



### **Vision**

***“To be the best together”  
“Om saam die beste te wees”  
“Sobalasele sonke”***

## **BITOU LOCAL MUNICIPALITY**

### **Mission**

- *Effect participative and accountable Developmental Local Government and Governance;*
- *Facilitate sustainable development and ensure environmental Integrity;*
- *Pro-actively identify suitable land for settlement;*
- *Facilitate housing delivery;*
- *Provide basic services;*
- *Facilitate local economic development, with a particular focus on eradicating poverty, creating jobs and developing the tourism and eco-tourism sector; and*
- *Facilitate social upliftment and development*



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## FOREWORD: EXECUTIVE MAYOR

We are at a vital stage of our political-and developmental history as a young democracy! Coupled with institutional transformation which is the requirement of Local Government (Chapter 5 of the Municipal Systems Act, of 2000) to prepare an Integrated Development Plan (affectionately known as the IDP) in the interests of ensuring better service to the people and dealing squarely with the poverty facing the most disadvantage areas.

The 1<sup>st</sup> Cycle of IDP's marked the end of a challenging phase for municipality broadly with regards to impact measurement, performance management and strategic flow. The 2<sup>nd</sup> Generation Integrated Development Plan, which informs our budget and determines our service delivery targets and transformation agenda during our term of office, was a lengthy and exciting process. In line with legislation we have consulted widely during the prescribe period of consultation. All the different wards has identified their needs and prioritised them. The establishment of our planning platforms for the new council with the view of an all inclusive macro plan for Plettenberg Bay.

Taking into account the legal framework which governs our participatory system, the functioning of ward committees and the inclusion of Community Development Workers has strengthen our ability to reach the most vulnerable and the majority of our communities and here I must congratulate Bitou Municipality political office bearers and staff for the establishment of our ward committee system.

I therefore wish to encourage all citizens, business, government, labour and non government organisations to joins hand with our council to address the many challenges the municipalities in South African face and to ensure the all its citizens enjoy the benefits accrued from the local economy.

*Alderman Lulama L Mvimbi*  
*Executive Mayor of Bitou*



## FOREWORD: MUNICIPAL MANAGER

The development challenges facing the Bitou Local Municipality are real and enormous. In order to deal successfully with these challenges, the Bitou Local Municipality needs a committed and dedicated corps of officials who embrace a developmental management approach. The Municipality is committed to working with local communities to find sustainable ways to meet their basic, social and economic needs and to improve the quality of their lives and living environment.

The above will only be achieved if the Bitou Local Municipality, in terms of Section 23(1) of the Municipal Systems Act, of 2000, undertake developmentally orientated planning. The municipality faces great challenges in promoting human rights and meeting human needs, addressing past backlogs and spatial distortions and planning for a sustainable future. Changes in both societal demands and the Municipality's ability and readiness to address such dynamics necessitate periodic reviews of the Integrated Development Plan (IDP).

The advent of a new political term of office of the Municipal Council necessitated, in terms of Section 25(1) of the Municipal Systems Act, 2000, the adoption of a single, inclusive and strategic plan for this municipality. This plan is what is commonly referred to as the "2<sup>nd</sup> Generation IDP". The development process of the IDP is a lengthy one, involving wide consultation with various stakeholders before it is finally adopted by Council. For it to be finalized, it is required that it should be aligned to National and Provincial targets, taking into account the needs of our local communities.

The IDP is also informed by Strategic Planning sessions which are held with Councillors and senior management officials. These sessions play a crucial role in assessing our performance with regard to National Government's targets and developing key strategic objectives for the Bitou Local Municipality. The sessions also inform and enable the municipality to, in support of the community-identified needs and to devise strategic interventions.

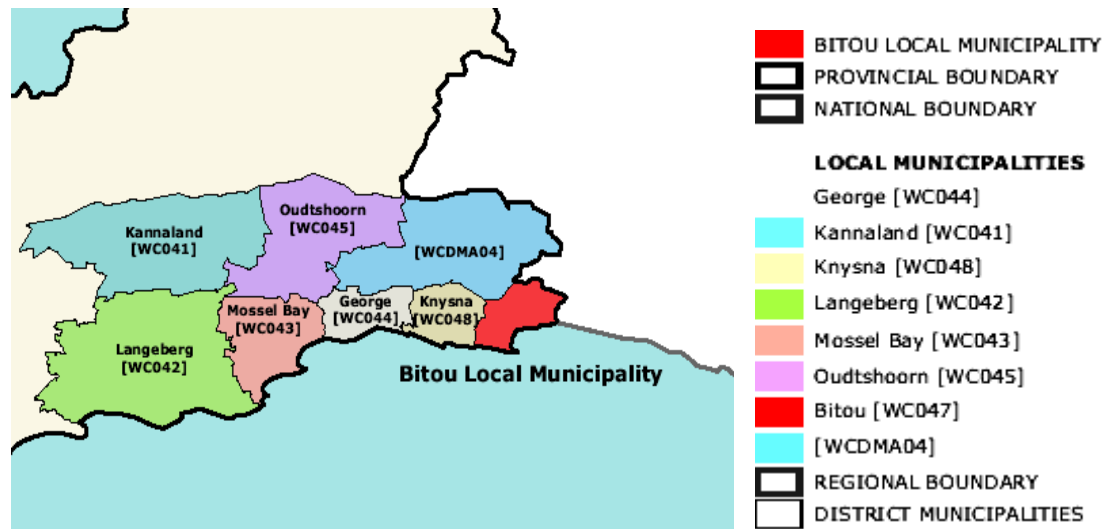
In order to ensure that our Integrated Development Plan is more representative of the needs of our communities, and in order to deepen democracy within our municipal area, Bitou Municipality will be ensuring the involvement of ward committees in the IDP process. The ward committees form a vital link between local government and communities. We wish to ensure greater community participation by engaging ward committees in disseminating and communicating information to the citizens of our municipality.

Good governance in local government is crucial in ensuring effective service delivery. I am confident that with the support of all our stakeholders and strategic partners, the Bitou Local Municipality will meet its challenges and achieve its objectives and that we will live up to our vision of being the best together, dedicated to servicing the needs of our communities and their social and economic development.

*Monnapule George Seitisho*  
*Municipal Manager*

## Introduction

- The Bitou Local Municipality is situated along the Garden Route on the eastern boundary of the Western Cape Province. The eastern boundary of the area of jurisdiction of the Bitou Local Municipality [hereafter referred to as the Bitou Local Municipal Area or Bitou Municipal Area] forms the provincial boundary between the Western Cape and Eastern Cape Provinces.



The Bitou Municipal Area adjoins:

- The Indian Ocean on the southern boundary;
- The area of jurisdiction of the Knysna Local Municipality [hereafter referred to as the Knysna Local Municipal Area] on the western boundary;
- The area of jurisdiction of the WCDMA04 Cross-Boundary District Municipality [hereafter referred to as the WCDMA04 Cross-Boundary District Municipal Area] on the northern boundary. The WCDMA04 Cross-Boundary District Municipal Area forms part of the area of jurisdiction of the Klein Karoo District Municipality [hereafter referred to as the Klein Karoo District Municipal Area]; and
- The area of jurisdiction of the Kou-Kamma Local Municipality [hereafter referred to as the Kou-Kamma Local Municipal Area] on the eastern boundary. The Kou-Kamma Municipal Area forms part of the area of jurisdiction of the Cacadu District Municipality [hereafter referred to as the Cacadu District Municipal Area] in the Eastern Cape Province.

## Integrated Development Planning

Integrated Development Planning is an approach to planning which is aimed at involving the municipality and the community to find the best solutions towards sustainable development. An Integrated Development Plan is a strategic plan for an area that gives an overall framework for development. It aims to co-ordinate the work of local government and other spheres of government in a coherent plan to improve the quality of life for all the people living in an area. It should take into account the existing conditions and problems and resources available for development.

It is a process through which municipalities prepare a strategic development plan which extends over a 5 year period. The Bitou IDP is the principal strategic planning instrument which guides and informs all planning, budgeting, management and decision-making processes in the municipality.

Through Integrated Development Planning which necessitates the involvement of all relevant stakeholders, a municipality:-

- Identify its key development priorities;
- Formulate a clear vision, mission and values;
- Formulate appropriate strategies;
- Develop the appropriate organizational structure and systems to realize the vision and mission; and
- Align resources with the developmental priorities.

The Integrated Development Planning process entails;

- An assessment of the existing level of development and the identification of key development priorities
- The vision and mission statements for the long term development flow from the aforesaid, with specific reference to critical developmental and internal transformational needs
- The development strategies and objectives will be directed at bridging the gap between the existing level of development and the vision and mission.

A very critical phase of the IDP process is to link planning to the municipal budget (i.e. allocation of internal or external funding to the identified projects); because this will ensure that the IDP directs the development and implementation of projects.

After approval of this plan by the municipal council, all development and projects must comply with the stipulations of the IDP. All other plans and strategies by the Municipality are secondary to the IDP. The IDP is the only overarching plan guiding development in its jurisdiction, and even the budget must comply with the contents of the IDP.

#### **Why is it necessary to do an IDP?**

There are six main reasons why a municipality should have an IDP

- **Effective use of scarce resources**

The IDP will help the local municipality focus on the most important needs of local communities taking into account the resources available at local level.

- **To speed up delivery**

The IDP identifies the least serviced and most impoverished areas and points to where municipal funds should be spent. Implementation is made easier because the relevant stakeholders have been part of the process. The IDP provides deadlock-breaking mechanisms to ensure that projects and programmes are efficiently implemented. The IDP helps to develop realistic project proposals based on the availability of resources.

- **To attract additional funds**

Government departments and private investors are willing to invest where municipalities have clear development plans.

- **Strengthens democracy**

Through the active participation of all the important stakeholders, decisions are made in a democratic and transparent manner.

- **Helps to overcome the legacy of apartheid**

Municipal resources are used to integrate rural and urban areas and to extend services to the poor.

- **Promotes co-ordination between local, provincial and national government**

The different spheres of government are encouraged to work in a coordinated manner to tackle the development needs in a local area.

