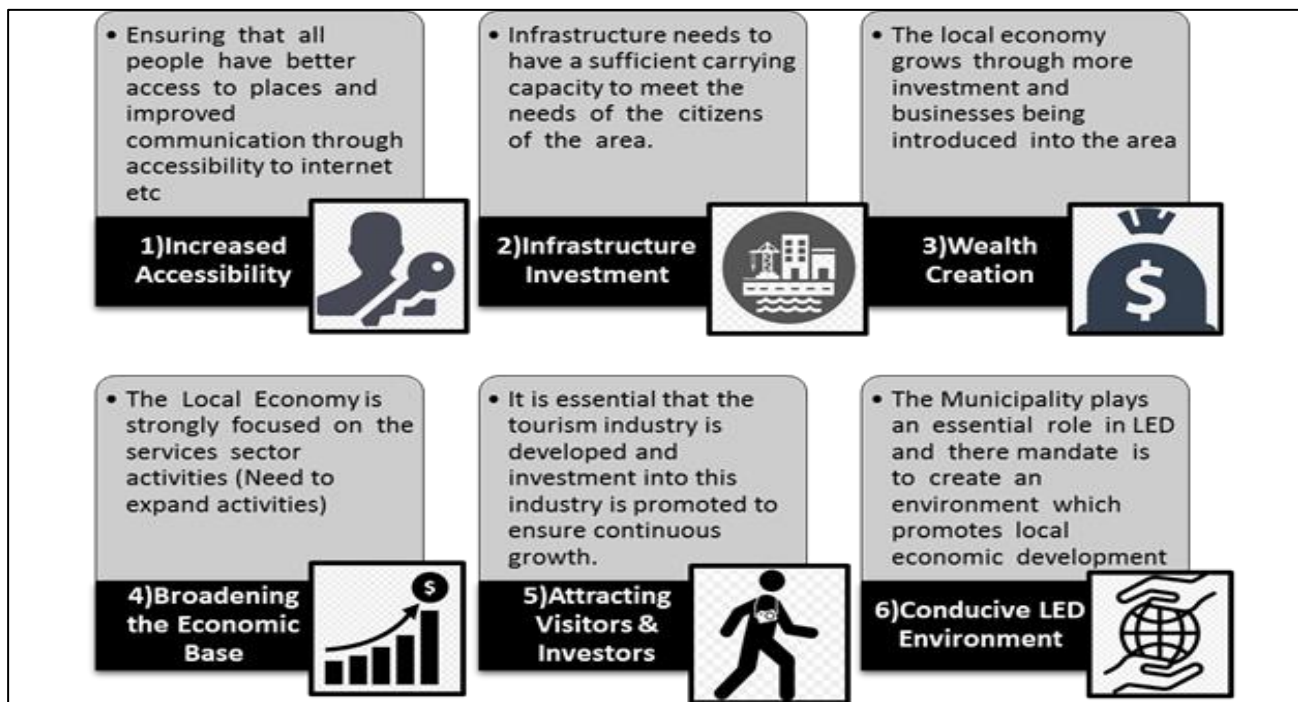
The Municipality's economic development strategy includes an in-depth analysis of the local agri-processing sector development opportunities. The economic development department is involved with support to the Knysna Timber Initiative, which includes support of the Knysna timber brand and timber sector development projects. The projects focus on increasing production of value-added timber processing and business activity. The Municipality is also facilitating niche agricultural production projects on some municipal-owned properties in the Karatara & Rheenendal area. More government owned land that is suitable for agriculture will be identified to facilitate small-holder farm production and development.

In order for LED to be effective, a community needs to identify and consider its own economic strengths, weaknesses, opportunities, and threats and agree on a shared strategy to unlock economic opportunities. This will ensure that identified LED strategies and projects are matched with local available skills and resources. Local Economic Development is therefore characterised by the following objectives:

- Ensuring strong economic growth that promotes job creation.
- Bringing the poor and previously disadvantaged to the centre of economic development.
- Supporting trade and investment promotion through business retention, expansion and attraction of inward investment that increase local employment opportunities.
- Ensuring service delivery and municipal development planning that create an enabling environment for business growth and development.
- Assistance with local implementation of national, provincial and regional economic development strategies and plans

4.8.3.1 Strategic Pillars of LED

Pillars provide strength and support for something. In the case of strategy formulation, strategic pillars hold up the vision. Remove a pillar, and the vision is in risk of collapse. Therefore, in relation to the development of the LED strategy, key pillars have been identified which need to be in place to uphold the vision of council in terms of economic development. These 6 pillars are defined in the figure below:



4.8.3.2 Sector Opportunities

In order to identify projects that possess the potential to be developed and which are likely to have a significant impact on the economy, it is necessary to identify the current and future potential economic development opportunities within the greater Knysna municipal area.

As summarised in the Economic Development Strategy, a range of development opportunities and constraints in the greater Knysna municipal area exist which include the following:

- The agriculture and manufacturing sectors as well as the tourism industry within the greater Knysna municipal area shows a comparative advantage, with the tourism industry demonstrating a latent potential comparative advantage.
- Within the agricultural sector, the main constraints to development are availability of suitable land, water scarcity, high input costs (particularly land), low productivity and lack of access to financial support.
- Opportunities identified within the agricultural sector include the development of agricultural value chains, organic horticulture products, hydroponics, and aquaponics as well as a focus on niche high-value agricultural products.
- Development opportunities within the manufacturing sector include agro-processing, waste recycling, timber related products (furniture and timber craft, prefabricated homes, coffins, school desks, etc.) and niche products (vintage cars, drones, biomechanical equipment).
- A key gap identified is in the provision of educational services, particularly linked to trades, apprenticeships and tertiary education. This has significant development potential and has positive up- and downstream linkages in terms of industry demand-led skills development programmes.
- The performance of many of the other sectors, such as finance and business services, is essentially a derived demand. These sectors will benefit from the development of the previous economic sectors as well as the general strengthening of economic linkages within the greater Knysna municipal area. The transport and communications sector has a particularly important role to play in terms of creating an enabling environment for economic development. The improvement and expansion of transport linkages and communication technology will improve the accessibility and connectivity of the municipal area.

4.8.3.4 Principles of Post-disaster Economic Recovery

Economic disaster recovery is a key element in post-disaster work. International experience suggests that the period of economic recovery by a medium-sized, tourism-oriented town after a major forest fire is 2 years or longer, depending on the effectiveness of its economic recovery programme. At the same time, it is important to recognize that Knysna was facing economic challenges before the fire. The economic recovery strategy therefore has to consider the economic challenges it faced before the disaster, evaluate which elements in the pre-disaster strategy needs to fundamentally change or is no longer feasible and identify new measures and opportunities. In short, an economic recovery strategy, which attempts to return the municipality to the pre-disaster circumstances, will only recreate these challenges.

The impact will mostly be as follows:

1. Direct economic costs include physical damage to economic assets, such as buildings, economic infrastructure, machines, plantations and inventories. According to the Knysna Municipality's Business Damage Disaster Assessment, 134 businesses with 935 employees were directly affected by the fire disaster. Of these, 47 were destroyed, 43 were damaged and 43 suffered indirect impacts. Of business premises destroyed, 12 were located on Knysna Heights, 8 in Paradise and 5 in Knysna CBD. Only half of businesses affected by the fire was insured. The worst affected sectors, as measured by number of businesses (rather than business size or number of employees), were accommodation, personal services and retail. This does not include the value of damage to plantations and crops, which is estimated at R40 million.
 2. Secondary costs include reduced economic output, loss of earnings, rising input costs and lost productivity due to injury. These knock-on effects concern both short- and long-term impacts on overall economic performance and perhaps increased indebtedness. This will also have implications on municipal financial viability, as government revenue declines as a result of lower tariff and rates revenues. It is difficult to estimate these indirect, longer term costs because knock-on effects (e.g. disruption of basic service provision, such as water supply and roads) can have far-reaching implications. Major disasters usually imply a temporary shift in the image of a tourism destination that can last for an extended period of time.
 3. The impact of the disaster on Knysna economy is expected to be severe given the economic significance of the worst affected sectors: the visitor economy and forestry with its downstream industries (i.e. furniture and other wood products). However, positive knock-on effects also emanate from rehabilitation and recovery efforts, such as increased activity in the construction industry and the growing the pool of construction and other artisanal skills.
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4.8.3.5 Economic Development Strategy

The economic development strategy of the Municipality was approved and adopted by Council in 2019. The economic development strategy include **Short, Medium- and long-term measures** focusing on promoting inward investment, business retention and expansion, skills development, SMME development, building enabling infrastructure and unlocking new economic sectors. It is noted that Knysna’s natural capital is recognized as its most important economic asset and that economic development is inextricably tied to the preservation of its environment. However, environmental measures are dealt with in an earlier section. A comprehensive tourism destination plan was also completed in 2019.

4.8.3.6 Knysna Municipality Niche Manufacturing/Light Industry Growth Strategy

Knysna has a niche-manufacturing sub-sector comprised of boat-builders, indigenous wooden furniture makers, classic car manufacturers and many other unique light industry products. The manufacturing sector is the fourth largest contributor to our overall GDP-R.

In 2021 Council adopted a Niche Manufacturing/Light Industry Growth Strategy. The focus of this strategy is to identify mechanisms to enable sustainable growth in growing sectors and to develop economic diversity that is not reliant solely on tourism and the financial sector. This is a long-term goal, the need compounded by recent events.

ECONOMIC DEVELOPMENT		
STRATEGIC OBJECTIVE	<ul style="list-style-type: none"> To create an enabling environment for social development and economic growth. To encourage the involvement of communities in the matters of local government, through the promotion of open channels of communication 	
STATUS QUO	CHALLENGES	RISKS
<p>LEVEL OF SERVICE</p> <ul style="list-style-type: none"> a) Business Development & Tourism Coordination b) Enterprise development & SMME support c) Trade & Investment Promotion <p>CAPACITY A resource team of Manager: Economic Development and 2 x unit project coordinators and administrative assistants for the following business units:</p> <ul style="list-style-type: none"> - Business Development & Tourism - Investment & Trade Promotion <p>PARTNERSHIPS The undermentioned partnerships provide strategic support, funding and capacity for the implementation of economic development initiatives:</p> <ul style="list-style-type: none"> a) DEDAT – Western Cape Government 	<ul style="list-style-type: none"> - Limited financial resources for project interventions - Lack of participation by medium and large enterprises in investment incentive programmes offered by government - Barriers to entry for small businesses from previously disadvantaged communities - Mismatch between skills supply and industry demand - Resource limitations for upgrading and management of informal trade areas. - Economic impact of Covid-19 <p>HR CONSTRAINTS Insufficient municipal human resource capacity for meeting the ward priorities</p>	<ul style="list-style-type: none"> • Slow growth in economy • Business closures and relocation • Limited capacity of emerging entrepreneurs • Mismatch between skills development programmes and industry demand • High cost of electricity and business rental space • Weakening tax base • Aging infrastructure • Lack of affordable housing

<ul style="list-style-type: none"> b) Garden Route Development Partnership (GRDP) c) Garden Route District Municipality d) Department of Trade & Competition e) Department of Small Business Development (SEDA) f) Department of Public Works g) National Treasury: Neighbourhood Development Partnership Grant – (NDPG) h) National Department of Tourism (NDT) i) WESGRO j) Nedbank (Private Sector) <p>CURRENT PROGRAMMES/PROJECTS</p> <ul style="list-style-type: none"> a) NDPG – Technical Assistance b) SMME Incubation c) SMME Training Initiatives d) Industry Sector Support Initiatives e) Informal Economy/Trade Permits f) EPWP g) GRDP h) Urban Renewal Programmes (NDPG) i) Investment Facilitation j) Tourism Development k) Tour Guides Mentorship Programme 	<p>and the performance of departmental functions. . Non-implementation of EPWP programme administration transfer to Project Management Unit.</p>	<ul style="list-style-type: none"> • Limited space in the industrial area for additional business expansion. • Decrease in disposable income of households • Latent impact on decreasing rates base as a result of destroyed properties due to the fire disaster 	
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	PROGRESS
<p>Expanded Public Works Programme</p>	<ul style="list-style-type: none"> • Business Plan submission for EPWP Job creation opportunities for internal and external projects. • EPWP Data capturing and data verification • EPWP Grant Expenditure report • EPWP compliance 	<p>2021/2023</p>	<ul style="list-style-type: none"> • EPWP Grant Funding Spend: R 1 118 000 (Implementation of the transfer of the EPWP Programme function to the Project Management Unit, in line with that unit’s increased capacity is delayed.)
<p>Data and Research Initiative</p>	<ul style="list-style-type: none"> • Development of Tourism Destination Plan. • Review of Economic Development Strategy 	<p>2021/2023</p>	<ul style="list-style-type: none"> • Tourism Destination Plan has been adopted and approved by Council in 2020. • Economic development

	<ul style="list-style-type: none"> • Niche Manufacturing Growth Strategy has been adopted and approved by Council in 2021. 		<p>strategy has been adopted and approved by Council in 2020.</p> <ul style="list-style-type: none"> • Niche manufacturing growth strategy has adopted and approved by Council in 2021.
Business Development & SMME Incubation	<ul style="list-style-type: none"> • SMME Training Programme with a focus on the following skills: <ul style="list-style-type: none"> ○ Basic Business Skills ○ Business Concept & Business Plan Development ○ Tender Training ○ Marketing and Social Media ○ Basic Business Finance ○ Basic Computer Literacy • Development of a SMME Toolkit web portal • Initiate SMME Incubator Programme <p>Ad-hoc business advisory service to entrepreneurs</p>	2020/2021	<ul style="list-style-type: none"> • SMME Training Programme Schedule developed • SMME Toolkit web portal in process of development • 2020/2021 incubator programme has been launched. <p>Ad hoc advisory services continue.</p>
Revitalisation of the railway infrastructure to stimulate economic growth	<ul style="list-style-type: none"> - Revival of the Choo-Tjoe train (private concession/Transnet) - Waste by rail transport initiative 	2019/2023	<ul style="list-style-type: none"> • Transnet in process of finalising concession agreement with private consortium – KM is a recognised stakeholder.
Identification of Catalytic Economic Opportunities & Sector Support Initiatives	<ul style="list-style-type: none"> - Knysna CBD renewal project - Packaging high potential investment opportunities and resource the investment promotion & 	2019/2021	<ul style="list-style-type: none"> • Upgrading of the CBD in Knysna Grey Street upgrade project (pilot). Construction will be coordinated by Public Works Department. .

	<p>attraction drive through destination & trade marketing (Invest Knysna)</p> <ul style="list-style-type: none"> - ICT & Tech-enabled business - Industrial/ Niche Manufacturing sector support - Timber & Design Cluster (GRID) development - Film Industry Development initiatives - Agriculture & agro-processing initiatives - Maritime manufacturing and services industry cluster support - Tourism Development Programme: <ul style="list-style-type: none"> o Tourism product development o Tourism infrastructure development <p>Tourism skills development</p>		<ul style="list-style-type: none"> • Development of a sector support strategy in line with national, provincial and local economic development objectives and programmes • Supporting industry partnerships that focus on increasing trade, business development and skills development. • Planning phase for tourism development programme Phase 1 2020/2021
<p>Strengthening the Knysna Oyster Festival and Developing New Niche Events in Winter Months</p>	<ul style="list-style-type: none"> - Coordination support for Knysna Oyster Festival in conjunction with tourism stakeholders and event organizers. <p>Development of new off-season events with event organizers</p>	2021/2023	Knysna Oyster Festival coordination structure established.

4.7 Workplace Skills Plan

The Municipality promotes and implements skills development strategies to facilitate the implementation of objectives of the Integrated Development Plan.

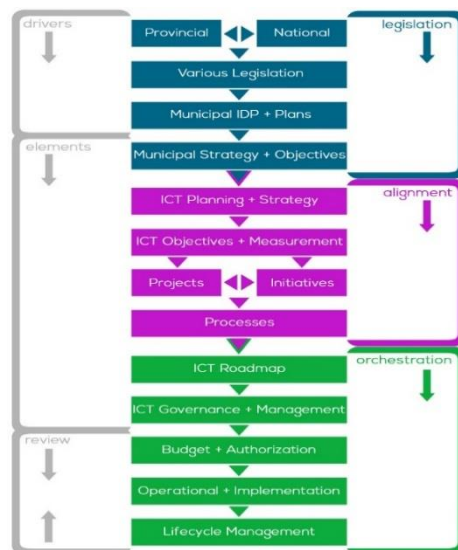
Knysna Municipality has a Skills Development Plan, which is updated and reviewed annually in line with the prescripts of the Skills Development Act of 1998 and submitted to the Local Government Sector Education and Training Authority. The Act aims to encourage the labour force to participate in Learnerships and other Training

interventions. The Workplace Skills Plan also needs to include areas where skills gaps exist with a strong focus on developing scarce skills internally.

4.8 Information & Communication Technology

One of the focus areas of Knysna Municipality is to establish adequate institutional capacity to achieve the strategic objectives of Council as captured in this IDP document. Apart from human and technical resources, ICT is one of such resources, which is critical for a local authority to function optimally. Knysna Municipality's ICT capacity is performed within the following context:

Knysna Municipality has developed a comprehensive ICT Management Framework which also governs the ICT policies which are applicable to all users of computer hardware and software of the municipality.

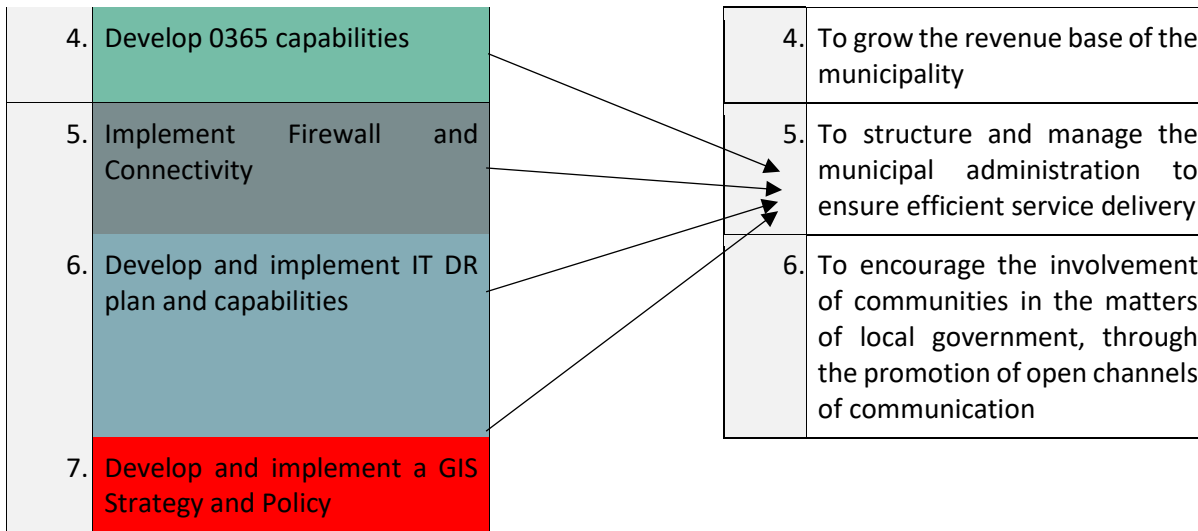


4.8.1 ICT Strategic Alignment

The intent is to align the ICT Strategy with the municipal IDP and this section deals with the elements of the ICT strategy and its alignment with the IDP.

A number of ICT initiatives have been identified to ensure that the municipality can be enabled to seize the opportunities that ICT and digitization offer that can influence the efficiency and effectiveness of service delivery. In addition, ICT enablement allows the municipality to identify innovation opportunities that could be catalysts in improving service delivery to our citizens. An alignment between identified ICT initiatives and the IDP are as follows:

ICT Initiatives 2022-2023		IDP Objective 2022 – 2023	
1.	Refresh end-user computing devices	1.	To ensure the provision of bulk infrastructure and basic service through the upgrading and replacement of ageing infrastructure, and the expansion of new infrastructure
2.	Implement CGICT Policies	2.	To promote a safe and healthy environment through the protection of our natural resources
3.	Upgrade Data Center	3.	To create an enabling environment for social development and economic growth



4.9 Occupational Health & Safety

Occupational Health and Safety (OHS) management is a system of identifying, analysing, evaluating, monitoring, and controlling of all health and safety hazards and risks in the workplace. It aims to ensure that the best possible working conditions in the organisation are maintained, which assists to reduce workplace accidents and illness, cutting out related costs, downtime and absenteeism, as well as prioritising the wellbeing of staff. Better, safer working conditions lead to better performance and enhanced productivity. This will assist the municipality in achieving its strategic goals.

In terms of Occupational Health and Safety key actions are to ensure a healthy and safe working environment and healthy employees, by:

- Enforcing compliance to the OHS legislation.
- Finalizing all OHS appointments as specified by the OHS legislation.
- Completing Health Risk Assessments on a continued basis.
- Investigating and reporting of all incidents
- Conducting annual OHS audits
- Placing all employees on an OHS medical surveillance programme
- Arranging Occupational Hygiene Monitoring
- Running a hearing conservation programme for all employees
- Ensuring ongoing OHS-related training at all levels of the organization
- Keeping of all records and documents as stipulated by OHS legislation
- Ensuring that all contractors adhere to the Construction Regulations requirements
- Focusing on increasing the educational talks to be held at all sections

Knysna Municipality has improved the implementation of OHS legislative requirements over the past year as all Occupational Health and Safety Representatives who play a role in assisting management to improve compliance to OHS legislation are in place.

