

MATZIKAMA MUNICIPALITY

2012/2017

**INTEGRATED DEVELOPMENT
PLAN**

3RD REVISION

(2015/2016)

MATZIKAMA AT A GLANCE

Indicator	Value		
	2002	2012	
Population	Total	55 957	67143
	Male		33 606
	Female		33 537
Households		16 033	17 935
Household size (persons)		3.5	3.7
Households under poverty line		6300	5700
Poverty line (per person per month)		R352.00	R636.00
Land surface area		8700 km ²	13 700 km ²
Towns/Villages	Vredendal, Klawer, Vanrhynsdorp, Lutzville, Koekenaap, Lutzville-West, Ebenaeser, Papendorp, Strandfontein and Doring Bay	Vredendal, Klawer, Vanrhynsdorp, Lutzville, Koekenaap, Lutzville-West, Ebenaeser, Papendorp, Strandfontein, Doring Bay, Kliprand, Nuwerus, Bitterfontein, Put-se-Kloof, Rietpoort, Molsvlei and Stofkraal	
Number of Wards		7	8
Primary Economic Sectors	Agriculture and Mining		
Secondary Economic Sector	Manufacturing, Electricity and Construction		
Tertiary Economic Sector	Trade, Transport, Finance and Community Services		
Dominant Languages	Afrikaans, Xhosa and English		
Administrative Hub	Vredendal		

MATZIKAMA MUNICIPALITY COUNCILLORS



WH Nel
Speaker



P Bok
Mayor



D Goedeman
Deputy Mayor



R Stephan
Ward Councillor



A Julies
PR Councillor



W Fortuin
PR Councillor



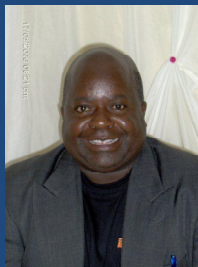
M Witbooi
PR Councillor



Y Kotze
PR Councillor



C Van Der Westruis
Ward Councillor



A Sindyamba
Ward Councillor



B Julies
Ward Councillor



J Smit
PR Councillor



S Mnqinqi
Ward Councillor



F Barn
Ward Councillor



J Botha
PR Councillor

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R E V I S I O N 3

01 JULY 2015 - 30 JUNE 2016

**PLEASE NOTE, THIS REVISED AND AMENDED INTEGRATED DEVELOPMENT PLAN SUPERCEDES
ALL PREVIOUS INTEGRATED DEVELOPMENT PLANS.**

1. INTRODUCTION

1.1 OVERVIEW OF THE INTEGRATED DEVELOPMENT PLAN

The Integrated Development Plan of the Matzikama Municipality is the over-arching strategic plan of the organization. The logical structure followed by this strategic plan to achieve its goals contains three vital elements including a diagnosis, a guiding policy or strategy and coherent action plan. The revised and amended IDP is thus Council's blueprint in terms of how the Council of Matzikama Municipality anticipates achieving its objectives for the next two years (2015-2017).

It is important to note that the ultimate purpose of the IDP is to articulate the vision of the Council of Matzikama and how to accomplish that vision by achieving a number of strategic objectives.

Furthermore, it is important to note that the IDP is not a summary of the respective sectoral plans as it is strategic in nature at large whilst the sector plans are more operationally orientated. The IDP align the strategies of Council with the prospective Provincial and National deliverables ensuring that sector plans are alignment with provincial and national strategic objectives and outcomes. For this reason it is Important to read the IDP in conjunction with the Service Delivery and Budget Implementation Plan (SDBIP).

The IDP comprise two processes, one the compilation of the plan as referred to in section 25 of the Municipal Systems Act (Act 32 of 2000) and two, the annual planning as referred to in section 34 of the Municipal Systems Act (Act 32 of 2000). The first process comprises the compilation of the actual plan and the second process comprises the annual revision or the testing of the validity of the strategies of the plan. Key to strategic planning is that the actual strategies which form the basis are not annually amended as it is long-term and not operational. However, annual revision of the plan allow for inputs by all role players as the

document is a live one and does make provision for changes especially those that impact on the strategic goals of the Council and its Communities.

On 1 July 2012 the Matzikama Municipality implemented a new five year Integrated Development Plan (IDP) for the period July 2012 – June 2017 that reveals council's strategy for the same period.

The third and most recent review of the 2014-2017 IDP commenced in September 2014 following approval of the revision time-schedule. Implementation of the revised IDP commenced 01 July, 2014 following the adoption of the revised IDP and Budget by Council on 31 May, 2014.

1.2 LEGAL REFERENCE

The IDP is compiled according to the Municipal Systems Act (Act 32 of 2000) section 25. In line with the same Act; the Matzikama Municipality adopted the IDP as its principal strategic planning instrument to guide and inform its planning, management and development. It binds the Municipality in the exercise of its executive authority, except in cases where it conflicts with national or provincial legislation, in which case such legislation prevails. Furthermore, it compels all other persons to the extent that those parts of the IDP that impose duties or affect the rights of such people have been passed as a by-law. Section 26 of the Municipal Systems Act (Act 32 of 2000) requires that the IDP reflect the following core components:

- the municipal council's vision for long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs
- an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs

- the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- a spatial development framework which must include the provision of basic guidelines for a land use management system
- the council's operational strategies;
- applicable disaster management plans;
- a financial plan, which must include a budget projection for at least the next three years; and
- key performance indicators and performance targets.

1.3 INTEGRATED DEVELOPMENT PLAN INTENT

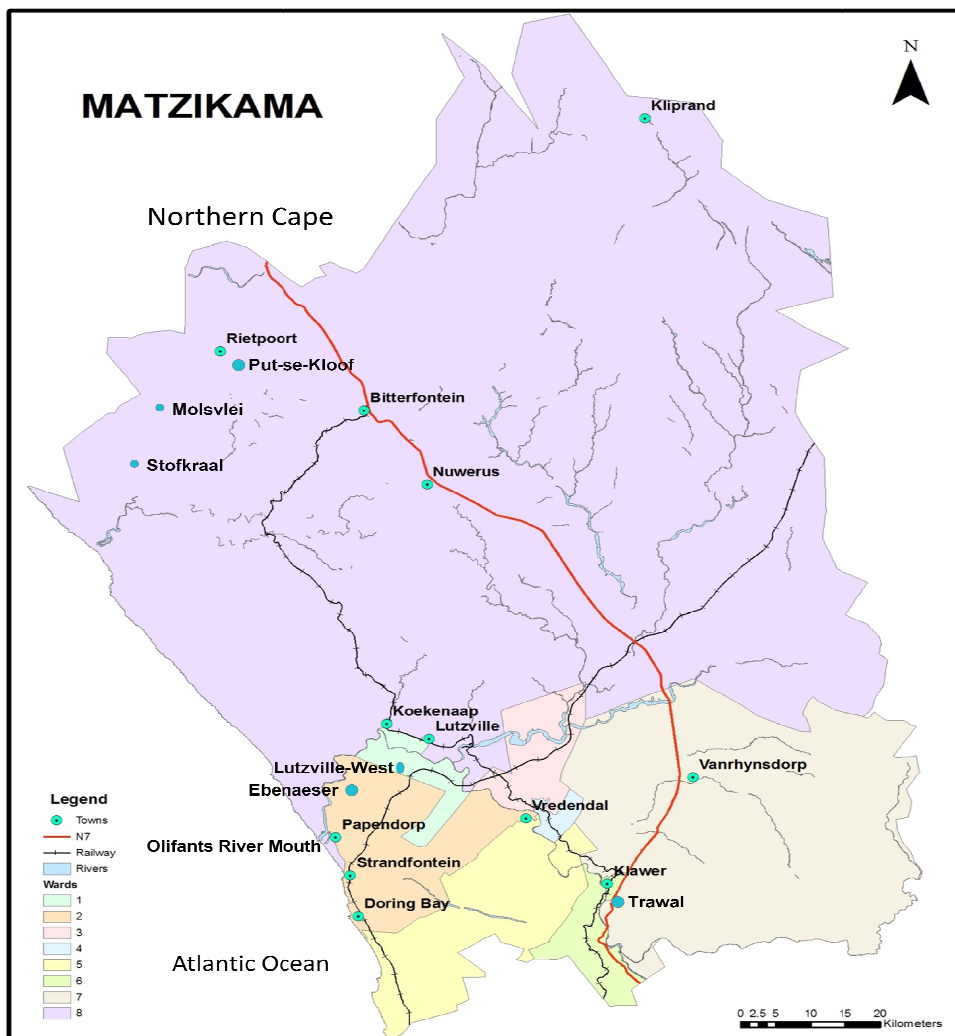
Apart from the fact that Municipalities are legally obliged to develop and adopt IDP's its ultimate purpose is to serve as an instrument of Council and its partners to accomplish the vision of Council through the successful implementation of the strategies and implementation plans. These strategies were developed by the Council of Matzikama Municipality following a comprehensive consultation process with all the Communities in the Municipal area. The IDP does a number of things but first and foremost it enables the Municipality to manage the process of achieving its strategic objectives including but not limited to:

- The IDP through its public participation processes makes provision for Council to be informed of the challenges faced by its social partners
- Through its integrated processes and programs the IDP equip Council to develop strategies and projects to resolve the challenges of its social partners in a manner that is effective and efficient
- The IDP facilitate the removal of the silo-approach to development practices with the intent to expedite delivering of services amongst other things
- Because the IDP is the only strategic plan that guide development it is instrumental in guiding other spheres of government, the private sector and aid organizations to

allocate funds for projects that is aligned with the developmental objectives and strategies of the Municipality

- The IDP is a key strategy of the government to strengthen democracy and transform institutions
- The South African government system comprise three spheres of government that must work together to bring effective and efficient services to the public. The IDP is instrumental in facilitating and coordinating inter-governmental processes between the three spheres of government that is needed to deliver services to the public

1.4 THE GEOGRAPHICAL SPACE OF THE MUNICIPALITY



The Matzikama Municipality is a category B municipality proclaimed in terms of Provincial Notice No 481/2000 of September 2000. As of the last local government elections in May 2011 the previous district managed area to the north (showing in purple on the map) of the Matzikama has been incorporated as per notice in the Provincial Gazette Extraordinary 6825. As a result the geographical area of the Municipality increased from roughly 8000 km² to slightly less than 13000 km². The municipal area comprises 17 towns and or villages that are divided into 8 wards. These towns and villages include Doring Bay, Strandfontein, Papendorp, Ebenaeser, Lutzville-West, Lutzville, Koekenaap, Vredendal, Klawer, Vanrhynsdorp, Nuwerus, Bitterfontein, Kliprand, Put-se-Kloof, Rietpoort, Molsvlei and Stofkraal. Matzikama is characterized by an arid environment but is served by a life-giving arterial namely the Olifants River. The river with its associated canal systems supports the agricultural sector that is mainly built on viticulture. Apart from the newly incorporated area to the north as well as the towns of Doring Bay, Strandfontein and Vanrhynsdorp the rest of the population is concentrated along the river and canal system.



Vredendal is by far the largest town in the municipal area, and it is strategically located rendering it the logical economic and administrative centre of the Municipality.

2. PUBLIC PARTICIPATION

2.1 INTRODUCTION

One of the key challenges facing municipalities is the low levels of community involvement in the development, implementation and monitoring and evaluation processes of municipalities. Unfortunately, these undesirable state of affairs is not supporting the notion of public participation and are in direct conflict with the letter and spirit of government's policies in relations to building a developmental local government. Public participation is intended to build on the commitment of the democratic government to deepen democracy, which is embedded in the Constitution.

According to the White Paper of 1998 on Local Government developmental local government means a local government committed to work with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives. The IDP is a mechanism and instrument that seeks to give meaning to developmental local government, where people themselves are active participants in the identification of needs, priorities and strategies for the reconstruction and development of communities.

2.2 PUBLIC PARTICIPATION STRUCTURES

Understanding the need for effective public participation processes the Matzikama Municipality created over the last five years in conjunction with all role players public participation structures with representation from all walks of society. The following structures exist in the Matzikama and are consulted by the Municipality on a scheduled basis to give meaningful effect to public participation.

Public Participation Structures	Composition of Structures
Ward Committees	<p>The following stakeholders are represented on the committee:</p> <ul style="list-style-type: none"> • The youth • Non-governmental organizations • Local business chamber • Sports organizations • Community dev. organizations • The farming communities • Broader community representation • School governing bodies • Community Policing Forums • Churches • CDWs – Ex-official status
IDP Representative Forum	<p>All of the stakeholders in the ward committees, municipal officials and sector departments make up the IDP representative forum.</p>
Local Economic Development (LED) Forum	<p>The following stakeholders are represented on the LED forum:</p> <ul style="list-style-type: none"> • Nominated members from ward committees • Business chambers • Commercial farmers • Emerging farmers • Black business forums • Industrial bodies • Labour • The youth • Non-governmental organizations
Public Meetings	<p>The wider community in the ward attend these meetings.</p>

The diagrams below provide an elaborated view of the various community structures created by the Matzikama Municipality as the representatives of the public partnership component of the Municipality. These structures are consulted as per the process plan of the municipality.

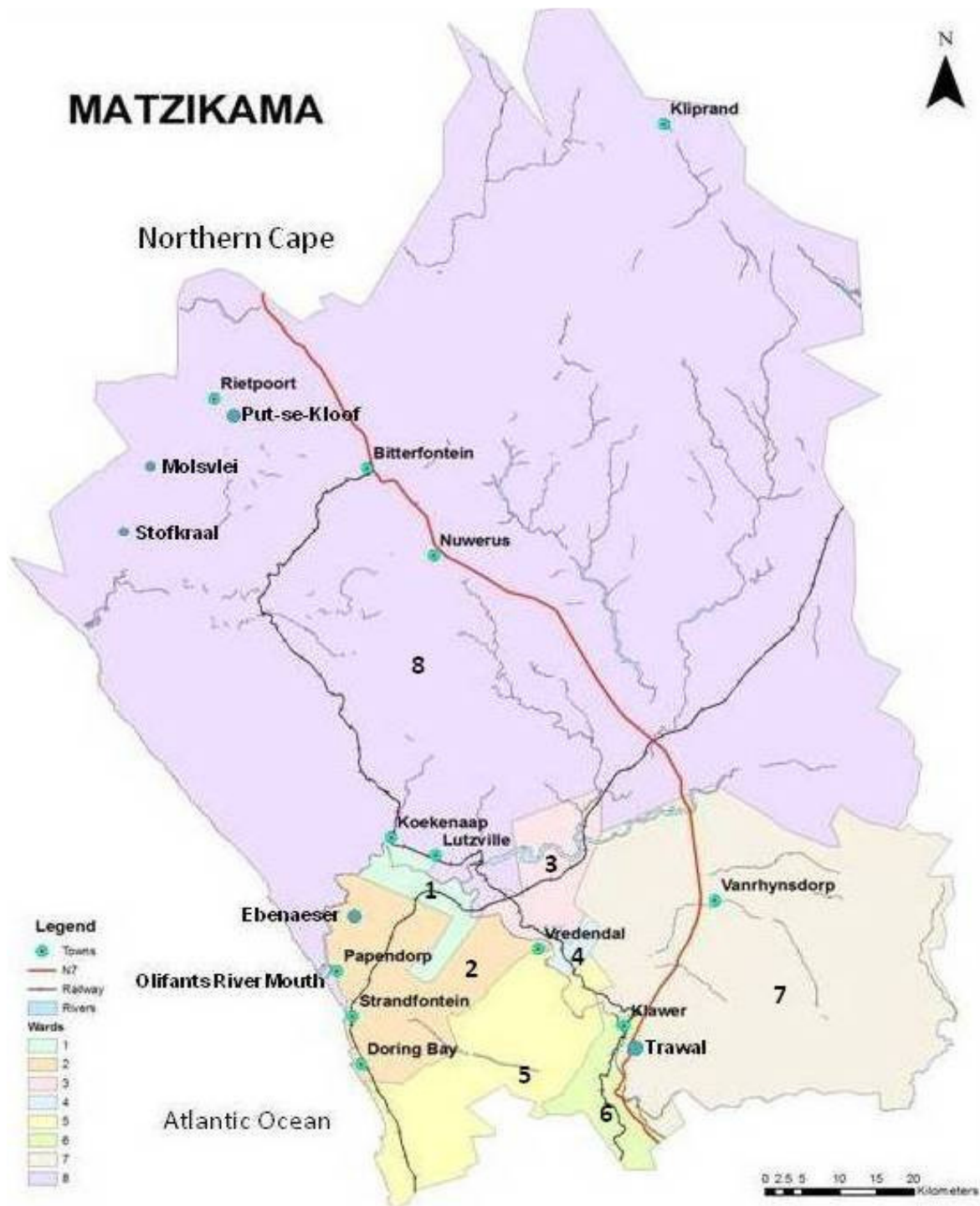
2.2.1 Ward Committees

Ward committees play a central role in the public participation processes of the Municipality. They are also the most regular consulted public participation structures due to the critical role ward committees are fulfilling in linking and informing the municipalities about the needs, aspirations, potentials and problems of the communities.



Modus Operandi of ward committees

Ward Committees have bi-monthly meetings in addition to special meetings and workshops. Submissions to council are made via the Speaker's office. Responses from Council would form part of the agenda of the ward committee meeting at the following meeting. Ward committee meetings are fully funded by the Municipality. In addition to expenses that are paid to every ward committee member the Municipality provide refreshments at every meeting make all arrangements for the meeting and provide the secretarial function if needed. The Matzikama Municipality comprise of 8 wards, see wards make-up below.



The total geographical area of the Municipality is slightly less than 13 000 km². As can be seen from the map above the municipal area is made up of 8 wards with the largest being ward 8 also, the most sparsely populated and the smallest being ward 4, the most densely populated.

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...utzville

itzville Wes



4 6 8 Kilometers

Vredendal



Idanha iron-ore



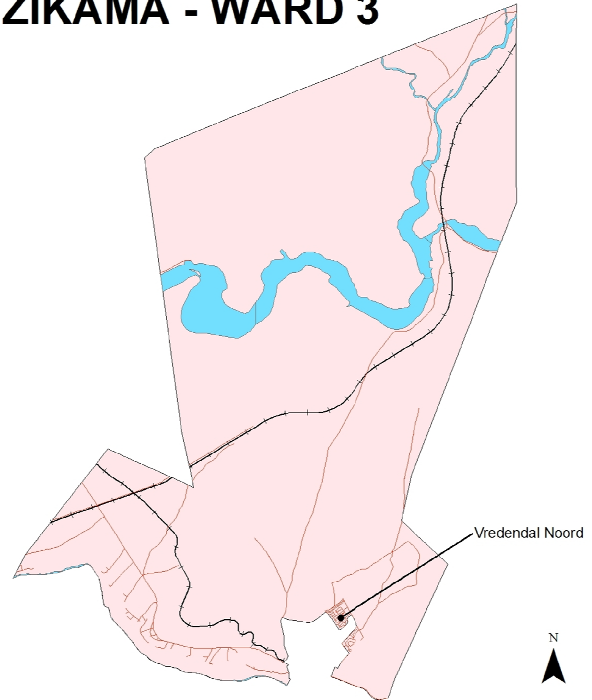
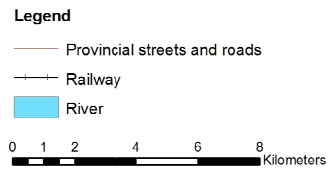
9 12 Kilometers

WARD COUNCILLOR

MATZIKAMA - WARD 3



Elias Mqingqi is the elected ward councillor for ward 3 that comprise the most northern section of Vredendal-North and surrounding farms

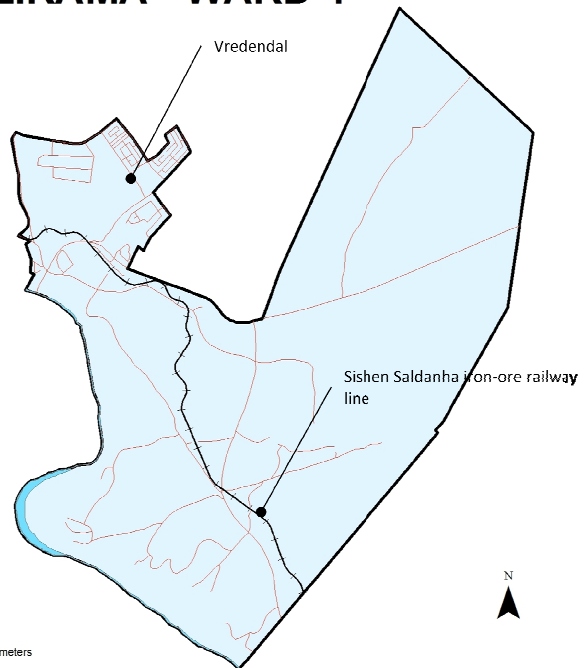
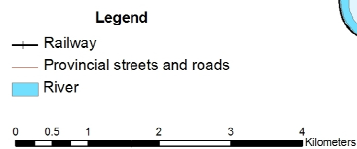


WARD COUNCILLOR

MATZIKAMA - WARD 4



Patrick Bok is the elected ward councillor for ward 4 that comprise sections of Vredendal-North and Vredendal-South as well as surrounding farms

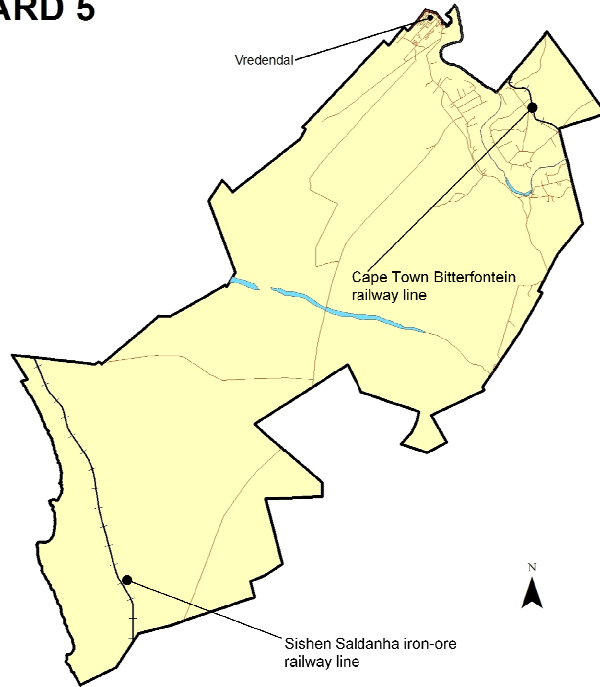


WARD COUNCILLOR

MATZIKAMA - WARD 5



Rhenda Stephan is the elected ward councillor for ward 5 that comprise a section of Vredendal-South and surrounding farms

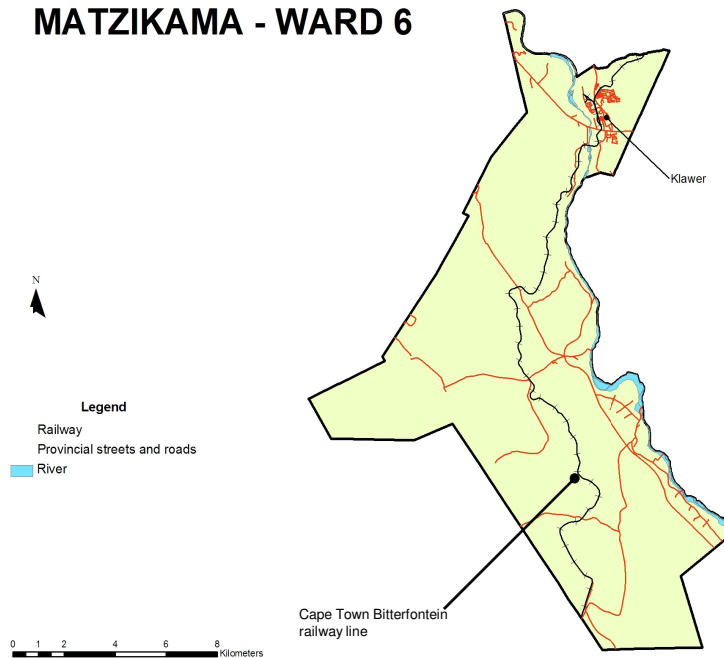


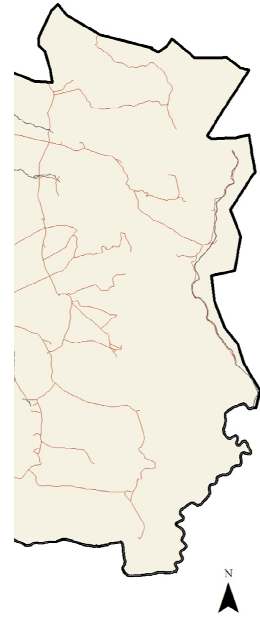
WARD COUNCILLOR

MATZIKAMA - WARD 6

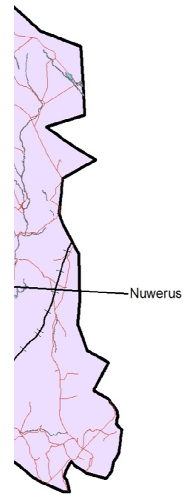


Beula Julies is the elected ward councillor for Ward 6 that comprise Klawer and surrounding farms





Kliprand



Nuwerus



2.2.1.1 Ward Committee Challenges and Progress

Challenges

Apart from Ward 2 all other seven ward committees are functioning to a point where meetings are held albeit not regularly. Only two of the seven functional ward committees had regular meetings. Regular meetings are defined as bi-monthly. The table below provides a clear picture in terms of how functional ward committees in Matzikama are.

Ward	Ward Committee meetings Held	Sector Meetings Held	Planned Meetings	
			Ward Committee Meetings	Sector Meetings
	8 September 2014 January 2015		9 April 2015 12 May 2015	19 March 2015 23 April 2015 21 May 2015 25 June 2015
	No meetings held	23 October 2014 5 February 2015 9 February 2015 12 February 2015 13 February 2015 20 February 2015 24 February 2015		
	9 September 2014	-	24 March 2015 12 May 2015	7 April 2015 28 May 2015
	9 September 2014	5 March 2015	14 April 2015 9 June 2015	26 March 2015 30 April 2015 28 May 2015 25 June 2015
	12 Augustus 2014 10 September 2014	-	14 April 2015 9 June 2015	-
	10 September 2014	-	-	-
	31 July 2014 20 October 2014 11 September 2014	-	19 March 2015 13 June 2015	14 June 2015 (Community Meeting)
	11 September 2014	-	9 April 2015 18 June 2015	19 March 2015 21 May 2015

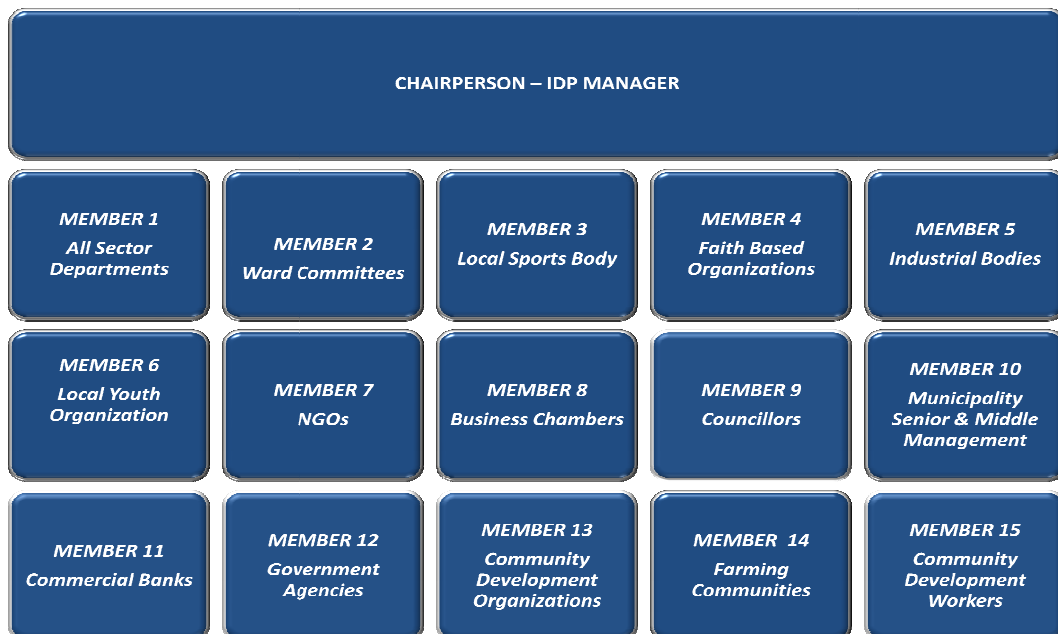
The reason for the poor functioning of ward committees can be attributed to fact that many of the ward committee members are unemployed. Therefore attending meetings is not a priority to them but finding employment and or generating an income become more important to them. Fuelling the poor functioning of the ward committees is the less than favourable financial position of the Municipality. Financially, the Municipality is unable to address the needs of the Community causing a lack of interest.

Progress

A new ward committee has been established in ward two. The three vacant positions in ward four have been filled. Albeit not well attended, ward committees received training to develop ward operational plans. Apart from ward five all other ward committees were represented at the training, and ward operational plans are being received by the Speaker. The Municipality developed a new LED strategy, and all wards apart from ward two were represented at the two day workshop.

2.2.2 IDP REPRESENTATIVE FORUM

IDP REPRESENTATIVE FORUM STRUCTURE



Modus operandi of IDP Representative Forum

This structure meets not more than twice times per annum and makes recommendations to Council in relations to issues pertaining to the IDP. The structure also provide a platform where the Municipality can share those challenges and needs of Communities that does not form part of their constitutional mandate with sector departments. The major challenge in relation to the second purpose of the IDP representative forum is the poor attendance by sector departments something that is in direct conflict with the letter and spirit of inter-governmental relations. As this is an opportunity for sector departments to share in the needs analysis of Communities, failing to attend these sessions usually end up in unilateral developments on the part of Provincial Government.

2.2.3 LOCAL ECONOMIC DEVELOPMENT FORUM (LEDF)

LOCAL ECONOMIC DEVELOPMENT FORUM STRUCTURE

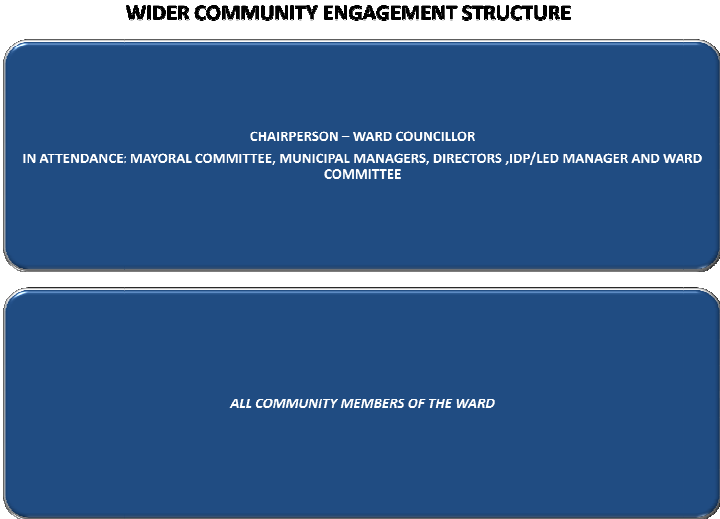


Modus Operandi

The Local Economic Development Forum conducts quarterly meetings apart from special meetings and workshops. The committee deliberates on issues pertaining to economic development and make recommendations to Council. Members are nominated by mother

bodies to which they are accountable to. The forum is affiliated to the West Coast District LED Managers Forum which in turn is affiliated to the Provincial LED Manager’s Forum.

2.2.4 WIDER COMMUNITY ENGAGEMENTS



Modus Operandi

This structure conducts meeting at least three times per annum. The structure deliberates on issues pertaining to the IDP, budget, municipal policies, basic services, economic development and services in general. Issues flowing from these meetings are presented to Council for consideration after which it finds a space in the IDP or other relevant documentation and strategies.

2.3 PUBLIC PARTICIPATION PROCESS

Matzikama Municipality, in support of the principles of good governance, subscribes to the comprehensive definition of public participation which aims to strengthen democracy through institutions such as ward committees, IDP representative forums, LED forums and the participation of NGO’s to inform council decisions. Public participation focuses on sharing responsibility for service delivery with communities, empowering communities and as required by law, moving government to consult and involve communities in the running of its affairs.

Public participation is defined as an open, accountable process through which individuals and groups within selected communities can exchange views and influence decision-making of the Municipality. It is further defined as a democratic process of engaging people, deciding, planning, and playing an active part in the development and operation of services that affect their lives within the municipality.

By definition a municipality in the South African context is a partnership comprising Councillors, Administration and the Public hence the need for public participation processes that does not only give meaning to the definition but allow the public component of the partnership to actively get involved in the running of the organization. The public participation processes followed by the Matzikama Municipality to develop the five year strategy unfolded over a period of 6 months that commenced in July 2011 after which it culminated in a strategic planning session of the Council in December 2011. A similar process in support of the first revision (2012-2013) of the IDP started in September 2012 in line with the process plan and concluded 03 May, 2013. The second revision (2014-2015) of the IDP started in October 2013, and the third revision (2015-2016) of the IDP started in September 2014.

Aligning the modus operandi of the Matzikama Municipality with the vision Government has for public participation, linked to our own experience the Matzikama municipality will continue to promote public participation for the following reasons.

- Firstly, public participation is encouraged because it is a legal requirement to consult.
- Secondly, it could be promoted in order to make development plans and services more relevant to local needs and conditions.
- Thirdly, participation may be encouraged to encourage partial responsibility for services and promote community action.
- Lastly, public participation could be encouraged to empower local communities to have control over their own lives and livelihoods.

2.4 THE LEGAL REFERENCE

The Constitution of South Africa of 1996, the Municipal Systems Act 32 of 2000 and the Municipal Structures Act 117 of 1998 all provide protection and guarantee proper community

involvement in the affairs of government at its lowest form where the lives of citizens are directly affected by the decisions of such government. Community participation, being a legal requirement for the provision of services to communities sets the tone for direct involvement by communities in the nature and prioritisation of services.

2.5 IDP REVISION: PUBLIC PARTICIPATION PROCESS

The Matzikama Municipality conducted a thorough and extensive consultation process with all stakeholders including all sectors of the public, administration and councillors of Matzikama Municipality. The table below provides the reader with information with respect to the meetings and workshops held for the third revision (2015/16) of the five year strategy.

DATE	STAKEHOLDER	ACTIVITY	DESCRIPTION OF ACTIVITY
SEPTEMBER 2014			
8, 9, 10 & 11 September	Ward Committee Members	Ward committee members revised ward priorities	Confirmation and re-prioritization of municipal and sector departments needs by ward committees
15, 16, 17, 18 & 19 September	Ward meeting meetings – open to all members of the public	Community participated in the revising of the IDP	Community participation in revising the IDP ward plans in terms of their development needs
NOVEMBER 2014			
6 & 7 November	LED forum, business chamber, emerging and commercial farmers, mining companies, ward committee members, officials and Councillors	Revision of LED Strategy	2 day workshop to enhance local economic development
APRIL 2015			

7,8, 9, 10, 13, 14, 15 April	Ward Meetings – open to all members of the public	Community participation in revising the IDP & Budget – final recommendations	Community participation in revising the IDP
30 April	Development & Town Planning Services. Mayoral Committee, Ward Councillors, Municipal Manager & Directors to attend	IDP Representative Forum Meeting	Sector inputs on draft budget and IDP review
MAY 2015			
6 May	Councillors and Directors	1 day Workshop	Considered public comment for inclusion in the IDP and budget

2.5.1 Communicating public participation processes to all stakeholders

In order to meet the legal requirements in terms of public participation the Matzikama Municipality use different forms of communication to make sure the public plays an active role in the development process of the Municipality. The following forms of communication were used:

- The local press including the Municipality’s newspaper
- On air engagements with the Municipal Manager and the Speaker
- The local radio station announced the events three times per day over the two week period of the public meetings
- Internal communication facilities such as email
- Public notice boards located in the municipal area
- Loud halers
- Door-to-door flyers

Ward information is published in the Municipality’s own quarterly newspaper; including contact details of the committee members and other relevant information. Community participation is specifically encouraged during the following processes: IDP and annual IDP review, drafting and

tabling of the annual report, annual budget, policies and other activities that require community input or involvement.

2.6 Improve the functionality of ward committees

One of the key challenges threatening the establishment of a developmental government in the Matzikama Municipality is the poor functioning of the ward committees. The key challenge, in terms of the functioning of ward committees, is the absence of meetings between ward committee members and the sectors they represent on the committees. By implication this means that ward committee members attend meetings without a mandate from their sectors they representing.

To address the above ward committees received training to develop their own ward operational plan. See below WCOP (Ward Committee Operational Plan) for each ward.

3. STRATEGIC ALIGNMENT

3.1 INTRODUCTION

The South African government system comprise three spheres of government that *must* work together to bring effective and efficient services to the public. It is therefore of critical importance that the development plans of the three spheres of Government including goals, objectives and outcomes are aligned to deliver good quality services, expedite the development process and optimize resource utilization. This chapter provides a clear picture of how strategic objectives of the Matzikama Municipality are aligned with those of other spheres of Government.

Important to note is that unless provincial and national governments effectively meet their constitutional obligation as per section 154 of the Constitution of South Africa the role of local government becomes futile.

The chapter also elaborates on National and inter-national programs and how these programs influence the thinking of the Matzikama Council in devising strategic objectives and strategies.

This section of the IDP provide and understanding of the underlying factors that influenced the setting of goals, strategic objectives and strategies of the Council of the Matzikama Municipality. Furthermore, this section emphasize the presence of a very important ingredient in the development recipe of local government which if non-existent or of mediocre quality negate the purpose of developing an integrated development plan. ***Unless provincial and national governments effectively meet their constitutional obligation in section 154 of the Constitution of South Africa the role of local government becomes futile.***

If the comments and consultations with and by communities carry any weight some sector departments in Provincial and National Government appeared to have failed in delivering on their constitutional obligation in terms of section 154 of the Constitution.

3.2 INTERGOVERNMENTAL RELATIONS

3.2.1 An overview in relation to challenges experienced by the Municipality

Section 154 (a) of the Constitution of South Africa obliges provincial and national governments to support local government. The constitution articulates that “The national government and provincial government, by legislation or other measures, must support and strengthen the capacities of municipalities to manage their own affairs, to exercise their powers to perform their functions”. The reality is that this constitutional obligation is neglected to a lesser or larger extent. The poor performance of national and provincial government in terms of section 154 of the constitution is evident in the increasing community needs centred on the constitutional functions allocated to these spheres of government.

Effective intergovernmental relations are the very foundation that the hopes of the communities rest on. The needs of the communities are not confined to the functions of local government hence the need for effective and efficient cooperation between all three spheres of government. Matzikama Municipality is of the opinion that provincial and national government sector departments should be exposed to an M&E process that measures their contribution or failure to meeting the goals and strategic objectives of the council’s of local government. Planning and implementation in isolation of these goals end up in unilateral developments that stir the anger in South African citizens evident on our TV screens.

As municipalities and other spheres of government we know how important it is for a good relationship to exist between the three spheres of government. So much so that all of our strategic planning processes and ensued documents contain these proposed actions and words which is “good cooperation between spheres of governments”. Unfortunately, past practices are evident of our failures to make cooperative government work.

The Policy and Advisory Services of the Presidency defines intergovernmental alignment or harmonising of activities and structures as: “a process entailing structured and systematic dialogue within government with a view to bringing about coordinated and integrated action among the spheres of government and between the spheres and other organs of the state to achieve common objectives and maximise development impact.” This calls for a shared approach to planning and alignment between the National Spatial Development Perspective

(NSDP), the Economic Development Partnership the West Coast District Integrated Development Plan and the Matzikama Municipality IDP.

As government we have mastered the technique to align goals, outcomes, objectives and strategies between different spheres of governments but we have yet to master the technique to achieve the outcomes associated with those goals and strategies on paper. The lessons learned over the years are indicative of the missing ingredient which is effective and efficient cooperative government. In order to achieve effective and efficient working relations between spheres of government the Matzikama Municipality will strengthen its own foundations for development with the creation of a local intergovernmental dialogue that meet at least bi-monthly with the only agenda being ‘our contribution and progress toward achieving the objectives of Council” which cuts across the constitutional functions of all three spheres of government.

3.3 MILLENNIUM GOALS

In 2000, 189 nations including South Africa made a promise to free people from extreme poverty and multiple deprivations. This pledge became the eight Millennium Development Goals (MDGs) to be achieved by 2015 of which 3.8 years remain. In September 2010, the world recommitted itself to accelerate progress towards these goals. The aim of the MDGs is to encourage development by improving social and economic conditions. It provides a framework for the entire international community to work together towards a common end i.e. making sure that human development reaches everyone, everywhere. The MDGs focus on three main areas of human development viz. bolstering human capital, improving infrastructure and increasing social, economic and political rights. If these goals are achieved, world poverty will be reduced, lives will be saved, and people will have the opportunity to benefit from the global economy. The eight MDGs which have been identified include:

1. Eradicate extreme poverty and hunger;
2. Achieve universal primary education;
3. Promote gender equality and empower women;

4. Reduce child mortality;
5. Improve maternal health;
6. Combat HIV/AIDS, malaria and other diseases;
7. Ensure environmental sustainability;
8. Develop a Global Partnership for Development.

The Matzikama Municipality subscribes fully to these goals as evident by the Council's vision, strategic objectives and set of strategies. Effective intergovernmental relations have an important role to fulfil in accomplishing these MDGs. In particular the alignment of planning tools between spheres of government provide a solid foundation for further development of these objectives

3.4 NATIONAL OUTCOMES

The twelve national outcomes address collectively the ten strategic priorities of government. These ten strategic priorities that government will pursue in their five year electoral period ending 2014 include:

- I. *Speeding up growth and transforming the economy to create decent work and sustainable livelihoods.*
- II. *Massive programme to build economic and social infrastructure*
- III. *Comprehensive rural development strategy linked to land and agrarian reform and food security*
- IV. *Strengthen the skills and human resource base.*
- V. *Improve the health profile of all South Africans*
- VI. *Intensify the fight against crime and corruption.*
- VII. *Build cohesive, caring and sustainable communities.*
- VIII. *Pursuing African advancement and enhanced international co-operation*
- IX. *Sustainable Resource Management and use*
- X. *Building a developmental state including improvement of public services and strengthening democratic institutions.*

Government continuously over the last 18 years improved access to services and increase its expenditure on service delivery however, we are still not achieving the outcomes necessary to ensure adequate progress to create a better life for all especially to the poorest of the poor and other vulnerable groups. Our communities are still impatient and rightly so as the quality, relevance and adequacy with government's services and delivery are still lacking. In a further attempt by government to improve on the deficiencies, twelve national outcomes linked to the strategic priorities were developed and used to draw up performance agreements for each of the national ministers to amongst others improve the quality and standards of service delivery. These national outcomes include:

- Improved quality of basic education
- A long and healthy life for all citizens
- All people in South Africa are and feel safe
- Decent employment through inclusive economic growth
- A skills and capable workforce to support an inclusive growth path
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities with food security for all
- Sustainable human settlements and improved quality of households life
- A responsive, accountable, effective and efficient local government system
- Environmental assets and natural resources that are well protected and continually enhanced
- Create a better South Africa and contribute to a better and safer Africa and world
- An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship

Matzikama Municipality developed goals, objectives and strategies that are aligned with some of these outcomes however, achieving the outcomes remain a challenge. Effective intergovernmental relations stand in the way of achieving the challenge posed by historical mediocre performance of government departments to achieve outcomes developed on paper. National outcome 9 in particular provides the space for local government to improve its functioning so as to ensure an accountable, responsive, effective and efficient local government

system. Achieving outcome 9 will restore the confidence of citizens in the local government sphere as well as improve performance and professionalism and strengthen partnerships between local government, communities and civil society.