### Legal framework for Integrated Development Planning

In 2000 the Municipal Systems Act 32 of 2000 (MSA) came into operation. According to Section 25(1) of the Act each municipality must, after the start of its elected term, adopt a single, inclusive, and strategic plan for the development of the municipality which:

- (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality
- (b) aligns the resources and capacity of the municipality with the implementation of the plan:
- (c) forms the policy framework and general basis on which annual budgets must be based;
- (d) complies with the provisions of this Chapter; and
- (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

(2) An integrated development plan adopted by a municipal council in terms of subsection (1) may be amended in terms of section 34 and remain in force until an integrated development plan is adopted by the next elected council.

(3) (a) A newly elected municipal council may, within the prescribed period referred to in subsection (1), adopt the integrated development plan of its predecessor, but before taking a decision it must comply with section 29(l)(b)(i), (c) and (d).

(b) A newly elected municipal council that adopts the integrated development plan of its predecessor with amendments, must reflect the amendments in accordance with the process referred to in section 34(b)..

### The process plan

The Mayoral Committee adopted a process plan for the development of the new IDP. The Plan includes both the IDP and budget processes and it complies with the minimum requirements of the Municipal Systems Act, 2000 (Act 32 of 2000).

The following plan reflects the process plan for the IDP and preparation of the budget:

PROPOSED PLANNING ACTIVITIES	LEGISLATION COMPLIANCE	TIMEFRAMES
<b>IDP PROCESS PLAN</b>		
Define methodology with HoD's		24/07/2006
Finalise planning methodology internally		06/07/2006
Orientate Council		31/07/2006
<b>APPROVAL OF PROCESS PLAN</b>		
Strategic Planning session with Cllrs and HoD's		03/08/2006
Refer to Council		03/08/2006
Approve process plan		30/08/2006
Submission to District		30/08/2006
<b>IDP TRAINING</b>		
Councillors & CDW's		09/08/2006
Ward Committees		12/08/2006
<b>WARD PROFILING</b>		
Socio - economic surveys		13/10/2006
Data analysis		20/10/2006
Data Verification with Sector Departments		30/10/2006
Finalisation of ward profiling		22/09/2006

<b>PUBLIC PARTICIPATION PER WARD</b>	Section of Systems Act	
Schedule ward meetings (1-6)		01/09/2006
Ward Meetings (Determining Service Delivery priorities)	5(29)(1)(i)	12-19/09/2006
Compile list of key priorities per ward	5(29)(1)(ii)	30/09/2006
Packaging of key priorities		
Submit priority lists to Directors		10/10/2006
Alignment of key priorities with District priorities and other state organs	5(29)(1)(iii)	20/10/2006
<b>BUDGET ALIGNMENT</b>	Section of MFMA	
Informal meeting with Councillors and Officials to determine the format of particulars to be submitted in respect of the budget (07/08 budget preparations)		08/02/2007
Councillors, Municipal Manager and Officials to submit items to be captured in the draft budget to the Chief Financial Officer		09/02/2007
Chief Financial Officer to submit draft budget to Municipal Manager		05/03/2007
Informal Mayoral committee Management meeting to discuss draft budget		07/03/2007
Draft budget to Council	16(2)	21/03/2007
Submission of Draft Budget to Community and State Organs	22	31/03/2007
Submit Draft to Council	23	02/05/2007
Final Draft to Council	24	16/05/2007
<b>ANNUAL REVIEW OF BUDGET RELATED POLICIES</b>	Section of MFMA	
Submit review policies to council	21(1)(b)(ii)(bb)	
<b>PROJECT AUDIT</b>		
Submission of departmental Project progress reports		30/06/2007
Compile progress summary report		30/06/2007



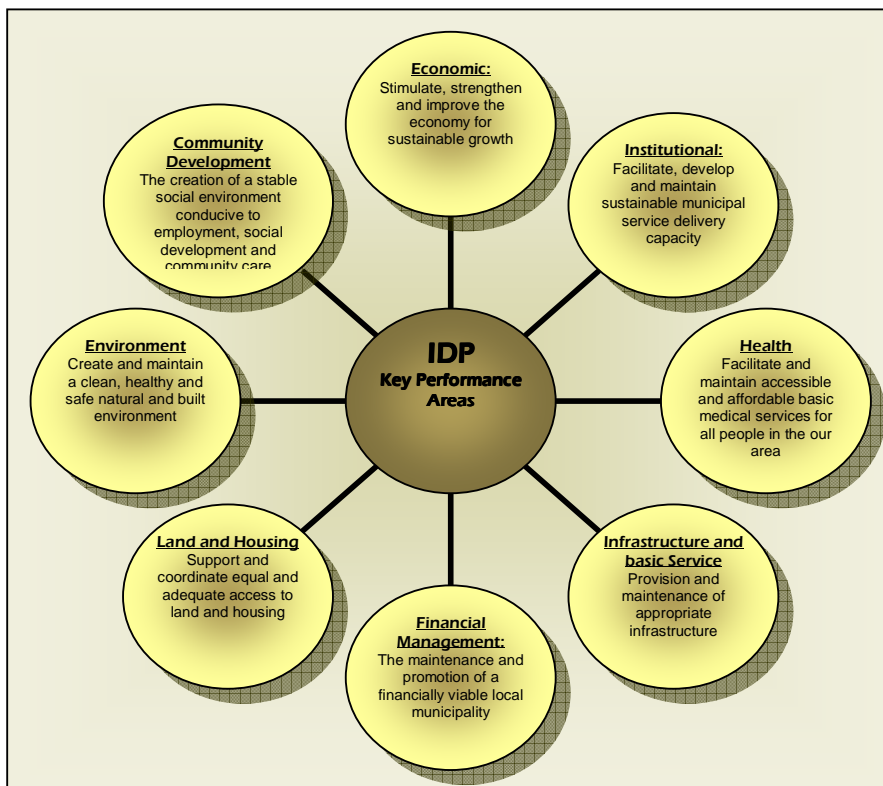


Figure 2: Key Performance Areas

## SOCIO ECONOMIC PROFILE

In association with the Unit for Religion and Development Research (URDR) based at the Stellenbosch University, Distinctive Choice, Eden District Municipality and Bitou Municipality conduct a comprehensive socio-economic survey was conducted in the whole of the Eden District Municipality.

The need for a socio-economic survey developed from a need for recent information regarding all aspects of development to assist the different Councils in providing strategic leadership within the framework of a new development trajectory. Since socio-economic datasets will form the statistical basis for all planning, it is important that the district, as well as local municipalities, has access to accurate, recent and relevant socio-economic baseline data.

Since the next national census is scheduled for only 2011 and Census 2001 data is now outdated, it was important for the municipalities in the Eden District to take the initiative to update the socio-economic datasets available for the district as a whole. This data will also form the basis for the service-delivery strategies of the Municipalities in the next IDP cycle.

The primary aim of the project was to compile a socio-economic profile for each ward within the Municipality by means of quantitative research methods. This quantitative data had to adhere to two fundamentals – the data must be comparable at ward level and it has to be GIS (Geographical Information Systems) compatible. In addition, the research team was requested to collect qualitative data on specific issues within each local municipality.

The quantitative approach comprised a structured questionnaire administered to the household head, or responsible adult part of the household. Conducting focus groups with specific target groups collected qualitative data, which representatives of the respective local municipalities had identified. The selection of

these groups was informed of the specific need for in-depth information on different issues that the different local municipalities needed.

The specific objectives that needed to be realised in order to conclude the project were:

1. Conduct a survey:
  - a. develop the questionnaire;
  - b. establish what sample size in each ward is needed to make results from the questionnaire survey comparable at ward level;
  - c. train people who will:
    - i. be responsible for coordinating the fieldworkers and sample realisation (supervisors); and
    - ii. be responsible for conducting face-to-face interviews with heads of households, or adult representatives of the households (fieldworkers);
  - d. ensure the quality of the data:
    - i. be responsible for the capturing of the data;
  - e. establish quality assurance procedures for the quantitative data:
    - i. by training;
    - ii. by logistical planning;
    - iii. by interviewing procedures;
    - iv. by checking the quality of each questionnaire.
2. Design a GIS compatible database:
  - a. by training people for data-capturing;
  - b. by providing a clean database;
  - c. by analysing data.
3. Conduct two focus group discussions in each of the eight local municipalities:
  - a. to decide on main topics for focus-group discussions;
  - b. to decide on a relevant method of recruiting persons who will participate in focus-group discussions;
  - c. then write reports on focus-group discussions.

We have only selected the following tables for the inclusion in the IDP and the socio economic profile will be attach as an Annexure

**Bitou Table 3A: Population group (All individuals)**

Bitou	Black	Coloured	Asian	White	Other	Total	N
10407001	20.90%	58.76%	0.09%	20.06%	0.19%	100.00%	1 067
10407002	41.76%	6.52%	0.11%	51.60%	0.00%	100.00%	874
10407003	22.16%	65.82%	0.47%	10.42%	1.13%	100.00%	1 065
10407004	4.09%	30.76%	0.00%	43.39%	21.75%	100.00%	855
10407005	83.50%	15.86%	0.00%	0.00%	0.65%	100.00%	927
10407006	97.17%	2.83%	0.00%	0.00%	0.00%	100.00%	814

<b>Total</b>	<b>43.75%</b>	<b>33.11%</b>	<b>0.16%</b>	<b>19.74%</b>	<b>3.24%</b>	<b>100.00%</b>	<b>4 352</b>
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**Bitou Table 7A: Highest educational level (Individuals older than 18)**

Bitou	No school	Gr 0	Gr 1 - 7	Gr 8-11	Gr 12	Certificate No Matric	Diploma No Matric	Certificate With Matric	Diploma With Matric	Technik on degree	University degree	Adult education	Other	Don't know	N/A	N
10407001	8.25%	0.28%	25.87%	29.09%	25.03%	0.28%	0.28%	0.00%	0.14%	1.40%	5.31%	0.14%	0.56%	2.24%	1.12%	715
10407002	1.12%	0.32%	8.47%	24.92%	36.2%	1.12%	0.16%	4.15%	2.72%	2.24%	2.40%	4.63%	4.95%	5.11%	1.44%	626
10407003	4.26%	0.00%	23.59%	35.31%	28.16%	0.46%	0.46%	0.46%	0.30%	1.22%	2.59%	0.15%	0.00%	2.59%	0.46%	657
10407004	4.37%	0.00%	9.79%	23.43%	28.8%	0.17%	0.17%	13.29%	2.62%	2.45%	7.34%	0.17%	5.59%	1.40%	0.35%	572
10407005	5.39%	0.35%	21.74%	40.87%	18.4%	1.91%	0.35%	4.70%	1.91%	0.17%	0.00%	0.00%	0.00%	2.61%	1.57%	575
10407006	5.65%	0.18%	24.04%	41.71%	12.39%	4.19%	0.36%	6.56%	2.00%	0.18%	0.73%	0.00%	0.00%	1.09%	0.91%	549
<b>Total</b>	<b>4.69%</b>	<b>0.17%</b>	<b>19.66%</b>	<b>32.42%</b>	<b>25.78%</b>	<b>1.19%</b>	<b>0.31%</b>	<b>4.06%</b>	<b>1.57%</b>	<b>1.43%</b>	<b>3.36%</b>	<b>0.70%</b>	<b>1.33%</b>	<b>2.34%</b>	<b>0.98%</b>	<b>2 859</b>

