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CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

This document is a summary of the Integrated Development Plan review process (08/09) as undertaken by the Saldanha Bay Municipality. The original plan was adopted in 2006 (1) and for various reasons the plan was not reviewed since then.

This document is divided into eleven chapters. The first chapter deals with the introduction and the overall background, it is followed by chapter two and three which discusses the key trends that the IDP wishes to address. In chapter four the document brings into the equation ward based priorities, while chapters five to ten discusses the high impact interventions needed to place the municipality on a trajectory for higher growth. Chapter eleven, which forms part of the conclusion of the review, deals mainly with the performance dimension of the IDP.

1.2 PURPOSE OF THE REPORT

This review report does not replace the original IDP, but has the following purpose:

- To document community participation in a structured way
- To document our response to the weaknesses of the IDP document as highlighted by the MEC for local Government and Development Planning (2)
- To respond to changing conditions

1.3 LEGAL FRAMEWORK

The Local Government: Municipal Systems Act (32 of 2000), requires of a municipality to review its integrated development plan annually, in accordance with an assessment of its performance measurement (3), or if changing circumstances so demand (4). The process documented here, deem to satisfy that requirement.

1.4 THE REVIEW PROCESS

The review was undertaken in house, as such, the product is wholly owned and internalised by both the political and administrative leadership. The review took the form of a series of workshops and community engagements as detailed below.

These workshops sought to build a common understanding of the spatial and other implications of development and underdevelopment. We are of the opinion that such a common perspective assisted in identifying both the potential and developmental challenges facing the municipality.
Achieving our goals will also allow us to appreciably contribute to our national developmental goals of:

- Reducing unemployment by half through new jobs, skills development, assistance to small businesses, opportunities for self-employment and sustainable community livelihoods.
- Ensuring that all South Africans, including children, the youth, women, the aged and people with disabilities can enjoy their rights and freedoms.
- Reducing crime and corruption with programmes that address the social roots of crime
- An infrastructure investment programme to increase efficiency and capacity of the logistics and transport system and
- Ensuring access to basic services and infrastructure, and empowering people with skills to enter the labour force in areas of low development potential.

After extensive research, analysis and stakeholder consultation, we have identified 5 strategic goals that cover all aspects of our constitutional mandate, and which we will deliver within an intergovernmental and intersectorial framework. These goals are the provision of basic services; municipal institutional development and transformation; local economic development; municipal financial viability and good governance and public participation. The critical interventions are more fully canvassed from chapter 5 of the report.

In working towards our vision, we are mindful of the fact that resolving the multi-dimensional nature of poverty in our area might fall outside the direct control of the municipality. We will therefore mobilise our social partners (including other government structures) in a logical and harmonized assault on poverty and underdevelopment.

The world is changing at such a rapid pace that continuous learning is essential. We will therefore continue to sharpen our understanding of the milieu that shapes our actions with a special focus on the dimensions of poverty, its causes and solutions.

The platform of our success is our organisation. We realise that this Integrated Development Plan represents both an organisational strategy as well as a development plan, and that its success depends on an appropriate organisational vehicle.

We look forward to working with all stakeholders of Saldanha Bay over the next 3 years to transform these aspirations into reality.

The West Coast district IDP seeks to build on this identification and refine the analysis by identifying key sectors that can continue to drive growth (6). The District IDP identifies the following "sector interventions to address economic development in the West Coast Region", which had been derived from the West Coast Regional Economic Development Strategy:

- Fishing and Aquaculture
- Construction
- Tourism
- Oil and Gas
- Agriculture

We however remain convinced that a greater focus of district resources and energy should flow towards the Saldanha Bay municipal area because of its significance in the district economy and the resultant impacts (7).
CHAPTER 2: TRENDS

2.1 INTRODUCTION

A major area of review entailed developing a shared understanding of the socio-economic profile of the municipality. This presupposed an update of data to inform planning (8). In our view this is an essential condition for a credible IDP.

The focus was on identifying the key drivers of development and underdevelopment in the Saldana Bay area, beyond access to services, which was identified as a fatal weakness of the 2006 IDP.

The municipality relies heavily on research that is being conducted by other spheres of government because of innate capacity constraints.

The most recent and useful data were prepared by the Directorate Research and Population Development of the Provincial Government of the Western Cape, and our analysis with respect to the social context relies heavily on this data.

Table 1: District population and economic decomposition (9):

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Surface sq km</th>
<th>Population</th>
<th>Employed</th>
<th>Unemployed</th>
<th>Not Active Economically</th>
<th>GDP (*) R Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>WC District</td>
<td>31124.24</td>
<td>286,751</td>
<td>109,765</td>
<td>20,209</td>
<td>51,941</td>
<td>6,754,045</td>
</tr>
<tr>
<td>Matzikama</td>
<td>5543.55</td>
<td>46,362</td>
<td>16,625</td>
<td>4,185</td>
<td>8,718</td>
<td>966,753</td>
</tr>
<tr>
<td>Cederberg</td>
<td>7352.24</td>
<td>31,942</td>
<td>13,302</td>
<td>1,346</td>
<td>5,467</td>
<td>658,633</td>
</tr>
<tr>
<td>Bergriver</td>
<td>4265.69</td>
<td>44,741</td>
<td>17,331</td>
<td>2,061</td>
<td>7,404</td>
<td>746,933</td>
</tr>
<tr>
<td>Saldanha Bay</td>
<td>1910.23</td>
<td>78,982</td>
<td>31,268</td>
<td>6,830</td>
<td>13,971</td>
<td>2,286,566</td>
</tr>
<tr>
<td>Swartland</td>
<td>3691.95</td>
<td>77,524</td>
<td>29,182</td>
<td>5,143</td>
<td>14,809</td>
<td>2,027,284</td>
</tr>
<tr>
<td>DMA</td>
<td>8360.59</td>
<td>7,199</td>
<td>2,058</td>
<td>644</td>
<td>1,573</td>
<td>67,878</td>
</tr>
</tbody>
</table>

Note *: GDP 200 constant prices.