3.5 THE NATIONAL DEVELOPMENT PLAN

3.5.1 Overview of the NDP

The NDP is a national vision and long-term strategic plan for South Africa aimed at eliminating poverty and reducing inequality by 2030. The vision statement to guide the plan says *“We the people of South Africa have journeyed far since the long lines of our first democratic election on 27 April 1994 when we elected a government for us all. Now in 2030 we live in a country which we have remade”*

NDP: Diagnostic



The vision emphasizes the dream to live in a country which we (the people of South Africa) have remade and we have 27 years to do that. The vision adopted by the Government (national, provincial and local) was crafted to conquer the following challenges identified by the National Planning Commission appointed by President Jacob Zuma in 2010. These challenges include:

1. Too few people work
2. The quality of school education for black people is poor
3. Infrastructure is poorly located, inadequate and under-maintained
4. Spatial divides hobble inclusive development
5. The economy is unsustainably resource intensive
6. The public health system cannot meet demand or sustain quality
7. Public services are uneven and often of poor quality

8. Corruption levels are high

9. South Africa remains a divided society.

Background in terms of support for the adoption and implementation of the plan

“The Plan has been adopted as a National Plan for the whole country. It is our roadmap for the next 20 years. All the work we do in government is now part of the comprehensive National Development Plan, including all operational plans be they social, economic or political” – President Jacob Zuma, 03 February, 2013.

The plan has been adopted by the National Government in September, 2012 and by the conference of the African National Party in December, 2012. Implementation of the plan has begun in January, 2013.

The Western Cape Government responded to the call of National Government in the words of Premier Helen Zille as follows:

“This is a milestone for our country. We agree that to tackle our many problems and the legacy of the past, we need good leadership at every level of society, a capable state, and an active citizenry. ... the time for discussing the plan is over; the time for implementation has begun” – Premier Helen Zille, 22 February 2013.

3.5.2 NDP – IDP alignment

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
Chapter 3: Economy and Development	Reduce unemployment	The Matzikama aligns through its strategic objective No. 1 that seeks to reduce poverty and unemployment	<ul style="list-style-type: none"> • Matzikama Aquaculture Development Initiative • Matzikama Emerging Farmer Development program • Matzikama Recycling and Manufacturing program • Matzikama Tourism Development Strategy 	<ul style="list-style-type: none"> • Operation Phakisa • Aquaculture Development Enhancement Program • Comprehensive Agriculture Support Program • DMR-Social and Labour Plan
Chapter 4: Economic Infrastructure	Provision and sustainability of services	The Matzikama aligns through its strategic objective No. 4 that seeks to promote access to adequate, affordable and well-maintained basic service	<ul style="list-style-type: none"> • Matzikama Aquaculture development Initiative • Sewage infrastructure development program • 	<ul style="list-style-type: none"> • Back to Basics • Municipal Infrastructure Grant • Operation Phakisa • Comprehensive Rural Development Program
Chapter 5: Environmental sustainability and resilience:	Ensuring an environmentally sustainable economy	The Matzikama aligns through its strategic objective No. 7 that seeks to promote a sustainable natural and built environment	<ul style="list-style-type: none"> • Recycling of solid waste and manufacturing • Environmentally friendly agriculture projects • Renewable energy developments 	<ul style="list-style-type: none"> • DEA-Waste Management Program • DMR-Social and Labour Plan • Government renewable energy development plan - Eskom
Chapter 6: An integrated and inclusive rural	Improve the livelihoods of rural communities	The Matzikama aligns through its strategic	<ul style="list-style-type: none"> • Matzikama Emerging Farmer Program 	<ul style="list-style-type: none"> • Comprehensive Rural Development Program

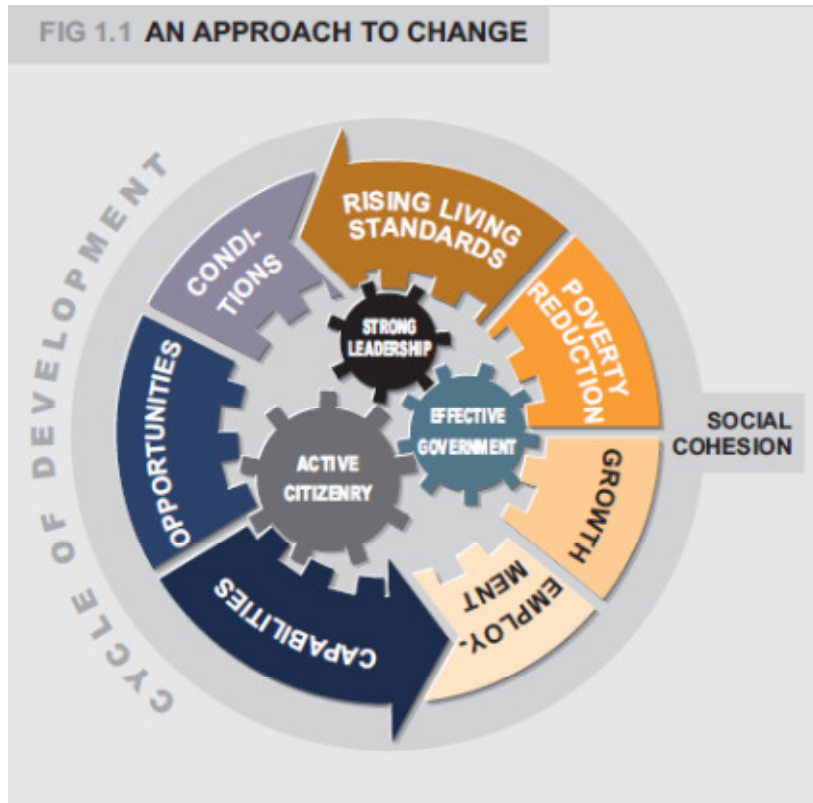
FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
economy		objective No. 1, 4, 5 and 6 that seeks to: I. Develop the local economy with a major focus on emerging farmers II. Provide good quality and affordable basic services III. Promote a socially advanced community and IV. Develop capacitated and informed Communities	<ul style="list-style-type: none"> • Matzikama Recycling and Manufacturing program • Doring Atlantic Pebble project • EPWP projects • Vredendal Hydroponics • Matzikama Aquaculture Development initiative 	<ul style="list-style-type: none"> • Back to Basics • DMR-Social and Labour Plan • DEA-Waste Management Program • EPWP • Aquaculture development enhancement program • DEDAT-Innovation and training •
Chapter 7: South Africa in the region and the world	No direct impact on the Matzikama Municipality			
Chapter 8: Transforming human settlements	Promote a better mix of human settlements which will allow people living closer to their places of work and an improved public transport system	The Matzikama Municipality aligns through its human settlement plan	<ul style="list-style-type: none"> • Matzikama human settlement Plan 	<ul style="list-style-type: none"> • Low cost housing development program • Municipal infrastructure grant

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
Chapter 9: Improving education, training and innovation	Early childhood development and facilitating artisans enter the job market	The Matzikama aligns through its strategic objectives No. 5 and 1 that seeks to promote socially advanced communities and promote local economic development respectively	<ul style="list-style-type: none"> • Early childhood development centre plan for Matzikama • Local Economic Development Strategy • Farm worker development plan 	<ul style="list-style-type: none"> • DEDAT- innovation and training program • DMR-Social and Labour Plans • Comprehensive Rural Development program
Chapter 10: Health care for all	Access to primary health care by improving TB prevention and cure, reducing maternal, infant and child mortality and reducing injury, accidents and violence	The Matzikama aligns through its strategic objective No. 5 that seeks to address issues of health, social welfare, and safety	While not a clear plan is in place to address this specific objective the Municipality engage on an as need basis with the Provincial Department of Health to improve this particular environment	<ul style="list-style-type: none"> • IGR forums <ul style="list-style-type: none"> – IDP Indaba – LGMTECH
Chapter 11: Social protection	All children have the proper nutrition, employment opportunities be created and everyone, especially women and children feel safe	Matzikama aligns through its strategic objectives No. 1 and 5 that seeks to promote local economic development and socially advanced Communities respectively	The Municipality addresses this specific objective through its LED strategy	<ul style="list-style-type: none"> • DEA-Operation Phakisa • DMR-Social and Labour Plans • CASIDRA • DEDAT funding programs
Chapter 112: Building	Everyone, in particularly	Matzikama aligns	• Matzikama Human	• Municipal

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
safer communities	women and children feel safe at home, at school and at work, and they enjoy an active community life free of fear	through its strategic objective No. 5 that seeks to promote a socially advanced community	Settlement Plan • Community Development Forum •	Infrastructure Grant • Provincial low cost housing fund •
Chapter 13: Building a capable and developmental state	The state plays a developmental and transformative role, staff at all levels have the competence, experience and authority to perform their jobs and the relationship between the spheres of government improves and is managed more proactively	The Matzikama aligns through its strategic objectives No. 3 and 6 that seeks to promote good governance and municipal transformation and capacitated and informed communities	• Matzikama ward committee system • LED strategy • Public participation plans	• Municipal Soft Infrastructure Grant • DEDAT-Innovation and training program •
Chapter 14: fighting corruption	A corruption-free society and a government that is accountable to its people	Matzikama aligns through its strategic objective No. 3 which seeks to promote good governance and municipal transformation		

FOCUS AREAS IN THE NDP	NDP OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	MATZIKAMA ALIGNMENT WITH THE NDP	MATZIKAMA IMPLEMENTATION PLAN	GOVERNMENT PROGRAMMES SUPPORTING MATZIKAMA'S IMPLEMENTATION PLAN
Chapter 15: Nation building and social cohesion	A united, prosperous, non-racial, non-sexist and democratic South Africa.	The Matzikama aligns through its strategic objective No. 4 that seeks to promote a socially advanced community		

As can be seen from above the Matzikama Municipality is strongly promotiThe NDP emphasizes the importance that unless things are done differently chances is that the country will not achieve the objectives of the NDP. Successful implementation of the NDP will require a strong leadership, effective government and active citizenry. The development cycle below demonstrated how these three pivotal points will accomplish the much needed change in our Municipality country.



3.6 PROVINCIAL STRATEGIC OBJECTIVES

The Western Cape Government has identified 12 Provincial Strategic Objectives to give effect to Government's development goals. These objectives find expression in departmental strategies.

The objectives include:

- Creation of opportunities for growth and jobs
- Improving education outcomes
- Increase access to safe and efficient transport
- Increase wellness
- Increase safety
- Develop integrated and sustainable human developments
- Mainstreaming sustainability and optimising resource-use efficiency
- Increase social cohesion
- Reducing poverty
- Integrating service delivery for maximum impact

- Creating opportunities for growth and development in rural areas
- Building the best run regional government in the world

Aligning the strategic priorities between the three spheres of government is the key if the expected impacts are to be made. However, to convert the theoretical exercise into tangible outcomes effective and efficient cooperative governance is required. Matzikama Municipality is regarding the role of cooperative government as the most important link in the value chains of the three spheres of government hence the decision to create a local intergovernmental dialogue in order to always have a finger on the pulse. This will enable the Council of Matzikama to have regular and up to date information on the progress of developments or lack thereof.

3.7 THE PROVINCIAL STRATEGIC PLAN (PSP)

The Cabinet of the Western Cape Government adopted as part of their PSP for the new term of office 2014-2015 five strategic goals.



4. COMMUNITY NEEDS

4.1 INTRODUCTION

Community needs is dedicated a chapter due to its importance in the planning process. It is important to note that whilst Communities may not have all the technical know-how and the information in relation to the condition of municipal infrastructure, understanding Community needs plays a key role when Council develop strategy. This chapter provides detailed information about the socio-economic needs of the Matzikama Communities in order for other spheres of Government and the private sector to consult when devising strategies, plans and budgets.

Community needs form the backbone of the strategies of the Council of Matzikama Municipality. The Municipality has through an extensive public participation process consulted the communities in all of the eight wards. As a result of the consultation processes as well as from experiences of earlier years the Municipality was able to pick up a trend of where the needs of communities in the Matzikama are concentrated.

The table below elaborate on the needs of communities by dividing it into different groups that is related to the different government functions. Each of these groups comprises specific needs that were identified by the citizens of Matzikama Municipality. The table below provides a clear picture in terms of the five most important services for the different communities in the different wards.

PRIORITIZATION OF SERVICES REQUIRED BY THE COMMUNITIES					
WARD	1 st	2 nd	3 rd	4 th	5 th
W1	Basic Services	Youth & Sports	Health	Social Services	Economic Dev.
W2	Economic Dev.	Transport	Ecology	Basic services	Infrastructure

PRIORITIZATION OF SERVICES REQUIRED BY THE COMMUNITIES					
WARD	1 st	2 nd	3 rd	4 th	5 th
W3	Economic Dev.	Basic Services	Social Services	Health	Safety & Security
W4	Economic. Dev.	Health	Basic Services	Education	Social Services
W5	Economic Develop.	Safety & Security	Social Services	Rural. Dev	Basic Services
W6	Basic Services	Rural development	Transport	Sports & Youth	Ecology
W7	Health	Social Services	Econ. Dev.	Safety & Security	Education
W8	Economic Dev.	Transport	Youth & Sports	Basic Services	Infrastructure

4.2 PROGRESS WITH RESPECT TO COMMUNITY NEEDS

COMMUNITY NEEDS	NEEDS DELIVERED/OUTSTANDING
Economic Development	<ul style="list-style-type: none"> Enterprise development facilitated by the Municipality led to the creation of 167 permanent jobs Three BBBEE local legal entities have been empowered through interventions facilitated by the Municipality A three day strategic planning session with help of WCDM was held with the emerging farmers to facilitate graduating from subsistence farmers to micro-scale commercial farmers With help of the WCDM business plans were prepared to support the development of a recycling facility that is poised to employ 87 people from Vanrhynsdorp Support for the development of entrepreneurs is provided through a partnership between the Municipality and the West Coast Business

	<p>Development Centre (WCBDC)</p> <ul style="list-style-type: none"> • Participatory Appraisal for Competitive Advantage (PACA) workshop in partnership with local communities was held as part of a bigger intervention to develop and grow the local economy • The Municipality with financial support from the Provincial Department of Agriculture and TRONOX facilitated the establishment of the first community owned Abalone farm in Doring Bay • With financial support from TRONOX, Cawood Salts and Transhex the Municipality was able to facilitate the development of a plastic recycling facility in Vanrhynsdorp • With financial support from the Provincial Department of Agriculture and TRONOX the Municipality was able to establish the first farm workers-owner hydroponics farm • The Municipality conducted a two-day workshop with all stakeholders to develop a new Local Economic Development strategy
Basic Municipal Services	<ul style="list-style-type: none"> • Communities in the north of the Municipality still do not have sufficient potable water resources – the Municipality is seeking support from the private sector and national government to assist • The quality of basic municipal services are upgraded on an ongoing basis • The construction of a reservoir, to address the water problem in Klaver especially during the winter season, is in the pipeline for the forthcoming financial year • Storm water networks are a challenge in all of the 17 towns. New installations and upgrades of existing networks continues on an annually basis as the available budget permits • The Municipality is unable to address the need for wheelie bins due to a lack of both capital and operational funds • The need for black refuse bags had been addressed as bags are dispensed to the public on a monthly basis • A total of 320 low cost houses were built over the last two years • A total of 300 plots for informal settlement houses were serviced • Provision of low cost houses remains a challenge as

	<p>the backlog is growing faster than what the Municipality can build houses.</p> <ul style="list-style-type: none"> • The sewerage capacity in Doring Bay and Ebenaeser has been increased to accommodate future development • A new water purification plant was build in Vanrhynsdorp and Vredendal to accommodate new developments
Education	<ul style="list-style-type: none"> • Transport for learners that live on farms remain a challenge as learners are required to walk very long distances to school – this is a major contributor to school drop-outs and poor passing rates • The challenge of Gangsterism at Vredendal Senior Secondary School has been addressed by the Department • Libraries at farms schools remain a challenge • Xhosa speaking teachers remain a challenge to Vergenoeg primary school that has a large contingent of Xhosa speaking learners
Health	<ul style="list-style-type: none"> • Doctors are spending 2-3 minutes per patient due to the shortage of doctors as well as time allocated per doctor by the state – No improvement, situation is deteriorating • Improvements to distribute chronic medication to state patients were made • The clinic in Vredendal-North is too small to accommodate growing population – Request outstanding for more than 7 years; situation is deteriorating • Ambulance waiting rooms for patients to travel to Cape Town were established in Vanrhynsdorp, Vredendal and Lutzville however, Klaver, Doring Bay, Ebenaeser, Papendorp, and Lutzville-West are without waiting rooms
Sports and Youth	<ul style="list-style-type: none"> • Youth and junior councils were established to assist with the development of the youth • Pavilions were built at Vanrhynsdorp and Vredendal sports fields • Upgrading of Klaver sports facilities are still outstanding • Sports fields conditions in the towns of ward 8 are still mediocre • The ablution facilities at Lutzville sports fields were

	upgraded
Transport	<ul style="list-style-type: none"> • Transport for learners that live on farms remain a challenge as learners are required to walk long distances to school – this is a major contributor to school drop-outs and poor pass rates • 1 km of tarred road in Vredendal has been upgraded • Roads of residential areas in Doring Bay, Papendorp, Ebenaeser and Lutzville-West were paved with the help of the CRDP of the Department of Rural Development
Safety and Security	<ul style="list-style-type: none"> • The request by the Vredendal-North Community to establish a satellite police station is still outstanding – crime is on the rise in that particular community • Response rates by the local police especially in Vredendal are of concern – the need to improve safety and security in that regard is still outstanding and need urgent attention • Drug abuse is a growing concern in the municipal area - the problem is escalating especially amongst the youth
Ecology	<ul style="list-style-type: none"> • A forum has been established to manage the Olifants River estuary • The Municipality do not have an Integrated Coastal Management Policy
Rural development	<ul style="list-style-type: none"> • Rural development, in the context of the Matzikama Municipality refers to the farms, remains a challenge as Municipalities are not allowed to do any development on private land. However, by establishing good relationships with farm owners the Municipality is able to do limited development to the benefit of the farm worker.
Social Services	<ul style="list-style-type: none"> • A process with the department of Rural Development to establish food gardens for poor families is in the pipeline • Drug and alcohol abuse remain a challenge
Infrastructure	<ul style="list-style-type: none"> • The community hall in Lutzville has been completed and has been handed over by the Department Mineral resources and the contributing mining companies • Two new water purification plants were built to accommodate new developments in Vredendal and Vanrhynsdorp • The following residential roads were paved through

	<p>the CRDP:</p> <ul style="list-style-type: none"> - The residential roads in Doring Bay - The residential roads in Lutzville-West - The main road in Papendorp - Residential roads in Ebenaeser <ul style="list-style-type: none"> • Residential roads in Vredendal-North are paved • Sewage dams capacity in Doring Bay and Ebenaeser were upgraded • Electricity upgrades remain a need for the Municipality to accommodate new developments
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4.3 RESPONSE TO MOST RECENT COMMUNITY NEEDS

The Council and senior management conducted a workshop following public meetings in all eight wards of the Municipality. The purpose of the meeting was to take apposite actions, which would lead to addressing the needs of the communities. Following careful deliberations the workshop responded to each of the comments by either linking it to the budget for the MTREF period or directed the need to one of the two spheres of government.

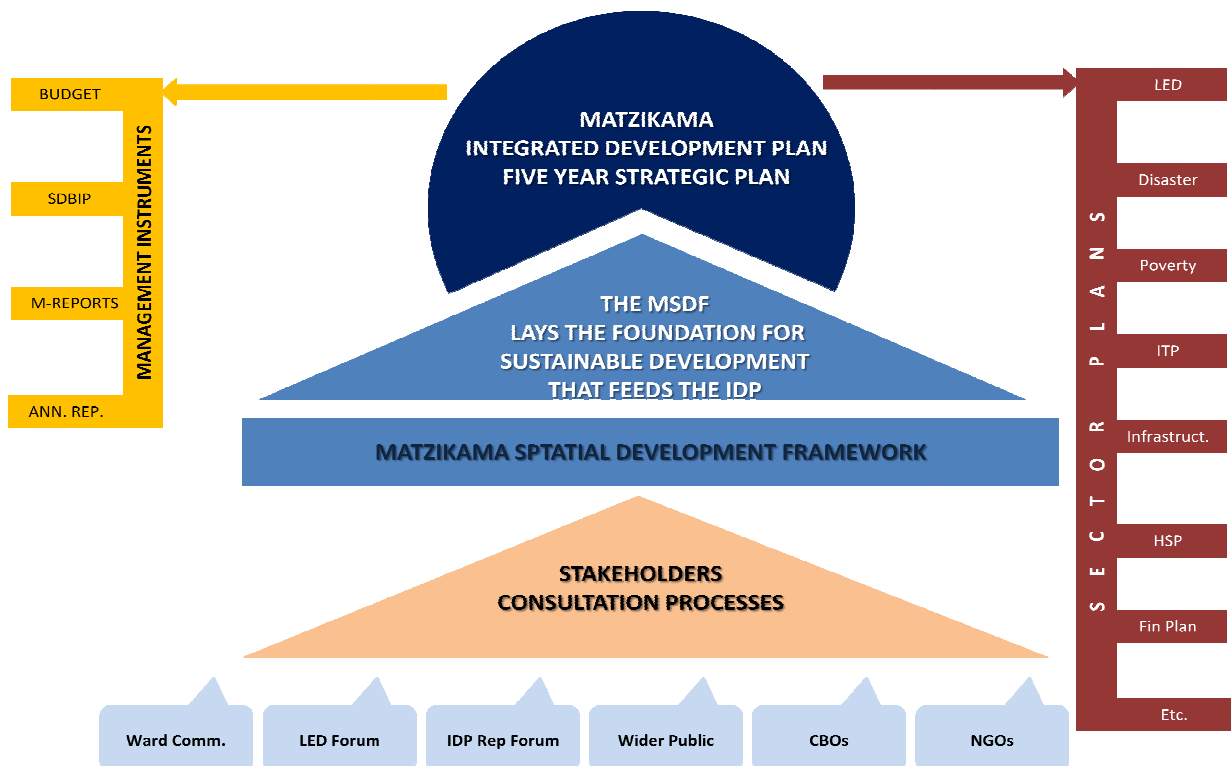
Ward	Capital projects identified and prioritised by the Communities	Prioritised
1	Pave street in low cost housing area (Lutzville)	5
	Repair storm water pipe in Hibiscus Street (Lutzville)	1
		4
	Build a play park n Mbeki Square (Lutzville)	
	Install floodlights at sport grounds - Lutzville	2
	Waiting room for patients travelling to Cape Town - Lutzville	3
	Install no-dumping signs in areas where not allowed	3
	Provide a water point to emerging farmers (Lutzville-wes)	5
	Pave sidewalk in Suikerhoek Street Lutzville	5
2	Thusong Centre (Papendorp)	1
	Library services (Papendorp)	5
	Road signs and speed bumps (Papendorp)	2
	Road repairs Papendorp	2
	Repair septic tank Papendorp	4
	Ablution facilities and dressing rooms (Doringbaai sport grounds)	5
		Install Floodlights at sport grounds (Doringbaai)

Ward	Capital projects identified and prioritised by the Communities	Prioritised
	Mobile Pavillions (Doringbaai)	5
	Install no-dumping signs in areas where not allowed (Doringbaai)	4
	Install street lights at low cost housing area (Doringbaai)	5
	Water purification plant (Doringbaai)	1
	Pave Snoek Straat (Doringbaai)	2
	Wheelie-bins (Doringbaai)	4
	3	Garden waste bins
Street lights - Mangahung		5
Taxirank in Mangahung		1
Play park in Mangahung		5
4	Speed bumps in Bauermeister and Gegund streets	5
	Pave Bauermeister Street	5
	Install no-dumping signs in areas where not allowed	2
5	Install traffic lights at the corner of Grens and Church streets	2
	Install traffic circle or traffic lights at Woeligehoek	2
	Build a shelter at bus stop near Naveau College for learners travelling to school in Vredendal	2
	Maintain roads	1
	Increase water pressure	1
6	Bulk services and toilets in Riemvasmaak	1
	Upgrade cemetery	1
	Build toilets at the cemetery	1
	Make available a learners license facility	4
	Upgrade sport grounds	4
	Build a wheel chair ramp at the Community hall	1
7	Fence at cemetery	4
	Swimming pool	2
8	Upgrade sport ground (Bitterfontein)	3
	Provide infrastructure to irrigate sport grounds with sewage (Bitterfontein)	3
	Provide toilet facilities at cemetery (Bitterfontein)	5
	Upgrade play park (Bitterfontein)	5
	Increase capacity of septic tank truck (Kliprand)	4
	Speed bumps in low cost housing area (Koekenaap)	5
	Street lights at informal settlement area (Koekenaap)	5
	Grass pitch soccer field (Koekenaap)	3

Ward	Capital projects identified and prioritised by the Communities	Prioritised
	Goal posts (Koekenaap) soccer field	3
	Pay point at sport grounds (Koekenaap)	3
	After care centre (Koekenaap)	5
	Upgrade dressing rooms at sport grounds (Koekenaap)	3
	Floodlights (Koekenaap)	3
	Municipal Pay point (Koekenaap)	4
	Emergency exits at Community Hall (Molsvlei)	5
	Stage curtains - Community hall (Molsvlei)	5
	Computer centre (Molsvlei)	1
	Green water tanks for food gardens (Molsvlei)	1
	Provide basic services to all residents (Molsvlei)	4
	Provide ablution facilities at sport grounds (Molsvlei)	3
	Build a speed bump in street in front of school(Molsvlei)	2
	Goal posts – soccer field Molsvlei	3
	Upgrade sewage ponds (Nuwerus)	4
	Emergency exits – Community hall (Putsekloof)	5
	Plant trees (Putsekloof)	1
	Computer centre (Stofkraal)	3

5. IDP & SECTOR PLANS

The sector plans form an integral part of the planning process of the IDP of the Matzikama Municipality. However, it should be noted that the IDP is not a sum of the sector plans mainly due to its nature which is strategic as oppose to the operational nature of the sector plans. Apart from the spatial development framework that forms the basis of the planning process there are two more sector plans including the local economic development strategy and the poverty reduction strategy that are transversal in nature as it cuts across the development spectrum. These will have an elaborative section in the Matzikama IDP whilst other plans will be influenced by the IDP and form an integral part of the operational plans of departments. The diagram below provides a clear picture as to how sector plans are used and how it feeds into the IDP and other planning instruments.



Due to the strategic nature of the IDP and the vast amount of sector and department plans; makes it almost impractical to elaborate and or incorporate all the plans. For this reason

Departments must compare its plans strategically against Council's strategy and consider it integrated if aligned with the IDP.

5.1 Spatial Development Framework

5.1.1 Introduction

The SDF is an important policy instrument as it forms the base document to guide land use and development of the Municipality toward a sustainable opportunity-rich-future. Strategies, projects and development plans in the Integrated Development Plan of the Matzikama Municipality (IDP) are initially informed by the SDF before any other sector plans are considered in development processes. However, recent developments are indicative of the shortcomings in the SDF for the municipal area and include the following:

- Provide no guidance to mining activities, renewable energies (includes wind and solar farms) and green economics;
- The previous district managed area has been included within Ward 8 since 2011 but is excluded from the SDF;
- Lack guidance on architectural guidelines and development of specific focus areas and further small scale structure plans;
- No guidance on time frames in terms of the long term spatial vision;
- The non-alignment between the SDF and other sector plans such as the LED strategy is a concern;
- The exclusion of major proposed economic development initiatives such as aquaculture.

The SDF is aligned with the principles of the IDP and growth points that are identified within the municipal area to enable sustainable spatial land use planning.

Matzikama municipal area experienced significant growth over the last 15 to 20 years in terms of its population and land area. In more recent years and months the municipal area experienced unprecedented change; its land area almost doubled between the years 2000 to 2011; the land area expanded by almost 7000 km² following the last local government elections and the population increased over the last 15 to 20 years from 40000 to 67000. Despite being a sparsely populated area (approximately, 0.22km² per person) the unprecedented change in the land area attributed to pressures on engineering services (such as water resources, waste management sites, roads and environmental management) and other negative impacts on

society as a whole and the natural environment. These affects are evident in the ever increasing numbers of unemployment, poverty and housing backlog.

As a result of the above the need to revise the SDF arose to address some of the shortcomings so as to ensure that the SDF is fully credible and reflect the future development needs, opportunities, natural environment and impacts within the Matzikama municipal area.

The SDF has been drafted and approved as a tool to develop policy in support of a sustainable and equitable future for the people of Matzikama. The MSDF is in the process to be finalized and approved by Council in the first semester of this year and will also include the 'Spatial Proposal Maps'.

The plan is intended to do the following:

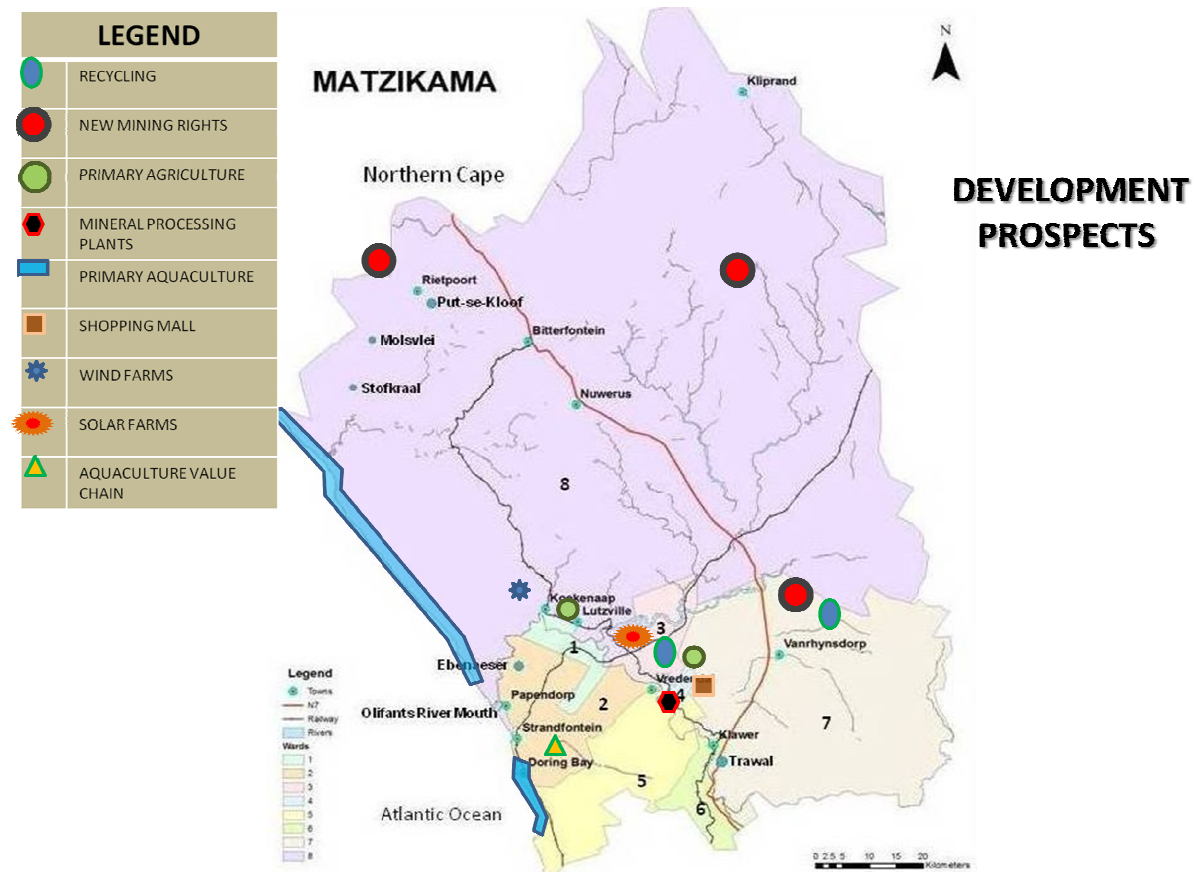
- Align the Municipality's developmental objectives with those of National (National Development Plan) and Provincial Government (Provincial Spatial Development Framework);
- To plan and make provision for the spatial needs of the community of Matzikama as identified in the IDP;
- Promote the general welfare of the community;
- Promote economic and social development;
- Promote sustainable land use management;
- Develop an appropriate land use scheme for future development to amongst others redress historical development practices;
- Help spatially guide, coordinate, prioritise and align public investment infrastructure in the IDP.

5.1.2 Legal reference of the SDF

The SDF forms a critical part of the IDP in terms of Section 26(e) of the Local Government: Municipal Systems Act, 2000 (No 32 of 2000). Unfortunately, the SDF was not approved as a structure plan in terms of Sections 4(1) and (6) of the Land Use Planning Ordinance, 1985 (No 15 of 1985). The SDF read together with the National Spatial Development Plan and the Provincial Spatial Development Framework should inform future spatial planning applicable to the municipal area.

5.1.3 Approved and proposed economic development projects

These projects are aligned with the first strategic goal of the Council of Matzikama Municipality and lay the foundation for the initiative Council is taking towards unemployment and poverty.



Apart from the approved and proposed mining developments where Matzikama Municipality provided support with the development processes the rest of the developments shown on the map are the Municipality's own initiatives. These initiatives resulted from a conscious decision by Council to play a more active role in the economic development processes of the Municipality. It is required that the MSDF incorporate these developments to form part of the Matzikama spatial planning.

The table below provide an elaborated view of the various proposed and existing developments

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
1	RARECO Mine	Steenkampskraal where the mine is located is a monazite mine. There are sufficient reserves for 10 years. The mine has not been in production for forty years and will require a newly appointed workforce. There is capacity for 147 employees. Minerals are mined and process on site. Further processing will take place at a Mineral separation plant (MSP) to be located in the industrial area of Vredendal-North	Permission has been granted by the Department Minerals Resources to continue with mining operations. Mining operations are planned to commence January 2014. The EIA approval is awaited before construction of the MSP can begin	Getting the EIA approved in time, late approval will have negative effects on the MSP project. Maintenance of the gravel road from the mine to the N7
2	PPC Mine	The project entails the extraction of gypsum from a mining site outside Vanrhynsdorp. Employment for the mine will be sourced from Vanrhynsdorp. Processing of raw materials will take place at the PPC cement factories in Cape Town	The mining right has not been granted by the DMR	Mining right still outstanding
3	TORMIN Minerals	The project entails the extraction of sand that contains heavy minerals from the ocean. Further processing takes place on land after which it is transport by road to Cape Town/Saldanha Bay harbour	Permission has been granted by the DMR to continue with mining operations	Increase in the number of heavy vehicles on the road between the mine and the N7
4	Packing & Cooling and drying facility	The project entails developing a feasibility study and project profile	The municipality developed a funding proposal to raise the funds required for the feasibility study and project profiles	
5	Essential Oils	The project entails cultivating rose geranium on commonage land for the extraction of essential oils from the crop	The Municipality is facilitating a process to produce a business plan to raise the required funds	Apart from the funding water to irrigate may be a challenge

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
6	Abalone Cultivation	The project entails a 30 ton abalone farm with a Hatchery located in the fish factory of Doring Bay	Construction work began, juvenile abalone will be introduced to the dams in the near future	Funding to scale the project up to a 50 tonnes farm
7	Abalone Ranching	The project entails the implanting of juvenile abalone in the ocean to scale down on overheads costs	In the planning phase	Getting permission from the MCM to do the pilot project in the ocean outside Doringbay
8	Medicinal Plants	The project entails a research study by the Universities of Stellenbosch and Western Cape that looks into the medicinal qualities of indigenous herbal plants with the view to develop tablets	The study is still in progress. Regular feedback is given by the Universities.	
9	Plastic recycling to manufacture refuse bags	The project entails collection of waste plastics from different sources including dumping sites, households and local businesses. Some materials are used to manufacture plastic pellets for the manufacturing of black refuse bags and other plastic products	Tronox funded the project through their social and labour plan and permission was granted by the Department of Mineral Resources (DMR). Co-funding was provide by Casidra	
10	Aquaculture sector development	The project entails investigating the potential for the development of Abalone farms on the Matzikama coastline	The Municipality is working closely with the Western Cape Aquaculture Development initiative (WCADI) and Department of	Funds are required to develop a feasibility study

NO	PROJECT NAME	CONCISE DESCRIPTION	STATUS	CHALLENGES
			Economic Development and Tourism (DEDAT)	
11	Exotic mushrooms	The project entails growing exotic mushrooms for the South African market in containers. The project has the potential to create jobs for 10 cooperatives each with 5 to 10 members.	Project development phase.	Funding of R5 million is required to start the project

5.2 Disaster management plan

Matzikama Municipality adopted the Disaster Management Plan in June 2007. This plan confirms the arrangements for managing disaster risk and for preparing for- and responding to disasters within the Matzikama Municipality as required by the Disaster Management Act. No further processes were done in able to review the Plan because of a lack of funds. As soon as the municipality can find the necessary funds the municipality will start the review process.

5.2.1 Legal Framework

The Matzikama Municipality is legally obliged to prepare a disaster management plan for its area according to the circumstances prevailing in the area; to co-ordinate and align the implementation of its plan with those of other organs of state and institutional role players; and to regularly review and update its plan. The municipality must also consult the local community on the preparation or amendment of its plan.

The Legislation that regulates Disaster Management in South Africa:

- Section 53(1)(a) of the Disaster Management Act, 2002 (Act 57 of 2002)
- Section 53(2)(a) of the Disaster Management Act, 2002 (Act 57 of 2002)
- Section 26(g) of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

5.2.2 The Key Outcomes of the Disaster Management Plan is as follows:

- Integration of Disaster Risk Management into the strategic and operational planning and project implementation of all line functions and role players within the municipality.

- Resilient communities
- An integrated, fast and efficient response to emergencies and disasters by all role players.

5.2.3 Linkage with the Integrated Development Plan of the Matzikama Local Municipality

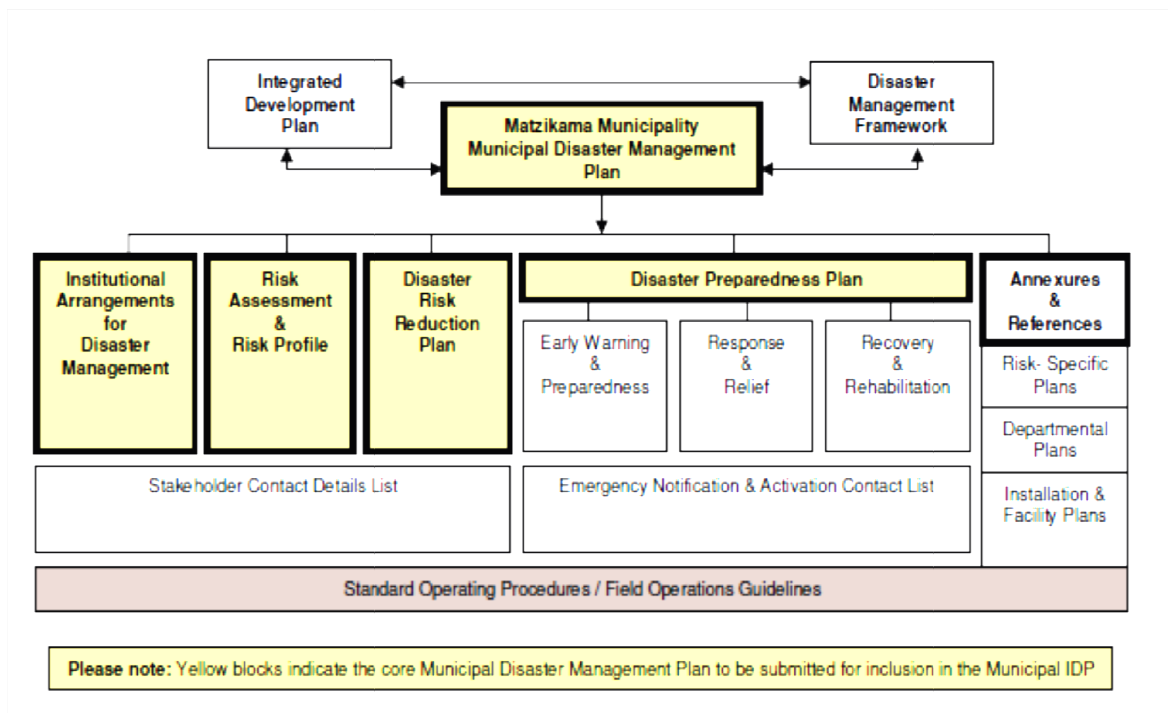
Both the Municipal Systems Act and the Disaster Management Act requires the inclusion of this plan into the Integrated Development Plan (IDP) of the Matzikama Municipality. Disaster Management should also be integrated into the IDP Risk Management.

5.2.4 Linkage with the Disaster Management Framework of the West Coast District Municipality

The Matzikama Local Municipality must prepare and execute its disaster management plan within the disaster management framework of the West Coast District Municipality.

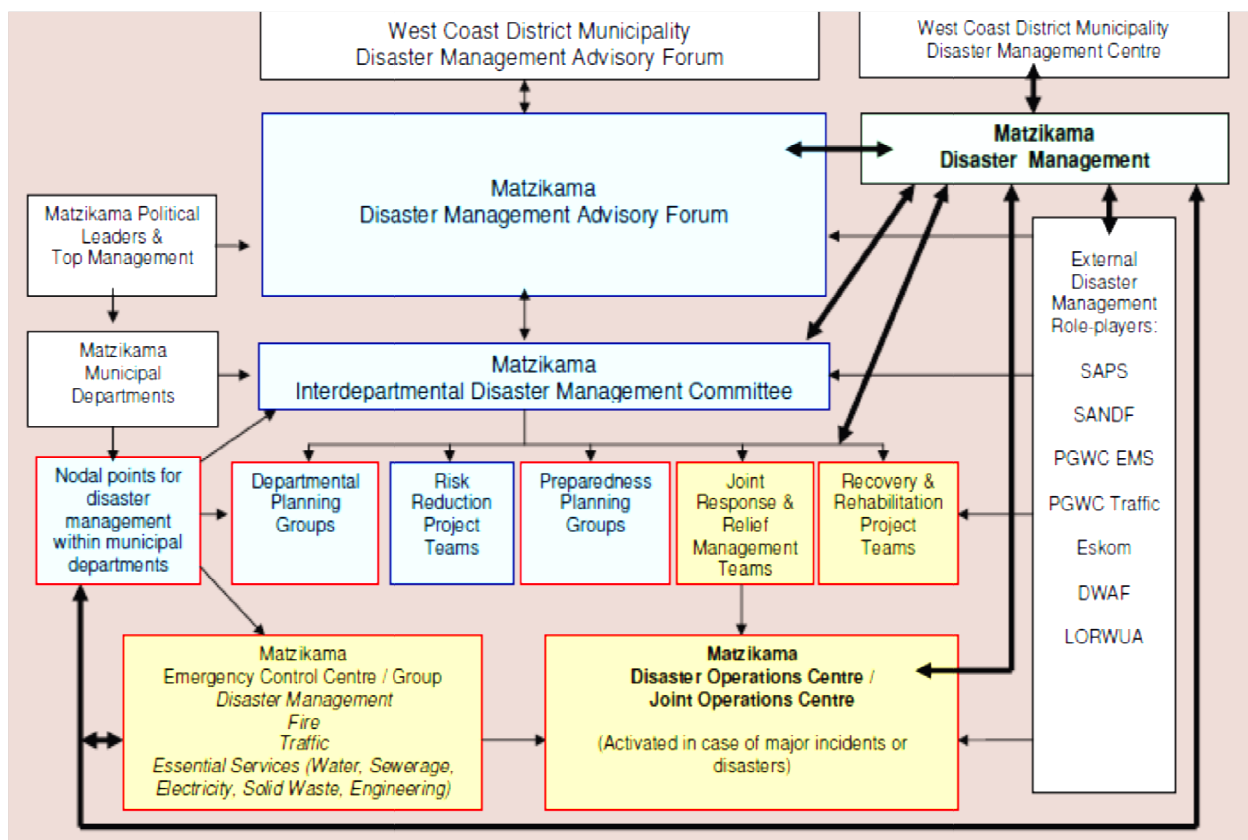
5.2.5 Structure of the plan

The Municipal Disaster management Plan of the Matzikama Local Municipality consists of the components as indicated in the figure below.