**Bitou Table 8A: Employment status (Individuals older than 15)**

Bitou	Paid employee	Self-employed	Employer	Unemployed	N/A	Total	N
10407001	37.98%	7.04%	0.00%	49.80%	5.18%	100.00%	753
10407002	41.89%	7.81%	0.15%	45.35%	4.80%	100.00%	666
10407003	48.15%	3.84%	0.28%	41.76%	5.97%	100.00%	704
10407004	34.98%	2.31%	0.33%	54.13%	8.25%	100.00%	606
10407005	45.50%	1.29%	0.80%	47.91%	4.50%	100.00%	622
10407006	26.83%	2.83%	11.83%	49.17%	9.33%	100.00%	600
<b>Total</b>	<b>39.90%</b>	<b>4.33%</b>	<b>1.85%</b>	<b>48.36%</b>	<b>5.56%</b>	<b>100.00%</b>	<b>3 073</b>

**Bitou Table 9A: Sector in which person is employed (All employed individuals)**

Bitou	Formal sector	Informal sector	Work for private person	N/A	Total	N
10407001	73.00%	6.06%	18.73%	2.20%	100.00%	363
10407002	75.45%	7.19%	16.77%	0.60%	100.00%	334
10407003	46.05%	21.58%	30.00%	2.37%	100.00%	380
10407004	51.84%	33.47%	14.29%	0.41%	100.00%	245
10407005	64.59%	10.16%	23.93%	1.31%	100.00%	305
10407006	49.80%	5.88%	41.18%	3.14%	100.00%	255
<b>Total</b>	<b>61.08%</b>	<b>13.63%</b>	<b>23.59%</b>	<b>1.69%</b>	<b>100.00%</b>	<b>1 475</b>

**Bitou Table 20A: Monthly household income**

Bitou	No income	R1-R400	R401-R800	R801-R1 600	R1 601-R3 200	R3 201-R6 400	R6 401-R12 800	R12 801-R25 600	R25 600+	N/A	Total	N
10407001	8.08%	7.74%	10.44%	29.97%	13.80%	7.07%	5.72%	7.74%	3.37%	6.06%	100.00%	297
10407002	3.17%	5.99%	5.99%	21.13%	16.20%	9.86%	13.38%	20.07%	3.87%	0.35%	100.00%	284
10407003	2.46%	5.99%	11.97%	27.46%	21.48%	13.03%	10.21%	3.17%	1.76%	2.46%	100.00%	284
10407004	4.29%	2.86%	8.21%	15.00%	12.14%	7.14%	9.64%	21.07%	16.79%	2.86%	100.00%	280
10407005	4.35%	18.18%	17.79%	36.36%	16.60%	4.74%	0.40%	0.00%	0.40%	1.19%	100.00%	253
10407006	2.96%	17.04%	22.96%	36.30%	13.33%	2.96%	0.00%	0.37%	0.00%	4.07%	100.00%	270
<b>Total</b>	<b>3.96%</b>	<b>9.55%</b>	<b>12.42%</b>	<b>28.18%</b>	<b>15.99%</b>	<b>7.38%</b>	<b>6.60%</b>	<b>8.54%</b>	<b>4.35%</b>	<b>3.03%</b>	<b>100.00%</b>	<b>1 288</b>

**Bitou Table 26A: Access to clinic services**

Bitou	Clinic in immediate area	Clinic in town	Mobile clinic on farm	Mobile clinic elsewhere	No access to clinic	N/A	Total	N
10407001	72.05%	19.87%	3.37%	0.00%	4.71%	0.00%	100.00%	297
10407002	69.01%	28.87%	0.35%	0.35%	1.06%	0.35%	100.00%	284
10407003	80.63%	7.04%	2.46%	0.00%	4.58%	5.28%	100.00%	284
10407004	87.50%	2.50%	0.00%	0.00%	1.43%	8.57%	100.00%	280
10407005	84.58%	12.65%	0.00%	0.00%	2.37%	0.40%	100.00%	253
10407006	83.70%	8.15%	0.00%	0.00%	4.81%	3.33%	100.00%	270
<b>Total</b>	<b>79.43%</b>	<b>13.90%</b>	<b>1.09%</b>	<b>0.08%</b>	<b>3.03%</b>	<b>2.48%</b>	<b>100.00%</b>	<b>1 288</b>

### Progress with Sectoral Plans

As required by legislation, the compilation of certain sectoral plans is required to support development as planned in the Integrated Development Plan. With regard to the latter, the progress is as follows:

<b>Sectoral Plans</b>			
<b>Spatial Development Frameworks</b>	Bitou Municipality	Completed	Visi Africa Strategic Planners cc.
<b>Performance Management</b>	Bitou Municipality	Completed	Blazing Solutions
<b>Water Service Development Plan</b>	Bitou Municipality	Completed	Steward Scott Consulting Engineers
<b>Local Economic Strategy</b>	Bitou Municipality	Completed	Price Waterhouse Coopers Consortium
<b>Disaster Management</b>	Eden District municipality	District in Process of compiling plan	

# THE ORGANISATIONAL STRUCTURE

## Top Management

**MUNICIPAL MANAGER**



**MONNALPULE G SEITISHO**

**CORE FUNCTIONS**

- Local Economic Development
- Integrated Development Planning
- Internal Auditing
- Performance Management
- Tourism Management

**HEAD: CORPORATE SERVICES**



**Carl F B Mattheus**

**Core functions**

- Secretarial Services
- Property and Amenities
- Human Resources
- Beach Management
- Legal Services

**HEAD: COMMUNITY SERVICES**



**Zandile Mahlangu**

**Core functions**

- Primary Health Care
- Environmental Health
- Parks and Recreation
- Fire and Rescue Services
- Traffic Policing and Control Services
- Community Development
- Library Services

**HEAD: PUBLIC WORKS**



**David Friedman**

**Core Functions**

- Town Planning & Development
- Building Control and Infrastructure Management
- Electrical and Engineering Management
- Water Quality Control
- Civil Works
- Roads, Refuse Site Management

**CHIEF FINANCIAL OFFICER**

**VACANT**

**Core Functions**

- Budget Control
- Income Control
- Expenditure
- Fleet and Supply Chain
- Information Technology

# **THE PUBLIC PARTICIPATION PROCESS: COMMUNITY IDP NEEDS 2007 / 2010**

## **Ward 1- Green Valley / The Craggs / Wittedrift / Natures Valley**

### **Green Valley**

- Job creation / LED initiatives
- Adequate Housing
- Educational facilities “oprting van skool”
- Land acquisition for sport facilities
- Land for cemeteries
- Erection of a Multi Purpose Community centre

### **Kurland / the Craggs**

- Libraries and recreational facilities
- Fire Hydrants
- Proper drainage systems
- Upgrading “Old age home “
- Electricity supply (inadequate)
- Toilet facilities (upgrade informal areas)
- Acquisition of land (Housing and agricultural )
- Street lighting (upgrade)
- Establishment of Sport field
- Upgrade of streets (+tarring)
- “Workshop” for the disabled
- Job creation / advertising locally (LED opportunities)
- ECD facilities
- Ambulance service (in existence centralised)
- Shelters for pensioners at the hall
- Transport high school pupils
- High school

## **Ward 2 - Plett North, Bossiesgif , Qolweni areas**

- Identification of land for life stock
- Temporary electricity connections
- Erection of a firestation
- Land for cemetery
- Sports stadium
- Local police station

### **Ward 3 - New Horizons, Kwanokuthula part of Phase 1**

- Acquisition of land for agricultural purposes (small scale farming)
- Acquisition of land for housing
- Acquisition of land for cemetery
- Establishment of a Youth centre / recreational facilities / MPCC (gym, swimming pool)
- Job creation initiatives (LED)
- Local police station
- Upgrade of street lighting
- Land for small businesses (SMME's)

### **Ward 4 – Kranshoek / Plett South**

- More taxi facilities
- Adequate Street lighting (High mast preferably )
- Housing
- Basic services (water & electricity)
- Education (Primary and high school)
- Ambulance and “brandweer” dienste
- Shelter at community health centre
- Local Police station

### **Ward 5 and 6 – KwaNokuthula**

- Adequate sport facilities / stadium
- Upgrade electricity supply
- Adequate facilities for cemetery (identification of suitable land )
- Upgrading of sewer pumpstation
- Local Fire station
- Centralising / Relocate clinic
- Additional schools
- Upgrading of existing simunye Centre ( theatre facilities included)
- Consumer education on Tender processes
- Establishment of satellite institutions of Higher Learning (eg. Technikon)
- Hospital for Bitou area / community (24/7)
- Refurbish Murray High
- Old Age Home
- Upgrade Taxi Rank
- Provision for Middle Income Housing
- High mass lights (replace existing)
- Accessibility ambulance services
- Job creation initiatives / Local Economic Development / BEE

# COMMUNITY IDP PRIORITIES 2007 / 2008

ALDERMAN Euan Wildeman



## Kurland

- Upgrading of sanitation, storm water infrastructure, sidewalks, street lights and tarring of roads
- Land for residential and business purposes
- Public Library
- Job creation / LED opportunities
- Fire station and ambulance services

## Green Valley

- Housing
- Construction of Multi Purpose Centre
- Sports facilities
- Job creation/LED opportunities
- Provision of Educational facilities