4.10 Risk Management Plan

STATUS QUO		CHALLENGES		RISKS
<p>LEVEL OF SERVICE Fully functional service.</p> <p>INFRASTRUCTURE General office and IT.</p> <p>CAPACITY Significant Internal institutional employee.</p> <p>PARTNERSHIPS Western Cape Provincial and Garden Route District CRO forums.</p> <p>CURRENT PROGRAMMES/PROJECTS Risk Based internal audit. Implementation of BarnOwl risk management software</p>	<p>INFRASTRUCTURE CONSTRAINTS Limited office space with no room for expansion.</p> <p>HUMAN RESOURCE CAPACITY CRO performs other functions, Fraud and Compliance respectively. CRO currently reporting to Chief Audit Executive (CAE).</p> <p>TECHNOLOGICAL RESOURCES Barn Owl System Risk Management software. The reluctance of staff using the system.</p>	<p>Delay in approval of amended staff structure i.e. amending CRO reporting line from Chief Audit Executive to MM in line with best practice.</p> <p>Non-compliance with Risk reporting.</p>		
PROPOSED INTERVENTIONS	DELIVERABLES	TIMEFRAMES	TARGETS	
Risk Register	Approved ERM Risk Register.	Annually	Obtain approval (sign off) from the RMC on the Strategic Risk Register by July of each financial year.	
Risk Management Committee (RMC)	Quarterly meetings of the RMC	Annually	A minimum of 4 meetings to be held by 30 June of every financial year.	
Risk Based Audit Plan (RBAP) based on Risk Register and processes.	Provide Internal Audit with an updated (Current) Risk Register	Annually	Completed and approved risk register for submission to IA and Audit Committee for RBAP purposes by July of every financial year.	
Review of: Risk Management Strategy and Policy, and Risk Management Committee Charter	Review Risk Management Strategy, Policy, and Risk Management Committee Charter by CRO.	Annually	Reviewed Risk Management Strategy, Policy, and Risk Management Committee Charter. Risk Management Committee comments on documents and submit to Council for approval; if any amendments are required by June of every financial year.	
Fraud Awareness programs	Development and Implementation of fraud	Annually	Procure of fraud material (posters) distribution of Anti-fraud and Corruption material to all the Municipal offices, Libraries and in the prominent places.	

	Awareness programs		
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CHAPTER 5: LONG-TERM FINANCIAL PLAN

Report Overview – Introduction and Background

The Knysna Municipality appointed INCA Portfolio Managers in 2017 to prepare a Long-Term Financial Plan. The deliverable of that assignment was a report entitled *Knysna Municipality Long Term Financial Plan: 2017 – 2026*; November 2017. The estimates in that Plan will be referred to as the 2016 Estimate as they were based on the FY2017 Annual Financial Statements. The report was updated in March 2019 and March 2020 with the latest information. This 2021 update aims to update the LTFP based on the latest available information and report on the findings.

The objective of a Long-Term Financial Plan is to recommend strategies and policies that will maximise the municipality's financial sustainability into the future. This is achieved by forecasting future operating surpluses, cash generation, affordable capital expenditure, and cash utilisation based on the municipality's historic performance and the environment in which it operates.

A summary of the demographic, economic and household infrastructure perspective was updated with the latest available information as published by IHS Global Insight. The historic financial analysis was updated with the information captured in the municipality's audited financial statements of 30 June 2021 along with the tabled MTREF budget for FY2023. IPM adapted its Long-Term Financial Model (LTFM) to include and project key effects of the COVID-19 pandemic. This adapted model was populated and run with this latest information, and the outcome thereof is reported herein. The model was re-calibrated against the municipality's MTREF for the 3 years from FY2023 to FY2025.

Our Update Reports normally do not include a renewed analysis of the Asset Register in estimating the capital demand (as was the case in the Long-Term Financial Plan), municipal documents (viz. IDP, Master Plans, etc.) and conversations with management. The conclusions reached in this report are complimentary to the recommendations made previously.

ABBREVIATIONS USED

AFS	Annual Financial Statements
CAPEX	Capital Expenditure
CRR	Capital Replacement Reserve
CPI	Consumer Price Index
FY	Financial Year
FYE	Financial Year Ended
GDP	Gross Domestic Product
GVA	Gross Value Added
iHS	iHS Markit Regional Explorer version 2070 (2.6p)
IP	Investment Property
IPM	INCA Portfolio Managers
LM	Local Municipality
LTFM	Long Term Financial Model
LTFP	Long Term Financial Plan
MFMA	Municipal Finance Management Act
mSCOA	Municipal Standard Chart of Accounts
MRRRI	Municipal Revenue Risk Indicator
MTREF	Medium Term Revenue and Expenditure Framework
NERSA	National Energy Regulator of South Africa
NT	National Treasury
OPEX	Operational Expenditure
PPE	Property, Plant and Equipment
R '000	Rand x 1 000
SA	South Africa
Stats SA	Statistics South Africa

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Key Findings and Conclusions drawn from the 2021 LTFP Update

DEMOGRAPHIC, ECONOMIC AND HOUSEHOLD INFRASTRUCTURE

- As a result of the COVID-19 pandemic, and associated lockdowns, the GVA contracted by 6.2% in 2020, which resulted in a decline in GVA per capita when compared to the population growth rate of 1.8% in the same year.
 - The official unemployment rate (narrow definition) is estimated to be approximately 20.3%. This rate has increased when compared to 2019 due to the COVID-19 impact on the economy which resulted in job losses. Notably, this rate is lower than the provincial (21.8%) and national (30.3%) rates. There may, however, also be several discouraged workers and people not actively looking for work, which if included, will increase this rate.
 - Tress Index of 47.6 indicates a reasonably diversified economy underpinned by primarily four sectors: Finance (25%), Community Services (22%), Trade (19%) and Manufacturing (13%). Together these four subsectors comprise approximately 79% of economic output.
 - Tourism was significantly impacted by the pandemic lockdowns and restrictions. Tourism-spend decreased by 59% from R2 102.8 million in 2019 to R864.6 million in 2020. This gross amount spent previously contributed approximately 22% to the local GDP but represented only 13% of Knysna's GVA in 2020.
 - The household formation from 2011 to 2020 came to 19%. Notwithstanding the reasonably high household formation, Knysna has been able to maintain its infrastructure index of 0.88. This score is high relative to the national index of 0.76.
-

HISTORIC FINANCIAL ASSESSMENT

The historical analysis shows:

- Knysna finds itself in a risky liquidity position indicated by a current ratio of 1.21:1 as at FYE2021. Should debtors older than 30 days be excluded, this ratio only reduces to 0.9:1, well below the NT minimum benchmark of 1.5:1.
 - Operating surplus (excluding capital grants) came to R4.1 million in FY2021, being an improvement when compared to the R28.6 million operating deficit realised in FY2020.
 - Knysna managed to generate cash from operations for the past two years despite the low levels of surplus and the low collection rate 90% (relative to the NT benchmark of 95%). This is mainly due to delayed payment of suppliers as evidenced by the high creditors payment period which stood at 92 days for FY2021. This is not sustainable over the longer term.
 - The gross electricity surplus margin has remained at 28% since FY2020; however, this is the lowest margin over the 8-year assessment period when compared to the highest margin realised in FY2014, i.e., 33%. Electricity distribution losses increased from 9.08% in FY2020 to 11.33% in FY2021, to above the NT maximum level of 10%.
 - The water distribution losses markedly increased from 19.89% in FY2020 to 44.5% in FY2021, above the NT maximum level of 30%. This requires focused attention.
 - Expenditure incurred to repair property, plant and equipment decreased by 29% from R64.2 million in FY2020 to R45.6 million in FY2021. This amount comprised 3% of PPE and IP for FY2021 as opposed to the FY2020 ratio of 5%, resulting in this ratio remaining below the NT norm of 8%.
 - The municipality's R37.4 million cash balance as at FYE2021 was substantially less than the calculated R110.7 million minimum level of liquidity needed by the municipality.
-

LONG TERM FINANCIAL PLAN UPDATE

The current MTREF indicates low levels of surplus than can be attributed to:

1. An increase in the average gross electricity tariff of 14.59% (revenue) for FY2022 that is significantly lower than the Eskom bulk tariff of 17.6% for bulk purchases (expenditure) for the same year. This mismatch results in a significant decline in the gross electricity surplus margin.
2. Above CPI increases in various expenditure items.

Based on the results of the Long-Term Financial Model, *it is recommended that* Knysna:

1. Maintain the funding mix that primarily funds capital expenditure through an effective combination of external borrowings and cash resources, with a focus on preserving liquidity levels.
 2. Maintain a balanced approach for the long-term capital investment programme which prioritises investments that contribute to economic growth and revenue generation and prioritise timely investment in bulk infrastructure.
 3. Prevent further deterioration in current MTREF surplus, by ensuring that actual expenditure does not exceed the budgeted expenditure, generating cash from operations and avoiding further deterioration of liquidity.
 4. Prevent deterioration of the collection rate by prioritising decisions and actions that will support and maintain the collection rate of 93% without compromising operating surplus.
 5. Prevent further increases in distribution losses by putting measures in place to address the root causes of such high distribution losses, and work towards reducing these losses to at least NT norms of 10% and 30% for electricity and water, respectively.
 6. Update the long-term financial plan with the latest information to remain relevant and a valuable strategic tool that serves as input to the annual budgeting process.
 7. Obtain access to and institutionalize the internal use of the LTFM, to timely do an integrated forecast of revenues, expenditures, cash flows, funding, and financial position based on socio-economic drivers and policy choices of the municipality, assisting to model -
 - Rates & tariff increases
 - Catalytic infrastructure / investment programmes
 - Affordability envelope for a “Capital Expenditure Framework”
 - Capital funding mix
 - Borrowing policy / strategy
 - Liquidity policy and working capital management - including credit control, collection rates, creditors payment days, etc.
 - Population- & economic growth forecasts; growth in indigent households
 - Impact of various policy choices on **Household Bills**
-

1 Planning Process

2 Updated Perspectives (Demographic, Economic, Household Infrastructure)

3 Updated Historic Financial Assessment

4 Long Term Financial Model Outcomes

5 Future Revenues

6 Affordable Future Capital Investment

7 Scenario Analysis

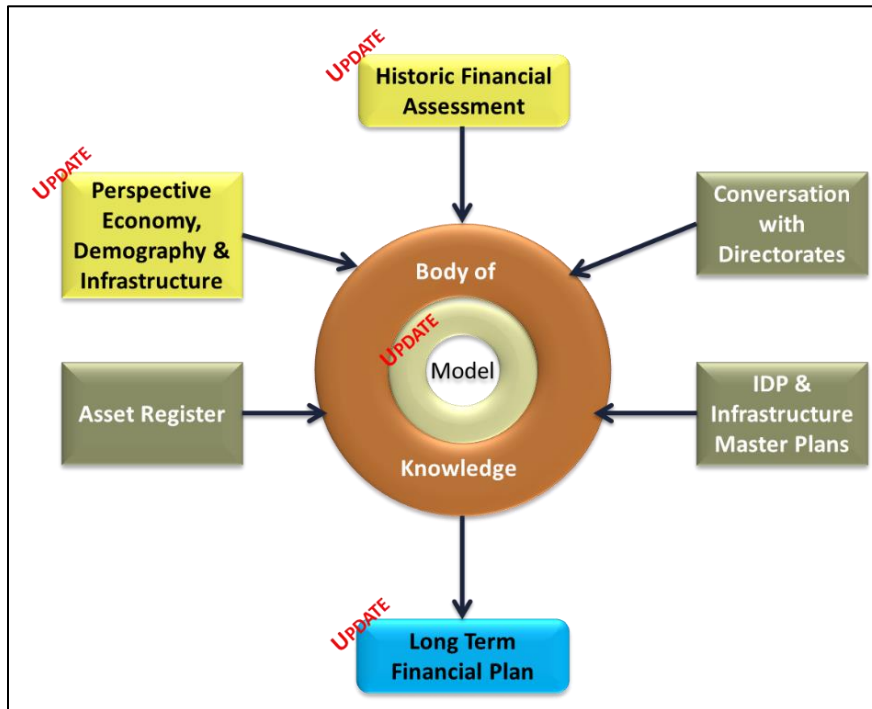
8 Ratio Analysis

9 Conclusions

PLANNING PROCESS

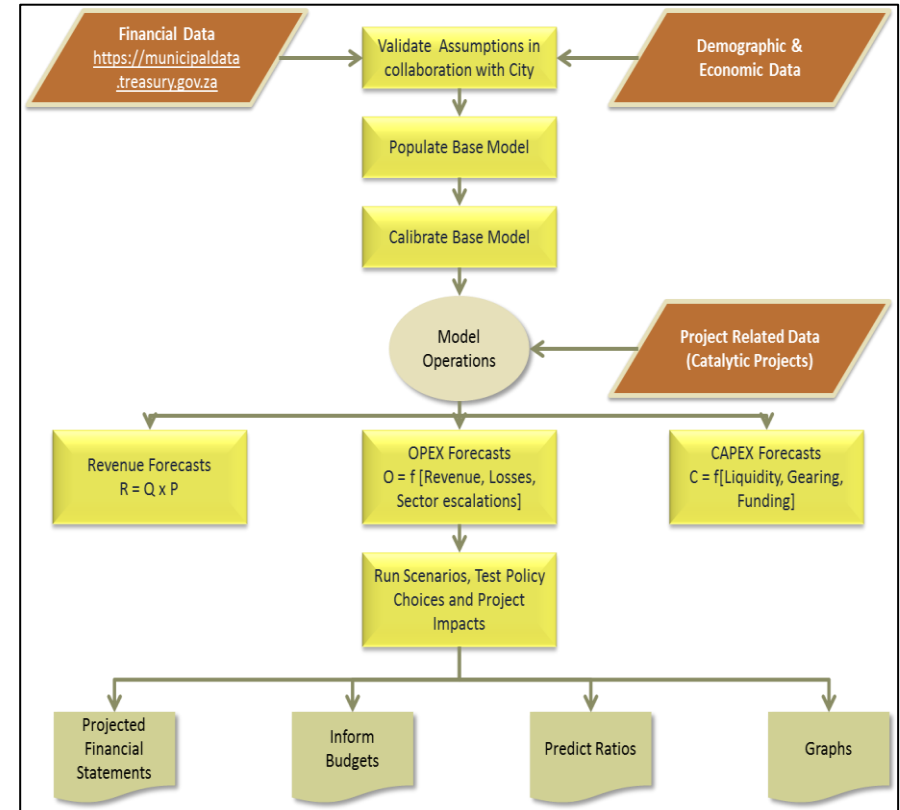
The diagram below illustrates the steps in the process that were followed in drafting the LTFP and the steps taken during this 2021 “LTFP Update”:

FIGURE 2: PLANNING PROCESS



The long-term financial model was populated with the latest information of Knysna and used to make a base case financial forecast of the future financial performance, financial position, and cash flow of the municipality. The diagram below illustrates the outline of the model.

FIGURE 3: FINANCIAL MODEL FRAMEWORK



The model methodology remains the same and the capital budget as presented in the MTREF was utilised and forecasts of an affordable future capex were made.

1 Planning Process

2 Updated Perspectives (Demographic, Economic, Household Infrastructure)

3 Updated Historic Financial Assessment

4 Long Term Financial Model Outcomes

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8 Ratio Analysis

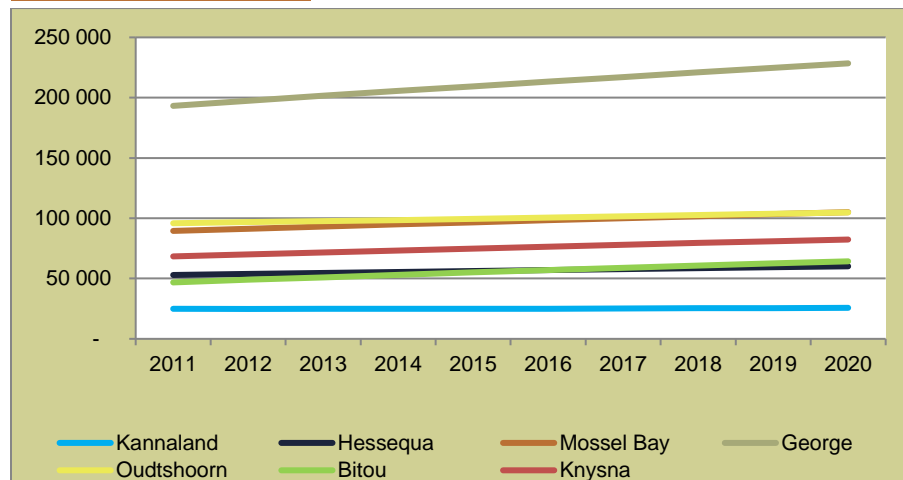
10 Conclusions

UPDATED PERSPECTIVES (DEMOGRAPHIC, ECONOMIC, HOUSEHOLD INFRASTRUCTURE)

DEMOGRAPHY

Knysna is estimated to have a population of 82 347 people in 2020 that represents 12% of the people living in the Garden Route District. This population grew by 1.8% p.a., relatively high when compared to the provincial and nation growth rates of 1.6% p.a. and 1.5% p.a. respectively.

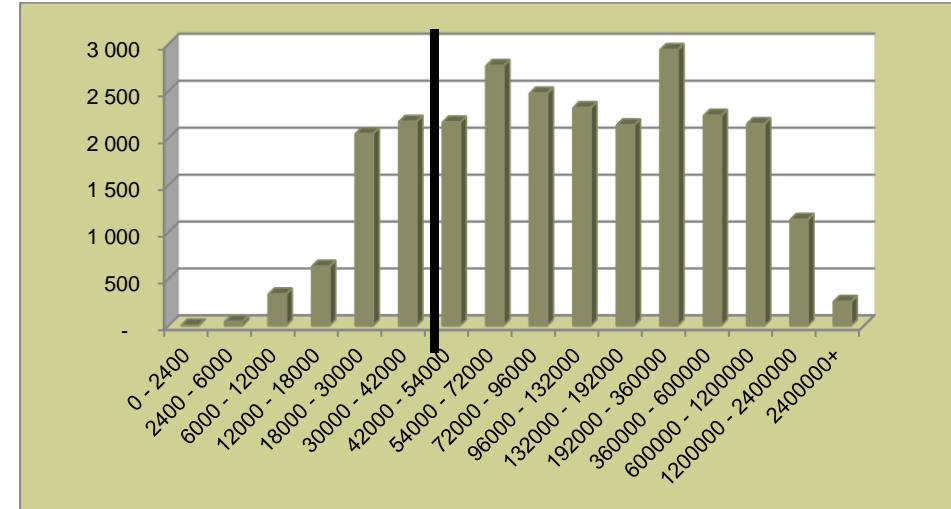
GRAPH 1: TOTAL POPULATION



Prior to 2020, Knysna’s average household income increased at an average rate of 6% p.a, however, mainly due to the impact of COVID-19, average household income decreased by 3% from R321 555 p.a., in 2019 to R312 320 p.a., in 2020. This led to a marginal increase in the number of households earning less than R42 000 p.a, from 17.6% to 18.5% over the same period, see [GRAPH 2](#) below for the distribution of household income. Households earning less than R42 000 p.a., are indicative of the number of indigent households in the municipal area and reflect those who qualify for and/or are reliant on government grants as a source of income. The provision of RDP level of basic services to these households is theoretically covered by the equitable share and should compensate the municipality for providing free

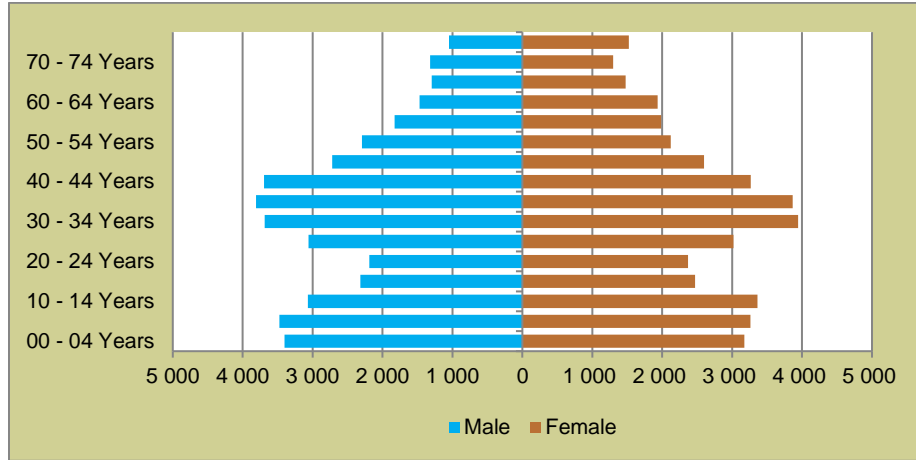
basic services. The household income distribution further reflects a society of which 58.7% (46.7% in 2019) of all households earn an income less than R192 000 p.a (R16 000 p.m.) but more than R42 000 p.a. Considering the GVA contraction and the erosion of the municipality’s economic base, the extent to which households can be levied in future needs to be closely monitored. Any decline in household income, in conjunction with rapid increases in the municipal services costs, will pose a serious challenge to the municipality’s future revenue prospects.

GRAPH 2: HOUSEHOLD INCOME DISTRIBUTION



The age profile pyramid (see [GRAPH 3](#)) is unlike a typical population pyramid of a developing society, which is characterised by two distinctive features: 1) high number of young people, typically below the age of 24; and 2) lower number of older people (above 50 years). Knysna’s age profile pyramid reflects a higher number of older people (24%) and middle-aged people (41%) and a lower number of younger people (36%).