2.2 SOCIAL TRENDS (10)

Within the district context, in migration have led to changes in the minority status of black Africans and consequently to changes in the demography and social characteristics of the municipal area.

Table 2: Saldanha Bay Population.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Saldanha Bay</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Population total</td>
<td>58093</td>
<td>70224</td>
<td>78982</td>
<td>20.9%</td>
<td>12.5%</td>
</tr>
<tr>
<td>Household total</td>
<td>13957</td>
<td>18489</td>
<td>22779</td>
<td>32.5%</td>
<td>23.2%</td>
</tr>
</tbody>
</table>

The municipal area has a relatively young population profile due, in part to in-migration and recorded the second highest population increase within the district (20.09% between 1995 and 2001 (*)).

The needs therefore, will be for a younger population requiring basic social and health facilities for the maintenance of a decent quality of life. These include health facilities, housing, education and employment.

A key test that faces the municipal area is to assimilate and integrate incomers to the municipal area with existing communities, and to create conditions in which they can contribute fully to the economy. The demand for services that inward migrants places on the municipal resources need to form a part of forward planning scenarios.

The coastal towns in the municipality have benefitted largely from retirees. This is a unique opportunity and provides challenges for property development both in single-stand housing-development schemes and the retirement-village industry.

In so far as HIV/AIDS is concerned. Premature deaths are occurring to a disturbing extent and are a source of concern, especially in poorer communities. This is a challenge for services such as home- and community-based care, health care, funeral provision, trauma assistance and orphan care.

Table 3: HIV/AIDS.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Saldanha Bay</td>
<td>868%</td>
<td>2118%</td>
<td>18%</td>
<td>192%</td>
<td>238%</td>
<td>15%</td>
</tr>
<tr>
<td>West Coast District</td>
<td>827%</td>
<td>2004%</td>
<td>15%</td>
<td>145%</td>
<td>188%</td>
<td>3%</td>
</tr>
</tbody>
</table>

While there has been a positive trend with lowering unemployment levels, In –migration will dare industry and government to increase job creation as an integral part of economic growth. Skills training will have to be a major focus of our work and must be adapted to become more responsive and relevant to the potential growth sectors within the municipality. Education and training will have to be upgraded across the full spectrum of the training industry.

Our response to the growing threat of crime, and security requires a partnership based solution.

2.3 ACCESS TO MUNICIPAL SERVICES
The municipal population enjoys relative good access to both water and sanitation services with Saldanha bay seeing an improvement of access to water between 1995 and 2007 of 77%.

Table 4: Access to water; source Quantec 2008.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Saldanha</td>
<td>13957</td>
<td>18489</td>
<td>26675</td>
<td>32.5%</td>
<td>44.3%</td>
</tr>
</tbody>
</table>

Sanitation standards are also relatively high, although the 2007 community survey still indicate that 671 households are still using the bucket system.

Access to energy and specifically electricity is very high.

2.4 ECONOMIC TRENDS (11)
The municipal area continues to be the largest contributor to the district GDP of R 6.8 billion in 2007, with approximately R 2.2 billion coming from the municipal area. Together with our sister municipality, Swartland, we contain just over 54% of the districts population and account for 61 % of the district GDP.

Saldanha remains the major manufacturing, wholesale and retail community services, and transport and communication centre of the district. In so far as agriculture and fishing and financial and business services concerns, it trails Swartland. Overall the two municipalities dominate the district economy, adding appreciably to a diversified regional economy.

Table 5: GDP Contribution per Sector(R '000); source Quantec.

<table>
<thead>
<tr>
<th>Sector</th>
<th>West Coast</th>
<th>Matzikama</th>
<th>Cederberg</th>
<th>Bergrivier</th>
<th>Saldanha Bay</th>
<th>Swartland</th>
<th>West Coast DMA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and Forestry</td>
<td>1170901</td>
<td>52157</td>
<td>1538699</td>
<td>109456</td>
<td>328735</td>
<td>1071140</td>
<td>957875</td>
</tr>
<tr>
<td>Mining</td>
<td>52157</td>
<td>142426</td>
<td>31602</td>
<td>46531</td>
<td>164123</td>
<td>85714</td>
<td>191487</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1538699</td>
<td>80659</td>
<td>5560</td>
<td>26350</td>
<td>154195</td>
<td>82439</td>
<td>98066</td>
</tr>
<tr>
<td>Construction</td>
<td>109456</td>
<td>328735</td>
<td>154195</td>
<td>110390</td>
<td>35269</td>
<td>98066</td>
<td>114424</td>
</tr>
<tr>
<td>Electricity and Water</td>
<td>328735</td>
<td>164123</td>
<td>26350</td>
<td>110390</td>
<td>82439</td>
<td>84424</td>
<td>98066</td>
</tr>
<tr>
<td>Construction</td>
<td>1071140</td>
<td>85714</td>
<td>154195</td>
<td>35269</td>
<td>98066</td>
<td>114424</td>
<td>114424</td>
</tr>
<tr>
<td>Transport and Commun.</td>
<td>589964</td>
<td>112020</td>
<td>82439</td>
<td>98066</td>
<td>84424</td>
<td>98066</td>
<td>98066</td>
</tr>
<tr>
<td>Finance and Business</td>
<td>935119</td>
<td>119200</td>
<td>82439</td>
<td>98066</td>
<td>114424</td>
<td>98066</td>
<td>98066</td>
</tr>
<tr>
<td>Community Services</td>
<td>957875</td>
<td>191487</td>
<td>98066</td>
<td>98066</td>
<td>98066</td>
<td>98066</td>
<td>98066</td>
</tr>
</tbody>
</table>

Apart from manufacturing, Agriculture, forestry and fishing is the second largest economic sector. While Swartland dominates this sector, it is significant that Saldanha has overtaken our sister municipality Bergrivier to come second.

