

# *Kareeberg Municipality*



## *Integrated Development Plan*

*2017 -2022*

*3rd Review : 2020/21*

*Table of Contents*

<b>FOREWORD BY THE MAYOR .....</b>	<b>2</b>	3.9	Strategic Context .....	51
<b>ACKNOWLEDGEMENT FROM THE MUNICIPAL MANAGER .....</b>	<b>3</b>	3.10	The Organisation .....	55
<b>EXECUTIVE SUMMARY .....</b>	<b>5</b>	3.11	Stakeholder inputs .....	58
1. Municipal Powers and Functions.....	6	3.12	Sectoral Plans .....	61
2. Municipal Area at a Glance.....	7	<b>CHAPTER 4: DEVELOPMENT STRATEGIES .....</b>	<b>63</b>	
3. Geographical Context .....	7	4.1	Strategic Vision of the Municipality.....	63
4. Economic Profile.....	11	4.2	National, Provincial and Municipality's Strategic Alignment .....	63
5. IDP Development and Review Strategy .....	15	<b>CHAPTER 5: 2 YEAR CORPORATE SCORECARD: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES (REMAINDER OF IDP PERIOD).....</b>	<b>65</b>	
6. Municipal Strengths, Weaknesses, Opportunities and Threats (SWOT).....	17	<b>CHAPTER 6: SECTORAL CONTRIBUTIONS .....</b>	<b>72</b>	
7. Municipal Comparative Synopsis .....	18	<b>CHAPTER 7: FINANCIAL PLAN.....</b>	<b>73</b>	
8. Financial Summary .....	19	7.1	Capital Budget.....	73
<b>CHAPTER 1: IDP PROCESS.....</b>	<b>23</b>	7.2	Grants .....	74
1.1 IDP Review Process .....	23	7.3	Financial Framework .....	74
1.2 Roles and Responsibilities.....	24	7.4	Unfunded Projects.....	75
1.3 Public participation.....	26	<b>CHAPTER 8: PERFORMANCE MANAGEMENT.....</b>	<b>79</b>	
1.4 Five year cycle of the IDP .....	26	8.1	Performance Management System.....	79
1.5 Annual review of the IDP.....	27	8.2	Organisational Performance Management Linked to Individual Performance Management .....	80
1.6 Mechanisms for alignment.....	28	8.3	Corporate Performance .....	81
<b>CHAPTER 2: LEGAL REQUIREMENTS.....</b>	<b>34</b>	8.4	Individual Performance: Senior Managers.....	81
<b>CHAPTER 3: SITUATIONAL ANALYSIS.....</b>	<b>36</b>	8.5	Performance Reporting.....	82
3.1 Spatial Analysis .....	36	<b>LIST OF TABLES .....</b>	<b>84</b>	
3.2 Geographical Context.....	37	<b>LIST OF MAPS.....</b>	<b>84</b>	
3.3 Ward delineation.....	38	<b>LIST OF GRAPHS.....</b>	<b>84</b>	
3.4 Environmental Context .....	39			
3.5 Biophysical Context .....	39			
3.6 Infrastructural Context .....	40			
3.7 Social Context .....	42			
3.8 Economical Context .....	47			

FOREWORD BY THE MAYOR



Not received.

**Cllr Norman Stephen van Wyk**  
**MAYOR**

## ACKNOWLEDGEMENT FROM THE MUNICIPAL MANAGER



The COVID 19 pandemic changed the landscape of local government irrevocable. The virus made us realize that we need to put our current way of life into perspective. The result is that we will be much better off, if we are able to make the preventative measures, we have put in place part of our existence.

**COMMUNITY PARTICIPATION**

The Constitution requires that regular community participation meetings are held to keep the community informed, to provide opportunity for proposals and conveyance of challenges experienced within the broader community. Consultation processes could not occur due to the COVID 19 National Lockdown as announced by the President in March 2020, which strictly prohibited public meetings or mass gatherings. In conjunction with the rules and regulations of the National Lockdown, the municipality will have to consider alternative means to ensure that community consultation session do take place. This will be in the form of Virtual meetings with sector groups within the community, Facebook Groups, as well as the printed media that remain a workable alternative.

**REVENUE**

As a result of National Lockdown, municipalities are faced with major challenges with collection of Revenue and payments of Services Accounts. The municipality has provided the community with payment options on how to pay Services Accounts e.g. Direct Bank Deposits, but a limited amount of payments was made and thus affected Revenue Collection and Cash Flow during this time. The municipality will thus have to look at alternative ways to generate income. Credit Control will remain relevant even during lock down period.

**SERVICE DELIVERY**

Service delivery within the community should continue regardless of COVID 19 pandemic, that significantly reduce the workforce due to Lockdown Rules and Regulations. The Municipality must ensure that quality services takes place within community as before the announcement of COVID 19 pandemic. Essential workers have thus been nominated to ensure that service delivery takes place in all areas. Capital projects are implemented 100% which is an indication of good planning. Good audit outcomes must still be achieved. Last but not least, all Consumer Complaints should still be addressed with the same dedication.

**BUDGET - 2020/21**

The budget balances on **R177 735 848**. Tariffs were generally increased by 6%. The total budget income amounted to **R78 168 848**, which mainly consists of income generated from services. The Capital budget for the 2020 / 2021 financial year ending 30 June 2021 amount to **R99 567 000** consisting of the following 6 projects:

1. Van Wyksvlei Water Project.	DWAF	R67 551 000
2. Replacement of Asbestos Pipes	DWAF	R15 000 000
3. Upgrading of Elect. Network.	INEP	R 5 000 000

4. Oxidation plant.	<b>MIG</b>	R 4 313 804
5. Energy effect. Streetlights.	<b>EEDSM</b>	R 4 000 000
6. Upgrading of Streets	<b>MIG</b>	R 3 702 196

**EEDSM:** Energy Efficiency and Demand Site Management Grant.

**Capital Project applications submitted for the next financial year ending 30 June 2022:**

- ♦ Van Wyksvlei Upgrading of remaining streets;
- ♦ Vosburg Upgrading of Oxidation plant;
- ♦ Carnarvon Landfill Site;
- ♦ Carnarvon Graveyards: Fence and Ablution;
- ♦ Carnarvon Upgrading of Streets;
- ♦ Bonteheuwel Upgrading pf the Main Road – Funds to be sourced;
- ♦ Housing Applications will be followed up.

**W De Bruin**

**ACTING MUNICIPAL MANAGER**

## EXECUTIVE SUMMARY

This is the third review of the 2017 – 2022 IDP and the content of the document will be applicable from the 2020/21 financial year onwards. As this document is a review of the original 2017 - 2022 IDP, **information was amended/added/deleted where it was necessary for review purposes.**

Kareeberg Municipality's Integrated Development Plan (IDP) provides the framework to guide the Municipality's planning and budgeting over the course of a set legislative time frame. It is an instrument for making the Municipality more strategic, inclusive, responsive and performance driven. The IDP is therefore the main strategic planning instrument which guides and informs all planning, budgeting and development undertaken by the Municipality in its municipal area.

The Vision, Mission and Strategic Objectives below were confirmed during the strategic session of the Municipality in February 2018.

The Integrated Development Plan (IDP) is guided by the vision of the Municipality:

***“A sustainable, affordable and developmental quality service for all”***

To achieve the vision, the Municipality has committed to the mission statement:

### ***Mission***

***We will achieve our vision by ensuring that we:***

***Provide a continuous and constant service***

***Provide a better level of service for our basket of services***

***Provide value for money that will be maintained by the municipality***

***Improvement of existing infrastructure and the creation of new opportunities for all***

Our Strategic objectives to address the vision will be:

### ***Strategic Objectives***

- ◆ Compliance with the principles of good governance
- ◆ Deliver basic services with available resources
- ◆ Facilitate integrated human settlements
- ◆ Enhance community participation
- ◆ Promote economic development, tourism and growth opportunities
- ◆ Sound administrative and financial services to achieve and maintain sustainability and viability



## 1 Municipal Powers and Functions

The table below indicates the functions which the Municipality is responsible for in term of the constitution. It also gives an indication if the Municipality has sufficient capacity to fulfil these functions:

Municipal function	Responsible for Function	Sufficient Capacity in terms of resources
Building regulations	Yes	No
Electricity and gas reticulation	Yes	Yes
Firefighting services	Yes	Yes
Local tourism	Yes	No
Municipal planning	Yes	No
Municipal public transport	Yes	No
Stormwater management systems in built-up areas	Yes	Yes
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	Yes
<b>Constitution Schedule 5, Part B functions:</b>		
Billboards and the display of advertisements in public places	Yes	Yes
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	Yes	Yes
Control of public nuisances	Yes	No
Licensing of dogs	Yes	No
Local amenities	Yes	Yes
Local sport facilities	Yes	Yes
Municipal parks and recreation	Yes	Yes
Municipal roads	Yes	Yes
Pounds	Yes	Yes
Public places	Yes	Yes
Refuse removal, refuse dumps and solid waste disposal	Yes	Yes
Street trading	Yes	No
Street lighting	Yes	Yes
Traffic and parking	Yes	No

Table 1: *Municipal Powers and Functions*

## 2. Municipal Area at a Glance

Municipal area (total land extent)		17 702 km²	Demographics (2017)				
			Population	11 385	Households	3 088	Average household size
Education (2016) (Northern Cape)			Household income (2017)				
Learner-School Ratio	509		Proportion of households earning less than R4800 per annum		About 7%		
Educator-School Ratio	15.9						
Access to basic services - minimum service level (2017)							
Water (piped water inside dwelling)	40.9%	Sanitation (Flush toilet connected to sewerage)	66.7%	Electricity for lighting	73%	Refuse removal	71.3%
Economy				Labour (2017)			
GDP growth % (2017)	10.4%			Unemployment rate	27.9%		
Largest sectors (GVA) 2017							
Agriculture	General Government			Wholesale and retail trade, catering and accommodation	Community, social and personal services		
Safety and security – actual number of crimes in 2018 in Kareeberg municipality (Pixley ka Seme District in brackets)							
Serious crimes	Driving under the influence		Drug-related crime		Murders		Sexual offences
558 which is less than in 2017 (8 970)	3 which is more than in 2017 (85)		58 which is less than in 2017 (1 052)		3 which is less than in 2017 (97)		16 which is more than in 2017 (299)
Source of demographic data: Quantec							

Table 2: Municipal Area at a Glance

## 3. Geographical Context

### 3.1 Spatial Location

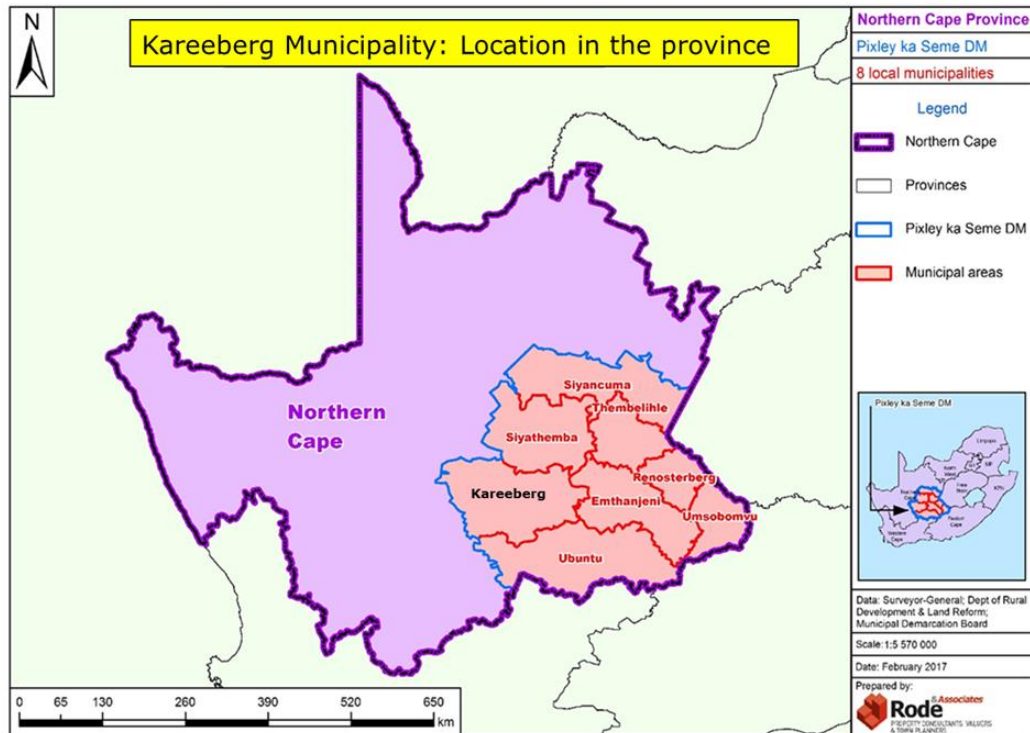
The jurisdiction of the Kareeberg municipality covers an area of 17 702km<sup>2</sup>, comprising 17% of the total area of the Pixley ka Seme District municipality (102 766km<sup>2</sup>). The Kareeberg municipality is the western-most local municipality within the district. The main town is Carnarvon which is located in the southern segment of the municipal area with the two other settlements, viz. Vosburg and Vanwyksvlei, respectively located more or less in the eastern and north-western segments

The Kareeberg municipal area is more or less equidistant from Upington and Kimberley (the largest towns in the Northern Cape Province) and a little bit further from Bloemfontein, which is located to the north east in the Free State province. Calvinia, located in the neighbouring Hantam Municipality -to the west-, is a town with strong social and economic linkages with the people and activities in Kareeberg municipality. The regional setting of the municipal area

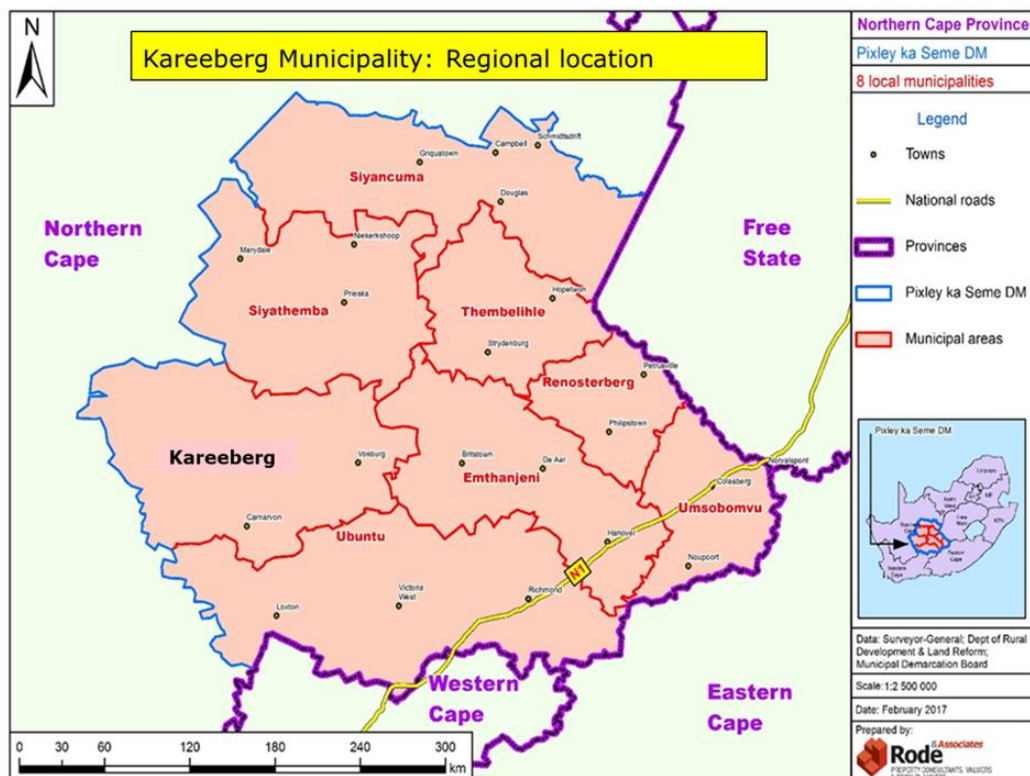


is, although 'central' to the Northern Cape, not linked or connected to other towns by any major rail or road infrastructure.

The maps below indicate the location of the municipality in the province and the regional municipal location with the main towns:



Map 1.: Location in the Province



Map 2.: Regional Municipal Location

### *Carnarvon*



Carnarvon, situated on the R63, 140km from Williston and 63km from Loxton, is one of the busier centres in the Karoo region. The town, which is set amongst the hills of the Kareeberg range, serves a large sheep and game farming community. The district around Carnarvon is well-known for its unique corbelled houses built by the early trekboers from around 1811 to the latter part of the 19th century.

In recent years the town has become an important centre for space age technology with the construction of the MeerKat radio telescope and SKA (Square Kilometer Array), the biggest radio telescope in the world nearby that will be used to research cosmic radiation.

The Carnarvon Museum, situated in the 1907 church hall, contains over 1 000 items of cultural and historical interest. The corbelled houses alongside the museum, is well-preserved examples of the beehive-shaped stone houses of the early trekboers. Noteworthy architecture can be seen on a walk or drive around town, and of particular interest are homes of South African poets A.G. Visser and D.F. Malherbe, with their mixture of Victorian and Gothic styles.

### *Vanwyksvlei*



Vanwyksvlei is a small town that sits 149km east of Brandvlei and over 100km west of Prieska on untarred roads. It was established in 1880 and was named after a farmer called Van Wyk. The Afrikaans suffix vlei, means 'pond', 'marsh' which is quite ironic since this is one of the driest places in South Africa and the surrounding region is named the Dorsland "thirsty land". The town is a small-sized town close to the first dam that funded by the State and built in 1882. Because of it, the nearby town was a wonderful oasis to live in. For many reasons, the dam no longer holds much water – and life has ebbed from the town. San Rock Engravings can be viewed at Springbokoog. The beautiful Vanwyksvlei dam and local salt pans is also one of the many wonders of Vanwyksvlei.

*Vosburg*

Vosburg lies 100 km north-north-west of Victoria West, 70 km west of Britstown and 94 km north-east of Carnarvon. Named after the Vos family, who owned the farm on which it was laid out. It is a tranquil oasis set in the wide open spaces of the upper Karoo. The streets are lined with cypress, poplar, carob, beefwood

and pepper trees and there is a very pleasing grove of olive trees in the grounds of the stately Dutch Reformed Church. The tree-lined streets reveals a rich array of Victorian and Edwardian era homes, mixed in together with some more modern buildings. Some 22 of the buildings in the village have been declared national monuments.

Sheep farming is the main source of income in the district and the largely pristine environment ensures that Vosburg is a centre for the production of high quality organic lamb and mutton.

The Vosburg Museum is housed in an old Karoo-style house and features a variety of Khoisan implements and interesting exhibits which showcase the lifestyle and history of the early settlers in the district. Fine examples of San rock art can be viewed on the Keurfontein farm nearby.

### 3.2 *Demographic Profile*

The table below includes, *inter alia*, the population size and number of households in Kareeberg municipality for 2001, 2011, and 2017. The area experienced a negative population growth rate over the period 2001 to 2011 with a small influx of persons between 2011 and 2017. The change in the number of households over this period corresponds with this trend even though the average household size decreased from 3.9 in 2001 to 3.7 in 2017.