5.2.6 Corporate Disaster Risk Management Structure for the Matzikama Municipality

The Corporate Disaster Risk Management structure for the Matzikama municipality must deal with both pro-active and reactive disaster management issues and encompasses more than the department which is responsible for the function. The figure below illustrates the components of the Corporate Disaster Risk Management Structure.



5.2.7 Risk assessment

The following disaster risks were identified in Matzikama Municipality during a risk assessment process conducted in 2006:

Priority risks
Fire
Drought
Severe Weather (Storms, Wind,

Priority risks
Rain)
Hazardous Materials Incidents (especially road accidents)
Communicable diseases/Health

5.2.8 Risk Reduction Plans

Risk reduction plans providing for prevention and mitigation strategies have been compiled through a participative process and have not been vetted or submitted to feasibility studies.

Possible risk reduction projects have been identified through analysis of information collected during consultation with the West Coast District Municipality, Bergrivier Local Municipality, Matzikama Local Municipality, Saldanha Bay Municipality, Swartland Municipality and the West Coast District Management Area.

The following disaster risks for Matzikama Municipal area were identified:

- Drought Disaster Risk Reduction
- Health Disaster Risk Reduction
- Severe weather Disaster Risk Reduction
- Hazardous Materials Disaster Risk Reduction
- Fire Disaster Risk Reduction

5.2.9 Disaster Preparedness Plan

The purpose of this plan is to ensure a high level of disaster preparedness within the West Coast District Municipality and more specifically within the Matzikama Local Municipality.

This plan will focus on the activities falling within the sphere of responsibility of the Municipality in preparing for and responding to a disaster within the area of responsibility of the Municipality.

5.3 Matzikama Human Settlement Strategy

The Human Settlements Plan (HSP) responds to the needs and projected demands within the municipality and is directed at addressing housing demand over the whole spectrum of income groups as this is regarded as key to supporting sustainable human settlement development within the municipality over time.

In keeping with the Comprehensive Plan for Sustainable Human Settlement (September 2014), the Matzikama Municipality HSP focuses in improving the quality of housing and housing environments by integrating communities and settlements. Accordingly, the focus is on the development of integrated human settlements in well-located areas that provide convenient access to urban amenities, including places of employment. At the same time it is recognised that the Matzikama Municipality is characterised by a large rural population whose needs also need to be accommodated in the strategy. A key concern in the municipality, which is emphasised in the LED and IDP, is the high level of dependency within the municipality, and the resultant impact this has on the municipality's ability to provide for basic services of the poorest of the poor. The Matzikama HSP therefore looks at the complete range of available housing instruments to address the current and projected future housing need within the municipality.

The HSP is directed at integration and consolidation of the urban fabric, and the identification of well-located areas that support the sustainable development of communities. However, it recognises that where the need is high and a large number of households need to be provided for. Therefore "Greenfield" development adjacent to the urban edge may be the most appropriate solution. The approach in such cases places an emphasis on ensuring that social and community facilities are also provided for and where appropriate, commercial opportunities should be incorporated into the detailed development of new suburbs.

5.3.1 Provincial Planning Committee Resolutions

Municipal Area	Project No. & Name	Programme	No. of opportunities	Earliest implementation year	Recommendation
Vredendal	3212: Vredendal-North phase 4 (1304 services & 1296 units) IRDP	IRDP	1304	2014/15	4 to role in phases of 200 S/S per year from 2014/2015, followed by 80 T/S from 2015/2016. The need to develop past the overhead power line must be investigated. Advised that if possible that development stops at overhead over line buffer. If additional land for future development is needed. It is also advised to look at possible sites to developed n the updated SDF, of which are located more to the south of Vredendal-North.
Vredendal	3218: Vredendal Da Gama GAP (77 services) IRDP & (77 units) FLISP	IRDP	77	2015/2016	Further investigation necessary. Possibility of private financial institution/private developer to be investigated. The actual need for GAP housing needs to be determined within Matzikama
Klawer	3298: Klawer (80 units) PHP	PHP	80	2014/2015	This phase (Phase 2) can be recommended on condition that future development is prevented due to limited economic base. PPC in support of planning recommendation.

Note that there are no projects that are not supported by the Provincial Planning Committee.

5.3.2 Final Findings

Ward 1: Lutzville and Lutzville-Wes

Lutzville, the main town in Ward 1 is the centre of social and economic services and infrastructure in the ward. Lutzville-Wes is a small predominantly housing cluster located some kilometres out of the town. The rural population in Ward 1 demonstrates a negative population growth rate over the period, which is an indication of urbanisation or outmigration within the ward.

The housing waiting list indicates that 543 individuals wish to be accommodated in Lutzville. A housing project is already in the pipeline, which will accommodate 155 people in Lutzville with the purpose of formalising Mbeki Square in Lutzville. Additional land will need to be earmarked for the next phase of housing delivery in Lutzville.

Ward 2: Doringbaai, Ebenhaezer, Olifantsdrif, Papendorp, Strandfontein and a Portion of Vredendal South

The Draft SDF 2013 identifies sufficient vacant land in the towns of Doringbaai, Strandfontein and Ebenhaezer to accommodate the existing and projected future housing demand. It must be noted that Ebenhaezer falls in within an Act 9 Area. The future development of the settlement is therefore subject to specific legislative requirements and falls outside the jurisdiction of the Matzikama Municipality. The municipality can therefore not implement housing delivery within Ebenhaezer. A process has commenced in terms of Act 9 provisions, but the outcome will determine the future of the settlement. Strandfontein is a predominantly holiday. Papendorp is a traditional fishing village on the Olifants River estuary. The town has a significant number of vacant erven.

Census 2011 indicates that Ebenhaezer and Strandfontein have demonstrably high population growth rates. While population growth rate in Doringbaai and Papendorp are low. The rural hinterland demonstrates a negative growth rate.

The housing waiting list that of the 495 people on the waiting list in this ward, 363 (73%) want to be housed in Doringbaai whereby 74 beneficiaries occupied houses in Doringbaai end of December 2013. 131 (27%) want to live in Ebenhaezer, half of which are rural. A housing project in Doringbaai was completed in 2013 whereby 76 houses were built. There is one

person on the waiting list for Papendorp. Strandfontein does not have a waiting list. It is evident from the current income profile that most of the demand in this ward exists for RDP/BNG housing and only a very small portion of land will be required to accommodate GAP, FLISP and private development housing.

Ward 3, 4 and 5: Vredendal

The SDF (2013) identifies sufficient land to accommodate existing and projected housing demand. Land is identified in both Vredendal North and Vredendal South. The land ownership issues in Vredendal South will need to be overcome to implement housing delivery in Vredendal South. The outcomes of the Eureka land claim are still uncertain, but may present an opportunity for housing delivery in the future. Land identified for future development to west of Vredendal North however, is steep and the topography complex, and will be expensive to develop.

Vredendal North demonstrates a higher population growth rate than Vredendal South. There is also a negative rural population growth rate which is indicative of urbanisation taking place in these wards. The town of Vredendal also demonstrates the highest incidence of backyard dwellings.

There are currently 4359 people on the waiting list who want to live in Vredendal. The vast majority of land (85%) for new housing will be required for RDP/BNG. The housing project currently on the Matzikama Municipal pipeline in Vredendal North is being implemented and can accommodate 1500 households. NEMA approvals are however outstanding for portions of the site.

Ward 6: Klaver

The Draft SDF 2013 identifies sufficient land to accommodate existing and projected housing demand. The town demonstrates a relatively high population growth rate and a negative population growth rate is evident in the rural area within the ward.

There are currently 898 people on the housing waiting list in Klaver, of which 80 will be accommodated in a project that forms part of the current housing pipeline. Future phases of the project are still subject to environmental and planning approval. A large proportion of the

waiting list originates in the rural population. There are also a significant number of individuals on the list that have been on the list for between 6 and 10 years.

Ward 7: Vanrhynsdorp

The Draft SDF 2013 identifies sufficient land to accommodate the existing and medium term housing demand. Future revisions of the SDF may need identify more land and the Matzikama Municipality should monitor whether or not this is required in future revisions of the SDF.

Vanrhynsdorp has the second largest waiting list in the Matzikama Municipality with 1212 (79%) residing in town and 242 (21%) originating from the rural hinterland. 44% have been on the list for between 6 and 10 years. More than 10% may be resident in backyard dwellers. 706 (58%) of the beneficiaries are under the age of 45.

Population growth rate within the town is lower than for Vredendal, Klawer or Lutzville. There is also marginal growth in the rural population. Projected housing demand will therefore be less.

Although a housing project has been completed in the town in the recent past, there is currently no active project identified or on the project pipeline.

The Department of Correctional Services have indicated to the Municipality that they would like to assist their employees to access housing nearby their facility in Vanrhynsdorp.

Ward 8: Koekenaap, Bitterfontein, Nuwerus, Kliprand, Stofkraal, Molsvlei, Put-Se-Kloof and Rietpoort

The projections calculated for Ward 8 using the municipal growth rate of 8.2% show an unrealistically high demand for housing and associated requirements for land provision. Therefore another projection has been calculated for this ward using the Municipal average growth rate of 2.17% and it is believed that this more accurately reflects the future housing demand in this part of the municipality.

There is sufficient land earmarked in Koekenaap, however, Mandela Park is located outside the proposed urban edge, access to adequate services is an imported consideration in launching a UISP project in Koekenaap.

The Draft SDF 2013 identifies sufficient land to accommodate the existing and future projected demand. It must be noted that Rietpoort, Put-Se-Kloof, Molsvlei and Stofkraal are Act 9 areas,

and subject planning process in terms of that legislation. These processes have not commenced yet and until such time as the process is complete, the settlements fall outside of the jurisdiction of the municipality. Currently therefore no housing delivery projects can be initiated by the municipality in these settlements.

An analysis of the population growth rate per town shows that Rietpoort is the fastest growing settlement in this ward (growth rate of 3.57%), while Kliprand's population was found to actually be diminishing (growth rate of – 2%). The housing waiting list of 2013 shows that 46 people wish to be housed in Rietpoort, 6 people want to be housed in Koekenaap, 45 people want to live in Bitterfontein, 34 people see their future in Nuwerus and 31 people want to be accommodated in Kliprand. There are currently no housing projects in the housing delivery pipeline. There are also a significant number of households that are accommodated in backyard dwellings.

A very high growth rate is evident in the rural population.

5.3.3 Housing pipeline

The Municipal Council approved a new Housing Pipeline in October 2013. The table below indicates the implementation of the approved Housing Pipeline over the remainder of this IDP Cycle.

TABLE : HUMAN SETTLEMENTS PIPELINE FOR 5 YEAR PERIOD 2012/2013 TO 2016/17

Project Name	Housing Program	Current Waiting List	Total Sites	Total Units	1		2		3		4		5	
					Sites	Units	Sites	Units	Sites	Units	Sites	Units	Sites	Units
Projects Per Settlement					2012/13		2013/14		2014/15		2015/16		2016/17	
VREDENDAL		4359	4250	1580	Sites	Units	Sites	Units	Sites	Units	Sites	Units	Sites	Units
	IRDP						200		200		200	80	200	80
	GAP													
VANRHYNSDORP		1212	1280	530	280									
	IRDP												200	
	GAP													
KLAWER		898	900	380										
	IRDP						80						100	
	GAP													
LUTZVILLE		543	555	255										
	IRDP												100	
	GAP													
BITTERFONTEIN		45		45					45					
	IRDP													
	GAP													
DORINGBAAI		363	300	174										
	IRDP													
	GAP					74								
KOEKENAAP		6	110	75										
	IRDP													
	GAP													
NUWERUS		34	50	34										
	IRDP													
	GAP													
KLIPRAND		31	20	31										
	IRDP								20		20			
	GAP													

5.3.4 Low cost housing

The Matzikama Municipal area has a total housing backlog of approximately 8972 houses, including the housing needs in the previously district managed area. The needs analysis of this area is currently in process and will form part of the total housing need once completed and verified. The biggest housing backlog is in Vredendal, and more specifically in ward three. Approximately 57% of the total backlog is in Vredendal (see pie chart below). Klawer and Vanrhynsdorp have the second largest need for subsidized houses. The planned RDP housing projects according to the human settlement development plan of the Matzikama make provision for the total backlog of houses as well as for some villages in ward 8. The total cost excluding ward 8 of eradicating the current backlog is approximately R 986,920,000. However, due to the lack of sufficient funds from the Housing Department of the provincial government to construct the houses the municipality is currently implementing the housing policy of the provincial government. The policy basically entails that funds forthcoming from the provincial housing department be utilized to provide serviced plots with basic municipal services for backyard dwellers and the homeless on the housing list to construct their own shacks until such time when houses can be delivered by the provincial government. To date no clear indication by the housing department of the provincial government has been given as to when funding will become available to put up the top structures.

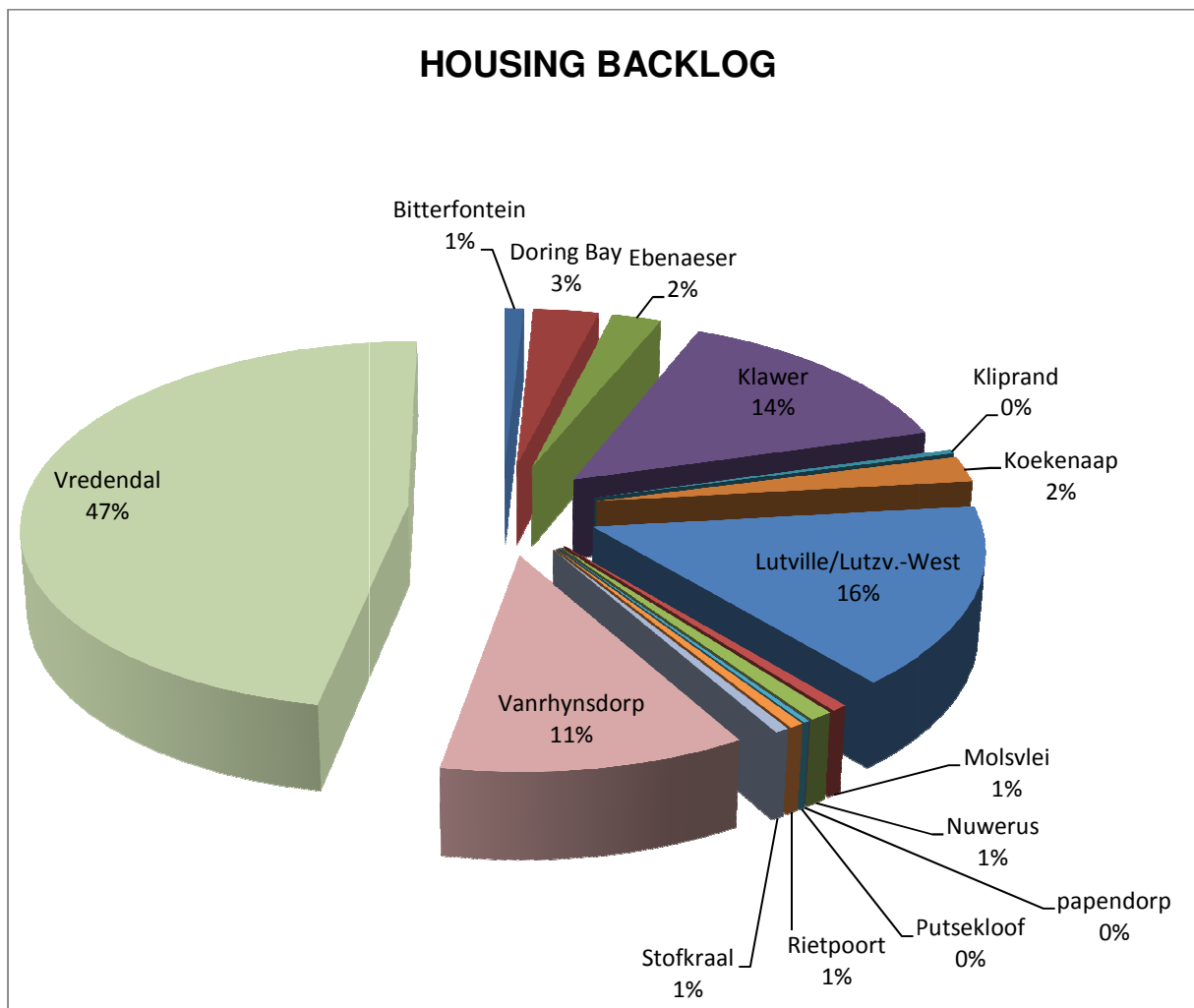
Town	Backlog	Existing Cost	Low Houses	UISP
Bitterfontein	75	0		0
Doring Bay	276	74		0
Ebenhaeser	207	271		0
Klawer	778	213		435
Kliprand	33	53		0
Koekenaap	204	208		0
Lutzville/Lutz.-West	1410	368		0

Town	Backlog	Existing Low Cost Houses	UISP
Molsvlei	54	0	0
Nuwerus	78	50	0
Papendorp	1	80	0
Putsekloof	20	16	0
Rietpoort	47	34	0
Stofkraal	47	0	0
Vanrhynsdorp	1012	591	0
Vredendal	4221	1139	433

The table above provides a list of a backlog of houses in each of the towns/villages.

The table also indicates that a needs analysis was done in all the towns in the 8 wards of the Matzikama Municipality. As a result the current human settlement plan was reviewed and reflects the most recent housing demand in the Matzikama municipal area. The housing demand along with other developments will also be taken up in the Build Environment Support Program (BESP) currently rolled out by the provincial Department Environmental Affairs and Development Planning (DEA&DP).

The pie chart below provides a clear picture of the housing backlog that exists in the Matzikama Municipality. Please note that the pie chart include all the towns in the 8 wards of the Matzikama Municipality



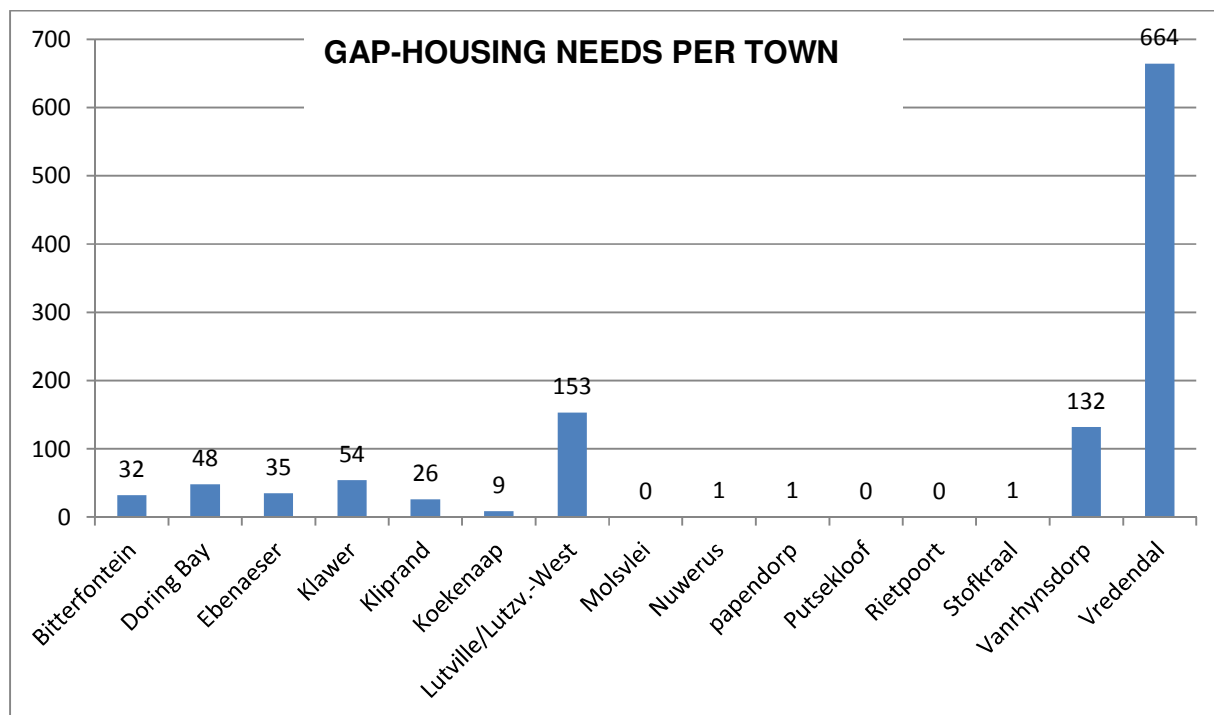
The Human Settlements Plan of the Matzikama Municipality was reviewed and approved by Council in October 2013. The IDP and in particular this section should be read in conjunction with the Matzikama Human Settlements Plan.

5.3.5 GAP Housing

Gap-housing is the term used to identify a specific income group in the population. With an income that sits between R3501 – R15000 these residents struggles to enter the housing market due to income being too high to qualify for government subsidized houses and too low to qualify for home loans from the private banks in South Africa. As a result gap-housing has been identified as a solution to fill that gap in the market. In support of the gap-housing project

the Matzikama Municipality has done a need analysis commenced the process of starting to identify the need that exists for this type of houses.

Below is a bar graph that provides a clear picture as to how the need is spread between the different towns and or villages in the Matzikama municipal area.



The above bar graph is very clear as to where the largest need for gap-housing sits namely Vredendal with Lutville and Vanrhynsdorp the second and third largest need for this type of housing.

Whist the housing section is very clear and specific around the housing needs and the constraints to provide for the needs the strategy to address the constraints and challenges does not form part of the IDP as yet. This is mainly so due to the current human settlement plan (HSP) being reviewed and approved in October 2013. The revised HSP should be read in conjunction with this section of the IDP.

The human settlement section of the IDP reveals the core information around the housing needs for RDP-houses and gap-houses as well as some of the constraints faced by the Municipality to deliver on the housing needs. The section is merely an abstract of the housing

plan and should not be seen by the readers as the complete housing strategy. The housing strategy is one of the sector plans of the IDP and should be read in conjunction with the IDP.

5.4 Integrated Infrastructure Asset Management Plan

The municipality does not have such a plan because of a lack of funds, but will develop an Integrated Infrastructure Asset Management Plan as soon as budget will be coming available.

5.5 Municipal Infrastructure Plan

The municipality does not have a proper Municipal Infrastructure Plan, but do have a Matzikama Municipality: Major Infrastructure requirements including town by town assessment Plan which was compiled with the assistants of the Western Cape Government.

5.6 Electricity Master Plan

No proper Electricity Master Plan is in place. The municipality will develop such a plan as soon as budget will be coming available.

5.7 Water Services Development Plan

The final Model 2 of 2012/2013 is the status quo document which was approved in August 2012. The Water Services Development Plan (WSDP) is in the process of being reviewed and will be completed by June 2015

This WSDP is for the 2012/2013 financial year and is an update of MM's 2008/2009 WSDP. The WSDP is aligned and integrated with the 2011/2012 IDP of MM and needs to form an integrated part of the IDP public participation and consultation process.

Part of the WSDP is to identify strategies (Module 3) that need to be developed to address the information shortfalls and other constraints, which impact on service delivery. The WSDP should be revised regularly, reporting the information for the previous five years and the projected future requirements.

Critical developments and associated factors that has an impact on our area:

- Urban versus Rural Backlogs
- Reliance on Water Resources Available and Bulk Infrastructure
- Links between Water Supply and Sanitation
- Limited Implementation and Operating Capacity in some Municipalities
- Available funding
- Affordability of Service Levels (Operation and Maintenance Costs)
- Growing Backlog in Refurbishment of Existing Infrastructure
- Major Economic Development
- Associated Population Growth and Water Demand

5.8 Integrated Waste Management Plan

The Integrated Waste Management Plan (IWMP) of the Matzikama Municipality has been formulated to address the challenge of waste management in the Matzikama area, home to 67 147 people. The Plan was born out of the requirements of the National Waste Management Strategy and formed the first action plan in terms of this strategy. The first IWMP was drafted in March 2006 and the current plan was drafted in July 2010. The municipality do not have the funds to establish such a facility hence the need for other funding sources for the development of an integrated waste management plan.

5.9 Air Quality Management Plan

5.9.1 Air Quality Management

Matzikama Municipality adopted the Air Quality Management Plan in 2012 which was developed by the West Coast District Municipality. The National Environmental Management Air Quality Act 39 of 2004 requires municipalities to introduce Air Quality Management Plans that set out what will be done to achieve the prescribed air quality standards.

5.9.2 Strategic Goals and Objectives

- Implementing the Air Quality Management Plan within the Municipality

- Assigning clear responsibilities and functions for air quality management at both district and local levels
- Air quality training of current and future air quality personnel at both district and local levels
- Obtaining the necessary resources and funding for air quality management
- Preliminary monitoring of identified 'hotspot' areas in the municipality to determine air pollutant concentrations
- Undertaking continuous ambient air quality monitoring to obtain a long term record of air quality in the municipality
- Maintaining good air quality within the boundaries of the Local Municipality
- Compliance monitoring and enforcement of air quality legislation, policies and regulations in the Local Municipality
- Assessing the contribution of agriculture to ambient air quality and establishing measures to control emissions from these sources.

5.9.3 Threats and challenges

The Municipality do not experience any challenges with respect to air quality currently.

5.10 Pavement Management Plan, Storm Water Master Plan and Roads Master Plan

The Pavement Management Plan is due for updating in the 2016/2017 financial year. The municipality does not have a Storm Water Master Plan as well as a Roads Master Plan in place.

5.11 Municipal Infrastructure Operations and Maintenance Plans

The Municipality do not have Municipal Infrastructure and Maintenance Plans.

6. LOCAL ECONOMIC DEVELOPMENT

6.1 Overview of the Economy

The economy of the Matzikama Municipality does not function in isolation of other economies hence the need to look at LED from a global, national, provincial, regional and local perspective. The next section provides an overview of the global, national, provincial and local economy as articulated by the Provincial Economic Review and Outlook, Budget Overview of Provincial Revenue and Expenditure report and the Situational Analysis of the Matzikama Municipality.

6.1.2 Global Economic Overview

The global economic outlook remains uncertain and loaded with risk. From a decent rebound since the end of 2009, the world economy recovered strongly during calendar year 2010 (registering real GDP growth of 5.3 per cent) and the first half of 2011; however, since then the growth pattern has been hesitant. Fiscal consolidations and outright austerity in the major advanced economies became a significant drag on global growth and during both the middle quarters of 2011 and 2012 growth dipped. The 2012 slowdown alarmed policy authorities in all the major advanced economies and beyond, and their aggressive policy response to avert a second leg of the Great Recession of 2008 - 2009 has included quantitative easing, forward guidance on interest rates at zero bound levels, and in some parts even fiscal stimulus (e.g. China); in April 2013 Japan embarked on an extensive economic stimulus programme including quantitative easing, in order to rid that economy from deflation.

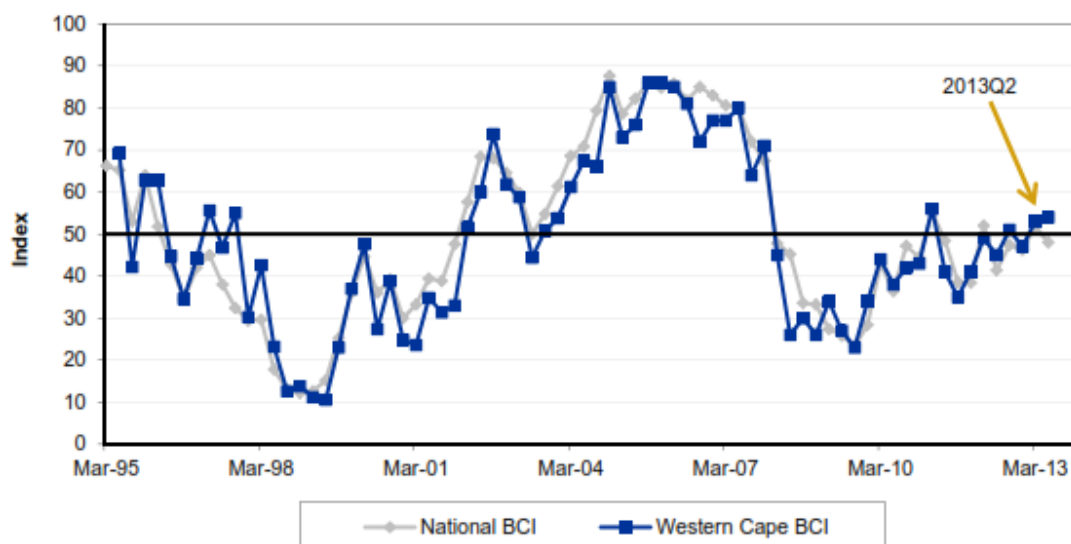
In all, the global economy is trapped in a multi-year slow and uneven growth trajectory, with emerging economies growing significantly faster than the advanced economies. The emerging economies are also being affected by the advanced countries' attempts to deleverage from high debt levels. The implication is that general inflation is unlikely to become a problem in the near future and that interest rates could remain low for the foreseeable future (at least until the end of 2014). Unfortunately, in such an environment the outlook for commodity prices is bleak. Key commodity prices have been trending lower since mid-2011 and could remain under

pressure as demand conditions remain lacklustre and new production capacity only comes on stream in coming years (related to the long lead times of mining developments). Regarding food prices, the latest development has been a softening in grain prices on the back of favourable harvests in the USA.

6.1.3 National Economic Overview

The South African economy has been impacted by the hesitant growth in her main trading partner economies and, domestically, the deep-seated labour market instability which broke out during the third quarter of 2012, caused a major drag on business, investor and consumer confidence as well as real economic growth. Real GDP growth slowed to 2.5 per cent in 2012 from 3.5 per cent in 2011 and is likely to slow further in 2013 (the first quarter annualised growth rate amounted to 0.9 per cent). The RMB/BER Business Confidence Index has been slow to recover since the 2009 recession, with the index tending to oscillate around the neutral level of 50 since the end of 2010 (see Figure 2.2). The brittle business confidence levels, combined with less than robust demand conditions in the world economy and domestically, do not bode well for private fixed investment spending and employment creation.

Figure 2.2 Hesitant recovery in business confidence since 2009



Source: BER, June 2013

A key development during the course of 2012 has been the slowdown in the consumer sector, which has been the mainstay of the economic recovery witnessed since the end of 2009. The consumption-led recovery lost momentum due to the lack of employment creation, lower wage increases, the impact of higher electricity, petrol and food prices on household budgets, and a general decline in consumer confidence – the FNB/BER Consumer Confidence Index declined from 11 to 7 points in the second quarter of 2011 to the first quarter of 2013, respectively.

The expectation is that a sustained recovery in the world economy, combined with the more competitive levels of the rand exchange rate will stimulate exports – South Africa’s exposure to the faster-growing Asian region in terms of primary commodity exports has grown in recent years and its manufacturing exports are increasingly penetrating rapidly-growing African markets. Furthermore, the government’s infrastructure investment drive remains a key growth support and should crowd-in private fixed investment spending. Core inflation is also expected to remain contained (bar an unexpected further sharp currency depreciation), which should keep interest rates at a low level for the foreseeable future (end-2014). Fiscal policy is finely balanced in terms of its counter-cyclical stance necessary to support the lacklustre growth in the economy and the imperative to narrow the budget deficit (measuring 5.7 per cent of GDP in fiscal 2013) over the medium term. In this context the deceleration in real GDP growth is expected to be contained around 2 per cent in 2013 and to recover closer to a trend growth rate next year

6.1.4 Provincial (Western Cape) Economic Overview

The Western Cape economy grew at a rate of 3 per cent during calendar year 2012, compared to the 2.5 per cent real GDP growth rate of the national economy, partly because the region did not experience the impact of the sharp decline in mining output experienced in other regions. However, economic activity was impacted adversely by the labour unrest in the agricultural sector, which erupted towards the end of the year. Real economic growth in the region decelerated from 3.5 per cent in 2011 to an estimated 3 per cent in 2012. The slowdown was

mainly driven by the impact of weaker global economic growth and the fact that the recovery in the national consumer sector was running out of steam.

The sectoral growth and employment trends (2000-2011) in the Western Cape economy points out that growth trended at 4.1 per cent per annum (compared to 3.6 per cent per annum nationally), it slowed sharply during the recession years (i.e. 2008 - 2009) to 1.7 per cent per annum. The sharp contraction in the manufacturing sector (3.3 per cent per annum), coupled with its contribution of around 17 per cent to GDP, is notable as are, albeit to a lesser extent, that of mining, electricity & water and wholesale & retail. Sustained growth in the agriculture, forestry & fishing sector, construction, transport & communication, finance & business services, CSP services and – importantly – the general government in its attempt at national countercyclical fiscal policy ensured the continued expansion of the regional economy.

Real GDP growth is forecast at a similar rate compared to 2012 (i.e. 3 per cent per annum) and expected to accelerate thereafter, with an average real growth rate of 3.8 per cent over the medium term. During both calendar year 2013 and the remainder of the forecast period (2013 - 2017), the tertiary sector is expected to drive real economic growth in the region, with growth averaging 4 per cent per annum. However, the slowdown in the consumer sector will likely drive somewhat slower growth in the tertiary sector in 2013 compared to 2012, whereas the secondary sector recovery is projected to strengthen from 1.9 per cent average growth in 2012 to 2.8 per cent in 2013, and projected at 3.3 per cent over the forecasting period.

6.1.5 The West Coast District (WCD) Economy Overview

The West Coast District economy consists of a good mix of primary, secondary and tertiary activities – a well-balanced regional economy with a comparatively larger primary and secondary sector compared to that of the Province. The district also possesses a vibrant tertiary sector, with finance & business services, transport & communication and the retail & wholesale sectors contributing strongly to growth and employment creation. The WCD

economy was heavily impacted by the 2009 recession, with real GDP growth slumping by close to 3 per cent in calendar year 2009 from 5.1 per cent growth during 2007 - 2008 at the peak of the previous business cycle. The adverse employment impact was cushioned by the sustained growth of the services sector being less exposed to the contraction in global demand.

The real GDP growth rate averaged 3.3 per cent over this period, slightly faster than that for the provincial economy (coming in at 3 per cent per annum), with net retrenchments more or less stabilising. A notable feature of the economic recovery in the region is the relatively strong rebound in the manufacturing sector, with real value added growth averaging 5 per cent per annum. This accounted for close to one per cent of the 3.3 per cent (more than a quarter) region-wide recovery growth. Seen in context though, much of the strong growth may have been the sector bouncing back from the deep recession impact. This seems to be the case in the agro-processing sector, as well as the metals & machinery sector and non-metal minerals. These three sub-sectors made the strongest relative contribution to the recovery in the manufacturing sector in 2010 - 2011, from experiencing deep contractions during 2008 - 2009. The fact that no net employment creation occurred over the recovery period also suggests the recovery has merely been a bounce back from the recession impact. The sectors which contributed strongest to the recovery growth and employment creation are finance & business services (particularly the latter mentioned sub-sector), retail & wholesale, the general government and transport & communication – in all, these tertiary sectors accounted for more than 75 per cent of the recovery growth. Furthermore, whereas the primary and secondary sectors shed jobs on balance (around 2 200 per annum), the tertiary sector created close to 3 000 net jobs per annum over the corresponding period (2010 - 2011).

WCD real GDP growth is projected at 2.9 per cent for calendar year 2013, i.e. unchanged from the 2012 growth momentum, and then to accelerate to 3.6 percent in 2014. Over the calendar years 2015 - 2017, real GDP growth is projected to average 4 per cent per annum (see footnote 3). Figure 2.4 shows the projected sectoral growth pattern over 2012 - 2017. The finance & business services sector is forecast to grow at 6.2 per cent per annum and the construction sector at 4.6 per cent per annum. Both these sectors are likely to benefit from the

infrastructure development tied to the IDZ and the investment spending tied to the Saldanha-Northern Cape development corridor. The other Broad sector expected to grow faster than average over the forecast horizon is the retail, wholesale, catering & accommodation sector (at 3.7 percent per annum). While the consumer sector is likely to remain under pressure during 2013 the sector is not expected to go into recession. The manufacturing outlook is also projected to improve to 2.4 per cent annual growth compared to the trend 1.2 per cent over the 2000s; however, this remains a moderate growth performance. The weaker rand exchange rate should compensate for lower metal prices over the short term and assist export and import-competing manufacturing firms. The contraction in the agricultural sector is projected to stabilise and may even show some positive growth. Overall *real GDP* growth is projected to average 3.5 per cent per annum (2012 - 2017), which is slightly lower than the 3.7 per cent per annum projected for the Western Cape Province.

6.1.6 Matzikama Economic Overview

6.1.6.1 Gross Domestic Product (GDP)

The economic state of Matzikama Municipality is put in perspective by comparing it on a spatial level with South Africa, Western Cape Province, West Coast District Municipality and the neighbouring region economies. The table below provides a clear indication of the Gross Domestic Product by region, which is a good indicator of economic growth for a particular period.

2002 – 2012 [R Billions, Current Prices]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2002	1.3	7.9	165.3	1,171.1	16.4%	0.8%	0.1%
2003	1.4	8.5	183.5	1,272.5	16.0%	0.7%	0.1%
2004	1.5	9.5	209.6	1,415.3	15.8%	0.7%	0.1%
2005	1.6	10.5	229.2	1,571.1	15.3%	0.7%	0.1%
2006	1.9	12.2	256.9	1,767.4	15.4%	0.7%	0.1%
2007	2.2	14.2	293.2	2,016.2	15.6%	0.8%	0.1%
2008	2.4	15.5	322.1	2,256.5	15.6%	0.7%	0.1%
2009	2.6	16.3	338.7	2,406.4	15.8%	0.8%	0.1%
2010	2.7	17.1	378.8	2,659.4	15.8%	0.7%	0.1%
2011	3.0	18.5	413.2	2,917.5	16.1%	0.7%	0.1%
2012	3.2	20.1	453.2	3,155.2	16.1%	0.7%	0.1%

Source: IHS Global Insight Regional eXplorer version 700

With a GDP of R 3.24 billion in 2012 (up from R 1.29 billion in 2002) Matzikama Municipality contributed 16.14% to the West Coast District Municipality GDP of R 20.1 billion in 2012. The Matzikama Local Municipality contributes 0.72% to the GDP of Western Cape Province and 0.10% of the GDP of South Africa which had a total GDP of R 3.16 trillion at current prices in 2012.

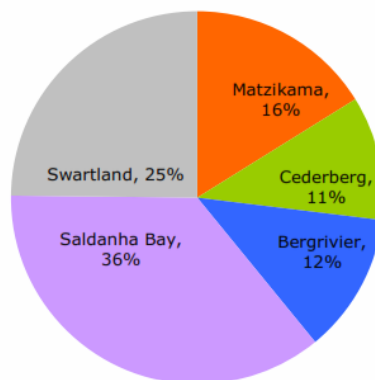
The table below compares the annual percentage change in GDP of Matzikama with that of West Coast, Western Cape and National

	Matzikama	West Coast	Western Cape	National Total
2002	4.2%	4.8%	4.3%	3.7%
2003	3.2%	2.9%	3.4%	2.9%
2004	3.9%	5.2%	5.7%	4.6%
2005	6.2%	7.7%	5.9%	5.3%
2006	4.0%	6.2%	5.9%	5.6%
2007	5.8%	6.5%	6.2%	5.5%
2008	5.6%	3.4%	4.3%	3.6%
2009	-0.4%	-2.3%	-1.3%	-1.5%
2010	-1.6%	-1.8%	2.7%	3.1%
2011	1.5%	2.1%	3.6%	3.5%
2012	0.5%	1.1%	2.8%	2.5%

Source: IHS Global Insight Regional eXplorer version 700

In 2012, the Matzikama Local Municipality had an annual growth rate of 0.49% in GDP which is lower than the West Coast District Municipality with GDP growth of 1.08%. The Matzikama Municipality has lower GDP growth than Western Cape Province's 2.85%, but is lower than that of South Africa as a whole, where the 2012 GDP growth rate is 2.55% in constant 2005 prices.

The pie graph below indicates GDP-contributions of the local municipalities in the West Coast District



Source: IHS Global Insight Regional eXplorer version 700

The Matzikama Municipality, with a total GDP of R 3.24 billion, contributes a third of the total West Coast GDP. This ranking in terms of size compared to other regions of Matzikama remained the same since 2002. In terms of its share, it was in 2012 (16.1%) slightly smaller compared to what it was in 2002 (16.4%). For the period 2002 to 2012, the average annual growth rate of 2.9% of Matzikama was the fourth relative to its peers in terms of growth in constant 2005 prices.

6.1.6.2 Economic growth forecast

It is expected that Matzikama Municipality's GDP will grow at an average annual rate of 3.17% from 2012 to 2017. The average annual growth rate in the GDP of West Coast District Municipality and Western Cape Province is expected to be 3.41% and 3.89% respectively. South Africa is forecasted to grow at an average annual growth rate of 3.72%, which is higher than that of the Matzikama Municipality. In 2017, Matzikama's forecasted GDP will be an estimated R 2.19 billion (constant 2005 prices) or 15.1% of the total GDP of West Coast. The ranking in terms of size of Matzikama will remain the same between 2012 and 2017, with a contribution to the West Coast District Municipality GDP of 15.1% in 2017 compared to the 15.3% in 2012. At a 3.17% average annual growth in GDP between 2012 and 2017, Matzikama ranked the fourth compared to the other regional economies. See table below

[R Billions]

	Matzikama	Cederberg	Bergrivier	Saldanha Bay	Swartland
2012	1.87	1.33	1.53	4.38	3.13
2013	1.90	1.35	1.56	4.46	3.20
2014	1.96	1.38	1.60	4.60	3.30
2015	2.02	1.42	1.65	4.76	3.42
2016	2.10	1.48	1.72	4.97	3.58
2017	2.19	1.53	1.79	5.20	3.75
Average Annual growth					
2012-2017	3.17%	2.95%	3.25%	3.52%	3.65%

Source: IHS Global Insight Regional eXplorer version 700

6.1.6.3 Gross value-added by region

Matzikama Local Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its "value added"

produced in the local economy. The summary table below puts the Gross Value added (GVA) of all the regions in perspective to that of the Matzikama Local Municipality.

[R Billions]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
Agriculture	0.7	3.5	16.7	72.7	21.4%	4.4%	1.0%
Mining	0.2	0.3	1.1	262.7	84.9%	21.2%	0.1%
Manufacturing	0.3	3.1	51.4	351.1	8.1%	0.5%	0.1%
Electricity	0.2	1.1	8.8	79.1	17.1%	2.1%	0.2%
Construction	0.1	0.8	20.3	112.6	11.6%	0.5%	0.1%
Trade	0.4	2.1	78.9	452.7	19.3%	0.5%	0.1%
Transport	0.1	1.6	40.0	257.7	8.5%	0.3%	0.1%
Finance	0.4	2.6	121.4	608.5	15.4%	0.3%	0.1%
Community services	0.5	2.5	69.7	637.9	18.1%	0.7%	0.1%
Total Industries	2.9	17.6	408.3	2,835.1	16.6%	0.7%	0.1%

Source: IHS Global Insight Regional eXplorer version 700

In 2012, the Agriculture sector is the largest in the Matzikama Municipality accounting for R 738 million or 25.34% of the total GVA in Matzikama. The sector that contributes the second most to the GVA of Matzikama Municipality is the Community services sector with 15.71%, followed by the Trade sector with 13.86%. The sector that contributes the least to the economy of Matzikama Local Municipality is the Construction sector with a contribution of R 97.5 million or 3.35% to the total GVA.

6.1.6.4 Historical economic growth

For the period 2012 and 2002 the GVA in the Finance sector had the highest average annual growth rate in Matzikama at 5.56%. The industry with the second highest average annual growth rate is the Construction sector at 4.93% per year. The Agriculture sector had an average annual growth rate of 1.51%, while the Manufacturing sector had the lowest average annual growth of 1.08%. Overall a positive growth existed for all the industries in 2012 with an average annual growth rate of 0.05%.