Within the regional context, the wealth and the people of the district are concentrated in the southern regions closest to the Cape Metro.

Moreover, Saldanha has the highest per capita GDP of R 29000 which is considerably above that of other municipalities in the district.

Income distribution remains extremely unequal, and although the municipal area has the highest per capita GDP it also houses the highest number of people earning little or no income.

To conclude this section, it is perhaps important to note that the municipal area have several sectors including manufacturing, wholesale and retail and agriculture and fishing that have shown growth potential. What is needed is an identification of high impact interventions to catapult the area out of its current slow growth trajectory. These are discussed in later in this report under the heading Local Economic Development Interventions.

2.5 EDUCATION AND HUMAN CAPITAL
Within the district context Saldanha bay municipal area has a reasonably stock of educated people with just over 10 000 tertiary graduates, representing approximately 15 percent of the population.

Of this roughly 39 % have technical qualifications and 12% have college diplomas. Within the district context the municipality has the highest number and proportion of people with the best tertiary qualifications.

However the biggest challenge relate to the fact that more than 62% of the population do not have grade 12 with the resultant implications for further training.

2.6 ENVIRONMENTAL TRENDS
The municipality holds the view that the environment is central to our development trajectory, both as a basis for tourism and the livelihoods of our people. The municipality faces environmental treats such as climate change and the degradation of ecosystems.

2.7 INSTITUTIONAL TRENDS
Support for future growth and development strategies will depend on factors such as public sector coordination and the management of various political differences across different sectors. Our key challenge is to ensure effective links between the following key policy frameworks.

The Strategic Agenda or Local Government. This framework outlines the key performance areas for municipalities. This remains the cornerstone of the strategic interventions outlined, below and is grouped and discussed as such. It includes the following areas of performance:

- Basic Services
- Municipal Institutional Development and Transformation
- Local Economic Development
- Municipal Financial Viability and Management
- Good Governance and Public Participation

Our maturing understanding of the role of IDP in planning suggests that the IDP should be viewed as the sum total of the interventions of the entire state and its social partners in our geographic space. This perspective forces us to reach conclusions that are guided by the National Spatial Development...
Perspective (NSDP), Accelerated and Shared Growth Initiative for South African (ASGISA), National Industrial Policy Framework, National Framework on Local Economic Development and the National Framework for Social Development. At a provincial level synergy must be sought with the iKapa GDS and strategies and district plans.

A key informant of our Spatial Development Framework, the Western Cape PGDS was the Growth Potential of Towns in the Western Cape study. This suggests that the PGDS presents an analysis and a strategy that is closely aligned to the NSDP principles.

2.8 WORLD ECONOMIC CRISIS

The trends discussed above, must be located and understood within the context of the deepest and most serious economic crisis in at least the last 80 years.

The crisis” caused by a range of factors including gross imbalances and inequities in the global economic system, the impact of the financialisation of economies, ineffectual regulation in several of the major world economies and poor business practices- has resulted in significant asset depreciation, closures of companies, rising unemployment and a sharp slowing down of economic growth, with most highly industrialised countries entering a recession” (Framework for South Africa’s response to the international economic crisis, 2009).

Saldanha Bay’s local economy is strongly integrated into the world economy and is therefore significantly dependent on its good health. This is true for both our existing industrial activities as well as the identified oil and gas and tourism sector which we has identified as sectors with growth potential.

We are already experiencing the effects of this crisis through the reduction in demand for Saldanha Steel products and the resultant lay off of workers. This has additional impacts such as reduced demand for water and electricity and the negative impacts of this on the municipal fiscus.

The key question that faces the municipality is what posture we should assume in the face of imperfect information and the inherent inflexibility of the fixed cost component of our operational cost. “The duration and depth of the downturn cannot be forecast with certainty, but growth is likely to be lower than previously expected at least in 2009, and 2010. This has potential implications for incomes, employment, and investment; and on social programs partly through the slowdown’s effect on tax revenues for government” (Framework for South Africa’s response to the international economic crisis, 2009).

This is arguably the most significant changed circumstance that this IDP will have to confront.

Our response to this crisis is contained in the IDP, but the threat is so significant that a chapter is devoted to it in this IDP.

CHAPTER 3: THE SPATIAL LOGIC

3.1 INTRODUCTION

The spatial logic that underpins and guides this IDP is documented in our Spatial Development Framework (SDF). The SDF, which is in an advanced stage of completion, will be adopted formally by council towards the end of the first semester during 2009.

3.2 THE REGIONAL CONTEXT

Saldanha Bay municipality is located in the south-western part of the West Coast District and has the highest concentration of household income, together with its sister municipality, Swartland. Nevertheless, away from the larger towns, household income is almost insignificant.