Indicator		2001	2011	2017
Population (total)		12 469	10 990	11 385
Population growth rate (average annual)		n/a	-1.2% (2001 to 2011)	0.6% (2011 to 2017)
Households (number)		3 210	2 924	3 088
Household size		3.9	3.8	3.7
Total deaths		132	134	148
Crude death rate		10.6	12.2	13.0
Child dependency ratio		65.5	51.4	51.2
Indicator		2001	2011	2016
Age breakdown	0 - 14	4 479	3 349	3 503
	15 - 64	7 093	6 700	6 803
	65+	898	941	1 041
Education	No schooling	2 348	1 803	1 858
	Less than matric/certificate/diploma	8 380	7 476	7 630
	Higher education	397	353	371

Indicator		2001	2011	2017
Household dynamics	Female headed households	-	33.6%	34.5%
	Formal dwellings	-	89.6%	94.2%
	Ownership - owned	-	51.7%	71.4%
Source of demographic data: Quantec				

Table 3: Demographic Profile

### 3.3 Municipal Wards

The Kareeberg municipality consists of 4 electoral wards. In the table below, the 4 wards are listed with the approximate number of persons in each ward, size of the ward and population density:

Ward No	Description	Population	Size	Population density
1	Carnarvon: Carnarvon town plus area around Carnarvon airstrip	2 750	56.3km <sup>2</sup>	48.8 persons per km <sup>2</sup>
2	Bonteheuwel	3 861	0.52km <sup>2</sup>	7 420 persons per km <sup>2</sup>
3	Vosburg: Are to the north-east of Carnarvon; includes Vosbrug	2 168	8 367km <sup>2</sup>	0.3 persons per km <sup>2</sup>
4	Vanwyksvlei: Area to the north-west of Carnarvon; includes Vanwyksvlei	2 892	9 277km <sup>2</sup>	0.3 persons per km <sup>2</sup>

Table 4: Municipal Wards

## 4 Economic Profile

The economy in the Kareeberg municipal area and district is characterised by the following:

- ◆ Moderate economic growth since 2010 but from a low base.
- ◆ It is a small-town sub-region with a low level of development (note the significant economic impact that the establishment of the Square Kilometre Array (SKA) project will have in the municipal area),
- ◆ Sparsely populated towns with Carnarvon serving as “main agricultural service centre”. Note a possible decline in primary-sector-orientated offerings owing to restricted farming activities in the area as a result of the SKA project.
- ◆ High rates of unemployment, poverty and social grant dependence.
- ◆ Prone to significant environmental changes/shifts owing to long-term structural changes (such as climate change — less rainfall, more droughts and an increase in extreme weather events — energy crises and other shifts).
- ◆ Geographic similarity in economic sectors, growth factors and settlement patterns.
- ◆ Economies of scale not easily achieved owing to the relatively small size of towns.
- ◆ A diverse road network with national, trunk, main and divisional roads of varying quality.
- ◆ Potential in renewable energy resource generation.
- ◆ A largely tertiary-sector based economy with agriculture (as subsector in the primary sector) the only other major contributor the ‘local’ GVA.

#### 4.1 Employment Status

The employment status of the working age population in the Pixley ka Seme municipal area of 30,2% formally employed and 14,8% unemployed in 2017, is worse than the status in 2001 when 33,1% of the working age population was employed (formally) and 9,7% unemployed. In 2011, the number of unemployed persons in the district was almost 4 000 more than in 2001 with an additional about 3 000 persons added to this figure up to 2017. Any unemployment figure, irrespective of how large, has serious repercussions for the ability of the residents to pay for their daily needs and for municipal services. For the unemployed, pension/welfare payments are the only reliable source of income.

In Kareeberg, about 27,3 % of the working age population was formally employed in 2017, a poorer percentage than in 2001. The employment status of the working age population in the Kareeberg and Pixley ka Seme municipal areas as in 2001, 2011, 2016 and 2017, is listed in the table below:

Description	2001	2011	2016	2017
<b>Kareeberg</b>				
Working age	7 094	6 699	6 803	8 210
Employed (formal)	2 346	1 991	2 275	2 242
Unemployed	769	844	842	1 215
Not economically active	3 701	3 231	2 870	3 848
<b>Pixley ka Seme</b>				
Working age	117 579	115 270	117 878	124 043
Employed (formal)	38 956	33 481	37 890	37 507
Unemployed	11 369	15 001	16 052	18 359
Not economically active	61 825	55 983	49 527	53 075
<i>Source of data: Quantec</i>				

**Table 5: Employment Status**

#### 4.2 Economic Sector Contributor

The economic activities in the Kareeberg municipal area are dominated by agriculture and service-orientated offerings in the tertiary sector, i.e. government services, community services (including social and personal services), and trade and financial services. The area is known as an agricultural area with the land extent dedicated almost entirely too extensive animal grazing. The table below includes some of the larger economic subsectors in the municipality with associated performance targets and sectoral contributions in 2016 and 2017.

Description	Targeted performance within Kareeberg municipality	Sector contribution: Nominal Gross value added at basic prices (R millions current prices)	
		2016	2017
Mining	Low priority	1	1
Agriculture	High priority	123	149
Community, social and personal services	High priority	36	39



Description	Targeted performance within Kareeberg municipality	Sector contribution: Nominal Gross value added at basic prices (R millions current prices)	
		2016	2017
Transportation and communication	Low priority	35	36
Finance, insurance, real estate and business services	-	33	36
Government services	-	123	137
Wholesale and retail trade, catering and accommodation	-	98	106
Source of data: Quantec			

Table 6: *Economic Growth Targets*

A Location Quotient<sup>1</sup> provides an indication of the comparative advantage of an economy in terms of its production and employment. An economy has a Location Quotient larger or smaller than one, or a comparative advantage or disadvantage in a particular sector when the share of that sector in the specific economy is greater or less than the share of the same sector in the aggregate economy. The Kareeberg municipality (in 2017) had a comparative advantage in the primary sector compared to the district (1.29; was 1.22 in 2015) and South Africa (2.47; was 2.20 in 2015), i.e. improved comparative production and employment in the local economy, but an (increasing) disadvantage compared to the Northern Cape Province (0.74; was 0.67 in 2015). At the secondary level and also in 2017, the performance of the Kareeberg 'economy' was better than in 2015, but still had a comparative disadvantage compared to the district (0.63; was 0.7 in 2015), province (0.79; was 0.9 in 2015) and South Africa (0.34; was 0.4 in 2015). An assessment of the tertiary sector for 2017, suggests a comparative advantage compared to the Northern Cape Province (1.2; was 1.24 in 2015) but a comparative disadvantage compared to the district (0.96; was 0.99 in 2015) and South Africa (0.95; was 0.99 in 2015).

A Tress analysis<sup>2</sup> determines the level of diversification or concentration of the economy for a geographical area. A Tress Index of zero represents a totally diversified economy, while an Index of closer to 100 indicates a more concentrated or vulnerable economy to exogenous variables, such as adverse climatic conditions, commodity price fluctuations, etc.

The 10 industry Tress Index (in 2017) for the Kareeberg economy hovers around 50, which suggests an economy that is neither diversified or concentrated but has diversification among certain economic sectors and concentration among others. The inclusion of additional subsectors to represent either 22 or 50 industries, results in a different outcome, whereby the local (Kareeberg) economy is more vulnerable and susceptible to exogenous factors.

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<sup>1</sup> Source of data: Quantec.

<sup>2</sup> Source of data: Quantec.



A comparison of the Kareeberg economy to the district on a 10-industry level (57,0) indicates a level of vulnerability which is consistently higher than for the district (41,0).

#### 4.3 Household Income

A significant proportion of the population earn less than R76 400 per annum, i.e. less than R5 200 per month. In the context of housing delivery, these people will have to be beneficiaries of the 'give-away' housing programmes, i.e. the RDP and BNG programmes with ownership as the tenure type, and the CRU programme with rental as tenure type. In total, almost 67% of all households in the municipal area will qualify for these housing options owing to a monthly household income of less than R3500.

It is accepted that, on average, South African households have an annual income of R138 168, viz. a monthly income of R11 514. Hence, many households living in the Kareeberg municipal area have a monthly income below the average for a South African household. The monthly household income of all households residing in the municipal area is listed in the table below (using Census 2011):

Income category	Kareeberg rural	Carnarvon	Vanwyksvlei	Vosburg
R 1 - R 4 800	2%	4%	7%	3%
R 4 801 - R 9 600	5%	7%	8%	2%
R 9 601 - R 19 600	37%	21%	27%	12%
R 19 601 - R 38 200	26%	24%	26%	21%
R 38 201 - R 76 400	10%	14%	9%	26%
<b>Total</b>	<b>80%</b>	<b>70%</b>	<b>77%</b>	<b>64%</b>

Table 7: Household Income (Census 2011)

#### 4.4 Investment Typology

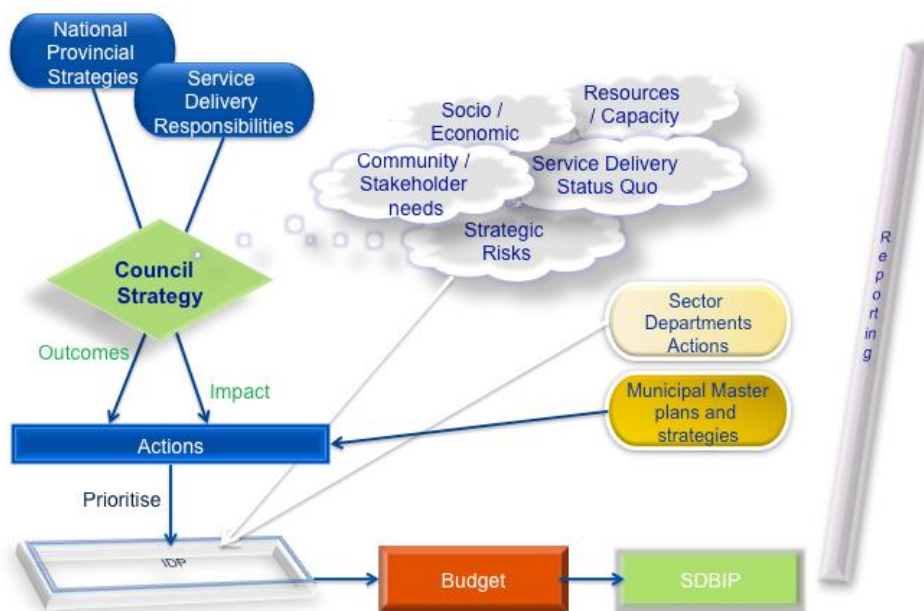
In a 2011 research study called "Development Potential of Urban Settlements in the Northern Cape" by Van der Merwe, I.J., and Zietsman, H.L. regarding the (public) investment potential of municipalities and settlements in the Northern Cape, a set of indicators was developed and used to determine the development/growth potential and human needs at two functional levels, i.e. municipal and town/settlement.

By combining the findings on the development/growth potential and human needs, the preferred type of (public) investment was identified to stimulate economic growth and social advancement. In this regard, a low development potential and a high human need was identified as the appropriate investment category for the Kareeberg municipality. This implies an investment strategy to stimulate infrastructure (roads, communications, waste disposal, water systems, etc) and social (investments by institutions that help us maintain and develop human capital e.g. families, communities, municipalities, trade unions, hospitals and schools) and human (people's health, education, training, knowledge, skills, spirituality and motivation) capital as best return on investment in these three forms of 'development capital'.

The preferred locations for these investments are in the three towns. However, although Carnarvon is also classified with Vanwyksvlei and Vosburg as 'transitional', the town has a much higher development potential than the other two towns.

## 5. IDP Development and Review Strategy

The IDP is the overarching strategic tool that guides and informs the planning and development, and decisions taken regarding planning, management and development within the municipality. It is the primary strategic plan that documents the critical development needs of the municipal area (external) and organisation (internal). The following table summarises the IDP process, as well as the annual review process:



### 5.1 The IDP/Budget Process Plan

Section 28 of the Municipal Systems Act (MSA), 2000 (Act 32 of 2000), requires that each Municipal Council adopts a process plan that would guide the planning, drafting, adoption and review of the IDP. The process plan should have clear and established mechanisms, procedures and process to ensure proper consultation with the communities. It should indicate clearly how the IDP process will work, who will be responsible for what, time frames and milestones will be set and a budget will be aligned to the programme.

The 2020/21 IDP Review Process Plan was adopted by Council in **August 2019**. This process plan include the following:

- ◆ Programme specifying the timeframes for the different planning steps;
- ◆ Structures that will manage the process; and
- ◆ Mechanisms, processes and procedures for consultation and participation of local communities, organs of state and other role players in the IDP review and budget formulation processes.

## 5.2 *Public Participation*

In order to achieve effective inclusion within the process of developing the IDP and budget, the Municipality utilises the following mechanisms as required in terms of Chapter 4 of the MSA:

- ◆ Roadshows
- ◆ Advertisements
- ◆ Newsletters

Roadshows could unfortunately not be held due to the national lockdown as result of the Covid-19 pandemic.

## 5.3 *Intergovernmental Alignment*

The IDP review was developed as part of the continuous cycle of planning, implementation and monitoring.

In essence, the process consists out of a situational analysis whereby existing data and annual reports were used as a base to understand the current status of both the Municipality and the environment in which it functions. Based on the analysis of the current situation, the Vision was translated into appropriate Strategic Objectives and Key Performance Indicators within the ambit of the available funding to achieve the objectives.

The Strategic Objectives identified have also been aligned with the framework of national and provincial plans, with particular consideration being given as detailed in Chapter 1 (paragraph 1.6).

## 6. Municipal Strengths, Weaknesses, Opportunities and Threats (SWOT)

Council and the senior managers held a strategic workshop on 1 and 2 February 2018. The table below provides detail on the broad SWOT identified:

Strengths	Weaknesses
Good people (Council, Administration and the Community)	Old infrastructure
Current infrastructure	Growing outstanding debtors
Most legislatively required policies and by-laws in place	Old fleet
Unqualified Audit	Communication
Political stability	Capacity and skill levels of current staff
Effective management of financial obligations	Filling of vacant posts with skilled people
Most systems are in place	Lack of office space
Committed staff	Budget constraints
Stable workforce	Management of non-core assets
Sustainable service delivery	Disciplinary processes
Opportunities	Threats
SKA/MEERKAT project	Poor payment culture
Tourism	Unemployment, high level of poverty, HIV/Aids
Agriculture	Alcohol and drug abuse
Renewable energy generation	Unfunded mandates
Connection routes	Inadequate public transport
Low crime rate	Availability of land for farming
Development of available land	Development of available land
Availability of labour	Climate change
Technical school/college	Unrealistic expectations of community with regards to services
Development of available land	Lack of investors to develop available land

Table 8: SWOT Analysis

**7. Municipal Comparative Synopsis**

The table below provides a comparison on the status of the Municipality in the 2017/18 and the 2018/19 financial years:

Function	Issue	Status - 2017/18 and/or 2018/19	Status - 2018/19 and/or 2019/20
Executive and council	Council composition	7 elected councillors	7 elected councillors
	Attendance at council meetings	100%	100%
	MM appointed	Yes	No
	CFO	Yes	Yes
Finance and administration - Human Resources	Staff establishment	72	75
	Vacancies	3	6
	Critical vacancy on senior management level	0	1
	Filled positions	69	69
	Salary % of operating budget	40%	34%
	Skills Development Plan	Updated 30 April 2019	Updated 30 April 2020
	Employment Equity Plan	Yes	Yes
	Occupational Health and Safety Plan	Yes	Yes
	Approved organogram	Yes	Yes
Finance and administration - Finance	Audit opinion	Unqualified audit opinion	Unqualified audit opinion
	Capital source of finance% -own	0%	2%
	Capital source of finance% -grants	100%	98%
	Annual financial statements	Yes - 2017/18	Yes - 2018/19
	GRAP compliant statements	Yes	Yes
	Long Term Financial Plan/Strategy	No	No
	Delegations	Yes	Yes
	Communication Strategy	Yes	Yes
	Annual report tabled and adopted	Yes – Final March 2019	Yes – Final March 2020
Internal Audit	Status	Shared Service by Pixley ka Seme district municipality	Shared Service by Pixley ka Seme district municipality
	Audit committee	Yes	Yes

Table 9: *Municipal Comparative Synopsis*

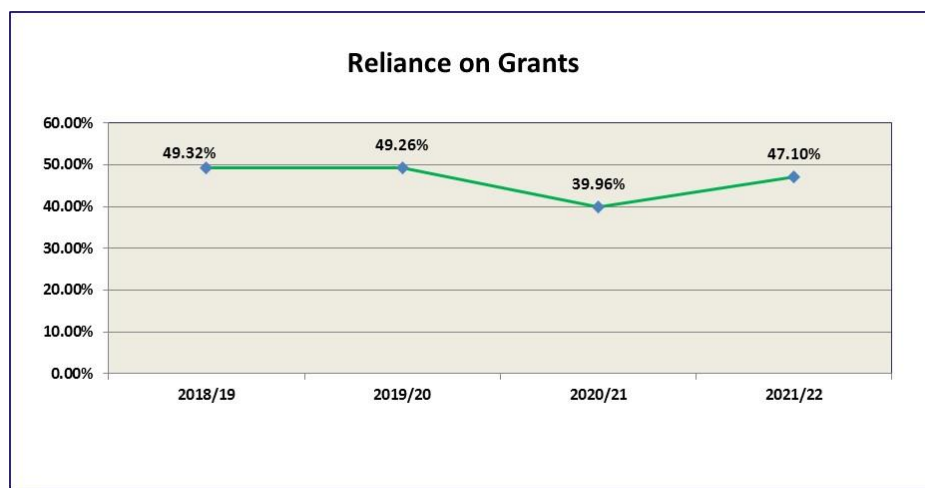
## 8. Financial Summary

### 8.1 Level of Reliance on Grants

The table below indicates that the Municipality is reliant to a huge extend on external grants on average 46%. Capital projects are financed almost 100% by external grants:

Details	Actual 2018/19 R'000	Budget 2019/20 R'000	Budget 2020/21 R'000	Budget 2021/22 R'000
Government grants and subsidies recognised	29 887	38 884	31 244	32 196
Total revenue	60 592	78 932	78 169	68 357
Percentage	49.32	49.26	39.96	47.10

Table 10: Level of Reliance on Grants



Graph 1.: Reliance on Grants

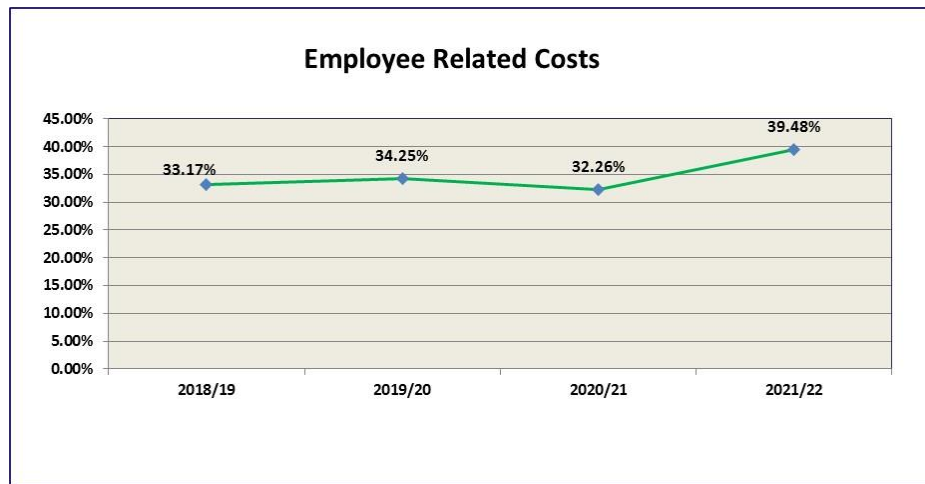
### 8.2 Employee Related Costs

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the total expenditure attributable to personnel costs and that the Municipality is currently within the national norm of between 35 to 40%:

Details	Actual 2018/19 R'000	Budget 2019/20 R'000	Budget 2020/21 R'000	Budget 2021/22 R'000
Employee related cost	20 781	24 022	25 220	26 985
Total expenditure	62 653	70 121	78 169	68 357
Percentage	33.17	34.25	32.26	39.48
Norm	35% to 40%			

Table 11: Employee Related Costs





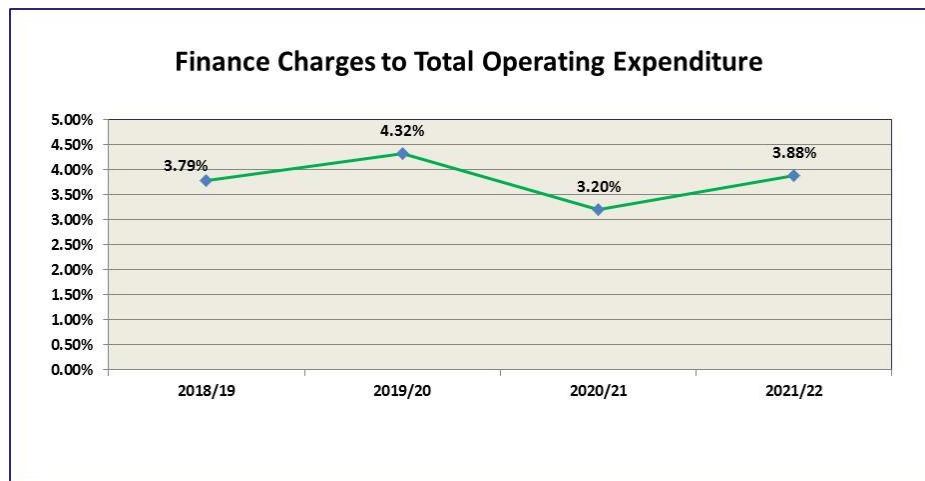
Graph 2.: Employee Related Costs

### 8.3 Finance Charges to Total Operating Expenditure

Finance charges is any fee representing the cost of credit or the cost of borrowing. The table below indicates that the Municipality is currently within the national norm of 5%:

Details	Actual 2018/19 R'000	Budget 2019/20 R'000	Budget 2020/21 R'000	Budget 2021/22 R'000
Capital charges	2 377	3 028	2 501	2 651
Total expenditure	62 653	70 121	78 169	68 357
Percentage	3.79	4.32	3.20	3.88
Norm	5%			

Table 12: Finance Charges to Total Operating Expenditure

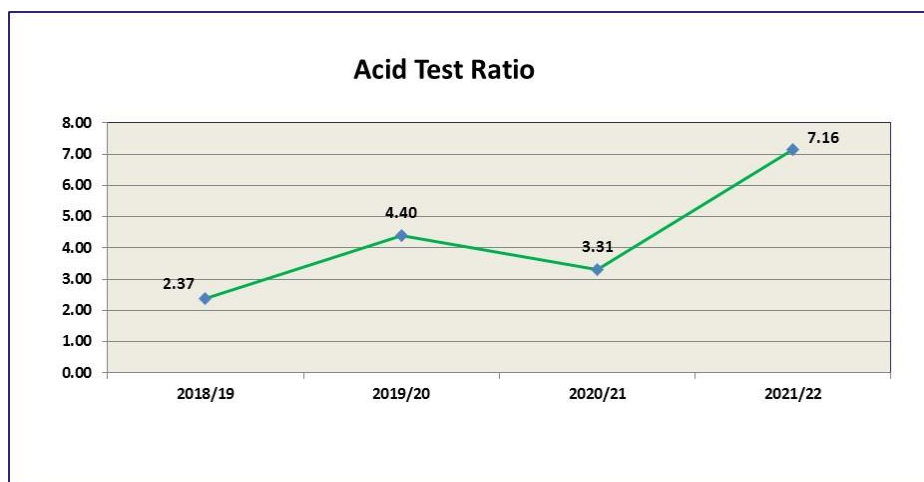


Graph 3.: Finance Charges to Total Operating Expenditure

8.4 *Acid Test Ratio*

A measure of the Municipality's ability to meet its short-term obligations using its most liquid assets. A higher ratio indicates greater financial health. Although the table below indicates that the Municipality ratio is in some years higher than the norm, outstanding debtors are included in the current assets and the current debt recovery rate is only  $\pm 80\%$ . This means that a very large % of the current assets will not realize in cash and that the municipality is and will in future experience serious cash-flow difficulties unless the Credit Control Policy is strictly implemented:

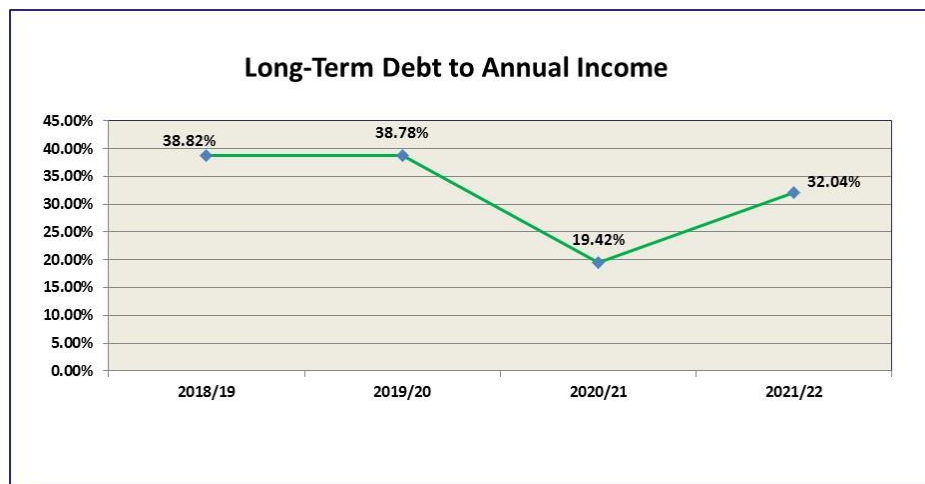
Details	Actual 2018/19 R'000	Budget 2019/20 R'000	Budget 2020/21 R'000	Budget 2021/22 R'000
Current assets less inventory	45 566	20 591	40 392	46 681
Current liabilities	19 249	4 685	12 207	6 517
Ratio Number	2.37	4.40	3.31	7.16
Norm	1.5 : 1			

Table 13: *Acid Test Ratio*Graph 4.: *Asset Test Ratio*8.5 *Long-Term Debt to Annual Income*

The table below indicates the Municipality's current and future long term debt as a % of annual income:

Detail	Actual 2018/19 R'000	Budget 2019/20 R'000	Budget 2020/21 R'000	Budget 2021/22 R'000
Long-term liabilities	34 512	37 335	34 523	35 538
Revenue	88 889	96 277	177 736	110 930
Percentage	38,82	38,78	19,42	32,04
Norm	30%			

Table 14: *Long-Term Debt to Annual Income*



**Graph 5.: Long-Term Debt to Annual Income**

The Municipality is currently experiencing serious financial difficulties to sufficiently fund all their activities. To remain financially sustainable, the Municipality will focus in the next few years mainly on revenue generation and will only be able to execute infrastructure capital projects if an external grant was allocated to the Municipality by other spheres of Government.

## CHAPTER 1: IDP PROCESS

## 1.1 IDP Review Process

The table below indicates the various phases in the development of an IDP review:

<i>Planning Process</i>	<i>Jul</i>	<i>Aug</i>	<i>Sep</i>	<i>Oct</i>	<i>Nov</i>	<i>Dec</i>	<i>Jan</i>	<i>Feb</i>	<i>Mar</i>	<i>Apr</i>	<i>May</i>	<i>Jun</i>
<b>Preparation Phase (Analysis)</b>												
Assessment of the implementation of projects												
Identify the limitation and shortcomings												
Assessment of the implementation of plans and programs												
Submit the IDP review process plan to Council for adoption												
Identify all updated and available information from statistics SA and other stakeholders												
Identify and discuss all analysis completed (Engagement Sessions)												
<b>Consultation Phase (Strategy)</b>												
Identify all sector plans and integrated programmes to be reviewed												
Undertake strategic planning workshop for the Municipality												
<b>Consultation Process (Projects)</b>												
Undertake consultation with Sector Departments												
Determine the IDP review projects/actions for the 2020/21 – 2021/22 financial years												
<b>Integration Phase</b>												
Prepare and finalise draft IDP review												
<b>Approval Phase</b>												
Present draft IDP review to Council												
Submit the draft IDP review to the MEC for CoGTA for assessment												
Incorporate all the comments received												
Present the final IDP review to Council for approval												
Submit the final IDP review to the MEC for CoGTA												
Submit copies of approved IDP review to Provincial Sector Departments, CoGTA and other stakeholders												

Planning Process	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Publish the approved IDP review on the website of the Municipality												

Table 15: IDP process

## 1.2 Roles and Responsibilities

### 1.2.1 Roles and Responsibilities – Internal

The roles and responsibilities of internal role-players in the compilation of the IDP review are indicated in the table below:

Role player	Roles and responsibilities
Mayor/Committee of appointed councillors	<ul style="list-style-type: none"> <li>Manage the drafting of the IDP review</li> <li>Assign responsibilities in this regard to the Municipal Manager</li> <li>Submit the draft to the municipal council for adoption</li> </ul>
Municipality	<ul style="list-style-type: none"> <li>Prepare, decide and adopt a Process Plan</li> <li>Undertake the overall management and co-ordination of the planning process, which includes ensuring that: <ul style="list-style-type: none"> <li>All relevant stakeholders are appropriately involved;</li> <li>Appropriate mechanisms and procedures for public consultation and participation are applied;</li> <li>The planning events are undertaken in accordance with the set timeframe;</li> <li>The planning process is related to the Key Development Priorities in the Municipality; and</li> <li>National and Provincial sector planning requirements are satisfied</li> </ul> </li> <li>Adopt and approve the IDP review</li> <li>Amend the IDP review in accordance with the requirements of the MEC for Local Government</li> <li>Ensure that the annual operational business plans and budget are linked to and based on the IDP review</li> </ul>
IDP Manager	<ul style="list-style-type: none"> <li>Responsible for the preparation of the Process Plan</li> <li>Responsible for the day-to-day management of the planning process in terms of time resources and people, and ensuring: <ul style="list-style-type: none"> <li>The involvement of all relevant role players, especially officials;</li> <li>That the timeframes are being adhered to;</li> <li>That the planning process is horizontally and vertically aligned and complies with national and provincial requirements;</li> <li>That conditions for participation are provided; and</li> <li>That outcomes are being documented.</li> </ul> </li> <li>Chairing the Steering Committee</li> </ul>
IDP Steering Committee	<ul style="list-style-type: none"> <li>Provide terms of reference for subcommittees (if and where applicable) and the various planning activities</li> <li>Commission research studies (if and where needed)</li> <li>Consider and comment on: <ul style="list-style-type: none"> <li>Inputs from subcommittee(s), study teams and consultants, and</li> <li>Inputs from provincial sector departments and support providers</li> </ul> </li> <li>Process, summarise and draft outputs</li> <li>Make recommendations</li> <li>Prepare, facilitate and minute meetings</li> </ul>

Table 16: Roles and Responsibilities – Internal

## 1.2.2 Roles and Responsibilities – External

The roles and responsibilities of external role-players in the compilation of the IDP review are indicated in the table below:

Role player	Roles and responsibilities
IDP Representative Forum	<ul style="list-style-type: none"> <li>◆ Represent the interests of their constituents in the IDP review process</li> <li>◆ Provide an organizational mechanism for discussion, negotiation and decision-making between the stakeholders and the Municipality</li> <li>◆ Ensure communication between all the stakeholder representatives</li> <li>◆ Monitor the performance of the planning and implementation process</li> </ul>
Stakeholder and Community Representatives	<ul style="list-style-type: none"> <li>◆ Participating in the IDP Representative Forum to: <ul style="list-style-type: none"> <li>• Inform interest groups, communities and organizations on relevant planning activities and their outcomes;</li> <li>• Analyse issues, determine priorities, negotiate and reach consensus;</li> <li>• Participate in the designing of project proposals and/or the evaluation thereof;</li> <li>• Discuss and comment on the draft IDP review;</li> <li>• Ensure that annual business plans and budgets are based on and linked to the IDP review; and</li> <li>• Monitor implementation performance of the IDP review.</li> </ul> </li> <li>◆ Conducting meetings or workshops with groups, communities or organisations to prepare and follow-up on relevant planning activities</li> </ul>
Provincial Government	<ul style="list-style-type: none"> <li>◆ Ensuring horizontal alignment of the Metropolitan and District Municipalities within the province</li> <li>◆ Ensuring vertical/sector alignment between provincial sector departments/provincial strategic plans and the IDP review process at Metropolitan/District/Local level</li> <li>◆ Efficient financial management of provincial IDP grants</li> <li>◆ Monitoring the progress of the IDP review processes</li> <li>◆ Facilitation of resolution of disputes related to IDP reviews</li> <li>◆ Assist municipalities in the IDP review drafting process when required</li> <li>◆ Facilitation of IDP – related training where required</li> <li>◆ Co-ordinate and manage the MEC's assessment of IDP reviews</li> <li>◆ Provide relevant information on the provincial sector departments' plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner</li> <li>◆ Provide sector expertise and technical knowledge to the formulation of municipal strategies and projects</li> <li>◆ Engage in a process of alignment with Metropolitan and District Municipalities</li> </ul>
Support providers and planning professionals	<ul style="list-style-type: none"> <li>◆ Providing methodological/technical guidance to the IDP review process</li> <li>◆ Facilitation of planning workshops</li> <li>◆ Documentation of outcomes of planning activities</li> <li>◆ Special studies or other product related contributions</li> <li>◆ Support to organised and unorganised groups and communities to more effectively engage in and contribute to the planning process</li> <li>◆ Ensure the IDP review is aligned with the budget and planning requirements of provincial and national departments</li> </ul>
District Municipality	<ul style="list-style-type: none"> <li>◆ District Municipality has the same roles and responsibilities as municipalities related to the preparation of a District IDP review</li> <li>◆ Co-ordination roles regarding Local Municipalities: <ul style="list-style-type: none"> <li>• Ensuring horizontal alignment of the IDP reviews of the local municipalities in the District Council area;</li> <li>• Ensuring vertical alignment between district and local planning;</li> <li>• Facilitation of vertical alignment of IDP reviews with other spheres of government; and</li> <li>• Preparation of joint strategy workshops with local municipalities, provincial and national role players.</li> </ul> </li> </ul>

Table 17: Roles and Responsibilities – External



### 1.3 Public participation

#### 1.3.1 Legislative requirements

In giving effect to Section 16 of the MSA, the municipal manager must ensure that for this purpose –

The Municipality encourages and creates conditions for the local community to participate in the affairs of the Municipality, including in –

- ◆ The preparation, implementation and review of its integrated development plan;
- ◆ The establishment, implementation and review of its performance management plan;
- ◆ Consideration of draft by-laws;
- ◆ The monitoring and review of its performance, including the outcome and impact of such performance;
- ◆ The preparation of its budget; and
- ◆ Strategic decisions relating to the provisioning of municipal services.

#### 1.3.2 Public participation process

Sessions could unfortunately not be held due to the national lockdown as result of the Covid-19 pandemic.

### 1.4 Five year cycle of the IDP

The first generation IDP's dealt with the period 2002-2007, the second generation IDP's with the period 2007-2012, the third generation IDP's with the period 2012-2017 and municipalities entered the fourth five year IDP cycle with the municipal elections in August 2016. The new council that was constituted after the elections immediately started preparing a new five year IDP. The fourth generation IDP is effective from **1 July 2017 up to 30 June 2022**. This document is the third review of the fourth generation IDP and only caters for the remaining period from **2020/21 until 2021/22**.

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

- ◆ are owned by local leadership, municipal management and community as the single strategic plan to direct resources within the Municipality;
- ◆ are driven by the management team and systems within the Municipality with implementation regularly monitored during the year through the performance management system;
- ◆ contain a long term development strategy that can guide investment across the municipal area; and
- ◆ provide an investment plan for national, provincial and local government and non-governmental stakeholders to enhance and enable joint planning and resource alignment to improve service delivery to all stakeholders.

## 1.5 Annual review of the IDP

In terms of the MSA, Section 34, a Municipality is required to review its IDP annually. Annual reviews allow the Municipality to expand upon or refine plans and strategies, to include additional issues and to ensure that these plans and strategies inform institutional and financial planning.

The IDP has to be reviewed annually. The review process serves as an institutional learning process where stakeholders can meet to discuss the successes and frustrations of the past year. It is not designed to interfere with the long-term strategic orientation of the Municipality to accommodate new whims and additional demands. It remains a strategic process of ensuring the institution remains in touch with their intentions and the environment within which it functions.

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

The IDP has to be reviewed annually in order to -

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

The purpose of a review is to -

- ◆ reflect and report on progress made with respect to the five year strategy (and key outcomes) in the IDP;
- ◆ make adjustments to the strategy in the 5 year IDP because of changing internal and external circumstances that impact on the appropriateness of the IDP;
- ◆ determine annual targets and activities for the next financial year in line with the five year strategy; and
- ◆ inform the Municipality's financial and institutional planning and most importantly, the drafting of the annual budget.

## 1.6 Mechanisms for alignment

### 1.6.1 National linkages

#### National Key Performance Areas

The table below indicates the National Key Performance Areas:

KPA	Description
Basic Service Delivery (BSD)	Water, sanitation, refuse removal, roads, storm water, public transport, electricity, land and housing
Municipal Transformation and Institutional Development (MTID)	Organisational transformation to match IDP requirements, internal policies dealing with national priorities, general management practices and training
Municipal Financial Viability and Management (MFVM)	Financial policies, budget management, assets and liability control, and supporting strategies to fund priorities
Local Economic Development (LED)	LED, food security, social infrastructure, health, environment, education and skills development
Good Governance and Public Participation (GGPP)	Public relations, marketing and communication, empowering wards, public participation structures and mechanisms, and service ethics (Batho Pele)

Table 18: National Key Performance Areas

#### National Development Plan (NDP)

The President of SA appointed a National Planning Commission in May 2010 to draft a vision and plan for the country. On 9 June 2011 the Commission released a diagnostic document and elements of a vision statement. On 11 November 2011 the vision statement and the plan was released for consideration. The Commission consulted widely on the draft plan. The National Development Plan was handed to President Zuma in August 2012 and was adopted by Cabinet in September 2012.

The plan focuses on the critical capabilities needed to transform the economy and society. In particular, South Africa must find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities.

Given the complexity of national development, the plan sets out six interlinked priorities:

- ◆ Uniting all South Africans around a common programme to achieve prosperity and equity.
- ◆ Promoting active citizenry to strengthen development, democracy and accountability.
- ◆ Bringing about faster economic growth, higher investment and greater labour absorption.
- ◆ Focusing on key capabilities of people and the state.
- ◆ Building a capable and developmental state.
- ◆ Encouraging strong leadership throughout society to work together to solve problems.

### *The plan in brief*

By 2030:

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

### *Enabling milestones*

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

### *Critical actions*

- ◆ A social compact to reduce poverty and inequality, and raise employment and investment.
- ◆ A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
- ◆ Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.

- ◆ Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- ◆ An education accountability chain, with lines of responsibility from state to classroom.
- ◆ Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
- ◆ Public infrastructure investment at 10% of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- ◆ Interventions to ensure environmental sustainability and resilience to future shocks.
- ◆ New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
- ◆ Reduce crime by strengthening criminal justice and improving community environments.

### Summary of objectives

The table below indicates the objectives and actions under each chapter that impact on local government and to which the Municipality can contribute where possible:

Chapter	Outcome	Objectives impacting on local government and to which can be contributed
3	Economy and employment	Public employment programmes should reach 1 million by 2015 and 2 million people by 2030
4	Economic infrastructure	The proportion of people with access to the electricity grid should rise to at least 90% by 2030, with non-grid options available for the rest
		Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water
		Reduce water demand in urban areas to 15% below the business-as-usual scenario by 2030
		Competitively priced and widely available broadband
5	Environmental sustainability and resilience	Absolute reductions in the total volume of waste disposed to landfill each year
		At least 20 000MW of renewable energy should be contracted by 2030
6	Inclusive rural economy	No direct impact
7	South Africa in the region and the world	No direct impact
8	Transforming human settlements	Strong and efficient spatial planning system, well integrated across the spheres of government
		Upgrade all informal settlements on suitable, well located land by 2030
		More people living closer to their places of work
		More jobs in or close to dense, urban townships
9	Improving education, training and innovation	Make early childhood development a top priority among the measures to improve the quality of education and long-term prospects of future generations
10	Health care for all	No direct impact

Chapter	Outcome	Objectives impacting on local government and to which can be contributed
11	Social protection	Ensure progressively and through multiple avenues that no one lives below a defined minimum social floor
		All children should enjoy services and benefits aimed at facilitating access to nutrition, health care, education, social care and safety
12	Building safer communities	No specific objective
13	Building a capable and developmental state	Staff at all levels has the authority, experience, competence and support they need to do their jobs
		Relations between national, provincial and local government are improved through a more proactive approach to managing the intergovernmental system
14	Fighting corruption	A corruption-free society, a high adherence to ethics throughout society and a government that is accountable to its people
15	Nation building and social cohesion	Vision is a society where opportunity is not determined by race or birthright; where citizens accept that they have both rights and responsibilities. Most critically, we seek a united, prosperous, non-racial, non-sexist and democratic South Africa

Table 19: Summary of the Objectives of the NDP

### Back-to-Basics

The Minister of Cooperative Governance and Traditional Affairs (COGTA) introduced the Back to Basics approach at the Presidential Local Government Summit on 18 September 2014. In presenting the approach the Minister also pronounced the national plan of action to roll-out the programme with the aim of addressing challenges facing municipalities in a sustainable manner. This approach was adopted at the summit as the framework for the implementation of targeted measures towards improving the functioning of municipalities and sustainable provision of services to the citizens.

After the summit the National COGTA stated with the task of preparing for the implementation of the approach in each of the nine provinces. These preparations have culminated in the development of the back to basics conceptual framework and the operationalization plan that provides the foundation for the onward implementation of the approach.