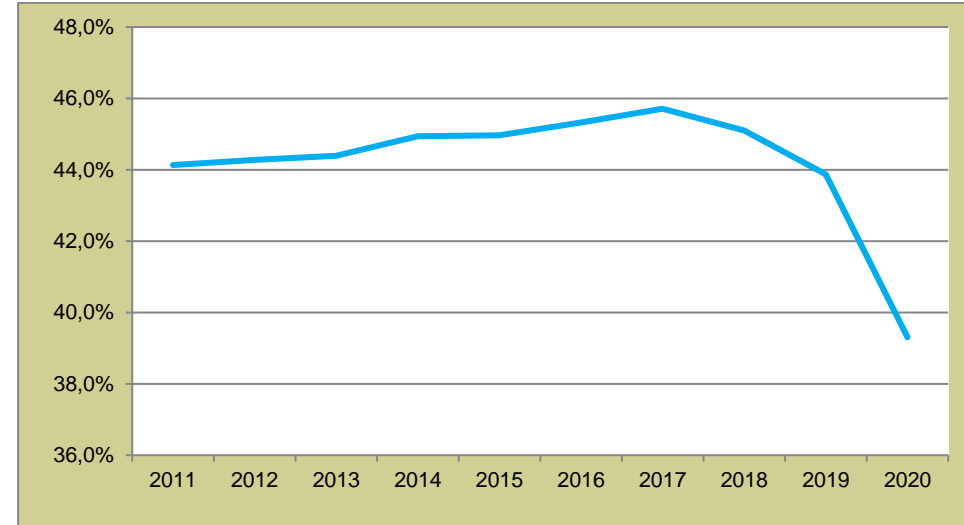
GRAPH 3: AGE PROFILE



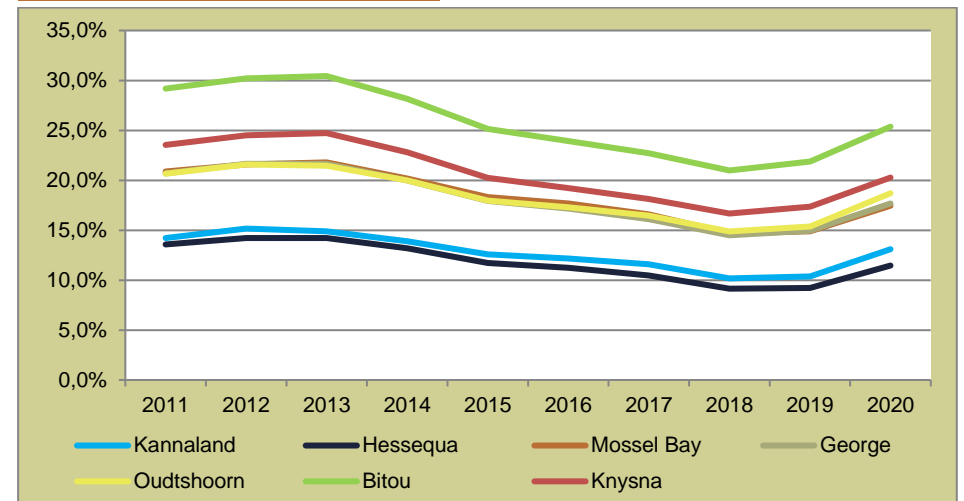
The number of economically active people decreased in 2020 as opposed to prior years whereby this figure was on an increase, in 2020 economically active people made up 39.3% as opposed to 2019's 43.9% see [GRAPH 4](#) below.

The official unemployment rate (narrow definition) is estimated to be approximately 20.3%. This rate increased when compared to 2019 due to the economic impact of COVID-19 which resulted in job losses. This rate is however lower than the provincial and nation rates estimated to be 21.8% and 30.3% respectively. The employment rate should however be viewed with caution as the narrow definition does not consider discouraged workers – people who are not actively looking for work - which, if included would markedly increase this rate.

GRAPH 4: ECONOMICALLY ACTIVE PEOPLE AS A % OF TOTAL POPULATION



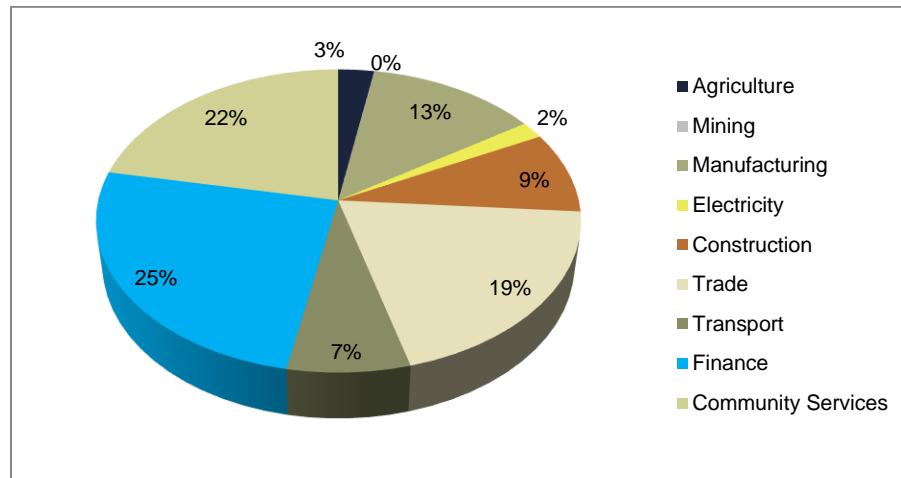
GRAPH 5: OFFICIAL UNEMPLOYMENT RATE



ECONOMY

The total Gross Value Add for 2020 came to R5.12 billion. The economy contracted by 6.2% in 2020, mainly due to the impact of COVID-19 and following historically low economic growth averaging 1.2% prior to 2020. The Tress Index of 47.6 indicates a reasonably diversified economy that is mainly driven by four economic sectors: Finance (25%), Community Services (22%), Trade (19%) and Manufacturing (13%). Together these four subsectors comprise approximately 79% of economic output.

GRAPH 6: ECONOMIC SECTORS



Over the last 10 years, proportional growth was experienced by mainly the Finance, Community Services and Agriculture whilst the remaining sectors proportional contribution to GVA shrank.

The contraction in economic output together with the population growth of 1.8% p.a., resulted in a reduced GVA per capita from approximately R67 396 per capita p.a., in 2019 to R62 147 per capita p.a, in 2020. This has had an adverse impact on annual average household income, as depicted in [GRAPH 2](#)

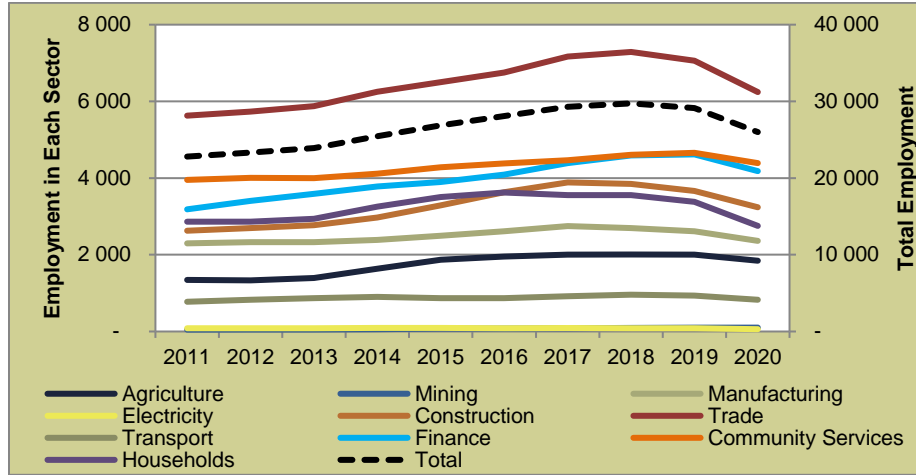
above, resulting in increased pressure on households to settle their municipality bill. The risk of the household ability to pay the municipal bill and its impact on the long-term financial sustainability is further analysed in this report, see [GRAPH 35](#)

Subsector	2011	2020
Agriculture	129 355	139 685
Mining	2 380	2 317
Manufacturing	751 586	659 204
Electricity	104 662	93 109
Construction	533 357	445 132
Trade	1 037 076	1 002 956
Transport	374 528	369 699
Finance	1 052 511	1 284 505
Community Services	962 952	1 121 026

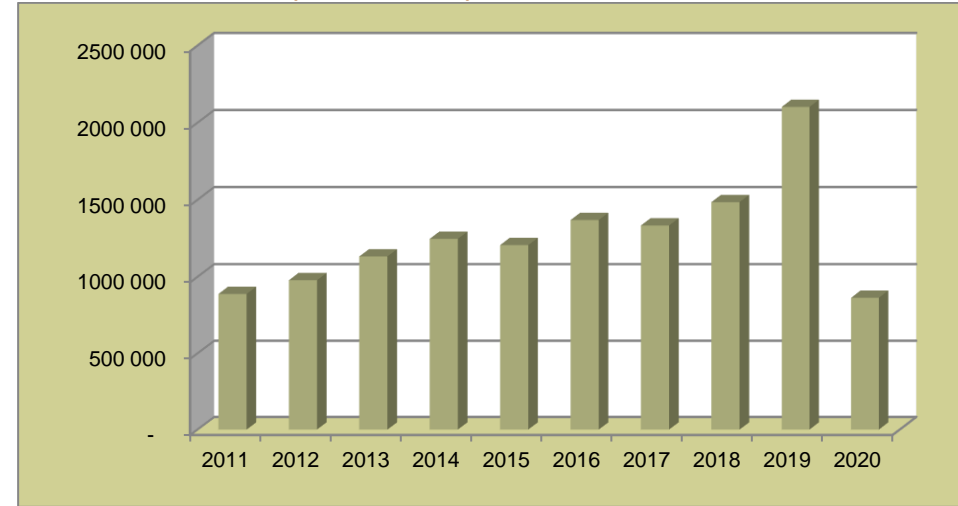
below.

[GRAPH 7](#) below indicates a decrease in employment opportunities of approximately 11% (3 134 job losses) between 2019 and 2020. This is higher than the INCA COVID-19 impact assessment (April 2020) which estimated 3.7% (971 job losses) decrease. The Trade sector continues to be the largest provider of employment despite the highest number of job losses (824 jobs). In addition to Trade, high job losses were experienced in the following sectors: Households – 627 jobs; Finance – 439 jobs and Construction – 429 jobs.

GRAPH 7: EMPLOYMENT BY SECTOR



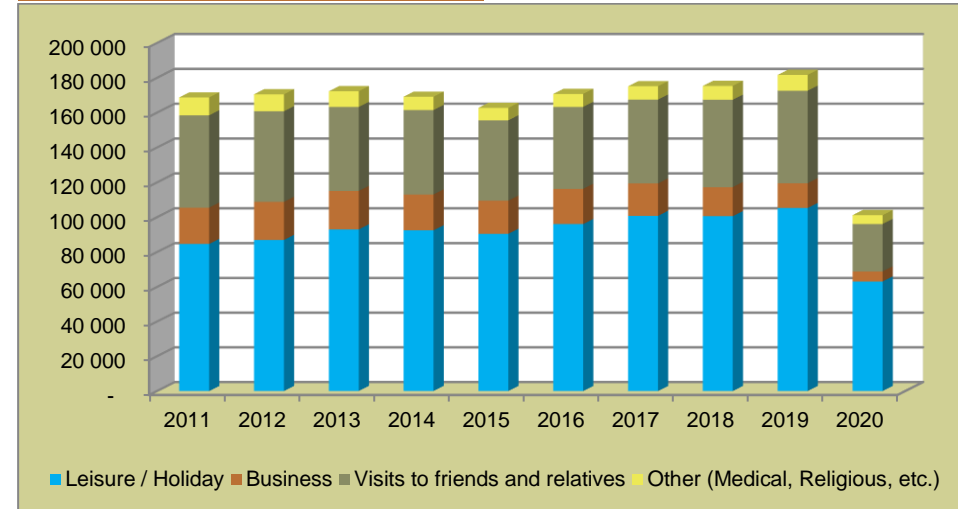
GRAPH 8: TOURISM SPEND (CURRENT PRICES)



The impact of the COVID-19 related lockdown and restrictions on the tourism sector is evident in the reduction of the Knysna region’s tourism spend as depicted on [GRAPH 8](#). This amount decreased by 59% between 2019 and 2020 from R2 102.8 million to R864.6 million, respectively. Prior to 2020, the direct contribution of tourism spend to Knysna’s GDP was 22%, but reduced to 13% in 2020

According to [GRAPH 9](#) the overall number of trips, which are primarily for holiday and leisure, decreased from approximately 181 748 trips in 2019 to 101 273 trips in 2020 mainly due to the lockdown and travel restrictions that were imposed.

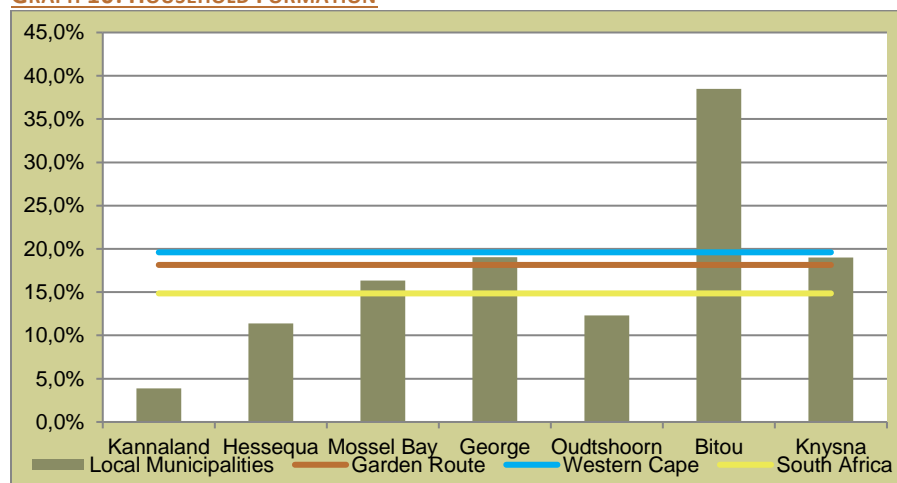
GRAPH 9: TOURISM TRIPS BY PURPOSE OF TRIP



HOUSEHOLD INFRASTRUCTURE

The household formation between 2011 and 2020 came to 19%, the second highest growth of all the seven municipalities in the district. The growth in households in Knysna was 4 029 households – in absolute terms- over the period

GRAPH 10: HOUSEHOLD FORMATION



Knysna managed to maintain its infrastructure index of 0.88 despite the high household formation – see [GRAPH 11](#). This index is relatively high considering the to the national index of 0.76. The higher the index, the lower the levels of service backlogs. The maintenance of this high index score over the entire review period indicates ongoing infrastructure investment that keeps up with the rate of household formation.

TABLE 1 below compares the level of backlogs, of *sanitation, water, electricity, and refuse removal* of Knysna with that of the district. Knysna performed well in the provision of basic level of services.

GRAPH 11: INFRASTRUCTURE INDEX

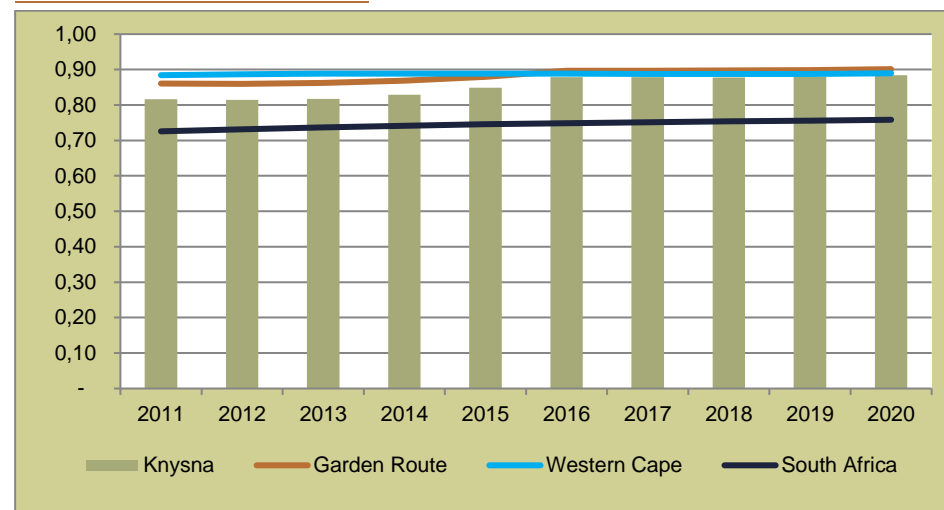


TABLE 1: HOUSEHOLD INFRASTRUCTURE PROVISION

Infrastructure	Garden Route		Knysna	
Above RDP Level				
Sanitation	184 530	96.1%	23 964	94.9%
Water	189 124	98.5%	24 822	98.3%
Electricity	185 621	96.7%	24 342	96.4%
Refuse Removal	172 785	90.0%	23 997	95.0%
Below RDP or None				
Sanitation	7 394	3.9%	1 287	5.1%
Water	2 800	1.5%	429	1.7%
Electricity	6 303	3.3%	909	3.6%
Refuse Removal	19 139	10.0%	1 254	5.0%
Total Number of Households	191 924	100.0%	25 251	100.0%

1 Planning Process

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7 Scenario Analysis

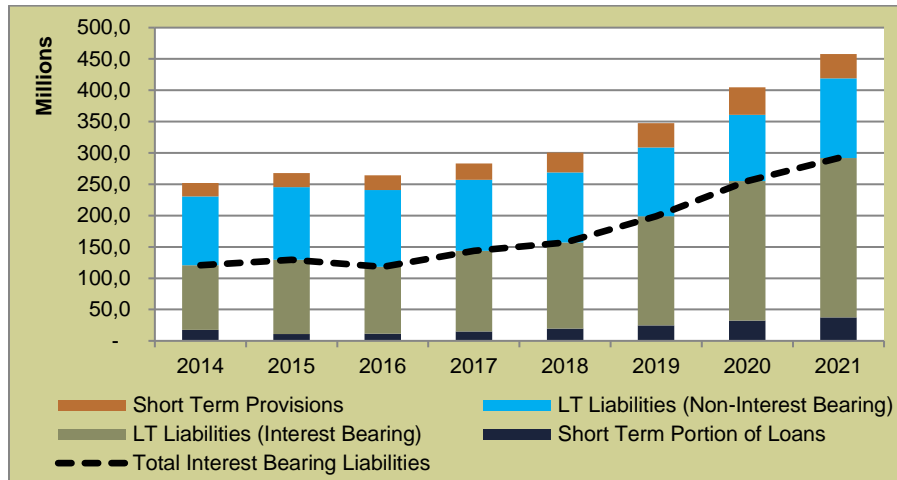
8 Ratio Analysis

9 Conclusions

UPDATED HISTORIC FINANCIAL ASSESSMENT

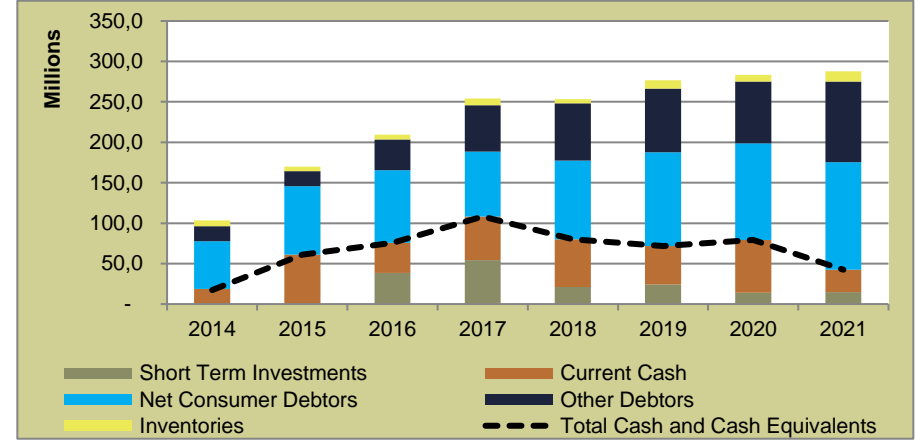
FINANCIAL POSITION

GRAPH 12: LONG TERM LIABILITIES: INTEREST BEARING VS NON-INTEREST BEARING



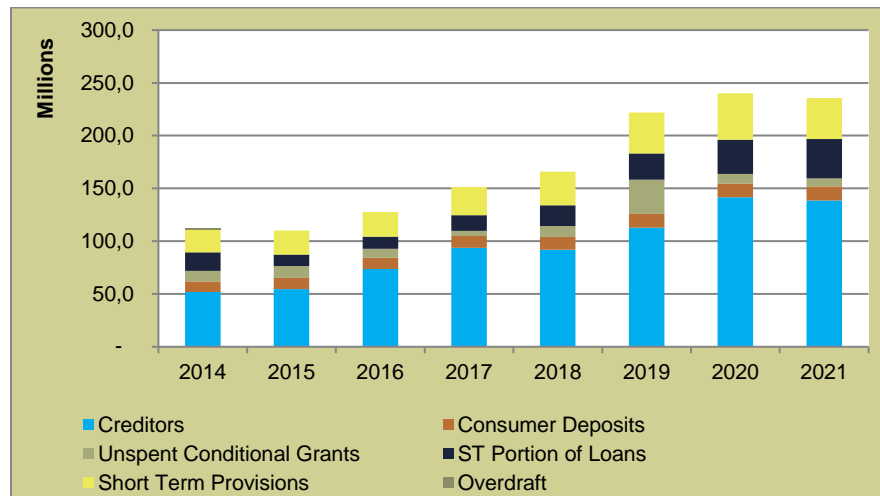
Knysna’s interest-bearing liabilities continued to increase by R36.7 million (14%) since FYE2020 due to the municipality having taken up borrowings in the current year to finance its capital expenditure (see [GRAPH 22](#)). This balance stood at R291.9 million as at FYE2021. Knysna LM has taken up borrowings since FY2017 averaging R53.1 million per annum, resulting in the gearing ratio increasing from 19% to 30% between FY2017 and FY2021 and the debt service to total expense ratio increasing from 3% to 6% over the same period. These ratios remained below their maximum NT limits of 45% and 7% for gearing and debt service to total operating expenditure, respectively. The debt service cover ratio of 0.2 as at FYE2021 however implies **that the municipality did not generate sufficient cash from its operations during FY2021 to service current debt levels. Notably, this ratio has been below 1 for the entire 8-year assessment period.**

GRAPH 13: CURRENT ASSETS



[GRAPH 13](#) above indicates a decreasing trend in current assets since FYE2017. As at FYE2021, current assets stood at R287.6 million, a 13% (R33.5 million) decrease when compared to the FYE2017 balance of R254.1 million. This is mainly due the movements in the cash and cash equivalents balance which followed a similar decreasing trend over the period. Current liabilities, as depicted in [GRAPH 14](#) below, shows an increasing trend since FY2017. This balance increased by 56% (R84.5 million) from R151.2 million as at FYE2017 to R235.7 million as at FYE2021. This increase was mainly driven by an increase in the creditors balance by R44.9 million (48%) over the same period.