Situated approximately 120 km North West of Cape Town on the Cape West Coast has particular spatial implications for the municipality. These are principally as follows: Its proximity to Cape Town, its natural deep water harbour and its associated development potential have propelled the municipality to be identified as a Presidential Development Growth Node. This view is supported by the principles contained in the National Spatial Development Perspective (NSDP) and reinforced by the approved Provincial Spatial Development Framework (PSDF). The PSDF uses the NSDP approach to identify the towns with the most growth potential using 82 different indicators (*).

The ranking identifies Saldanha Bay, Vredenburg and Malmesbury as having ‘high’ development potential. More than 5 billion rand of the districts 6.7 billion rand Gross Regional Product, is concentrated in these major towns. Given that only twelve towns were identified in these categories, the study would suggest that the municipality is in a strong position with regard to development potential relative to the district and indeed the province.

A town hierarchy and accessibility index, conducted by Procurement Dynamics (Pty) Ltd for The Presidency, shows that for most of the residents in the southern parts of the district, accessibility is within half an hour commuting range. Combining the accessibility index with population density shows that for most of the south there is high accessibility and low density, however there are also a significant number of places with high density and low accessibility that should be prioritised for service delivery.

3.3 SALDANHA - VREDENBURG

The spatial logic for the Saldanha Bay Municipal Area, as a whole, is underpinned by a clear hierarchy of towns and settlements. In terms of this overarching growth management concept, the town of Vredenburg and Saldanha will ultimately become part of one integrated urban complex consisting of Saldanha, Vredenburg and a deep water port facility and it’s back of port industrial activities.

Note *: Growth Potential for Towns in the Western Cape, February 2005.
To achieve the advantages of economies of scale, agglomeration and the intensification of linkages that underpin this spatial growth model, it is critical that the urban growth patterns of both the existing Vredenburg and Saldanha towns are directed towards each other while the growth of the back of port industrial area must be centred along the existing rail and infrastructure service axis. This will, in the medium to long term, ensure the creation of a spatially efficient and compact urban form.

To achieve this, it is crucial that the future expansion of both Vredenburg and Saldanha is encouraged to reinforce this development corridor. In the case of Vredenburg, this implies directing growth southwards from the existing CBD, along the R45 spine. This will in the medium to long term, ensure a continuous connection between these two urban nodes. Integrated land use and infrastructure planning is considered critical within this corridor in order to combine major public transport routes with high densities and mixed land uses. This would ensure the appropriate growth and socio-economic benefits of this activity corridor are achieved.

3.4 SALDANHA PORT AND BACK OF PORT

Saldanha Port and the “Back of Port” area are regarded as critical for the growth of the region and seen as a major economic growth point in the Western Cape Province. As an economic spin off from the proposed upgrading and expansion at the Saldanha Bay Port, major industrial development is anticipated within the back of port area. The industrial expansion is considered a catalyst for the growth of a major industrial corridor which is envisioned to link the southern part of Saldanha Bay with the Port with the south-western section of Vredenburg.
3.5 LOCAL GROWTH MANAGEMENT STRATEGIES

In Saldanha Bay, the major challenge relates to reintegrating Middelpos/ Diazville with the historical town centre and harbour. To achieve this Diaz Road must fulfil the role of an activity street that links Diazville/ Middelpos and town. The municipality will encourage and promote mixed uses along the length of Diaz Road, comprising of residential densification and mixed business uses. Saldanha road which is the southern end of the proposed Saldanha Vredenburg corridor will be promoted as an activity street up to its intersection with Diaz Road.

Langebaan fulfils an important role as a recognized holiday and tourist destination. This role is anticipated to continue with the increased development of the Saldanha Bay Port, industrial area and the expected concurrent growth of Saldanha and Vredenburg. As larger numbers of permanent residents settle in Langebaan, the need for the provision of a greater variety of economic opportunities for the local residents will increase. When seen in a regional context, Langebaan has a recognised potential for future growth. Adequate provision should thus be made to consolidate and expand its important local and regional tourism role and in so doing provide an increased range of economic opportunities.

With respect to Paternoster, the municipality will endeavour to contain the growth of the town in a clearly demarcated edge restricting coastal frontage development and encouraging integration in a centrally located, easily accessible tourism and civic node. The concept being that mixed use higher density residential development, with a range of options should be encouraged within the centrally located mixed use precinct. A critical component of the town remains its historical character and small fishing village atmosphere which is important for the tourism mix of the municipality.

Jacobsbaai is a minor coastal residential node within the context of the municipal area. In terms of the proposed future coastal road network, Jacobsbaai as a gateway town to this coastal route will form an important component of this planned tourist route.

Given the low growth potential of Jacobsbaai, as well as the biodiversity sensitivity of the area directly surrounding the town, it has not been necessary to identify any significant extension areas. The emphasis, from a planning perspective, has rather been on containing the existing urban area within a sustainable urban edge, improving its tourism and public recreational role and ensuring that the future alignment of the planned coastal road is secured.

The historic linear development pattern of St Helena Bay is a direct result of the physical form of the coastline. This linear development pattern is characterised by a number of distinct historical villages. Laingville has historically been a residential area for mainly Coloured people while in contrast, Shelley...
Point and Britannia Bay are more recent residential extension areas which address the residential holiday accommodation market.

In order to ensure spatial and socio-economic integration, identified areas must be developed to address housing needs in a sustainable manner. To this end, housing opportunities for a range of income groups must be provided at identified nodal points. Integrated human settlements must be developed, evidencing a sufficient supply of non-residential facilities at identified nodal points.