At the most basic level National Government will expect municipalities to:

- ◆ Put people and their concerns first and ensure constant contact with communities through **effective public participation** platforms. The basic measures to be monitored include:
  - Regular ward report backs by councillors
  - Clear engagement platforms with civil society
  - Transparent, responsive and accountable
  - Regular feedback on petitions and complaints
  - The regularity of community satisfaction surveys carried out.



- ◆ Create conditions for decent living by consistently delivering **municipal services to the right quality and standard**. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore with urgency. Municipalities are expected to perform the following basic activities, and the performance indicators will measure the ability of our municipalities to do so:
  - Develop fundable consolidated infrastructure plans.
  - Ensure Infrastructure development maintenance (7% OPEX) and reduce losses.
  - Ensure the provision of free basic services and the maintenance of indigent register
  - National and Provincial Rapid Response and technical teams will be established and strengthened and service delivery interruptions will be monitored at a national level.
- ◆ Be well governed and demonstrating **good governance** and administration - cutting wastage, spending public funds prudently, hiring competent staff, ensuring transparency and accountability. Municipalities will be constantly monitored and evaluated on the following basics:
  - Clear delineation of roles and responsibilities
  - Functional structures.
  - Transparency, accountability and community engagement
  - Proper system of delegation to ensure functional administration
  - The existence and efficiency of anti-corruption measures.
  - The extent to which there is compliance with legislation and the enforcement of by laws.
  - The rate of service delivery protests and approaches to address them.
- ◆ Ensure **sound financial management** and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities. Performance against the following basic indicators will be constantly assessed:
  - Proper record keeping and production of annual financial statements.
  - Credit control, internal controls and increased revenue base
  - Wasteful expenditure including monitoring overtime kept to a minimum.
  - Functional Supply Chain Management structures with appropriate oversight
  - The number disclaimers in the last three – five years.
  - Whether the budgets are cash backed.
- ◆ Build and maintain **sound institutional and administrative capabilities**, administered and managed by dedicated and skilled personnel at all levels. The basic requirements to be monitored include:
  - Competent and capable people and performance management.
  - Functional delegations.
  - Regular interactions between management and organised labour.
  - Shared scarce skills services at district level.
  - Realistic organograms aligned to municipal development strategy.
  - Implementable human resources development and management programmes.

### 1.6.2 *District linkages*

The strategic objectives of the Pixley ka Seme District Municipality are as follow:

- ◆ Compliance with the tenets of good governance as prescribed by legislation and best practice.
- ◆ To provide an independent and objective internal audit assurance and consulting service to add value and to improve the administrative operations of all the municipalities in the district through an approach that is systematic and disciplined.
- ◆ Promote economic growth in the district.
- ◆ To provide a professional, people centered human resources and administrative service to citizens, staff and Council.
- ◆ Administer finances in a sustainable manner and strive to comply with legislative requirements to achieve a favourable audit outcome.
- ◆ To provide disaster management services to the citizens.
- ◆ To provide municipal health services to improve the quality of life of the citizens.
- ◆ Guide local municipalities in the development of their IDP's and in spatial development.
- ◆ Monitor and support local municipalities to enhance service delivery.

### 1.6.3 *Provincial linkages*

A limited number of provincial policy documents are available to set the planning and development context for local government in the Northern Cape going forward. The only documents available are the spatial development framework and the Growth and Development Strategy.

## CHAPTER 2: LEGAL REQUIREMENTS

Municipalities function within an extensive legislative and policy framework that provides prescripts and guidelines for municipal actions according to constitutional obligations. In this regard, all municipalities must align their budget and programmes with national developmental and institutional policy directives that are mainly being guided by the constitution.

The **Constitution of the Republic of South Africa** outlines the type of local government needed. Sections 152 and 153 of the Constitution describe the following objectives of local government:

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

The Constitution supersedes all legislative frameworks and the following legislation has been developed to guide municipalities as to its mandate, function and mechanisms to implement its constitutional mandate:

- a) The **MSA** requires municipalities to develop Integrated Development Plans that will guide the direction and content of potential development within the relevant council's area of jurisdiction, and must be reviewed annually. In addition the Act also stipulates the IDP process and the components of the IDP.
- b) The **Local Government: Municipal Planning and Performance Management Regulations (2001)** sets out the minimum requirements for an Integrated Development Plan. Regulation 2(1) states that the Municipality's IDP must at least identify:
  - ◆ The institutional framework, which must include an organogram required for the implementation of the Integrated Development Plan;
  - ◆ Any investment initiatives in the Municipality;
  - ◆ Any development initiatives in the Municipality, including infrastructure, physical, social and institutional development;
  - ◆ All known projects, plans and programmes to be implemented within the Municipality by any organ of the state, and
  - ◆ The key performance indicators set by the Municipality.

Regulation 2(3) **Local Government: Municipal Planning and Performance Management Regulations (2001)** sets out matters/issues that must be reflected in the financial plan that must form part of the integrated development plan.

Section 21(2) of the **Municipal Finance Management Act (Act 56 of 2003) (MFMA)** states that, when preparing the annual budget, the Mayor of a Municipality must:

- ◆ Take into account the Municipality's Integrated Development Plan.
- ◆ Take all reasonable steps to ensure that the Municipality revises the integrated development plan in terms of section 34 of the MSA, taking into account realistic revenue and expenditure projections for future years.
- ◆ Take into account the national budget, the relevant provincial budget, the national government's fiscal and macroeconomic policy, the annual Division of Revenue Act and any agreements reached in the Budget Forum.
- ◆ Consult with the relevant authorities.

The drafting, implementation and review of the IDP on an annual basis is mandatory for all municipalities in terms of the relevant legislation, and it is therefore important to briefly outline this legal framework.

The Integrated Development Plan, adopted by the Council of the Municipality, is the key strategic planning tool for the Municipality. It is described in the Municipal Systems Act (MSA) as:

35(1) (a) "...the principal strategic planning instrument which guides and informs all planning, development and all decisions with regard to planning, management and development in the municipality";

(b) "binds the municipality in the executive authority..."

## CHAPTER 3: SITUATIONAL ANALYSIS

This chapter includes details of the current status of the Kareeberg Municipality in order to identify the current position and what needs to be addressed to turn the existing position around.

### 3.1 Spatial Analysis

#### *Legislative Context*

The Kareeberg municipality does have an (outdated) Municipal Spatial Development Framework (MSDF).<sup>3</sup> Reference is made to the requirement in terms of Section 20(2) of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA) that an MSDF must be prepared and approved as part of the municipality's Integrated Development Plan (IDP) and in accordance with the Local Government Municipal Systems Act, 2000 (Act 32 of 2000) (MSA).

In December 2017, the Department of Rural Development and Land Reform made available an assessment of the Kareeberg Municipal SDF prepared in 2010. This assessment considered the process (i.e. compliance with nationally endorsed guidelines) and content (i.e. factual and analytical correctness) of the SDF. In response, the municipality (in partnership with the South African Radio Astronomy Observatory) has started a process to have the SDF reviewed.<sup>4</sup> The involvement of the South African Radio Astronomy Observatory is based on it spearheading the Square Kilometre Array megaproject (SKA) in the Central Karoo which has a footprint in the jurisdiction of three local municipalities (including Kareeberg) and two category C-municipalities. The project has far-reaching land-use, social, economic and environmental consequences on local development.

The contents of an MSDF are listed in Sections 20 and 21 of SPLUMA,<sup>5</sup> whereas the procedural and content requirements regarding the drafting, amendment and adoption of the IDP, are specified in the MSA. In this regard, the new set of planning legislation confirms this process as the same process to be used for the drafting, amendment and adoption of the MSDF. This also means that the specifications in Section 34 regarding the annual review by a municipality of its Integrated Development Plan, apply to the municipal spatial development framework. When considering this directive,

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<sup>3</sup> Rural Spatial Development Framework / Land Development Plan, 2010.

<sup>4</sup> A tender request to review and update the Spatial Development Framework for Kareeberg Municipality (and two other municipalities) has been advertised on 23 February 2018.

<sup>5</sup> Also see the SDF Guidelines, September 2014, as commissioned by the national Department of Rural Development and Land Reform.

it is important to note the different timelines in the respective planning and implementation horizons, i.e. 5 years for the IDP and up to 20 years in the MSDF.

#### *Provincial and district spatial context*

The Pixley ka Seme District municipality and the Northern Cape Government do have Spatial Development Frameworks for their respective areas of jurisdiction. In the interests of brevity, the following section includes only a summary of key spatial elements addressed in these frameworks relevant to urban and rural development in the Kareeberg municipality.

The provincial SDF (2012), as a spatial land-use directive, provides the preferred approach to the use and development of land throughout the Northern Cape. This approach is based on bioregional planning and management principles, which considers the cultural, social and economic functions as interdependent within a developmental agenda. In this regard, a matrix of sustainable land-use zones (or Spatial Planning Categories) is provided to ensure close relationships between these functions. The SDF also put forward the following vision as first presented in the provincial Growth and Development Strategy: *building a prosperous, sustainable growing provincial economy to eradicate poverty and improve social development.*

The provincial SDF serves as an integrated spatial and policy framework within which the imperatives of institutional integration, integrated development planning and cooperative governance can be achieved. What does this mean with regard to the use and development of land? It means the introduction of specific ways to consider land development. For example, to support renewable energy generation at suitable locations (e.g. in Renewable Energy Development Zones) to unlock the comparative economic advantages vested in the province's inherent resources.

The SDF categorised the development potential of Kareeberg municipality as medium with a high human need.

Note that the Spatial Development Framework for the Pixley ka Seme district, was prepared in 2007, and hence, does not include the bioregional planning approach, recent (private and public sector) investments, recent changes to the municipal boundaries within the district, and/or any reference to the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013).

### **3.2 Geographical Context**

The jurisdiction of the Kareeberg municipality covers an area of 17 702km<sup>2</sup>, which is also 17% of the total area of 102 766km<sup>2</sup> that constitutes the Pixley ka Seme District municipality. The Kareeberg municipality is the western-most local municipality within the district. The main town is Carnarvon which is located in the southern segment of the municipal area. The two other settlements, viz. Vosburg and Vanwyksvlei, are located close to the eastern and north-western segments of the municipal area, respectively.

The Kareeberg municipal area is more or less equidistant from Upington and Kimberley (as the largest towns in the Northern Cape Province) and a little bit further from Bloemfontein, which is located in the Free State province to the north-east. Calvinia, located to the west of the municipal area, is a town with close social and economic linkages with

the people and activities in Kareeberg municipality. The regional setting of the municipal area is, although 'central' to the Northern Cape, not linked or connected to any major rail or road infrastructure.

The table below lists some key points as summary of the geographic context within which integrated development planning is performed:

Geographic summary	
Province name	Northern Cape
District name	Pixley ka Seme
Local municipal name	Kareeberg municipality
Main town	Carnarvon
Location of main town (as administration head office)	In the southern segment of the municipal area and not easily accessible from other towns
Population size of main town (as a % of total population)	About 56%
Major transport routes	None
Extent of the municipal area (km <sup>2</sup> )	17 702 km <sup>2</sup>
Nearest major city and distance between major town/city in the municipality	Kimberley (about 400 km from Carnarvon)
Closest harbour and main airport to the municipality	Port Elizabeth; Upington
Region specific agglomeration advantages	Agriculture; SKA project
Municipal boundary: Most northerly point:	29°59'36.01" S 21°54'38.33" E
Municipal boundary: Most easterly point:	30°32'16.40" S 23°14'31.00" E
Municipal boundary: Most southerly point:	31°12'47.38" S 22°12'37.93" E
Municipal boundary: Most westerly point:	30°19'41.78" S 21°04'09.15" E

Table 20: *Geographical Context*

### 3.3 Ward delineation

The Kareeberg municipality consists of 4 electoral wards. In the table below, the 4 wards are listed with the approximate number of persons in each ward, size of the ward and population density.

Ward No	Description	Population	Size	Population density
1	Carnarvon: Carnarvon town plus area around Carnarvon airstrip	2 750	56.3km <sup>2</sup>	48.8 persons per km <sup>2</sup>
2	Bonteheuwel	3 861	0.52km <sup>2</sup>	7 420 persons per km <sup>2</sup>
3	Vosburg: Area to the north-east of Carnarvon; includes Vosbrug	2 168	8 367km <sup>2</sup>	0.3 persons per km <sup>2</sup>
4	Vanwyksvlei: Area to the north-west of Carnarvon; includes Vanwyksvlei	2 892	9 277km <sup>2</sup>	0.3 persons per km <sup>2</sup>

Table 21: *Municipal Wards*



### 3.4 Environmental Context

In this section, we provide a high-level summary of the key elements of the natural environment to explain the environmental context within which integrated development planning must occur.

The Kareeberg municipal area does not include areas that can be classified as being particularly environmentally sensitive due to the very limited (if any) occurrence of Red Date species, wetlands, water sources and terrestrial ecosystems. According to SANBI data, the municipal area does only have one area classified as Critical Biodiversity Area, i.e. a 'lung' stretching from the west (in an east-west orientation) into the western segment of the municipal area.

Environmental summary	
Main environmental regions	Grassland and Nama-Karoo biome: Approximately 250 million years ago the Karoo was an inland lake fringed by cycads and roamed by mammalian reptiles. Today, it is a geological wonderland with fossilised prints of dinosaurs and other fossils. It is one of the largest wool and mutton producing regions in South Africa.
List of conservation areas	None
List of private nature reserves	None
List of government owned nature reserves	None
Biosphere areas	None
Main river	None
Wetlands	None
Heritage sites	To be confirmed
Status of the Environmental Management Plan	No plan available

Table 22: *Environmental Context*

### 3.5 Biophysical Context

The municipal area can be considered as a homogeneous environmental area, i.e. limited mix of species in the ecosystem. The area is a micro bioregion covered by mountains, hills, plains and lowlands with a moderate climate. The table below provides a summary of the municipality's biophysical context:

Biophysical context	
Current land transformation status (land transformed from natural habitat to developed areas)	-
List of major river streams	-
Main agricultural land uses	Extensive grazing (mostly sheep farming)
(Possible) demand for development that will influence the transformation of land use	SKA project, Renewable energy generation
Existing pressure from land use impacts on biodiversity	SKA project, Renewable energy, livestock grazing management and veldt management
Current threats on alien flora species and mitigation processes in place	Grassland and Nama-Karoo biome
List of fauna species	Variety of game species, e.g. Springbok and Eland; Riverine Rabbit ( <i>Bunolagus monticularis</i> )

Biophysical context	
List of endangered flora species	-
Any eco-tourism initiatives required to sustain the ecological issues and impacts	-
Any coastal areas within the municipality	No
Coastal Management status if applicable	-
Any protected mountain areas/ranges within the Municipality	-
Average rainfall for the municipal area	Between 100 mm and 300 mm per annum
Minimum and maximum average temperature for both winter and summer months	Summer average: 40° and Winter average: -10°

Table 23: *Biophysical Context*

### 3.6 Infrastructural Context

#### 3.6.1 Infrastructural Summary

We next provide a high-level summary of the respective components of service delivery infrastructure in the municipal area. The Kareeberg municipality does face human settlement challenges and, in particular, to deliver basic services and housing for the indigent.<sup>6</sup> How infrastructure is planned, financed and operated is a powerful instrument in steering urban settlement and facilitating access to social and economic opportunities. For example, the use and development of land is subject to the availability, standard and quality of service infrastructure. Non-indigent housing (and non-residential land development) will not be built in areas where water, electricity, sewerage and other municipal services are not available or inefficient, i.e. these are major disincentives to potential investors. The table below provides a summary of the municipality's infrastructure:

Infrastructural summary	
Current percentage in terms of the provision of services	See tables 2, 27 & 31
Major service backlog areas	Electricity, sewerage and water services
Service areas where there are a lack of maintenance according to the priority needs	Electricity, sewerage and water services
Status of Master Plans	See §3.12
Current condition of roads	Tarred roads – good; gravel roads - poor
Current public transport services provided according to modes used often	Minibus/taxi and bus

<sup>6</sup> Housing in the lowest price class, including 'give-away' (or RDP/BNG) houses.

Infrastructural summary	
Areas threatened by increased vulnerabilities and disaster risks, e.g. flooding and fire hazard	All urban areas
Water services conditions (blue drop report)	-
Waste disposal status and condition	Under-resourced staff and infrastructure
Existing landfill registration site status in the Municipal area (EIA's status)	Not compliant
Ways of reducing waste and water loss	-
Condition of Waste Water Treatment Works (green drop report)	-
Major development projects of significance that have an effect on the existing service delivery situation	Housing delivery
Major developments restricted due to a lack of bulk services	Housing delivery
Condition of electrical service provision (reliability, major substations and internal infrastructure)	Good

Table 24: *Infrastructure Summary*

### 3.6.2 Services and Backlogs

The table below reflects the status of basic service delivery within the municipal area in 2011 and 2017. The significant backlogs in electricity, water and sewerage services is similar to the 2011 status, i.e. backlogs have not been addressed in recent years. The only notable change to service delivery since 2011, is the reduction of the sewerage backlog district-wide.

Services (and remaining backlogs)						
Municipal area	Electricity (for lighting)		Water (Piped (tap) water inside dwelling/ institution)		Sewerage (Flush toilet (connected to sewerage system))	
	2011	2017	2011	2017	2011	2017
Kareeberg	73,6% (26,4%)	73,0% (27,0%)	41,5% (58,5%)	40,9% (59,1%)	55,6% (44,4%)	66,7% (33,3%)
Pixley ka Seme	85,1% (14,9%)	84,8% (15,2%)	47,0% (53%)	45,6% (54,4%)	65,7% (34,3%)	71,7% (28,3%)

Table 25: *Services and Backlogs*

### 3.7 Social Context

In this section, insight is gained into the social context within which integrated development planning must occur, though a high-level summary of the key socio-economic and demographic aspects of the communities.

#### 3.7.1 Social Summary

The Gini Coefficient for the Kareeberg municipal area is 0.6372 (income including social grants). A Gini Coefficient of 1 represents perfect income inequality and perfect equality has a value of 0.<sup>7</sup> Thus, relative income inequality exists in the municipal area which in reducing inequality, the Gini Coefficient should fall to 0.6. Two consequences of inequality are limited mobility and 'societal resilience'. The latter as a measure of how sensitive and adaptive communities are towards economic and environmental shocks. In this regard, the mobility and resilience of 'poorer' communities are restricted by shortcomings in (1) the layout, densities, infrastructure development, service-delivery, financing and management of settlements, (2) type of dwelling, (3) access to private vehicle and/or public transport, (4) long distances between towns and (5) poor (gravel) road conditions. These are stumbling block in the development of human and social capital and in securing a resilient, sustainable, quality and inclusive living environment. The table below provides a summary of the municipality's social context:

Social context	
Population size (2017)	11 385
Education levels (% of community that has passed Grade 12 in 2016 in Northern Cape)	82,2%
Total number of learners in 2016 in Pixley ka Seme District (Northern Cape)	46 120 which is 376 less than in 2014 (291 515)
Total number of male learners in 2016 in Pixley ka Seme District (Northern Cape)	23 139 (147 160)
Total number of female learners in 2016 in Pixley ka Seme District (Northern Cape)	22 981 (144 355)
Total number of educators in 2016 in Pixley ka Seme District (Northern Cape)	1 413 which is 11 less than in 2014 (9 136)
Total number of public schools in 2016 in Pixley ka Seme District (Northern Cape)	88 which is 23 schools less than in 2014 (544)
Labour force participation rate (percentage) in 2017	53,1%
Unemployment rates in 2017	27,9%
Income levels (typical income)	Between 60% and 80% of all households earn less than R76 400 per annum
HIV and Aids (population segment that is HIV positive - %, average annual growth in HIV)	About 7%

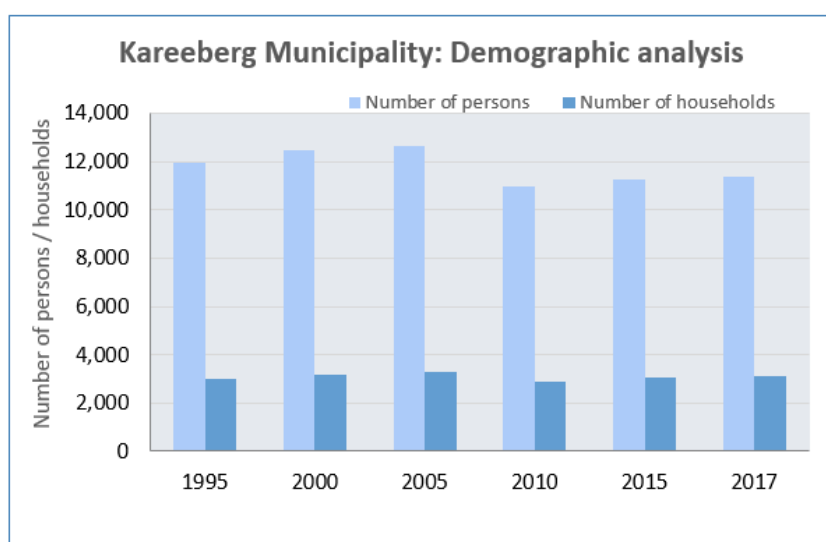
<sup>7</sup> The Gini Coefficient is a statistical measure of the degree of variation represented in a set of values, used especially in analysing income inequality.