GRAPH 14: CURRENT LIABILITIES

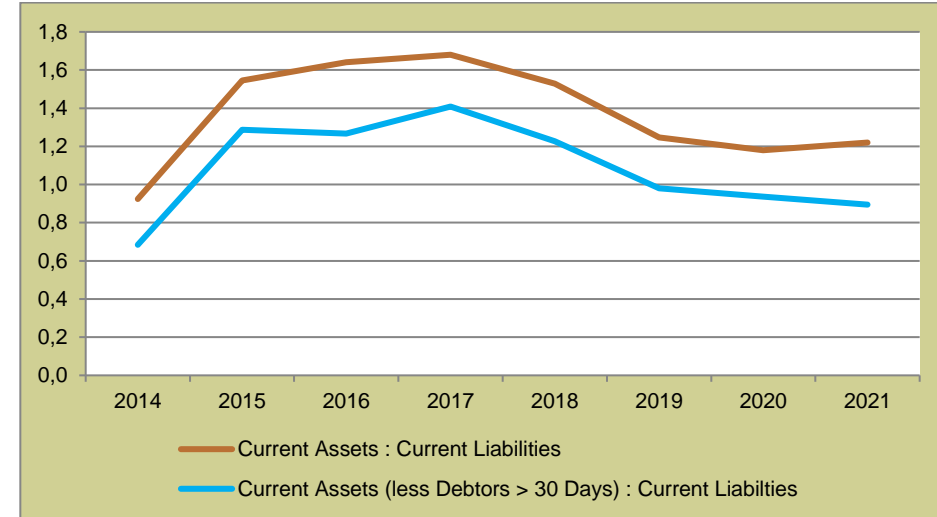


The net effect of the movements in the current assets and current liabilities resulted the deterioration of the liquidity ratio from 1.7:1 as at FYE2017 to 1.2:1 as at FYE2021. This liquidity ratio is relatively weak when compared to the NT minimum of 1.5:1, therefore raising concern over the municipality’s ability to pay its current/short term obligations and provide for a financial buffer to absorb unexpected cash outflows (financial shocks) in the foreseeable future. This ratio is further weakened to 0.9:1 should debtors greater than 90 days (least liquid debtors) be excluded from the calculation.

TABLE 2: LIQUIDITY RATIOS

	2014	2015	2016	2017	2018	2019	2020	2021
Current Liabilities								
Assets: Current Liabilities	0.9	1.5	1.6	1.7	1.5	1.2	1.2	1.2
Current Assets (less Debtors > 30 Days): Current Liabilities	0.7	1.3	1.3	1.4	1.2	1.0	0.9	0.9

GRAPH 15: LIQUIDITY RATIOS



Gross consumer debtors (see [GRAPH 16](#) below) continued to increase since the last update (FYE2019: R271.6 million) by an annual average of 11% and stood at R329.0 million as at FYE2021. This is mainly due to increases in rates and electricity debtors which were the largest contributors to the balance. The growth in consumer debtors was relatively lower when compared to the 11% average growth in annual billed revenue since FY2019.

The collection rate for FY2021 was 90%, below the NT required minimum of 95%. Except for FY2020, the collection rate remained below the NT minimum benchmark since FY2018. The above 100% collection rate for FY2020 can be attributed to the collection of historic debt. The low collection rate is evidenced by the high net debtor days for FY2021 which implies that it takes approximately 77 days for customers to settle their bills compared to the NT norm of 30 days. The provision for bad debts did not sufficiently cover the debtors greater than 90 days throughout the 8-year assessment period; on average, the provision amounted to 79% of debtors greater than 90 days as opposed to the 100% recommended by National Treasury.

GRAPH 16: GROSS CONSUMER DEBTORS VS NET CONSUMER DEBTORS

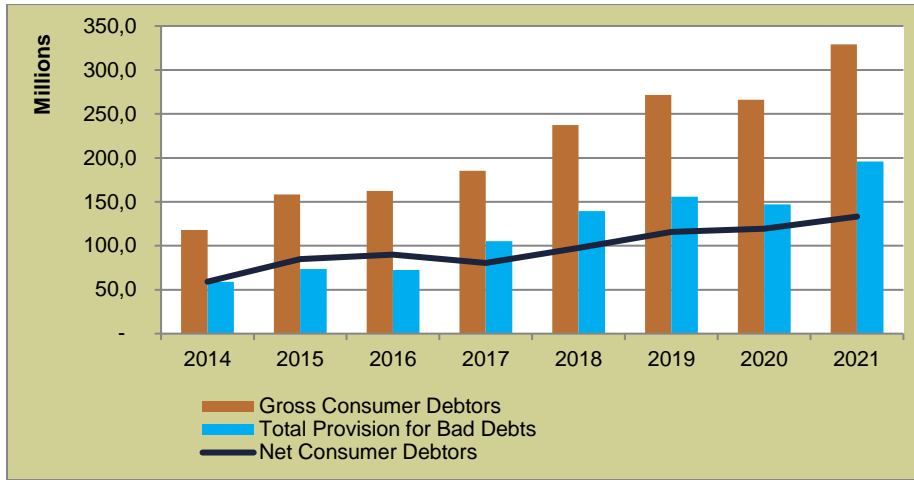
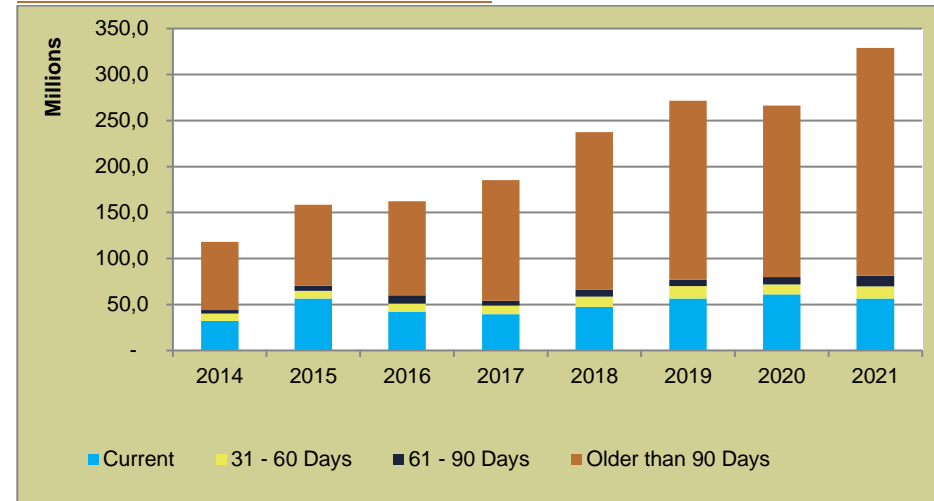


TABLE 3: DEBTORS RATIOS

	2015	2016	2017	2018	2019	2020	2021
Increase in Billed Income p.a. (R'm)	31.2	32.8	56.2	27.8	33.2	(5.2)	40.2
% Increase in Billed Income p.a.	7%	7%	12%	5%	6%	-1%	7%
Gross Consumer Debtors Growth	34%	3%	14%	28%	14%	-2%	24%
Net debtor days	69	68	55	63	71	73	77
Payment Ratio/Collection Rate (%)	90%	93%	96%	91%	94%	101%	90%

GRAPH 17: CONSUMER DEBTORS AGE ANALYSIS



The gross consumer debtors age analysis per [GRAPH 17](#) above depicts debtors greater than 90 days as the highest contributor to gross consumer debtors. As at FYE2021, debtors greater than 90 days stood at R247.9 million, amounting to 75% of the gross consumer debtors' balance. This balance has increased by 27% (R53.4 million) since the last update from R194.5 million as at FYE2019. The current debtors have comparably remained stable over the same period with a balance of R56.6 million as at FYE2021 versus R56.5 million as at FYE2019.

FINANCIAL PERFORMANCE

GRAPH 18: ANALYSIS OF SURPLUS

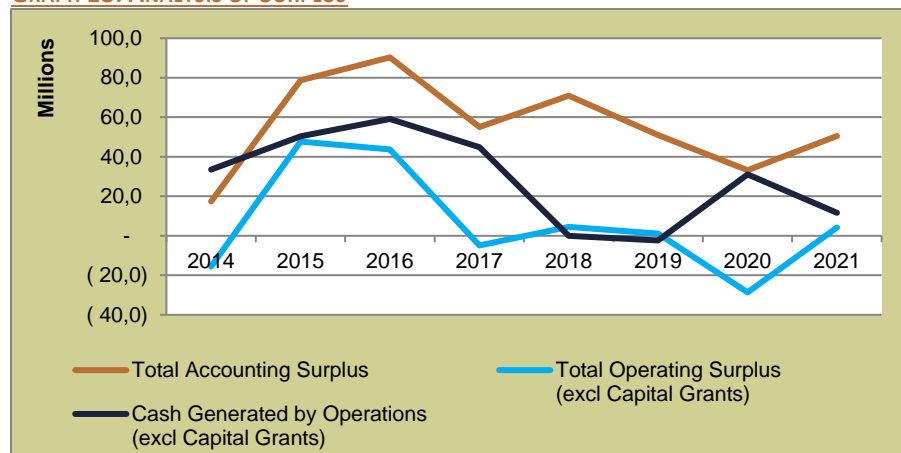


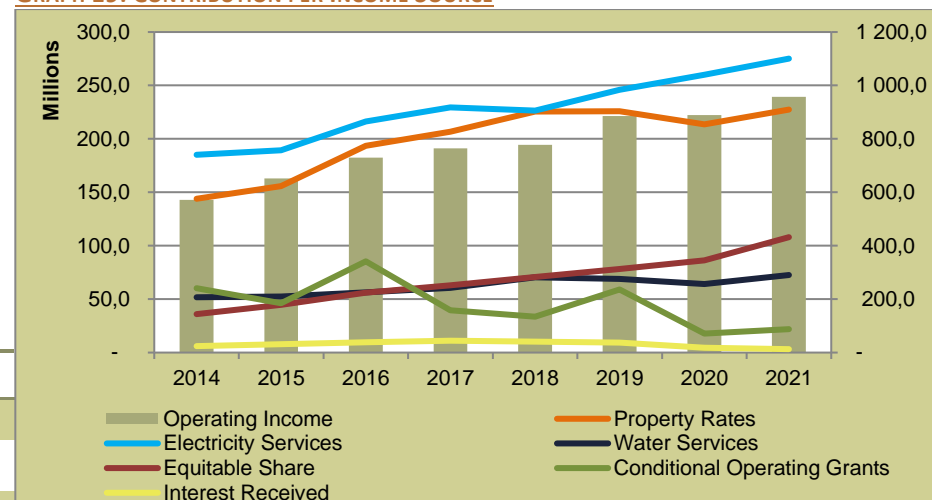
TABLE 4: TOTAL INCOME VS TOTAL EXPENDITURE

	2014	2015	2016	2017	2018	2019	2020	2021
Total Income	604.1	683.1	775.9	825.1	843.9	935.0	951.3	1 004.1
Total Operating Expenditure	582.2	603.6	685.5	770.0	772.9	884.0	918.0	953.6
Operating Income (excl Cond Grants)	511.0	605.8	643.9	725.7	743.8	826.2	871.6	935.7

Total income exceeded total operating expenditure throughout the 8-year assessment period resulting the municipality realising accounting surpluses. However, this amount has decreased since it peaked its R90.3 million peak in FY2016. Positive to note though, is the increase in the accounting surplus between FY2020 and FY2021 from R33.3 million to R50.5 million; however, this remains significantly lower than historical figures. When capital grants are excluded, this surplus reduced to R4.1 million for FY2021, being an improvement when compared to the R28.6 million operating deficit realised in FY2020. Knysna managed to generate cash from operations for the past two years despite the low levels of profitability and the low collection rate; however, this is mainly due

to delayed payment of suppliers as evidenced by the high creditors payment period which determined to be 92 days for FY2021, having increased over the 8-year assessment period from 48 days for FY2014. This increasing trend is not sustainable for the future as creditors would have to be settled eventually.

GRAPH 19: CONTRIBUTION PER INCOME SOURCE



The growth in total operating incomes was mainly driven by increases in the two major revenue items: electricity service charges and property rate which constitute a combined 52%. These revenue items increased more than CPI between FY2020 and FY2021 by 6% (electricity service charges) and 7% (property rates).

Electricity service charges remained the highest contributor to operating income. The gross electricity surplus margin remained at 28% since FY2020; however, this is the lowest margin over the 8-year assessment period when compared to the highest margin realised in FY2014, i.e., 33%. Electricity distribution losses

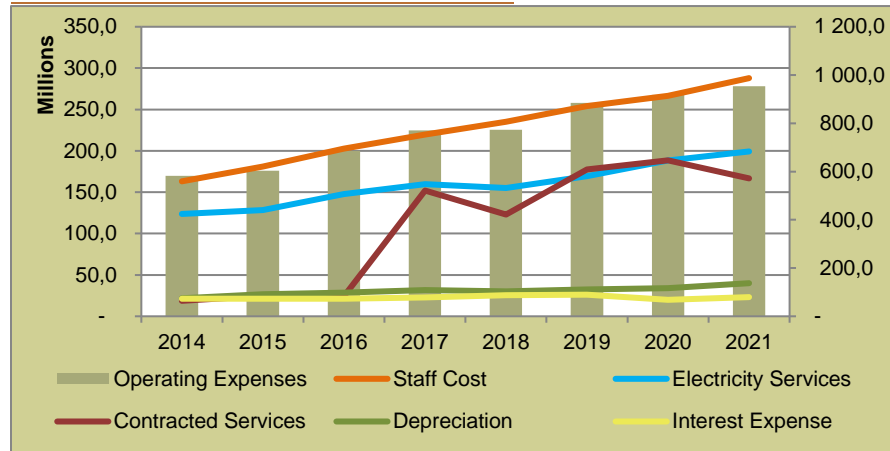
increased from 9.08% in FY2020 to 11.33% in FY2021, to above the NT maximum level of 10%.

Water service charges contributed 8% to operating income, preceded by the equitable share contribution of 11%. The water distribution losses markedly increased from 19.89% in FY2020 to 44.5% in FY2021, above the NT maximum level of 30%. This requires focussed attention going forward.

maximum level of 5%. This ratio has since remained above the NT maximum level but has marginally reduced to 15%. Notwithstanding this high ratio, it is noted that contracted service decreased by 12% from R188.5 million in FY2020 to R166.6 million in FY2021.

Expenditure incurred to repair and maintain property, plant and equipment decreased by 29% from R64.2 million in FY2020 to R45.6 million in FY2021. This amount comprised 3% of PPE and IP for FY2021 as opposed to the FY2020 ratio of 5%, resulting in this ratio remaining below the NT norm of 8%.

GRAPH 20: CONTRIBUTION PER EXPENDITURE ITEM



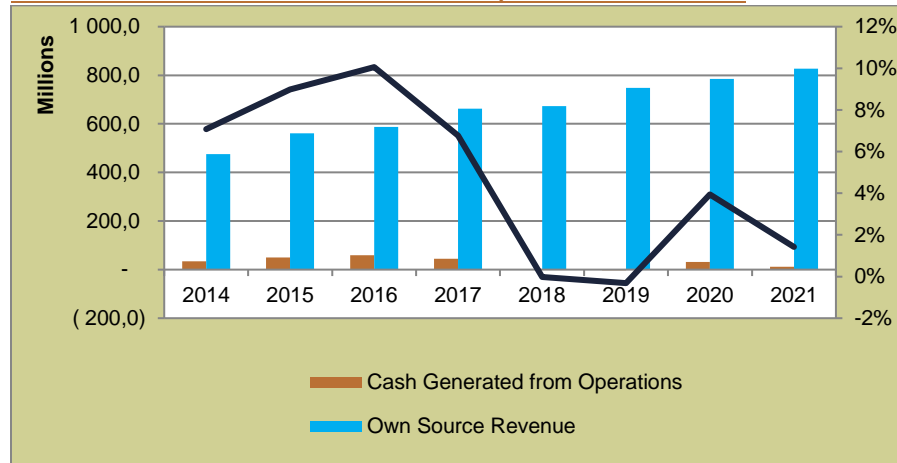
Total operating expenditure is mainly driven by three major expenditure items: staff costs, electricity bulk purchases and contracted service. The expenditure items together constituted 60% to total operating expenditure for FY2021.

Staff Costs remained the major expenditure item, being 26% of total operating expenditure and remaining within the NT norm of between 25% and 40%. Knysna LM managed to maintain this ratio at an average of 26% over the past 8 years.

The FY2017 increase in the contracted services was due to the MSCOA classification of repairs and maintenance to various expenditure items. This resulted in an increase in the contracted services as a percentage of total operating expenditure from 3% in FY2016 to 18% in FY2017, above the NT

CASH FLOW

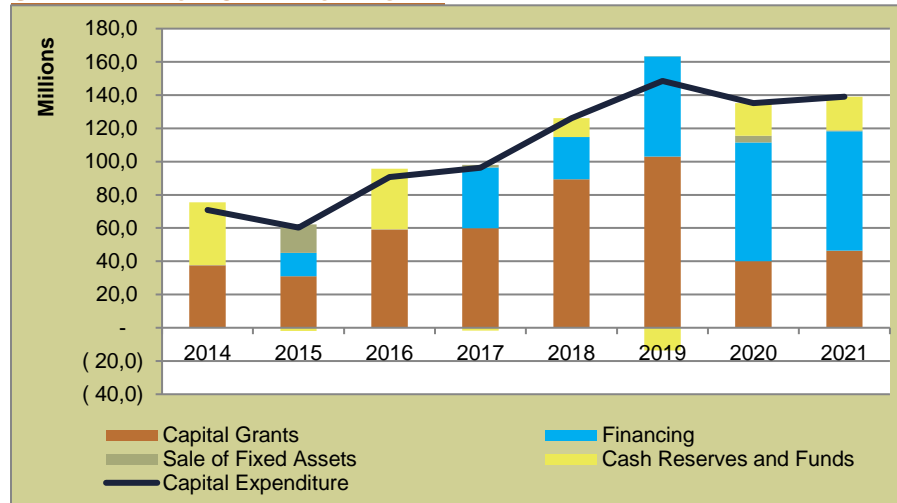
GRAPH 21: CASH GENERATED FROM OPERATIONS/OWN SOURCE REVENUE



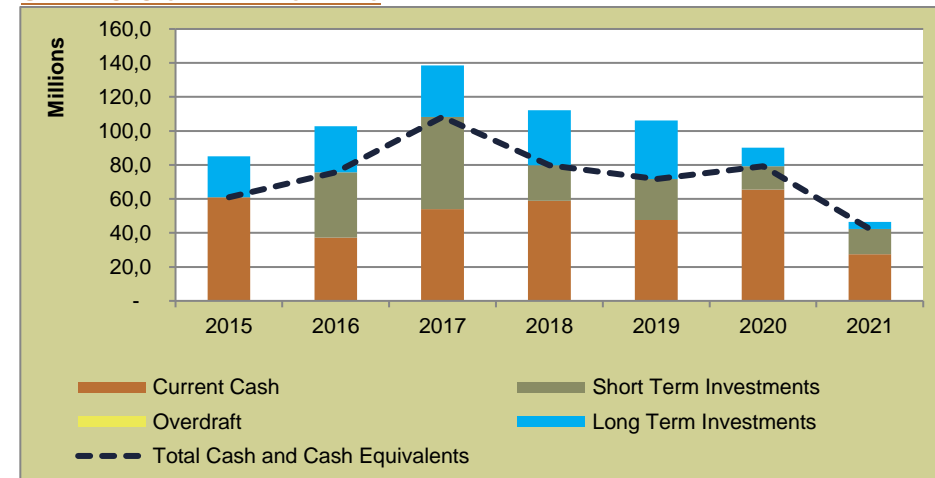
Investment in capital has slightly decreased since the last update (FY2019) from R148.5 million to R139.1 million in FY2021. This amount was funded by 55% external borrowing, 33% capital grants and 15% own cash resources. This capital expenditure was however lower than the budgeted capital expenditure as indicated by a capital implementation indicator (actual capital expenditure as a percentage of budgeted capital expenditure) of 85%. Notwithstanding the impact of COVID-19, Knysna LM has historically underspent on its capital budget, with the capital budget implementation indicator averaging 84% over the 8-year assessment period.