[R Millions]

	2002	2007	2012	Average Annual growth
Agriculture	390.2	394.9	453.2	1.51%
Mining	55.0	80.7	74.7	3.12%
Manufacturing	156.1	184.6	173.7	1.08%
Electricity	53.3	72.8	74.4	3.40%
Construction	33.6	51.3	54.4	4.93%
Trade	159.8	202.8	203.6	2.45%
Transport	61.9	80.6	77.5	2.26%
Finance	157.5	276.9	270.4	5.56%
Community services	198.9	225.7	262.7	2.82%
Total Industries	1,266.1	1,570.4	1,644.6	2.65%

Source: IHS Global Insight Regional eXplorer version 700

It is clear from the table above that the greatest contribution at 48% comes from the Tertiary sector. The Primary sector contributed a total of 33.7% (ranking second), while the aggregate economic sector that contributed the least to the total GVA is the Secondary sector with a total of 18.3%.

6.1.6.5 Sector growth forecast

The GVA projections are based on projected growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2005) so the emphasis moves from historical growth rates to national-level industry growth rates.

[R Millions]

	2012	2013	2014	2015	2016	2017	Average Annual growth
Agriculture	453.2	459.1	466.0	474.0	486.1	497.5	1.88%
Mining	74.7	75.7	77.3	79.1	81.8	84.7	2.55%
Manufacturing	173.7	176.5	181.7	188.0	195.9	204.3	3.30%
Electricity	74.4	75.4	77.7	80.6	84.4	88.6	3.54%
Construction	54.4	55.5	57.0	58.4	60.3	62.5	2.83%
Trade	203.6	207.5	213.5	220.5	230.1	239.9	3.33%
Transport	77.5	78.9	82.0	85.5	89.9	94.6	4.08%
Finance	270.4	278.1	290.5	305.2	322.4	340.8	4.74%
Community services	262.7	267.4	274.1	282.2	293.1	306.0	3.10%
Total Industries	1,644.6	1,674.1	1,719.7	1,773.5	1,844.1	1,918.9	3.13%

Source: IHS Global Insight Regional eXplorer version 700

From the table above it is clear that the Finance sector is expected to grow the most at an average of 4.7% annually from R 270 million in Matzikama Municipality to R 341 million in 2017. The Agriculture sector is estimated to be the largest sector in the Matzikama Municipality in 2017 with a total share of 25.9% of the total GVA, growing at an average annual rate of 1.9%. The sector that is estimated to grow the least is the Agriculture sector with an average annual growth rate of 1.9% it is expected to only increase with R 44.3 million.

6.1.6.6 Economic growth based on new developments

The scenario sketched above, especially in terms of growth forecast, assumed that no new developments in the primary sector is forthcoming between now and 2017. For example, the mining industry is poised to grow as we speak with at least an additional three new mines in heavy minerals and rare earth minerals, which appear not to be considered in the growth forecast for Matzikama Municipality. The raising of the Clanwilliam dam wall, which will create capacity for an additional 6000 hectares of primary agriculture production, also seemed excluded from the forecast. The biggest potential for economic growth is the development of the Aquaculture sector, which has also been excluded from the growth forecast of the Matzikama Municipality.

Whilst the picture painted above in terms of forecasted economic growth has much room for improvement, the Municipality is confident that we will do a lot better than current projections. To achieve this, a collective effort, including Local, Provincial, National governments and the private sector, is required.

6.2 Legal Reference

The Constitution of South Africa in section 152(d) obliges Municipalities to promote economic development. The White Paper on Local Government of 1998 calls for a Local Government that is committed to work with people and groups within the community to fund sustainable ways to meet their social, economic and material needs and to improve the quality of their lives. The same White Paper articulates that local government is not responsible for job creation. This is

unfortunately a loophole in the legislation, used legally correct by municipalities to justify why they are not responsible for creating jobs. This rather shaky position in terms of the role of Local Government in local economic development and job creation is exacerbated by the fact that the Constitution does not recognize local economic development as a dedicated competence of Local Government or any sphere of government.

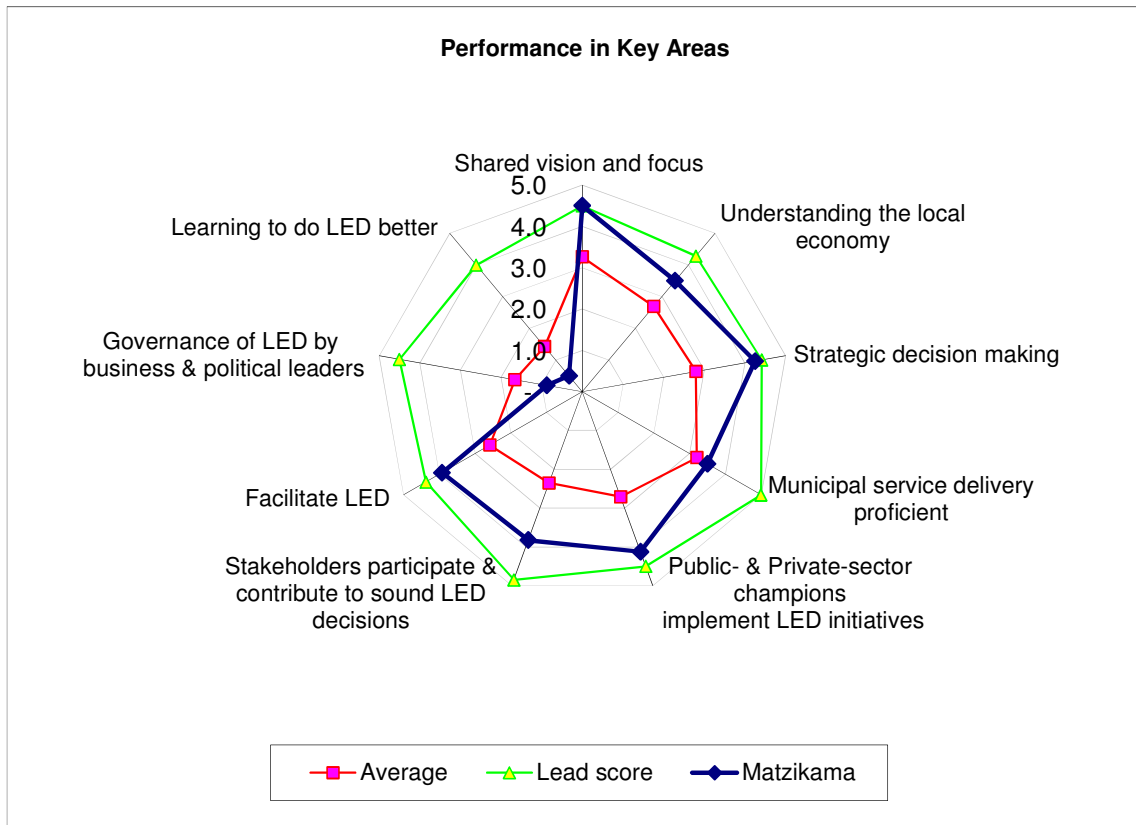
Regardless of what legislation articulates in terms of who is responsible for job creation. Here's the interesting thing observed from an extensive public participation process that is not unique to the Matzikama. It suggests that, regardless of one's opinion of the government, there is a clear expectation that the government is responsible for job creation. Government holds the key to prosperity and growth and the failure to create jobs is a significant result of failed state policies. The corollary is that failed government policies are, also, responsible for job losses. While the private sector is in need of employees to deliver services and produce goods that ultimately create jobs Government need to make it possible and attractive for the private sector to generate employment. Government including Municipalities need to develop and adopt the right combination of policies for the private sector to participate. Manifested by the above is that no single stakeholder or role-player is responsible for job creation. It is the responsibility of a combination of role players and or stakeholders to create jobs. These role-players comprise all three spheres of government, the private sector, non-governmental organizations and very important a cohesive community. A lack of cooperation from any of these role-players is likely to result in failing to create jobs.

For these reasons and more the Council of the Matzikama Municipality decided to take an active and direct role in economic development.

6.3 Proposed Interventions to take Economic Development Forward

To take economic development forward Council need to remove the blockages. A full assessment was conducted to assess the maturity of the Municipality with respect to Local Economic Development. The purpose of the assessment is primarily to determine the blockages that prevent economic development from progressing to a level of maturity. The

graph below provides a clear picture of where the blockages are. The blue line in the spider web graph represents the assessment of Matzikama Municipality.



Despite
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ch improvement since a year ago Matzikama Municipality, now ranked amongst the top Municipalities in the Western Cape, has its work cut out if it wants to improve the current situation. The graph provides a clear picture as to which areas needs improvement. The Municipality will make the following interventions as shown in the table below which if successfully rolled out will propel local economic development to a higher level of maturity.

No	Intervention	Objective	Delivery Date	Responsible	Budget	Indicator
1	Establish an entrepreneurial development forum	To grow the local economy	2014	Matzikama	External sources	Adopted ToR
2	Compiling an	To create an	2014	Municipality	External	Strategy

	infrastructure plan	environment that will stimulate LED in the municipal area			sources	completed and adopted by Council
3	Revising the economic development strategy preceded by an economic profile of the municipal area	To create pragmatic opportunities that will stimulate the local economy, make significant impact on job creation and BBBEE	2014	Municipality	External sources	Completed strategy adopted by Council ensued by progress reports on implementation
4	Compiling feasibility studies, value propositions and business cases	To attract investment to the municipal area in support of business and industrial development	2013-16	Municipality in partnership with other spheres of government and development agencies	External sources	Final documents adopted by Council
5	Compiling a revenue enhancement strategy	To increase internally generated funds	2014	Municipality	Municipality	Adopted strategy and progress reports on implementation
6	Identifying key projects with project implementation plans to promote tourism development	To create opportunities for BBBEE	2013/2016	Municipality and local tourism organization	Municipality and local tourism organization	Adopted project plans and progress reports on implementation of projects
7	Establishing and maintaining a Local Intergovernmental Dialogue (LID)	To create a platform for effective intergovernmental relations to promote responsible and sustainable development	2014	Municipality	Municipality supported by other spheres of government	Adopted terms of reference of newly established organization as well as minutes of meetings and progress reports
8	Developing a strategy for a green economy	To gain a better understanding of the challenges the area is facing and to produce plans and projects that effectively address the challenges whilst creating opportunities for employment and	2014/16	Municipality	External sources	Adopted strategy and progress reports on implementation of strategy

		poverty reduction				
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The success of the interventions shown in the table above is dependent on the support from Provincial and National Government as well as the private sector. To keep the momentum of this initiative the Municipality will ensure that this item remain a standing one on the agenda of the Local Intergovernmental Dialogue (LID) identified as one of the main strategies of the Council to improve service delivery in general.

6.4 High Impact Projects

The Municipality recognized the need for interventions that will earnestly impact on the challenges faced by stakeholders in the area of poverty and unemployment. As a result the following projects will receive the necessary attention to develop to a level where it will create of jobs, reduce poverty, provide opportunities for BBBEE, diversify the economy and promote social capital. To help the process of identifying high impact socio-economic development projects the Municipality with the help of the Centre for Local Economic Development (CENLED) used the Participatory Appraisal for Competitive Advantage (PACA) economic development instrument to select the following projects for development.

PROJECTS	SOCIO-ECONOMIC IMPACT
<p><i>Develop an Aquaculture Sector:</i></p> <ul style="list-style-type: none"> ▪ Support the development of the current Doring Bay initiative and two private investors to establish Abalone farms ▪ Build a business case to establish critical infrastructure for aquaculture farms ▪ Build a business case to establish a world class aquaculture skills development facility ▪ Support the establishments of pilot projects including Atlantic Salmon, other finfish projects (both fresh and marine) and abalone ranching 	<p>This economic development initiative has the potential to create over the next three to ten years more than 12000 jobs, contribute significantly to infrastructure and small business development all of which will ultimately result in reducing poverty and diversify the local economy that is overexposed to grape farming and wine production.</p>
<p><i>Agriculture and Agro-processing</i></p> <ul style="list-style-type: none"> ▪ Support and facilitate the 	<p>This economic development initiative has the potential to create in excess of 3500</p>

PROJECTS	SOCIO-ECONOMIC IMPACT
<p>development of a centralized cooling, packing and drying facility</p> <ul style="list-style-type: none"> ▪ Support and facilitate a water rehabilitation project for re-use in agriculture ▪ Secure investment by the state, to upgrade water conveyance system to utilize benefits of raising of the Clanwilliam dam wall ▪ Produce gherkins from waste cucumbers ▪ Support the development of an essentials oil production farm and extraction plant ▪ Support the development of greenhouse production facilities ▪ Facilitate the development of exotic mushroom farms for the benefit of emerging farmers ▪ Support emerging farmers to graduate from subsistence farming to micro-scale commercial farmers 	<p>jobs, create opportunities for black emerging farmers and small business development and contribute significantly towards infrastructure development all of which will ultimately reduce poverty and diversify the local economy</p>
<p>Tourism</p> <ul style="list-style-type: none"> ▪ Develop tourism activities for all seasons of the year ▪ Rehabilitate the standard of the Hardeveld Coastline ▪ Repair Doring Bay slipway ▪ Upgrade old gaol and museum in Vanrhynsdorp 	<p>This economic development initiative has the potential to introduce a racial mix of ownership to the industry, develop infrastructure and create jobs all of which will ultimately result in reducing poverty.</p>
<p>Recycling</p> <ul style="list-style-type: none"> ▪ Support and facilitate the establishment of a business that manufacture plastic projects from waste plastics ▪ Support recyclable waste collection at local household, schools, hospital, business and other levels for 	<p>This initiative has the potential to create 87 jobs immediately and a further 60 jobs in the second phase. The project will also develop new infrastructure, help with the development of a greener environment all of which will ultimately reduce poverty</p>

As can be seen from the above table; the Matzikama Municipality with the help of other spheres of government and the private sector can create more than 17000 jobs over the next 3 to 10 years and contribute significantly to reducing poverty and ultimately to the vision of the National Development Plan (NDP). However, it needs to be stressed that all of this is only possible with the help of the other two spheres of government and the private sector.

6.5 Aquaculture Development in the Matzikama Municipality

The Matzikama Municipality has been working with the Western Cape Aquaculture Development Initiative (WCADI) to assess and develop the aquaculture potential of the Matzikama Municipality. After carrying out a number of detailed surveys of the Matzikama Coastline WCADI have established that Matzikama has very significant potential and a clear and unrivalled comparative advantage for Marine Aquaculture, in particular, Abalone farming because of:

- A very favourable natural environment (coastline),
- An enabling local government environment for development,
- Excellent profile for renewable energy especially solar and wind.

WCADI and the Municipality established that:

- The Aquaculture Sector, including the entire value chain should be developed in Matzikama;
- Matzikama has the potential to create thousands of jobs through the development of Abalone farming and the aquaculture value chain;
- Aquaculture has the potential to become a bigger contributor to economic development than other forms of agriculture;
- Matzikama has the potential to become the leading Aquaculture node in South Africa;
- Aquaculture is critical for the economic and socio-economic development of Matzikama.

As indicated above, WCADI reported its findings to the Participatory Appraisal of Competitive Advantage (PACA) workshop (11 to 15 March 2013) that was attended by all stakeholders. At

this workshop all stakeholders agreed that The Municipality should prioritise the following areas as important focus areas for the Municipality in terms of the facilitating local economic Development:

- Developing the primary and secondary Aquaculture sector
- Agro processing
- 'Tourism and
- Recycling

6.5.1 The development of Aquaculture in Matzikama and its potential impact on the socio economic development of the West Coast

The status of many coastal communities in South Africa can at best be described as fragile. Coastal communities in the country were, historically, kept in chronic poverty and their aspirations suppressed. Despite the introduction of a constitutional democracy in SA in 1994 and its promise of change, fundamental socio-economic rights, and societal transformation, few of our coastal communities have found sustainable routes out of poverty and declining quality of life.

The state of coastal resources is a significant factor affecting livelihood prospects for poor coastal communities in the Western Cape Province and elsewhere in SA. More than 29 000 people are already involved in subsistence fisheries but there are no under-utilized or 'new' resources suitable for expanding subsistence and small-scale fishing opportunities. Against this backdrop, aquaculture has emerged at the intersection of a number of discussions regarding poverty alleviation; skills development; employment creation; black economic empowerment; household food security and improved nutrition.

Aquaculture has continually outstripped growth projections, and there is little reason to believe that it will continue to do so. It is inherently more efficient than livestock production. The production chain is shorter and more efficient than for capture fisheries. Moreover, massive productivity gains and the increasing control over aquaculture production systems is in stark contrast to the faltering management of capture fisheries, for which rising fuel prices are having

a disproportionately higher impact on costs. Prices of cultured fish are falling and are extending the consumer base. The scarcity of wild fish creates further market space, while supermarket chains demand stable supplies: uniform-size fish with clear traceability that cannot be readily supplied by volatile capture fisheries. The major challenges facing aquaculture development in SA (and particularly in fishing communities) is the availability and access to appropriate aquaculture sites, infrastructure, technology, skills, development and investment funding. It is important to note that aquaculture will not be able to solve the problems of coastal and other communities. Aquaculture can make a very important contribution to job creation and socio-economic development in coastal and other communities.

6.5.2 Aquaculture Development already under way in Matzikama

The Doring Bay Abolone Farm Pty Ltd, the first community abalone farm in the Western Cape and South Africa, has been established in the buildings of the former Oceana Crayfish Factory, which is being leased by the Doring Bay Development Trust (DDT) from the National Department of Public Works Phase 1, of the Doring Bay Abolone Farm Pty Ltd, will consist of a production capacity of approximately 20 tonnes. The successful implementation of the first phase of the farm is well under way and animals are already grown out in tanks on the farm. The farm is mainly owned by the community through the DDT with a 55% BEE shareholding structure. Phase 1 of the farm already employs 21 people. The farm was initiated by the Matikama Municipality and the DDT. WCADI facilitated an amount of R4.8 million grant funding from the Western Cape Department of Agriculture's (DoA) Comprehensive Agriculture Support Programme (CASP) through its role as the Secretariat of the Aquaculture Commodity Project Allocation Committee (ACPAC). The approval of the CASP grant funding led to a R4 million grant funding contribution from TNS to commence with the establishment of the first phase of the farm. An additional R2.4 million, also from TNS, followed in the next two years. The farm will be expanded to a 300 ton production facility. With the help of Provincial Department of Agriculture a hatchery that cost in excess of R2 million was build.

WCADI is also working on an initial R400 million investment in a second Abalone farm in Doring Bay. This project will consist 400 tons of production capacity in phase 1 of its development. The production capacity of the farm will be increased up to 1000 tonnes over time. Approximately one (1) direct job and conservatively one (1) indirect job will be created for every tonne of production. The investor plans to establish a tank manufacturing facility which will be owned by the community. Once both farms reach full production and the development of the Value Chain is complete conservatively 2 600 jobs will have been created in and around Doring Bay. This scale of development will have a major impact on the economic development Matzikama as a whole. It demonstrates that Matzikama's biggest advantage in local economic development is Aquaculture and in particular the Abalone Subsector. The development already underway in the Southern part of the Matzikama Municipality is poised to completely eradicate poverty in Doring Bay:

- Over 1000 direct jobs will be created in Abalone farming over the next five years.
- Over 1000 indirect jobs will be created in the Aquaculture Value Chain over the same period.
- The development of Abalone farming operations and the development Aquaculture Value Chain will stimulate economic activity which will lead to further job creation in the value chains of other industries e.g the real estate, manufacturing, retail, hospitality and tourism industries.
- Doring Bay has a population of 1760 and a workforce of 617 of which 85% (585) is unemployed.

As can be seen above, more jobs will be created than the available workforce. The balance of the required workforce will initially be procured from Papendorp, Ebenaeser and Lutzville West and thereafter from other parts of the Matzikama. It is clear that the scale of development will have a major impact on the economic development of Matzikama as a whole.

6.5.3 What is required to realise Matzikama's Aquaculture potential

The realisation of Matzikama's Aquaculture potential requires all three spheres of government, public entities and social partners to collaboratively task force the development of the Aquaculture sector in the municipality.

- Land that belongs to the Department of Public Works needs to be transferred to the Matzikama Municipality for the development of Aquaculture farms
- Funding is urgently required for a project team to initiate, plan and implement the development of the Aquaculture Sector and the Aquaculture Value Chain in Matzikama, see above.

6.5.3.1 Progress in respect of the Aquaculture project

The Municipality is moving ahead but at a snail pace as support from other spheres of government is coming in drips and drags. However, with the help of the department of COGTA the National Department of Public Works provided the Municipality with a letter conveying that the Department agrees in principle to make the land for the Aquaculture development available.

6.5.4 Next steps to realise Matzikama's Aquaculture potential

The following activities should run concurrently:

- Conduct EIA's on all the sites that are designated for development and simultaneously complete process with the National Department of Public Works to transfer land to the Municipality;
- Raise development funding to fund the establishment of the Matzikama Project Team;
- Continue engagements with all relevant government departments and other stakeholders.

6.5.5 The emerging farmer development program

Along with the Matzikama Emerging Farmers Association the Municipality developed a strategy that will see emerging farmers graduate from subsistence farmers to small-scale commercial farmers. With the technical support of the West Coast District Municipality the Matzikama Municipality developed four business plans to facilitate the implementation of the strategy. These projects include the following:

- Fifteen hectare units divided into three 5 hectare production units for the production of nectarines, raisins and cash crops. The Municipality is currently working with the Provincial Department of Agriculture to develop an implementation plan. The plan entails establishing more than one 15 hectare unit. Production units will be owned by individual farmers but work in partnership with similar production units to create economies of scale
- Livestock farming. It has been established that enough livestock are available amongst emerging farmers to organize subsistence livestock farmers into a single marketing channel. The Municipality is working with the Provincial Department of Agriculture to develop and implementation plan
- The production of fodder on Municipal land for livestock farming. For this purpose the Municipality developed a feasibility study and business plan to determine whether it is technically and financially feasible to produce Russian Grass in order to supplement grazing for the livestock of Emerging Farmers.
- Exotic Mushroom production in a controlled environment. The Municipality is in the process of raising funds on the back of a business plan that was produced by South African Gourmet Mushrooms. Exotic Mushrooms are produced in modified shipping containers by community-owned cooperatives. The project is a partnership between community-owned cooperatives and South African Gourmet Mushrooms. The local mining companies through their social and labour plans are considering funding the project. However, final approval by the Department of Mineral Resources is awaited.

7. STRATEGIC ANALYSIS

7. STRATEGIC ANALYSIS

7.1 Introduction

The IDP is the over-arching strategy document of the Municipality. As with any strategic plan this plan is based on an analysis of relevant information of both external and internal variables, events and trends. This section will provide a strategic analysis of the external and internal issues which impacts on the Matzikama Municipality. This chapter focus on the following:

- Overview of area
- Situational analysis
- High level strategic informants
- Municipal Services

The logical structure followed by this strategic plan to achieve its goals contains three vital elements including a diagnosis, a guiding policy and coherent action.

7.2 Overview Matzikama Towns and Villages

Although some of the towns and villages in the Matzikama municipal area lack a vibrant economic base, they deserve government protection and to be retained and conserved by all relevant role players. The overview of the towns is largely based on the town profiles presented in the *Growth Potential of Western Cape Towns* document which gives us a good indication of the socio-economic investment potential of the towns. This document, in conjunction with other sources, was used as tool or guiding instrument by the Matzikama Municipality for gauging future development initiatives in the various towns.

Doring Bay at a glance

According to the Investment Categories table of the *Growth Potential of Western Cape Towns*, Doring Bay is categorised as a high-needs and low-development town that suggests social investment rather than town investment. The suggestion implies the allocation of capital to advance people's social and economic wellbeing.

Doring Bay once harboured a flourishing west coast rock lobster industry but currently endures high levels of extreme poverty due to the dwindling fishing industry. For all these years, the economy of the town solely depended on the fishing industry; hence the complete collapse causing unemployment rates to reach levels as high as 85%.

Doring Bay is located on the coast line 80km west of Vanrhynsdorp and 15km north of Lambert's Bay making it ideal for tourism and aquaculture development. Both aquaculture and tourism to a lesser extent demonstrated potential for exploitation and can play an important role in mitigating unemployment and poverty caused by the dwindling fishing industry. Subsequent studies in relation to developing marine aquaculture are indicative of potential success in terms of attracting investors and creating employment.

Doring Bay currently functions as a residential settlement. The ineffective and, to some degree, non-existent commuting system makes it difficult for residents to commute to a place of work outside Doring Bay. Given the situation in Doring Bay, the only other option would then be to earnestly explore the economic development opportunities presented by aquaculture and tourism to a lesser extent. In order to make this development (that aligns our development initiatives with those of the Provincial Government in terms of the recommended social investment for Doring Bay) a reality, a combined effort from Government and the private sector is required.

Population	Male	female	Employment figure	Unemployment figure	Language commonly used	Distance from Vredendal (km)
1260	621	639	367	223	Afrikaans (1196)	52

Strandfontein at a glance

According to the *Growth Potential of Western Cape Towns*, Strandfontein is ranked low in human needs and high in development potential. This implies that Strandfontein is recommended for infrastructure development and some form of social development so as to ensure alignment with the NSDP guidelines “that all citizens are entitled to a basic service”.

The *Growth Potential of Western Cape Towns* bases the economy of Strandfontein on recreation and retirement and second houses. It explains why Strandfontein has been a holiday resort and retirement village since inception. Despite the low population (less than 1% of the total population of Matzikama), the town seems to grow in terms of new upmarket dwellings. The growth of Strandfontein can be attributed to the relatively low-cost coastal front land and the rate at which this high-income bracket holiday town attracts retired people, holiday makers and tourists.

The town recorded a relatively high ranking in terms of its resource and development potential. Out of the 131 towns situated in the Western Cape Province, Strandfontein was ranked 28th in terms of composite development potential and second in terms of composite resource potential.

The town is located on the coast line 5km north of Doring Bay and 75km east of Vanrhynsdorp. The town draws many tourists and holiday makers annually and has become more sought after than ever before, making it an attractive property development proposition. The high coastal property values further south makes Strandfontein an ideal place to explore coastal-front property development.

Strandfontein started out as a holiday resort with no economic activities to speak of. Until today, Strandfontein doesn't have any economic activities to speak of apart from one general store which supplies the bare essentials to the permanent residents. The town has no harbour facility and very little water recreation facilities due to the high energy and relatively dangerous coastline.

Population	Male	female	Employment figure	Unemployment figure	Language commonly used	Distance from Vredendal (km)
431	221	209	47	20	Afrikaans (129)	44

Ebenhaeser/Papendorp at a glance

These two villages function as a residential settlement with very few economic activities apart from government services, farm work, subsistence farming and fishing. The villages are located on the banks of the Olifants River and should play an important role in protecting the sensitive eco-system of the Olifants River.

These two villages developed from a mission station founded by the Rynse Church in 1831. The villages have virtually no intrinsic economic base and very little growth potential on own merit. Limited agriculture on smallholdings and fishery form the economic base of the town. Unemployment threatens the town, as well as the possible water shortage experienced in the wider region. The population and economic base have not grown over the past few years. The inhabitants, however, do not cooperate well, and they will have to define a communal goal to which individual interests will be subordinate.

These villages have practically no inborn economic base on own merit as confirmed by the rankings of the *Growth Potential of Western Cape Towns*. Ebenhaeser is ranked as a low human needs and low development potential town. As with Doring Bay, this implies that Ebenhaeser is recommended for social investment.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
1305	634	672	287	190	Afrikaans (1272)	36

Lutzville Wes at a glance

Lutzville Wes is located 18km west of Vredendal and 2km south of Lutzville on the Olifants River wine route. Lutzville Wes functions as a residential settlement and houses mainly seasonal and, to a lesser extent, permanent farm workers employed by the surrounding grape farms. Its central location to Vredendal, Lutzville and surrounding farms contributes to its functional role as a low-order rural settlement.

The unemployment rate, as with Doring Bay, is high with most of the residents unemployed. Lutzville Wes not ranked by the Province in terms of its “growth potential for towns” is strongly recommended for social investment based on the prevailing high human needs and the non-existent economic development potential.

Lutzville at a glance

Lutzville developed from a farm established in 1923 and is located 48km west of Vanrhynsdorp on the West Coast tourism route. The town is ranked by the *Growth Potential of Western Cape Towns* as 58th in terms of its development potential and 49th in terms of its economic activities. The main function of Lutzville is that of an agriculture service centre and recently became home to many employees of Exxaro Namakwa Sands. Apart from the many farming activities in the area, tourism has the potential to add significantly to the economic base of the local economy. The town is located on the West Coast tourism route which is linked to the wine industry, annual agriculture expo and annual wild flower season.

The town accommodates a large number of the workers employed by Exxaro Namakwa Sands as well as farm workers, hence the low unemployment rate.

The economic potential of the town is influenced by the nearby Namakwa Sands mine as well as the many irrigation farms established in the area.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
5232	2637	2595	1654	383	Afrikaans (4680)	25

Koekenaap at a glance

Koekenaap originally developed from the farm Roodeheuwel and was given a boost in 1923 when irrigation was made available to the farmers in the area. Today the Koekenaap village is surrounded by a kaleidoscope of irrigation farms located along the Olifants River ranging from vines to beans to mangos. Koekenaap is located 56km west of Vanrhynsdorp on the West Coast tourism route.

The town has experienced no economic growth over the past few years. It functions as a modest agricultural service centre for the surrounding farms. Unemployment and poverty are rife. The mining industry employ the majority of the people. As it is 10km from Lutzville and 20km from Vredendal, people basically sleep in Koekenaap and work somewhere else. There is no economic base to support the town, and no growth is expected.

The sharp increase in the population of Koekenaap is primarily due to people relocating from the Eastern Cape and Northern Cape in search of a livelihood. Apart from the surrounding successful private farms, very few economic stimulating activities exist in the Koekenaap village. Regarding development potential, the settlement also registers at an alarming 'low' quantitative level (ranked 101) and a 'very low' qualitative level. The fact is that the town does not demonstrate any development potential to uplift the low quality of life and high human needs in the community.

A human needs level for the Koekenaap village ranked at 131 implies extreme poverty and an earnest need for social investment. The future of the town is uncertain, and the inhabitants will need help from external sources.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
1551	759	791	408	157	Afrikaans (1379)	32

Vredendal at a glance

Vredendal was founded in 1938 as a mission town and has since developed into a modern town with well-developed infrastructure that supports a leading agriculture industry and a population of around 18,000. The town is also home to almost all government departments. Vredendal is by far the most developed and densely populated town in the area and is also centrally located, rendering it the logical economic and administrative centre. The town is located 22km east of Vanrhynsdorp on the West Coast tourism route and 300km north of Cape Town.

The town is ranked 38th out of 131 towns in terms of development potential, presenting a number of economic development opportunities. As a service centre to the intensively developed agriculture area with a medium and high quantitative and qualitative development potential respectively, Vredendal has the potential to grow its economy to new heights. The town is well connected to the surrounding towns, the rural areas within its jurisdictional area and the region as a whole. The growth potential of the town should be regarded as high, although certain critical challenges will have to be managed carefully if the growth is to be sustainable. Some of these challenges relate to the need to improve the water resources and the growing housing backlog of more than 2,000 houses which will have a further impact on the economy and services. Some of the direct economic challenges that will impact entrepreneurship, unemployment and poverty alleviation positively are to encourage the establishment of processing facilities for the many raw products that are produced locally. The resuscitation of the underutilised railway line will impact the establishment of processing facilities positively.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal
18170	8909	9261	6193	1298	Afrikaans (14976)	-

Klawer/Trawal at a glance

The town is located 22km south of Vanrhynsdorp and 280km north of Cape Town on the CapeNamib tourism route and developed from a railway crossing between Cape Town and Bitterfontein. Since the reduction in rail transport, the agriculture sector and services industry continued to provide income to the population of Klawer. Klawer is surrounded by many farms and attracts a large number of tourists to the area to join in the agri-tours offered by the Kapel farm in the area.

Klawer is ranked relatively low in terms of development potential and requires large financial input to encourage private sector investment as a means to stimulate the local economy. The resuscitation of the railway line between Cape Town and Bitterfontein will add value to the economic base of Klawer. The focus should be directed towards social investment as recommended by the Provincial Government in terms of the growth potential for towns.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
6234	3062	3172	1768	371	Afrikaans (5557)	23

Vanrhynsdorp at a glance

Vanrhynsdorp is the most southern and oldest town in Namaqualand. It exists since 1661. The town is also the gateway to the Western Cape, Upington, Johannesburg, Namibia, Vredendal and the coastal towns. Vanrhynsdorp is located 300km north of Cape Town on the intersection between the Cape Namib, Namakwari and West Coast Karoo tourism routes. The economic base comprises the services and agriculture industries.

The town is ranked 60th in terms of development potential primarily influenced by the surrounding farms, services sector and the Vanrhynsdorp prison currently under construction to increase the holding capacity and related services. The climate and vast open spaces of vacant land make Vanrhynsdorp, home to indigenous medicinal plants ideal for the reproduction of these plants. The hot and arid climatic conditions are ideal for crocodile and ostrich farming and warrant further research.

Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal (km)
6273	3029	3244	1898	224	Afrikaans (5600)	28

Nuwerus, Bitterfontein, Kliprand, Stofkraal, Molsvlei and Rietpoort at a glance

Nuwerus is a settlement in the West Coast District Municipality in the Western Cape province of South Africa. Village 16 km south-east of Bitterfontein and 70 km north-west of Vanrhynsdorp. The name is Afrikaans and means ‘new rest’.

Bitterfontein is situated approximately 380km from Cape Town, along the N7. Bitterfontein, although not much more than the hotel, a few shops and the station, harbors a few interesting facts. The name is, quite literally, derived from the fountain of bitter, really brackish, water which is still the main source of water for the town. It also boasts the first desalination plant to purify drinking water, for a town in the southern hemisphere. This plant and the salt pans are clearly visible from the road, immediately before the turn-off towards the town, and the plant has recently linked up with Rietpoort, a nearby village, to provide them with valuable blue drop status, drinking water. The fresh water was also essential in the days of steam locomotion to transport freight and passenger.

Kliprand is situated in the Bushman land, with its spacious grassy plains surrounded by mountains. Handcraft: The Kliprand Senior Citizens Club manufactures textile painting items

and the Kliprand Needlework Group uses solar power to drive the sewing machines with which they manufacture clothing. Several species of reptiles are found around Kliprand, two of them Red Data species, the rare armadillo lizard and the padloper tortoise. Plans are underway to establish a reptile interpretation centre at Kliprand.

Stofkraal and Molsvlei: The rural way of life still reigns in Stofkraal and Molsvlei. Almost every house has an outside clay oven for baking the famous “soetsuurdeeg” bread of the area, donkey carts are still a frequently used method of transport and goat- and sheep farming are the main activities. Herders walking with their flocks are often spotted on the hillsides. There are some beautiful walks around these two villages and a number of local people, knowledgeable about the veld and medicinal plants, which will accompany visitors on walks.

Rietpoort is situated 28km northwest of Bitterfontein in the Namaqualand region of the West Coast. It can be reached via a good gravel road. It was established by a Dutch Catholic Missionary, Father Cornelius van't Westeinde who arrived here in 1913. He spent his first 18 months in the area in a cave just outside the town, which can still be visited today. He began his ministry in the open air before a church was constructed. The beautiful cathedral of Rietpoort was inaugurated in 1937 and Mass is still celebrated at 6pm every day. Visitors are welcome to attend services. The bell in the cathedral tower is rung every day at 6am, 12pm and 6pm to call the townsfolk to prayer. The town is surrounded by granite domes, which change colour according to the time of day - a magnificent sight. In this very dry part of the country, water is always a problem and the people of Rietpoort have always found ingenious ways to obtain water. A desalinisation plant has now been established. There are a number of small settlements in the hills surrounding the town.

Town	Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal
Kliprand	205	84	121	44	29	Afrikaans (199)	200
Rietpoort	971	453	518	210	83	Afrikaans (939)	145
Bitterfontein	986	486	500	218	67	Afrikaans (951)	115

Town	Population	Male	female	Employment figure	Unemployment figure	Dominant Language	Distance from Vredendal
Nuwerus	650	323	327	116	56	Afrikaans (534)	100

7.3 Situational Analysis

7.3.1 Demographic

This sub-section deals with population groups, age and location of the residents of a specific region. Distributions of values within a demographic variable, and across households, as well as trends over time are of interest. In this section, an overview is provided of the demography of the Matzikama Local Municipality in comparison to the West Coast District Municipality (WCDM), Western Cape Province (WCP) and South Africa (SA) as a whole.

7.3.1.1 Total Population

Population statistics is important when analysing an economy, as the growth in population directly impacts employment and unemployment as well as other economic indicators like economic growth and per capita income. One of the major challenges faced by the Matzikama Municipality is the ability to provide low cost housing to a ever growing housing list. Population growth impacts the provision of houses in a big way.

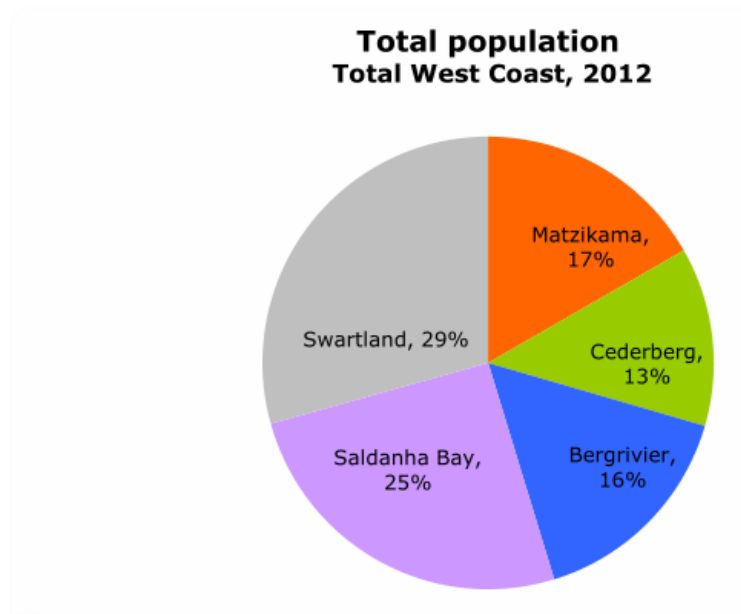
TABLE 1. TOTAL POPULATION - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [NUMBERS & PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2002	55,957	297,698	4,711,389	46,010,360	18.8%	1.2%	0.1%
2003	57,547	307,618	4,832,223	46,556,367	18.7%	1.2%	0.1%
2004	58,980	317,375	4,947,084	47,071,080	18.6%	1.2%	0.1%
2005	60,305	327,273	5,062,408	47,606,384	18.4%	1.2%	0.1%
2006	61,467	337,228	5,177,943	48,177,404	18.2%	1.2%	0.1%
2007	62,255	346,951	5,289,979	48,764,219	17.9%	1.2%	0.1%
2008	62,776	356,429	5,401,833	49,411,215	17.6%	1.2%	0.1%
2009	63,273	365,620	5,502,529	50,028,134	17.3%	1.1%	0.1%
2010	64,043	375,368	5,611,279	50,761,147	17.1%	1.1%	0.1%
2011	65,016	385,343	5,718,420	51,513,755	16.9%	1.1%	0.1%
2012	66,040	395,137	5,821,973	52,248,192	16.7%	1.1%	0.1%
Average Annual growth							
2002-2012	1.67%	2.87%	2.14%	1.28%			

Source: IHS Global Insight Regional eXplorer version 700

With more than 66 000 people living in Matzikama, the local municipality housed 0.1% of South Africa's total population in 2012. Between 2002 and 2012 the population growth averaged 1.67% per annum which is slightly higher than the growth rate of South Africa as a whole (1.28%), but compared to West Coast's average annual growth rate (2.87%), Matzikama's population has grown at a about half rate of 1.67%.

CHART 1. TOTAL POPULATION - MATZIKAMA AND THE REST OF WEST COAST, 2012 [PERCENTAGE]



The table above compare the population of the Matzikama Municipality with the rest of the B- Municipalities in the WCDM. When compared to other B- Municipalities in the same district, Matzikama with a total population of more than 66,000 or 16.7% of the total population in West Coast ranks third in 2012. The ranking in terms of size compared to the other regions of Matzikama remained the same between 2002 and 2012. In terms of its share, it was in 2012 (16.7%) significant smaller compared to what it was in 2002 (18.8%). When looking at the average annual growth rate, it is noted that Matzikama ranked lowest (relative to its peers in terms of growth) with an average annual growth rate of 1.7% between 2002 and 2012.

7.3.1.2 Population Forecast

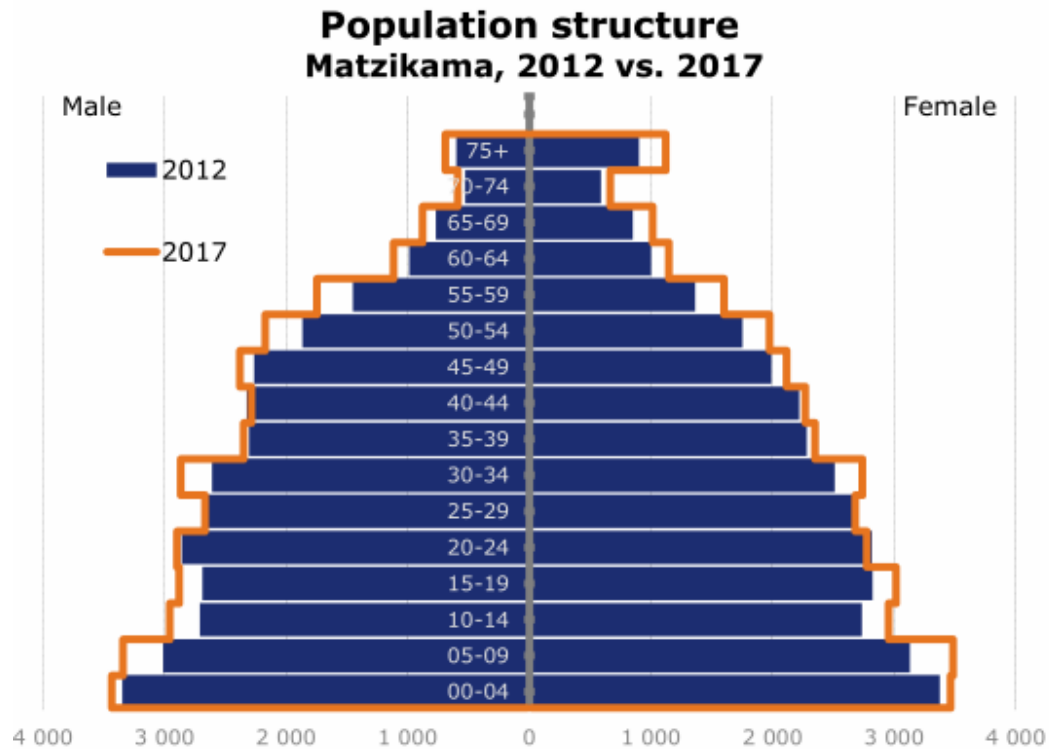
Based on the present age-gender structure and the present fertility, mortality and migration rates, Matzikama's population is forecast to grow at an average annual rate of 1.4% from 2012 to 70 600 in 2017.

TABLE 2. POPULATION FORECAST - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2012-2017 [NUMBERS & PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2012	66,040	395,137	5,821,973	52,248,192	16.7%	1.1%	0.1%
2013	67,033	404,405	5,922,163	52,970,625	16.6%	1.1%	0.1%
2014	67,991	413,153	6,018,497	53,670,888	16.5%	1.1%	0.1%
2015	68,915	421,422	6,111,217	54,353,011	16.4%	1.1%	0.1%
2016	69,804	429,216	6,199,683	55,002,438	16.3%	1.1%	0.1%
2017	70,650	436,507	6,283,824	55,618,807	16.2%	1.1%	0.1%
Average Annual growth							
2012-2017	1.36%	2.01%	1.54%	1.26%			

When looking at the population forecast of Matzikama Local Municipality shows an estimated average annual growth rate of 1.4% from 2012 with more than 66 000 people which is estimated to increase to 70 600 people in 2017. The average annual growth rate in the population over the forecasted period for West Coast District Municipality, Western Cape Province and South Africa is 2.0%, 1.5% and 2.0% respectively.