## Keurbooms

- Completion of sewerage system and related public works.
- Upgrade of refuse collection system and implementation of recycling collection programme.
- New public access and upgrading/expansion of present beach accesses and boardwalks
- Improvement/resurfacing of river road and P394 transfer from province to municipality
- Construction of pedestrian path along P394

## Natures Valley

- Establishment of a sewer system and upgrading of existing ablution facilities at café and entrance
- Upgrading of electricity supply
- Fresh water supply
- Roads infrastructure (Lagoon drive)



**WARD 2**  
**Councillor Monica Seyisi**

- Temporary electricity connection
- Fire station
- Sport stadium
- Local police station
- Land for live stock



**WARD 3**  
**Councillor Laurence Luiters**

- Construction of a youth Centre/Multi Purpose Centre
- Land for SMME's / Job creation / LED opportunities
- Land for residential settlements inclusive of Middle Income Housing
- Land for agriculture
- Land for cemetery



**WARD 4**

- Basic services at existing informal settlements (water and electricity)
- Land for residential settlement
- Upgrade street lightning to high mast
- Erection of shelter at Community Health Centre
- Taxi pick up and drop off zones

**WARD 5**  
**Councillor Doris Xego**

- Job creation / LED opportunities
- Middle income Housing
- Upgrading of Multi Purpose Community Centre
- Upgrading of sport field
- High mast lighting



**WARD 6**



## Councillor Memory Booysen

- Job creation / LED opportunities
- Middle income Housing
- Upgrading of Multi Purpose Community Centre
- Upgrading of sport field
- High mast lighting

### Economic Development

Bitou Municipality as embark on an extensive analysis (Economic Strategy - Strategic Issues and Informants, 2005) of economic potentials, the following strategic themes have been identified to inform the LED Strategy of Bitou municipality:

- **Retention, growth and development of local resources and attraction of external resources for investment;**
- **Plugging the Leaks: Resource circulation in local region ;**
- **Institutional systems to facilitate LED in terms of plugging the Leaks.**

Bitou Municipality further supports its strategy with the successful developing and implementation plan and this plan arises from a process involving the LED Steering Committee that is representative of the major interests involved in the local economy. The process entailed reviewing the earlier work conducted in the formulation of a broad scale LED strategy. This work produced an extensive set of interventions and actions that could be undertaken to promote the local economy. This was considered too extensive and required prioritisation and focussing.

The Bitou LED Steering Committee undertook the task of prioritising the proposed interventions, a short list of short- and medium-term interventions was identified. These formed the basis for the compilation of this plan.

The focus of the implementation strategy falls on actions prioritised for the first three years of the application of the strategy, which was structured as follows:

- An overarching emphasis for LED in the Bitou Municipality summarises the focus of the priorities identified for the implementation plan;
- Eight sections follow which set out the prioritised interventions by theme. The themes are:
  - Human Resource Development;
  - Entrepreneur Development;
  - Job Creation;
  - Branding;
  - Land Ownership;
  - Capital Availability;
  - Nodal Development; and,
  - Enabling Environment.

## Human Resource Development

The objective of the human resource development theme is to broaden the skill base of historically disadvantaged individuals in the Bitou area, and to upgrade employment opportunities.

Indicator of Success: Growth in the proportion of Historically Disadvantaged Individuals (HDIs) in managerial and supervisory positions within Bitou and growth in the number of skilled HDIs entering formal employment.

The following actions must be implemented:

Intervention	Indicator of Success	Activities
Create jobs for HDIs in managerial and supervisory positions in existing industries in the formal economy	30 jobs per annum created	Recruit businesses to participate in the programme
		Develop a collective plan for all participants with explicit objectives, outcomes and timeframes, as well as an ongoing support programme
		Facilitate partnership/s with tertiary institution/s to develop and implement generic National Qualifications Authority-standard courses in supervision and management
		Develop and implement a discrete plan for each participating business
		Develop and Implement a monitoring and evaluation programme
Create or facilitate access to a bursary fund to capacitate HDIs in general management and administrative skills	5 to 10 Bursaries awarded per annum	Design Bursary Programme: <ul style="list-style-type: none"> <li>Establish market demand, as well as potential vacation and permanent employment opportunities for students and subsequent successful graduates</li> <li>Establish potential funders, levels of funding, bursary sizes, and associated numbers of bursaries</li> <li>Establish financial management and governance arrangements for the disbursing of bursaries</li> <li>Develop bursary allocation criteria and allocation process</li> <li>Secure funds</li> </ul>
		Advertise and recruit bursary recipients
		Implement Bursary Programme
		Develop and Implement a monitoring and evaluation programme
Develop the skills base of women and youth	50 women and youth trained in first year, with the total growing by 10% per annum thereafter	Conduct needs assessment research to establish the nature of skills development required
		Design a skills development programme, including explicit targets, resource requirements, and operational procedures
		Identify and engage implementing agents
		Secure resources and implement the plan
		Develop and Implement a monitoring and evaluation programme
Create learnerships in established businesses	15 learnerships per annum	Negotiate a partnership with relevant Sector Education and Training Authorities in order for the municipality to act as the vehicle to recruit learners; and, establish a partnership with Provincial Government of the Western Cape's Learnership 1000/5000 programme
		Establish the appropriate internal capacity to manage the programme
		Negotiate with local businesses who will be targeted to provide 15 placements of learners per annum

Intervention	Indicator of Success	Activities
		Design the recruitment and placement process
		Implement the recruitment and placement process
		Develop and Implement a monitoring and evaluation programme

## **Entrepreneur Development**

The objective of the entrepreneur development theme is to create a thriving entrepreneurial environment in the Bitou Municipal Area.

Indicator of Success: Increase in the number of SMEs operating successfully for longer than three years in Bitou

The following actions must be implemented:

Intervention	Indicators of Success	Activities
<p>Finance and provide business development services and market linkages to businesses through an Integrated Entrepreneurship Support Programme</p> <p>This incorporates:</p> <ul style="list-style-type: none"> <li>• Develop operational and financial capacity of existing entrepreneurs in the informal economy (A3.3)</li> <li>• Establish an SME programme where established businesses in Bitou provide mentorship and support to new SMEs</li> <li>• Facilitate the start-up of SMEs which are owned and operated by women as HDIs</li> <li>• Facilitate the start-up of SMEs which are owned and operated by youth</li> </ul>	<p>60 businesses supported per annum increasing by ten percent annually</p> <p>10 businesses mentored per annum, increasing by 50 percent annually</p> <p>10 percent annual increase in proportion of procurements awarded to SMEs with a medium term target of 50% of total procurements to be awarded to SMEs</p>	<p>Basic Elements: Put in place the basic elements of the programme, including:</p> <ul style="list-style-type: none"> <li>• Institutional Mechanisms: <ul style="list-style-type: none"> <li>• Establish partnerships with key institutions, such as Red Door and the DBSA; and,</li> <li>• Establish an SME Forum as a mechanism for co-operation and information sharing.</li> </ul> </li> <li>• Funding arrangements;</li> <li>• Human resources and office infrastructure.</li> </ul>
		<p>Database: Establish and maintain a database of all informal and formal SMEs</p>
		<p>Support Services: Develop a support programme by:</p> <p>Identifying support needs;</p> <ul style="list-style-type: none"> <li>• Designing a set of support services, marketing strategy and institutional arrangements;</li> <li>• Securing funding;</li> <li>• Identifying and secure service providers;</li> <li>• Implementing the service</li> <li>• Developing and implementing a monitoring and evaluation programme</li> </ul>

Intervention	Indicators of Success	Activities
		<p>Mentoring: Put in place a mentorship programme by:</p> <ul style="list-style-type: none"> <li>• Recruiting mentors</li> <li>• Developing and implementing training for mentors</li> <li>• Establishing institutional arrangements to manage the mentoring process</li> <li>• Advertising and initiating mentoring services</li> <li>• Promoting SME development through a column in local newspapers</li> <li>• Developing and Implementing a monitoring and evaluation programme</li> </ul>
		<p>Marketing: Develop supply and demand side marketing action:</p> <ul style="list-style-type: none"> <li>• Supply Side: <ul style="list-style-type: none"> <li>• Develop and publicise a database of goods and services offered by local SMEs</li> <li>• Identify and develop sites for markets</li> <li>• Facilitate co-operation and networking among SMEs</li> </ul> </li> <li>• Demand Side: <ul style="list-style-type: none"> <li>• Develop and implement a municipal SME procurement policy</li> <li>• Facilitate a commitment from local established businesses to procure a fixed level of goods and services locally</li> <li>• Identify and facilitate local “in sourcing” opportunities</li> </ul> </li> </ul>

## Job Creation

The objective of the job creation theme is to increase local employment.

Indicator of Success: Targeted reduction in unemployment

The following actions must be implemented:

Intervention	Indicators of Success	Activities
Enter a social contract for all established businesses and municipality to employ local labour	60% of labour sourced locally	Negotiate a contract between the social parties local government, business and civil society
		Recruit signatories to the contract
		Develop and Implement a monitoring and evaluation programme
Provide business development support services to existing businesses wanting to expand in order to create jobs	20 businesses supported per annum	Identify support service requirements
		Identify and engage service providers in government and private sectors
		Advertise and promote the available services
		Develop and Implement a monitoring and evaluation programme

## Branding

The objective of the branding theme is to create a Bitou brand and marketing strategy to promote tourism and investment in the area.

Indicator of Success: Increased tourism and investment in the area

The following actions must be implemented:

Intervention	Indicator of Success	Activities
Create a Bitou brand for destination marketing	At least 50% of local organisations using the brand and marketing strategy	Conduct a participatory planning process to develop the brand and destination marketing strategy
		Establish a brand utilisation protocol
	At least 50% of visitors aware of the brand	Promote the local adoption of the strategy and brand through publicity and training activities
		Implement the strategy
		Develop and Implement a monitoring and evaluation programme

## Land and Asset Ownership

The objective of the land and asset ownership theme is to achieve representative ownership of local land and assets.

Indicator of Success: Increased proportion of local land and assets owned by HDIs

The following actions must be implemented:

Intervention	Indicator of Success	Activities
Transfer ownership of public land/assets to HDIs for viable investments	30% of total available public assets transferred	Conduct an audit to identify available public land and assets
		Develop a proposal call process, and criteria for the assessment of proposals for the acquisition and utilisation of available land and assets
		Solicit proposals
		Evaluate and select proposals; and contract with the preferred bidders
		Develop and Implement a monitoring and evaluation programme

## Capital Availability

The objective of the capital availability theme is to facilitate access to funds for economic activity.