Considering the municipality's limited ability to generate cash from operations emanating from the low collection rate, along with the utilisation of own cash resources to fund capital expenditure, cash and cash equivalents has decreased over the past two years. As at FYE2021 this balance stood at R42.3 million when compared to the R71.1 million as at FYE2019.

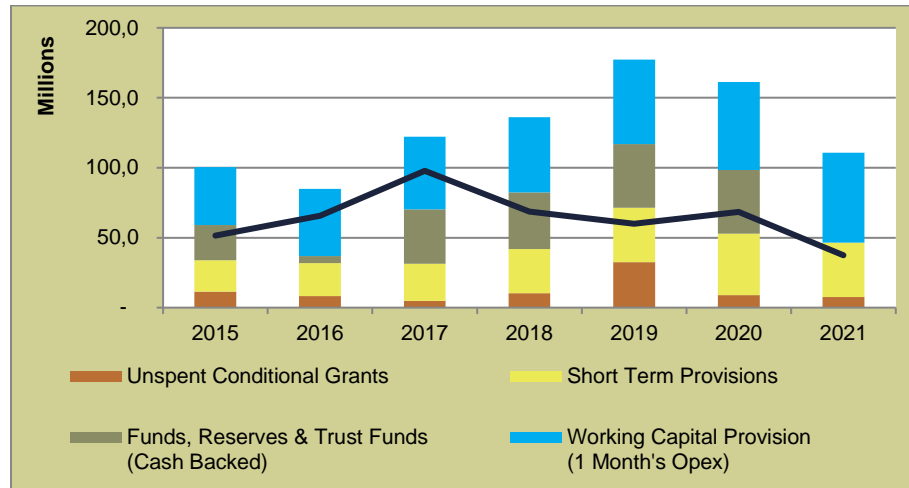
GRAPH 22: ANNUAL CAPITAL FUNDING MIX



GRAPH 23: CASH AND INVESTMENTS



GRAPH 24: MINIMUM LIQUIDITY REQUIRED



Knysna LM is required to maintain enough cash reserves to cover Unspent Conditional Grants (R7.5 million), Short-Term Provisions (R38.9 million) and Working Capital Provision (including 1 month's Opex) (R64.3 million). The municipality unencumbered cash balance does not meet the required minimum liquidity levels of R110.7 million resulting in a shortfall of R73.3 million as at FYE2021. The cash coverage ratio (including working capital) came to 0.3 for FY2021.

TABLE 5: MINIMUM LIQUIDITY REQUIREMENTS

	2014	2015	2016	2017	2018	2019	2020	2021
Unspent Conditional Grants	10.0	11.4	8.3	4.9	10.3	32.6	8.8	7.5
Short Term Provisions	21.3	22.5	23.5	26.4	31.7	38.9	43.9	38.9
Funds, Reserves & Trust Funds (Cash Backed)	-	25.0	5.0	38.9	40.5	45.5	45.5	-
Total	31.3	58.9	36.8	70.2	82.5	117.0	98.3	46.4
Unencumbered Cash	9.8	51.6	65.7	97.8	68.8	59.9	68.5	37.4
Cash Coverage Ratio (excl Working Capital)	0.3	0.9	1.8	1.4	0.8	0.5	0.7	0.8
Working Capital Provision (1 Month's Opex)	41.5	41.4	48.2	52.1	53.6	60.4	63.0	64.3
Cash Coverage Ratio (incl Working Capital)	0.1	0.5	0.8	0.8	0.5	0.3	0.4	0.3
Minimum Liquidity Required	72.8	100.3	85.0	122.3	136.1	177.4	161.3	110.7
Cash Surplus/(Shortfall)	(63.1)	(48.7)	(19.3)	(24.5)	(67.3)	(117.5)	(92.8)	(73.3)

IPM SHADOW CREDIT SCORE

Knysna was assessed for an IPM shadow credit score, to provide information to management and to council as to the current risk rating that municipality may receive from external lenders, which will determine the municipality's cost of funding. Any improvements to the shadow credit rating over time will result in more affordable lending rates.

Based on the FY2021 performance of Knysna, the IPM credit model reflects a score of **4.9** which is comparable to a low **BBB+** on a national ratings scale. This credit score is relatively low compared to other municipalities in the district, however it is at **Investment Grade** level, which means that Knysna should be successful in accessing external borrowing at competitive rates.

The results obtained from the assessment, per module, are presented below:

TABLE 6: IPM CREDIT MODEL OUTCOMES

Modules	2021 (5)
Financial	2.2
Institutional	2.4
Socio-Economic	2.1
Infrastructure	2.7
Environmental	4.2

From the assessment it is evident that the socio-economic environment continues to be Knysna's main impediment in achieving higher credit scores. This is linked to the low economic growth in the region.

Any improvement in the institutional capacity will have a positive impact on the credit score. Strong governance and prudent financial management remain the key factors to be considered. The Auditor General's report, findings and recommendations need to be addressed annually and improved on a yearly basis.

Supply of household infrastructure services has weakened since the last update due to the increases in electricity distribution losses.

The score achieved on the financial module is driven by the unhealthy liquidity position. By implementing the recommendations of the LTFP update report, maintaining financial discipline and prudent financial management, Knysna should be able to improve this score over time.

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1 Planning Process

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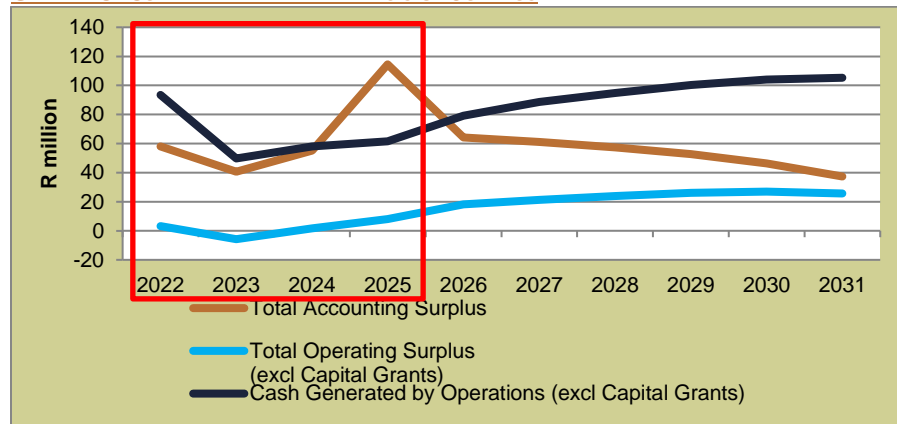
8 Ratio Analysis

9 Conclusions

LONG TERM FINANCIAL MODEL OUTCOMES

CURRENT MTREF SCENARIO

GRAPH 25: CURRENT MTREF: ANALYSIS OF SURPLUS



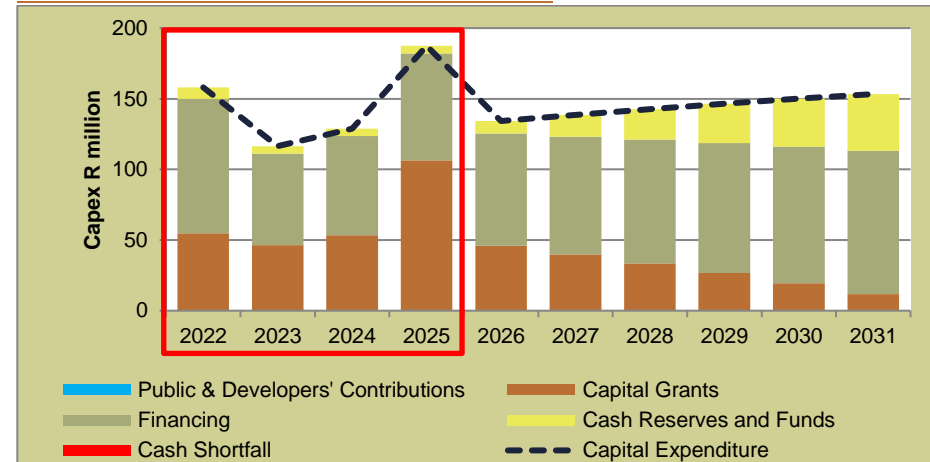
The current MTREF indicates that Knysna will realise an operating deficit for FY2023 followed by an improvement to operating surpluses for the remainder of the MTREF. An analysis of the MTREF indicates the following key assumptions contributed to the low levels of surplus:

1. An increase in the average gross electricity tariff of 14.59% (revenue) for FY2022 that is significantly lower than the Eskom bulk tariff of 17.6% for bulk purchases (expenditure) for the same year. This mismatch results in a significant decline in the gross electricity surplus margin.
2. Above CPI increases in various expenditure items.

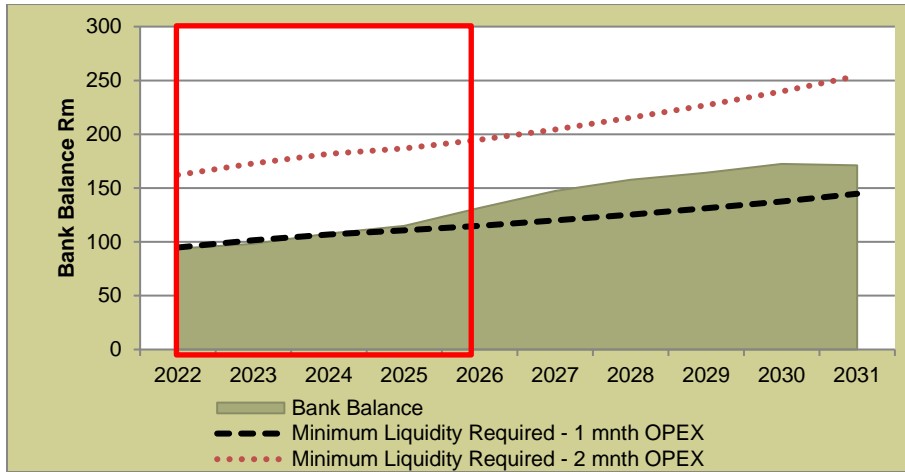
The bank balance (see [Graph 27](#) below) is budgeted to be lower than the required minimum liquidity levels due to 1) the budgeted low levels of profitability, 2) the

assumed low collection rate of 93% and 3) the utilisation of limited cash resources to fund capital expenditure.

GRAPH 26: CURRENT MTREF: CAPITAL FUNDING MIX



GRAPH 27: CURRENT MTREF: BANK BALANCE VS MINIMUM LIQUIDITY



BASE CASE SCENARIO

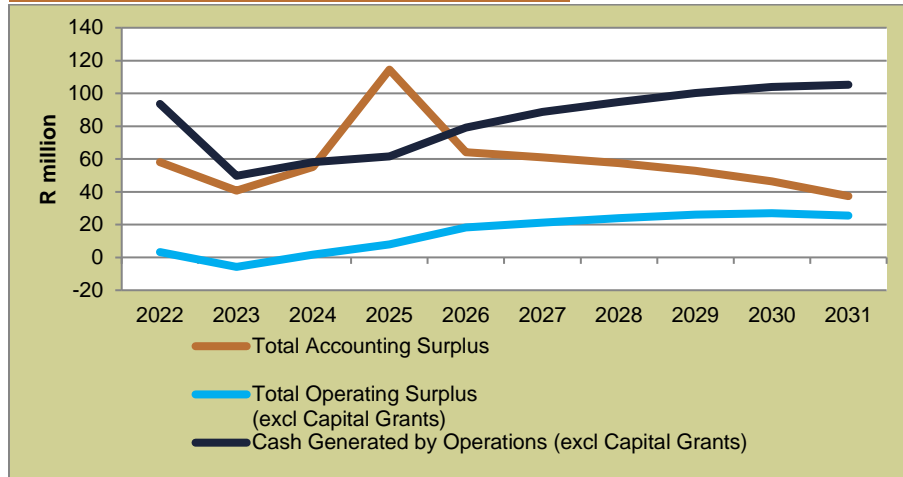
To develop a realistic Base Case model, the MTREF figures from the MTREF Adopted Budget 2021/22 – 2024/25 were used. The historical analysis indicates an unhealthy liquidity position, worsened by a cash balance that does not meet the minimum liquidity requirements mainly due to the low collection rate and low level of surplus. The following are the key realistic assumptions for the objective of the model, to model future financial sustainability.

1. The collection rate was assumed to remain at 94% throughout the planning period.
2. Electricity distribution losses assumed to progressively reduce to 10% by the end of the planning period.
3. Water distribution losses assumed to progressively reduce to 30% by the end of the planning.
4. Repairs and maintenance as a percentage of PPE and IP assumed to remain at 3.5% throughout the planning period.

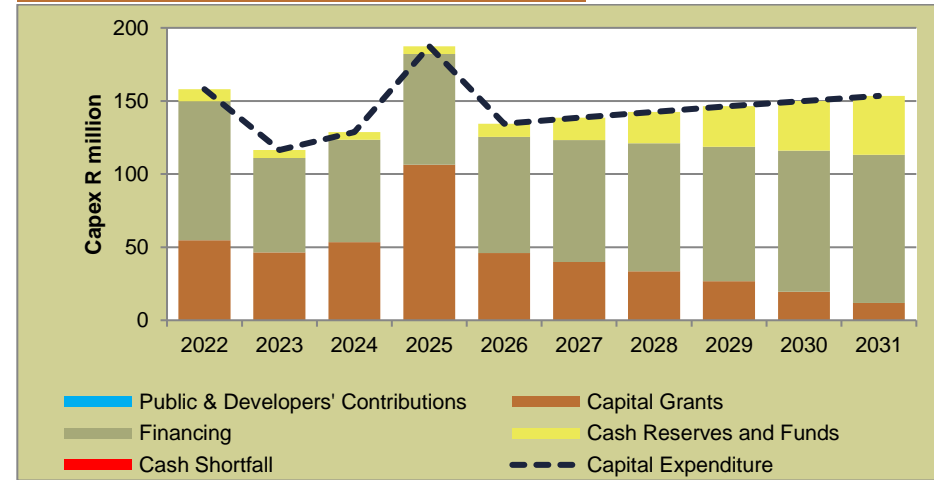
5. The model incorporated all the increases in revenue and expenditure items as announced in the adopted 2022/23 budget.
6. No adjustments were made to the MTREF capital budget and the funding mix, as the results depicted by the Current MTREF Scenario indicate an optimal funding mix.

The annual borrowing under this scenario consists of 13-year amortising loans at a fixed interest rate equal to 5% over forecast CPI in any given year. At these levels of borrowings, the debt indicators remain below the maximum recommended NT norms being a gearing ratio of .45%, and debt service to total expense ratio of 8%.

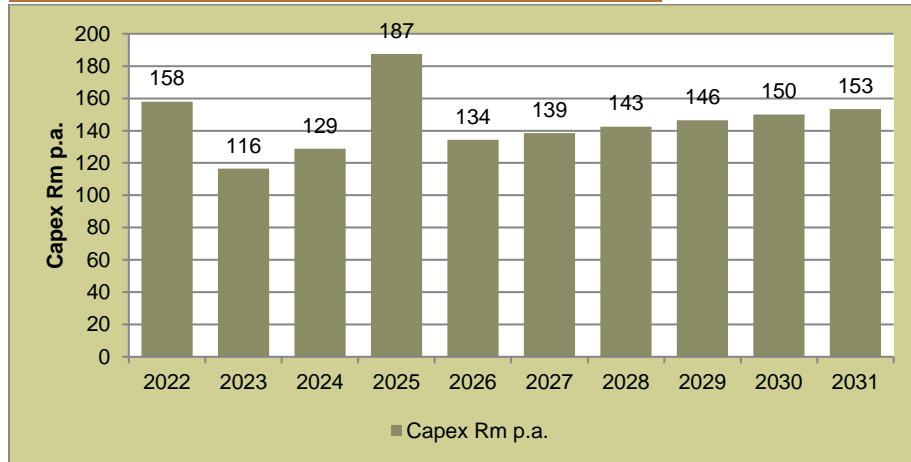
GRAPH 28: BASE CASE SCENARIO: ANALYSIS OF SURPLUS



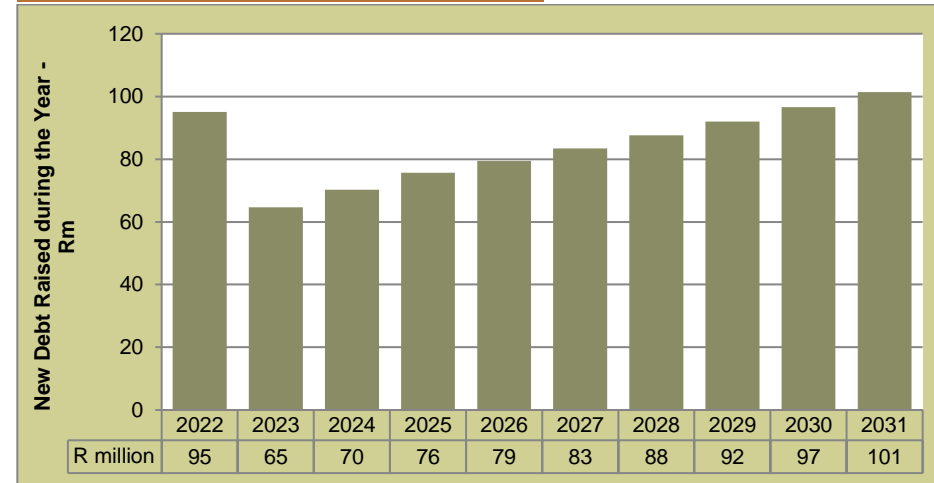
GRAPH 30: BASE CASE SCENARIO: CAPITAL FUNDING MIX



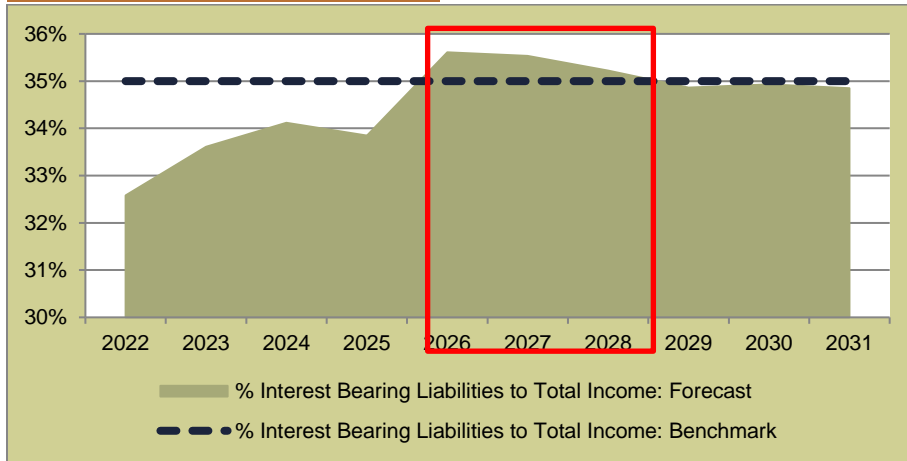
GRAPH 29: BASE CASE SCENARIO: ANNUAL CAPITAL EXPENDITURE



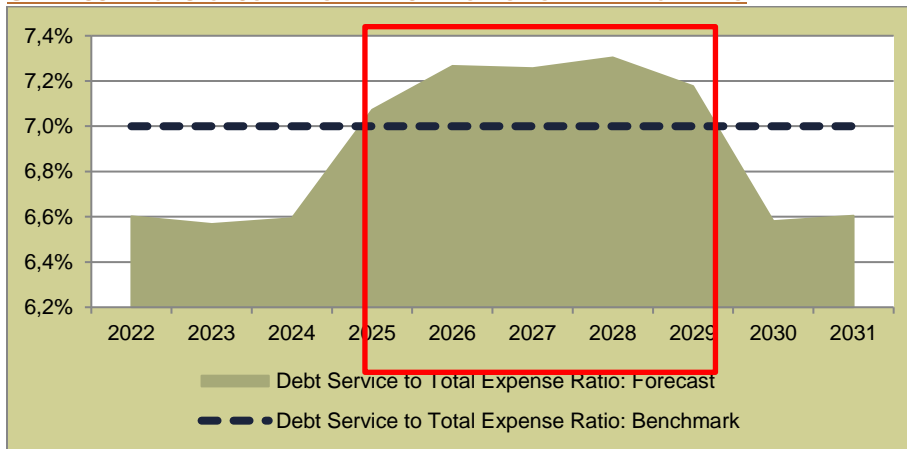
GRAPH 31: BASE CASE SCENARIO: NEW DEBT RAISED



GRAPH 32: BASE CASE SCENARIO: GEARING



GRAPH 33: BASE CASE SCENARIO: DEBT SERVICE TO TOTAL EXPENSE RATIO



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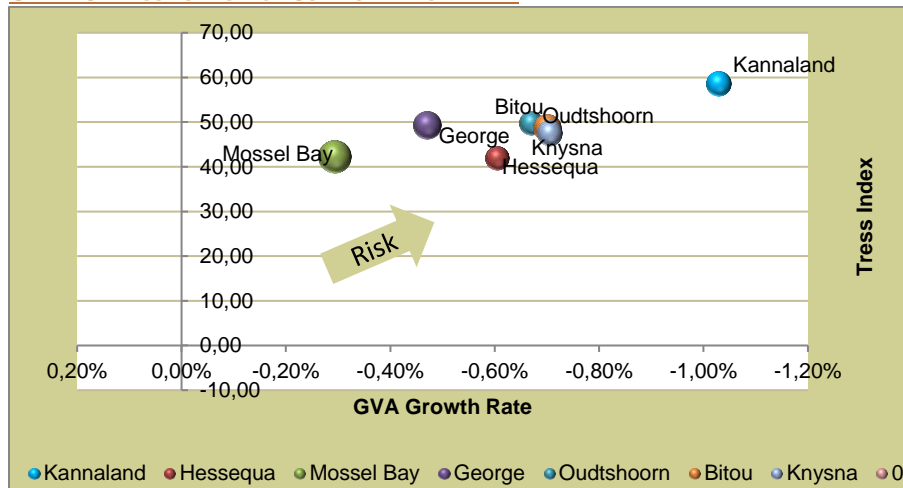
8 Ratio Analysis

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FUTURE REVENUES

MUNICIPAL REVENUE RISK INDICATOR (MRRRI) = "HIGH"

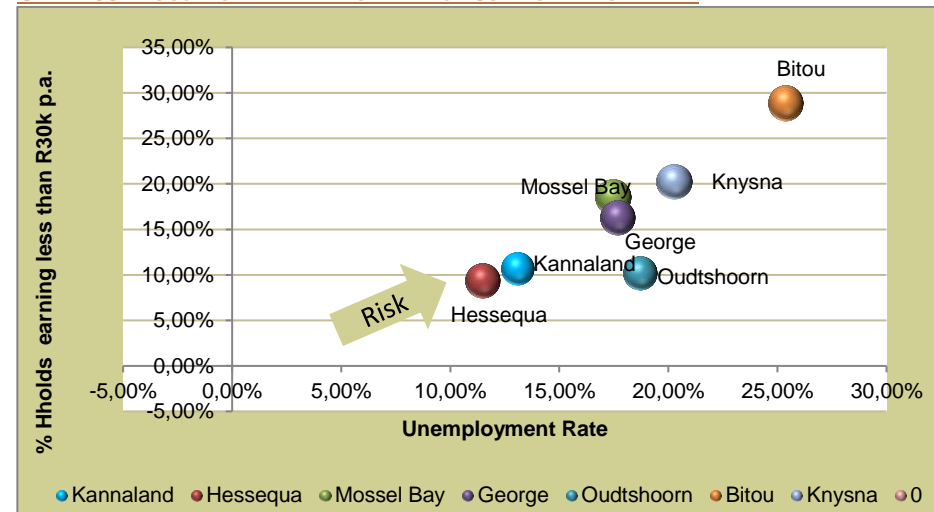
GRAPH 34: ECONOMIC RISK COMPONENT OF MRRRI



The Municipal Revenue Risk Indicator (MRRRI) measures the risk of the municipality's ability to generate its own revenues. This is a function of the economy (size of the economy as measured by GVA per capita, GVA growth rate and Tress Index); and the household ability to pay (measured by percentage of households with income below R42 000 p.a., unemployment rate and human development index).