1. POPULATION PYRAMID - MATZIKAMA LOCAL MUNICIPALITY, 2012 VS. 2017
[PERCENTAGE]



The population pyramid above reflects a change in the structure of the population from 2012 and 2017. The differences can be explained as follow:

- In 2012, there is a slightly larger share of young working age people between 20 and 34 (24.5%), compared to what is estimated in 2017 (23.5%). This age category of young working age population is decreasing overtime.
- The fertility rate in 2012 is estimated to be very similar compared to that of 2017.
- The share of children between the ages of 0 to 14 years is very similar (27.7%) in 2012 compared to 2017 (27.8%).

In 2012, the female population for the 20 to 34 years age group amounts to 12.2% of the total female population while the male population group for the same age amounts to 12.3% of the total male population. In 2017 the male working age population at 11.9% still exceeds that of

the female population working age population at 11.6%, although both are at a lower level compared to 2012.

7.3.1.3 Population by Population Group, Gender and Age

The total population of a Municipality is the total number of people within that Municipality measured in the middle of the year. Total population can be categorised according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people originating from Asia, India and China. The age subcategory, divides the population into 5-year cohorts, e.g. 0-4, 5-9, 10-13, etc.

TABLE 3. POPULATION BY GENDER - MATZIKAMA AND THE REST OF WEST COAST, 2012 [NUMBER].

	Male	Female	Total
Matzikama	32,986	33,055	66,040
Cederberg	25,292	25,211	50,504
Bergrivier	30,125	32,199	62,324
Saldanha Bay	49,553	50,808	100,361
Swartland	57,264	58,643	115,907
West Coast	195,221	199,916	395,137

Matzikama Local Municipality's male/female split in population was 1 female per male in 2012. In total there were 33 000, (50.05%) females and 33 000 (49.95%) males. This is different from West Coast as a whole where the female population counted 200 000 which constitutes 50.59% of the total population of 395 000.

TABLE 4. POPULATION BY POPULATION GROUP, GENDER AND AGE - MATZIKAMA LOCAL MUNICIPALITY, 2012 [NUMBER].

	African		White		Coloured		Asian	
	Male	Female	Male	Female	Male	Female	Male	Female
00-04	275	277	261	223	2,793	2,853	21	25
05-09	230	200	252	257	2,515	2,650	15	23
10-14	154	160	342	299	2,181	2,258	33	20
15-19	201	155	309	350	2,166	2,302	14	17
20-24	383	312	239	225	2,218	2,261	19	19
25-29	391	298	267	285	1,971	2,097	26	14
30-34	404	263	336	352	1,854	1,883	17	15
35-39	272	208	310	338	1,708	1,718	16	18
40-44	243	146	359	395	1,708	1,673	16	8
45-49	190	119	394	373	1,666	1,494	13	7
50-54	171	121	338	390	1,343	1,239	14	3
55-59	116	83	336	366	998	908	1	9
60-64	70	51	272	276	634	664	12	10
65-69	58	31	260	275	445	547	8	0
70-74	36	24	198	226	293	338	2	2
75+	58	61	228	399	310	439	3	4
Total	3,252	2,510	4,700	5,027	24,803	25,323	231	194

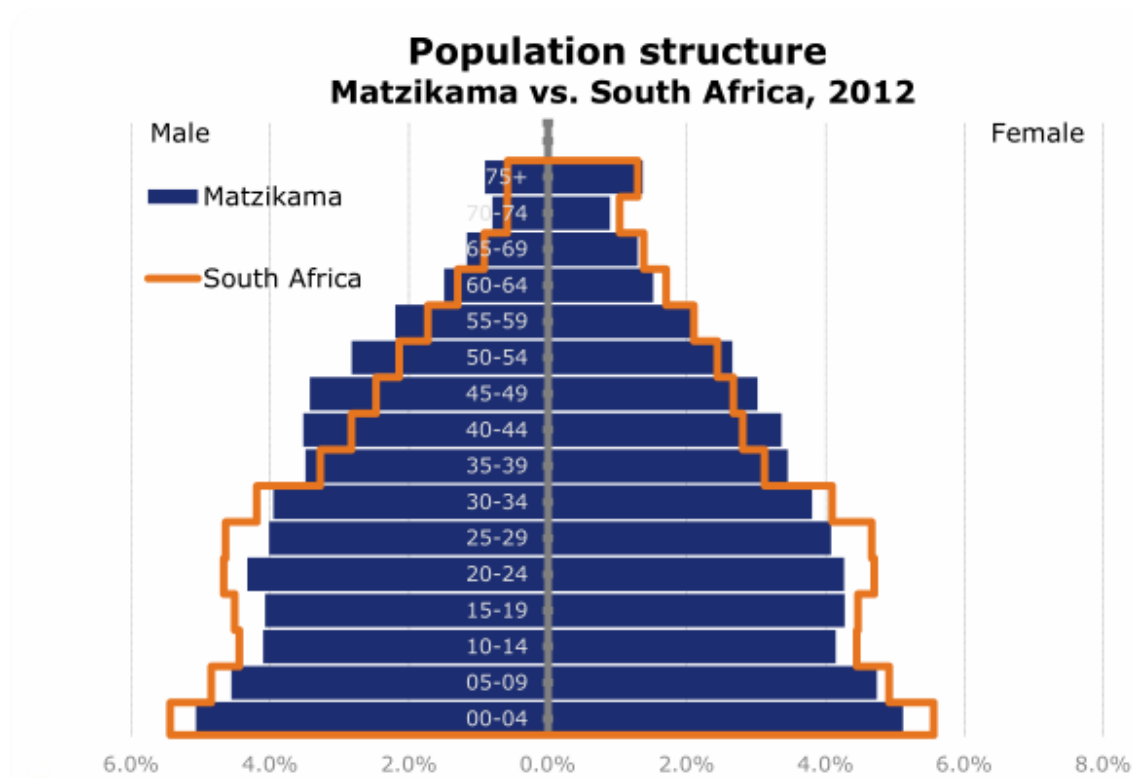
In 2012, the Matzikama Municipality's population consisted of 8.72% African (5 760), 14.73% White (9 730), 75.90% Coloured (50 100) and 0.64% Asian (425). The largest share of population is within the 00-04 age category with a total number of 6 730 or 10.2% of the total population. The age category with the second largest number of people is the 05-09 age category with a total share of 9.3%, followed by the 20-24 age category with 5 680 people. The age category with the least number of people is the 70-74 age category with only 1 120 people, as reflected in the population pyramids below.

7.3.1.4 Population Pyramids

By definition a population pyramid is a graphic representation of the population categorised by gender and age, for a specific year and region. The horizontal axis depicts the share of people, where the male population is charted on the left-hand side and the female population on the right-hand side of the vertical axis. The vertical axis is divided in 5-year age categories. With the African population group represents 8.7% of the Matzikama Local Municipality's total population, the overall population pyramid for the region will mostly reflect that of the African population group.

The chart below compares Matzikama's population structure of 2012 to that of South Africa.

CHART 3. POPULATION PYRAMID - MATZIKAMA LOCAL MUNICIPALITY VS. SOUTH AFRICA, 2012
[PERCENTAGE]



By comparing the Matzikama Municipality's population pyramid with South Africa's several signs of change can be noticed. The most significant differences between the Matzikama and South Africa are:

- There is a significant smaller share of young working age people - aged 20 to 34 (24.5%) in Matzikama, compared to the national picture (27.0%)
- The area seems to be a migrant sending area, with many people leaving the area to find work in the bigger cities.
- Fertility in Matzikama is slightly lower compared to South Africa as a whole.
- Spatial policies changed since 1994.
- The share of children between the ages of 0 to 14 years is significant smaller (27.7%) in Matzikama compared to South Africa (29.7%). Demand for expenditure on schooling as percentage of total budget within Matzikama will be lower than that of South Africa.

7.3.1.5 Number of House Holds by Population Group

By Definition a household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

If the number of households is growing at a faster rate than that of the population it means that the household size is decreasing and vice versa. In 2012, the Matzikama Local Municipality comprised of 17 900 households. This equates to an average annual growth rate of 1.13% in the number of households from 2002 to 2012. With an average annual growth rate of 1.67% in the total population, the household size in the Matzikama Local Municipality is by implication increasing. This is confirmed by the data where the average household size in 2002 increase from approximately 3.5 individuals per household to 3.7 persons per household in 2012.

TABLE 5. NUMBER OF HOUSEHOLDS - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [NUMBER & PERCENTAGE]

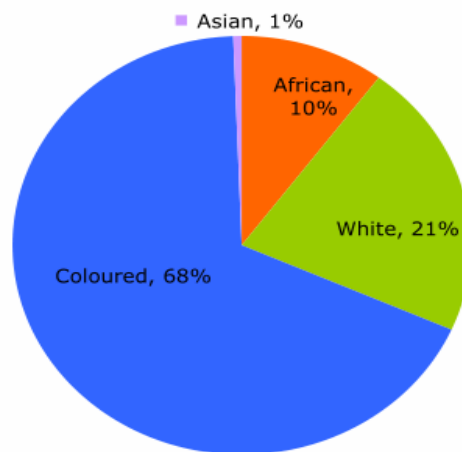
	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2002	16,033	82,835	1,293,228	12,014,757	19.4%	1.2%	0.1%
2003	16,546	85,848	1,343,122	12,385,568	19.3%	1.2%	0.1%
2004	16,957	88,518	1,387,752	12,725,259	19.2%	1.2%	0.1%
2005	17,249	90,740	1,424,820	13,034,529	19.0%	1.2%	0.1%
2006	17,422	92,587	1,455,722	13,317,242	18.8%	1.2%	0.1%
2007	17,489	94,411	1,485,306	13,595,780	18.5%	1.2%	0.1%
2008	17,579	97,131	1,516,373	13,876,167	18.1%	1.2%	0.1%
2009	17,651	99,674	1,541,160	14,081,872	17.7%	1.1%	0.1%
2010	17,741	101,938	1,561,657	14,270,892	17.4%	1.1%	0.1%
2011	17,811	103,918	1,581,293	14,498,115	17.1%	1.1%	0.1%
2012	17,935	106,103	1,603,164	14,748,242	16.9%	1.1%	0.1%
Average Annual growth							
2002-2012	1.13%	2.51%	2.17%	2.07%			

Relative to the district municipality, Matzikama had a lower average annual growth rate of 1.13% from 2002 to 2012. In contrast, the province had an average annual growth rate of 2.17% from 2002. South Africa as a whole had a total of 14.7 million households, with a growth rate of 2.07%, thus growing at a higher rate than the Matzikama. The composition of the households

by population group consists of 67.8% which is ascribed to the Coloured population group with the largest amount of households by population group. The White population group had a total composition of 21.4% (ranking second). The African population group had a total composition of 10.2% of the total households. The smallest population group by households is the Asian population group with only 0.6%.

CHART 5. NUMBER OF HOUSEHOLDS BY POPULATION GROUP - MATZIKAMA LOCAL MUNICIPALITY, 2012 [PERCENTAGE]

**Number of Households by Population group
Matzikama, 2012**



The growth in the number of households for the African population is on average 4.68% per annum for the period 2002 to 2012, which translates to an increase of 673 in households over the period. The average annual growth rate in the number of households for all the other population groups has increased with 0.80%.

7.3.1.6 HIV+ and Aids Estimates

TABLE 6. NUMBER OF HIV+ PEOPLE - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [NUMBER AND PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2002	781	5,662	142,462	3,726,631	13.8%	0.5%	0.0%
2003	951	6,894	167,308	4,043,843	13.8%	0.6%	0.0%
2004	1,121	8,131	190,663	4,296,423	13.8%	0.6%	0.0%
2005	1,281	9,321	212,081	4,492,701	13.7%	0.6%	0.0%
2006	1,427	10,452	231,742	4,649,261	13.7%	0.6%	0.0%
2007	1,546	11,472	249,455	4,764,161	13.5%	0.6%	0.0%
2008	1,642	12,392	265,659	4,867,738	13.3%	0.6%	0.0%
2009	1,726	13,233	279,668	4,949,525	13.0%	0.6%	0.0%
2010	1,739	13,688	288,530	5,026,673	12.7%	0.6%	0.0%
2011	1,810	14,406	298,997	5,096,723	12.6%	0.6%	0.0%
2012	1,870	15,022	307,254	5,148,663	12.4%	0.6%	0.0%
Average Annual growth							
2002-2012	9.13%	10.25%	7.99%	3.29%			

In 2012, 1 870 people in the Matzikama Local Municipality were infected with HIV. This reflects an increased at an average annual rate of 9.13% since 2002, and in 2012 represented 2.83% of the local municipality's total population. West Coast had an average annual growth rate of 10.25% from 2002 to 2012 in the number of people infected with HIV, which is higher than that of the Matzikama Local Municipality. The number of infections in Western Cape Province increased from 142,000 in 2002 to 307,000 in 2012. When looking at South Africa as a whole it can be seen that the number of people that are infected increased from 2002 to 2012 with an average annual growth rate of 3.29%.

7.3.2 Economic

The economic state of Matzikama Municipality is put in perspective by comparing it on a spatial level with South Africa, Western Cape Province, West Coast District Municipality and the economies of the neighbouring municipalities.

7.3.2.1 Gross Domestic Product by Region (GDP-R)

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states. By definition Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies. GDP-R can be measured using either current or

constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth as if prices were frozen in a given base year.

TABLE 7. GROSS DOMESTIC PRODUCT (GDP) - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [R BILLIONS, CURRENT PRICES]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2002	1.3	7.9	165.3	1,171.1	16.4%	0.8%	0.1%
2003	1.4	8.5	183.5	1,272.5	16.0%	0.7%	0.1%
2004	1.5	9.5	209.6	1,415.3	15.8%	0.7%	0.1%
2005	1.6	10.5	229.2	1,571.1	15.3%	0.7%	0.1%
2006	1.9	12.2	256.9	1,767.4	15.4%	0.7%	0.1%
2007	2.2	14.2	293.2	2,016.2	15.6%	0.8%	0.1%
2008	2.4	15.5	322.1	2,256.5	15.6%	0.7%	0.1%
2009	2.6	16.3	338.7	2,406.4	15.8%	0.8%	0.1%
2010	2.7	17.1	378.8	2,659.4	15.8%	0.7%	0.1%
2011	3.0	18.5	413.2	2,917.5	16.1%	0.7%	0.1%
2012	3.2	20.1	453.2	3,155.2	16.1%	0.7%	0.1%

With a GDP of R 3.24 billion in 2012 (up from R 1.29 billion in 2002) Matzikama Local Municipality contributed 16.14% to the West Coast District Municipality GDP of R 20.1 billion in 2012. The Matzikama Local Municipality contributes 0.72% to the GDP of Western Cape Province and 0.10% the GDP of South Africa which had a total GDP of R 3.16 trillion at current prices in 2012.

TABLE 8. GROSS DOMESTIC PRODUCT (GDP) - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2005 PRICES]

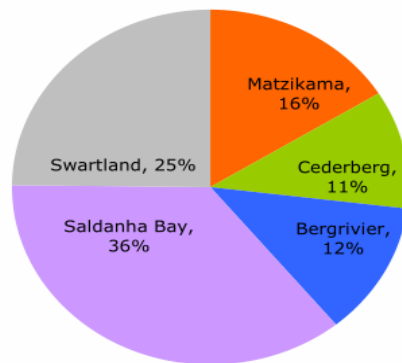
	Matzikama	West Coast	Western Cape	National Total
2002	4.2%	4.8%	4.3%	3.7%
2003	3.2%	2.9%	3.4%	2.9%
2004	3.9%	5.2%	5.7%	4.6%
2005	6.2%	7.7%	5.9%	5.3%
2006	4.0%	6.2%	5.9%	5.6%
2007	5.8%	6.5%	6.2%	5.5%
2008	5.6%	3.4%	4.3%	3.6%
2009	-0.4%	-2.3%	-1.3%	-1.5%
2010	-1.6%	-1.8%	2.7%	3.1%
2011	1.5%	2.1%	3.6%	3.5%
2012	0.5%	1.1%	2.8%	2.5%

In 2012, the Matzikama Local Municipality had an annual growth rate of 0.49% in GDP which is lower than the West Coast District Municipality with GDP growth of 1.08%. The Matzikama

Municipality has lower GDP growth than Western Cape Province's 2.85%, but is lower than that of South Africa as a whole, where the 2012 GDP growth rate is 2.55% in constant 2005 prices.

CHART 7. GROSS DOMESTIC PRODUCT (GDP) - MATZIKAMA LOCAL MUNICIPALITY AND THE REST OF WEST COAST, 2012 [PERCENTAGE]

**Gross Domestic Product (GDP)
West Coast, 2012**

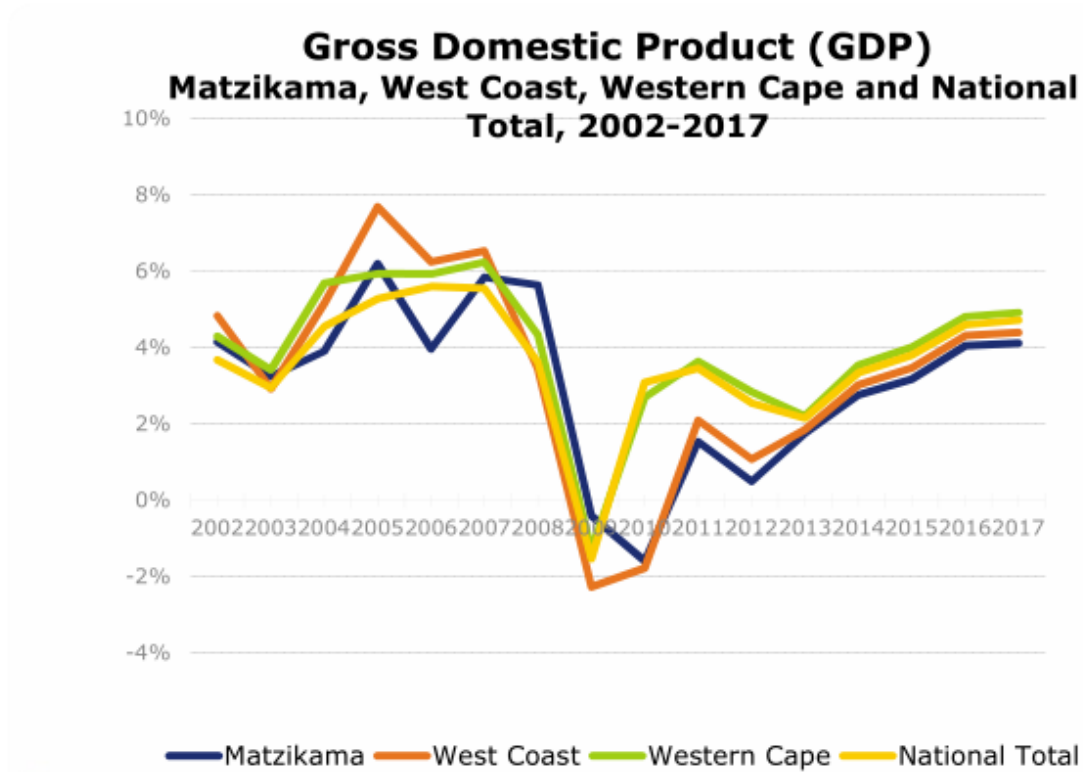


The Matzikama Municipality, with a total GDP of R 3.24 billion, contributes a third of all the economies of neighbouring Municipalities to total West Coast GDP. This ranking in terms of size compared to other Municipalities of Matzikama remained the same since 2002. In terms of its share, it was in 2012 (16.1%) slightly smaller compared to what it was in 2002 (16.4%). For the period 2002 to 2012, the average annual growth rate of 2.9% of Matzikama was the fourth relative to its peers in terms of growth in constant 2005 prices.

7.3.2.2 Economic Growth Forecast

It is expected that Matzikama Local Municipality's GDP will grow at an average annual rate of 3.17% from 2012 to 2017. The average annual growth rate in the GDP of West Coast District Municipality and Western Cape Province is expected to be 3.41% and 3.89% respectively. South Africa is forecasted to grow at an average annual growth rate of 3.72%, which is higher than that of the Matzikama Local Municipality.

TABLE 9. GROSS DOMESTIC PRODUCT (GDP) - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2017 [AVERAGE ANNUAL GROWTH RATE, CONSTANT 2005 PRICES]



In 2017, Matzikama's forecasted GDP will be an estimated R 2.19 billion (constant 2005 prices) or 15.1% of the total GDP of West Coast. The ranking in terms of size of Matzikama will remain the same between 2012 and 2017, with a contribution to the West Coast District Municipality GDP of 15.1% in 2017 compared to the 15.3% in 2012. At a 3.17% average annual growth in GDP between 2012 and 2017, Matzikama ranked the fourth compared to the other regional economies.

TABLE 10. GROSS DOMESTIC PRODUCT (GDP) - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2012-2017 [R BILLIONS, CONSTANT 2005 PRICES]

	Matzikama	Cederberg	Bergrivier	Saldanha Bay	Swartland
2012	1.87	1.33	1.53	4.38	3.13
2013	1.90	1.35	1.56	4.46	3.20
2014	1.96	1.38	1.60	4.60	3.30
2015	2.02	1.42	1.65	4.76	3.42
2016	2.10	1.48	1.72	4.97	3.58
2017	2.19	1.53	1.79	5.20	3.75
Average Annual growth					
2012-2017	3.17%	2.95%	3.25%	3.52%	3.65%

7.3.2.3 Gross Value Added by Region (GVA-R)

Matzikama Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its "value added" produced in the local economy. By definition Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors. The summary table below puts the Gross Value added (GVA) of all the regions in perspective to that of the Matzikama Local Municipality.

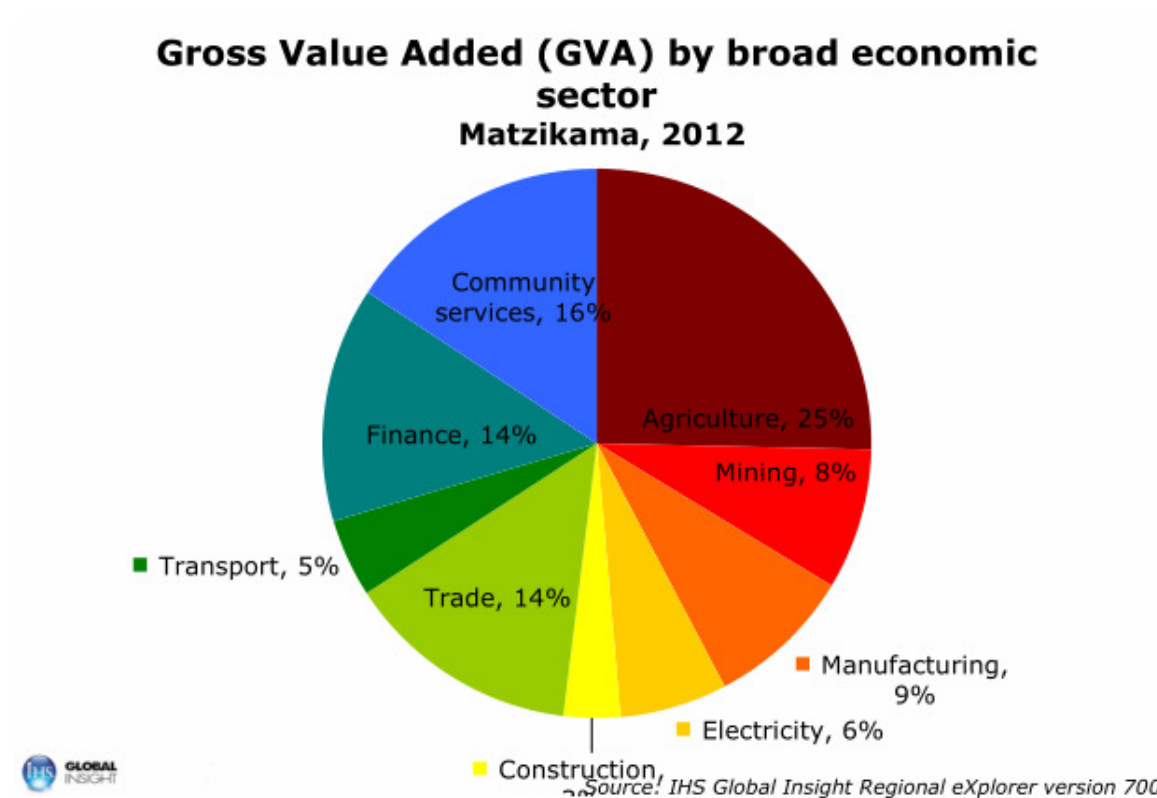
TABLE 11. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MATZIKAMA LOCAL MUNICIPALITY, 2012 [R BILLIONS, CURRENT PRICES]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
Agriculture	0.7	3.5	16.7	72.7	21.4%	4.4%	1.0%
Mining	0.2	0.3	1.1	262.7	84.9%	21.2%	0.1%
Manufacturing	0.3	3.1	51.4	351.1	8.1%	0.5%	0.1%
Electricity	0.2	1.1	8.8	79.1	17.1%	2.1%	0.2%
Construction	0.1	0.8	20.3	112.6	11.6%	0.5%	0.1%
Trade	0.4	2.1	78.9	452.7	19.3%	0.5%	0.1%
Transport	0.1	1.6	40.0	257.7	8.5%	0.3%	0.1%
Finance	0.4	2.6	121.4	608.5	15.4%	0.3%	0.1%
Community services	0.5	2.5	69.7	637.9	18.1%	0.7%	0.1%
Total Industries	2.9	17.6	408.3	2,835.1	16.6%	0.7%	0.1%

In 2012, the Agriculture sector is the largest within Matzikama Municipality accounting for R 738 million or 25.34% of the total GVA in Matzikama. The sector that contributes the second most to the GVA of the Matzikama Local Municipality is the Community services sector with 15.71%, followed by the Trade sector with 13.86%. The sector that contributes the least to the

economy of Matzikama Local Municipality is the Construction sector with a contribution of R 97.5 million or 3.35% to the total GVA.

CHART 8. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MATZIKAMA LOCAL MUNICIPALITY, 2012 [PERCENTAGE COMPOSITION]



7.3.2.4 Historical Growth Rate

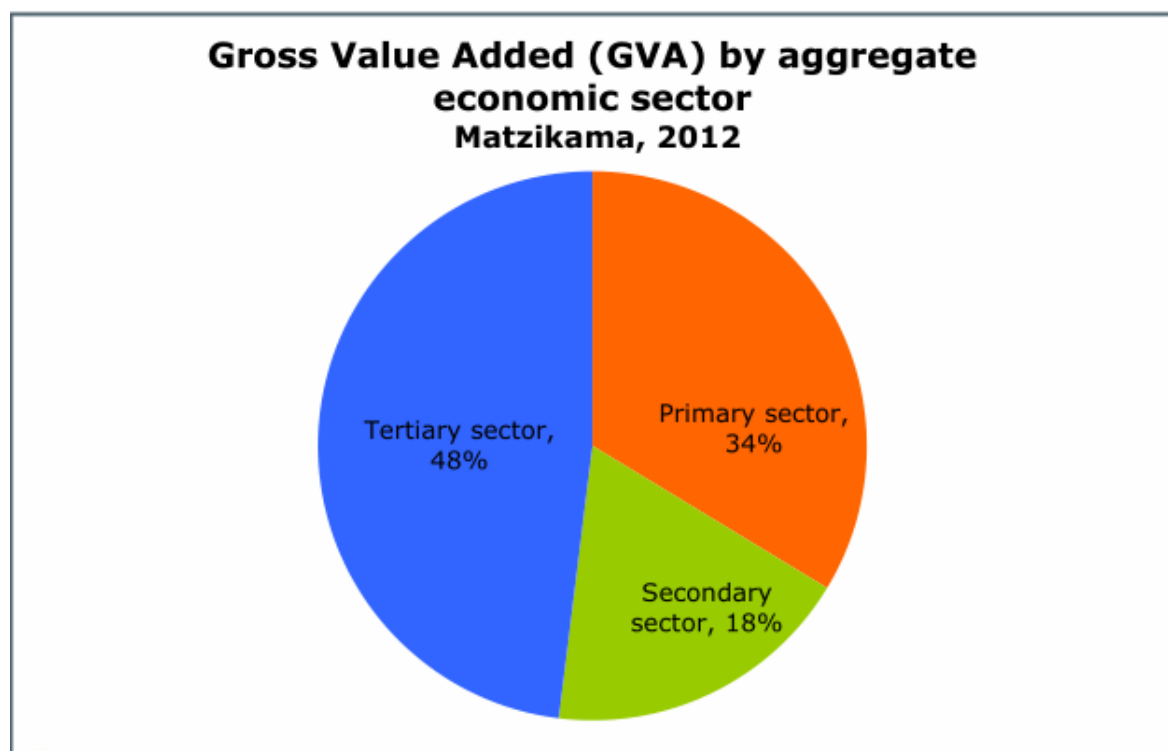
For the period 2012 and 2002 the GVA in the Finance sector had the highest average annual growth rate in Matzikama at 5.56%. The industry with the second highest average annual growth rate is the Construction sector at 4.93% per year. The Agriculture sector had an average annual growth rate of 1.51%, while the Manufacturing sector had the lowest average annual growth of 1.08%. Overall a positive growth existed for all the industries in 2012 with an average annual growth rate of 0.05%.

TABLE 12. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MATZIKAMA LOCAL MUNICIPALITY, 2002, 2007 AND 2012 [R MILLIONS, 2005 CONSTANT PRICES]

	2002	2007	2012	Average Annual growth
Agriculture	390.2	394.9	453.2	1.51%
Mining	55.0	80.7	74.7	3.12%
Manufacturing	156.1	184.6	173.7	1.08%
Electricity	53.3	72.8	74.4	3.40%
Construction	33.6	51.3	54.4	4.93%
Trade	159.8	202.8	203.6	2.45%
Transport	61.9	80.6	77.5	2.26%
Finance	157.5	276.9	270.4	5.56%
Community services	198.9	225.7	262.7	2.82%
Total Industries	1,266.1	1,570.4	1,644.6	2.65%

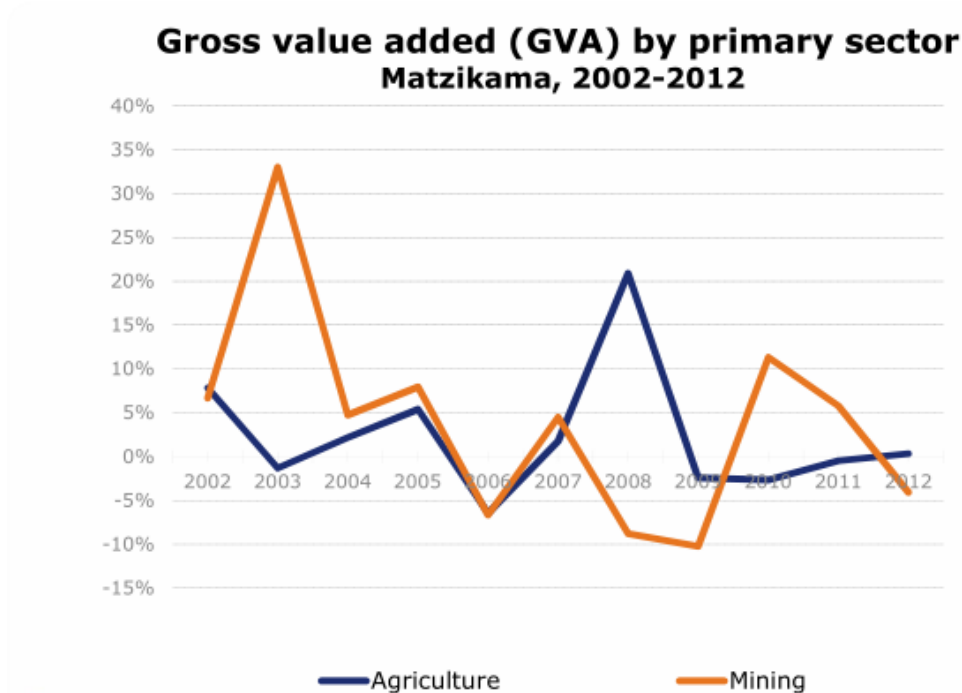
The Tertiary sector contributes the most to the Gross Value Added within Matzikama Local Municipality at 48.0%. The Primary sector contributed a total of 33.7% (ranking second), while the aggregate economic sector that contributed the least to the total GVA is the Secondary sector with a total of 18.3%.

CHART 9. GROSS VALUE ADDED (GVA) BY AGGREGATE ECONOMIC SECTOR - MATZIKAMA LOCAL MUNICIPALITY, 2012 [PERCENTAGE]



The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in Matzikama Local Municipality from 2002 to 2012.

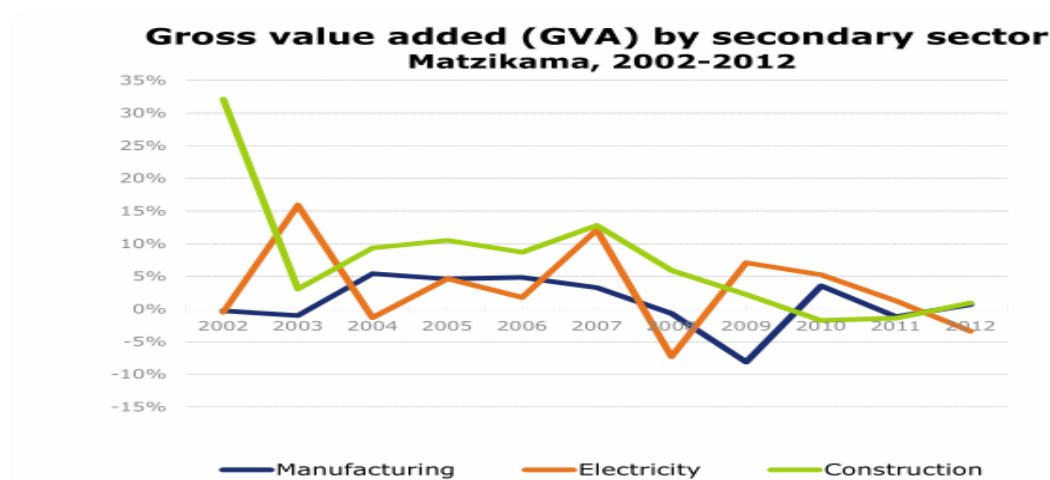
CHART 10. GROSS VALUE ADDED (GVA) BY PRIMARY SECTOR - MATZIKAMA, 2002-2012 [ANNUAL PERCENTAGE CHANGE]



Between 2002 and 2012 the agriculture sector experienced the highest positive growth in 2008 with an average growth rate of 20.9%. The mining sector reached its highest point of growth of 33.0% in 2003. The agricultural sector experienced the lowest growth for the period during 2006 at -6.4% between 2002 and 2012, while the mining sector reaching its lowest point of growth in 2009 at -10.2%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in Matzikama Local Municipality from 2002 to 2012.

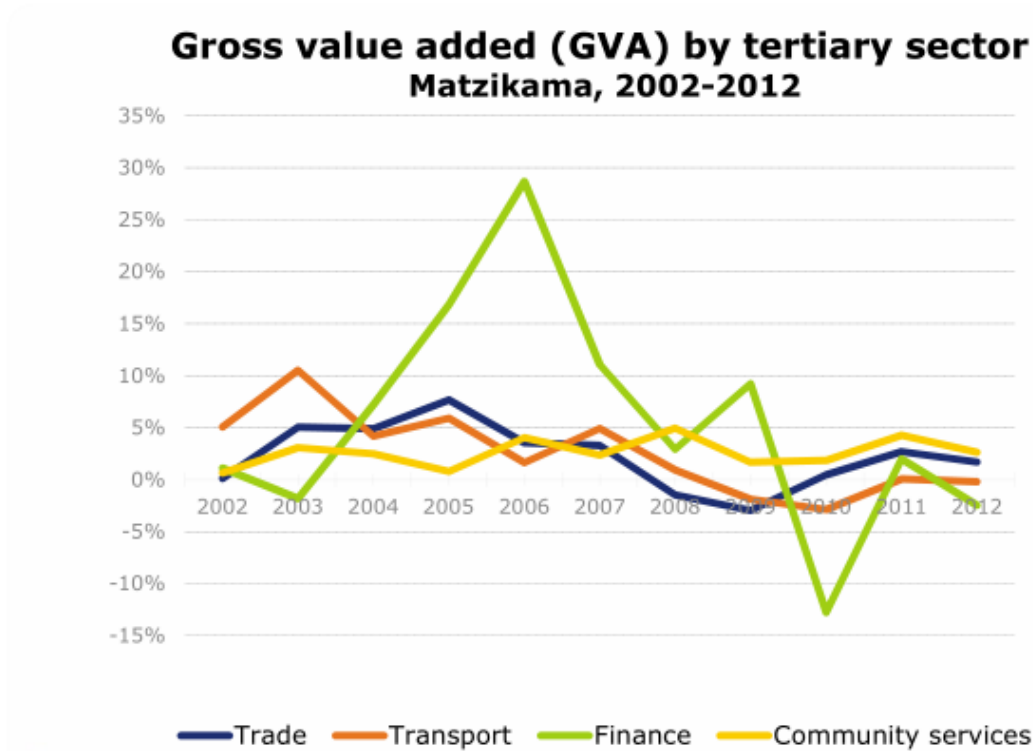
CHART 11. GROSS VALUE ADDED (GVA) BY SECONDARY SECTOR - MATZIKAMA, 2002-2012 [ANNUAL PERCENTAGE CHANGE]



Between 2002 and 2012 the manufacturing sector experienced the highest positive growth in 2004 with an average growth rate of 5.4%. The construction sector reached its highest growth in 2002 of 32.2%. The manufacturing sector experienced the lowest growth in 2010 of -8.1%, while construction sector reached its lowest point of growth in 2010 with -1.7% growth rates. The electricity sector experienced the highest growth in 2003 at 15.9%, while it recorded the lowest growth of -7.3% in 2008.

The tertiary sector consists of four broad economic sectors namely the trade sector, transport sector, finance sector and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in Matzikama Local Municipality from 2002 to 2012

CHART 12. GROSS VALUE ADDED (GVA) BY TERTIARY SECTOR - MATZIKAMA, 2002-2012 [ANNUAL PERCENTAGE CHANGE]



The Trade sector experienced the highest positive growth in 2005 with an average growth rate of 7.7%. The Transport sector reached its highest point of growth in 2003 at 10.5%, while the Finance sector experienced the highest positive growth in 2006 when it recorded growth of 28.7%. The Finance sector recorded the lowest growth rate in 2010 with -12.8% growth rate, while the Trade sector had the lowest growth rate in 2009 at -3.0% which is a lower growth rate than that of the Finance sector. The Community Services Sector, which largely consists of government, experienced its highest positive growth in 2008 with 5.0% and the lowest growth rate in 2002 with 0.7%.

7.3.2.5 Sector Growth Forecast

The GVA projections are based on projected growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have

prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2005) so the emphasis moves from historical growth rates to national-level industry growth rates.

TABLE 13. GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - MATZIKAMA LOCAL MUNICIPALITY, 2012-2017 [R MILLIONS, CONSTANT 2005 PRICES]

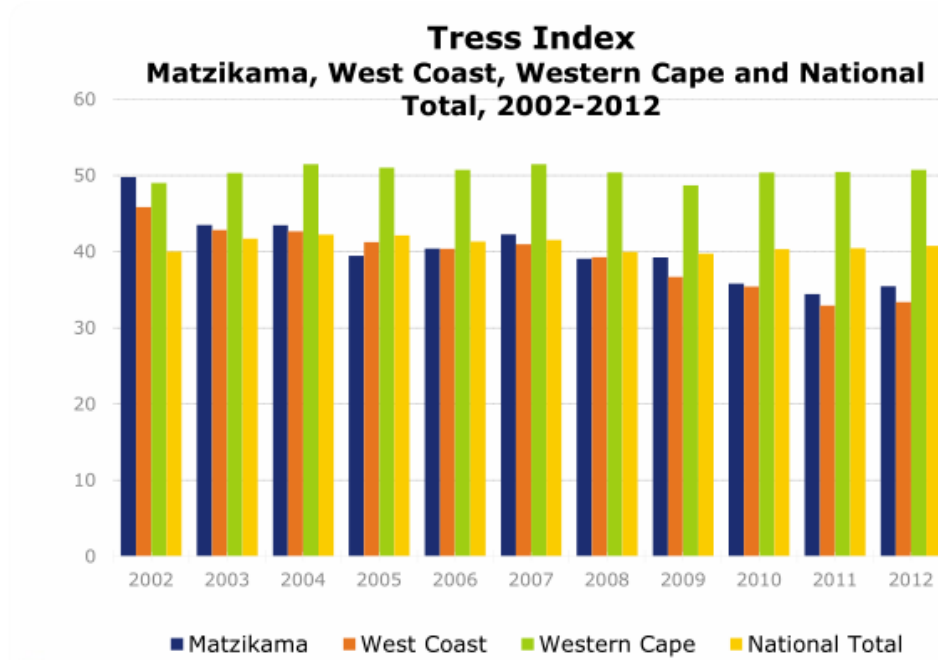
	2012	2013	2014	2015	2016	2017	Average Annual growth
Agriculture	453.2	459.1	466.0	474.0	486.1	497.5	1.88%
Mining	74.7	75.7	77.3	79.1	81.8	84.7	2.55%
Manufacturing	173.7	176.5	181.7	188.0	195.9	204.3	3.30%
Electricity	74.4	75.4	77.7	80.6	84.4	88.6	3.54%
Construction	54.4	55.5	57.0	58.4	60.3	62.5	2.83%
Trade	203.6	207.5	213.5	220.5	230.1	239.9	3.33%
Transport	77.5	78.9	82.0	85.5	89.9	94.6	4.08%
Finance	270.4	278.1	290.5	305.2	322.4	340.8	4.74%
Community services	262.7	267.4	274.1	282.2	293.1	306.0	3.10%
Total Industries	1,644.6	1,674.1	1,719.7	1,773.5	1,844.1	1,918.9	3.13%

The Finance sector is expected to grow the most at an average of 4.7% annually from R 270 million in Matzikama Municipality to R 341 million in 2017. The Agriculture sector is estimated to be the largest sector within the Matzikama Local Municipality in 2017 with a total share of 25.9% of the total GVA, growing at an average annual rate of 1.9%. The sector that is estimated to grow the least is the Agriculture sector with an average annual growth rate of 1.9% it is expected to only increase with R 44.3 million.

7.3.2.6 Tress Index

The Tress index is estimated by ranking the nine sectors according to their contribution to Gross Value Added (GVA) and then adding the values cumulatively and indexing them. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region.

CHART 13. TRESS INDEX - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [NUMBER]



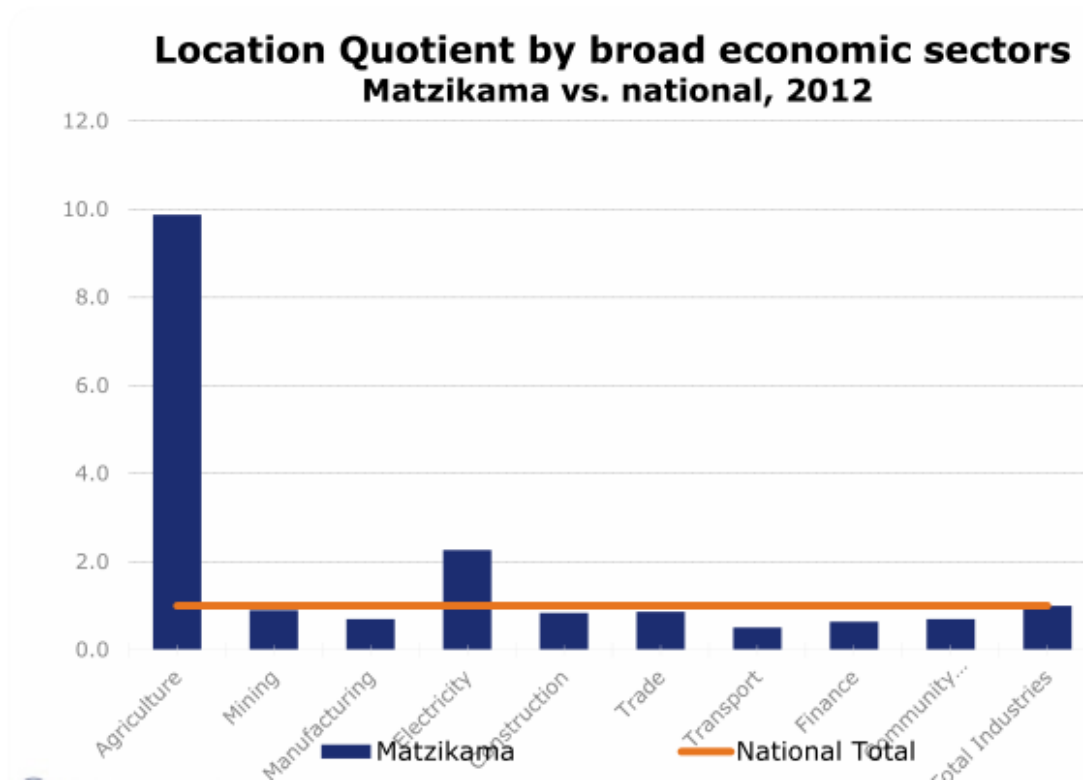
In 2012, Matzikama's Tress Index was estimated at 35.5 which are higher than the 33.4 of the district municipality but lower than the 33.4 of the province as a whole. Matzikama Local Municipality's Tress Index is lower than that of national as a whole which implies that Matzikama Municipality is more diversified in terms of its economic activity spread than the economy of South Africa as a whole.