Social context	
Major travelling modes for the municipal community (by priority usage)	Foot, Car as a passenger, Car as a driver, Minibus/taxi, Bus, Bicycle
Transportation needs to serve the public transport sector	Reliable and cheap short and long-distance travel modes
Public transport areas of need and mode type that could link development corridors or development areas	Bus

Table 26: *Social summary*

### 3.7.2 Demographics of the Municipality

The number of persons (and households) in Kareeberg municipal area increased slightly over the period 1995–2005 with a negative net migration rate<sup>8</sup> experienced the following five years and an increase in population size and number of households since 2010 to date (see graph below). Over this period, the overall annual population growth rate was a mere 0.6%.

Graph 6.: *Demographic Analysis (Source of data: Quantec)*

The White population grouping in the Kareeberg municipal area has over the period 2010–2017, experienced a very slight overall negative growth rate. The other three groupings experienced positive growth rates over this period, but with growth in the Black-African grouping from a low and Asian grouping from a very low base. The Coloured grouping had a very low 0.05% average annual growth rate since 2010.

It is important to note the composition of the population with specific reference to the Black-African and Coloured groupings. In this regard, the Black-African grouping was 2.2% of the total population in 2001, 4.5% in 2011 and 5.3%

<sup>8</sup> More people leaving the area as people coming into the area.

in 2017. The Coloured grouping comprised 87% of the total population in 2001, 86.7% in 2011 and 86.1% in 2017. Together, these groupings comprised more than 90% of the population in 2011 and 2017. Hence, a key question in considering any future growth and development path for Kareeberg municipality should be the amount of resources used by and allocated to these groupings. This 'demarcation of funds' will be possible owing to towns being segregated along socio-economic class lines in the form of race-based urban spatial configurations.

Carnarvon, the largest town in the municipal area, had a 2001 population of 5 135 persons, with about 1 426 households. Almost 60% of the total population in the municipal area lived, at the time, in Carnarvon. In contrast, Vanwyksvlei (including the rural area in Ward 4) had about 800 households and Vosburg (including the rural area in Ward 3) about 602. In terms of 2001 numbers, Kareeberg municipality accounted for about 5.6% of the population within the Pixley Ka Seme District municipality and about 6.2% in 2011.

The growth rate of the population in the municipal area depends largely on the availability of economic opportunities to especially young adults. A stagnating or slow growing economy will result in the outflow of work seekers with a resulting impact on the households and society at large. It is expected that the population growth rate will increase over the next 5-year period, viz. till 2023. This is owing to in-migration as a result of people seeking employment opportunities in the Carnarvon area.<sup>9</sup> It is estimated that the total population in the district will increase to 212 936 by 2021, i.e. about 15 000 more than in 2017.

The demographics of the municipal area are indicated in the table below:

Indicators	Black-African		Coloured		White		Asian	
	2011	2017	2011	2017	2011	2017	2011	2017
Population size	497	614	9 532	9 812	910	904	52	56
Proportional share of total population (percentage)	4,5%	5.3%	86,7%	86,1%	8,2%	7,9%	0,4%	0,5%
Number of households by population group <sup>10</sup>	168	208	2 365	2 473	391	399	9	9
Source of data: Quantec								

Table 27: **Demographics of the municipality**

<sup>9</sup> This is as a result of the Square Kilometre Array telescope development project in the western section of the Pixley ka Seme district.

<sup>10</sup> Calculated by using a 3.6 household size for 2001 and 3.4 for 2011.

### 3.7.3 Education Levels

The total number of learners and educators, district-wide, was about 46 000 and 1 420 in 2014 and in 2016, i.e. no change, but a total of 23 public schools closed over this period (see Table 12). In the municipal area, there is a vast improvement, since 2001, in the number of persons with matric. However, the number of persons with no schooling in 2017 was more than the comparative number in 2011. The biggest success in the education levels is the consistent increase in the number of pupils with a Grade 12 qualification.

The education levels in the municipal area are indicated in the table below:

Indicator		2001	2011	2017
Education	No schooling	2 348	1 803	1 884
	Matric	949	1 081	1 163
	Higher education (certificate with Grade 12 or better)	397	353	371
Source of data: Quantec				

Table 28: Education Levels

### 3.7.4 Service Delivery Levels

Regarding service provision in Kareeberg municipality, there has been an improvement in the provision of electricity from 2011 to 2016 (73.6% of households in 2011 vs 83.4% in 2016) but with only 73% receiving this service in 2017. The proportion of households with flush toilets connected to the sewerage system has also greatly improved from 55.6% in 2011 to 69% in 2016 with a slightly lower percentage (66.7%) in 2017. The provision of piped water inside dwellings has increased from 41.5% in 2011 to 47% in 2016 but decreased to 40.9% in 2017. The provision of refuse removal increased from about 70% of all households receiving the service in 2011 to 84.3% of households in 2016, but as with the other services, a lower percentage (71.3%) receiving this service in 2017. Note that the most recent service delivery levels (measured as a percentage) are slightly down from the 2106 levels even though there was an increase in absolute numbers receiving these services. The service delivery levels in the municipal area indicated in the table below:

Service (% share of households)	2011	2017
Electricity	73.6%	73.0%
Flush toilets	55.6%	66.7%
Water (piped water)	41.5%	40.9%
Refuse removal <sup>11</sup> (local authority/private)	70.9%	71.3%

Table 29: Service Delivery Levels

<sup>11</sup> Removed by local authority/private company at least once a week.



### 3.7.5 Health

In recent years, more people made use of the health services, but the number of facilities did not increase. However, with the estimated threshold population for a primary health clinic about 40 000, the communities are well served in this respect and is currently using surplus capacity. It is estimated that a small to medium size clinic could serve about 5 000 persons.

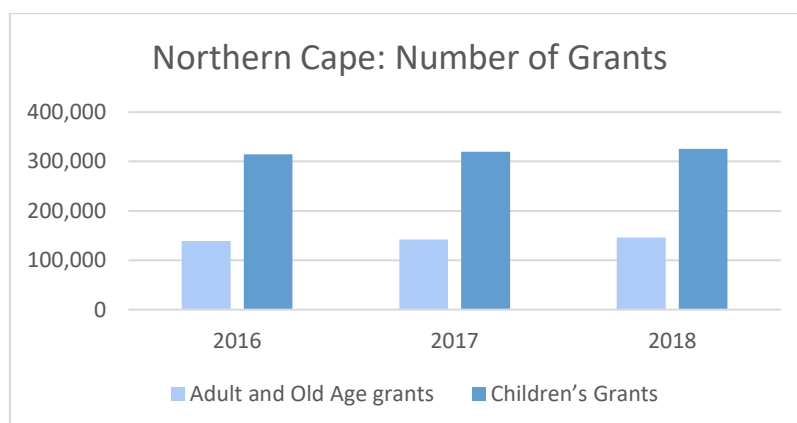
The health care levels in the municipal area are indicated in the table below:

Facility	2013	2016
Fixed facility clinics	2	2
Hospital	1	1
Community Health Centre	2	2
Total (all health facilities)	9	9
Source of data: Quantec		

Table 30: Health Care

### 3.7.6 Social Grants

The graph below indicates the number of social grants by type in the Northern Cape between 2016 and 2018. There was a slight rise in both Adult and Old Age grants, and Children's Grants during this period.



Graph 7.: Social Grants

### 3.7.7 Housing

In the table below it is indicated that the percentage of households living in formal housing (brick or concrete block structures) increased by about 5% between 2011 and 2016, while the proportion of households occupying informal structures decreased by about the same number over the same period. The lower percentage living in formal housing in 2017 is due to housing demand exceeding supply with the resultant increase in informal dwellings.

Dwellings (% share of households)	2011	2016	2017
Formal dwellings	89.6%	94.2%	89.4%
Informal dwellings (i.e. backlog)	10.4%	5.8%	7.9%

Table 31: Dwellings

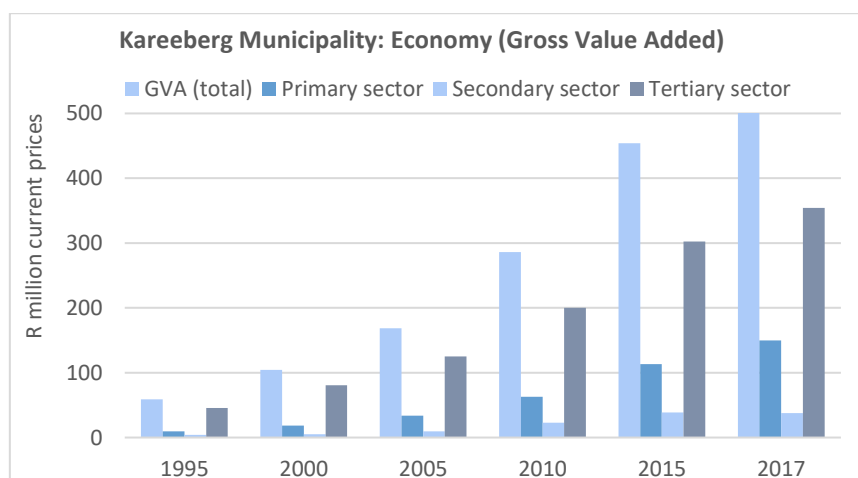
### 3.8 Economical Context

#### 3.8.1 Economic Summary

##### *Value of the economy*

In a provincial context, the Northern Cape (and Limpopo) recorded the lowest real annual economic growth rate (of 2,2% each) of the nine provinces in South Africa in 2011. Furthermore, the Northern Cape posted an average economic growth rate of 2,4 per cent over the period 2001 till 2011, whereas the South African economy recorded an average growth rate of 4,0 per cent. In this regard, the Northern Cape Province contributed just more than 2% of the total value to the South African economy. The two economic subsectors with the most significant contributions were agriculture and mining (6,1% and 6,8%, respectively). This value contribution by mining amounts to almost 26,7% of the provincial economy, while the size of the contributions by agriculture is 6% and that of personal services, 8,1%.

The percentage share contribution by the tertiary sector in 2017 to the total 'GVA' generated in the municipal area is about 65% (or about R350 million) (see table below). However, a 2017 Location Quotient of 0.96 relative to the district shows a comparative disadvantage in this sector to the district economy. On the other hand, the primary sector in the municipal area with a 27.7% (or R150 million) contribution to the total GVA in 2017 has a comparative advantage to the district economy with a Location Quotient of 1.29 relative to the district. The percentage share contribution by the secondary sector in 2017 to the total 'GVA' generated in the municipal area is about 7% (or about R38 million)



Graph 8.: State of the economy (Source of data: Quantec)

##### *Characteristics of the economy*

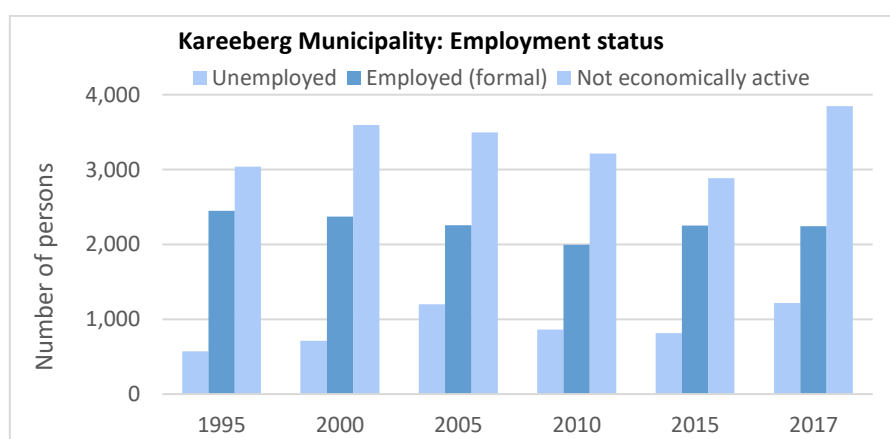
The economy in the Kareeberg Municipality is characterised by the following:

- ◆ Moderate economic growth since 2010 but from a low base.
- ◆ It is a small-town sub-region with a low level of development (note the significant economic impact that the establishment of the Square Kilometre Array (SKA) project will have in the municipal area),
- ◆ Sparsely populated towns with Carnarvon serving as “main agricultural service centre”. Note a possible decline in primary-sector-orientated offerings owing to restricted farming activities in the area as a result of the SKA project.

- ◆ High rates of unemployment, poverty and social grant dependence.
- ◆ Prone to significant environmental changes/shifts owing to long-term structural changes (such as climate change — less rainfall, more droughts and an increase in extreme weather events — energy crises and other shifts).
- ◆ Geographic similarity in economic sectors, growth factors and settlement patterns.
- ◆ Economies of scale not easily achieved owing to the relatively small size of towns.
- ◆ A diverse road network with national, trunk, main and divisional roads of varying quality.
- ◆ Potential in renewable energy resource generation.
- ◆ A largely tertiary-sector based economy with agriculture (as subsector in the primary sector) the only other major contributor the 'local' GVA.

### Employment

The graph below shows a slight increase, in recent years, in the number of the persons (formally) employed in the Kareeberg municipal area. This improvement, after almost two decades of declining numbers is not reflected by the unemployment rate that was higher in 2017 (27,9) than the rates of 24,8 in 2010, 24,3 in 2011 and 21,4 in 2016. Any unemployment figure has serious repercussions on the ability of the population, at large, to uphold dignified living conditions and for the municipality to fulfil its revenue-raising mandate as the number of indigent households increase. For the unemployed, pension/welfare payments are the only reliable source of income. In Kareeberg, about 27,34 % (2 242) of working age persons (8 210) were (formally) employed in 2017. Informal employment for persons of working age amounted to 905 (or 11,0%) of the total.



Graph 9.: Employment levels (Source of data: Quantec)

The table below provides an economic summary of the Municipality's area:

Economic summary	
Percentage of working age persons not economically active in 2017	46.9% (up from 42.1% in 2016)
Number of persons (formally) employed in 2017	2 242 (down from 2 275 in 2016)
Two major economic sectors	Agriculture, Government Services
Existing initiatives to address unemployment	Government-driven work opportunities

Economic summary	
Possible competitive advantages	SKA project; Favorable conditions for renewable energy generation
Investment initiatives and incentives	Government-driven work opportunities

Table 32: *Economic Summary (Source of data: Quantec)*

### 3.8.2 GDP of the Municipality

The Kareeberg municipality has a relatively small economy, making up about 5,2% of Gross Domestic Product in the Pixley ka Seme District municipality in 2017. This contribution is a negligible proportion (about 0,6%) of the Northern Cape Province's economy in the same year. Note that these contributions are almost similar to the respective contributions in 2011. GDP growth rates between 2011 and 2017 average at 9,6% per annum with an 18% increase in 2014. The table below provides a summary of the municipality's GDP in 5-year increments from 1995:<sup>12</sup> Also included are figures for 2016 and 2017 and %change over this period:

Industry	1995	2000	2005	2010	2015	% change (2000 to 2015)	2016	2017	%change (2016 to 2017)
Agriculture	9	18	32	60	123	583%	124	149	21%
Mining (and quarrying)	0.2	0.2	0.3	0.5	0.7	400%	1	0.8	-21%
Manufacturing	2	3	6	13	21	600%	23	19	-8%
Construction	2	2	3	10	17.5	750%	17.5	18.5	9%
Wholesale and retail trade, catering and accommodation	11	18	30	59	89	394%	98	106	19%
Transport and communication	7	12	20	23	34	183%	35	36	7%
Finance, insurance, real estate and business services	2	3	7	13	20	567%	33	36	78%
General government	14	28	38	75	114	308%	123	137	20%
Community, social and personal services	10	16	25	22	34	113%	36	39	15%

Table 33: *GDP of the municipality (Source of data: Quantec)<sup>13</sup>*

<sup>12</sup> Presented as 'Nominal Gross value added at basic prices, R millions current prices'.

<sup>13</sup> Measured by Gross Value Added.

The government, trade and agriculture subsectors contribute most to the gross domestic product of the Kareeberg municipality. In this regard, employment in the agriculture sector underpins the incomes of many households in the municipal area. The possible impact of the SKA project on agriculture in the municipal area still has to be determined and analysed. This notwithstanding, we believe the project, resulting in mostly services-orientated offerings in the tertiary sector, is largely responsible for the recent growth in this sector.

### 3.8.3 Investment typology

In a 2011 research study called “Development Potential of Urban Settlements in the Northern Cape” by Van der Merwe, I.J., and Zietsman, H.L. regarding the investment potential of municipalities and settlements in the Northern Cape, a set of indicators was developed and used to determine the development/growth potential and human needs at two functional levels, i.e. municipal and settlement.

The indicators were grouped as follows with the components of each grouping in brackets:

- ◆ Resource index (natural and human resources),
- ◆ Infrastructure index (transportation, communication and institutional services), and
- ◆ Economic index (economic sectors, commercial services, market and accessibility potential and property market).

The tables below include the findings of the study regarding the development potential combined with the human need factor for the Kareeberg municipality.

Development index	Investment potential
Resource	Low
Infrastructure	Low
Economic	Low
<i>High (Have the potential to grow at a sustainable and powerful rate in line with the capacity of available resources)</i> <i>Medium (Consistent and moderate growth prevails, and certain sectors of the economy show signs of growth, or have the potential for it)</i>	

Table 34: **Composite Indices Applied for the municipality**

Not considered together with the development potential, the human development needs index for the municipality is measured as high, owing to, for example, the occurrence of low matriculation pass rates, high proportions under the mean level of living index, high rates of HIV/Aids and high percentages receiving social grants. The table below lists the human development index for each of the three towns.

Human development needs index	Vulnerability need
Carnarvon	High
Vanwyksvlei	High
Vosburg	High

Table 35: **Human Development Needs Index**

By combining the findings on the development/growth potential and human needs, the preferred type of (public) investment was identified to stimulate economic growth and social advancement. In this regard, a low development potential and a high human need was identified in the Kareeberg municipality. This implies an investment strategy to

stimulate infrastructure<sup>14</sup> and social<sup>15</sup> and human<sup>16</sup> capital as best return on investment in these three forms of ‘development capital’. The preferred locations for these investments would be Carnarvon.

### 3.9 Strategic Context

The following section includes a summary of the strategic nature of local resources and the use thereof, as a competitive advantage of the Kareeberg municipality.

#### 3.9.1 Strategic Summary

In the table below, the strategic nature of the local resources is described to serve as the catalyst for investment:

Strategic summary	
Location in terms of major transport nodes (nationally and district wide)	Not good
Comparative advantage towards economic development potential within the direct boundaries of the municipality	Optimise, share and sustain the collateral benefits of the SKA development; concentrate on primary-sector and tertiary-sector-orientated offerings
Location in terms of the Provincial Growth and Development Strategy	Sidelined, owing to the ‘remoteness’ of the municipal area as an economic hub, and a marginal contribution to GDP
Major tourism and development corridors and how these corridors are being explored for further development	Tourism can be one of the main economic sectors (note the increase in the number of guesthouses in Carnarvon in recent years)
Existing contribution to the GDP of the Province	Less than 10%
What has been done to create an enabling environment for investors	Promote the development of the tourism sector and optimise investment in the education sector

Table 36: Strategic Summary

#### 3.9.2 Developmental Direction for Urban Areas

Carnarvon is a typical Karoo town which consists of a small middle class (including black and/or coloured government officials), a few emerging entrepreneurs and with the majority of the remaining population depending on government grants. It has been stated that several incremental spin-offs have already been felt in Carnarvon, including:<sup>17</sup>

- ◆ Local employment and training,
- ◆ Increased property prices and a trend towards property renovation,
- ◆ An increase in the number of guest houses,

<sup>14</sup> The main components include buildings and infrastructure such as roads, communications, waste disposal, water systems, etc.