Indicator of Success: Local business achieves greater access to capital sources

The following actions must be implemented:

<b>Intervention</b>	<b>Indicators of Success</b>	<b>Activities</b>
Facilitate access to funding.  This incorporates: <ul style="list-style-type: none"> <li>• Finance ownership by HDIs of all new commercial property for viable business ventures</li> <li>• Make capital available for growth and development of existing businesses in the informal economy</li> <li>• Create a fund to provide access to a revolving loan facility for start-up businesses</li> </ul>	Facilitating access to funding opportunities for 10 businesses per annum	Short-Term Action: <ul style="list-style-type: none"> <li>• Identify existing sources and mechanisms for gaining access to relevant funding</li> <li>• Create a mechanism for facilitating access to the available funding as a part of the Integrated Entrepreneurship Support Programme</li> <li>• Develop and Implement a monitoring and evaluation programme</li> </ul>
	Revolving loan facility starting at R 1 million in the first year increasing to R 5 million in 5 years	Medium- to Long-Term Action: <ul style="list-style-type: none"> <li>• Identify funding requirements</li> <li>• Identify and secure sources of funding</li> <li>• Establish institutional mechanisms to govern and manage the fund</li> <li>• Operationalise the fund</li> <li>• Develop and Implement a monitoring and evaluation programme</li> </ul>

## Nodal Development

The objective of the nodal development theme is to encourage proactive investment that facilitates the location of future economic centres.

Indicator of Success: Investment in desired location/s

The following actions must be implemented:

<b>Intervention</b>	<b>Indicators of Success</b>	<b>Activities</b>
Invest in areas specifically identified as future economic centres	Infrastructure and development undertaken	Identify possible investment sites
		Conduct a feasibility study, including the determination of market demand, the investment required and alignment with local and provincial Spatial Development Framework
		Decide on the site for investment
		Develop a business plan for implementation
		Operationalise the business plan
		Develop and Implement a monitoring and evaluation programme



## Enabling Environment

The objective of the enabling environment theme is to put in place the basic requirements needed to facilitate local economic development.

Indicator of Success: Local economic development functioning

The following actions must be implemented:

Intervention	Indicators of Success	Activities
<p>Ensure the ongoing provision of basic infrastructure and sustainable land management. This includes:</p> <ul style="list-style-type: none"> <li>• Conserve and protect designated conservation areas</li> <li>• Provide access to water for all residents</li> <li>• Provide access to electricity for all residents</li> <li>• Provide access to housing for all residents</li> <li>• Provide access to sanitation services for all residents</li> <li>• Provide access to telephone services for all residents</li> </ul>	<p>Integrated Development Plan targets are met</p>	<p>Ensure that the development and implementation of the Municipal Integrated Development Plan addresses these interventions</p>
<p>Establish appropriate institutional arrangements and capacity for the governance and management of local economic development. This includes:</p> <ul style="list-style-type: none"> <li>• Develop the ability of key decision makers to effectively engage with planning for sustainable development</li> <li>• Create an implementation</li> </ul>	<p>Council support for LED Programme</p> <p>LED Forum operating effectively</p> <p>Responsible Councillors have sufficient capacity to make informed decisions on LED</p> <p>Required posts established, funded and filled</p> <p>LED effectively monitored and evaluated</p>	<p>Governance: Put in place appropriate measure for the governance of LED, including:</p> <ul style="list-style-type: none"> <li>• Adoption of the LED Implementation Plan by the Bitou Municipality Council</li> <li>• Recruitment of champion/s by the Council to drive the overall LED strategy</li> <li>• Recruitment of champions in each key sector of the strategy</li> <li>• Designing and implementing of a capacity building programme for Councillors in partnership with the Provincial Government and SALGA</li> </ul>

Intervention	Indicators of Success	Activities
<p>agency for LED</p> <ul style="list-style-type: none"> <li>• Allocate dedicated resources within the municipality to administer LED</li> <li>• Sustain the LED Core Stakeholder Group</li> <li>• Collapse the LED Core Stakeholder Group, the IDP Forum and the SDF Forum into a single advisory group</li> <li>• Create a single Steering Committee within the Bitou Council to oversee the IDP, LED and SDF</li> </ul>		
		<p>Institutional Arrangements: Put in place the necessary institutional arrangements for inclusive participation in LED, including:</p> <ul style="list-style-type: none"> <li>• Agree on terms of reference, constitution and resourcing requirements for an appropriate integrated forum</li> <li>• Constitute the forum</li> <li>• Resource the forum</li> </ul>
		<p>Human and Financial Capacity: Meet the capacity required to manage the LED process, including:</p> <ul style="list-style-type: none"> <li>• Identify capacity requirements in the context of the LED Implementation Plan</li> <li>• Draft a human and financial capacity plan</li> <li>• Secure the resources needed to implement the plan</li> <li>• Operationalise the capacity plan</li> <li>• Develop and Implement a monitoring and evaluation programme</li> </ul>
		<p>Monitoring and Evaluation:</p> <p>Put in place an integrated monitoring and evaluation system to serve as a management tool for the governance of LED. It should include:</p> <ul style="list-style-type: none"> <li>• Short-, medium- and long-term indicators;</li> <li>• Means of Verification;</li> <li>• Review periods and methods;</li> <li>• Reporting formats; and,</li> <li>• Allocation of responsibilities</li> <li>• Operationalise the monitoring and evaluation system</li> <li>• Audit of the system</li> </ul>

This Implementation Plan needs to be treated as a living, working document. It needs to be constantly assessed for validity. An annual review of the plan will be undertaken to assess its relevance and to make changes to it where necessary. The annual review can also provide an opportunity to assess the remaining

interventions identified in the earlier LED Strategy work for inclusion in the plan. The review would also provide an opportunity to identify new interventions that may not have been considered previously.

## Bringing back Indigenous Forest to the Garden Route An Environmental LED Initiative

The Bitou Municipality is located in one of the last remnants of Southern Afro-temperate Indigenous forest of which less than 30% remains and wherein the remainder is seriously impacted by the timber industry, alien plant invasion, rampant fires and agricultural practices to mention but a few.



**Figure 1. The Garden Route showing the original extent of Afrotemperate forest (darker green) with the last remnants (lighter green). From National Landcover – DEAT and SANBI.**

**The effects of climate change** within the Bitou region have already shown its hand in increased fires, increased flooding, erosion and more intense storms. These climate change impacts have to date vastly influenced the lives of the people of the Bitou region especially the poorest of the poor who stand to lose the most (if not everything) that their lives and livelihoods depend on.



**Figure 3. CO<sup>2</sup> emissions through pollution of smoke stacks and rampant fynbos and forestry fires are making the climate crisis worse.**

In order to effectively respond to the local climate change challenge we need to address various issues:

- a. **Reducing Bitou’s contribution to greenhouse gasses (GHG’s).**
  1. By preventing and managing forestry, fynbos and veldt fires
  2. By reducing emissions or pollution through industry
  3. By developing and promoting clean or cleaner energy sources and usage (e.g. solar, wind, bio fuel and other alternatives to fossil fuel burning)
- b. **Sinking or sequestering Carbon-dioxide (the most prevalent greenhouse gas).**
  1. By planting trees and restoring forests and thickets in degraded areas
  2. By a forestation with indigenous species in transformed landscapes
  3. By protecting indigenous forests
- c. **Developing an adaptation strategy** to the changing climate in order to ensure sustainable livelihoods and quality of life in a healthy environment for the people of Bitou.

Over the past three-years Baartman-Biko has established scientific data that now supports the practical premise of large-scale rapid indigenous re-a forestation of afro-temperate forest remnants for the commercial Carbon Sequestration industry within Bitou. This particular potential had remained unseen until recently as a result of insufficient data on the extent and possibilities of re-establishing the African forest biome areas that existed prior to transformation by colonial and apartheid economic activities.

### Re-forestation economics and Community Development

The re-forestation with indigenous species activity can be seen as a potential small or medium sized business called a re-forestation business. However, such a small business can not exist in isolation because:

- Where will the trees come from?
- Who will run the nurseries that produce the trees?
- Where will the growth medium or mulch come from?
- Who will search for and provide seeds for trees?
- Who will prepare the landscape for re-forestation?
- Who will do the alien clearing?
- Who will build the nurseries?
- Who will transport seeds, saplings, building materials and compost?
- Who will provide building materials for nurseries and re-forestation centres
- Who will manage and do fire prevention?

It is obvious that re-forestation at the scale required for the Bitou region requires a multidisciplinary approach and economy in order to be successful.

For that purpose the Baartman-Biko Environmental and Forest Research Institute embarked on a study that now elucidates the scale and magnitude of the minimum economic unit required to effectively address the climate change challenge through re-forestation. This led to the hands-on discovery of the levels of employment, the number of jobs and the cost associated with effecting positive climate change mitigation and adaptation.

A special re-forestation nursery was designed, one that focuses on high production of indigenous trees and it’s specific requirements as well as ease of flow and manpower economics. This nursery is called a “Phi” (golden ratio) nursery. A number of Phi Nurseries and a number of various teams doing a multitudinal range of required works were put together in order to effect about 800 ha’s of re-forestation. There were about 9 different unique small businesses required to bring about the successful delivery of forest product. 800 ha’s was found to be the minimum size of landscape that would pull into existence the required economies of the small businesses in a single functional economic operation.

#### A single Functional Economic Operation

Business units & # teams	Jobs
Land use	Negotiator
	Extention Officers x 2
Land use assessment (1) SMME	Environmental assessment
	Socio-economic assessment
Materials providers	Materials supervisor

(2) SMME's	Materials processors x 3
Transport	Driver supervisor
(2) SMME's	Loading and logistics x 2
Alien clearing	Supervisor
(8) SMME's	Team admin and cooking
	Machine/chainsaw Operators x 2
	Alien Cut and stack x 6
Substrate development (mulchers)	Mulching supervisor
(4) SMME's	Mulcher Operator
	Mulcher Loading and logistics x 4
Seed agents (collectors)	Seed Agents
(4) SMME's	Seed collectors x 2
Builders (nurseries)	Builder
(2) SMME's	Building staff x 4
Nursery (growers)	Nursery manager
(8) SMME's	Horticulturist x 2
	Nursery workers x 4
Re-forestation (planting)	Re-forestation supervisor
(8) SMME's	Re-forestation worker x 4
Maintenance and fire management	M & F Supervisor
(8) SMME's	M & F workers x 4

This single functional unit will be able to complete about **800 Ha's** of re-forestation per annum with about 160 active jobs at a cost of employment of around R1.9 mil.