7.3.2.7 Location Quotient

A specific municipal economy has a comparative advantage over other municipal economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage by taking into account production and employment. If the location quotient is larger than one for a specified sector within a municipality, then that municipality has a comparative advantage in that sector. This is because the share of that sector of the specified municipal economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the

municipal economy divided by the percentage share of that same sector in the national economy.

CHART 14. LOCATION QUOTIENT BY BROAD ECONOMIC SECTORS - MATZIKAMA LOCAL MUNICIPALITY AND SOUTH AFRICA, 2012 [NUMBER]



For 2012 Matzikama Municipality has a very large comparative advantage in the Agriculture sector. The Electricity sector also has a very large comparative advantage. The Matzikama Local Municipality has a comparative disadvantage when it comes to the Transport sector which has a comparative disadvantage. The Finance sector has a comparative disadvantage compared to the economy of South Africa as a whole. The Manufacturing also have a comparative disadvantage compared the economy of South Africa as a whole.

7.3.3 Labour

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This is also called the economically active population (EAP). People not

included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

TABLE 15. WORKING AGE POPULATION IN MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002 AND 2012 [NUMBER]

	Matzikama		West Coast		Western Cape		National Total	
	2002	2012	2002	2012	2002	2012	2002	2012
15-19	4,796	5,515	25,398	30,180	439,794	429,019	4,943,770	4,690,954
20-24	4,279	5,677	24,583	34,274	454,845	505,334	4,814,619	4,895,192
25-29	4,620	5,348	27,775	35,677	448,842	563,565	4,106,087	4,862,006
30-34	4,743	5,124	27,230	31,825	416,600	512,342	3,431,217	4,330,442
35-39	4,474	4,586	23,989	30,224	365,895	455,658	3,038,616	3,344,955
40-44	3,832	4,548	19,819	29,102	309,111	405,817	2,647,480	2,945,651
45-49	3,182	4,257	16,001	24,916	249,160	351,806	2,203,019	2,689,246
50-54	2,413	3,619	12,428	20,855	200,563	295,231	1,766,890	2,396,326
55-59	2,039	2,817	10,354	16,431	159,781	232,808	1,420,471	2,000,850
60-64	1,697	1,989	8,389	12,520	131,287	182,715	1,094,640	1,567,177
Total	36,074	43,481	195,966	266,004	3,175,879	3,934,296	29,466,811	33,722,799

The working age population in Matzikama in 2012 was 43 500. This is an average annual increase of 1.88% since 2002. For the same period the working age population for West Coast District Municipality increased at 3.10% annually, while that of Western Cape Province increased at 2.16% annually. South Africa's working-age population of 29.5 million people in 2002 increased annually by 1.36% to 33.7 million in 2012.

7.3.3.1 Economically Active Population (EAP)

The economically active population (EAP) is a good indicator of how many of the total working age population are in reality participating in the labour market of a region. If a person is economically active, he or she forms part of the labour force. By definition economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

TABLE 16. ECONOMICALLY ACTIVE POPULATION (EAP) - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [NUMBER, PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2002	19,992	105,492	1,806,591	14,735,560	19.0%	1.1%	0.1%
2003	20,575	108,543	1,859,148	15,047,794	19.0%	1.1%	0.1%
2004	20,518	109,304	1,869,813	14,818,109	18.8%	1.1%	0.1%
2005	21,364	115,349	1,983,642	15,551,579	18.5%	1.1%	0.1%
2006	21,951	119,562	2,063,353	15,943,103	18.4%	1.1%	0.1%
2007	22,577	124,124	2,141,752	16,271,042	18.2%	1.1%	0.1%
2008	24,378	134,580	2,321,327	16,892,997	18.1%	1.1%	0.1%
2009	24,090	134,124	2,327,806	16,683,758	18.0%	1.0%	0.1%
2010	24,041	134,237	2,353,244	16,725,565	17.9%	1.0%	0.1%
2011	24,282	136,307	2,396,827	16,995,985	17.8%	1.0%	0.1%
2012	25,168	141,310	2,473,287	17,444,431	17.8%	1.0%	0.1%
Average Annual growth							
2002-2012	2.33%	2.97%	3.19%	1.70%			

Matzikama Municipality's EAP was 25 200 in 2012, which is 38.11% of its total population of 66 000, and roughly 17.81% of the total EAP of the West Coast District Municipality. From 2002 to 2012, the average annual increase in the EAP in the local municipality was 2.33%, which is 0.638 percentage points lower than the growth in the EAP of West Coast's for the same period.

7.3.3.2 Labour Force Participation Rate

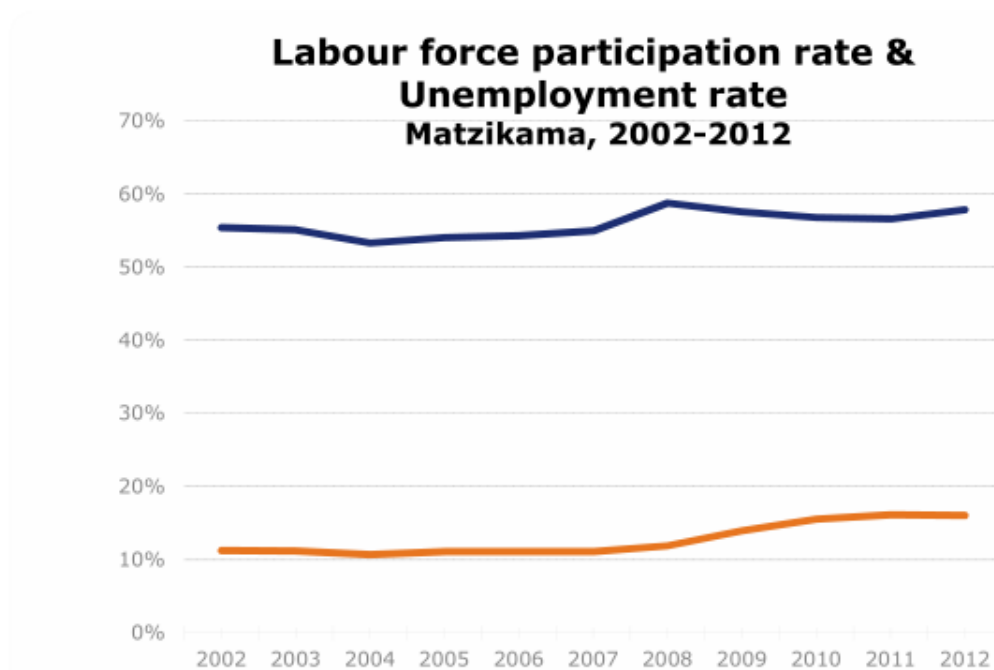
By definition the labour force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working age population. The following is the labour participation rate of the Matzikama, West Coast, Western Cape and National Total as a whole.

TABLE 17. THE LABOUR FORCE PARTICIPATION RATE - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total
2002	55.4%	53.8%	56.9%	50.0%
2003	55.1%	53.3%	56.8%	50.2%
2004	53.3%	51.7%	55.6%	48.7%
2005	54.1%	52.7%	57.4%	50.4%
2006	54.3%	52.8%	58.3%	50.9%
2007	55.0%	53.1%	59.2%	51.2%
2008	58.8%	55.9%	62.8%	52.5%
2009	57.6%	54.3%	62.0%	51.2%
2010	56.8%	53.0%	61.6%	50.7%
2011	56.6%	52.4%	61.8%	50.9%
2012	57.9%	53.1%	62.9%	51.7%

From 2002 to 2012, Matzikama's labour force participation rate increased from 55.42% to 57.88% which is an increase of 2.46 percentage points. The West Coast District Municipality decreased from 53.83% to 53.12%, Western Cape Province increased from 56.88% to 62.86% and South Africa increased from 50.01% to 51.73%.

CHART 16. THE LABOUR FORCE PARTICIPATION RATE - MATZIKAMA LOCAL MUNICIPALITY, 2002-2012 [PERCENTAGE]



In 2012 the labour force participation rate for Matzikama was at 57.9% which is slightly higher from 55.4% in 2002. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. The unemployment rate for Matzikama was 16.0% in 2012 and decreased overtime from 2002 (11.3%). The gap between the labour force participation rate and the unemployment rate increased which indicates a positive outlook for the employment within Matzikama Municipality.

7.3.3.3 Total Employment

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural

changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators. By definition total employment consists of two parts: employment in the formal sector, and employment in the informal sector.

TABLE 18. TOTAL EMPLOYMENT - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [NUMBERS]

	Matzikama	West Coast	Western Cape	National Total
2002	17,369	90,729	1,452,091	10,366,434
2003	18,021	94,017	1,494,450	10,642,098
2004	18,056	95,675	1,539,547	10,843,582
2005	18,656	100,471	1,638,761	11,464,276
2006	19,251	104,608	1,720,646	11,898,953
2007	19,886	109,214	1,788,701	12,345,860
2008	20,925	115,285	1,910,555	13,047,738
2009	20,316	112,579	1,878,327	12,712,451
2010	19,960	109,791	1,865,616	12,589,683
2011	20,089	111,085	1,892,312	12,792,104
2012	20,826	115,185	1,947,412	13,088,201
Average Annual growth				
2002-2012	1.83%	2.42%	2.98%	2.36%

In 2012, Matzikama employed 20 800 people which is 18.08% of the total employment in West Coast (115 000), 1.07% of total employment in Western Cape Province (1.95 million), and 0.16% of the total employment of 13.1 million in South Africa. Employment within Matzikama increased annually at an average rate of 1.83% from 2002 to 2012.

TABLE 19. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR - MATZIKAMA AND THE REST OF WEST COAST, 2012 [NUMBERS]

	Matzikama	Cederberg	Bergrivier	Saldanha Bay	Swartland	Total West Coast
Agriculture	6,692	5,828	8,293	2,800	5,211	28,823
Mining	1,673	19	8	50	50	1,799
Manufacturing	1,171	731	1,518	9,248	5,132	17,801
Electricity	172	17	31	73	264	557
Construction	874	556	601	4,020	1,454	7,505
Trade	3,897	3,033	2,930	7,072	3,873	20,805
Transport	951	294	639	2,981	837	5,702
Finance	1,139	771	818	2,610	1,660	6,998
Community services	3,058	2,168	3,218	6,905	4,414	19,763
Households	1,199	722	916	1,074	1,521	5,432
Total	20,826	14,140	18,970	36,833	24,417	115,185

Matzikama Municipality employs a total number of 20 800 people within its local municipality. The local municipality that employs the highest number of people relative to the other regions

within West Coast is Saldanha Bay with a total number of 36 800. The local municipality that employs the lowest number of people relative to the other regions within West Coast is Cederberg with a total number of 14 100 employed within the local municipality. In Matzikama Municipality the economic sectors that recorded the largest number of employment in 2012 were the Agriculture sector with a total of 6 690 or 32.1% of the total employment. The Trade sector with a total of 3 900 (18.7%) employs the second highest relative to the rest of the sectors. The Electricity sector with 172 (0.8%) is the sector that employs the least number of people in Matzikama, followed by the Construction sector with 874 (4.2%) people employed.

7.3.3.4 Unemployment

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers). The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

- "Without work", i.e. not in paid employment or self-employment;
- "Currently available for work", i.e. were available for paid employment or self-employment during the reference period; and
- "Seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

TABLE 21. UNEMPLOYMENT (OFFICIAL DEFINITION) - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [NUMBER & PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
2002	2,251	12,395	349,795	4,369,125	18.2%	0.6%	0.1%
2003	2,300	12,865	362,413	4,405,696	17.9%	0.6%	0.1%
2004	2,193	12,085	331,777	3,974,527	18.2%	0.7%	0.1%
2005	2,366	12,886	344,951	4,087,303	18.4%	0.7%	0.1%
2006	2,435	13,301	347,443	4,044,149	18.3%	0.7%	0.1%
2007	2,502	13,862	363,038	3,925,183	18.1%	0.7%	0.1%
2008	2,900	16,123	401,060	3,845,259	18.0%	0.7%	0.1%
2009	3,359	18,717	447,918	3,971,308	17.9%	0.7%	0.1%
2010	3,740	21,206	488,257	4,135,882	17.6%	0.8%	0.1%
2011	3,921	22,360	508,788	4,203,880	17.5%	0.8%	0.1%
2012	4,036	23,288	527,807	4,356,230	17.3%	0.8%	0.1%
Average Annual growth							
2002-2012	6.01%	6.51%	4.20%	-0.03%			

In 2012, there were a total number of 4 040 people unemployed in Matzikama, which is an increase of 1 780 from 2 250 in 2002. The total number of unemployed people within Matzikama constitutes 17.33% of the total number of unemployed people in West Coast District Municipality. The Matzikama Local Municipality had an average annual increase of 6.01% which is lower than that of the West Coast District Municipality which had an average annual growth rate of 6.51%

TABLE 22. UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2002-2012 [PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total
2002	11.3%	11.7%	19.4%	29.7%
2003	11.2%	11.9%	19.5%	29.3%
2004	10.7%	11.1%	17.7%	26.8%
2005	11.1%	11.2%	17.4%	26.3%
2006	11.1%	11.1%	16.8%	25.4%
2007	11.1%	11.2%	17.0%	24.1%
2008	11.9%	12.0%	17.3%	22.8%
2009	13.9%	14.0%	19.2%	23.8%
2010	15.6%	15.8%	20.7%	24.7%
2011	16.1%	16.4%	21.2%	24.7%
2012	16.0%	16.5%	21.3%	25.0%

In 2012, the unemployment rate in Matzikama Local Municipality (based on the official definition of unemployment) was 16.04%, which is an increase of 4.78 percentage points. The unemployment rate in Matzikama Local Municipality is lower than that of West Coast, the

growth in the unemployment rate in Matzikama Local Municipality is higher. The unemployment rate for South Africa was 24.97% in 2012, which is a decrease of 4.68 percentage points from 2002 at 29.65%.

7.3.4. Income and Expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

7.3.4.1 Number of Households by Income Category

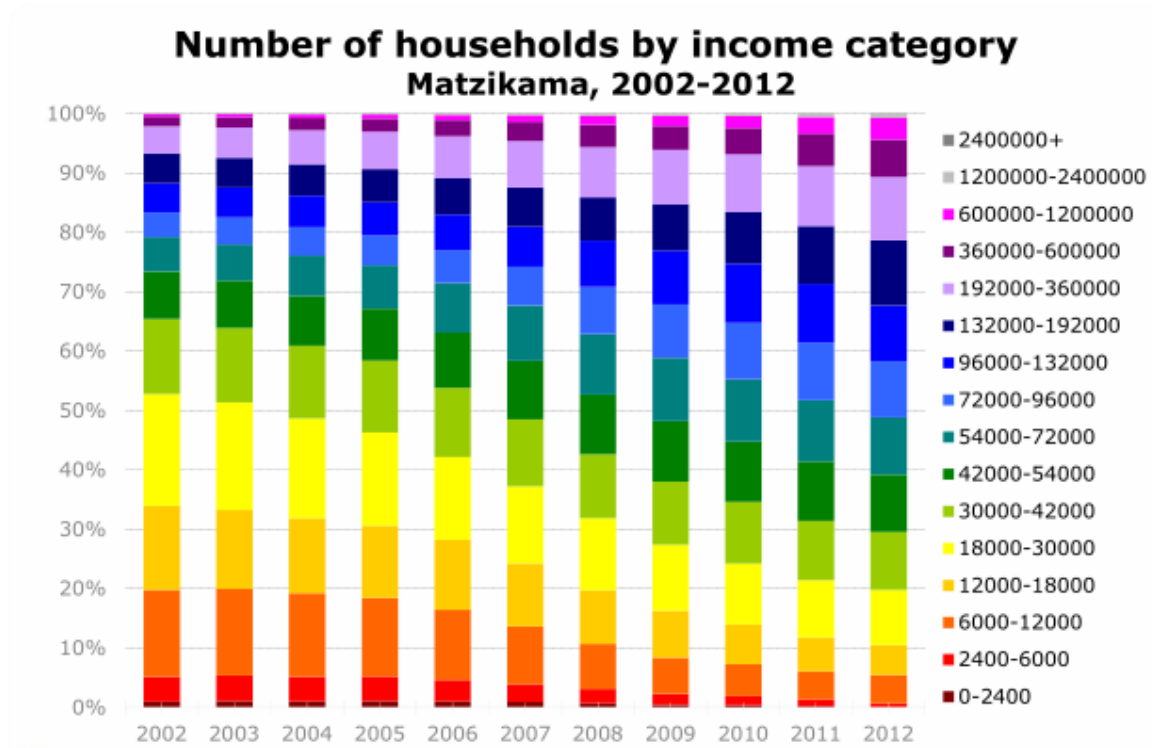
The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution. Income categories start at R0 - R2 400 per annum and go up to R2 400 000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

TABLE 23. HOUSEHOLDS BY INCOME CATEGORY - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL, 2012 [NUMBER & PERCENTAGE]

	Matzikama	West Coast	Western Cape	National Total	Matzikama as % of district municipality	Matzikama as % of province	Matzikama as % of national
0-2400	10	83	202	1,726	12.4%	5.1%	0.6%
2400-6000	113	839	3,150	25,225	13.4%	3.6%	0.4%
6000-12000	863	6,308	51,854	732,802	13.7%	1.7%	0.1%
12000-18000	895	6,174	69,135	1,019,598	14.5%	1.3%	0.1%
18000-30000	1,672	10,442	128,412	1,737,703	16.0%	1.3%	0.1%
30000-42000	1,748	10,364	147,979	1,980,810	16.9%	1.2%	0.1%
42000-54000	1,730	9,525	133,938	1,527,752	18.2%	1.3%	0.1%
54000-72000	1,727	9,535	136,760	1,436,301	18.1%	1.3%	0.1%
72000-96000	1,706	9,401	133,835	1,202,208	18.1%	1.3%	0.1%
96000-132000	1,686	9,651	144,451	1,137,789	17.5%	1.2%	0.1%
132000-192000	1,965	11,971	180,042	1,076,370	16.4%	1.1%	0.2%
192000-360000	1,917	11,807	224,508	1,430,552	16.2%	0.9%	0.1%
360000-600000	1,130	6,352	142,442	781,530	17.8%	0.8%	0.1%
600000-1200000	652	3,143	87,895	537,823	20.7%	0.7%	0.1%
1200000-2400000	117	491	17,747	111,284	23.8%	0.7%	0.1%
2400000+	5	17	814	8,770	29.0%	0.6%	0.1%
Total	17,935	106,103	1,603,164	14,748,242	16.9%	1.1%	0.1%

It was estimated that in 2012, 19.81% of all the households in the Matzikama Municipality, were living on R30 000 or less per annum. In comparison with 2002's 52.80%, the number is about half. The 132000-192000 income category has the highest number of households with a total number of 1 960, followed by the 192000-360000 income category with 1 920 households. Only 4.9 households fall within the 2400000+ income category.

CHART 20. HOUSEHOLDS BY INCOME BRACKET - MATZIKAMA LOCAL MUNICIPALITY, 2002-2012
[PERCENTAGE]



For the period 2002 to 2012 the number of households earning more than R30 000 per annum has increased from 80.19% to 47.20%.

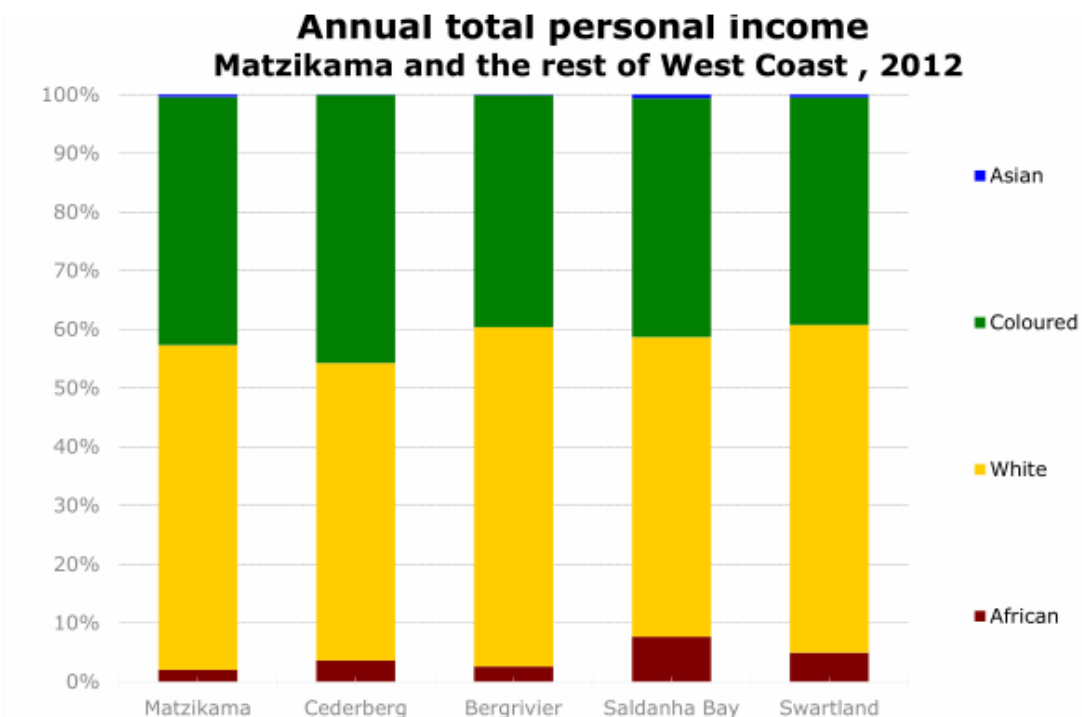
7.3.4.2 Annual Personal Income

Personal income is an even broader concept than labour remuneration. Personal income includes profits, income from property, net current transfers and net social benefits. Definition: Annual total personal income is the sum of the total personal income for all households in a specific region. The definition of income is the same as used in the income brackets (Number of Households by Income Category), also including the income tax. For this variable, current prices are used, meaning that inflation has not been taken into account.

TABLE 24. ANNUAL TOTAL PERSONAL INCOME - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL TOTAL [CURRENT PRICES, R BILLIONS]

	Matzikama	West Coast	Western Cape	National Total
2002	1.0	5.6	119.4	825.7
2003	1.1	6.1	131.5	894.5
2004	1.2	6.8	149.9	1,003.7
2005	1.3	7.4	162.0	1,116.4
2006	1.5	8.3	181.6	1,248.2
2007	1.7	9.5	204.9	1,402.9
2008	1.9	10.6	227.8	1,557.3
2009	2.0	11.3	240.6	1,659.3
2010	2.2	12.1	262.1	1,810.8
2011	2.5	13.8	292.9	1,991.8
2012	2.9	15.7	326.2	2,190.1
Average Annual growth 2002-2012	10.79%	10.92%	10.57%	10.25%

Matzikama Municipality recorded an average annual growth rate of 10.79% (from R 1.03 billion to R 2.86 billion) from 2002 to 2012, which is less than West Coast's (10.92%), but more than Western Cape Province's (10.57%) average annual growth rate. South Africa had an average annual growth rate of 10.25% (from R 826 billion to R 2.19 trillion) which is less than the growth rate in Matzikama Local Municipality.

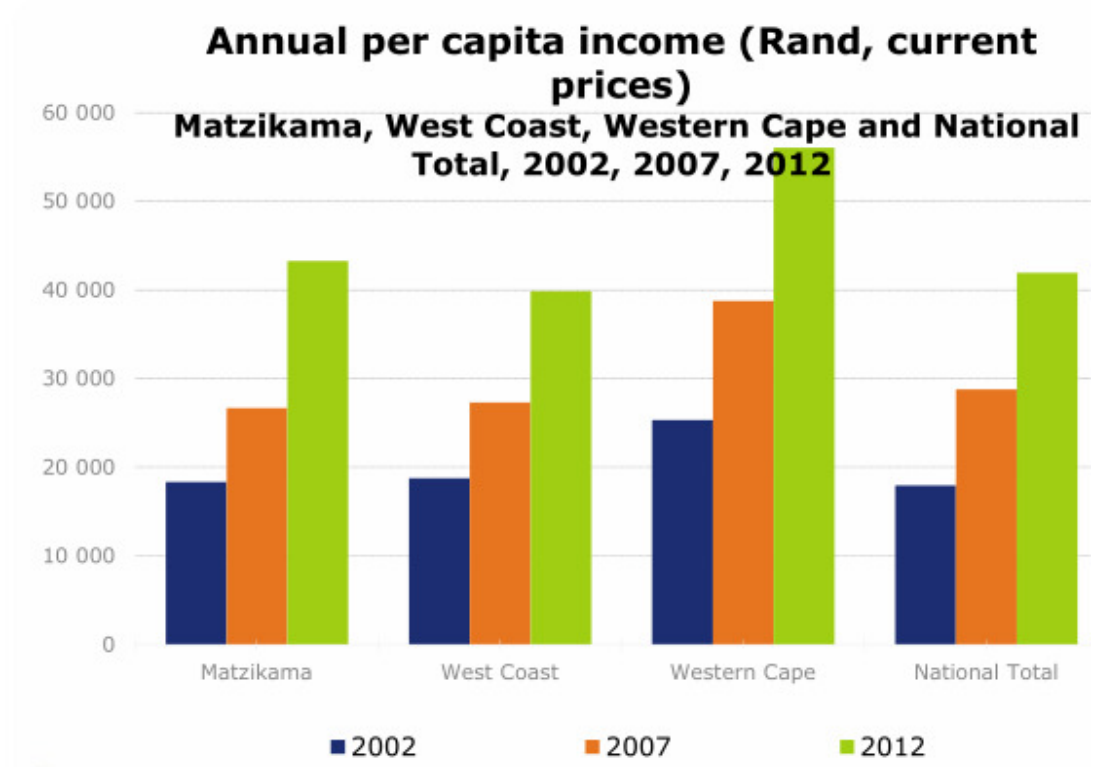


The total personal income of Matzikama Local Municipality amounted to approximately R 2.86 billion in 2012. The Coloured population group earned R 1.21 billion, or 42.27% of total personal income, while the White population group earned R 1.58 billion, or 55.26% of the total personal income. The African and the Asian population groups only had a share of 2.05% and 0.42% of total personal income respectively.

7.3.4.3 Annual Income per Capita

Per capita income refers to the income per person. Thus, it takes the total personal income per annum and divides it equally among the population. Per capita income is often used as a measure of wealth particularly when comparing economies or population groups. Rising per capita income usually indicates a likely swell in demand for consumption.

CHART 21. PER CAPITA INCOME - MATZIKAMA, WEST COAST, WESTERN CAPE AND NATIONAL 2012 [RAND, CURRENT PRICES]



Although the per capita income in Matzikama Municipality is R 43,200 which is lower than the Western Cape (R 56,000), it is higher than that of the West Coast District Municipality (R

39,800). The per capita income for Matzikama Local Municipality (R 43,200) is higher than that of the South Africa as a whole which is R 41,900.

CHART 22. PER CAPITA INCOME BY POPULATION GROUP - MATZIKAMA AND THE REST OF WEST COAST DISTRICT MUNICIPALITY, 2012 [RAND, CURRENT PRICES]

	Matzikama	Cederberg	Bergrivier	Saldanha Bay	Swartland
African	R 10,151	R 9,933	R 8,068	R 15,186	R 9,149
White	R 162,266	R 165,116	R 126,596	R 137,489	R 122,311
Coloured	R 24,090	R 21,010	R 20,125	R 35,097	R 20,284
Total	R 43,253	R 35,077	R 36,356	R 48,759	R 34,155

Saldanha Bay has the highest per capita income with a total of R 48,800. Matzikama has the second highest per capita income at R 43,200 and Swartland has the lowest per capita income at R 34,200. In Matzikama Municipality, the White population group has the highest per capita income, with R 162,000, relative to the other population groups. The population group with the second highest per capita income within Matzikama Local Municipality is the Coloured population group (R 24,100). Some of the population groups - where there are less than 1,000 people living in the area were excluded from the analysis.

7.4 Basic municipal services

This section provides the readers with brief information in relation to the availability and backlogs of the different municipal services provided by the Matzikama Municipality.

7.4.1 Water

All towns and or villages in the eight different wards have access to potable water. The Matzikama Municipality is home to 18835 households according to the most recent census. All of the households located in the formal and informal areas have access to potable water. Only the new established settlements that are home to less than 1% of the population do have access to water in the form of stand pipes which is within a radius of 200m.

The Clanwilliam dam is the source of bulk water to seven of the eight wards within Matzikama municipality. Only ward eight that is situated in the northern parts of the municipality is supplied with water from boreholes in the area that gets treated at the desalination plant in

Bitterfontein. As a result of the scarcity of water in ward eight the cost of water is very high in an area where the majority of the population is dependent on government grants. Bulk provision of water is likely to be a problem from existing sources in the future in ward 8 as future supply cannot be guaranteed. See WSDP as part of the sector plans.

See table below for water services provided

Ward	Piped (tap) water inside dwelling/institution	Piped (tap) water inside yard	Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling/institution	Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	No access to piped (tap) water
Matzikama	13579	3624	958	122	27	9	517
1	1983	201	215	24	11	1	67
2	1930	382	73	3	-	-	39
3	1082	395	419	52	3	5	22
4	1552	399	22	3	-	-	10
5	1831	407	80	12	-	-	63
6	1327	564	49	12	1	3	30
7	2296	424	29	4	2	-	18
8	1577	852	71	12	10	-	267

The Water Services Development Plan (WSDP) for the 2013/14 financial year was adopted by Council at the end of May 2013. The WSDP will be updated annually. The municipality's average blue drop score increased from 32% in 2011/12 to 70.29% in 2012/13.

7.4.1.1 Conservation and Demand Management

Status Quo:

The implementation of WC/WDM interventions in MM has been limited, primarily due to a lack of human resource capacity to undertake the necessary work and the budget constraints. The Municipality however improved their meter reading data drastically over the last two years in order to monitor the percentage of nonrevenue water for the various distribution systems more accurately. MM still needs to focus on the installation of water saving devices (specific water efficient toilets). In order to reduce the water demand and the percentage of non revenue water in the future it is important for the Municipality to raise awareness regarding

conservation products and the installation of these products. MM realises the importance of good communication with the public and involving community members on a regular basis. Community members are made aware of safe handling of water, hygienic sanitation practices and how to conserve and not misuse water. Good communication ensures consumer trust and confidence.

Total transparency is therefore one of the main objectives when public notifications are distributed by MM. High on the list of priorities in these communications, mostly through newsletters, is how to conserve water and reduce any wastage. MM also have standby teams available after hours and over weekends, besides the planned and scheduled O&M activities, in order to allow for unscheduled responses to service breakdowns due to mal-functioning equipment, vandalism, emergency situations, etc. This allows MM to be able to quickly assess service breakdowns and re-allocate staff and resources to do unscheduled repairs, and then quickly return to the regular and scheduled O&M activities. The technical personnel ensure that sufficient repair materials, consumables and back-up equipment are also readily available in the stores.

7.4.2 Electricity

All of the formal and all the organised informal settlement areas have access to electricity. The biggest challenge the majority of electricity consumers experience is the price of electricity especially the poorest of the poor. In some of the poor areas of the municipality households are starting to use firewood as a source of energy due to the ever increasing price of electricity especially in Ward 8.

Matzikama is nearing its capacity in terms of electricity supply especially to new developments. This might pose a serious challenge to future developments. To overcome the challenge an investment of R10 million is required.

Service	Number of households	Percentage (%)
Electricity	16 713	89.0

An electricity master plan has not been prepared by the Municipality. Figure 3.4.6.1 indicates the electricity network plan for the Municipality. According to the Human Settlement Plan 2009 – 2012, areas in need of electrical supply upgrading include Doringbaai, Klawer, Lutzville and Vanrhynsdorp.

See table below for electricity services provided

Ward	Availability	Backlog
Ward 1	2271	19
Ward 2	2230	28
Ward 3	1462	6
Ward 4	1839	1
Ward 5	2186	11
Ward 6	1734	9
Ward 7	2531	14
Ward 8	2459	5

7.4.3 Sanitation

A small percentage of households in the Matzikama are still depending on septic tanks whilst the majority are connected to a sewerage network. 40 Informal dwellings in Riemvasmaak (Ward 6) do not have access to proper basic services. Sewerage works will be completed by January 2015 where application for external funds will be made for services. All bucket toilets were eradicated until the last local government elections after which the previously district managed area was incorporated into the Matzikama municipal area. The list below indicates the villages with dry bucket system toilets.

- Kliprand – 54
- Stofkraal – 95
- Molsvlei – 79
- Rietpoort – 32
- Putsekloof – 66

It will remain a challenge to replace the dry bucket system toilets with flush toilets due to the scarcity of water in the area. This is also the reason why these toilets were introduced by the West Coast District Municipality in the first place. All households have either a toilet on site or have access to a toilet.

See table below sanitation services provided

	None	Flush toilet (connected to sewerage system)	Flush toilet (with septic tank)	Chemical toilet	Pit toilet with ventilation (VIP)	Pit toilet without ventilation	Bucket toilet	Other
Matzikama	1705	11689	1482	67	251	212	433	2996
1	283	1941	156	5	2	17	41	57
2	71	1582	90	3	9	10	109	553
3	467	1350	19	1	1	1	42	96
4	51	1379	10	2	4	4	41	495
5	153	1090	84	3	-	3	38	1023
6	116	1503	272	2	1	3	33	55
7	219	1462	624	14	15	19	43	378
8	345	1382	227	37	219	154	86	340

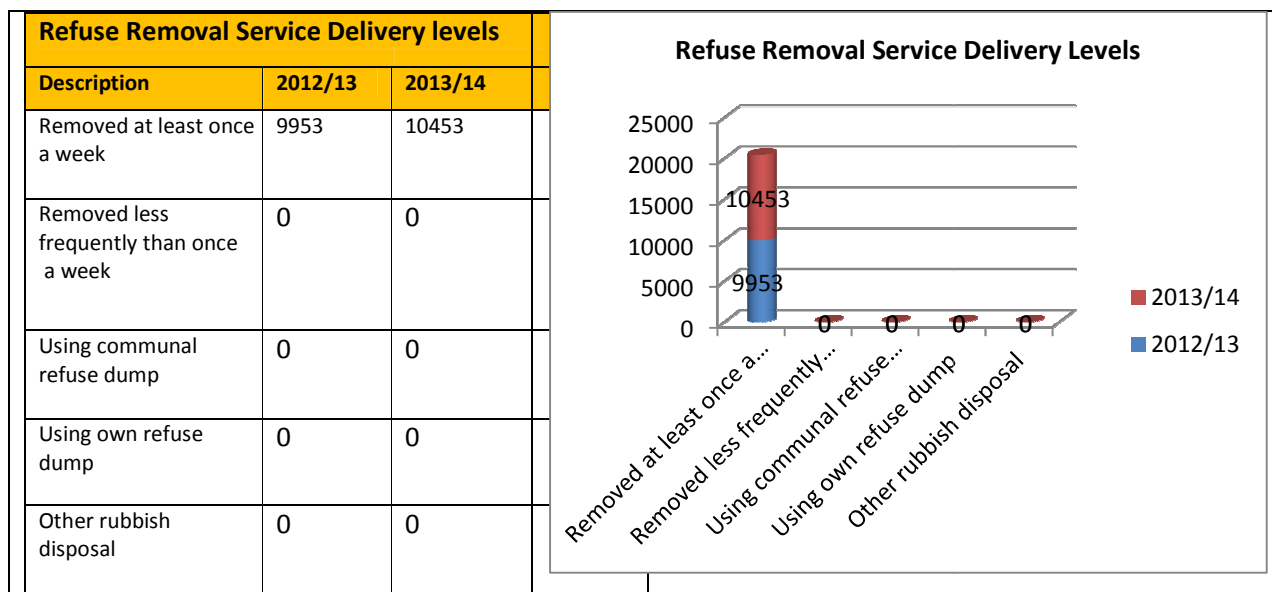
7.4.4 Cleaning services

All households (formal and informal) have 100 % access to this service. Refuse collection are rendered once a week to all residents of the municipality and they are provided with black bags free of charge and a service once a week. Closure permits for all landfill sites has been issued in 2013.

See table below sanitation services provided

Households	
Description	2013/14
Solid Waste Removal (Minimum level)	
Removed at least once a week	12780
Minimum Service Level and above sub-total	12780
Minimum Service Level and Above percentage	
Solid Waste Removal: (Below minimum level)	
Removed less frequently than once a week	0
Using communal refuse dump	0
Using own refuse dump	0
Other rubbish disposal	0
No rubbish disposal	0
Below Minimum Service Level sub-total	0
Below Minimum Service Level	0
Total number of households	12780

Refuse Removal Service Delivery Levels



7.4.5 Streets and storm water

Matzikama Municipality have a huge backlog in the surfacing of road. The municipality make use of National and Provincial Grants (example MIG) to eradicate the backlog. This is however, not enough as the backlog on roads are huge and would require large amounts of money to eradicate.

Patching of potholes, replacement of curbs, and cleaning of stormwater networks are done by the maintenance team of the municipality on a regular basis.

During the 2012/13 financial year the following roads projects were completed:

- Paving of Buitekant Street (270m) Vanrhynsdorp
- Paving of Namakwa Street (1.1km)
- Paving of streets in Lutzville (506m)

The following projects started in 2012/13 and will be completed in 2013/14:

- Paving of gravel roads in Doring Bay (112km)
- Paving of main road in Papendorp (1.44km)
- Paving of gravel roads in Lutzville West (1.800km)

These roads were done on the EPWP principles and it created more or less 200 jobs.

Similar with storm water networks, some of the informal areas suffer from floods during the winter months caused of a lack of proper storm water systems.

All stormwater drainage systems are regularly maintained blockages. Stormwater master plans needs to be developed for all towns within Matzikama. Informal settlements were allocated were allocated to areas where there is storm water drainage.

STORMWATER INFRASTRUCTURE				
KILOMETRES				
Year	Total Storm water measures	New storm water measured	Storm water measures upgraded	Storm water measures maintained
2011/12	25	0	1	15
2012/13	25	0	0	18

7.4.6 All Basic Municipal Services

Basic Municipal Services	Availability	Backlog
Water	18319	516
Sanitation	17130	1705
Electricity	16712	93
Roads & Stormwater	84 %	16 %
Cleaning Services	12780	-

8. STRATEGY

8. STRATEGY

8.1 Introduction

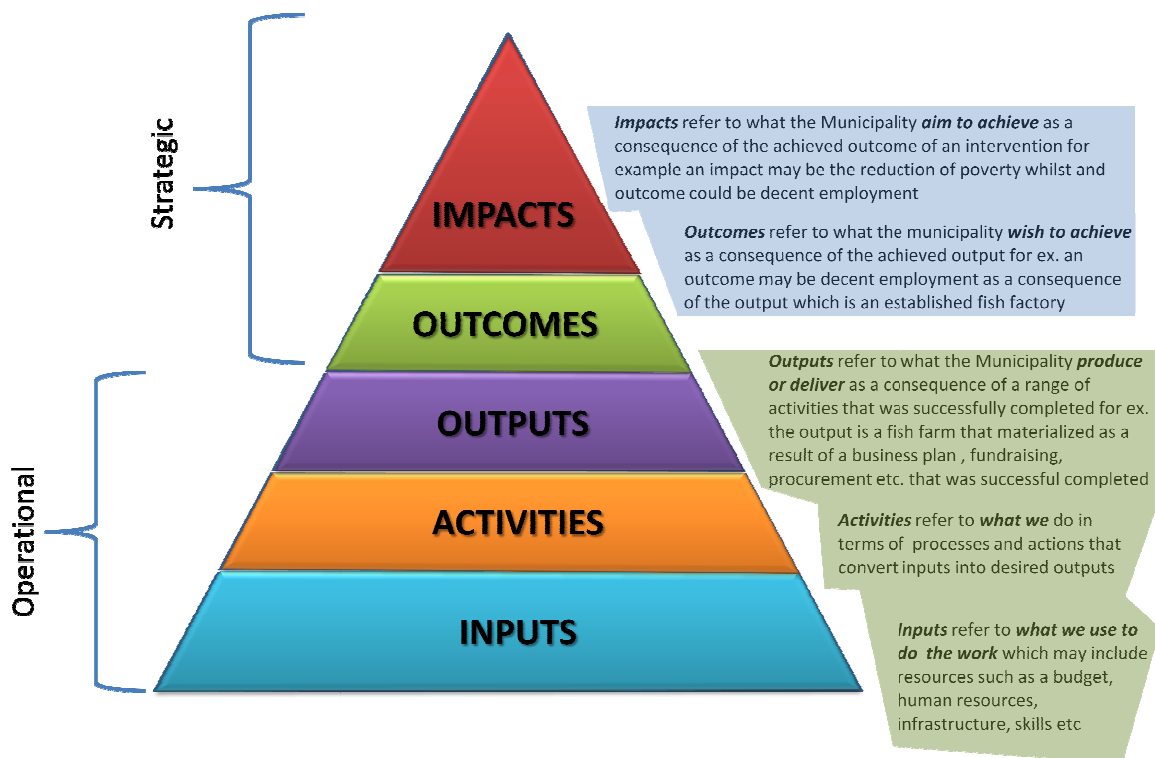
The strategy of the IDP consists of two sections namely the macro or over-arching strategy and the operational strategy each with an own set of objectives. Over-arching or strategic and operational behaviour differs significantly from one another. The differences between the two concepts are discussed below. Strategy refers to the utilization of certain resources in order to achieve the over-arching goal. These resources refer to both capital and human resources. Strategic resources and actions affect the direction of the organization and are aimed at achieving long term goals and objectives. Long term goals and objectives are set by Council in the case of Matzikama Municipality and is designed based on the needs of the public and to achieve the vision of Council. Strategic and operational actions have a reciprocal influence on one another.

Operational activities refer to actions and projects developed to provide a certain quality of service to accomplish the strategy of Council. Matzikama Municipality is no different to other municipalities where the majority of resources are used to provide for operational services delivery. Operational projects and actions are aimed at:

- The provision of a pre-determined service on a pre-determined standard
- The maintenance of a service to provide same on a pre-determined standard
- The expansion of a service in order to ensure the service can be delivered on a pre-determined standard
- The implementation of strategies such a LED strategy

A good example of operational issues is those identified by ward committees and other stakeholders on an annual basis which must be addressed to provide a certain level of service. In essence operational activities are aimed at achievement and or maintenance of certain minimum service levels and operational strategies such as the LED strategy or infrastructure development strategy.

The outcomes approach of the strategy requires Council and Management to think afresh about the logical links between what the Municipality do and what it achieves. The triangle below demonstrates which functions in the strategy development process sits with the leadership which in the case of a municipality is the Council and which functions is the responsibility of the Management. The same triangle also demonstrates the links between inputs, activities, outputs, outcomes and impacts more clearly.