Although the established linear spatial form will continue to dominate the development pattern of the area, it is now necessary, from a spatial management perspective, to consolidate and improve the socio-economic integration of the area. In this regard the strategy to be followed must be to strongly discourage further linear development patterns and consolidate new development around three identified nodes. Intensification at these nodes should be promoted and encouraged, and it is anticipated that this can only be achieved through limiting further linear expansion along the coast.

**Figure 5: Integrated human settlements.**

**CHAPTER 4: WARD BASED PRIORITIES**

4.1 INTRODUCTION

The municipality is challenged with providing alternatives to the current urban environment that prevails in mainly poor neighbourhoods. Our goal is to ensure that all citizens and residents will live in secure, vibrant, safe, efficient and sustainable human settlements. We view the priorities identified by our communities as critical inputs into an holistic plan to create such settlements.

These ward based priorities were canvassed both in community meetings and in the interaction of our councillors and officials with the general community.

**Informal Settlements**

- **HOUSING DEVELOPMENT**
- **SPORT FACILITIES**
- **MARKET STALLS**
- **CIVIC NODE - MPC CENTRE**
- **ACCESS ROAD - MAJOR ROADS**
- **CBD AREA**
- **TRAINING CENTRE**
- **TOURISME CENTRE**
- **TAXI RANKS**
- **HIV & AIDS CENTRE**
- **INTERCHANGE**
- **PARKS**
- **BEAUTIFICATION PROJECTS**
- **ECO CENTRE**
It is important that the issues identified by the ward committees and during the public participation process are addressed timeously. Most of the identified issues deal with things that affect the appearance of our neighbourhoods, community safety and municipal efficiency. For this reason we will draft a set of ward based plans so that the ward allocations (*) are spent in a more structures manner.

We will also explore ways of getting civil society (churches, business etc) more involved in addressing community problems.

A framework for implementation is attached, hereto as Annexure A.

### 4.2 THE PROBLEM STATEMENT

Our analysis of the aforementioned trends lead us to adopting the following problem statement that the IDP seek to address:

- An economy in need of high impact public and private sector interventions to strengthen key sectors such as oil and gas, manufacturing and tourism which has significant growth potential and to share the benefits of growth.

- A social fabric shaped by the effects of poverty with significant underinvestment in education that undermine the development of the human potential of the municipality.

Note *): Council provides an allocation to each municipal ward that are mainly used for small capital wards and are intended to ensure a equitable distribution of the budget.

- A vulnerable ecological context that creates a need for ecologically sensitive development.
- A spatial structure that maintains and increases inequalities and inefficiencies.
- Institutional misalignment between spheres of government, including state owned enterprises.

In order to address these problems the IDP adopts the following interventions. The key programs and projects that are identified as part of this review is premised on the rationale that given the districts development potential “…the future outlook for the West Coast does not hold great promise for accelerated growth, job creation and poverty reduction unless certain high impact interventions are implemented in the next few years. (West Coast District Municipality, 2007).”

The approach adopted by the municipality is to build the partnerships that are needed to withstand the crisis and ensure that the poor and the most vulnerable are protected as far as possible from its impact. To continue the investment in economic infrastructure that is needed so as that the local economy is ready to take advantage of the next upturn.
CHAPTER 5: BASIC SERVICES

5.1 INTRODUCTION

Our approach to the provision of basic services is lead by our intervention with respect to human settlements and public infrastructure.

5.2 HUMAN SETTLEMENTS PLAN (12)

Access to housing and secure accommodation is an integral part of our commitment to reduce poverty and improve the quality of our people's lives.

In harmony with the key principles contained in the Spatial Development Framework, twenty-five projects are in various stages of submission and embody the municipality's short term interventions. The total value of applications over the next three years will be R 200 million representing some 3200 housing opportunities. It is estimated that more than 12000 people will benefit from this initiative.

The aim of these interventions is to eradicate informal settlements by 2012 and to change the spatial settlement patterns by building multicultural communities.

5.2.1 MAIN SUPPORTING STRATEGIES

- Initiate identified Restructuring Zones, whose aim is to facilitate structured upgrading of informal settlements and encourage a holistic approach with minimum disruption to existing community networks and support structures.
- Accelerating housing delivery for poverty alleviation by delivering approximately 1000 units per year up to 2020 to overcome the housing problem.
- Using housing provision as a major job-creation strategy (13). We will immediately mobilise and organise the poor to contribute towards the overall housing delivery program in terms of job creation.
- Using housing as an instrument for spatial integration (14). We will invest in safe and affordable public transport infrastructure and identify strategic housing projects to spatially restructure apartheid settlement patterns. Within strategic locations we will enforce quotas for “GAP” housing to facilitate this.
- Diversifying housing products with an emphasis on the indigenous typical west coast top structure style. Housing developments will be used to break down barriers between the first economic residential boom and the second economic slump. In addition we will diversify housing products by emphasising rental stock.

- Improve the quality of housing products, with energy efficiency and environmental sensitivity to ensure asset creation. A range of plot sizes, services and infrastructure options and material choices will be used in the future to improve the quality of houses.
- Ensure a single, efficient formal housing market. By providing a variety of housing products we will stimulate the housing market positively.

5.3 WATER

Saldanha Bay municipality is supplied with bulk water from the Berg River Saldanha Scheme. Being on the water stressed, west coast places considerable responsibility on the municipality to manage demand and supply wisely. The municipality in partnership with the district is currently engaged in a pre-feasibility study of potential water sources. The purpose of this study is to determine the current and future situation of water demand versus supply and to determine the feasible future options for additional water sources.

The following are the key projects to ensure that our capacity to supply water is not diminished.