<sup>15</sup> Concerns investments by institutions that help us maintain and develop human capital e.g. families, communities, municipalities, trade unions, hospitals and schools.

<sup>16</sup> Refers to people’s health, education, training, knowledge, skills, religion and motivation.

<sup>17</sup> Socio-economic Assessment of SKA Phase 1 in South Africa, January 2017.

- ◆ More trade for local firms supplying SKA and contractors,
- ◆ The opening of the Lord Carnarvon Boutique hotel and restaurant,
- ◆ The acquisition and revamp of the Carnarvon Hotel,
- ◆ Longer opening hours for shops,
- ◆ The upgrade to the Carnarvon High School Hostel,
- ◆ A new sports field in Carnarvon,
- ◆ The local computer centre funded by SKA and its associate firms,
- ◆ New public housing schemes,
- ◆ An increase in Police resources because SKA is now a National Key Point,
- ◆ New maths and science teachers in Carnarvon, and
- ◆ A gradual reversal of the brain drain (i.e .an influx of new skills into the community).

In addition, it was recently reported that Square Kilometre Array South Africa has awarded bursaries, for university studies in science and technology, to four learners, who matriculated from Carnarvon High School in 2016.<sup>18</sup>

### 3.9.3 Investment Opportunities

The following possible opportunities could be investigated:

Corridor/niche/action	Economic sector	Area
Expanding the 'reach' of Carnarvon serving as "hub" for SKA project	Tertiary	Carnarvon
Understanding the impact of significant environmental changes owing to long-term structural changes (such as climate change, energy crises and other shifts)	(Cross-cutting)	Municipal area
Expanding the economy of scale of Carnarvon	(Cross-cutting)	Carnarvon
Keeping the diverse road network in a good condition	Transport	Municipal area
Understanding the potential of partnerships between authorities	(Cross-cutting)	Municipal area
Allowing investment in renewable energy resource generation	Construction; Electricity	Municipal area

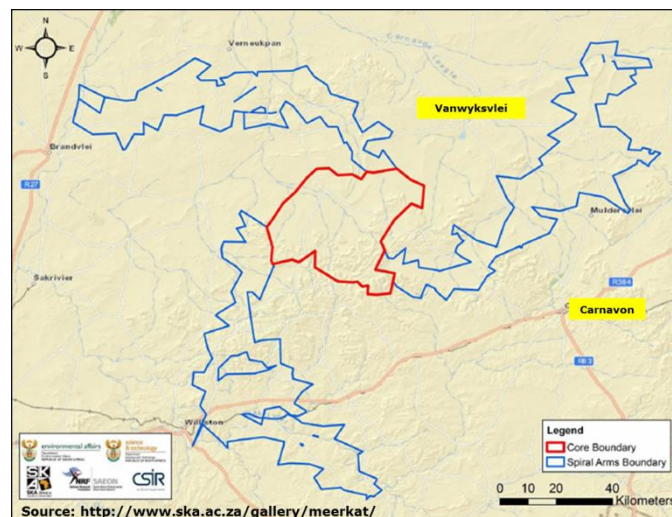
Table 37: Possible Opportunities

<sup>18</sup> Source: <http://www.ska.ac.za/gallery/meerkat/>, viewed on 2.4.2017.



### 3.9.3.1 Square Kilometer Array Project<sup>19</sup>

The establishment of the SKA project in the western segment of the municipal area is the most significant investment of any kind in recent years. In this regard, it is important for all stakeholders to ensure that much needed economic activities like agriculture, are not undermined and/or mitigating measures applied to ensure growth in other subsector economies. Since the introduction of the SKA project the following elements of the local economy has benefited significantly: road infrastructure, local job opportunities created (mainly Black Economic Empowerment driven), purchasing of local supplies and services, e.g. in the hospitality industry and the property market through higher demand and the construction of new houses. Another key aspect of beneficiation is the introduction of improved high-speed broadband connection for previously unconnected communities. It is important to note that Carnarvon is seen as the main geographic hub of investment in terms of the SKA project (see map opposite). In this regard, and seen in the broader regional context, it is an imperative for all three tiers of government to become involved in the monitoring and evaluating of change in, *inter alia*, the socio-economic status of the directly and indirectly affected communities. For example, to monitor the implementation and results of the human capital development programmes. The challenge is also to optimise, share and sustain these collateral benefits to the local and regional economy and by implication, to the local communities. For example, the financial sustainability of mainly the Kareeberg municipality will impact on the standard and availability of certain services and infrastructure and proper land use management will result in a socio-political approach to sharing the tourism-related opportunities.



It is stated that infrastructure to a value of R 185 million was delivered by SKA SA over the period 2007-2009. All such contracts specified 80% local labour, and preference was given to Northern Cape contractors. This created 618 local jobs. The total contribution to jobs (by 2009) was R 8,1 million; the total contribution to BEE was R 4,9 million; local business and hospitality industry has experienced 30-50 % increase in turnover during 2008/09; and the property market increased, with longer-term contractors purchasing houses and short-term contractors leasing houses. The size and timing of this investment correlates with the growth and decline of the local economy since 2007.

The following 'benefits' has been noted in the previous IDP as forthcoming from the SKA investment, i.e. infrastructure, local jobs, hospitality and tourism opportunities, entrepreneurship, business development, education and training. It is

<sup>19</sup> Source: Socio-economic Assessment of SKA Phase 1 in South Africa, January 2017.

in particular, the town of Carnarvon that has benefitted substantially from the investment. In this regard, it is stated that several incremental spin-offs have already been felt in Carnarvon with the most recent being, four learners who matriculated from Carnarvon High School in 2016, receiving bursaries for university studies in science and technology.

Economic growth does, however, require public investment in services and infrastructure and in certain localities to sustain economic activities, and to create long-term employment opportunities. For example, employment opportunities draw workers and workers require housing and other day-to-day services. In this regard, the Kareeberg municipality must adopt a sector and activity focused approach to understand and manage the current development patterns. Therefore, it is an imperative that the following challenges be addressed:

- ◆ Transparent and reliable communication between stakeholders
- ◆ Long-term structural changes (e.g. climate change)
- ◆ Financial viability (e.g. address low payment culture)
- ◆ Uncertainties around the core agricultural product
- ◆ The conservation footprint
- ◆ Land and housing demand (e.g. addressing the housing backlog)
- ◆ Ensuring that the quantum of water needed is available and of a good quality
- ◆ Ability to maintain development impulses in the education/training and other subsectors, and
- ◆ Ability to meet rising socio-economic development expectations and aspirations of lower-income communities.

The issue of providing housing on- and off-site for SKA staff on suitable land has to be a consultative process between the relevant stakeholders.

### 3.9.3.2 *Renewable Energy Generation*

The municipal area is prone to significant environmental changes owing to long-term structural changes such as climate change — less rainfall, more droughts and an increase in extreme weather events — and other shifts. This will change the economies of scale and macroeconomic conditions and threaten the viability of agriculture as an economic subsector. Current economic conditions and investment priorities point to other investment opportunities, i.e. SKA and renewable energy. It is however paramount to ensure compatibility between land uses. This notwithstanding, the Northern Cape is to be the ideal location for various forms of renewable energy generation.

The next section includes recent media reports on some of the (country-wide) benefits of the Renewable Energy Independent Power Producer programme.<sup>20</sup> It was reported that the programme had significant impacts on the

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<sup>20</sup> <https://citizen.co.za/news/south-africa/2089839/renewable-energy-benefits-are-many-and-is-here-to-stay-radebe/>, viewed on 24.2.2019.

economy, job creation, community upliftment, economic transformation, and climate change. Among other things, in a short eight-year period, it had attracted R209.4 billion in committed private sector investment, resulting in much needed alleviation of fiscal pressure. The programme had already created 38,701 job years for youth, women and citizens from the surrounding communities. This meant 38,701 people had had a full-time job for one year. Local communities had already benefited from over R1 billion spent by Independent Power Producers on education such as upskilling of teachers, extra teachers and classrooms, and 600 bursaries to students from disadvantaged communities, the provision of health facilities and medical staff, social welfare such as feeding schemes, support to old age homes and early childhood development, and support to and establishment of more than a 1000 small scale enterprises.

### 3.9.3.3 *Shale Gas Exploration*

South Africa is now exploring the idea of exploiting the field of shale gas in the Karoo in order to derive energy fundamental for development. The proposal is that shale gas could play a critical role in the country's energy mix in order to meet the demand for energy, thus promoting industrialisation for economic growth. Other benefits could include employment creation. There are, however, concerns about the impact that fracking will have on the environment. This situation has been met with strong opposition from environmental bodies which expressed a need for a comprehensive environmental impact assessment (EIA) report addressing water and environmental sector impacts and how they are to be mitigated. Again, it is paramount that all spheres of government address the compatibility between these land uses in an area that has a unique sense of people, place, history, craft, limits and nature.

## 3.10 The Organisation

### 3.10.1 *Council*

The Kareeberg Local Municipal Council comprises of 7 elected councillors, made up from 4 ward councillors and 3 proportional representation councillors. The mayor is Mr N S van Wyk, and forms the council together with the following members: Mr J E Hoorn, Mr B J E Slambee, Mrs G Saal, Mr E Hoorn, Mr G van Louw, and Mr W Horne.

### 3.10.2 *Management structure*

The administration arm of Kareeberg Municipality is headed by the Municipal Manager, who has 3 senior managers reporting directly to him. The Municipal Manager, as head of the administration, is responsible and accountable for tasks and functions as provided for in Section 55 of the MSA, other functions/tasks as provided for in legislation as well as functions delegated to him by the Mayor and Council.

### 3.10.4 *Departmental structure*

The Municipality has four departments and the functions of each can be summarised as follows:

Department	Core Functions
Office of the Municipal Manager	♦ Internal Audit
Corporate Services	♦ Administration ♦ Human Resources ♦ Performance Management Services

Department	Core Functions
	<ul style="list-style-type: none"> <li>◆ LED</li> <li>◆ IDP</li> <li>◆ Libraries</li> <li>◆ Special Programmes</li> </ul>
Finance	<ul style="list-style-type: none"> <li>◆ Revenue</li> <li>◆ Expenditure</li> <li>◆ Supply Chain Management</li> </ul>
Operational Services	<ul style="list-style-type: none"> <li>◆ Water</li> <li>◆ Sewerage</li> <li>◆ Refuse</li> <li>◆ Electricity</li> <li>◆ Roads</li> <li>◆ Sport and Recreation</li> </ul>

Table 38: *Departmental functions*

### 3.10.5 *Municipal workforce*

Section 68(1) of the MSA states that a municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. The organisational structure should be revisited after the approval of the IDP and budget to ensure that the municipality still delivers services in the most productive and sufficient manner. The Municipality is currently in the process of reviewing its macro structure and organogram. The new staff establishment will be developed in line with normative human resource practices, taking cognisance of the transformation targets and requirements as stated in the Basic Conditions of Employment Act. The recruitment of employees is conducted in terms of the Municipality's recruitment and selection policy.

Based on the strategic and policy decisions made by Council, the senior management team develops service plans for integration with other sectors within the strategy for the municipality. They must measure performance according to agreed indicators, analyse and report regularly. They inform decision-makers timeously of any risk to service delivery initiatives and conduct the review of service performance against plans before other reviews. The senior management team of Kareeberg Municipality is supported by a municipal workforce of 69 permanent employees and 31 temporary appointees, which is structured in the departments to implement the IDP strategic objectives.

Posts in the Organisation					
Permanent positions filled	Funded vacancies		Unfunded vacancies		Total
69	6		0		75
Representation of employees					
Employees categorised in terms of gender (permanent and temporary employees)	Male		32		69
	Female		37		
Employees categorised in terms of race (permanent and temporary employees)	Coloured	African	Indian	White	69
	64	0	0	5	
Vacancies	6		Temporary staff		31
Total (permanent and temporary employees)					100

Table 39: *Staff Establishment (March 2020)*

### 3.10.6 *Municipal administrative and institutional capacity*

The Municipality has the following policies to support the workforce in delivering on the strategic objectives:

Name of Policy	Date Approved
Recruitment Selection and Appointment	27 October 2016
Leave	9 December 2015
Bonus	9 December 2015
Family Responsibility Leave	9 December 2015
Acting	9 December 2015
Communication Strategy	25 August 2015

Table 40: *Approved Policies (March 2020)*

### 3.10.7 *Skills development*

The Workplace Skills Plan, which is submitted annually on the last day of April, reflects all the training done within the specified period, as well as all the staff trained within the specified year. This plan also sets out the prioritised training for the following financial year. Training is linked to the job description of each employee, which ensures that employees are registered for training which has a direct impact on the performance of their duties. Training is governed by the Skills Development Act, which is very prescriptive in the manner in which training must take place and the targets that must be adhered to, as well as the employment equity targets which should be reached.

Due to financial constraints very little is annually spent on training.

### 3.10.8 *Institutional performance*

An institutional performance review provides critical information pertaining to the current status and critical service needs, highlights and challenges. The information can provide value insight for the management team and guidance to engage in a meaningful planning process to improve service delivery within the municipal area. The highlights of the past year are summarised per directorate in the tables below:

Highlights
<ul style="list-style-type: none"> <li>◆ Unqualified audit opinion for 2017/18 and 2018/19</li> <li>◆ Proper oversight structures are in place within the municipality</li> <li>◆ Effective implementation of Performance Management System</li> <li>◆ Functioning of Audit Committee and operation of Internal Audit function</li> <li>◆ Funding for draught relief was spent and 6 new boreholes was added to the supply network</li> <li>◆ The removal of sewerage from sewerage tanks in all three towns were continuously done</li> <li>◆ Carnarvon's ponds were readily managed taking into account the limited staff</li> <li>◆ The Connan street project was successfully completed</li> <li>◆ Business plans were submitted to upgrade the rest of the Carnarvon electricity network</li> <li>◆ Managed to remove waste weekly in all towns</li> <li>◆ Paving of Hanekam road</li> <li>◆ Paving of Bonteheuwel streets</li> <li>◆ The paving was upgraded at the Kareeberg Library</li> <li>◆ The sport grounds are used by the community continuously and vandalism is restricted.</li> </ul>

Table 41: *Main Highlights of the Past Year*

**Challenges**

- ◆ Lack of satisfactory communication of Public Office Bearers with communities and residents of Kareeberg Municipality
- ◆ Non-functioning of two Ward Committees
- ◆ Carting of water to Vanwyksvlei at a high cost during the whole financial year due to the draught
- ◆ Reading of water meters and the vandalizing of the bulk water meters
- ◆ Continuous maintenance of sewerage ponds
- ◆ High electricity line losses due to aged network
- ◆ Insufficient cash flow to service electricity transformers
- ◆ Availability of vehicles to transfer refuse and shortage of personnel to deliver a sufficient service
- ◆ Reliable road maintenance plans and associated funding
- ◆ Sufficient personnel to do continuous road maintenance
- ◆ Vandalism at the Vosburg sport grounds

**Table 42: Main Challenges of the Past Year****3.11 Stakeholder inputs**

The public consultation process was rolled out in the 4 wards of the Municipality. These community consultations proved to be very successful and offered an insight to the tremendous challenges which both government and citizens are faced with. The consultation process recorded the following list of needs, all of which do not necessarily constitute or are within the mandate of local government; the needs outside our mandate were communicated to the relevant sphere of government and/or institution responsible for the core service. Some of the identified needs do not fall within the functions of the Municipality, but the communities tend not to differentiate between Local, District, Provincial and National Government functions. To ensure that needs of local communities are met, this therefore demands that planning are better coordinated/ integrated with Local, Provincial and National Government. The needs of the community are indicated in the tables below per town. Additional needs could not be obtained due to the national lockdown as result of the Covid-19 pandemic:

<b>Carnarvon</b>
High past lights at the graveyard site
Land for housing projects
Revitalisation of Railway
Pedestrian crossing at Primary School
Establishment of Local Tourism Council
MCOA development
Fencing and ablution facilities at cemetery
Tourism Centre
Community Hall
Water problems
Job creation
Speed humps to town entrances
Traffic lights and signs in CBD
Serviced erven
Housing

Carnarvon
Appointments of Health Personnel
Ablution facilities hawkers
Bonteheuwel crèche
Public ablution facilities in town
Walking trail
Development of the nature reserve
Advertisement boards in town
Sport development for local people
Taxi rank
Upgrading water network
Commonage sites
Servicing of additional sites for residential use
More business sites in neighbourhoods
Kareeberg Festivals
Schietfontein development
Schietfontein access road
Mobile Police station, Bonteheuwel
Containers refuse residential areas
Access control waste site
Tar airstrip
Erection playground
Community development project (grant)
Temporary tourism centre
Wi-Fi hotspots (3)
Solar systems houses
Containers refuse residential areas
Meat processing plant
Sheep tribe and processing plant
Weighbridge
Local radio station
Maintenance of buildings at the show grounds

Table 43: *Carnarvon Community Needs*



Vosburg
Grass and spray lights
Housing
Social Worker
Job creation
Pre-paid electricity point
Business sites
Solar energy-electricity and heating (solar geysers)
Additional commonage
Upgrading of sport facilities
Waste recycling
Women farming
Upgrading streets
Upgrading reservoir
Upgrading water network
Service erven
Playground
Solar system
Upgrading streets
Burglarproof bars – Community Hall
Woman Farming
4 High mass lightning
Providing of Electricity
Speed bumps
Razor wire – Community Hall

Table 44: *Vosburg Community Needs*

Vanwyksvlei
Crusher Projects
Land and erecting of Business Stalls in the CBD area
Jo-Jo Water Tanks (6000l) for harvesting rainwater at households
Health personnel at the clinic
Appointment of General Workers at Municipality
Speed bumps
Tarring of road between Carnarvon and Vanwyksvlei
Completion of clay structures/housing
Upgrading of sport facilities
Public ablution facilities in town
Job creation
Serviced sites/erven
Additional commonage
Paving of streets
Build/operate guesthouses
Tarring of road between Copperton/Vanwyksvlei
Playground
Additional office space for departments
Ambulance services
Pipeline from Copperton to Vanwyksvlei

Table 45: *Vanwyksvlei Community Needs*

### 3.12 Sectoral Plans

Apart from the legislative requirement to compile IDPs, municipalities are also expected to compile sector plans, which should form part of the IDPs. There are national requirements that compel municipalities to formulate the following sector plans. Due to financial constraints, it was and is still not possible to develop and/or to regularly review the required sector plans. Below is a list of the main required sector plans and their current status with regards to the Municipality:

- ◆ Water Services Development Plan (WSDP): Compiled in 2009 (Outdated)
- ◆ Integrated Waste Management Plan (IWMP): Compiled in 2013 (Outdated)
- ◆ Spatial Development Framework (SDF): The SDF was reviewed and approved by Council in August 2019. Due to serious financial constraints, any project emanating from the reviewed SDF could only be considered with the new IDP cycle after the next local government elections in 2021.
- ◆ Disaster Management Plan: Not compiled
- ◆ Integrated Transport Plan (ITP): Compiled in 2012 (Outdated)
- ◆ Capital Investment Framework (CIF): Not compiled
- ◆ Integrated Poverty Reduction and Gender Equity Programme: Not compiled

- ◆ Integrated Environmental Management Plan (IEMP): Not compiled
- ◆ Integrated Local Economic Development Strategy (LED): Compiled in 2007 (Outdated)
- ◆ Integrated HIV/Aids Programme: Not compiled
- ◆ Integrated Institutional Programme: Not compiled
- ◆ Routine Road Maintenance plan: Not compiled
- ◆ Draft Pavement Management System: Not compiled
- ◆ Housing Sector Plan / Human Settlement Plan: Not compiled
- ◆ Integrated energy plans: Not compiled
- ◆ Comprehensive Infrastructure Plan: Integrated infrastructure planning and compliance with guiding principles of the National Environmental Management Act (NEMA): Not compiled

All these legislative requirements are aimed at ensuring that clear, workable and integrated plans are in place. The sole purpose is to achieve meaningful development and improvement of the living conditions of citizens. Certain legislation would require the Municipality to either review or amend some of the 'outdated' plans. As mentioned above, due to serious financial constraints, the municipality is currently not in a position to develop and/or review any of these plans.