8.2 STRATEGIC SECTION OF STRATEGY

8.2.1 The Challenge

We live in a country with a growing need for municipalities to improve performances across a number of disciplines and for various reasons sometimes beyond their control. The Matzikama Municipality are no different to other local governments that face a range of challenges across the needs-spectrum of society. If the six months of consulting stakeholders is anything to go by then the challenge presented by these communities can be summarised under one single topic called economic development. Despite this not being a constitutional function allocated to municipalities it is the heartbeat of any municipality. Stakeholders that represented the different communities agreed fully to the notion which was confirmed when they directed their attention to job creation and inequality. The challenge facing the Matzikama Council can be summarised as follows:

TO OVERSEE TRANSFORMATION OF THE ECONOMY TO REFLECT THE LOCAL DEMOGRAPHICS OF THE MUNICIPAL AREA, ABSORB LOCAL SKILLS, PRODUCE NEW SKILLS AND ATTRACT INVESTMENT FROM BOTH LOCALLY AND ABROAD

To overcome this challenge the Council of Matzikama Municipality has to perform well across the competency-spectrum of local government and beyond. By performing well in local government functions only will not swing the pendulum in favour of conquering the challenge. This is true as economic development requires all engines of the three spheres of government to work well as the needs of a proliferating economy is not confined to the functions of local government. In addressing this challenge employing all functions allocated to a municipality in an integrated manner is essential as it requires a good performance by all stakeholders to overcome the challenge. Unless Council is able to ensure that through its role as the governing body of the Matzikama Municipality integration between departments at local level, effective intergovernmental relations, making institutions work better and form good partnerships with communities in general its attempt to win the race against the is challenge will be futile.

8.2.2 The Role of Council

In relation to this strategy the role of Council is to overcome the challenge, presented to them by the public of Matzikama and factors beyond their control however, the role become much

clearer when read in conjunction with the objectives of a council as stated by the Constitution of South Africa. The objectives set out in section 152 of the Constitution of South Africa qualify the role of a council of a municipality. Ultimately the role of council is to manage its administration and budget and planning processes to give priority to the basic needs of the community and promote the social and economic development of the community. In addition to the above the role of council is extended so as to ensure participation in national and provincial governments programs. If the challenge facing the municipality is unpacked it will come clear that the role of council is to:

- Provide leadership and governance that is constructive and accommodative
- Advance the well-being of communities
- Influence other spheres of government and the private sector to support their vision
- Share ownership with the public
- Conduct research
- Build capacity and
- Make institutions work better

The role of council can be summarised as follows:

IT IS PRIMARILY TO PROVIDE SERVICES TO THE MUNICIPAL AREA AS ARTICULATED IN THE CONSTITUTION; ALL OF WHICH IS ON THE BACK OF AN ECONOMY THAT FORMS THE FOUNDATION OF THE MUNICIPALITY AND NEED THE SUPPORT

The role of Council can only be fulfilled if each and every member of Council fully understands her or his role. Knowing their role as a Council will place them in a position to understand the requirements in terms of their own skills and capacity to successfully fulfil their role. Therefore,

the role of Council is an important if not the most important component in the whole strategy process as it continuously needs to provide guidance and leadership of value.

8.2.3 Vision, Mission and Values

Vision

The vision of the Matzikama Municipality is quite a simple and straight forward one so as to ensure a good understanding by all stakeholders. It was developed as part of a strategic planning session of Council with the intent to answer to the needs of the public of Matzikama in a responsible and accountable manner. The vision is informed by a thorough consultation process conducted over a period of 6 months. Moreover, apart from the quality services and wealth the vision intends to deliver the overall purpose of the vision is to create a socially cohesive community that live in harmony with each other. The vision of the Matzikama Municipality is as follows:

Vision

MATZIKAMA, A SAFE AND JOYFUL PLACE WHERE A HEALTHY, EDUCATED, INFORMED AND COMPASSIONATE COMMUNITY

Mission

PROVIDE TO THE WIDER COMMUNITY AFFORDABLE, QUALITY SERVICES AND PRODUCTS THROUGH GOOD GOVERNANCE AND EFFECTIVE AND SUSTAINABLE UTILIZATION OF ALL

- Accountability and collaboration
- Efficiency and accomplishment
- Teamwork and excellence
- Support
- Positive attitude
- Work in harmony

8.2.4 Strategic Focus Areas of Council

Council identified through an extensive public participation process that lasted for 6 months and culminated in a strategic planning workshop seven strategic focus areas that it want to direct its attention to over the next five years commencing July 2012. Below is a list of these focusing areas in no order of importance. The enumerated focus areas below are explained by divulging the various aspects that need to be corrected.

i. **Economic Development**

Whilst the list is in no order of importance economic development was one of the seven focus areas where the majority of the role players feel the pendulum of the scale should swing to in terms of where the Council of Matzikama Municipality should focus its attention. The realm of economic development includes according to the needs of the role players amongst other, issues around transport, lack of infrastructure, rural development, SMME development, local business support, industry development and beneficiation. However, the main focus of economic development is to create an inclusive economy that reflects the presence of the broader population of the municipal area with the intent to reduce unemployment and poverty.

ii. **Financial Stability**

This focus area looks into the stability of finances of the organization so as to ensure that through effective and efficient management of the organization's finances, Council is able to deliver on its vision. Issues to be addressed include amongst others efficient spending, improved payment culture of the public for services rendered, effective use of assets and improvement of own revenue sources. By directing its attention to this particular focus area Council puts the emphasis on improving the municipality's own revenue sources.

iii. **Good Governance and Municipal Transformation**

Good governance and municipal transformation deals primarily with the effective management of the organization so as to ensure that a good structure follows the strategy of council if the vision is to be achieved. Financial sustainability and good

governance have a reciprocal influence on each other as any impact on the one is felt by each toward the other. Organization design which is the backbone of good governance is the most important weapon to defend the success of any organization hence the inclusion of the issue around the organization's structure to be perfected through the achievement of this goal. The organizations structure entails a number of aspects that needs to be in place and function well and be in harmony with each other. These include amongst others a workable organization chart, the right skills, experience, qualification, capacity, reporting lines, policies, M&E programs, effective communication and good leadership in order of importance. Another aspect of this goal is to realize a good partnership between the Municipality and its social partners namely the Community, private sector and the NGOs so as to give effect to legal composition of a municipality.

iv. Good Quality Municipal Basic Services

This focus area wants to correct issues and concerns related to effective and efficient provision and maintenance of municipal basic services. These services include:

- Water supply and maintenance of infrastructure
- Sewage collection and disposal and maintenance of infrastructure
- refuse removal and maintenance of infrastructure
- Electricity supply and maintenance of infrastructure
- Municipal roads and storm water drainage and maintenance of infrastructure
- Municipal parks and recreation
- Street lighting

Comparatively speaking the Matzikama Municipality is doing well in terms of delivering basic services however, improving the quality of the service and making it more affordable especially to the poorest of the poor is where Council wants to direct its attention to.

v. A Socially Advanced Community

This focus area is concerned with and wants to correct issues pertaining to:

- Education; entails issues pertaining to infrastructure, school drop-outs, teenage pregnancies, language challenges, transport and learners per class challenges
- Health; entails issues pertaining to infrastructure, state doctors, medication, language and ambulance services
- Youth and sports; entails issues pertaining to job creation, empowerment and infrastructure challenges
- Poverty; whilst the issues to be corrected through this goal pertain mainly to unemployment based on the needs of the public it would be highly irresponsible to look at income only. Poverty cannot be measured by income alone, nor can anti-poverty programs only address income enhancing measures. This goal seeks to introduce a correct approach to poverty reduction which would be a multi-sectoral and integrated approach.
- Housing; pertain to issues related to delivery of low-cost housing, gap housing and utilization of vacant building plots
- Social welfare; concerns one overarching issue which is to release people's creative energies to help them achieve their aspirations. Through the achievement of this goal people would be able to devise strategies to address alienation and economic and social marginalization
- Safety; through the accomplishment of this goal Council intends to correct matters pertaining to community safety across the spectrum. Some of these matters of concern include mediocre police services, alcohol and drug abuse especially amongst the youth, and closure of taverns in the residential areas, safety at schools, road safety and safety at public open spaces.

By focussing its attention to these areas of concern Council intends to create a safe, healthy, secure and socially advanced society.

vi. Capacitated and Informed Communities

This focus area seeks to correct ineffective communication between the Municipality and its partners. These partners include Communities, spheres of Government, Non-Governmental Organizations and the Private Sector. Amongst other things, by directing

its attention to this particular focus area Council will essentially correct issues like language barriers, integrate communication across departments and generally improve communication between the Municipality and its partners. Another aspect that this focus area intends to correct is the mediocre social capital reflected in the communities which if improved will essentially increase the value in relationships and build confidence and trust amongst community members.

vii. A Sustainable Natural and Built Environment

This focus area seeks to direct the attention of Council to issues pertaining to environmental, social, and economic challenges. Essentially, by directing its attention to this focus area Council wants to address issues related to a green economy but more so to protect existing and natural assets with the view on sustainable development. Such issues would include amongst others effective and sustainable management of coastal resources, exploring the introduction of projects that is able to raise funds through carbon credits, awareness programs about the reduction of household carbon footprints and encourage the establishment of waste recycling projects.

The tables below reveals the objectives and strategies developed by the Council of the Matzikama Municipality in order to achieve its goals and ultimately its vision over the next five years of its political term. These goals, objectives and strategies find expression in the financial plan of the Matzikama Municipality.

FOCUS AREA NO. 1	
ECONOMIC DEVELOPMENT	
STRATEGIC OBJECTIVE	STRATEGIES
STO 1: Facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	<ul style="list-style-type: none"> • instituting programs and projects to create economic growth and development • providing support for the development and growth of new and existing businesses • developing policies to support the growth of an inclusive economy • implementing programs and projects to support diversification of

	<p>the economy</p> <ul style="list-style-type: none"> • promoting tourism growth and development
<p style="text-align: center;">OUTCOME</p> <p>An inclusive economy that reflects the presence of the broader Matzikama population in the mainstream of the local economy</p>	

FOCUS AREA NO. 2	
FINANCIAL STABILITY	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 2: To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) to promote long-term financial stability</p>	<ul style="list-style-type: none"> • developing programs and projects to maximise own revenue • maximising revenue by ensuring effective credit control • developing controls to guide capital expenditure ensuring that scarce resources are spent well • utilizing municipal assets to promote revenue • building cohesive communities with the intent to amongst others develop a good payment culture • safeguarding municipal assets to prevent loss of income • maintaining buildings and other infrastructure
<p>OUTCOME</p> <p>Wide spread public confidence in municipal financial services</p>	

FOCUS AREA NO. 3	
GOOD GOVERNANCE & MUNICIPAL TRANSFORMATION	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 3: To promote a transparent and caring Municipality that is accountable to its citizens</p>	<ul style="list-style-type: none"> • developing supporting policies to maintain high levels of anti-corruption practices • promoting participatory and transparent government practices by establishing effective public participation structures and processes • developing effective and efficient government practices ensuring economic growth, eradication of poverty and sustainable development • developing an organization structure that is able to deliver the vision of Council • implementing procurement processes that are transparent and beneficial to the local Communities • improving knowledge management in the Municipality
OUTCOME	
<p>All citizens especially the poorest of the poor and other vulnerable groups feel, see and experience the effect of good governance</p>	

FOCUS AREA NO. 4	
GOOD QUALITY MUNICIPAL BASIC SERVICES	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 4: To promote access to adequate, affordable and well maintained municipal basic services</p>	<ul style="list-style-type: none"> • analysing available household services with the intent to eradicate all backlogs • continuously strive to lower maintenance costs on basic services to make it more affordable • promoting awareness of household waste management to reduce impact on the environment • developing capacity and skills of personnel to ensure delivery and maintenance of effective and efficient basic services
STRATEGIC OUTCOME	
<p>A clean, aesthetic, well-maintained and good quality living environment for all the citizens of the Matzikama Municipality</p>	

FOCUS AREA NO. 5	
A SOCIALLY ADVANCED COMMUNITY	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 5: To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups</p>	<ul style="list-style-type: none"> • promoting progressive modus operandi to eradicate poverty • promoting the safety of citizens in the Matzikama • promoting the health of citizens in the Matzikama municipal area in line with World Health Organization standards • promoting awareness of road safety and Community safety at large • promoting delivery on housing backlog • implementing integrated human settlement plan • promoting good quality education facilities, infrastructure and standards • supporting developing the youth of Matzikama
STRATEGIC OUTCOME	
<p>A place where the Communities of the Matzikama Municipality living in a healthy, secure and safe environment.</p>	

FOCUS AREA NO. 6	
CAPACITATED AND INFORMED COMMUNITIES	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 6: To capacitate all communities to participate in the development processes of the Municipality</p>	<ul style="list-style-type: none"> • promoting informed Communities through effective means of communication • developing responsible, accountable and well capacitated public participation structures • promoting cultural development with the view to build social cohesion • supporting development of conditions under which sports, recreation and arts and culture can be realized for personal growth • Creating opportunities that promote the development of sport • promoting development of an environment that encourages economic activity for arts and culture
STRATEGIC OUTCOME	
<p>A cohesive Community that is well informed and is actively involved in the development, management and implementation of projects and programs of Council</p>	

FOCUS AREA NO. 7	
A SUSTAINABLE NATURAL AND BUILT ENVIRONMENT	
STRATEGIC OBJECTIVE	STRATEGIES
<p>STO 7: Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets</p>	<ul style="list-style-type: none"> • providing support for sustainable development initiatives at the Olifants River estuary • promoting responsible and effective use of the Matzikama 's coastline • developing supporting policies for integrated coastal zone management • promoting responsible and transparent land use development • encouraging practices to ensure long-term sustainability of natural resource base • developing and managing the built environment of Matzikama • promoting responsible and accountable usage of the Municipality's water resources
STRATEGIC OUTCOME	
<p>A sustainable development path for the Matzikama Municipality supported by well-balanced and integrated economical, social and ecological pillars</p>	

8.2.5 Inter-governmental strategy alignment

The major constraint to service delivery in the Matzikama municipal area can be attributed to the lack of effective inter-governmental relations. Inter-governmental relations in the South African context refer to the interaction of the different spheres of government to give effect to the needs of the people which cut across the functions of all three spheres of government. Local Government according to the South African Constitution has certain powers and functions. Unfortunately, the needs of the Communities are not confined to these powers and functions hence the need for a good working relationship between the three spheres of government. Consultation processes with the Matzikama public is evident of the mediocre performances by sector departments both provincial and national.

Making intergovernmental relations work is not so much a function of aligned strategies as for the past decade all three spheres of government performed well in aligning strategies on paper but failed to meet the needs of the people if the six months consultation processes with the Communities of Matzikama are anything to go by. These challenges however, lie with the ability to practice what we as government preach on paper to give effect to aligned strategies on paper.

Realising the importance of an effective relationship with National and Provincial Governments the Municipality intend to build its strategy on the foundation of a sound relationship with the other two spheres of government. As a government we realized that we need to make institutions both internal and external work better so as to ensure that Council achieve its vision. This basically means doing things different as processes and programs to date has not deliver as it should have. To do that the Municipality will introduce a “Local Intergovernmental Dialogue Forum (LIGDF)”.

The table below shows a clear alignment between the outcomes objectives and goals of National Government, Western Cape Provincial Government and Matzikama Municipality respectively.

NATIONAL GOVERNMENT	WC-PROVINCIAL GOVERNMENT	MATZIKAMA MUNICIPALITY
NO1: : Improved quality in basic education	PSO 2: Improving education outcomes	MSO 5: Facilitate developing an environment that maximize the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups
NO 2: A long and healthy life for all South Africans	PSO 4: Increasing wellness	MSO 5: Facilitate developing an environment that maximize the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups
NO 3: All people in South Africa are and feel safe	PSO 5: Increasing safety	MSO 5: Facilitate developing an environment that maximize the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups
NO 4: Decent employment through inclusive economic growth	PSO 1: Creation of opportunities for growth and jobs PSO 9: Reduce poverty	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty MSO 6: Capacitate citizens through effective communication and embracing cultural diversities
NO 5: A skilled and capable workforce to support an inclusive growth path	PSO 1: Creation of opportunities for growth and jobs	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty
NO 6: An efficient, competitive and responsive economic-infrastructure network	PSO 3: Increase access to safe and efficient transport PSO 1: Creation of opportunities for growth and jobs	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty
NO 7: Vibrant, equitable and sustainable rural communities and food security for all	PSO 1: Creation of opportunities for growth and jobs PSO 7: Mainstreaming sustainability and optimising resource-use efficiency	MSO 1: Facilitating the development of the economic wealth of the Matzikama and the reduction of poverty MSO 4: To promote access to

NATIONAL GOVERNMENT	WC-PROVINCIAL GOVERNMENT	MATZIKAMA MUNICIPALITY
	PSO 11: Creation of opportunities for growth and development in rural areas PSO 9: Reduce poverty	adequate, affordable and well maintained municipal basic services MSO 6: Capacitate citizens through effective communication and embracing cultural diversities
NO 8: Sustainable human settlements and an improved quality of household life	PSO 6: Developing integrated and sustainable human settlements	MSO 4: To promote access to adequate, affordable and well maintained municipal basic services
NO 9: Responsive, accountable, effective and efficient local-government system	PSO 10: Integrating service delivery for maximum impact	MSO 2: Strengthening the Matzikama Municipality's own financial resources to ensure long-term financial sustainability and viability MSO 3: To ensure an effective, transparent and caring Municipality that is accountable to its citizens MSO 4: To promote access to adequate, affordable and well maintained municipal basic services
NO 10: Environmental assets and natural resources that are well protected and continually enhanced	PSO 7: Mainstreaming sustainability and optimising resource-use efficiency	MSO: 7 Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets
NO 11: Create a better South Africa and contribute to a better and safer Africa and world	PSO 8: Increase social cohesion	MSO 3: To ensure an effective, transparent and caring Municipality that is accountable to its citizens
NO 12: An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship	PSO 12: Building the best run regional government in the world	MSO 3: To ensure an effective, transparent and caring Municipality that is accountable to its citizens

8.2.6 The Local Intergovernmental Dialogue Forum (LIGDF)

To give meaning to aligned strategies on paper such as the ones in the table above the council of Matzikama Municipality agreed that intergovernmental relations needs sharpening. For this purpose a forum with representation from Matzikama Municipality, sector departments of Provincial Government as well as relevant sector departments from National Government will form part of the overall strategy. Unlike other intergovernmental relations forums that meet quarterly, three monthly or bi-monthly and discuss issues of a strategic nature the proposed forum will meet more regular and discuss issues pertaining to the strategic objectives of Matzikama Municipality. This initiative will create a finger-on-the-pulse scenario which is what the Municipality need if it wants to give effect to the strategic objectives of Council. More regular reports and feedback will hopefully result in the implementation of projects at a rate faster than current and equip sector departments with information to influence their budget processes. Naturally this will be a working forum that focuses its attention on agreed processes. The table below provides a list of names of provincial and national government departments that would be required to serve on this forum. The table is also indicative of government departments with a footprint in terms of a local office in the municipal area. It is proposed that the forum meet at least bi-monthly hence the need that each department nominate a proxy to its main representative so as to ensure that we have continuity on the forum.

Sector Departments	Prov.	Nat.
Agriculture	✓	
Cultural Affairs and Sports	✓	
Community Safety	✓	
Health	✓	
Social Development	✓	
Education	✓	
Economic Dev. & Tourism	X	
DEA & DP	X	
Human Settlements	X	
Local Government	X	
Transport & Public Works	X	
Premier	X	

Provincial Treasury	X	
Home Affairs		✓
Justice		✓
Correctional Services		✓
Labour		✓
Rural Dev & Land Affairs		✓

For the strategy to be effective and to deliver on its purpose, support from government departments listed above would be vital especially when issues relevant to a particular department form part of the agenda. Matzikama Municipality is of the opinion that unless we introduce the proposed arrangement not much will change in the way government delivers its services.

9. FINANCIAL PLAN

9. FINANCIAL PLAN

9.1 Overview

This chapter of the IDP provides a summary of spending and performance plans of the Municipality's departments and the Council and a three-year receipt and payment projections for 2015/2016. This chapter of the IDP should be read together with the budget tables as well as any other complementary budget documents as presented to Council by the Chief Financial Officer (CFO). The section provides an overview of the 2015/2016 budget and discusses and anticipates budget trends and developments over the current and forthcoming Medium Term Expenditure Framework (MTEF). It also provides a snapshot of Council's development objectives. In addition, it touches on an analysis of the Municipality's expenditure and revenue challenges.

9.2 Medium Term Expenditure Framework

The Medium-term Expenditure Framework (MTEF) allows for a three-year planning and spending framework, but still retains an annual appropriation by Council. The MTEF planning horizon allows the Municipality to improve planning and to project the impact of development objectives and strategies on future budgets. The financial projections provide details on the receipts and payment projections over the MTEF (2015/16 – 2017/18). The projections also give details on the main, adjusted and revised estimates for the current financial year based on the December 2014 in-year expenditure outcomes and forecasts. Table 1 is a summary of the budget for the period 2011/12 – 2017/18 as well as the annual net surplus or deficit position of the Municipality for the same period.

WC011 Matzikama - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome
R thousands										
Financial Performance										
Property rates	24 546	26 714	29 351	31 210	34 041	34 041	34 041	37 204	39 399	41 605
Service charges	92 060	96 121	108 914	118 499	126 053	126 053	126 053	144 252	159 094	175 452
Investment revenue	384	218	231	190	500	500	500	699	740	781
Transfers recognised - operational	36 932	48 388	45 000	56 870	50 327	50 327	50 327		51 624	55 169
Other own revenue	45 508	22 672	16 359	20 999	22 400	22 400	22 400	19 272	20 343	21 258
Total Revenue (excluding capital transfers and contributions)	199 430	194 114	199 854	227 768	233 320	233 320	233 320	201 426	271 200	294 265
Employee costs	65 432	70 021	74 312	81 980	83 264	83 264	83 264	92 144	97 581	103 045
Remuneration of councillors	4 433	4 641	5 301	5 756	5 756	5 756	5 756	6 150	6 334	6 524
Depreciation & asset impairment	17 963	12 710	11 521	13 072	11 772	11 772	11 772	11 753	12 434	13 119
Finance charges	6 389	8 019	7 663	7 382	7 975	7 975	7 975	7 763	8 041	8 330
Materials and bulk purchases	52 191	59 706	66 829	69 965	72 365	72 365	72 365	83 483	94 158	106 204
Transfers and grants	295	836	880	937	937	937	937	850	755	796
Other expenditure	51 745	45 549	35 739	47 666	50 445	50 445	50 445	42 804	44 083	46 627
Total Expenditure	198 448	201 482	202 245	226 757	232 513	232 513	232 513	244 949	263 386	284 644
Surplus/(Deficit)	981	(7 368)	(2 391)	1 011	807	807	807	(43 522)	7 814	9 621
Transfers recognised - capital	32 342	47 287	27 593	23 853	26 861	26 861	26 861	24 980	24 894	27 411
Contributions recognised - capital & contributed assets	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	33 324	39 919	25 203	24 864	27 669	27 669	27 669	(18 542)	32 708	37 032
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	33 324	39 919	25 203	24 864	27 669	27 669	27 669	(18 542)	32 708	37 032
Capital expenditure & funds sources										
Capital expenditure	42 473	48 836	26 968	27 680	32 358	32 358	32 358	29 575	27 969	32 186
Transfers recognised - capital	29 856	32 342	25 797	23 853	26 861	26 861	26 861	24 980	24 894	27 411
Public contributions & donations	-	1 007	-	-	-	-	-	-	-	-
Borrowing	12 617	15 486	-	-	-	-	-	-	-	-
Internally generated funds	-	-	1 171	3 827	5 497	5 497	5 497	4 595	3 075	4 775

Total sources of capital funds	42 473	48 836	26 968	27 680	32 358	32 358	32 358	29 575	27 969	32 186
Financial position										
Total current assets	29 713	29 579	32 199	35 083	28 248	28 248	28 248	45 993	63 660	86 008
Total non current assets	414 619	454 321	471 781	495 885	492 368	492 368	492 368	510 189	525 725	544 792
Total current liabilities	46 111	48 223	44 220	45 260	35 488	35 488	35 488	42 306	45 540	58 501
Total non current liabilities	102 432	97 046	94 916	93 845	92 615	92 615	92 615	89 518	86 779	78 200
Community wealth/Equity	295 789	338 632	364 844	391 863	392 513	392 513	392 513	424 358	457 066	494 098
Cash flows										
Net cash from (used) operating	30 138	49 774	30 489	29 774	29 791	29 791	29 791	44 728	37 767	46 019
Net cash from (used) investing	(48 623)	(44 241)	(23 908)	(19 543)	(24 858)	(24 858)	(24 858)	(25 736)	(23 969)	(28 186)
Net cash from (used) financing	21 325	(7 749)	(6 200)	(8 204)	(5 828)	(5 828)	(5 828)	(7 800)	(3 491)	(3 754)
Cash/cash equivalents at the year end	4 535	2 319	2 699	4 980	1 804	1 804	1 804	12 995	23 302	37 381
Cash backing/surplus reconciliation										
Cash and investments available	4 535	2 319	2 699	4 980	1 804	1 804	1 804	12 995	23 302	37 381
Application of cash and investments	11 655	9 854	1 042	6 088	(3 927)	(3 927)	(3 927)	2 509	1 899	1 259
Balance - surplus (shortfall)	(7 121)	(7 535)	1 657	(1 107)	5 730	5 730	5 730	10 486	21 402	36 122
Asset management										
Asset register summary (WDV)	414 056	454 062	471 621	495 885	492 208	492 208	510 029	510 029	525 565	544 632
Depreciation & asset impairment	17 963	12 710	11 521	13 072	11 772	11 772	11 753	11 753	12 434	13 119
Renewal of Existing Assets	4 979	18	3 515	20 999	20 906	20 906	20 906	11 690	150	150
Repairs and Maintenance	15 828	12 661	11 772	9 421	9 536	9 536	9 743	9 743	10 317	10 895
Free services										
Cost of Free Basic Services provided	1 735	8 939	7	1 072	1 072	1 072	1 105	1 105	1 105	1 105
Revenue cost of free services provided	142	152	14 817	3 718	3 718	3 718	5 421	5 421	5 421	5 421
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	8	10	11	11	11	11	13	13	13	13
Refuse:	-	-	-	-	-	-	-	-	-	-

9.3 Total Receipts

Total receipts for the Municipality consist of transfer receipts from the National Government and Provincial Government i.e. equitable share and conditional grants, as well as the Municipality's internally generated receipts. Transfer receipts from the National Government grew nominally by 4.2 percent from the 2014/2015 full-year forecast to 2015/2016 budget year. Transfer receipts from the Provincial Government declined by 29 percent from the 2014/2015 full year forecast to 2015/2016 budget year. The Municipality's internally generated receipts increased by 10 percent between 2014/2015 pre-audited outcome and 2015/2016 revenue projections. Transfers from National Government constitute 25.1 percent or R69.505 million of the total receipts of the Municipality. Transfers from Provincial Government constitute 2.1 percent or R5.836 million of the total receipts of the Municipality. The Municipality's internally generated receipts amount to 72.8 percent or R201.426 million of the total receipts of the Municipality in 2015/2016. Within National Government receipts, 59.6 percent or R41.409 million is allocated as Local Government equitable share and 40.4 percent or R28.096 million as a conditional grant. The total amount of R5.863 million of Provincial Government grants is allocated as conditional grants.

9.4 Total Payments

The main budget provides for total expenditures of R244.949 million in 2015/16, increasing to R263.386 million and R284.644 million in 2016/17 and 2017/18 respectively. Capital expenditure from internally generated funds declined from R5.497 million to R4.595 million in 2014/2015 to 2015/2016 budget year. Capital expenditure funded by transfers from National Government declined from R25.243 million to R24.716 million in 2014/2015 to 2015/2016 budget year. Capital expenditure funded by transfers from Provincial Government declined from R1.618 million to R264 thousand in 2014/2015 to 2015/2016 budget year. Capital expenditure decreased from R32.358 million in 2014/2015 pre-audited outcome to R29.575 million in 2015/2016 budget year.

9.5 Summary of Budget Tables

Information on conditional grants is summarised in Table SA18. Table-A4 sets out a summary of the Municipality's revenue and expenditure by source and type respectively. Table-A3A sets out the summary of the Municipality's revenue and expenditure by municipal vote. Table-A7 is a summary of the Municipality's receipts and payments. Table-A5 provides a summary of the Municipality's capital expenditure by vote and table-A6 gives a summary of the Municipality's financial position. Table-SA25 gives a summary of the Municipality's monthly revenue and expenditure.

Tables SA 3, 4 & 5 summarise the linkages between the strategic objectives and the budget.

9.6 The Budget

Total budgeted revenue and expenditure amounts to R276.794 million and R244.949 million respectively.

9.6.1 Capital Budget

Objective	2015/2016 (R '000)	2016/2017 (R '000)	2017/2018 (R '000)
Infrastructure assets	25 199	25 774	30 001
Community assets	400	280	50
Intangible assets	0	0	0
Other Assets	3 976	1 915	2 135
Total	29 575	27 696	32 186

Infrastructure assets	2014/2015 (R '000)	2015/2016 (R '000)	2016/2017 (R '000)
Road Transport	9 309	7 299	5 045
Electricity	2 700	2 530	3 880
Water	9040	1 590	16190
Sanitation	3 890	14 335	4 886
Other	260		
Total	25 199	25 774	32 001

9.6.2 Detailed capital budget linking capital expenditure to wards

Municipal Vote/Capital project	Program/Project description	Project number	2015/16 Medium Term Revenue & Expenditure Framework			
			Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location
Vote 2 - Finance	REKENAAR TOERUSTING & PRINTERS	2132622971	75	75	75	All
Vote 3 - Corporate	PC OPGRADERINGS	2162622002	75	75	75	All
Vote 4 - Community Services	VREDENDAL BIBLIOTEEK: RAKKE	2402622975				
Vote 5 - Public Works and Basic Services	DATA LOGGERS BITTERFONTEIN ONTSOUTINGSAAANLEG	3202032979	1 500	1 000	2 000	8
Vote 1 - Executive & Council	UPGRADING OF MUNICIPAL HEAD OFFICE	2012012843	150	150	150	ALL
Vote 5 - Public Works and Basic Services	2 ML Rouwater dam Klawer WTW	NEW	6 900			6
Vote 5 - Public Works and Basic Services	Opgradering Klawer WWTW	NEW	3 000			6
Vote 5 - Public Works and Basic Services	Opgradering Alpha straat Klawer	NEW	7 700			6
Vote 5 - Public Works and Basic Services	Parks / outdoor Gyms various Towns	NEW	1 197			All
Vote 5 - Public Works and Basic Services	Dooringbay Slipway	NEW	480			2
Vote 5 - Public Works and Basic Services	Bitterfontein Rioolnetwerk	NEW	610			8
Vote 5 - Public Works and Basic Services	Sypaadje Lutzville	NEW	829			1
Vote 5 - Public Works and Basic Services	Klawer house connections electricity 80	NEW	1 000	1 000	1 000	6
Vote 5 - Public Works and Basic Services	Vredendal Noord house connections 160	NEW	1 500	1 500	2 000	3
Vote 5 - Public Works and Basic Services	Plavei Busroete Klawer	NEW		4 000		6
Vote 5 - Public Works and Basic Services	Upgrading Lutzville WWTW	NEW		14 145		1
Vote 5 - Public Works and Basic Services	Plavei Strate Vredendal Noord	NEW		3 249		3&4
Vote 5 - Public Works and Basic Services	New 2ML reservoir Lutzville	NEW			5 500	1
Vote 5 - Public Works and Basic Services	Irrigation of final Effluent Koekenaap	NEW			4 766	8
Vote 5 - Public Works and Basic Services	Plavei paaie Nuwerus	NEW			3 645	8
Vote 5 - Public Works and Basic Services	Upgrade WTW Vredendal	NEW			4 500	3,4&5
Vote 5 - Public Works and Basic Services	Upgrading Lutzville WTW	NEW			4 000	1
Vote 4 - Community Services	Book detective sytems	NEW	100			ALL
Vote 4 - Community Services	Bookshelves : Bitterfontein, Lutzville, Uitkyk, Doringbaai	NEW	100			ALL
Vote 4 - Community Services	Carpeting: Vredendal, Lutzville, Uitkyk	NEW	20			ALL
Vote 4 - Community Services	Tables and chairs: Matzikama	NEW	20			ALL

Municipal Vote/Capital project	Program/Project description	Project number	2015/16 Medium Term Revenue & Expenditure Framework			
			Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location
Vote 4 - Community Services	Couches: Vredendal	NEW	10			ALL
Vote 4 - Community Services	Booktrolleys: Uitkyk, Doringbaai	NEW	14			ALL
Vote 4 - Community Services	Sedan Motor	NEW	170			ALL
Vote 6 - Development and Townplanning Services	Vulliskompakteerder	NEW	1 800			ALL
Vote 5 - Public Works and Basic Services	Lugversorgers vir kantore	NEW	75	75	75	ALL
Vote 5 - Public Works and Basic Services	Plaat kompakteerder vir Strandfontein tegniese afdeling	NEW			9	2
Vote 5 - Public Works and Basic Services	Aankoop van stormwater pomp gemonteer op sleepwa	NEW		80		1
Vote 5 - Public Works and Basic Services	Aanbou van Kantoor & toilette vir werkers by tegniese werkswinkel	NEW			85	1
Vote 5 - Public Works and Basic Services	Installeer stormwater pype by Parkweg -Lutzville	NEW	700			1
Vote 5 - Public Works and Basic Services	Omheining van Lutzville stortingsterrein	NEW	210			1
Vote 5 - Public Works and Basic Services	Bou nuwe publieke toilet by Nuwerus	NEW		80		8
Vote 5 - Public Works and Basic Services	Vervanging van rioolpomp op riooltrok-CV14381	NEW	50			8
Vote 5 - Public Works and Basic Services	Bou publieke toilet by Klawer begraaftplaas	NEW		80		6
Vote 5 - Public Works and Basic Services	Kappie vir trokke -CV3430	NEW			30	8
Vote 5 - Public Works and Basic Services	3T trok vir vullis verwydering	NEW		400		8
Vote 5 - Public Works and Basic Services	Randsnyer	NEW			10	8
Vote 5 - Public Works and Basic Services	Trekker vir vullis verwydering	NEW			295	8
Vote 5 - Public Works and Basic Services	Opgradering van Chlorine dosering stelsels	NEW	100			All
Vote 5 - Public Works and Basic Services	Telemetry	NEW		150		2
Vote 5 - Public Works and Basic Services	Vervang ou aerator Vredendal suid WWTW	NEW	230			5
Vote 5 - Public Works and Basic Services	Cherry Picker	NEW			1 200	all
Vote 5 - Public Works and Basic Services	11 Kv Kabel oor brug	NEW			880	5
Vote 5 - Public Works and Basic Services	Aankoop van nuwe pomp-Vanrhynsdorp Booster pomp	NEW		120		7
Vote 5 - Public Works and Basic Services	Telemetri Opgradering	NEW			80	4
Vote 5 - Public Works and Basic Services	Opgradering van Kimberleystraat Laagspanning	NEW		30		3
Vote 5 - Public Works and Basic Services	Rioolpompe vir Matzikama dorpe	NEW	50	150	120	All
Vote 5 - Public Works and Basic Services	Varswater pompe	NEW	50	150	110	All
Vote 5 - Public Works and Basic Services	Generators	NEW		300		All
Vote 5 - Public Works and Basic Services	Bomag & Wa	NEW		125		6

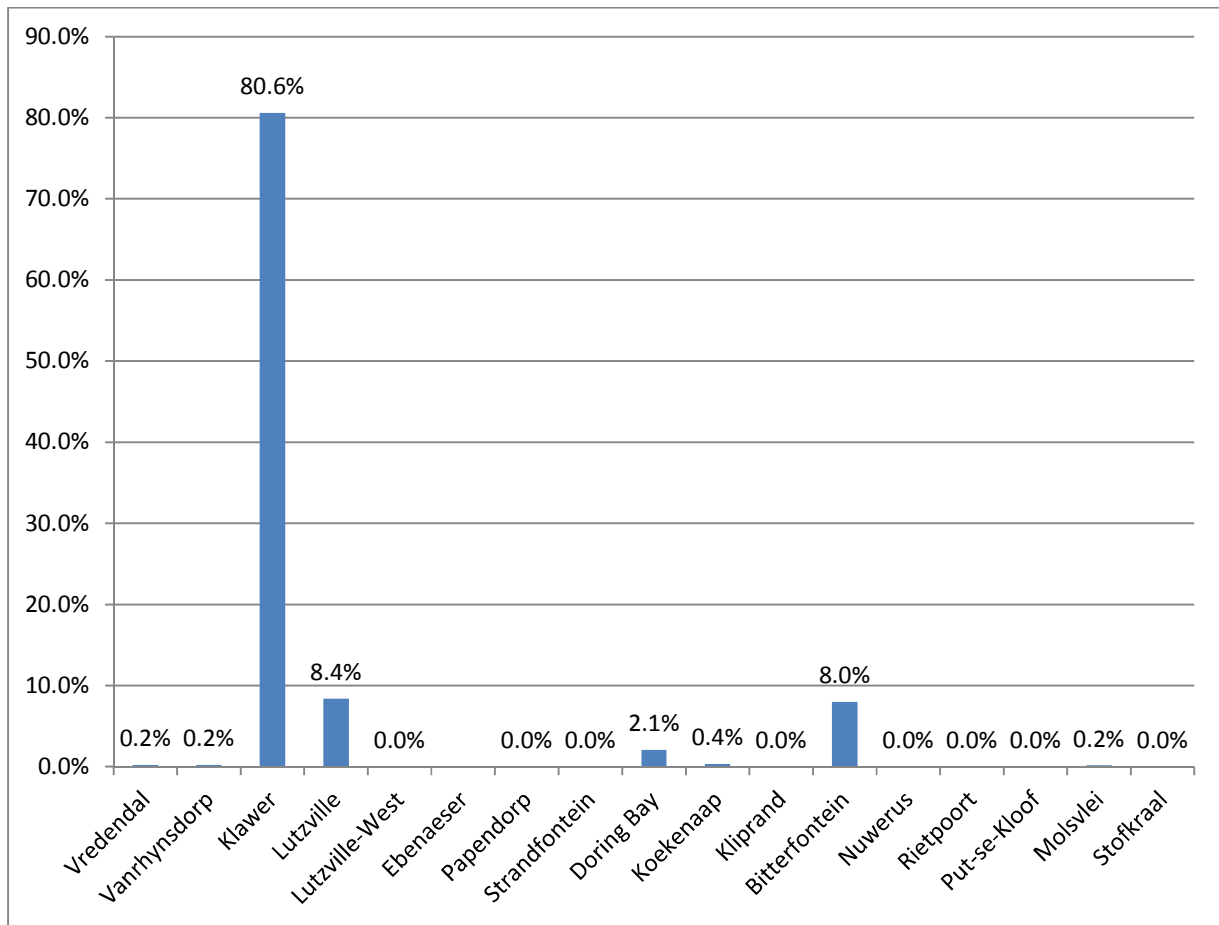
Municipal Vote/Capital project	Program/Project description	Project number	2015/16 Medium Term Revenue & Expenditure Framework			
			Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location
Vote 5 - Public Works and Basic Services	Handradios	NEW			8	6
Vote 5 - Public Works and Basic Services	Water pomp	NEW	10			6
Vote 5 - Public Works and Basic Services	Aanle van stormwater pype Skoolstraat Klawer Noord,Spoorlyn Straat en Hoofstraat	NEW		50		6
Vote 5 - Public Works and Basic Services	Toolbox	NEW			5	6
Vote 5 - Public Works and Basic Services	Omheining begrafplase Klawer	NEW			50	6
Vote 4 - Community Services	Petrol grassnyer	NEW		10		6
Vote 5 - Public Works and Basic Services	Grootmaat watermeters vir Klawer	NEW		100		6
Vote 5 - Public Works and Basic Services	Gereedskap(boor,grinder) vir paaie afdeling Klawer	NEW			50	6
Vote 5 - Public Works and Basic Services	Kanon spuit & pype vir Vanrhynsdorp Sportgronde	NEW		450		7
Vote 5 - Public Works and Basic Services	Handradios	NEW			8	7
Vote 5 - Public Works and Basic Services	Rods	NEW		10		7
Vote 5 - Public Works and Basic Services	Petrol saag	NEW			15	7
Vote 5 - Public Works and Basic Services	Gat vir stortings terrein by Vanrhynsdorp	NEW	50			7
Vote 5 - Public Works and Basic Services	Aircon Riool trok -CV11114	NEW			15	7
Vote 5 - Public Works and Basic Services	Gantry by riool pompstasie Vanrhynsdorp	NEW		60		7
Vote 5 - Public Works and Basic Services	Elektriese Jackhammer	NEW		10		3,4&5
Vote 5 - Public Works and Basic Services	Stihl randsnyer	NEW		10		3,4&5
Vote 5 - Public Works and Basic Services	Menger	NEW	20			3,4&5
Vote 5 - Public Works and Basic Services	Waterpomp	NEW	10			3,4&5
Vote 5 - Public Works and Basic Services	Venterwaentjie	NEW			20	3,4&5
Vote 5 - Public Works and Basic Services	Ketting saag	NEW		15		3,4&5
Vote 5 - Public Works and Basic Services	Omheining van Tulbagh-,Namakwa-,Koelbly-,Mangaung pompstasies	NEW		70		3,4&5
Vote 5 - Public Works and Basic Services	Porta pack cutting torch	NEW			10	3,4&5
Vote 5 - Public Works and Basic Services	Gereedskap(boor,grinder)	NEW	20	50		3,4&5
Vote 5 - Public Works and Basic Services	Teer of plavei een straat in HOP area Lutzville	NEW			700	1
Vote 5 - Public Works and Basic Services	Vestig spreiligte by Lutzville sportgronde	NEW	200			1
Vote 5 - Public Works and Basic Services	Plavei Snoekstraat te Doringbaai	NEW			700	2
Vote 5 - Public Works and Basic Services	Bou van Taxi rank Mangaung	NEW	80			3

Municipal Vote/Capital project	Program/Project description	Project number	2015/16 Medium Term Revenue & Expenditure Framework			
			Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Ward location
Vote 5 - Public Works and Basic Services	Bou van Toiletgeriewe by begraafplaas - Bitterfontein	NEW		100		8
Vote 4 - Community Services	Grasbaan vir sokkerveld - Koekenaap	NEW		100		8
Vote 4 - Community Services	Sokkerpale - Koekenaap	NEW	35			8
Vote 4 - Community Services	Opgradering van kleedkamers - Koekenaap	NEW	50			8
Vote 4 - Community Services	Sokkerpale en nete - Molsvlei	NEW	35			8
Vote 4 - Community Services	Grondaankope Bitterfontein	NEW	350			8
Total Capital expenditure			29 575	27 969	32 186	

9.6.3 Capital Budget spend per Town

The bar graph below reveals a clear picture of how the Matzikama Municipality’s capital budget is divided between towns. Klawer, by far received the lion’s share of the budget, Lutzville just under R2 million and Bitterfontein in third place. Apart from Doring Bay that received 2.1% the rest of the towns received between 0 and 1%.

Capital spending per town -2015/2016



Due to a shortage of own funds the bulk of the capital budget is dedicated to operational and not strategic activities and initiatives. It is safe to say that the bulk of the capital and operational budget provide for the strategy of Council that speaks to maintenance of existing

service levels. Due to the unsatisfactory financial position of the Municipality some of the other strategic objectives are insufficiently provided for in the budget.

9.7 Financial Challenges

Below are some of the challenges faced by the Municipality.