The latest iHS Global Insight update of Knysna's economy reveals average economic contraction during the past 5 years was 0.7% p.a., with GVA per capita of R62 147 p.a., in an economy that is fairly diversified as indicated by a Tress Index of 47.63. This resulted in a "High" risk rating by the economic risk component of the MRRRI, mainly due to the sluggish economic growth rate over the past five years.

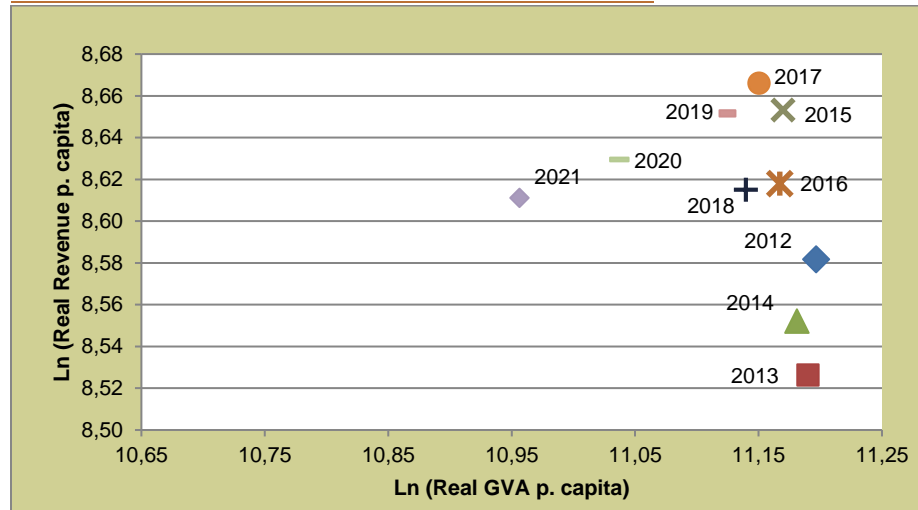
GRAPH 35: HOUSEHOLD ABILITY TO PAY RISK COMPONENT OF MRRRI



The high percentage of indigent households reliant on support (20.3%), the official unemployment rate of 20.3% and the human development index of 0.73. resulted in a high household ability to pay risk component of MRRRI.

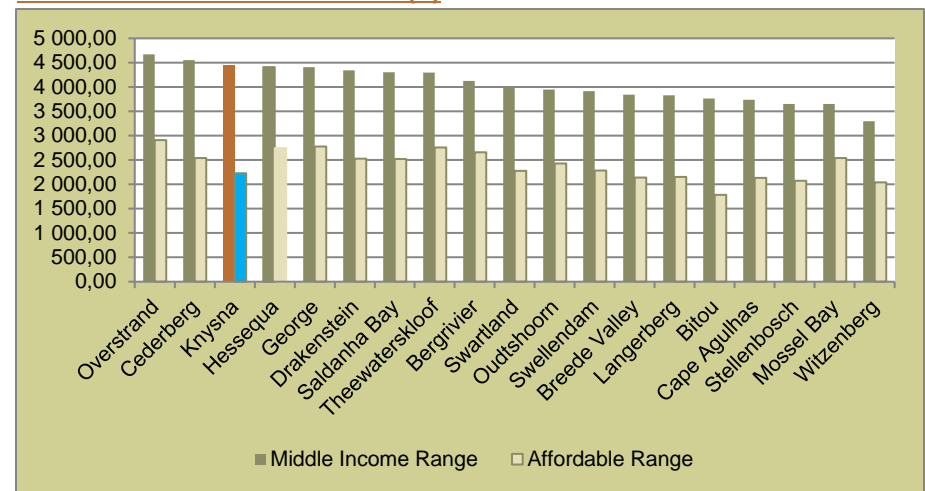
The regional economy and the household ability to pay for services delivered by the municipality, rates Knysna as "High" risk on the MRRRI indicator scale i.e., there is a high risk that the municipality will not be able to generate the forecast cash revenue expected in future.

GRAPH 36: REAL REVENUE PER CAPITA VS REAL GVA PER CAPITA



Real municipal revenue (excluding capital transfers) per capita indicates a decreasing trend between 2019 and 2021. The GVA per capita has, on the other hand, decreased over the past five years from R70 778 p.a. per capita, in 2017 to R57 307 p.a. for 2021. The decrease in GVA per capita can be attributed to population growth rate exceeding the economic growth rate. The economic contraction in recent years is eroding the municipality’s revenue base and there is increased pressure on households to pay their municipal bill. A sustained period of low levels of GVA growth will negatively impact the municipality’s ability to generate income from households.

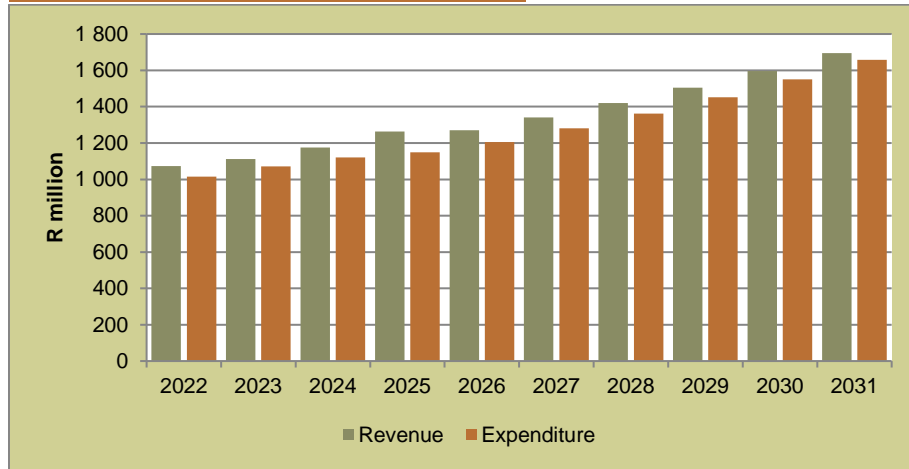
GRAPH 37: AVERAGE HOUSEHOLD BILL (R)



A comparison of the average household bill for the middle income and affordable income range of a selected number of municipalities in the Western Cape province (extracted from Budget Table: SA14) based on the 2021/22 tariffs, reveals that Knysna LM features at the higher end of the range. Considering the level of service provided by Knysna LM and the size of the municipality, the current household bill is reasonable compared to other municipalities. The scope of the tariff increases is, however, limited by household’s ability to pay for services.

MUNICIPAL REVENUES

GRAPH 38: BASE CASE: REVENUE AND EXPENDITURE

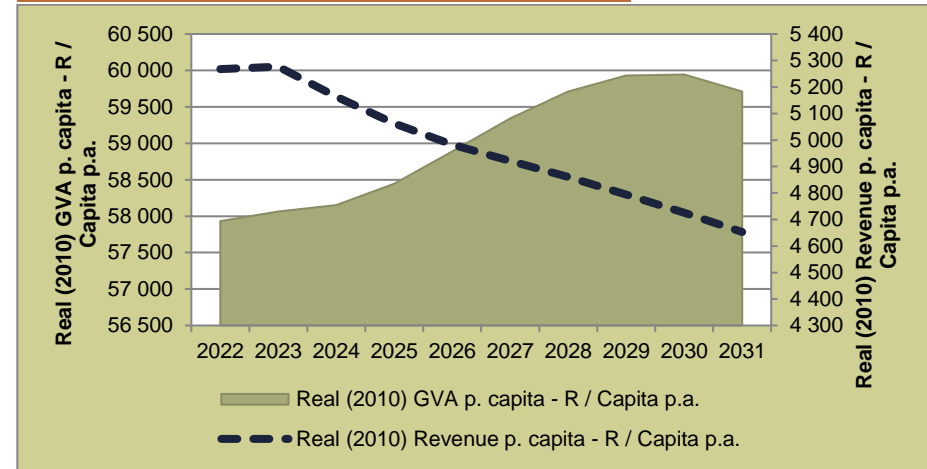


The Base Case estimates that, over the planning period, future nominal revenue (including capital grants) will grow at an average of 5.4% p.a. The revenue growth includes: (i) tariff increases, (ii) increased sales and (iii) additional revenue sources. Future nominal expenditure is estimated to grow at a marginally higher rate of 5.7% p.a. over the same period.

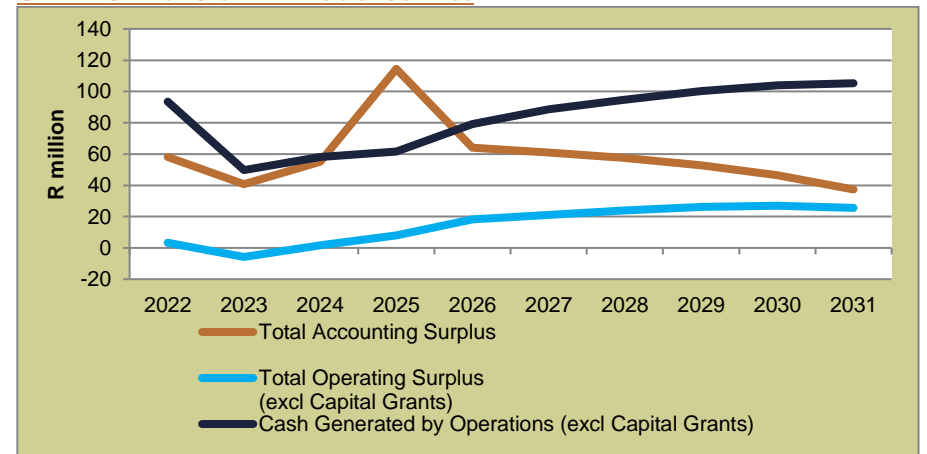
The Real GVA per capita is expected to improve from over the MTREF period. The Real Revenue per capita is expected to decrease from 2024 onwards. The local economic growth (GVA growth) is significant to the municipality as it affects the ability of the municipality to generate revenue (MRR). Growth in GVA will result in an increase in the municipality's revenue base, which will improve the level of surplus and ultimately accelerate investment in capital expenditure.

Notwithstanding is expected to generate cash from operations despite the assumed low collection rate. This is partly due to the forecast improvements in the surplus over the planning period.

GRAPH 39: PROJECTED REAL GVA AND REVENUES PER CAPITA



GRAPH 40: BASE CASE: ANALYSIS OF SURPLUS



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AFFORDABLE FUTURE CAPITAL INVESTMENT

CAPEX AFFORDABILITY AND FUNDING

The total CAPEX Demand was determined during the preparation of the LTFP in 2018 but has changed since then. For purposes of this report, the adjusted estimated CAPEX Demand in the previous update was adjusted for inflation. It is essential to establish a more accurate and reasonable CAPEX demand estimate. However, for purposes of this report, affordability is the focus of concern.

TABLE 7: CAPEX DEMAND VS CAPEX AFFORDABILITY

Total 10-year CAPEX Demand (Adjusted)	R7 706 million
Total 10-year CAPEX Affordability:	R1 456 million

The capex demand still exceeds the capex affordability. The capex affordability was updated in FY2018; however, it needs to be stressed that the capex demand estimates were based on the desk top estimates undertaken in 2017, which included an analysis of the asset registers and IPM's estimates of new capital investments. These estimates need to be revised pursuant to updated master plans and requisite engineering estimates.

MTREF CAPITAL FUNDING MIX

Knysna's adopted MTREF Budget 2021/22 to 2024/25, expects a capital budget amounting to R589 million funded as follows:

TABLE 8: 4-YEAR MTREF FUNDING MIX R'M

R'm	Total	2021/22	2022/23	2023/24	2024/25
				4	5

Public & Developers Contributions					
Capital Grants	260	55	46	53	106
Financing	306	95	65	70	76
Cash Reserves and Funds	23	8	5	5	5
Total	589	158	116	128	187

The results of the MTREF scenario indicated that the MTREF capital budget and the related funding mix to be reasonable and closely aligned to the recommendations of the LTFP (2019). No adjustments were therefore made to the MTREF capital budget in arriving at the Base Case. At these levels of borrowings, the municipality's debt profile remains affordable while liquidity is preserved.

The collection rate has deteriorated since the preparation of the LTFP in 2019 from 94% to 90%, below the NT benchmark of 95%. This rate is assumed to improve to 93% throughout the planning period and will have a marked impact on the capital expenditure and its funding mix if not achieved.

10-YEAR CAPITAL FUNDING MIX

The capital funding mix for the 10-year planning period is forecast to be as follows:

TABLE 9: 10-YEAR CAPITAL FUNDING MIX

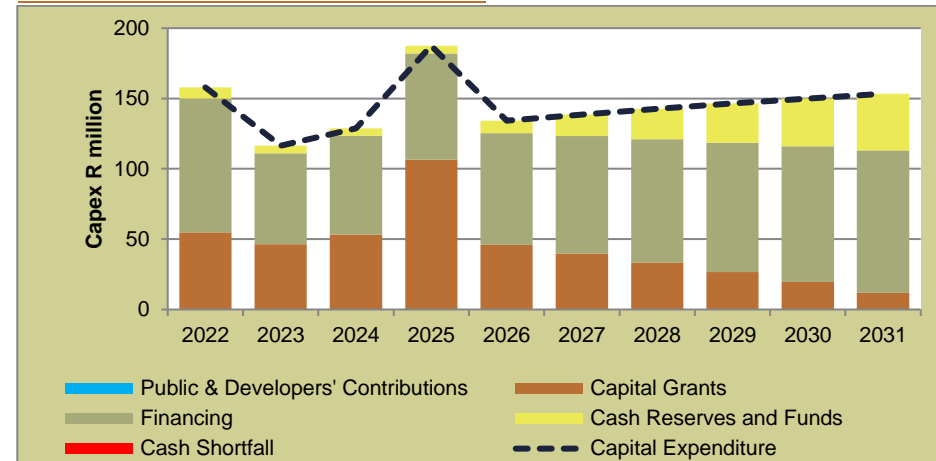
Source	Rm	%
Public & Developers' Contributions		
Capital Grants	438	30%
Financing	846	58%
Cash Reserves and Funds	172	12%
Cash Shortfall	0	0%
Capital Expenditure	1 456	100%

The funding mix indicates that borrowing remains the dominant source of funding, similar to the historical funding mix. Extensive utilisation of cash resources in funding CAPEX proves unsustainable as it will eventually result in the depletion of cash reserves and decline in liquidity levels. It is important to note that due to the prevailing national fiscus constraints (worsened by the impact of COVID-19), grant funding in future will decline in real terms. It is therefore

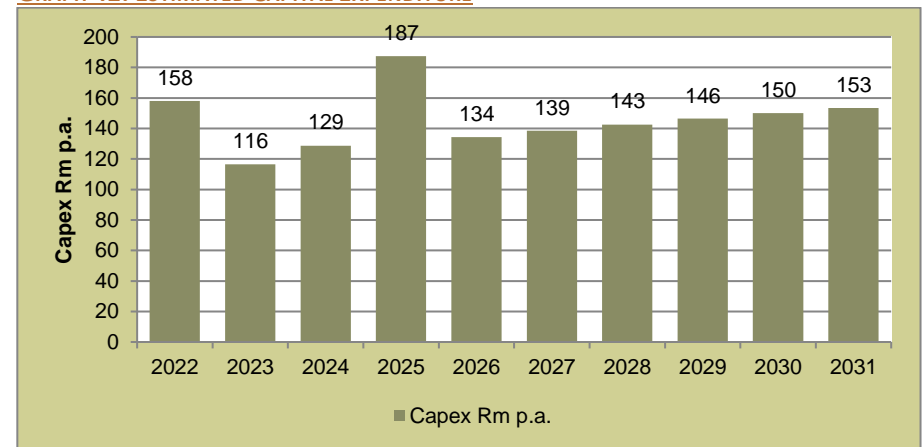
imperative that the municipality improve its surplus by managing its expenditure and consider increases in future tariffs that result in higher surplus margins, whilst maintaining a collection rate above 93%.

The Base Case's funding mix and annual borrowings is presented by the graphs below:

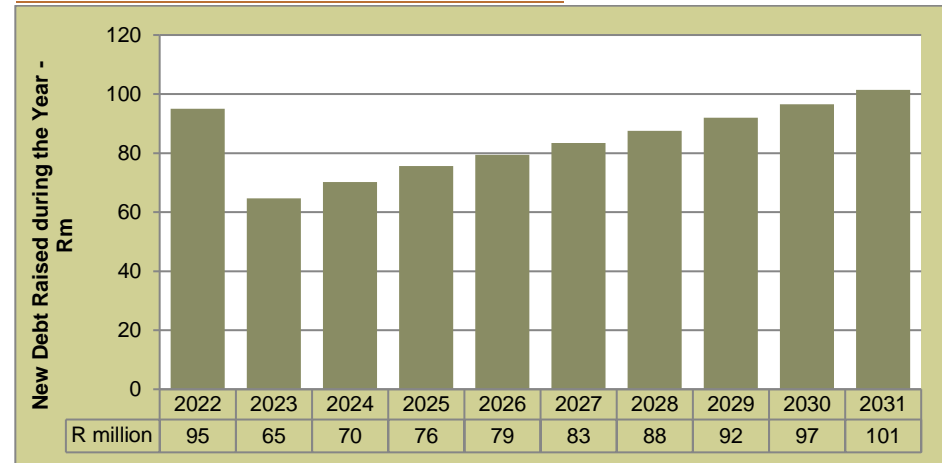
GRAPH 41: DISTRIBUTION OF FUTURE FUNDING



GRAPH 42: ESTIMATED CAPITAL EXPENDITURE



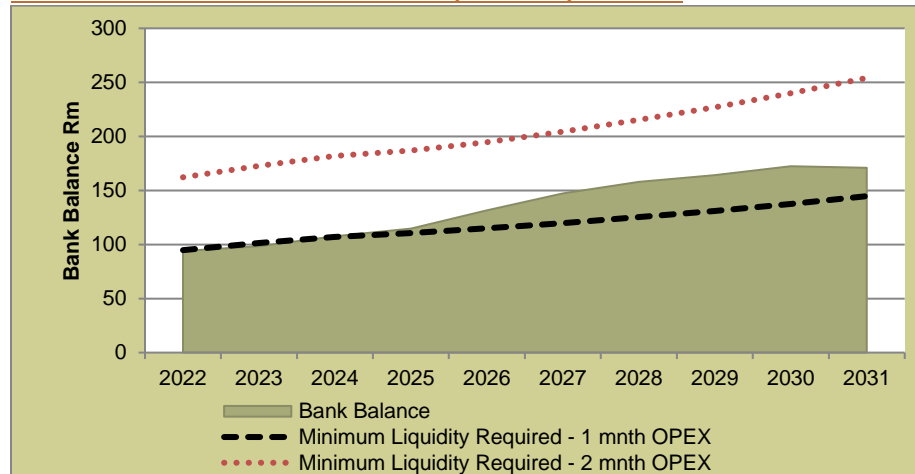
GRAPH 43: ESTIMATE OF FUTURE EXTERNAL FINANCING



LIQUIDITY AND CAPITAL REPLACEMENT RESERVE

The minimum liquidity levels cater for unspent conditional grants, cash-backed reserves, short term provisions and 1-month's working capital (operating expenditure). The liquidity position is expected to improve to balances above the minimum liquidity requirements by the end of the planning period, partly due to the slight improvement in the collection rate and an improvement in profitability over the planning period. It is imperative that the municipality maintain the optimal funding mix indicated in the Base Case by limiting the use of cash reserves to fund capital expenditure.