**Individual SMME's Cash flow re-investment model**

Below figures is based on minimum requirements for businesses to establish successfully. Cost of finance is included and Initial profit is re-invested in cash flow during the first 5 years. (Final assessment of below figures pending)

<b>Materials providers</b>	
Startup	R 76,500.00
Operational cost incl. finance loan	R 117,952.37
1st year salaries	R 96,000.00
Potential revenue	R 192,000.00
Finance loan	R 228,600.00
Annual Profit after repayments yr 1	R 5,147.63
Annual Profit after repayments yr 3	R 27,777.38
Annual Profit after repayments yr 5	R 74,376.33
Annual Profit after repayments yr 6	R 115,095.49

<b>Builders (nurseries)</b>	
Startup	R 25,500.00
Operational cost incl. finance loan	R 121,799.67
1st year salaries	R 126,000.00
Potential revenue	R 216,000.00
Finance loan	R 215,100.00
Annual Profit after repayments yr 1	R 12,800.33
Annual Profit after repayments yr 3	R 34,126.33
Annual Profit after repayments yr 5	R 52,585.94
Annual Profit after repayments yr 6	R 105,887.18

<b>Transport</b>	
Startup	R 272,500.00
Operational cost incl. finance loan	R 691,787.88
1st year salaries	R 312,000.00
Potential revenue	R 765,000.00
Finance loan	R 1,004,500.00
Annual Profit after repayments yr 1	R 8,212.12
Annual Profit after repayments yr 3	R 37,469.62
Annual Profit after repayments yr 5	R 75,350.89
Annual Profit after repayments yr 6	R 367,997.53

<b>Nursery (growers)</b>	
Startup	R 134,840.00
Operational cost incl. finance loan	R 230,900.10
1st year salaries	R 144,000.00
Potential revenue	R 309,600.00
Finance loan	R 401,190.00
Annual Profit after repayments yr 1	R 1,049.90
Annual Profit after repayments yr 3	R 30,899.02
Annual Profit after repayments yr 5	R 72,985.17
Annual Profit after repayments yr 6	R 158,676.30

<b>Alien clearing</b>	

<b>Forest initiation (planting)</b>	

Startup	R 100,500.00
Operational cost incl. finance loan	R 240,997.93
1st year salaries	R 222,000.00
Potential revenue	R 380,000.00
Finance loan	R 443,500.00
Annual Profit after repayments yr 1	R 8,002.07
Annual Profit after repayments yr 3	R 31,132.07
Annual Profit after repayments yr 5	R 53,363.89
Annual Profit after repayments yr 6	R 167,847.82

Startup	R 142,500.00
Operational cost incl. finance loan	R 1,417,616.46
1st year salaries	R 192,000.00
Potential revenue	R 1,275,000.00
Finance loan	R 1,379,000.00
Annual Profit after repayments yr 1	R 16,883.54
Annual Profit after repayments yr 3	R 48,636.04
Annual Profit after repayments yr 5	R 127,598.80
Annual Profit after repayments yr 6	R 472,087.39

<b>Nursery (growers)</b>	
Startup	R 134,840.00
Operational cost incl. finance loan	R 230,900.10
1st year salaries	R 144,000.00
Potential revenue	R 309,600.00
Finance loan	R 401,190.00
Annual Profit after repayments yr 1	R 1,049.90
Annual Profit after repayments yr 3	R 30,899.02
Annual Profit after repayments yr 5	R 72,985.17
Annual Profit after repayments yr 6	R 158,676.30

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<b>Forest initiation (planting)</b>	
Startup	R 142,500.00
Operational cost incl. finance loan	R 1,417,616.46
1st year salaries	R 192,000.00
Potential revenue	R 1,275,000.00
Finance loan	R 1,379,000.00
Annual Profit after repayments yr 1	R 16,883.54
Annual Profit after repayments yr 3	R 48,636.04
Annual Profit after repayments yr 5	R 127,598.80
Annual Profit after repayments yr 6	R 472,087.39

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<b>Maintenance and fire management</b>	
Startup	R 474,500.00
Operational cost incl. finance loan	R 420,048.87
1st year salaries	R 228,000.00
Potential revenue	R 550,000.00
Finance loan	R 883,500.00
Annual Profit after repayments yr 1	R 10,951.13
Annual Profit after repayments yr 3	R 50,016.13
Annual Profit after repayments yr 5	R 122,986.54
Annual Profit after repayments yr 6	R 357,399.93

<b>Businesses</b>	<b>nr</b>	<b>1st year cost</b>	<b>Totals</b>
<b>Materials providers</b>	2	R 228,600.00	<b>R 457,200.00</b>
<b>Nursery (growers)</b>	8	R 401,190.00	<b>R 3,209,520.00</b>
<b>Builders (nurseries)</b>	2	R 215,100.00	<b>R 430,200.00</b>
<b>Alien clearing</b>	8	R 443,500.00	<b>R 3,548,000.00</b>
<b>Substrate dev. (mulchers)</b>	2	R 594,500.00	<b>R 1,189,000.00</b>
<b>Seed agents (collectors)</b>	1	R 261,000.00	<b>R 261,000.00</b>
<b>Forest initiation (planting)</b>	2	R 1,379,000.00	<b>R 2,758,000.00</b>
<b>Maintenance and fire management</b>	2	R 883,500.00	<b>R 1,767,000.00</b>
<b>Transport</b>	1	R 1,004,500.00	<b>R 1,004,500.00</b>

<b>Total Jobs</b>	<b>160</b>		
<b>Cost of employment (incl. Payroll burden)</b>		1,650,000.00	<b>R 1,897,500.00</b>
<b>Cost of yearly continued Fire &amp; Maintenance</b>			972073.3027

### Multiple functional units

#### It is possible to scale up from the minimum “pull” economy above

The above minimum functional unit covers about 800 ha’s per annum

More than **64 000 Ha’s** of re-forestation are required within the Bitou area

Therefore 8 functional units will employ more than 1200 people in stratified businesses for more than 10 years in the Bitou region alone. What’s more is that these businesses will eventually be able to secure most of their revenue (even early on) through private sector contracting and free enterprise.

Stratified businesses imply that there are various levels of employment within a single SMMME from elementary occupations (labourers, diggers, mixers, loaders, cleaners etc.) through to plant and machine operators, to craftsmen, skilled agricultural, clerks, technicians, supervisory & management and professionals.

### Management and Corporate Governance

It is suggested that the businesses are supported by a central coordination and logistics hub. Due to the nature of the micro businesses or “Operations” (see below) communications are centrally managed by a call centre. This means that if a business like a Phi Nursery needs seeds they can miss-call (at no cost) the hub which then act as facilitator to the deal and contacts the seed suppliers, etc. The operations or SMMME businesses are assisted by an Operations unit which facilitates and links it to other business needs like Business development and business services like HR and accounting as well as sales to mention a few. A trading unit will trade carbon and biodiversity offsets on the open market and the more they trade the more SMMME’s are pulled into existence. A negotiating unit will ensure that land and property is available for re-forestation while ensuring that partnerships and contracts are in place.

### GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The Municipal Systems Act of 2000 requires municipalities to adopt a democratic approach to local government in order to meet their mandate of playing a developmental role. The approach implies that all the stakeholders need to be afforded an opportunity to voice their opinions before final decisions are made on the integrated development planning process.

It is against this background that Bitou Local Municipality embarked on an extensive community consultation and participation process. The municipality utilised the following structures to ensure that it reaches out to all the members of the community:

- Mayor’s Listening campaigns
- Review of the needs of the communities via ward committees
- Ward committee meetings

During the recent Integrated Development Plan (IDP) engagement phase, Bitou Municipality achieved the implementation of corporate governance structures and systems which significantly contributed to the organization’s compliance with various key local government legislative frameworks with respect to communication:

- both internally and externally; (Ward committees and various forums)
- municipal finances; (Audit Committee)
- procurement; (Supply chain management)
- performance management;
- local economy and tourism and
- Intergovernmental relations.

In the past year, Council together with Management embarked on two formal “walk-about” and community meetings in all of the six Municipal Wards to identify service delivery gaps and challenges; and to elicit community needs that would improve the communities’ quality of life. Some of these gaps were addressed with municipal resources - intra and inter-departmentally. The resources to address outstanding areas requiring attention will be incorporated into the next mid-term expenditure framework budget process, with more emphasis on infrastructure; visible and sustainable projects.

During the current fiscal year, the municipality has developed crucial good governance policies – namely, Customer Care and Credit Control respectively, to mention but a few. The implementation of these policies will undoubtedly enhance the level of service delivery to the communities we serve.

Notwithstanding the successes achieved in implementing corporate governance and public participation systems and structures, some aspects thereof – participation in Ward Committee and Local Labour Forum require key focus and will have to be further encouraged and strengthened in the next organizational strategic developmental phase to enhance communication with internal and external stakeholders.

As the municipality embarks on the next IDP review and mid-term expenditure framework budget processes, public participation of all Bitou communities and the engagement of other state organs responsible for service delivery within our municipal jurisdiction will be pivotal in ensuring that future municipal and provincial budget processes take into cognizance the identified priorities and are aligned to the key developmental areas and interventions.

Also key to Bitou Municipality’s developmental vision is upholding and enhancement of inter-governmental relations and memoranda of understanding already established with various provincial and national government departments; non-governmental and community-based organizations. Furthermore, more relations will be forged with relevant non- and state organs ensuring that Bitou remains a key partner in developmental local government, corporate and cooperative governance to improve service delivery that enshrines Pele principles.

## **FINANCIAL VIABILITY**

As at 30 June 2006 the Municipality disclosed amongst others, the following figures in the financial statements:

Total value of funds and reserves	R 76,5 million
Investments (including bank balance)	R 30,8 million
Retained surplus	R 5,7 million
Bad debts reserve fund	R 13,9 million
Outstanding debtors	R 31,4 million

After taking the value of funds and reserves, surplus, investments etc into consideration, an amount of R 6,6 million of funds are not supported by cash. In real terms this means that the Municipality is technically overdrawn with R 6,6 million.