## CHAPTER 4: DEVELOPMENT STRATEGIES

## 4.1 Strategic Vision of the Municipality

The strategic vision of the Municipality is built around the strategic objectives. A clear linkage between these objectives, the IDP, the budget, all budgetary documentation, as well as performance tools are maintained throughout:

Municipal Strategic Objective	Desired Outcome/s
Compliance with the principles of good governance	<ul style="list-style-type: none"> <li>Enhanced monitoring of performance</li> <li>Compliance with applicable laws and regulations</li> </ul>
Deliver basic services with available resources	<ul style="list-style-type: none"> <li>Delivery of basic services</li> <li>Infrastructure development and maintenance</li> </ul>
Create integrated human settlements <i>(Depending on receipt of allocations from Provincial Government)</i>	<ul style="list-style-type: none"> <li>Implement housing projects according to the agreed programmes</li> <li>Upgrading of informal housing</li> </ul>
Enhance community participation	<ul style="list-style-type: none"> <li>Functional Ward Committees</li> <li>Enhanced external communication</li> <li>Enhanced community participation</li> </ul>
Promote economic development, tourism and growth opportunities	<ul style="list-style-type: none"> <li>Enhanced economic environment for investors</li> <li>Labour intensive projects</li> <li>Enhanced job creation</li> </ul>
Sound administrative and financial service to achieve and maintain sustainability and viability	<ul style="list-style-type: none"> <li>Unqualified audit opinion</li> <li>Improved revenue generation</li> <li>Compliance with applicable laws and regulations</li> </ul>

Table 46: Strategic Vision of the Municipality

## 4.2 National, Provincial and Municipality's Strategic Alignment

The table below indicates the Municipality's alignment with national government and the Pixley ka Seme District Municipality:

Municipal Strategic Objective	National KPA	NDP Outcome	District Strategic Objective
<ul style="list-style-type: none"> <li>Deliver basic services with available resources</li> <li>Create integrated human settlements</li> </ul>	Basic Service Delivery	<ul style="list-style-type: none"> <li>Chapter 8: Transforming human settlements</li> <li>Chapter 10: Health care for all</li> <li>Chapter 11: Social protection</li> <li>Chapter 12: Building safer communities</li> </ul>	<ul style="list-style-type: none"> <li>Monitor and support local municipalities to enhance service delivery</li> </ul>
<ul style="list-style-type: none"> <li>Compliance with the principles of good governance</li> <li>Enhance community participation</li> </ul>	Good Governance and Public Participation	<ul style="list-style-type: none"> <li>Chapter 13: Building a capable and developmental state</li> <li>Chapter 14: Fighting corruption</li> <li>Chapter 15: Nation building and social cohesion</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with the tenets of good governance as prescribed by legislation and best practice</li> </ul>
Promote economic development, tourism and growth opportunities	Local Economic Development	<ul style="list-style-type: none"> <li>Chapter 4: Economic infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Promote economic growth in the district</li> </ul>

Municipal Strategic Objective	National KPA	NDP Outcome	District Strategic Objective
		<ul style="list-style-type: none"> <li>♦ Chapter 5: Environmental sustainability and resilience</li> <li>♦ Chapter 3: Economy and employment</li> <li>♦ Chapter 6: Inclusive rural economy</li> <li>♦ Chapter 9: Improving education, training and innovation</li> </ul>	
Sound administrative and financial service to achieve and maintain sustainability and viability	Municipal Financial Viability and Management	<ul style="list-style-type: none"> <li>♦ Chapter 13: Building a capable and developmental state</li> </ul>	<ul style="list-style-type: none"> <li>♦ Administer finances in a sustainable manner and strive to comply with legislative requirements to achieve a favourable audit outcome</li> </ul>
Sound administrative and financial service to achieve and maintain sustainability and viability	Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> <li>♦ Chapter 9: Improving education, training and innovation</li> <li>♦ Chapter 13: Building a capable and developmental state</li> <li>♦ Chapter 14: Fighting corruption</li> </ul>	<ul style="list-style-type: none"> <li>♦ To provide a professional, people centred human resources and administrative service to citizens, staff and Council</li> </ul>

Table 47: National, Provincial and Municipality's Strategic Alignment

## CHAPTER 5: 2 YEAR CORPORATE SCORECARD: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES (REMAINDER OF IDP PERIOD)

Based on the development strategies included in Chapter 4 the table below includes the Corporate Scorecard for the next remaining 2 years of the IDP period which is aligned with the budget and will be implemented and monitored in terms of the annual Top Layer SDBIP:

Strategic objective	Function	Key Performance Indicator	Unit of measurement	Ward	Target 2020/21	Target 2021/22
Compliance with the principles of good governance	Planning and Development	Submit the Draft IDP to Council by 31 March	Draft IDP submitted to Council by 31 March	All	1	1
Compliance with the principles of good governance	Executive and Council	Council meets people meetings by 30 June	Number of meetings	All	1	1
Compliance with the principles of good governance	Finance and Administration	Distribute external newspaper "Korbeeltjie"	Number of external newsletters distributed	All	2	2
Compliance with the principles of good governance	Internal Audit	Compile and submit the Risk Based Audit Plan (RBAP) to the Audit committee by 30 June	Risk Based Audit Plan (RBAP) submitted to the Audit committee by 30 June	All	1	1
Deliver basic services with available resources	Community and Social Services	Spend 90% of the library grant by 30 June ((Actual expenditure divided by the approved budget)x100)	% of the library grant spent by 30 June ((Actual expenditure divided by the approved budget)x100)	All	90%	90%
Sound administrative and financial service to achieve and maintain sustainability and viability	Water Management	Number of formal residential properties that receive piped water (credit) that is connected to the municipal water infrastructure network and billed for the service as at 30 June	Number of residential properties which are billed for water	All	1 779	1 779
Deliver basic services with available resources	Waste Water Management	Number of formal residential properties connected to the municipal waste water sanitation/sewerage network for sewerage service, irrespective of the number of water closets (toilets) and billed for the service as at 30 June	Number of residential properties which are billed for sewerage	All	858	858
Deliver basic services with available resources	Electricity	Number of formal residential properties connected to the municipal electrical infrastructure network	Number of residential properties which are billed for electricity or have pre paid meters	All	1 029	1 029

Strategic objective	Function	Key Performance Indicator	Unit of measurement	Ward	Target 2020/21	Target 2021/22
		(credit and prepaid electrical metering)(Excluding Eskom areas) and billed for the service as at 30 June	(Excluding Eskom areas) as at 30 June			
Deliver basic services with available resources	Waste Management	Number of formal residential properties for which refuse is removed once per week and billed for the service as at 30 June	Number of residential properties which are billed for refuse removal	All	1 814	1 814
Deliver basic services with available resources	Water Management	Provide free basic water to indigent households as at 30 June	Number of indigent households receiving free basic water	All	1 047	1 047
Deliver basic services with available resources	Waste Water Management	Provide free basic sanitation to indigent households as at 30 June	Number of indigent households receiving free basic sanitation services	All	818	818
Deliver basic services with available resources	Electricity	Provide free basic electricity to indigent households as at 30 June	Number of indigent households receiving free basic electricity	All	984	984
Deliver basic services with available resources	Waste Management	Provide free basic refuse removal to indigent households as at 30 June	Number of indigent households receiving free basic refuse removal services	All	1 047	1 047
Deliver basic services with available resources	All	The percentage of the municipal capital budget actually spent on capital projects by 30 June [(Amount actually spent on capital projects/ Amount budgeted for capital projects)x100]	% of capital budget spent on capital projects by 30 June	All	90%	90%
Deliver basic services with available resources	Electricity	Limit % electricity unaccounted for to 20% by 30 June [(Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased ) × 100]	% Electricity unaccounted for (Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased ) × 100	All	20%	20%
Deliver basic services with available resources	Electricity	60% of the electricity maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total	% of the electricity maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total	All	60%	60%

Strategic objective	Function	Key Performance Indicator	Unit of measurement	Ward	Target 2020/21	Target 2021/22
		approved maintenance budget)x100}	approved maintenance budget)x100}			
Deliver basic services with available resources	Road Transport	60% of the roads and stormwater maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the roads and stormwater maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	All	60%	60%
Deliver basic services with available resources	Waste Water Management	60% of the sewerage maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the sewerage maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	All	60%	60%
Deliver basic services with available resources	Water Management	60% of the water maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the water maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	All	60%	60%
Deliver basic services with available resources	Sport and Recreation	60% of the sport and recreation maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	% of the sport and recreation maintenance budget spent by 30 June {(Actual expenditure on maintenance divided by the total approved maintenance budget)x100}	All	60%	60%
Deliver basic services with available resources	Water Management	90% of water samples taken comply with SANS241 micro biological indicators {(Number of water samples that comply with SANS241 indicators/Number of water samples tested)x100}	% of water samples compliant	All	90%	90%
Promote economic development, tourism and	Planning and Development	Create temporary jobs opportunities in terms of EPWP by 30 June	Number of job opportunities created by 30 June	All	30	30



Strategic objective	Function	Key Performance Indicator	Unit of measurement	Ward	Target 2020/21	Target 2021/22
growth opportunities						
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	The number of people from employment equity target groups employed (to be appointed) in the three highest levels of management in compliance with the equity plan as at 30 June	Number of people employed (to be appointed)	All	1	1
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	The percentage of the municipality's personnel budget actually spent on implementing its workplace skills plan by 30 June [(Actual amount spent on training/total operational budget)x100]	% of the municipality's personnel budget on training by 30 June (Actual amount spent on training/total personnel budget)x100	All	0.01%	0.01%
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Limit the vacancy rate to less than 10% of budgeted posts by 30 June ((Number of posts filled/Total number of budgeted posts)x100)	% vacancy rate of budgeted posts by 30 June (Number of posts filled/Total number of budgeted posts)x100	All	10%	10%
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Submit the Draft Annual Report to Council by 31 January	Draft Annual Report submitted to Council by 31 January	All	1	1
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Submit the Work Skills Plan to Local Government SETA by 30 April	Work Skills Plan submitted to LGSETA by 30 April	All	1	1
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Financial viability measured in terms of the municipality's ability to meet its service debt obligations as at 30 June ((Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing +	% debt coverage	All	45%	45%

Strategic objective	Function	Key Performance Indicator	Unit of measurement	Ward	Target 2020/21	Target 2021/22
		Long Term Lease) / Total Operating Revenue - Operating Conditional Grant)				
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Financial viability measured in terms of the outstanding service debtors as at 30 June ((Total outstanding service debtors/ revenue received for services)X100)	% of outstanding service debtors to revenue received for services	All	10.50%	10.50%
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June ((Cash and Cash Equivalents - Unspent Conditional Grants - Overdraft) + Short Term Investment) / Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets))	Number of months it takes to cover fix operating expenditure with available cash	All	3	3
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Submit the annual financial statements to AGSA by 31 August	Annual financial statements submitted to AGSA by 31 August	All	1	1
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Submit the draft main budget to Council by 31 March	Draft main budget submitted to Council by 31 March	All	1	1
Sound administrative and financial service to achieve and maintain sustainability and viability	Finance and Administration	Achieve a debtor payment percentage of 80% by 30 June {(Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts	% debtor payment achieved	All	80%	80%

Strategic objective	Function	Key Performance Indicator	Unit of measurement	Ward	Target 2020/21	Target 2021/22
		Written Off)/Billed Revenue x 100}				
Deliver basic services with available resources	Electricity	Spend 90% of the total amount budgeted by 30 June 2021 for the upgrading of the electricity network in Kokkiesdorp {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	1	90%	n/a
Deliver basic services with available resources	Electricity	Spend 90% of the total amount budgeted by 30 June 2021 for the upgrading of street lights to be energy efficient {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	1;2	90%	n/a
Deliver basic services with available resources	Road Transport	Spend 90% of the total amount budgeted by 30 June 2021 for the upgrading of streets in Carnarvon {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	2	90%	n/a
Deliver basic services with available resources	Road Transport	Spend 90% of the total amount budgeted by 30 June 2021 for the upgrading of streets in Vanwyksvlei {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	4	90%	n/a
Deliver basic services with available resources	Waste Water Management	Spend 90% of the total amount budgeted by 30 June 2021 for 2 high mast lights in Vosburg {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	3	90%	n/a
Deliver basic services with available resources	Water Management	Spend 90% of the total amount budgeted by 30 June 2021 for the water pipeline Vanwyksvlei {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	4	90%	n/a

Strategic objective	Function	Key Performance Indicator	Unit of measurement	Ward	Target 2020/21	Target 2021/22
		the project/Total amount budgeted for the project)x100}				
Deliver basic services with available resources	Water Management	Spend 90% of the total amount budgeted by 30 June 2021 for the replacement of the asbestos water pipeline - Carnarvon {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	% of budget spent {(Total actual expenditure for the project/Total amount budgeted for the project)x100}	1	90%	n/a

Table 48: 2 Year (Remainder of IDP period) Corporate Scorecard: Development and Service Delivery Priorities

## CHAPTER 6: SECTORAL CONTRIBUTIONS

Chapter 5 of the Municipal Systems Act (Act 32 of 2000) in particular provides instruction on cooperative governance, encouraging municipalities to develop their strategies in line with other organs of state so as to give effect to the five-year strategic plan. It goes further to inform that the IDP must link, integrate and coordinate development plans for the Municipality. Resources and capacity must align with the implementation of the plan, forming the foundation on which the annual budget is based. The plan must also be compatible with national development plans and planning requirements binding on the Municipality in terms of legislation. The IDP should therefore serve as a guideline for where sector departments allocate their resources at local government level. The Municipality should however also take into consideration the sector departments' policies and programmes when developing its own policies and strategies. For this reason is it in the interest of the sector departments to participate in municipal IDP/IDP review planning processes to ensure alignment between programmes.

Unfortunately no inputs were received from national and provincial sector departments although numerous requests were made.

## CHAPTER 7: FINANCIAL PLAN

## 7.1 Capital Budget

## 7.1.1 Capital Budget: Per Department and Ward

Department	Project name	Ward	Budget R	
			2020/21	2021/22
Operational Services: Road Transport	Upgrading of streets Bonteheuwel	2	3 702 196	8 299 000
Operational Services: Road Transport	Upgrading of streets Vanwyksvlei	4	1 709 131	0
Operational Services: Electricity	Upgrading of electricity network - Kokkiesdorp	1	5 000 000	7 000 000
Operational Services: Electricity	Energy efficiency project	1 and 2	4 000 000	3 000 000
Operational Services: Water Management	Water pipeline Vanwyksvlei	4	67 551 000	24 274 000
Operational Services: Water Management	Upgrading of water network (asbestos pipes) - Carnarvon	1 and 2	15 000 000	0
Operational Services : Electricity	2 High Mast Lights - Vosburg	3	2 604 673	0
Total			99 567 000	42 573 000

Table 49: Capital budget: Per Department, Division, Function and Ward

## 7.1.2 Capital Budget: Sources of Funding

Budget R			
Funding Source	Description	2020/21	2021/22
Grant	Municipal Infrastructure Grant	8 016 000	8 299 000
Grant	Regional Bulk Infrastructure Grant	67 551 000	24 274 000
Grant	Water Services Infrastructure	15 000 000	0
Grant	Energy Efficiency and demand Side Management Grant	4 000 000	3 000 000
Grant	Integrated National Electrification Programme	5 000 000	7 000 000
Total		99 567 000	42 573 000

Table 50: Funding for Capital Projects

**7.2 Grants****7.2.1 Allocations in terms of the Division of Revenue Bill (DORA)**

Budget R		
Grant	2020/21	2021/22
Equitable share	26 124 000	28 133 000
Finance Management Grant	2 800 000	2 800 000
Municipal Infrastructure Grant	8 016 000	8 299 000
Expended Public Works Programme	1 057 000	0
Water Services Infrastructure	15 000 000	5 000 000
Energy Efficiency and demand Side Management Grant	4 000 000	3 000 000
Integrated National Electrification Programme	5 000 000	7 000 000
Regional Bulk Infrastructure Grant	67 551 000	24 274 000
<b>Total</b>	<b>129 548 000</b>	<b>78 506 000</b>

Table 51: Allocations in terms of the Division of Revenue Bill (DORA)

**7.3 Financial Framework****7.3.1 Operating Budget: Revenue and Expenditure**

Description	Budget (R'000)	
	2020/21	2021/22
<b>Revenue</b>		
Property rates	9 084	9 629
Property rates - penalties and collection charges	0	0
Service charges - electricity revenue	9 856	10 447
Service charges - water revenue	2 888	3 062
Service charges - sanitation revenue	1 346	1 427
Service charges - refuse revenue	1 458	1 545
Service charges - other		
Rentals of facilities and equipment	365	387
Interest earned - external investments	3 395	3 598
Interest earned - outstanding debtors	1	1
Dividends received		
Fines	252	267
Licenses and permits	11	12
Agency services	32	34
Transfers recognised - operational	31 244	32 196
Other revenue	18 237	5 751
<b>Total revenue</b>	<b>78 169</b>	<b>68 357</b>

Description	Budget (R'000)	
	2020/21	2021/22
<b>Expenditure</b>		
Executive and Council	8 377	8 878
Finance and Administration	19 859	19 550
Community and Social Services	2 942	3 118
Health	12	12
Sport and Recreation	432	458
Public Safety	77	82
Housing	11	12
Road Transport	2 413	2 481
Electricity	17 425	18 571
Water Management	2 735	2 899
Waste Water Management	5 698	6 032
Waste Management	6 203	6 575
Other	11 985	12 701
<b>Total expenditure</b>	<b>78 169</b>	<b>81 369</b>

Table 52: *Operating Budget: Revenue and Expenditure*

## 7.4 Unfunded Projects

As mentioned earlier, some of the unfunded needs do not fall within the functions of the Municipality. The table below indicates the unfunded projects:

### 7.4.1 Unfunded Projects: Carnarvon

Reference Number	Project/Need	Responsible National/Provincial Department
7.4.1.1	High mast lights at the Graveyard site	Municipality
7.4.1.2	Land for Housing Projects	Municipality
7.4.1.3	Revitalisation of Railway	Transnet
7.4.1.4	Establishment of Local Tourism Council	Department of Tourism
7.4.1.5	Fencing and ablution facilities at cemetery	Municipality
7.4.1.6	Tourism Centre	Department of Tourism
7.4.1.7	Community Hall with Sport facilities	Municipality/ Dept. Sport & Agriculture
7.4.1.8	Water problems	DWAF
7.4.1.9	Job creation	Municipality/Department of Public Works
7.4.10	Speed humps to town entrances	Municipality
7.4.1.11	Traffic lights and signs in CBD	Municipality
7.4.1.12	Serviced erven	COGHSTA
7.4.1.13	Housing	COGHSTA
7.4.1.14	Appointments of Health Personnel	Department Health



Reference Number	Project/Need	Responsible National/Provincial Department
7.4.1.15	Ablution facilities hawkers	Municipality
7.4.1.16	Bonteheuwel crèche	Department Health
7.4.1.17	Public ablution facilities in town	Municipality
7.4.1.18	Embellishment of town entrances	Municipality
7.4.1.19	Walking trail	Department of Tourism
7.4.1.20	Development of the nature reserve	Municipality
7.4.1.21	Advertisement boards in town	Municipality
7.4.1.22	Sport development for local people	Department of Sport
7.4.1.23	Taxi rank	Municipality
7.4.1.24	Commonage sites	Department of land Affairs
7.4.1.25	Fire brigade	Municipality/district municipality
7.4.1.26	Servicing of additional sites for residential use	Municipality
7.4.1.27	More business sites in neighbourhoods	Municipality
7.4.1.28	Kareeberg Festivals	Department of Tourism
7.4.1.29	Schietfontein development	Department of Public Works
7.4.1.30	Schietfontein access road	Department of Public Works
7.4.1.31	Mobile Police station, Bonteheuwel	SAPD
7.4.1.32	Containers refuse residential areas	Municipality
7.4.1.33	Access control waste site	Municipality
7.4.1.34	Tar airstrip	SKA/Municipality
7.4.1.35	Erection playground	SKA
7.4.1.36	Community development project (grant)	SKA
7.4.1.37	Erection 110 houses	SKA
7.4.1.38	Temporary tourism centre	SKA
7.4.1.39	Wi-Fi hotspots (3)	SKA
7.4.1.40	Solar system houses	Department of Energy
7.4.1.41	Meat processing plant	SKA
7.4.1.42	Sheep tribe and processing plant	SKA
7.4.1.43	Weighbridge	Department of Roads & Transport
7.4.1.44	Local Radio Station	Department of Tourism
7.4.1.45	Maintenance of buildings - Show grounds	Municipality / School
7.4.1.46	Additional oxidation dam in Carnarvon	MIG