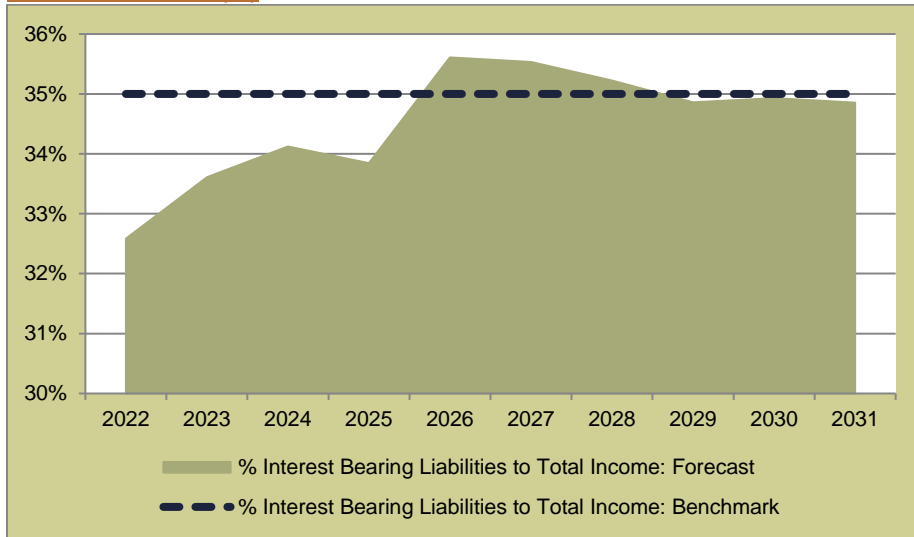
GRAPH 44: BANK BALANCE VS MINIMUM LIQUIDITY REQUIREMENTS



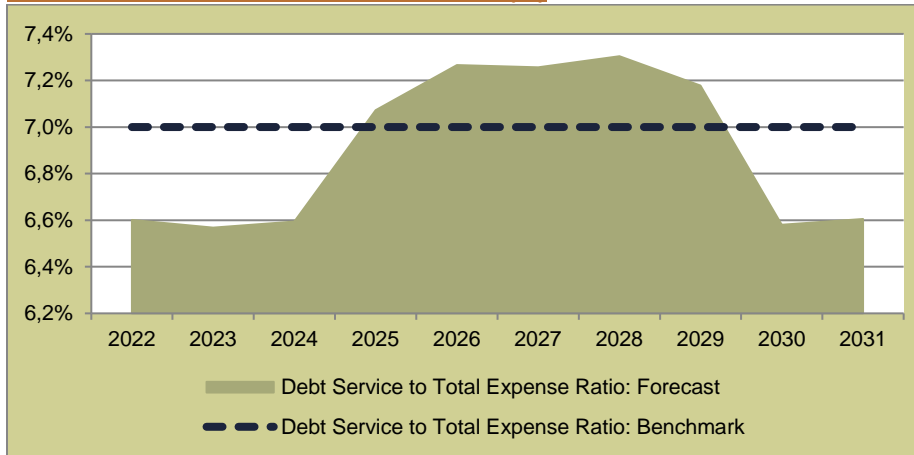
GEARING

In the Base Case, the gearing is forecast to increase from FYE2021 rate of 30% to reach 35.1%, being the maximum gearing level regarded as appropriate for Knysna. The debt service cover ratio (cash generated by operations to debt service) improves from 0.21:1 to 1.1:1 over the same period. The debt service to total expenditure is expected to remain below the 7% level regarded as appropriate for Knysna, for most of the planning period

GRAPH 45: GEARING (%)



GRAPH 46: DEBT SERVICE TO TOTAL EXPENDITURE (%)



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SCENARIOS ANALYSIS

Considering our analysis of the proposed MTREF budget and the risks identified as part of this update, the following scenarios were run to indicate the potential outcomes. The main purpose of these scenarios is to assist the municipality in its strategic decision making and serve as an input to the budget for FY2024.

1. To indicate the collection rate sensitivity on long-term financial sustainability - a positive scenario indicating the impact of an improvement in the collection rate by two percentage points from 93% to 95%. All other input variables are assumed to be consistent with the Base Case.
2. To indicate the impact of distribution losses on long-term financial sustainability - a scenario depicting no improvement in the distribution losses as assumed in the Base Case. All other input variables are assumed to be consistent with the Base.

SCENARIO 1: SENSITIVITY ANALYSIS ON THE COLLECTION RATE

To assess the impact of an improvement in the collection rate on the municipality's finances. The model was adjusted by increasing the collection rate by two percentage points over the entire planning period while keeping the other input variables constant.

The results indicate a significant increase in the cash balance to a position where the municipality will not only meet the minimum liquidity requirements, but also pay its obligations when they fall due and sustain its capital investment programme.

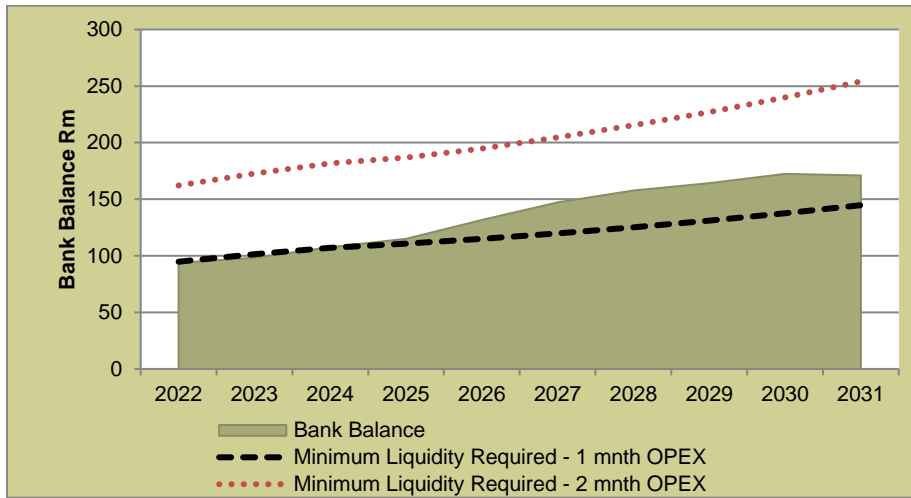
TABLE 10: SCENARIO 2: SENSITIVITY ANALYSIS OF THE COLLECTION RATE

Outcome	Improve	
	Base Case	Collection Rate
Average annual % increase in Revenue	5.4%	5.5%
Average annual % increase in Expenditure	5.7%	5.6%
Accounting Surplus accumulated during Planning.		
Period (Rm)	R587	R825
Operating Surplus accumulated during Planning.		
Period (Rm)	R149	R387
Cash generated by Operations during Planning.		
Period (Rm)	R835	R1 072
Average annual increase in Gross Consumer Debtors	15.4%	12.3%
Capital investment programme during Planning.		
Period (Rm)	R1 456	R1 456
External Loan Financing during Planning Period (Rm)	R846	R846
Cash and Cash Equivalents at the end of the		
Planning Period (Rm)	R171	R409
No of Months Cash Cover at the end of the Planning	2	4

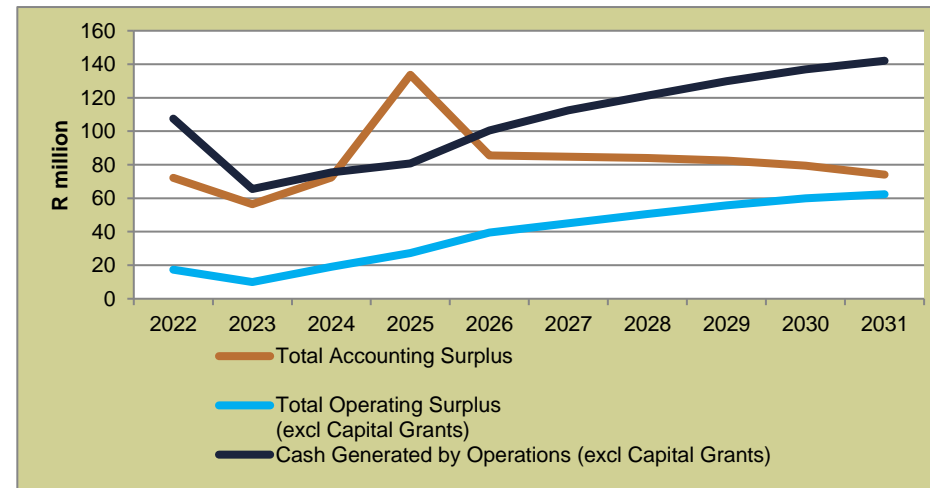
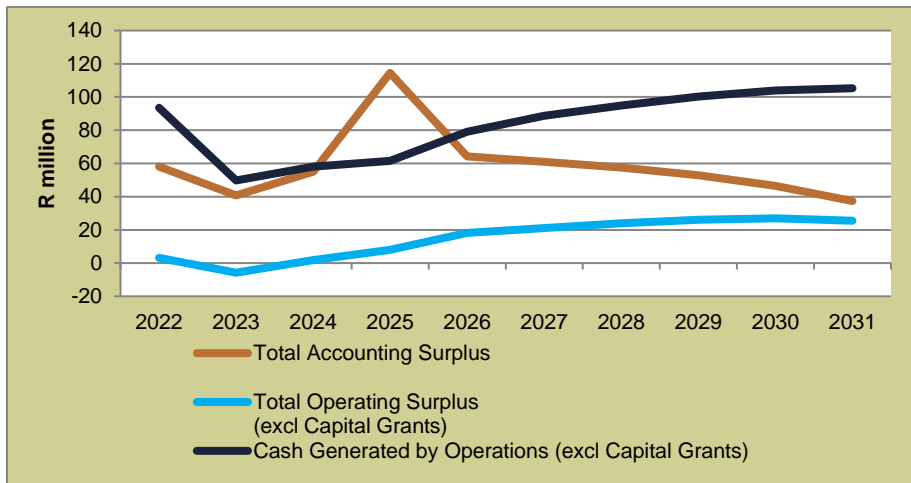
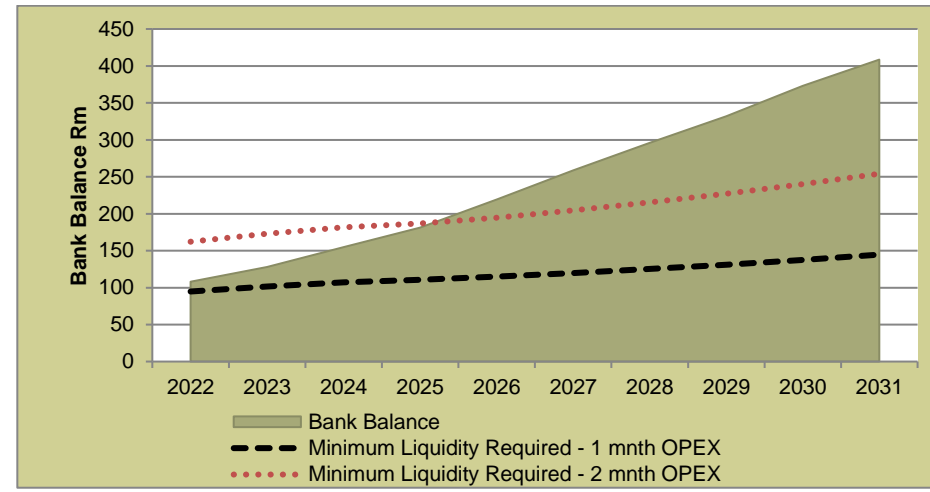
Outcome	Improve	
	Base Case	Collection Rate
Period (Rm)		
Liquidity Ratio at the end of the Planning Period	1.4:1	2.4:1
Gearing at the end of the Planning Period	35.1%	34.8%
Debt Service to Total Expense Ratio at the end of the Planning Period	6.6%	6.7%

SCENARIO 1: SENSITIVITY ANALYSIS ON THE COLLECTION RATE

BASE CASE SCENARIO



REDUCE COLLECTION RATE BY 2 PERCENTAGE POINTS SCENARIO



SCENARIO 2: SENSITIVITY ANALYSIS ON THE DISTRIBUTION LOSSES

In arriving at the Base Case scenario, one of the key assumptions was a reduction of the electricity and water distribution losses from FY2021's 11.33% and 44.5% respectively, to values equivalent to the NT minimum levels of 10% and 30% respectively. To assess the impact of distribution losses on the municipality's finances the model was adjusted to reducing the assumed distribution losses to the FY2021, i.e., no improvement in the distribution losses.

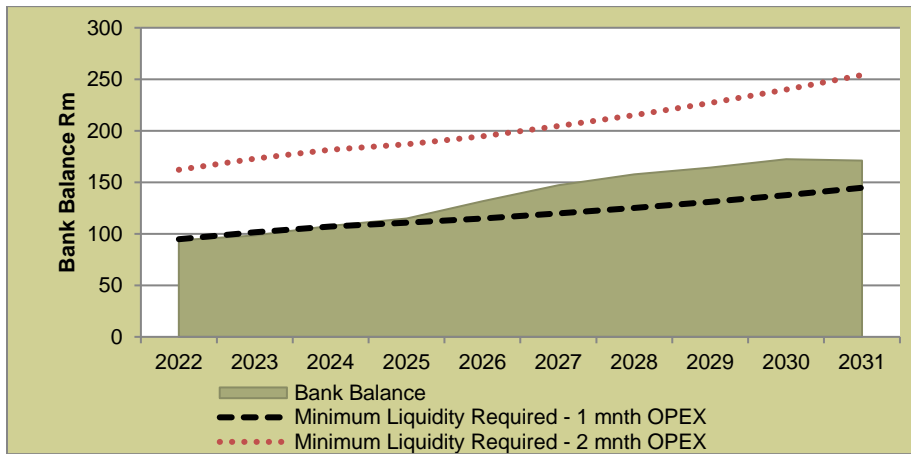
The results indicate a decrease in the municipality's cash balance

Outcome	Base Case	No improvement in distribution losses
Average annual % increase in Revenue	5.4%	5.4%
Average annual % increase in Expenditure	5.7%	5.7%
Accounting Surplus accumulated during Planning. Period (Rm)	R587	R569
Operating Surplus accumulated during Planning. Period (Rm)	R149	R131
Cash generated by Operations during Planning. Period (Rm)	R835	R817
Average annual increase in Gross Consumer Debtors	15.4%	15.4%
Capital investment programme during Planning. Period (Rm)	R1 456	R1 456
External Loan Financing during Planning Period (Rm)	R846	R846
Cash and Cash Equivalents at the end of the Planning Period (Rm)	R171	R153
No of Months Cash Cover at the end of the Planning Period (Rm)	2	1
Liquidity Ratio at the end of the Planning Period	1.4:1	1.4:1

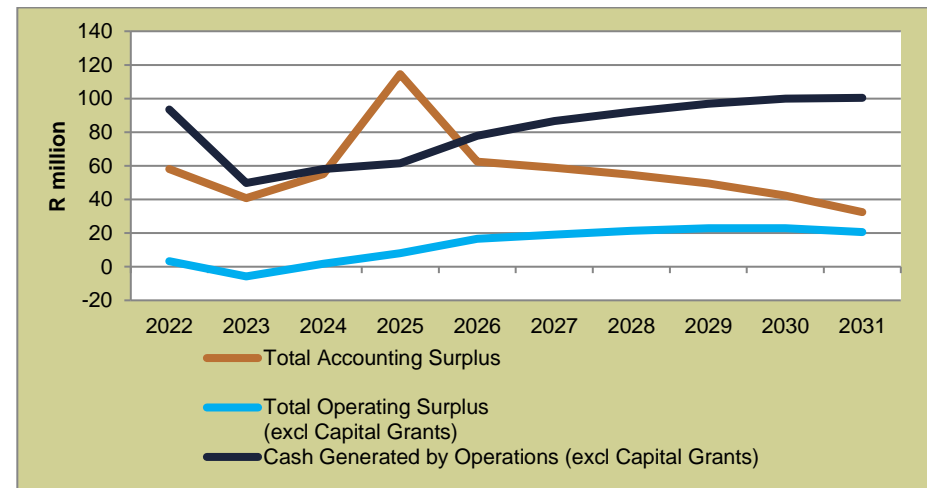
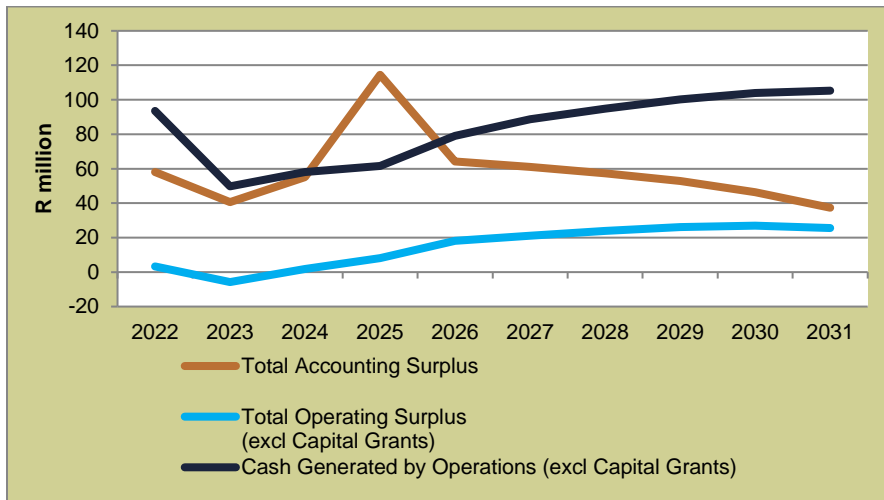
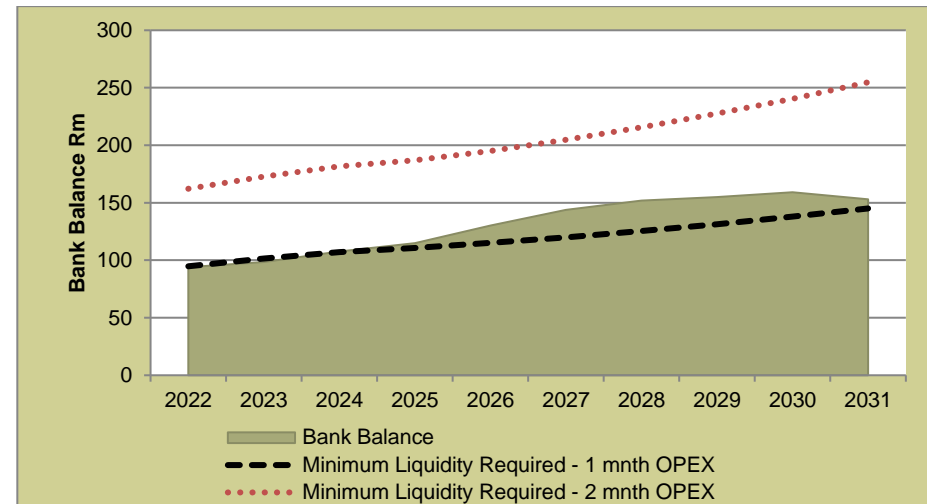
Outcome	Base Case	No improvement in distribution losses
Gearing at the end of the Planning Period	35.1%	35.1%
Debt Service to Total Expense Ratio at the end of the Planning Period	6.6%	6.6%

SCENARIO 2: SENSITIVITY ANALYSIS ON THE DISTRIBUTION LOSSES

BASE CASE SCENARIO



NO IMPROVEMENT IN DISTRIBUTION LOSSES SCENARIO



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FORECAST RATIOS

The Base Case forecast ratios are presented below. Although the model is not programmed to measure the ratios as required by National Treasury in all instances, it does provide comfort that the municipality is sustainable in future – on condition that it operates within the assumed benchmarks set in the financial plan.