5.3.1 MAIN SUPPORTING STRATEGIES: WATER

- Continuing our representation on the Strategic Pilot Committee together with the City of Cape Town and the Department of Water Affairs and Forestry to ensure bulk water supply to the municipality over the next 30 years.
- To investigate the identified future sources, including alien vegetation clearing; 24 river canal scheme; Mitchell's Pass diversion; Low lift pumps at Misverstand; Eldandsfontein and Adamsboerskraal Aquifers Systems and Water quality.
- Continuing and strengthening the water conservation/demand management strategy for the municipal area. The current annual (2006) measured water losses for the municipality is approximately 13.5%, down from 16.5% in 2003. The aim is to reduce it to under 10% by 2011.
- Creating an additional 8 ML reservoir capacity in Vredenburg over the next three years.
- Improving the fire flow capacity to the Industrial area in Vredenburg.
- Creating an additional 3 ML of reservoir capacity in Saldanha Bay to support our housing strategy.
- Improving the bulk water supply line from the district municipality to St Helena Bay.
- Upgrade of Reservoirs at Midwest and Britannica Heights to support development in St Helena Bay.
- Create an additional 2 ML reservoir capacity at Oliphantskop to support development in Langebaan.
- Finalising the groundwater project in Hopefield.
- Creating an additional 1 ML reservoir in Jacobsbaai to support development.
- Implement the recommendations of the reuse of treated effluent study.
5.3.2 MAIN SUPPORTING STRATEGIES: SANITATION

- Replacing the main sewerage line and increasing the pump station capacity at Muggievlak.
- Upgrading pump stations at Saldanha Bay.
- Constructing a new Sewerage plant in Britannica Bay while phasing out current system.
- Increasing the capacity of the sewerage plant within the next five years.
- Moving the current Waste Water Purification Plant at Paternoster.

5.4 MAINTENANCE OF INFRASTRUCTURE

Notwithstanding this, the municipality is acutely aware that it is prudent that it continuously invest in the maintenance of its infrastructure. The municipality will therefore retain its posture to aggressively invest in bulk infrastructure creation in order to support both its human settlement strategy and the local economy. The maintenance priorities will be determined on an annual basis and will be informed by our various master plans and community inputs.

5.5 INDUSTRIAL EFFLUENT

Industrial water users form a significant (approximately 50%) percentage of potable water users within the Saldanha Bay municipal area. It is generally accepted that industrial use of water seriously and rapidly impacts on the quality of water and that the effluent, as a by product of this water use poses potential opportunities and threats to the municipality.

The municipality is currently poised to expand it’s expand its industrial land uses considerably, while on the other hand it relies heavily on its pristine nature as a basis for tourism. These two uses have traditionally been seen as mutually exclusive and have led to the adoption of innovative industrial water treatment projects and programs within the municipality. This is done in an effort to accommodate both these economic activities in the area.

The municipality therefore face a test to ensure that industrial expansion do not violate the sustainability perspective.

5.6 AFFORDABILITY

The ability of the community to pay more for municipal services is a factor of the pace at which household income grow, which in turn is linked to the rate at which growth in the economy raises income levels.

The municipality therefore accept the following service levels for communities:

<table>
<thead>
<tr>
<th>SERVICE</th>
<th>RURAL</th>
<th>BASIC-URBAN</th>
<th>INTERMEDIATE-URBAN</th>
<th>FULL-URBAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>Communal Standpipes</td>
<td>House connections</td>
<td>House connections</td>
<td></td>
</tr>
<tr>
<td>Sanitation</td>
<td>Simple waterborne</td>
<td>Full waterborne</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads</td>
<td>Graded</td>
<td>Grave</td>
<td>Tarred</td>
<td></td>
</tr>
<tr>
<td>Storm water and drainage</td>
<td>Open Channel- no lining</td>
<td>Open Channel- lined</td>
<td>Piped</td>
<td></td>
</tr>
<tr>
<td>Refuse removal</td>
<td>Communal Skips</td>
<td>Communal Skips</td>
<td>Kerbside-collection</td>
<td></td>
</tr>
</tbody>
</table>

The municipality will employ an incremental approach to infrastructure provision starting with basic services, incrementally increasing services over time.

5.7 ROADS

5.7.1 INTRODUCTION

There are three main arterial roads that serve the Saldanha Bay Municipal area, these roads being Trunk Road 77/1 (TR 77/1) or R27 (also known as the West Coast Road), Trunk Road 21/3 (TR 21/3) (road between Vredenburg and Velddrif), and Trunk Road 21/2 (road between Vredenburg and Hopefield) (R45).

The R27 provides access to the area from the north and south, connecting the municipal area with other West Coast Towns. TR 21/3 (which becomes Main Road 238 further south) links Vredenburg to the R45 intersection which links Vredenburg with Saldanha and Velddrif. The R45 stretches east-west to link Vredenburg with Hopefield and Paternoster. The secondary roads in the Municipal Area are: Main Road 233 (linking Langebaan to the TR27), Minor Road 559 (linking Langebaan with Saldanha), Minor Road 533 (linking St Helena Bay to the other towns) and Main Road 234 (linking Hopefield to the R27 in the vicinity of Velddrif.

The most prominent road in terms of usage frequency is Main Road 238, between Saldanha and Vredenburg, with the majority of road users being light vehicles. The largest number of taxis in the entire municipal area is also found on this road. These high traffic volumes in the municipal area reflect Vredenburg and Saldanha roles as the two primary employment and residential nodes. People from lower income groups use public transport to commute, contributing to these high volumes. The prevalence of heavy vehicles is largely due to road construction works that were ongoing in the area during the time when the traffic counts were conducted.