The Municipality improved its financial position up to 30 June 2006 because it embarked upon a cash funded budget plan during 2002/2003. Due to unforeseen circumstances, very little/selective credit control and a lack of financial self control however, it now finds itself in a very vulnerable position.

From a financial point of view the largest obstacle facing the Municipality relates to credit control and the provision of water and sewerage services. The astronomical amount of R 31,4 million in respect of outstanding debtors as at 30 June 2006, is a direct result of only 59% of consumers paying their monthly accounts. It should also be noted that an amount of R 9 million was written off as bad debt during 2005/2006.

With the construction of houses in Kurland, Bossiesgif/Qolweni and Kranshoek as well as the existing backlog, the demand for water, sewerage and other services will increase dramatically and the cost of extending the current plants and works will increase to an estimated ± R 52 million within the next 5 to 6 years (R 20 million in 2007/2008 alone!)

If these extensions to the water purification plant and sewerage waste water treatment works are taken into account, it is quite clear that the Municipality can not afford the capital expenditures unless the percentage



of consumers paying their monthly accounts can be increased. This expenditure will have to be funded from external loans which would cost the Municipality R 1,7 million per R 10 million borrowed per year in capital costs.

If the percentage of consumers not paying their accounts is continued by the consumers who will be occupying the "new" houses mentioned above, it is quite clear that, unless credit control is enforced seriously, strictly and diligently, this Municipality will face serious financial difficulties' within the next 6 years.

In order to ensure that the Municipality collects all monies which are payable, a report will be submitted to Council at its 2007/2008 budget meeting, which will address the seriousness of credit control. This will hopefully lead to a strong commitment from Council to implement strict credit control measures in all areas which will in turn lead to an increase in the level of payment.

As at 30 June 2006 outstanding external loans amounted to R 24, 9 million. A further loan of R 15 million will be taken up during March 2007 which will mean that total loans outstanding will amount to R 39.9 million.

The cost of servicing these loans amounts to R 6, 7 million per year, while the cost of depreciation on assets purchased from own funds amounts to R 9.0 million per year.

## HOUSING PROJECTS

Bitou Municipality has appointed consulting to develop one waiting list for the municipality to enable us to address the housing need be effectively

HOUSING	NO OF HOUSES CONSTRUCTED	VALUE OF PROJECT
<b>I. <u>Kwanokuthula</u></b> Phase III Civil Services Top Structures	962 Erven 962 Houses	R 8 961 030.00 <u>R 7 984 600.00</u> <b><u>R16 945 630.00</u></b>
<b>II <u>Kranshoek</u></b> Phase I: Civil Services Phase II: Construction Top Structures	450 Erven 200 Units	R 7 173 000.00 <u>R 4 826 200.00</u> <b><u>R11 999 200.00</u></b>
<b>III <u>Kurland</u></b> Phase I: Civil Services Phase II: Top Structures	250 Erven	R 3 985 000.00 <u>R 1 689 170.00</u> <b><u>R 5 674 170.00</u></b>
<b>IV <u>Block Projects</u></b> 13 Houses: Green Valley 40 Houses: Kwanokuthula	6 Houses completed 30 Houses completed	R 132 000.00 <u>R 660 000.00</u> <b><u>R 792 000.00</u></b>
<b><u>TOTAL</u></b>		<b><u>R35 411 000.00</u></b>
<b><u>TERM OF OFFICE 2006 - 2009</u></b>		
<b>I. <u>Kwanokuthula</u></b> Phase IV: Civil Services Top structures	1000 Erven 1000 Top Structures	R 16 000 000.00 <u>R 27 000 000.00</u> <b><u>R 43 000 000.00</u></b>
<b>II <u>Kranshoek</u></b>		

Phase III: Top structures Phase IV: Civil services Top structures	250 Houses 633 Erven (New application) 633 Houses	R 6 349 750.00 R 10 128 000.00 <u>R 17 091 000.00</u> <b><u>R 33 568 750.00</u></b>
<b>III Kurland</b> Phase III: Top structures Phase IV: Civil services Top structures	180 Houses 366 Erven 366 Houses	R 4 571 820.00 R 5 856 000.00 <u>R 9 882 000.00</u> <b><u>R 20 309 820.00</u></b>
<b>IV Pinetree/Gaatjie/Bossiesgif/Qolweni</b> Phase I: Civil services Phase II: Civil services Top structures Phase III: Civil services Top structures Phase IV: Civil services Top structures Phase V: Top structures Phase VI: Top structures	270 Erven 450 Erven 70 Houses 400 Erven 300 Houses 180 Erven 300 Houses 400 Houses 350 Houses	R 11 340 000.00 R 18 900 000.00 R 1 890 000.00 R 16 800 000.00 R 8 400 000.00 R 7 740 000.00 R 8 400 000.00 R 11 800 000.00 <u>R 10 325 000.00</u> <b><u>R 95 595 000.00</u></b> <b>Total for 2006 - 2010</b> <b><u>R 192 473 570.00</u></b>

**Upgrade Hostel and Beacon Island Flats**

<b>Budget: 2007 / 2008</b>	<b>Expenditure to date</b>	<b>Balance</b>
R4 050 000	Nil	R4 050 000

Written approval for the upgrade of the Hostel and Beacon Island Flats in New Horizons has been received from the Department of Local Government and Housing on 9 March 2007.

The upgrade will consist of the following:

1. Hostel

Existing buildings converted to:	50 Units
Construction of new Units:	<u>30</u> Units
	<u>80</u> Units
  
2. Beacon Isle Flats

Existing buildings:	6 Units
Construction of new Units	<u>4</u> Units
	<u>10</u> Units

**VI Future Housing Projects**

	<b>BUDGET</b>			
	2007/2008	2008/2009	2009/2010	2010/2011
<b>1. <u>Kranshoek</u></b> Phase IV: Civil Services (633 Erven) Top structures (633 )	R5 064 000	R5 064 000 R5 697 000	R5 697 000	R5 697 000
<b>2. <u>Kwanokuthula</u></b> Phase IV: Civil Services (1000 Erven) Top structures (1000)	R5 333 333	R5 333 333 R9 000 000	R5 333 333 R9 000 000	R9 000 000
<b>3. <u>Kurland</u></b> Phase III: Civil Services (366 Erven) Top structures (366)	R2 928 000	R2 928 000 R3 294 000	R3 294 000	R3 294 000

**PRIORITISED STRATEGIC INTERVENTIONS**

Project	Objective	Potential Stakeholders	Status / Progress
<b>Central Sports Facility (Multi purpose usage)</b>	Bitou Municipality wants to established a central sports facility that can be use for multi purpose sport codes	Sport Federations (SAFA, IAAF); Dept of Education; Public Works (Provincial & National); Dept of Labour; DWAF; DEAT; Dept of Arts & Culture; Dept of Social Development; SAPS; Local Business; Umsobomvu Youth Fund; IDC; Eskom; Transnet; CSI; SOE's. District Municipality	Planning Phase
<b>Small Boat Harbour</b>		DEDT, DEAT, IDC, Fishing Industry, Eden, Eskom, DTI, DLA, WESGRO, Business Chamber	Planning phase completed
<b>One stop Government precinct (Ladywood)</b>	Bring Government services closer to the community	Dept of Justice, Post Office, Municipality, SAPS, Local Banks, Dept of Social Development, Dept of Sport and Recreation (Libraries), Local Business	Acquiring of land in progress
<b>Upgrading Airport</b>	Maximise the tourism potential of the current Airport by upgrading it to be utilise for scheduled flights	DPLG, MIG, DTI, PIC, IDC, Private Developers, National Treasury, Provincial Treasury,	Feasibility study phase
<b>Light industrial Park (KwaNokuthula)</b>	The Industrial site development is earmarked to be situated on Portion 40 of the farm 437, adjacent to the N2 National Road. ± 51 Industrial erven will be developed either by the	Local Business, SAB, Municipality, Business Chamber	

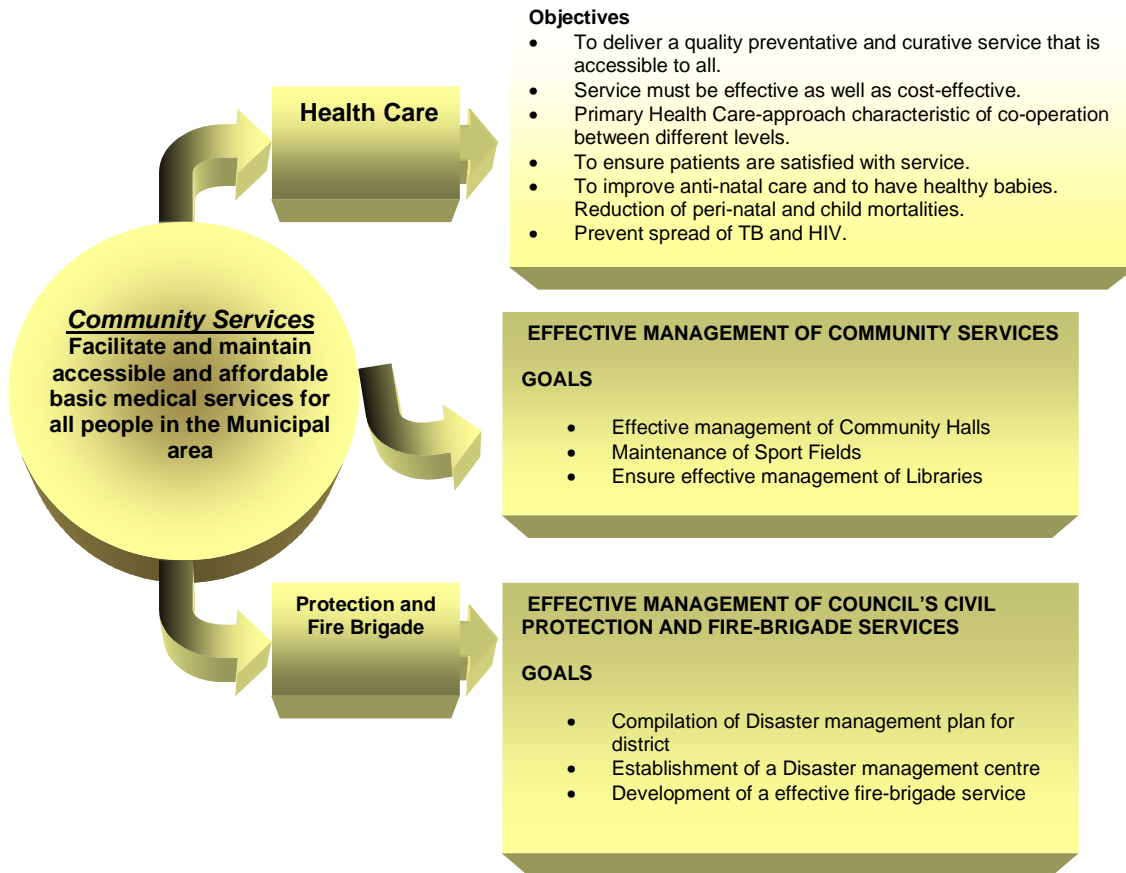
Project			
	Objective	Potential Stakeholders	Status / Progress
	Municipality or as a joint venture.		
<b>Housing project (Bossiesgif)</b>	To integrate the different communities through this housing project	MIG, Provincial Dept of Local Government and Housing, Municipality	Bulk Service has already started
<b>Middle income social housing</b>	Erf 4367 is extend and is situated adjacent to Ultra City and Santini Village. This land is earmarked for the development of Middle Income Group Housing/ Social Housing. This development could be funded privately or jointly Provincial and private funding. This project will also form part of the Coming Together Initiative.	Provincial Dept of Local Government and Housing, Private Developers, Municipality,	Land is already available
<b>Upgrading Main street</b>	The connections between these diverse elements need to be created by means of pedestrian friendly public urban space system. The upgrade of Main Street and the adaptation of pedestrian and vehicular traffic is the first phase.	MIG, Municipality, Dept of Transport, Business Chamber	Phase 1 almost completed
<b>Community Health Care Facility</b>	Establishment Community Health Care facility to service the greater Plettenberg bay area with the possibility of the extension of emergency service	Provincial Department of Local Government and Housing, Municipality, Provincial Dept of Public Works, Dept of Health	Planning phase