- Cost of providing services in respect of geographic size of the area and tax income capacity generation base;
- Level of disposable incomes;
- Huge service delivery backlogs and demand for communities and subsidized services;
- Ineffective revenue leakage prevention

9.8 Corrective Measures

Proposed turnaround strategy

REVENUE ENHANCEMENTS:

- Sell all available erven and municipal properties
 - Consider selling beehives
 - Consider selling municipal houses
 - Consider selling erven, especially in Strandfontein and Vredendal-South
 - Consider dividing public parks in ward 5 into erven
- Evaluate all vehicles regarding fuel usage and cost of repairs and maintenance and sell vehicles no longer viable
- Identify and sell all broken and redundant movable assets
- Councillors and staff must enter into written agreements with the municipality that all accounts will be paid on or before the due date. Failure to adhere will immediately lead to the deduction of the monthly account via the Salary Offices.

- Traffic officials should be given measurable targets re number of fines to generate on a weekly basis.
- An ongoing programme must be put in place whereby a determined number of households per week are checked for tampering of both electricity and water meters. No reconnection of the supply may take place before the fine is settled in full.
- The review of the various property usage deviations as contained in the Rates Act must be scrutinised to ensure that the income from the various industries are maximized.
- Utilise software developed by MGV to assist in identifying any unmetered properties through using layering of the deeds data and the financial data.
- Debt collection should be enhanced:
 - Ward Councillors should emphasize the importance of paying municipal accounts at every interaction with their constituency.
 - Ward Committee members must be encouraged to go house to house to emphasize the importance of paying municipal accounts to the residents of the municipal area.
 - Masakhane officials should provide better reports and statistics regarding the number of homes they visited and the results of each visit.
 - The offered co-operation of the lawyers in Matzikama must be taken up to do the collections based on a percentage basis.
 - No political interference must take place when electricity have been disconnected or blocked or when the lawyers start taking action.
- Rental of all properties must be re-evaluated to ensure that they are market related, including the usage of sport facilities by the sport clubs.

COST SAVING MEASUREMENTS

- All S&T payments will be done via ACB transfers, no cheques will be made out to any staff member for any payment.
- Any hotel costs over R 1000 per night must be motivated in writing and signed off by the municipal manager.

- The indigent members of the public should be encouraged to report all water leaks, even on their side of the meter. Early action preventing water losses will result in a slowdown of bad debts.
- All vehicles using more than a baseline kilolitre per 100 km's of fuel should identified, an investigation must be done to determine if the department cannot manage without that vehicle. If the department can motivate the necessity of that vehicle, consideration should be given to selling the vehicle on auction and replacing it with a more fuel efficient vehicle.
- The monitoring of overtime against the vehicle reports must continue.
- No overtime payments must be made to staff earning over the baseline salary as per legislation.
- Overtime payments to all staff members must only be done in exceptional circumstances; all staff should be encouraged to make use of the option to take the time off.
- Vehicle reports should be scrutinised by the respective managers to ensure that abuse of vehicles are not taking place, municipal vehicles should not be seen at shops, doctors' offices or carting children to and from school. Any such action must be met with immediate disciplinary action.
- Trips to the DMA should be co-ordinated to ensure efficiency.
- An analysis should be done regarding all printing costs of the municipality, including the costs of replacing ink cartridges and logging tickets with MNS. The costs should be compared to the costs associated with the leasing of printers and copiers with full service and maintenance contracts included.
- Year tenders must be encouraged for all items bought on a regular basis and the contracts must stipulate that no increases in the prices may take place during the contract period. Strict service level agreements must also be entered into whereby non-performance or sub-standard performance will result in non-payment.
- The cost of printing the monthly bills via CAB Holdings should be investigated with consideration being given to obtaining the required equipment to do the printing in house. Printing and distributing of all PR communications can then also be done in house and distributed with the monthly accounts.

- Recycling of paper should be encouraged and strict control should be taken regarding the number and nature of stationary purchases being made.
- Reports should be generated showing the number of prints and copies made by every staff member, the reports must be scrutinised by management to ensure that no abuse of facilities are taking place.
- The detailed summaries of telephone expenditure per staff member currently being provided to the Directors should also be provided to the Municipal Manager on a monthly basis.
- The telephone system should be investigated to determine whether monthly 'budgets' cannot be placed on the various officials relating to their job requirements.
- An investigation should be done to ensure that all the indoor lights and air conditioners are automatically switched off at a certain time of the day in the offices. Should a official still be working, they should then be able to just switch on their light again.

9.9 Linking Matzikama Strategic Objectives with the Budget (Revenue)

Strategic Objective	Goal	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Development & growth of Local Economy	Economic Development	477	484	484	478	506	535
To expand Matzikama Municipality's own revenue	Financial Stability	87 698	100 665	100 665	102 521	105 932	113 374
To promote a transparent and caring Municipality	Good Governance & Municipal Transformation	10 507	11 183	11 183	6 272	6 549	6 714
To promote access to adequate and affordable basic services	Good Quality Municipal Basic Services	129 874	131 980	131 980	150 738	166 096	183 003
Develop an environment that maximize social well being	A Socially Advanced Community	23 064	15 869	15 869	16 785	17 011	18 051
Capacitate citizens through effective communication	Capacitated and Informed Communities						
Responsible usage of Municipality's spatial environment	A sustainable Natural and Built Environment						
Total Revenue (excluding capital transfers and contributions)		251 621	260 182	260 182	276 794	296 094	321 676

9.10 Linking Matzikama Strategic Objectives with the Budget (Operating Expenditure)

		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Development& growth of Local Economy	Economic Development	5 990	6 544	6 544	6 918	7 076	7 472
To expand Matzikama Municipality's own revenue	Financial Stability	26 586	33 818	33 818	27 952	29 581	31 211
To promote a transparent and caring Municipality	Good Governance & Municipal Transformation	27 321	29 032	29 032	29 495	30 909	32 444
To promote access to adequate and affordable basic services	Good Quality Municipal Basic Services	116 569	118 240	118 240	132 958	145 421	160 274
Develop an environment that maximize social well being	A Socially Advanced Community	50 291	44 879	44 879	47 626	50 399	53 242
Capacitate citizens through effective communication	Capacitated and Informed Communities						
Responsible usage of Municipality's spatial environment	A sustainable Natural and Built Environment	-					
Total Expenditure		226 757	232 513	232 513	244 949	263 386	284 644

9.11 Linking Matzikama Strategic Objectives with the Budget (Capital Expenditure)

Strategic Objective	Goal	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Development& growth of Local Economy	Economic Development	-	-	-	75	75	75
To expand Matzikama Municipality's own revenue	Financial Stability	-	-	-	245	75	75
To promote a transparent and caring Municipality	Good Governance & Municipal Transformation	571	571	571	485	225	225
To promote access to adequate and affordable basic services	Good Quality Municipal Basic Services	24 203	24 018	24 018	17 490	19 715	25 336
Develop an environment that maximize social well being	A Socially Advanced Community	2 906	7 770	7 770	11 280	7 879	6 475
Capacitate citizens through effective communication	Capacitated and Informed Communities						
Total Capital Expenditure		27 680	32 358	32 358	29 575	27 969	32 186

10. GOVERNMENT SPEND & SUPPPORT IN MATZIKAMA

10. GOVERNMENT SPEND & SUPPORT IN MATZIKAMA

10.1 Budget Estimates of Provincial Revenue and Expenditure

The table below is indicative of the Provincial revenue and expenditure estimates applicable to Matzikama Municipality. The funds earmarked for spending in Matzikama are for functions responsible for by the Provincial Government and does not make provision for any municipal related functions.

VOTE 1: PREMIER									
<i>Provincial payments and estimates</i>									
Programmes	2015/16	2016/17	2017/18						
	R'000	R'000	R'000						
Programme 1: Executive Support (Administration)									
Programme 2: Provincial Strategic Management									
Programme 3: People Management (Corporate Service Centre)									
Programme 4: Centre for e-Innovation (Corporate Service Centre)									
Programme 5: Corporate Assurance (Corporate Service Centre)									
TOTAL	0	0	0						
VOTE 2: PROVINCIAL PARLIAMENT									
<i>Provincial payments and estimates</i>									

Programmes		2015/1	2016/1	2017/1					
		6	7	8					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: Facilities for Members and Political Parties									
Programme 3: Parliamentary Services									
TOTAL		0	0	0					
VOTE 3: PROVINCIAL TREASURY									
<i>Provincial payments and estimates</i>									
Programmes		2015/1	2016/1	2017/1					
		6	7	8					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: Sustainable Resource Management									
Programme 3: Asset Management									
Programme 4: Financial Governance									
TOTAL		0	0	0					
VOTE 4: COMMUNITY SAFETY									
<i>Provincial payments and estimates</i>									
Programmes		2015/1	2016/1	2017/1					
		6	7	8					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: Provincial Secretariat for Police Services									
Programme 3: Provincial Policing Functions									
Programme 4: Security Risk Management									
TOTAL		0	0	0					
VOTE 5: EDUCATION									

Provincial payments and estimates									
Programmes		2015/16	2016/17	2017/18					
		R'000	R'000	R'000					
Programme 1: Administration		217	218	232					
Programme 2: Public Ordinary School Education		135 148	144 159	151 573					
Programme 3: Independent School Subsidies		166	173	182					
Programme 4: Public Special School Education		11 715	12 335	13 081					
Programme 5: Early Childhood Development		5 254	5 514	5 798					
Programme 6: Infrastructure Development		4 014	3 605	3 623					
Programme 7: Examination and Education Related Services		10	10	9					
TOTAL		156 524	166 014	174 498					
Summary of details of expenditure for infrastructure by category									
Facility / Asset Name and Project Name	Type of infrastructure	Date: Start	Date: Finish	Total Project Cost	Expenditure from previous years	2015/16	2016/17	2017/18	Outer Years
				R'000	R'000	R'000	R'000	R'000	R'000
NEW AND REPLACEMENT ASSETS									
No linkages with Matzikama under this budget item									
VOTE 6: HEALTH									
Provincial payments and estimates									

Programmes		2015/16	2016/17	2017/18					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: District Health Services		47 142	51 102	51 722					
Programme 3: Emergency Medical Services		0	0	0					
Programme 4: Provincial Hospital Services		0	0	0					
Programme 5: Central Hospital Services		0	0	0					
Programme 6: Health Sciences and Training		0	0	0					
Programme 7: Health Care Support Services		2 400	2 469	2 845					
Programme 8: Health Facilities Management		1 580	614	579					
TOTAL		51 122	54 185	55 146					
<i>Summary of details of expenditure for infrastructure by category</i>									
Facility / Asset Name and Project Name	Type of infrastructure	Date: Start	Date: Finish	Total Project Cost	Expenditure from previous years	2015/16	2016/17	2017/18	Outer Years
				R'000		R'000	R'000	R'000	R'000
NEW AND REPLACEMENT ASSETS									
No linkages with Matzikama under this budget item									
REHABILITATION, RENOVATIONS AND REFURBISHMENTS									
Vanrhynsdorp Clinic	HT: Clinic	1 Apr 2015	30 Mar 2016	300		300			
Vredendal FPL	HT: FPL	1 Apr 2015	30 Mar 2016	500		500			
Vredendal Hospital	HT: Hospital	1 Apr	30 Mar	800		800			

		2015	2016						
VOTE 7: SOCIAL DEVELOPMENT									
<i>Provincial payments and estimates</i>									
Programmes		2015/1 6	2016/1 7	2017/1 8					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: Social Welfare Services		7 222	7 662	8 045					
Programme 3: Children and Families									
Programme 4: Restorative Services									
Programme 5: Development and Research									
TOTAL		7 222	7 662	8 045					
VOTE 8: HUMAN SETTLEMENTS									
<i>Provincial payments and estimates</i>									
Programmes		2015/1 6	2016/1 7	2017/1 8					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: Housing Needs, Research and Planning									
Programme 3: Housing Development		19 000	26 800	22 000	<i>(Human settlements development grant)</i>				
Programme 4: Housing Asset Management Property Management									
TOTAL		19 000	26 800	22 000					
VOTE 9: ENVIRONMENTAL AFFAIRS AND DEVELOPMENT PLANNING									
<i>Provincial payments and estimates</i>									
Programmes		2015/1	2016/1	2017/1					

		6	7	8					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: Environmental Policy, Planning and Coordination									
Programme 3: Compliance and Enforcement									
Programme 4: Environmental Quality Management									
Programme 5: Biodiversity Management									
Programme 6: Environmental Empowerment Services									
Programme 7: Development Planning									
TOTAL		0	0	0					
VOTE 10: TRANSPORT AND PUBLIC WORKS									
<i>Provincial payments and estimates</i>									
Programmes		2015/1 6	2016/1 7	2017/1 8					
		R'000	R'000	R'000					
Programme 1: Administration									
Programme 2: Public Works Infrastructure									
Programme 3: Transport Infrastructure		57 259	49 000	24 000					
Programme 4: Transport Operations									
Programme 5: Transport Regulation		17 312	18 354	18 904					
Programme 6: Community Based Programmes									
TOTAL		74 571	67 354	42 904					
<i>Summary of details of expenditure for infrastructure by category</i>									
Facility / Asset Name and Project Name	Type of infrastructure	Date: Start	Date: Finish	Total Project Cost	Expenditure from	2015/1 6	2016/1 7	2017/1 8	Outer Years

No linkages with Matzikama

					previous years				
					R'000	R'000	R'000	R'000	R'000
UPGRADES AND ADDITIONS									
C834.4 Lutzville	Gravel roads	06-Oct-14	18-May-15	10 548	4 430	4 000			
C832 Vanrhynsdorp	Gravel roads	06-Aug-15	05-Aug-16	67 250			39 000		
C830 Bitterfontein	Gravel roads	11-Feb-17	09-Feb-18	34 000				23 000	
C991 Vredendal	Surfaced road	13-Aug-15	14-Apr-17	43 600		30 000	10 000	1 000	
VOTE 11: AGRICULTURE									
<i>Provincial payments and estimates</i>									
Programmes		2015/16	2016/17	2017/18					
		R'000	R'000	R'000					
Programme 1: Administration		0	0	0					
Programme 2: Sustainable Resource Management		0	0	0					
Programme 3: Farmer Support and Development		4 603	3 106	4 049					
Programme 4: Veterinary Services		2 369	2 500	2 625					
Programme 5: Research and Technology Development Services		0	0	0					
Programme 6: Agricultural Economics Services		0	0	0					
Programme 7: Structured Agricultural Education and Training		0	0	0					
Programme 8: Rural Development Coordination		0	0	0					
TOTAL		6 972	5 606	6 674					

VOTE 12: ECONOMIC DEVELOPMENT AND TOURISM								
<i>Provincial payments and estimates</i>								
Programmes		2015/16	2016/17	2017/18				
		R'000	R'000	R'000				
Programme 1: Administration		0	0	0				
Programme 2: Integrated Economic Development Services		0	0	0				
Programme 3: Trade and Sector Development		5 660	6 000	6 360				
Programme 4: Business Regulation and Governance		0	0	0				
Programme 5: Economic Planning		0	0	0				
Programme 6: Tourism Arts and Entertainment		0	0	0				
Programme 7: Skills Development and Innovation		0	0	0				
TOTAL		5 660	6 000	6 360				
VOTE 13: CULTURAL AFFAIRS AND SPORT								
<i>Provincial payments and estimates</i>								
Programmes		2015/16	2016/17	2017/18				
		R'000	R'000	R'000				
Programme 1: Administration		0	0	0				
Programme 2: Cultural Affairs		0	0	0				
Programme 3: Library and Archive Services		5 660	6 000	6 360				
Programme 4: Sport and Recreation		0	0	0				
TOTAL		5 660	6 000	6 360				
VOTE 14: LOCAL GOVERNMENT								
<i>Provincial payments and estimates</i>								
Programmes		2015/16	2016/17	2017/18				

	6	7	8					
	R'000	R'000	R'000					
Programme 1: Administration								
Programme 2: Local Governance	144	223	300					
Programme 3: Development and Planning	60	63	66					
Programme 4: Traditional Institutional Management								
TOTAL	204	286	366					

10.2 Comprehensive Rural Development Program

The Presidency has identified measurable outputs with broad Outcomes. The one which focuses on the development of rural communities is Outcome 7: Vibrant, equitable, sustainable rural communities contributing to food security for all. This outcomes approach will, amongst others focus on improving the design of government structures, decision making processes, and activity co-ordination mechanisms to ensure accountability in service delivery.

As Rural Development is strategically so important in the National and Provincial context a programme driving Rural Development has been established at the Western Cape Department of Agriculture. Programme 8: Rural Development Coordination began functioning at the beginning of February 2010 after the appointment of a Chief Director: Rural Development Coordination. The key policy priority of the Programme is to create an enabling environment that will facilitate private sector investment and socio-economic development in rural areas.

This Programme: Rural Development Coordination fulfils mainly a coordinating function by bringing cohesion between the implementation plans of different departments and also removing blockages between the different spheres of government in delivering services in rural areas. There is also a strong emphasis on bringing structure to communities by institutionalising community organisations to improve community participation in decisions and implementation of Government funded projects.

The program for Ward 2 will conclude in 2017. Over the past three years the contribution via the program was invaluable especially in this particular ward that comprises four very poor villages. The following projects were implemented over the last three years.

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
PHASE 1: Steering Committee Planning										
PHASE 1: TOTAL			R -	R -	R -		R -			
PHASE 2: SOCIAL FACILITATION	Household profiling and training	DRDLR	R 20 000.00					Completed	2011/ 2012	20
PHASE 2: TOTAL			R 20 000.00	R -	R -		R -			
Phase 3: Social Upliftment	Institutionalisati on of the COS	WCDoA		R 13 800.00				Completed	2011/ 2012	
	25 Food Gardens in Ebonaerer	DRDLR	R 1 300 000.00					Completed	2011/ 2012	
	Food security interventions: Lutzville West Food school gardens	WCDoA		R 9 000.00				Completed	2011/ 2012	

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
	Ebenaeser Primary School food garden	WCDoA	R 1 300 000.00	R 30 000.00				Completed	2011/2012	
	Doring Bay Primary School	WCDoA		R 5 000.00				Completed	2011/2012	
	Doring Bay Small Farmers Garden	WCDoA		R 30 000.00				Completed	2011/2012	
	Establish 5 Household Gardens	WCDoA		R 15 000.00				Completed	2011/2012	
	World Food Day 48 households identified (Doring Bay, Strandfontein, Papendorp)	WCDoA		R181 000.00				Completed	2011/2012	
	Contribution towards soup kitchens	Mun			R 12 000.00			Completed	2011/2012	
	Operational costs to the councils of stakeholders	WCDoA		R100 000.00				In progress: Doring Bay & Lutzville West set up offices. Ebenaeser sharing office space with Land Reform.	2011/2012	

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
								Paapendorp work from home.		
	Community Nutritional Development Centre's Programme	DSD		R165 385.00				Does not exist anymore. Moved to health. Clinic, hospitals, etc. identify cases and refer for assistance.	2011/2012	
	Para professionals in farming: Doring Bay (5); Lutzville West (5); Ebenaeser (1)	DRDLR					R 500 000.00	In progress and still continuing.	2011/2012	
	CD LAP process	WCDoA						Completed: Consultation process with the community taking place.	2012/2013	
	24 Household food gardens in	WCDoA		R 108 000.00	Ebenaeser			Completed	2013/14	

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
	Ebenhaeser (Q4 13/14)									
	5 Household food gardens in Doringbaai (para professionals (Q2 14/15)	WCDoA		R 22 500.00	Doringbaai			Completed	2014/15	
	Peter Oerson Boerdery	WCDoA		R 15 000.00	Ebenhaeser			In implementation	2014/15	
	Saamstaan	WCDoA		R 68 000.00	Ebenhaeser			In implementation	2014/15	
	TR Mannel	WCDoA		R 15 000.00	Ebenhaeser			In implementation	2014/15	
	Ebenhaeser Veeparty	WCDoA		R 87 000.00	Ebenhaeser			In implementation	2014/15	
	Margareth Blanckenberg	WCDoA		R 16 610.00	Ebenhaeser			In implementation	2014/15	
	Frisley Boerdery	WCDoA		R 30 000.00	Ebenhaeser			In implementation	2014/2015	2
	JT Taylor	WCDoA		R 27 500.00	Ebenhaeser			Completed	2014/2015	4
PHASE 3: TOTAL			R 2 600 000.00	R 938 795.00	R 12 000.00		R 500 000.00			

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
Phase 4: Infrastructure Development	Sidewalks Ebenaeser	DTPW	R 345 055.53					Completed	2011/2012	10
	Maintenance and upgrade of Community Streets: Olifants Drif Rd & Access Rd (Nuwe Stasie Road) - Ebenaeser	DRDLR	R 5 550 192.71					Completed	2012/2013	
	Refurbishment of Spruitdrift Primary and Lutzville High	WCDoE (Johnie Muller)						Completed	2012/2013	
	Upgrade of Ebenaeser Oxidation ponds	Municipality / DRDLR			R 4 362 141.83			Completed	2012/2013	
	Construction of Road in Lutzville West	DRDLR	R 5 500 000.00					100% complete	2012/2013	
	Construction of Doring Bay Road	DRDLR	R 4 717 077.12					100% complete	2013/2014	
	Construction of Road in Papendorp	DRDLR	R 5 361 396.00					100% Complete	2012/2013	
	Doring Bay Reservoir (NEW)	DRDLR	R 2 500 000.00					In progress: Approved for 2014/2015 financial	2014/2015	

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
								year.		
	Upgrade of Strandfontein Oxidation Ponds (NEW)	DRDLR	R 4 900 000.00					In progress: Approved for 2014/15 financial year.	2014/2015	
	Existing slipway upgrade or new at Doring Bay	DRDLR	1 987 362.00					In Progress: Study has been completed. R3.5m is for construction.	2012/2013	
	Irrigation Project in Ebenaezer	WCDoA		R 7 500 000.00			R 40 000 000.00	In Progress: Engineering design completed and accepted. EIA in progress. Currently in planning phase and FSD will make a Level 9 position	2012/2013	

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED	
								available to be dedicated to Ebenhaezer .			
PHASE 4: TOTAL			R 30 861 083.36	R 7 500 000.00	R 4 362 141.83		R 40 000 000.00				
PHASE 5: ECONOMIC DEVELOPMENT	Boxes for tile manufacturing	Municipality			R 20 000.00			Completed	2011/2012		
		WCDoA		R 50 000.00							
		West Coast Community Trust			R 15 000.00						
	Fish Farm in Doring Bay	DAFF	R 10 000 000.00					R 10 000 000.00	Project was cancelled by the Working for Fisheries Steering Com. Discussions held with Dorin Bay CoS and community	2012/2013	
		DRDLR									

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
								to look at other projects to be implemented.		
	Cooling, packing and drying facility	Feasibility study					R 500 000.00	UTA utilized the services of Agri-Africa to conduct the feasibility study. Report and scope of works provided to give a background of the study. The municipality needs to decide on the way forward based on the recommendations in the report.	2012/2013	

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
		Implementation					R 30 000 000.00	In progress	2012/2013	
	Abalone Farm					R 6 200 000.00	R 10 000 000.00	Tronox Namakwa Sands partially funding project - R6.2m over 2 years. Total funds required = R12m for 25 ton farm wick will create 20 permanent jobs. 35% shareholding of the Doring Bay Development Trust. Moratorium placed on Abalone farming in Dorin Bay. R1 - 2m required for a	2012/2013	

PHASE	PROJECT	DEPT	NATIONAL	PROVINCIAL	LOCAL	PRIVATE SECTOR	FUNDING NEEDED	STATUS	FIN YEAR	JOBS CREATED
								hatchery to produce the abalone - WCDoA has been approached for the additional funding.		
PHASE 5: TOTAL			R 10 000 000.00	R 50 000.00	R 35 000.00	R 6 200 000.00	R 50 500 000.00			
			R 86 942 166.72	R 16 977 590.00	R 8 818 283.66	R 6 200 000.00	R 182 000 000.00			

10.3 Waste Management Program

The National Department of Environmental Affairs (DEA) provided assistance to the Municipality with the development of a solid waste recycling program. The program entails separating solid waste at source for collection by a local recycling and manufacturing company. In support of the program the DEA provided assistance in the form of twelve personnel to assist with promoting the program amongst the local Communities and providing support with some of the administrative functions related to the program. Furthermore, assistance was provided with an additional thirty general workers to assist with amongst other things the collection of recyclable materials at household level. The Department also provided the Municipality with

wheelie-bins for 3000 households, which is enough to issue each of the households in Vredendal with a set of bins. Over and above the DEA provided the Municipality with weigh pads and related equipment which will enable the Municipality to keep reliable records.

11. IMPLEMENTATION

11. IMPLEMENTATION

11.1 Alignment of strategic Objectives

The table below provides a very clear picture of the linkages between the strategic objectives of Council and the Budget. Moreover, it shows how the budget is linked to the Service Delivery and Budget Implementation Plan (SDBIP) and finally the linkages between all of the above to the Provincial Strategic Goals and the National Development Plan. Read the table below in conjunction with the Budget and SDBIP.

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	15/16	16/17	17/18			
Facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	6 993	7 151	7 547	<ul style="list-style-type: none"> - Number of temporary jobs opportunities created - Number of business entities established 	<ul style="list-style-type: none"> - Create opportunities for growth and jobs - Improve education outcomes and opportunities for youth development 	<ul style="list-style-type: none"> - Economy and employment - Economic infrastructure - Improving education training and innovation
To expand and grow the Matzikama Municipality's Internally Generated Funds	28 197	29 656	31 286	<ul style="list-style-type: none"> - Financial viability measured in terms of the municipality's 	Embed good governance and integrated service delivery through	<ul style="list-style-type: none"> - Building a capable and developmental state

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	15/16	16/17	17/18			
(IGF) with the intent to promote long-term financial stability				<p>ability to meet its service debt obligations (Total operating revenue-operating grants received)/debt service payments due within the year)</p> <ul style="list-style-type: none"> - Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services) - Financial viability measured in terms of the available cash to cover fixed operating expenditure (Available cash+ investments)/ Monthly fixed operating expenditure) 	partnerships and spatial alignment	
To promote a transparent and caring Municipality that	29 980	31 134	33 669	- Number of people from employment	Increase wellness, safety and tackle social ills	<ul style="list-style-type: none"> - Health care for all - Social protection

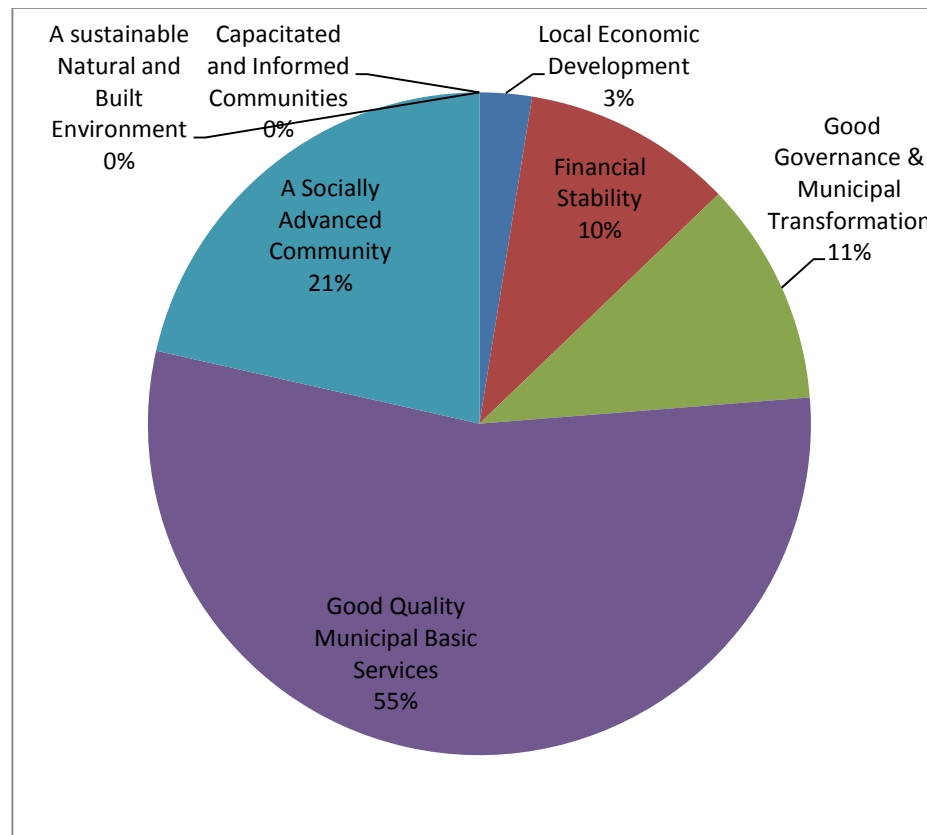
STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	15/16	16/17	17/18			
is accountable to its citizens				<p>equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan</p> <ul style="list-style-type: none"> - The percentage of the municipality's operational budget actually spent on implementing its workplace skills plan by 30 June 2016 [(Actual amount spent on training/total operational budget)x100] - Review the municipal organogram and submit to council by the 30 June 2016 		<ul style="list-style-type: none"> - Building safer communities - Nation building and social cohesion

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	15/16	16/17	17/18			
To promote access to adequate, affordable and well maintained municipal basic services	150 448	165 136	185 610	<ul style="list-style-type: none"> - Number of formal residential properties that which are billed for water or have pre paid meters that is connected to the municipal water infrastructure network at 30 June 2016 - Number of formal residential properties which are billed for electricity or have pre paid meters at 30 June 2016 (excluding Eskom areas) - 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) which are billed for 	<ul style="list-style-type: none"> - Create opportunities for growth and jobs - Enable a resilient, sustainable, quality and inclusive living environment 	<ul style="list-style-type: none"> - Economic infrastructure - Transforming human settlements

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	15/16	16/17	17/18			
				sewerage at 30 June 2016		
To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups	58 906	58 278	59 717	– Develop ward plans to be included in the IDP by 31 March 2016	Increase wellness, safety and tackle social ills	– Health care for all – Social protection – Building safer communities – Nation building and social cohesion
To capacitate all communities to participate in the development processes of the Municipality				– Hold training sessions for the members of the LED forum by 31 March 2016 – Hold ward committee training sessions	– Improve education outcomes and opportunities for youth development – Create opportunities for growth and jobs	Improving education training and innovation
Promote responsible and accountable usage of the Municipality's spatial environment to sustain the natural and built assets				– Spend 100% of the DWS subsidy for the upgrade of the Desalination Plant in Bitterfontein by 31 March 2016 {(Actual expenditure divided by the subsidy received)x100}	– Create opportunities for growth and jobs – Enable a resilient, sustainable, quality and inclusive living environment	– Transforming human settlements – Environmental sustainability and resilience – Economic infrastructure

STRATEGIC OBJECTIVES	BUDGET (R) '000'			SDBIP KPIs	PROVINCIAL STRATEGIC GOALS	NATIONAL DEVELOPMENT PLAN (NDP)
	15/16	16/17	17/18			

The pie chart below indicates clearly how the budget is divided between the seven strategic objectives of Council. Basic Services receive by far the largest share of the budget.



11.2 Top Level SDBIP

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
1	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Number of formal residential properties that which are billed for water or have pre paid meters that is connected to the municipal water infrastructure network at 30 June 2016	Number of residential properties which are billed for water or have pre paid meters at 30 June 2016	All	Director: Technical Services	9088	Stand-Alone	Number	7966	0	0	0	7966
2	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Number of formal residential properties which are billed for electricity or have pre paid meters at 30 June 2016 (excluding Eskom areas)	Number of residential properties which are billed for electricity or have pre paid meters at 30 June 2016 (Excluding Eskom areas)	All	Director: Technical Services	6904	Stand-Alone	Number	6904	0	0	0	6904
3	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	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) which are billed for sewerage at 30 June 2016	Number of residential properties which are billed for sewerage at 30 June 2016	All	Director: Technical Services	7966	Stand-Alone	Number	7966	0	0	0	7966
4	Financial Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Provide free basic water to indigent households earning less than R4500	Number of households receiving free basic water	All	Director: Financial Services	2100	Stand-Alone	Number	2200	0	0	0	2200
5	Financial Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Provide free basic electricity to indigent households earning less than R4500	Number of households receiving free basic electricity	All	Director: Financial Services	2100	Stand-Alone	Number	2200	0	0	0	2200

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
6	Financial Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Provide free basic sanitation to indigent households earning less than R4500	Number of households receiving free basic sanitation	All	Director: Financial Services	2100	Stand-Alone	Number	2200	0	0	0	2200
7	Financial Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Provide free basic refuse removal to indigent households earning less than R4500	Number of households receiving free basic refuse removal	All	Director: Financial Services	2100	Stand-Alone	Number	2200	0	0	0	2200
8	Development and Town Planning Services	Facilitate development and growth of the local economy of the Matzika municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development	Number of temporary job opportunities created through EPWP and labour intensive capital projects	Number of temporary jobs opportunities created	All	Director: Development and Town Planning Services	360	Accumulative	Number	380	0	60	130	190
9	Corporate Services	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	Number of people employed in the three highest levels of management	All	Director: Corporate Services	1	Accumulative	Number	1	0	0	0	1
10	Corporate Services	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	The percentage of the municipality's operational budget actually spent on implementing its workplace skills plan by 30 June 2016 [(Actual amount spent on training/total operational budget)x100]	(Actual amount spent on training/total operational budget)x100	All	Director: Corporate Services	0.40%	Carry Over	Percentage	0.4	0	0	0	0.4

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
11	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year)	Ratio achieved (Total operating revenue-operating grants received)/debt service payments due within the year)	All	Director: Financial Services	20.2	Carry Over	Number	32.5	0	0	0	32.5
12	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved (Total outstanding service debtors/ revenue received for services)	All	Director: Financial Services	16.50%	Reverse Stand-Alone	Percentage	18.4	0	0	0	18.4
13	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments)/ Monthly fixed operating expenditure)	Ratio achieved ((Available cash+ investments)/ Monthly fixed operating expenditure)	All	Director: Financial Services	-1	Carry Over	Number	0.3	0	0	0	0.3
14	Municipal Manager	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	The percentage of the municipal capital budget actually spent on capital projects identified in terms of the IDP by 30 June 2016 ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted for capital projects)x100)	% of the municipal budget spent by 30 June 2016 ((Actual amount spent on projects as identified for the year in the IDP/Total amount budgeted for capital projects)x100)	All	Municipal Manager	90%	Carry Over	Percentage	90	0	0	0	90

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
15	Municipal Manager	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	Compile the Risk based Audit Plan and submit to the Audit Committee for approval by 31 May 2016	RBAP submitted to the Audit Committee by 31 May 2016	All	Municipal Manager	1	Carry Over	Number	1	0	0	0	1
16	Municipal Manager	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	% of audits completed in terms of the Risk Based Audit plan ((Planned audits completed divided by the audits planned for the financial year)x100)	% of planned audits completed	All	Municipal Manager	80%	Carry Over	Percentage	80	10	30	50	80
17	Community Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Governance and Municipal Transformation	Hold a public information meeting by 30 June 2016 to raise awareness with regard to floods before the raining season	Public meeting held by 30 June 2016	All	Director: Community Services	1	Accumulative	Number	1	0	0	0	1
18	Community Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Hold 12 roadblocks per annum that are verified by the Director responsible on approved template	Number of roadblocks held	All	Director: Community Services	12	Accumulative	Number	12	3	3	3	3
19	Community Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Purchase land by 30 June for the development of low cost housing in Doring Bay	Land purchased by 30 June 2016	2	Director: Community Services	New capital project for 2015/16	Carry Over	Number	1	0	0	0	1
20	Community Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Service 80 sites by 30 June 2016 for housing development in Klaver	Number of sites serviced	6	Director: Community Services	New capital project for 2015/16	Accumulative	Number	80	0	0	0	80

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
21	Community Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Service 50 sites by 30 June 2016 for housing development in Vredendal	Number of sites serviced	4	Director: Community Services	New capital project for 2015/16	Accumulative	Number	50	0	0	0	50
22	Community Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Purchase a refuse compactor by 31 December 2015	Compactor purchased by 31 December 2015	All	Director: Community Services	New capital project for 2015/16	Carry Over	Number	1	0	1	0	0
23	Development and Town Planning Services	Facilitate development and growth of the local economy of the Matzikama municipal area with the intent to create opportunities that will reduce poverty and unemployment	Local Economic Development	Facilitate the establishment of BBBEE business entities	Number of entities established	All	Director: Development and Town Planning Services	New KPI	Accumulative	Number	3	0	1	1	1
24	Development and Town Planning Services	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	Submit the Annual Performance Report in terms of Section 46 of the Municipal Systems Act to the Auditor-General by 31 August 2015	Report submitted to the Auditor-General by 31 August 2015	All	Director: Development and Town Planning Services	1	Carry Over	Number	1	1	0	0	0
25	Development and Town Planning Services	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	Submit the Draft Annual Report to Council by 31 January 2016	Report submitted to council by 31 January 2016	All	Director: Development and Town Planning Services	1	Carry Over	Number	1	0	0	1	0

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
26	Development and Town Planning Services	To facilitate the development of an environment that maximise the social well-being of the citizens of the Matzikama especially the poorest of the poor and other vulnerable groups	Good Governance and Municipal Transformation	Develop ward plans to be included in the IDP by 31 March 2016	Ward plans developed and included in the IDP by 31 March 2016	All	Director: Development and Town Planning Services	New KPI	Accumulative	Number	8	0	0	8	0
27	Development and Town Planning Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Develop a proposal for GAP housing development and submit to council for consideration by 30 September 2015	Proposal developed and submitted to council by 30 September 2015	All	Director: Development and Town Planning Services	New KPI	Carry Over	Number	1	1	0	0	0
28	Development and Town Planning Services	To capacitate all communities to participate in the development processes of the Municipality	Good Governance and Municipal Transformation	Hold ward committee training sessions	Number of training sessions held	All	Director: Development and Town Planning Services	New KPI	Accumulative	Number	3	0	1	1	1
29	Development and Town Planning Services	To capacitate all communities to participate in the development processes of the Municipality	Good Governance and Municipal Transformation	Hold training sessions for the members of the LED forum by 31 March 2016	Training sessions held by 31 March 2016	All	Director: Development and Town Planning Services	New KPI	Accumulative	Number	1	0	0	1	0
30	Corporate Services	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	Limit the funded vacancy rate to less than 15% of budgeted posts by 30 June 2016 $\{ \frac{\text{Actual approved budgeted vacant positions}}{\text{total budgeted approved posts}} \times 100 \}$	Vacancy rate $\{ \frac{\text{Actual approved budgeted vacant positions}}{\text{total budgeted approved posts}} \times 100 \}$	All	Director: Corporate Services	15%	Reverse Stand-Alone	Percentage	15	0	0	0	15

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
31	Corporate Services	To promote a transparent and caring Municipality that is accountable to its citizens	Good Governance and Municipal Transformation	Review the municipal organogram and submit to council by the 30 June 2016	Organogram reviewed and submitted to council by 30 June 2016	All	Director: Corporate Services	1	Carry Over	Number	1	0	0	0	1
32	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Limit unaccounted for electricity to less than 18% by 30 June 2016 $\{[(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated}] \times 100\}$	% unaccounted electricity at 30 June 2016 $\{(\text{Number of Electricity Units Purchased and/or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and/or Generated}\} \times 100\}$	All	Director: Technical Services	22.50%	Reverse Stand-Alone	Percentage	18	0	0	0	18
33	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Install electricity connections to 80 houses in Klaver by 30 June 2016	Number of electricity connections installed by 30 June 2016	6	Director: Technical Services	New capital project for 2015/16	Accumulative	Number	80	0	0	0	80
34	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Install electricity connections to 160 houses in Vredendal Noord by 30 June 2016	Number of electricity connections installed 30 June 2016	3	Director: Technical Services	New capital project for 2015/16	Accumulative	Number	160	0	0	0	160
35	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Limit unaccounted for water to less than 25% by 30 June 2016 $\{[(\text{Number of Kilolitres Water Purchased or Purified} - \text{Number of Kilolitres Water Sold}) / \text{Number of Kilolitres Water Purchased or Purified}] \times 100\}$	% unaccounted water at 30 June 2016 $\{[(\text{Number of Kilolitres Water Purchased or Purified} - \text{Number of Kilolitres Water Sold}) / \text{Number of Kilolitres Water Purchased or Purified}] \times 100\}$	All	Director: Technical Services	34.75%	Reverse Stand-Alone	Percentage	25	0	0	0	25
36	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Spend 100% of the DWS subsidy for the upgrade of the Desalination Plant in Bitterfontein by 31 March 2016 $\{(\text{Actual expenditure divided by the subsidy received}) \times 100\}$	% of subsidy spent for the upgrade of the Desalination Plant in Bitterfontein spent by 31 March 2016 $\{(\text{Actual expenditure divided by the subsidy received}) \times 100\}$	8	Director: Technical Services	New capital project for 2015/16	Carry Over	Percentage	100	5	30	100	0

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
37	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Construct 2ML raw water dam (WWTW) in Klaver by 30 June 2016	Project Completed by 30 June 2016	6	Director: Technical Services	New capital project for 2015/16	Carry Over	Number	1	0	0	0	1
38	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Upgrade the Doringbay Slipway by 30 June 2016	Project Completed by 30 June 2016	2	Director: Technical Services	New capital project for 2015/16	Carry Over	Number	1	0	0	0	1
39	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Complete phase 2 of the construction of the Klaver WWTW by 31 December 2016	Project Completed by 31 December 2016	6	Director: Technical Services	New capital project for 2015/16	Carry Over	Number	1	0	1	0	0
40	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Upgrade the Klaver WWTW by 30 June 2016	Project Completed by 30 June 2016	6	Director: Technical Services	New capital project for 2015/16	Carry Over	Number	1	0	0	0	1
41	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Construct Bitterfontein Sewerage network by 30 June 2016	Project Completed by 30 June 2016	8	Director: Technical Services	New capital project for 2015/16	Carry Over	Number	1	0	0	0	1
42	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Upgrade Alpha street in Klaver by 30 June 2016	Project Completed by 30 June 2016	6	Director: Technical Services	New capital project for 2015/16	Carry Over	Number	1	0	0	0	1
43	Technical Services	To promote access to adequate, affordable and well maintained municipal basic services	Good Quality Municipal Basic Services	Construct sidewalks in Lutzville by 30 June 2016	Project Completed by 30 June 2016	1	Director: Technical Services	New capital project for 2015/16	Carry Over	Number	1	0	0	0	1

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
44	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Achieve a debtors payment percentage of 85% at 30 June 2016 (Gross Debtors Opening Balance + Billed Revenue - Gross Debtors Closing Balance - Bad Debts Written Off / Billed Revenue x 100)	Payment % achieved at 30 June 2016	All	Director: Financial Services	85%	Stand-Alone	Percentage	85	0	0	0	85
45	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Submit the annual financial statements by 31 August 2015 to the Office of the Auditor-General	Financial statements submitted by 31 August 2015 to the Office of the Auditor-General	All	Director: Financial Services	1	Carry Over	Number	1	1	0	0	0
46	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Prepare and submit the annual adjustment budget to Council by 28 February 2016	Budget submitted to council by 28 February 2016	All	Director: Financial Services	1	Carry Over	Number	1	0	0	1	0
47	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Prepare and submit the draft main budget to Council by 31 March 2016	Draft budget submitted by 31 March 2016	All	Director: Financial Services	1	Carry Over	Number	1	0	0	1	0

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Ref	Directorate [R]	STRATEGIC Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Ward	Program Driver [R]	Baseline	KPI Calculation	KPI Target Type [R]	Annual Target	Q1	Q2	Q3	Q4
48	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Prepare and submit the final main budget to Council by 31 May 2016	Final budget submitted by 31 May 2016	All	Director: Financial Services	1	Carry Over	Number	1	0	0	0	1
49	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Prepare the mid-year budget report in terms of section 72 of the MFMA and submit to the Mayor by 25 January 2016	Report submitted to Mayor by 25 January 2016	All	Director: Financial Services	1	Carry Over	Number	1	0	0	1	0
50	Financial Services	To expand and grow the Matzikama Municipality's Internally Generated Funds (IGF) with the intent to promote long-term financial stability	Financial Stability	Review and submit all previously approved budget and related policies to Council with the draft budget by 31 March 2016	% of all previously approved budget and related policies submitted to council by 31 March 2016	All	Director: Financial Services	12	Carry Over	Number	12	0	0	12	0