The lowest traffic volumes occur on the north bound Main Road 234 between Hopefield and Velddrif, the reason being that the majority of road users from Hopefield use the R45 to Vredenburg. This implies that there is strong road user gravitation towards Vredenburg, the main employment and business node in the region, and that far fewer trips are generated between Velddrif and Hopefield.
The road network with its major intersections and traffic volumes, displays a strong gravitation towards Vredenburg and Saldanha, confirming the towns roles as the significant economic nodes of the municipal area. It is considered advantageous that the R27, which carries regional through traffic, bypasses the towns, thus avoiding unnecessary conflicts, however, this also has a detrimental economic affect as passing economic opportunities are lost.

5.7.2 MAIN SUPPORTING STRATEGIES

- Construct the MR 559 from MR 238 to MR 233
- Construct OP 2164 from MR 240 to OP 2160
- Construct 2160 from MR 240 to MR 533
- Construct MR 533 from TR21/3 to TR77/1
- Construct TR 85/1 from TR77/1 to Langebaanweg TR21/2
- Upgrade MR 533 from Laingville to Stompneusbay
- Construct multi-level interchange at TR85, TR77/1, TR21/2, TR77/1, MR 233 and TR 77/1
- Construct TR21/2 from Vredenburg to TR 77/1
- Extension of MR 559 from MR 238 to MR 533 at Stompneusbay

5.8 ELECTRICITY

5.8.1 INTRODUCTION

Subsequent to already scheduled Notified Demand Upgrades and based on an average load growth of 2% per annum, the Saldanha Bay municipal area can cope with expected demand.

With respect to installed capacity, adequate provision exist to cater for demand over the next 10 to 12 years. This forecast factors in the average age and condition of installed infrastructure and a reserve capacity of 25%.

In order to ensure a reliable and safe supply of electrical energy the following key strategies will be pursued:

5.8.2 MAIN SUPPORTING STRATEGIES

- Improving the management of our electrical network: In support of managing the infrastructure the municipality has an telemetry system in operation that monitors status, demand and operation of the substations on a 24 hour basis.
- Skills Development and Training: The complexity of our electricity infrastructure and the sustainable operation of our systems demand that we invest in obtaining the skills and constantly train our employees to the best of ability.
- Energy conservation: The demand for electrical energy in the country and the town has increased. However, the generating capacity in the country is limited and under enormous stress. It is expected that this situation will prevail for the next 7 to 10 years. The following projects represent our main initiatives in this regard:
  - Reducing its maximum demand during peak hours. These initiatives includes installing hot water geyser control systems.
  - The municipality will continue to participate in Eskom's CFL rollout to reduce energy consumption. Saldanha Bay is expected to reduce our demand by 10%, based on our yearly kWh consumption. We are planning to reach this target by 2011.
  - Participate in Eskom Energy Conservation Scheme which basically entail electricity energy quota basis. The municipality will be forced to plan and use its electricity more efficient. Penalties will be imposed on the municipality if it does not comply with these rules.
  - Alternative energy sources- Legislation are pending requiring of municipalities to adopt renewable energy sources as alternatives to fossil fuels as a means of generation electricity and protecting the environment for future generations.
  - Provide basic electricity services: 95% of households in the municipality have an electricity supply. There is however two informal settlements in the area where the basic service is not rendered. The reality is unfortunate that as a municipality we will be faced with informal areas for still some time. In order for this municipality to perform its constitutional obligations it needs to requires sufficient funds for the bulk low voltage, streetlights and housing connection infrastructure.
  - The municipality will undertake the following infrastructure projects over the next three years:
    - Over the next 3-4 years the Municipality will be required to construct a new 66/11kV stepdown Substation between Vredenburg and Saldanha to create future capacity.
    - The existing Church Street North and South 11 kV network will be upgraded over the next 2 years.
    - In the 2009/10 financial year construction of the new 11 kV step down substation in Langebaan will commence.
    - Investigate and identify alternative future energy sources for the generation of electricity within the area for example wind energy and wave energy.
    - Invest in means to reduce electricity consumption by at least 10%.
    - Undergo tariff restructuring.
    - Submit application to Eskom to increase the Maximum Notified Demand of the towns.
    - Invest in operational maintenance plans.
    - Get the Scare Skill Insensitive in operation.
    - Electrification of Middelpos and TimberCity.
    - Replace mini substations and switchgear.
5.9 SOLID WASTE

The municipality considers waste avoidance and waste education as the cornerstone of its future strategy, hence the following strategies are proposed:

5.9.1 KEY SUPPORTING STRATEGIES

- Minimisation and cleaner technology initiatives will be embarked on.
- Management related interventions, including policy, coordination, enforcement, dissemination and reporting of information and capacity building.

5.10 THE ENVIRONMENTAL CHALLENGES AHEAD

Planning for the sustainable provision of basic community and economic infrastructure means taking into consideration the potential long term impacts of several major factors, including:

- Increasing population.
- Changing housing stock and occupancy rates.
- Climate changes.
- Changing community attitudes to water and energy use.

The municipality will continue to monitor these factors and schedule interventions in such a way that development is not impeded.

5.10.1 MAIN SUPPORTING STRATEGIES

- Increasing environmental awareness and education in order to promote an understanding of environmental rights and responsibilities.
- Developing an integrated air quality management strategy in order to minimise pollution.
- Developing a strategy to minimise the potential harmful effects of climate change.
- Developing an integrated noise pollution strategy to reduce the impact of noise disruption.
- Enhancing environmental governance structures at both municipal and community level to promote partnerships in the management of environmental threats.
- Co-ordinating and strengthening the enforcement function with respect to environmental issues.