## Operational Activities

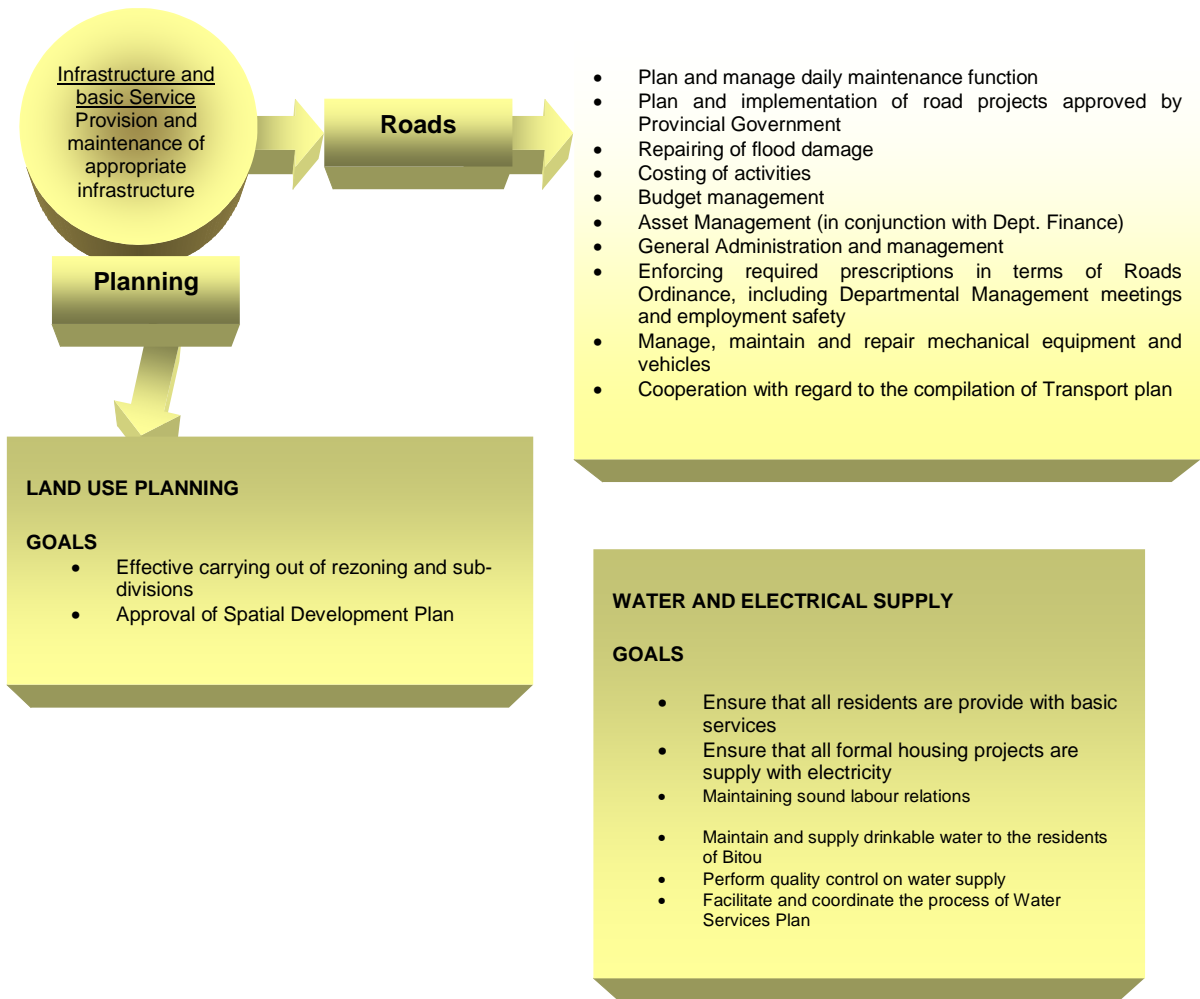
This section will focus on the core activities of the municipality and includes:

- Community Services
- Municipal Services
- Corporate Services
- Financial Viability

## Department: Community Services



**Department: Public Works**



## Department Corporate Services

### CORPORATE SERVICES

#### GENERAL ADMINISTRATION AND MANAGEMENT OF CORPORATE SERVICE DEPARTMENTS

##### GOALS

- Bi-weekly management team meetings
- Maintenance and expansion of department rules
- Availability to personnel from the departments for advice and information
- Motivation of department heads

#### HUMAN RESOURCE MANAGEMENT OF DEPARTMENTS

##### GOALS

- Work satisfaction of personnel in Corporate Services
- Maintaining departmental discipline
- Maintaining sound labour relations
- Effective personnel administration
- Compilation and implementation of Council's Employment Equity Plan
- Compilation and implementation of Council's Skills Development Plan
- Finalising Council's responsibility to TASK evaluations

#### PROVISION OF EFFECTIVE SECRETARIAL SERVICES TO THE COUNCIL

##### GOALS

- Establishment of Ward Committee and Council agendas of a high standard
- Timely and correct completion of Council correspondence
- Delivering of a timely and effective typing service to the municipality
- Administration of the Councils carpool
- Delivering of ad hoc community services

#### INSTITUTIONAL SERVICE PROVISION TO INTERNAL AND EXTERNAL CLIENTS

##### GOALS

- Monitoring of laws and policies
- Coordination of available by-laws

#### BUDGET MANAGEMENT OF CORPORATE SERVICE DEPARTMENTS

##### GOALS

- Continuous monitoring of departmental budgets
- Implementing budget goals in relation to capital spending

## MUNICIPAL MANAGER

### IMPLEMENTATION OF PERFORMANCE MANAGEMENT SYSTEM IN DEPARTMENT

#### GOALS

- Annual evaluation of all departmental achievements
- 6 Monthly evaluation of all Section 57 employees
- Ensure to cascade the PMS to all levels of the municipality

### MANAGEMENT OF A LOCAL ECONOMIC DEVELOPMENT UNIT

#### GOALS

- Facilitation of a Local Development strategy for the municipality
- Establishment of efficient capacity to accommodate the Council's responsibility to tourism
- Development of Implementation Plan for the Strategy
- Establishment of a communication channel with the business sector in the municipality



## Department Finance

### Budget programme and Management

**Goals:**

- Independent preparation of Budget in deliberation with MM and Departmental Heads, and submit to Council, National Treasurer and Provincial Government for approval. "Link " IDP to budget and write Financial plan

### Investment management

**Goals**

- Made investments and keep register up to date.

### Financial States

**Goals:**

- Independent preparation of Budget in deliberation with MM and Departmental Heads, and submit to Council, National Treasurer and Provincial Government for approval. Final preparation of Asset register at year end.

### Financial Reporting

**Goals:**

- Independent preparation of financial Statements and submit to Council and Audit General for approval.

### Implementation of IDP Projects

**Goals:**

- Implement assigned IDP projects as planned

### IT Coordinator

- Ensure the all information systems are aligned and up to date

### Personnel Management

**Goals:**

- Responsible for in-service training of financial staff. Responsible for managing personnel in the department.

### Subsidy Management

**Goals:**

- Independent management and control of subsidies, reconcile and report to Provincial and National Government. Manage and control the finance and report to National Government. Final preparation of Health Claims

### Financial Management

**Goals:**

- Manage and Control the finances, Financial Manager of Income, expenditure, Debtors, Creditors, store, assets and Investments of Council. Independent Preparation of monthly Bank Reconciliation and reports to council.
- Reconcile Control accounts continuously.
- Supply financial statistical information and report to Provincial and National Government.
- Attend Council and committee meetings.
- Handle all financial queries from Audit General during Auditing.
- Approved expenditure documents, sign cheques, do budget control and check all entries. Balance ledger and do month end.
- Check salaries and wages entries.
- Check and sign all journal entries.
- Preparation and payment of VAT to SARS.
- Levy Sundry Debtors.
- Issue valuation and clearance certificates to attorneys.
- Communicate with various sectors and handle of correspondence.

**ANNEXURE 1 – BUDGET**



**BITOU LOCAL MUNICIPALITY**  
**INTEGRATED DEVELOPMENT PLAN**  
**2007 - 2010**