Table 53: *Unfunded Projects: Carnarvon*

7.4.2 *Unfunded Projects: Vosburg*

Reference Number	Project/Need	Responsible National/Provincial Department
7.4.2.1	Grass and spray lights	Municipality
7.4.2.2	Housing	COGHSTA
7.4.2.3	Social Worker	Department of Social Services
7.4.2.4	Job creation	Municipality
7.4.2.5	Business sites	Municipality
7.4.2.6	Solar energy-electricity and heating (solar geysers)	Department of Energy
7.4.2.7	Additional commonage	Department of land Affairs
7.4.2.8	Upgrading of sport facilities	Municipality
7.4.2.9	Waste recycling	Municipality
7.4.2.10	Women farming	Department of land Affairs
7.4.2.11	Upgrading streets	Municipality
7.4.2.12	Upgrading reservoir	Department of Water Affairs and Forestry
7.4.2.13	Upgrading water network	Department of Water Affairs and Forestry
7.4.2.14	Service erven	COGHSTA
7.4.2.15	Playground	Municipality
7.4.2.16	Alternative Solar System	Municipality
7.4.2.17	Upgrading of streets	Department of Public Works
7.4.2.18	4 X High mast lights	Municipality
7.4.2.19	Speed bumps	Municipality
7.4.2.20	Razor wire – Community Hall	Municipality
7.4.2.21	Burglarproof bars – Community Hall	Municipality

Table 54: *Unfunded Projects: Vosburg*7.4.3 *Unfunded Projects: Vanwyksvlei*

Reference Number	Project/Need	Responsible National/Provincial Department
7.4.3.1	Appointment of general workers at municipality	Municipality
7.4.3.2	Jo-Jo Water Tanks (6000L) for harvesting rainwater at households	Municipality
7.4.3.3	Speed bumps	Municipality
7.4.3.4	Tarring road between Carnarvon and Vanwyksvlei	Department Public works
7.4.3.5	Upgrading of sport facilities	Municipality
7.4.3.6	Service Sites/erven	Municipality
7.4.3.7	Paving of Streets	Municipality
7.4.3.8	Pipe line from Copperton to Vanwyksvlei	Department of Water Affairs
7.4.3.9	Playground	Municipality
7.4.3.10	Crusher projects	Municipality

Reference Number	Project/Need	Responsible National/Provincial Department
7.4.3.11	Land and erecting of business stalls in CBD areas	Municipality
7.4.3.12	Health personnel clinic	Department of Health
7.4.3.13	Public ablution facilities in town	Municipality
7.4.3.14	Job creation	Municipality
7.4.3.15	Additional commonage	Municipality
7.4.3.16	Build/operate guesthouses	Department of Tourism
7.4.3.17	Tarring of road between Copperton/Vanwyksvlei	Department of Public Works
7.4.3.18	Computer Centre	Municipality/SKA
7.4.3.19	Additional office space for departments	Municipality/Department of Public Works
7.4.3.20	Ambulance services	Department of Health

Table 55: *Unfunded Projects: Vanwyksvlei*

## CHAPTER 8: PERFORMANCE MANAGEMENT

Performance management is a strategic approach to management, which is aimed at equipping leaders, managers, workers and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organization in terms of indicators and targets for efficiency, effectiveness and impact. It is a requirement for local government in terms of the MSA which requires all municipalities to:

- ◆ Develop a performance management system;
- ◆ Set targets, monitor and review performance based indicators linked to their IDP;
- ◆ Publish an annual report on performance for the councillors, staff, the public and other spheres of government;
- ◆ Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government;
- ◆ Conduct an internal audit on performance before tabling the report;
- ◆ Have their annual performance report audited by the Auditor-General; and,
- ◆ Involve the community in setting indicators and targets and in reviewing municipal performance.

### 8.1 Performance Management System

Performance information indicates how well a Municipality is meeting its aims and objectives, and which policies and processes are working. Making the best use of available data and knowledge is crucial for improving the execution of its mandate. Performance information is key for effective management, including planning, budgeting, and implementation, monitoring and reporting. Performance information also facilitates effective accountability, enabling councillors, members of the public to track progress, identify the scope for improvement and better understand the issues involved.

The Municipality delivers services essential to the well-being and development of the communities. To ensure that service delivery is as efficient and economical as possible; municipalities are required to formulate strategic plans, allocate resources to the implementation of those plans, and monitor and report the results. Performance information is essential to focus the attention of the public and oversight bodies on whether municipalities are delivering value for money, by comparing their performance against their budgets and service delivery plans, and to alert managers to areas where corrective action is required.

#### 8.1.1 Legislative requirements

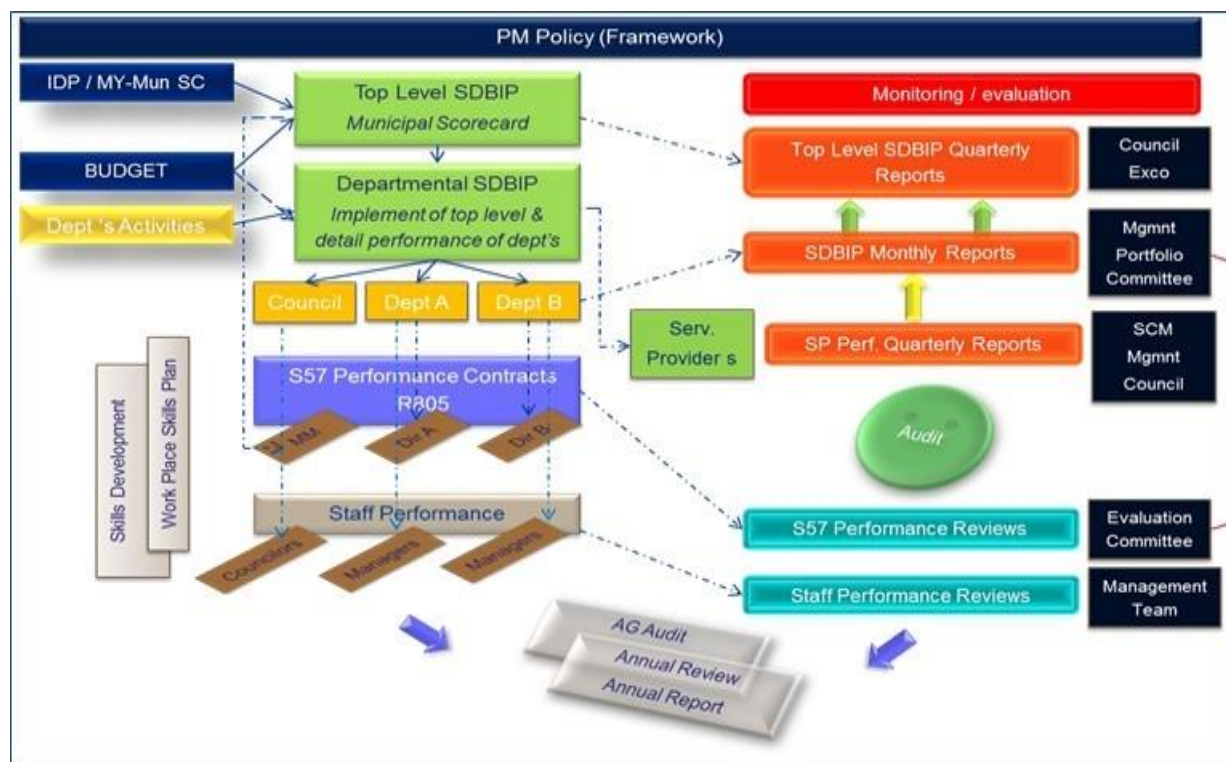
Outlined in Section 40 of the MSA, municipalities must establish mechanisms to monitor and review its performance management system (PMS) to measure, monitor, review, evaluate and improve performance at organisational, departmental and employee levels. Section 34 of the MSA furthermore points out that the IDP has to be reviewed on an annual basis, and that during the IDP review process the Key Performance Areas, Key Performance Indicators and Performance Targets be reviewed and this review will form the basis for the review of the organisational performance management and performance contracts of Section 57 managers.

The Municipal Planning and Performance Management Regulations (2001) stipulates that a “Municipality’s performance management system entails a framework that describes and represents how the Municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players”.

The Municipality have a Performance Management Framework that was approved by Council on 12 December 2008.

### 8.1.2 Performance Management Framework

The Performance Management Framework of the Municipality is reflected in the diagram below:



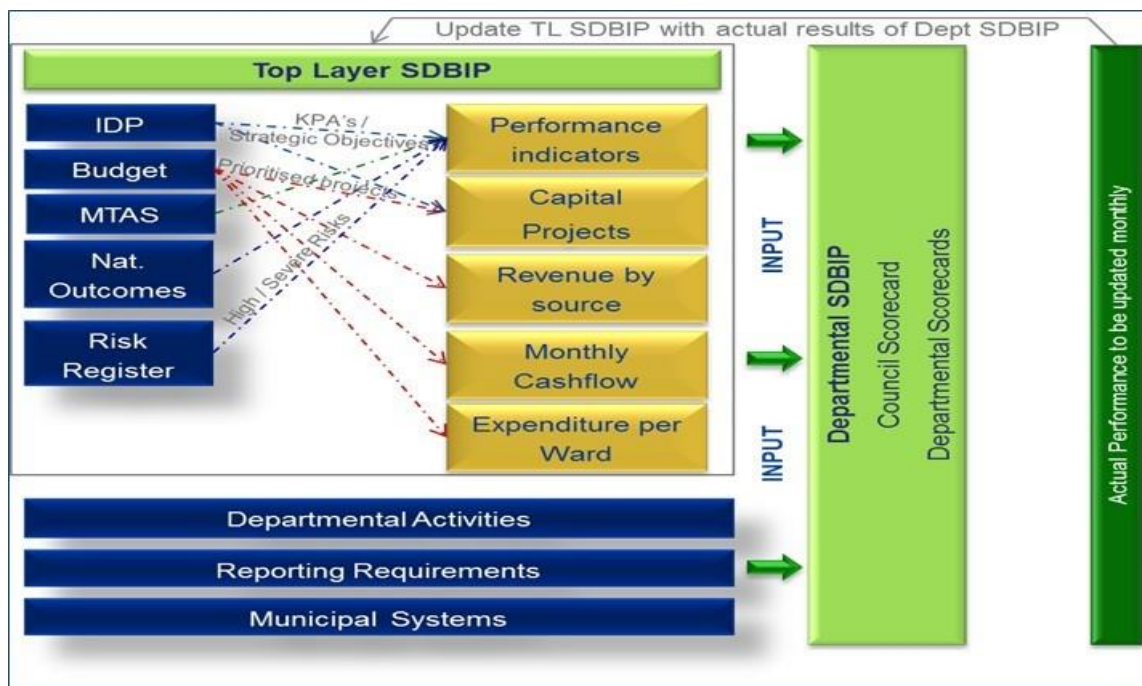
## 8.2 Organisational Performance Management Linked to Individual Performance Management

The MSA requires the Municipality to establish a PMS that is commensurate with its resources; best suited to its circumstances and in line with the IDP. It is required to create a culture of performance throughout the Municipality.

The PMS should obtain the following core elements:

- ◆ Setting of appropriate performance indicators;
- ◆ Setting of measurable performance targets;
- ◆ Agree on performance measurement;
- ◆ Performance monitoring, reviewing and evaluation;
- ◆ Continuous performance improvement;
- ◆ Regular performance reporting; and
- ◆ Intervention where required.

### 8.3 Corporate Performance



The performance of the Municipality is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels. The Top Layer SDBIP set our consolidated service delivery targets and provides an overall picture of performance for the Municipality as a whole, reflecting performance on its strategic priorities.

The departmental SDBIP captures the performance of each defined department which reflects on the strategic priorities of the Municipality. The SDBIP provides the detail of each outcome for which the senior management is responsible for, in other words, a comprehensive picture of the performance of each directorate/sub-directorate.

### 8.4 Individual Performance: Senior Managers

Performance agreements are concluded with the Municipal Manager and the Section 57 managers annually and includes the following:

- ◆ Key performance indicators of the approved Top Layer SDBIP to ensure seamless integration with the IDP, budget and SDBIP; and
- ◆ Core Competencies in terms of Regulation 21 of 17 January 2014.

In terms of the legislative requirements:

- ◆ Performance evaluations are conducted quarterly, with the first and third quarter only verbal. The second and fourth quarter is formal evaluations
- ◆ The formal assessments are conducted by a panel
- ◆ Record must be kept of formal evaluations
- ◆ The overall evaluation report and results must be submitted to Council

- ◆ Copies of any formal evaluation of the MM is sent to the MEC for Local Government

## 8.5 Performance Reporting

Performance is reported on a regular basis and it includes the evaluation of performance, the identification of poor performance and corrective actions to improve performance.

### Quarterly Reports

Reports on the performance in terms of the Top Level SDBIP are compiled and submitted to Council. This report is published on the municipal website on a quarterly basis.

### Mid-Year Assessment

The performance of the first six months of the financial year should be assessed and reported on in terms of Section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustment of KPI's, if necessary.

This report is submitted to the Mayor for approval before 25 January of each year and the Mayor submit the report to Council by 31 January of each year. The report is furthermore published on the municipal website.

### Annual Assessment

The performance of the financial year should be assessed at year-end in terms of Section 46 of the MSA. The performance in terms of the annual targets set will be documented in the Annual Performance Report and the report will be finalized and submitted to the Office of the Auditor-General by 30 August annually. This report will be included in the Annual Report of the Municipality. The Annual Report is submitted to Council for approval before 25 January of each year and published for comment on the municipal website.

*LIST OF ABBREVIATIONS*

<b>AG</b>	Auditor-General
<b>AFS</b>	Annual Financial Statements
<b>CAPEX</b>	Capital Expenditure
<b>CFO</b>	Chief Financial Officer
<b>COGHSTA</b>	Department of Cooperative Governance, Human settlements and Traditional Affairs
<b>DWA</b>	Department of Water Affairs
<b>EE</b>	Employment Equity
<b>EPWP</b>	Extended Public Works Programme
<b>DGDS</b>	District Growth and Development Strategy
<b>HR</b>	Human Resources
<b>IDP</b>	Integrated Development Plan
<b>KPI</b>	Key Performance Indicator
<b>LED</b>	Local Economic Development
<b>LGSETA</b>	Local Government Sector Education Training Authority
<b>MFMA</b>	Municipal Finance Management Act (Act No. 56 of 2003)
<b>MIG</b>	Municipal Infrastructure Grant
<b>MM</b>	Municipal Manager
<b>MSA</b>	Municipal Systems Act No. 32 of 2000
<b>NGO</b>	Non-governmental organisation
<b>NT</b>	National Treasury
<b>OPEX</b>	Operating expenditure
<b>PMS</b>	Performance Management System
<b>PT</b>	Provincial Treasury
<b>SALGA</b>	South African Local Government Association
<b>SCM</b>	Supply Chain Management
<b>SDBIP</b>	Service Delivery and Budget Implementation Plan
<b>SDF</b>	Spatial Development Framework
<b>WPSP</b>	Workplace Skills Plan



## LIST OF TABLES

TABLE 1:	MUNICIPAL POWERS AND FUNCTIONS .....	6
TABLE 2:	MUNICIPAL AREA AT A GLANCE .....	7
TABLE 3:	DEMOGRAPHIC PROFILE.....	11
TABLE 4:	MUNICIPAL WARDS .....	11
TABLE 5:	EMPLOYMENT STATUS .....	12
TABLE 6:	ECONOMIC GROWTH TARGETS .....	13
TABLE 7:	HOUSEHOLD INCOME (CENSUS 2011).....	14
TABLE 8:	SWOT ANALYSIS.....	17
TABLE 9:	MUNICIPAL COMPARATIVE SYNOPSIS .....	18
TABLE 10:	LEVEL OF RELIANCE ON GRANTS .....	19
TABLE 11:	EMPLOYEE RELATED COSTS.....	19
TABLE 12:	FINANCE CHARGES TO TOTAL OPERATING EXPENDITURE .....	20
TABLE 13:	ACID TEST RATIO .....	21
TABLE 14:	LONG-TERM DEBT TO ANNUAL INCOME.....	21
TABLE 15:	IDP PROCESS .....	24
TABLE 16:	ROLES AND RESPONSIBILITIES – INTERNAL .....	24
TABLE 17:	ROLES AND RESPONSIBILITIES – EXTERNAL .....	25
TABLE 18:	NATIONAL KEY PERFORMANCE AREAS .....	28
TABLE 19:	SUMMARY OF THE OBJECTIVES OF THE NDP .....	31
TABLE 20:	GEOGRAPHICAL CONTEXT .....	38
TABLE 21:	MUNICIPAL WARDS .....	38
TABLE 22:	ENVIRONMENTAL CONTEXT .....	39
TABLE 23:	BIOPHYSICAL CONTEXT .....	40
TABLE 24:	INFRASTRUCTURE SUMMARY.....	41
TABLE 25:	SERVICES AND BACKLOGS .....	41
TABLE 26:	SOCIAL SUMMARY .....	43
TABLE 27:	DEMOGRAPHICS OF THE MUNICIPALITY .....	44
TABLE 28:	EDUCATION LEVELS .....	45
TABLE 29:	SERVICE DELIVERY LEVELS.....	45
TABLE 30:	HEALTH CARE .....	46
TABLE 31:	DWELLINGS .....	46
TABLE 32:	ECONOMIC SUMMARY (SOURCE OF DATA: QUANTEC) .....	49
TABLE 33:	GDP OF THE MUNICIPALITY (SOURCE OF DATA: QUANTEC) .....	49
TABLE 34:	COMPOSITE INDICES APPLIED FOR THE MUNICIPALITY .....	50
TABLE 35:	HUMAN DEVELOPMENT NEEDS INDEX .....	50
TABLE 36:	STRATEGIC SUMMARY .....	51
TABLE 37:	POSSIBLE OPPORTUNITIES .....	52
TABLE 38:	DEPARTMENTAL FUNCTIONS .....	56
TABLE 39:	STAFF ESTABLISHMENT (MARCH 2020) .....	56
TABLE 40:	APPROVED POLICIES (MARCH 2020) .....	57
TABLE 41:	MAIN HIGHLIGHTS OF THE PAST YEAR .....	57
TABLE 42:	MAIN CHALLENGES OF THE PAST YEAR.....	58
TABLE 43:	CARNARVON COMMUNITY NEEDS.....	59
TABLE 44:	VOSBURG COMMUNITY NEEDS.....	60
TABLE 45:	VANWYKSVLEI COMMUNITY NEEDS.....	61
TABLE 46:	STRATEGIC VISION OF THE MUNICIPALITY .....	63
TABLE 47:	NATIONAL, PROVINCIAL AND MUNICIPALITY'S STRATEGIC ALIGNMENT.....	64
TABLE 48:	2 YEAR (REMAINDER OF IDP PERIOD) CORPORATE SCORECARD: DEVELOPMENT AND SERVICE DELIVERY PRIORITIES.....	71
TABLE 49:	CAPITAL BUDGET: PER DEPARTMENT, DIVISION, FUNCTION AND WARD .....	73
TABLE 50:	FUNDING FOR CAPITAL PROJECTS.....	73
TABLE 51:	ALLOCATIONS IN TERMS OF THE DIVISION OF REVENUE BILL (DORA) .....	74
TABLE 52:	OPERATING BUDGET: REVENUE AND EXPENDITURE .....	75
TABLE 53:	UNFUNDED PROJECTS: CARNARVON.....	76
TABLE 54:	UNFUNDED PROJECTS: VOSBURG.....	77
TABLE 55:	UNFUNDED PROJECTS: VANWYKSVLEI.....	78

## LIST OF MAPS

MAP 1:	LOCATION IN THE PROVINCE .....	8
MAP 2:	REGIONAL MUNICIPAL LOCATION .....	8

## LIST OF GRAPHS

GRAPH 1:	RELIANCE ON GRANTS .....	19
GRAPH 2:	EMPLOYEE RELATED COSTS.....	20
GRAPH 3:	FINANCE CHARGES TO TOTAL OPERATING EXPENDITURE .....	20
GRAPH 4:	ASSET TEST RATIO.....	21
GRAPH 5:	LONG-TERM DEBT TO ANNUAL INCOME.....	22
GRAPH 6:	DEMOGRAPHIC ANALYSIS (SOURCE OF DATA: QUANTEC).....	43
GRAPH 7:	SOCIAL GRANTS.....	46
GRAPH 8:	STATE OF THE ECONOMY (SOURCE OF DATA: QUANTEC) .....	47
GRAPH 9:	EMPLOYMENT LEVELS (SOURCE OF DATA: QUANTEC).....	48