		<u>N.T. NORM</u>	<u>2022</u>	<u>2024</u>	<u>2026</u>	<u>2028</u>	<u>2030</u>	<u>2031</u>	<u>COMMENTS</u>
FINANCIAL POSITION									
ASSET MANAGEMENT									
R29	Capital Expenditure / Total Expenditure	10% - 20%	13.5%	10.3%	10.0%	9.5%	8.8%	8.5%	CAPEX as a % of Total Expenditure remains just below the NT norm range throughout the planning period.
R27	Repairs and Maintenance as % of PPE and Investment Property	8%	3.0%	3.3%	3.4%	3.4%	3.4%	3.4%	Repairs and maintenance as a percentage of PPE and IP remains below the NT benchmark throughout the planning period
DEBTORS MANAGEMENT									
R4	Gross Consumer Debtors Growth		30.6%	18.3%	13.9%	11.5%	10.1%	9.5%	The Collection Rate is assumed to remain at 93% over the planning period.
R5	Payment Ratio / Collection Rate	95%	92.6%	93.1%	93.1%	93.1%	93.1%	93.1%	
LIQUIDITY MANAGEMENT									
R49	Cash Coverage Ratio (excl Working Capital)		3.4: 1	3.3: 1	3.8: 1	4.5: 1	4.9: 1	4.8: 1	The bank balance will meet the minimum liquidity levels by the end of the planning period. this ultimately contributes to an improved liquidity position, evidenced by a current ratio of 1.4:1; by the end of the planning period, which remains below the NT minimum benchmark.
R50	Cash Coverage Ratio (incl Working Capital)		1: 1	1: 1	1.1: 1	1.2: 1	1.2: 1	1.2: 1	
R51	Cash Surplus / Shortfall on Minimum Liquidity Requirements		-R 2.6 m	-R 0.3 m	R 15.6 m	R 31.3 m	R 33.4 m	R 24.8 m	
R1	Liquidity Ratio (Current Assets: Current Liabilities)	1:1.5 - 1:2.1	1.2: 1	1.2: 1	1.3: 1	1.4: 1	1.4: 1	1.4: 1	
LIABILITY MANAGEMENT									
R45	Debt Service as % of Total Operating Expenditure	6% - 8%	6.6%	6.6%	7.3%	7.3%	6.6%	6.6%	The external financing is well within the recommended benchmarks.

		<u>N.T. NORM</u>	<u>2022</u>	<u>2024</u>	<u>2026</u>	<u>2028</u>	<u>2030</u>	<u>2031</u>	<u>COMMENTS</u>
R6	Total Debt (Borrowings) / Operating Revenue	45%	34.3%	35.7%	36.9%	36.1%	35.4%	35.1%	
R7	Repayment Capacity Ratio		2.94	4.98	4.91	5.38	6.56	7.79	
R46	Debt Service Cover Ratio (Cash Generated by Operations / Debt Service)		2.2: 1	1.5: 1	1.4: 1	1.3: 1	1.2: 1	1.1: 1	

		<u>N.T. NORM</u>	<u>2021</u>	<u>2023</u>	<u>2025</u>	<u>2027</u>	<u>2029</u>	<u>2030</u>	<u>COMMENTS</u>
SUSTAINABILITY									
	Net Financial Liabilities Ratio	< 60%	38.6%	40.4%	40.5%	39.3%	39.1%	39.6%	Net Financial Liabilities are within the benchmark, but the Operating Surplus Ratio remains below the recommended lower benchmark for during the MTREF period. Asset Sustainability is not calculated but entered as an assumption in the model. The municipality must ensure that a greater proportion of CAPEX is spent on asset replacement should it be required.
	Operating Surplus Ratio	0% - 10%	0.3%	0.2%	1.5%	1.7%	1.7%	1.5%	
	Asset Sustainability Ratio	> 90%	104.6%	99.0%	93.4%	93.8%	94.7%	95.4%	
FINANCIAL PERFORMANCE									
EFFICIENCY									
R42	Net Operating Surplus / Total Operating Revenue	>= 0%	0.3%	0.2%	1.5%	1.7%	1.7%	1.5%	The net operating surplus is below 0% for the MTREF period and improves to 1.5% by 2025, an indication that the municipality should endeavour to improve profitability by managing expenditure and improving surplus margins on electricity services and maintaining the high-water surplus margins.
R43	Electricity Surplus / Total Electricity Revenue		30.0%	29.2%	33.6%	33.8%	33.9%	34.0%	
R44	Water Surplus / Total Water Revenue		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
REVENUE MANAGEMENT									

		<u>N.T. NORM</u>	<u>2021</u>	<u>2023</u>	<u>2025</u>	<u>2027</u>	<u>2029</u>	<u>2030</u>	<u>COMMENTS</u>
R8	Increase in Billed Income p.a. (R'm)		R 78.6 m	R 36.7 m	R 49.0 m	R 55.6 m	R 64.1 m	R 68.1 m	Billed Revenue and Operating Revenue Growth is above CPI over the planning period. Cash generated from operations is expected to increase throughout the planning period.
R9	% Increase in Billed Income p.a.	CPI	12.4%	4.9%	5.9%	6.0%	6.1%	6.1%	
R12	Operating Revenue Growth %	CPI	6.6%	5.3%	5.9%	6.5%	6.7%	6.7%	
R47	Cash Generated by Operations / Own Revenue		17.5%	11.7%	11.8%	10.7%	9.1%	8.1%	
R48	Cash Generated by Operations / Total Operating Revenue		14.6%	9.9%	10.2%	9.3%	7.8%	7.0%	
		<u>N.T. NORM</u>	<u>2021</u>	<u>2023</u>	<u>2025</u>	<u>2027</u>	<u>2029</u>	<u>2030</u>	<u>COMMENTS</u>
EXPENDITURE MANAGEMENT									
	Creditors Payment Period	30	67	72	71	69	66	63	Creditors' payment period is higher than the NT benchmark, however, these are forecast to decrease over the planning period.
R30	Contribution per Expenditure Item: Staff Cost (Salaries, Wages and Allowances)	25% - 40%	26.0%	26.6%	27.7%	28.3%	28.9%	29.2%	
	Contribution per expenditure item: Contracted Services	2% - 5%	13.6%	13.9%	12.6%	12.8%	12.9%	13.0%	Contracted Services as a percentage of total expenditure are forecasted to exceed the NT benchmark. It is imperative for the municipality to manage this expenditure to improve profitability
GRANT DEPENDENCY									
R10	Total Grants / Total Revenue		20.8%	18.8%	16.6%	15.8%	15.1%	14.8%	The municipality can generate funds from its own sources and is not overly reliant on grants. This is positive to note, as the tightening of the national fiscus will result in a declining reliance on transfers from other spheres of government.
R11	Own Source Revenue to Total Operating Revenue		83.5%	85.1%	86.5%	86.2%	85.9%	85.7%	
	Capital Grants to Total Capital Expenditure		34.7%	41.4%	34.2%	23.5%	13.0%	7.7%	

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CONCLUSION

Knysna generated an accounting surplus amounting to R50.5 million for FY2021. Should capital grants be excluded from total revenue, this figure reduces to an operating surplus of R4.1 million during the period. This is a notable improvement when compared to the prior year operating deficit of R28.6 million. Notwithstanding the low collection rate of 90%, the municipality managed to generate cash from operations. This is mainly due to the delayed payment of creditors as indicated by the high creditor payment period of 92 days as at FYE2021, relative to the NT norm of 30 days. This is not sustainable as future liquidity will be affected when creditors eventually fall due. Any further reduction in the collection rate should be guarded against, as it will lead to a further deterioration in the municipality's liquidity position. Staff costs as a percentage of total expenditure at 26% for FY2021 remained well below the 40% NT benchmark. However, contracted services as a percentage of total operating expenditure in FY2021 – 15% - continued to exceed the 5% NT maximum benchmark. Repairs and maintenance of infrastructure that came to 3% of PPE and IP for FY2021, remaining below the 8% NT benchmark. Electricity net surplus margins for FY2021 remained at 28% since FY2020. However, this margin has narrowed over the 8-year period when compared to the highest margin realised in FY2014 of 33%. Electricity distribution losses increased from 9.08% in FY2020 to 11.33% in FY2021, above the NT maximum level of 10%. Further increases in distribution losses will be to the detriment of Knysna future financial sustainability – lost potential revenue- and the municipality to put measures in place to prevent such losses. This can also be said for water distribution losses which have doubled over the past year from 19.89% in FY2020 to 44.5% in FY2021 and will require focused attention going forward.

The level of investment in capital expenditure decreased since the last update i.e., FY2019 from R148.5 million to R139.1 million in FY2021. Actual capital expenditure as a percentage of budgeted capital expenditure came to 85%. Notwithstanding the impact of COVID-19, Knysna LM has historically underspent

on its capital budget, with the capital budget implementation indicator averaging 84% over the 8-year assessment period

Despite the increase in the gearing ratio from 19% to 30% between FY2017 and FY2021 because of the municipality taking up additional external borrowings in that period, this ratio remains below the NT benchmark of 45%, indicating Knysna's ability to take up additional borrowings. The ability of the municipality to take up additional borrowing is further supported by a debt to operating expense ratio of 6% in FY2021, which is lower than the NT maximum level of 8%. However, the debt service cover ratio of 0.2 implies that the municipality did not generate sufficient cash from its operations during FY2021 to service current debt levels. Notably, this ratio has been below 1 for the entire 8-year assessment period. Knysna LM spent R139.1 million on capital expenditure in FY2020. The funding mix for capital expenditure consisted of external borrowings (R71.8 million or 52%); capital grants (R46.4 million or 33%) and the remainder of cash reserves (R20.9 million or 15%). The municipality has utilised a considerable amount of external borrowings over the past 5 years, whilst operating with limited ability to generate cash from its operations – due to low collection rate and low levels of surplus – resulting in the deterioration of the liquidity position; currently reflected by a current ratio of 1.2:1 (NT benchmark 1.5:1). This weak position is further evidenced by a current ratio less debtors greater than 30 days of 0.9:1

STRENGTHS

- Improvement in profitability indicated by a decrease in the operating deficit from R28.6 million in FY2020 to an operating surplus of R4.1 million
- Low gearing ratio of 30%

- Low level of grant dependency

WEAKNESSES

- Continued increases in the creditors payment period - currently 92 days (FY2021) - presents future threats to cash flow.
- Collection rate (FY2021: 90%) below the 95% NT benchmark
- Low capital budget implementation indicator
- R37.4 million cash balance as at FYE2021 was substantially less than the calculated R110.7 million minimum level of liquidity needed by the municipality.

OUTCOME OF THE FUTURE FORECASTS

The MTREF forecasts low levels of surplus over the MTREF period partly due to 1) significant increases in various expenditure items; and 2) the narrowed electricity margin is a result of a tariff increase of 14.59% for FY2022, which is lower than the NERSA approved ESKOM bulk tariff of 17.6% for the same year. The MTREF indicates that the total capital expenditure (R589 million) will be funded by 51% external borrowings, 44% by own capital grants and remaining 5% by own cash resources. This funding mix is considered optimal, as the municipality's healthy liquidity position is not compromised. As a result, the Base Case did not make any adjustments to the capital expenditure and the funding mix over the MTREF period.

The historical analysis indicates an unhealthy liquidity position, worsened by a cash balance that does not meet the minimum liquidity requirements mainly due to the low collection rate and low profitability. The following are the key realistic assumptions to achieve the objective to model future financial sustainability.

1. The collection rate was assumed to remain at 94% throughout the planning period.

2. Electricity distribution losses assumed to progressively reduce to 10% by the end of the planning period.
3. Water distribution losses assumed to progressively reduce to 30% by the end of the planning.
4. Repairs and maintenance as a percentage of PPE and IP assumed to remain at 3.5% throughout the planning period.
5. The model incorporated all the increases in revenue and expenditure items as announced in the adopted 2022/23 budget.
6. No adjustments were made to the MTREF capital budget and the funding mix, as the results depicted by the Current MTREF Scenario indicate an optimal funding mix.

SENSITIVITY ANALYSIS ON THE COLLECTION RATE

The Base Case assumes a collection rate of 93% over the 10-year planning period. A scenario whereby the collection rate is assumed to improve by two percentage points to 95% for the planning period was modelled. This scenario indicates a positive impact on the liquidity position.

The above results demonstrate the significance of maintaining the collection rate at 93% or higher, as assumed in the Base Case.

SENSITIVITY ANALYSIS ON THE DISTRIBUTION LOSSES

The Base Case assumes an improvement in the distribution losses from the current 11.33% to 10% for electricity distribution losses; and from 44.5% to 30% for water distribution losses. A scenario whereby the distribution losses remain at their current rates was modelled. This scenario indicates a reduction on the cash balance and ultimately liquidity.

The above result demonstrated the significance of ensuring a reduction in the distribution losses to at least 10% and 30% for electricity and water respectively

Municipal Financial Model
Statement of Financial Performance

Model year

Financial year (30 June)

R thousands

0 1 2 3 4 5 6 7 8 9 10

2021 2022 2023 2024 2025 2026 2027 2028 2029 2030 2031

Revenue

Property rates	227 434	249 172	261 345	272 696	285 677	306 961	330 391	355 720	382 646	410 812	439 818
Service Charges	398 293	455 784	486 863	511 967	539 077	566 332	593 372	623 038	655 265	690 514	728 889
Service charges - electricity	273 963	331 176	355 859	374 665	394 939	412 152	427 673	444 610	462 853	482 662	504 035
Service charges - water	71 946	71 189	74 562	77 856	81 389	86 510	92 564	99 230	106 522	114 543	123 339
Service charges - sanitation	26 575	27 980	29 301	30 584	31 993	34 187	36 607	39 275	42 194	45 405	48 927
Service charges - refuse	25 809	25 440	27 141	28 861	30 757	33 483	36 527	39 924	43 696	47 904	52 588
Service charges - other	-	(0)	0	(0)	0	0	0	0	0	0	0
Rental of facilities and equipment	5 756	5 146	5 444	5 684	5 939	6 397	6 905	7 467	8 086	8 771	9 527
Interest earned - external investments	3 210	2 580	5 472	5 835	6 528	7 142	8 382	9 623	10 586	11 298	12 109
Interest earned - outstanding debtors	14 900	19 130	19 322	20 172	21 080	16 789	17 642	18 564	19 528	20 514	21 493
Dividends received	-	-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	108 739	104 657	119 059	124 298	129 891	139 901	151 001	163 294	176 834	191 816	208 349
Licences and permits	1 549	1 579	1 655	1 728	1 806	1 953	2 115	2 292	2 482	2 682	2 890
Agency services	3 630	3 654	3 830	3 998	4 178	4 500	4 857	5 253	5 688	6 170	6 702
Transfers and subsidies (operating)	177 887	168 401	154 689	167 351	153 822	164 908	177 155	190 674	205 519	221 888	239 886
Other revenue	13 457	7 728	7 905	8 189	8 546	9 205	9 935	10 744	11 635	12 620	13 708
Gain on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-
Revaluation on investment property gain / (loss)	-	(142)	(155)	(162)	(169)	-	-	-	-	-	-
Total revenue before Capital Grants	954 856	1 017 690	1 065 428	1 121 755	1 156 374	1 224 088	1 301 756	1 386 670	1 478 269	1 577 085	1 683 369
Capital Grants	47 646	54 801	46 468	53 325	106 446	45 947	39 833	33 445	26 670	19 477	11 781
Public & developers contributions	-	-	-	-	-	-	-	-	-	-	-
Total Revenue after Capital Grants	1 002 502	1 072 491	1 111 896	1 175 080	1 262 820	1 270 035	1 341 589	1 420 115	1 504 939	1 596 563	1 695 150

Operating expenditure

Employee related costs	279 130	295 684	311 724	321 999	336 481	359 698	385 113	412 980	443 551	477 065	513 740
Remuneration of councillors	8 781	9 021	9 449	9 865	10 309	10 917	11 579	12 301	13 089	13 947	14 880
Debt impairment	143 103	142 117	156 059	161 559	169 164	181 149	194 205	208 601	224 357	241 648	260 547
Depreciation and asset impairment	37 673	40 478	44 046	46 274	48 824	53 069	55 614	58 220	60 875	63 567	66 281
Finance charges	22 311	29 602	29 987	30 872	31 997	33 026	33 987	35 371	36 739	38 485	41 186
Bulk purchases	199 242	231 873	254 156	265 339	277 280	273 627	283 590	294 466	306 178	318 896	332 615
Inventory Consumed	41 383	46 561	37 632	39 287	41 055	45 026	49 483	54 485	60 073	66 344	73 367
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-
Contracted services	160 813	159 050	165 471	173 430	158 194	168 573	179 806	191 986	205 143	219 415	234 872
Transfers and subsidies	5 988	3 653	1 767	1 844	1 927	2 076	2 240	2 423	2 624	2 846	3 091
Other expenditure	53 134	56 403	60 914	69 533	73 109	78 718	84 961	91 875	99 490	107 916	117 214
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	951 559	1 014 443	1 071 205	1 120 004	1 148 340	1 205 879	1 280 578	1 362 707	1 452 119	1 550 130	1 657 793

Suplus/ (Shortfall) for the year

50 943 **58 048** **40 691** **55 077** **114 480** **64 156** **61 011** **57 408** **52 820** **46 432** **37 357**

Municipal Financial Model
Cash Flow Statement

Model year

Financial year (30 June)

R thousands

Cash flows from Operating Activities

Suplus/Deficit for the year including Capital Grants

Suplus/Deficit for the year excluding Capital Grants & Contributions

Capital Grants & Contributions

Adjustments for non-cash items:

Depreciation, amortisation and impairment loss

Revaluation on investment property (gain) / loss

Increase / (Release from) current provisions & non-interest bearing liabilities

Increase / (Release from) other non-current provisions & non-interest bearing liabilities

(Increase) / Release from non-current interest bearing assets

Capitalised interest

Operating surplus before working capital changes:

Change in W/C Investment

(Increase)/decrease in inventories

(Increase)/decrease accounts receivable

Increase/(decrease) in trade payables

Net cash flow from Operating activities

Cash flows from Investing Activities

Capital expenditure

Decrease/(Increase) in non-current receivables

(Additions) / Disposals of investment property

Net cash flow from Investing activities

Cash flows from Financing Activities

New loans raised

Loans repaid

(Decrease) / Increase in consumer deposits

Net cash flow from Financing activities

Change in Cash

Cash/(Overdraft), Beginning

Cash/(Overdraft), Ending

	0	1	2	3	4	5	6	7	8	9	10
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Suplus/Deficit for the year including Capital Grants	50 943	58 048	40 691	55 077	114 480	64 156	61 011	57 408	52 820	46 432	37 357
Suplus/Deficit for the year excluding Capital Grants & Contributions		3 248	(5 777)	1 751	8 034	18 209	21 178	23 963	26 150	26 955	25 576
Capital Grants & Contributions		54 801	46 468	53 325	106 446	45 947	39 833	33 445	26 670	19 477	11 781
Adjustments for non-cash items:											
Depreciation, amortisation and impairment loss	37 673	40 478	44 046	46 274	48 824	53 069	55 614	58 220	60 875	63 567	66 281
Revaluation on investment property (gain) / loss	-	142	155	162	169	-	-	-	-	-	-
Increase / (Release from) current provisions & non-interest bearing liabilities	-	11 882	2 223	2 362	2 509	-	-	-	-	-	-
Increase / (Release from) other non-current provisions & non-interest bearing liabilities	-	7 328	8 309	8 907	9 548	13 119	14 511	15 786	16 910	17 848	18 568
(Increase) / Release from non-current interest bearing assets	-	(0)	-	-	-	-	-	-	-	-	-
Capitalised interest	-	-	-	0	-	-	(0)	(0)	(0)	0	-
Operating surplus before working capital changes:	88 616	117 879	95 424	112 781	175 531	130 345	131 135	131 414	130 605	127 847	122 206
Change in W/C Investment	-	30 437	802	(1 377)	(7 563)	(5 288)	(2 687)	(3 139)	(3 718)	(4 369)	(5 154)
(Increase)/decrease in inventories	-	(9 515)	847	(1 971)	(1 025)	(1 837)	(2 052)	(2 285)	(2 532)	(2 819)	(3 130)
(Increase)/decrease accounts receivable	-	43 696	-	-	0	0	(0)	(0)	0	(0)	0
Increase/(decrease) in trade payables	-	(3 744)	(46)	594	(6 538)	(3 451)	(635)	(854)	(1 186)	(1 551)	(2 024)
Net cash flow from Operating activities	88 616	148 316	96 226	111 404	167 968	125 057	128 448	128 275	126 887	123 478	117 052
Cash flows from Investing Activities											
Capital expenditure	-	(157 973)	(116 444)	(128 755)	(187 446)	(134 325)	(138 521)	(142 571)	(146 426)	(150 036)	(153 361)
Decrease/(Increase) in non-current receivables	-	2 751	(500)	(1 500)	(1 000)	-	-	-	-	-	-
(Additions) / Disposals of investment property	-	-	-	-	-	-	-	-	-	-	-
Net cash flow from Investing activities	-	(155 222)	(116 944)	(130 255)	(188 446)	(134 325)	(138 521)	(142 571)	(146 426)	(150 036)	(153 361)
Cash flows from Financing Activities											
New loans raised	-	95 035	64 622	70 220	75 670	79 454	83 426	87 597	91 977	96 576	101 405
Loans repaid	-	(37 368)	(40 372)	(42 976)	(49 220)	(54 596)	(58 943)	(64 163)	(67 494)	(63 527)	(68 308)
(Decrease) / Increase in consumer deposits	-	803	903	1 002	1 154	1 148	1 279	1 408	1 509	1 658	1 813
Net cash flow from Financing activities	-	58 470	25 152	28 246	27 604	26 006	25 762	24 842	25 993	34 707	34 910
Change in Cash	88 616	51 565	4 434	9 395	7 126	16 738	15 690	10 546	6 454	8 149	(1 398)
Cash/(Overdraft), Beginning		42 330	93 895	98 329	107 724	114 850	131 588	147 277	157 823	164 278	172 426
Cash/(Overdraft), Ending	42 330	93 895	98 329	107 724	114 850	131 588	147 277	157 823	164 278	172 426	171 028

List of Annexures

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***PLEASE NOTE THAT AN ELECTRONIC VERSION OF THE LONG-TERM FINANCIAL PLAN WILL BE MADE AVAILABLE ON REQUEST**