CHAPTER 6: MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

6.1 INTRODUCTION

We are acutely aware that a need exist for organisational strategies that take into account changes in the external environment within which the municipality operate. These strategies should aim to transform the municipality for improved performance. The municipality should therefore develop a targeted program that has as its core objective the identification of strategies for:

6.2 MAIN SUPPORTING STRATEGIES (15)

- Turn around: SBM have not performed well in 2007 and 2008 as depicted in audit and performance reports and needs to realign it to achieve the standards expected from a high capacity Local Government. It is therefore imperative that Senior Management commit them to “turn” SBM around to again become a respected leader in Local Government. SBM must adopt a “new” culture of “commitment and results” instead of a culture of “compliance”.
- Stabilise the core: In line with above, it is imperative that the strategic core of competent senior management is stabilised and underpinned with strategic directive and performance contracts. It would also be of great assistance if political stability can be achieved, it provides a stable platform for senior management to operate from.
- Human Capital SBM believes in the value of its Human Capital and are aware of the challenges to attract, reward, retain and motivate staff. It is therefore imperative that we value our employees, are responsive to their respective needs [5 generations are working side by side], make provision for development and career guidance and reward them accordingly and retain skills. This will become practical in our annual HR Plan, Skills development plans, Employment Equity plans, Personal Development Plans, EA programmes, Benefits structures and Performance Management system.
- Identifying our Risks: The IRCA audit for 2008 identified a series of risks factors which need action, SBM have decided to embark on the CHSAS 18001 systems and those standards should be promoted in all our activities for the next few years and evaluated by external audits to achieve world class status again.
- Improve operational efficiencies and services: “The biggest difference between the old work and the new is the sharply accelerating pressure to do it all better, faster, and cheaper.” SBM needs to adapt to the changing environment and the needs/demands of the customer (public) and improve operational efficiencies with regards to costs – the most economical:
  # Quality – best quality, meeting and exceeding the customers expectations.
  # Time – available as soon as possible.
# Service – best service possible.

# Innovation – something new, not yet envisage by the customer.

# Customisation – tailored to the specific needs of each customer or group of customers.

- Skills demand planning: “New” organisations [Councils] are different than a decade ago in terms of workforce, structure, technology, quality and relationships. SBM must therefore be prepared for the new challenges and needs of our customers. Due to the fact that fewer people are doing physical work and more are doing knowledge-based work, emphasis is shifting to nurturing “intellectual capital”. It is therefore imperative that SBM develop, measure and manage our intellectual assets if we want to attain high capacity status. This will necessitate that we approach our skills development strategies to adapt to the knowledge area where workers will be empowered with the following requirements:

  # Knowledge to deal with the unexpected instead of repetitive skills.
  # Being spontaneous and creative instead of depending on memory and facts.
  # Take risks instead of risk-avoidance.
  # Collaborating with people instead of focusing on politics and procedure.

- Talent Management and Succession Planning and Retention of skills: It is imperative that the SBM manager for the future should have the ability to:
  # Develop and use advance strategies.
  # Manage change and transition.
  # Manage cultural diversity.
  # Design and function in flexible structures.
  # Work with others and in teams.
  # Communicate effectively.
  # Learn and transfer knowledge in organisation.

- SBM will therefore attract, select and develop leaders/managers to address the management challenges facing us with the assistance of Management and leadership development programmes in association with universities.

  # Performance Management and reward/benefits structure

- In line with chapter 6 of the Systems Acts, SBM will develop a user-friendly, practical and computerised PMS for all post-levels by 2011 which will assist management to measure our progress and advancement towards our goals.

<table>
<thead>
<tr>
<th>Table 7A: Human Resources Goals, Technical.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2009</strong></td>
</tr>
<tr>
<td><strong>TECHNICAL</strong></td>
</tr>
<tr>
<td>Finalising implementation of TASK salary scales</td>
</tr>
<tr>
<td>Finalisation of Macro and Micro restructuring</td>
</tr>
<tr>
<td>Reviewing of all HR policies and introducing new policies</td>
</tr>
<tr>
<td>Performance Plans for all staff</td>
</tr>
<tr>
<td>Introducing an Absence management programme</td>
</tr>
<tr>
<td>Revived ABET programme</td>
</tr>
<tr>
<td>Basic accredited local skills training in water, sewage, building, electricity, streets, stormwater, law enforcement and finance.</td>
</tr>
<tr>
<td>4 Star rating in IRCA audit</td>
</tr>
<tr>
<td>Improved Induction programme for new employees with emphasis on values and goals of Council</td>
</tr>
<tr>
<td>Achieving our EE goals with special reference to disabled people (Provincial / regional targets)</td>
</tr>
<tr>
<td>Filling vacancies within 3 months.</td>
</tr>
<tr>
<td>Assessment of all new employees (Recruitment)</td>
</tr>
</tbody>
</table>
### Table 7B: Human Resources Goals, Development.

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEVELOPMENT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Introducing of Skills Retention policy</td>
<td>Training budget (excluding bursaries) equaling 1,5% of payroll.</td>
<td>Internal competence and potential assessment of employees</td>
<td>Training budget (excluding bursaries) equaling 2.5% of payroll</td>
</tr>
<tr>
<td>Finalisation of Personal Development Plans for all employees</td>
<td>Training budget (excluding bursaries) equaling 2% of payroll</td>
<td>Joint venture with accredited training centre for basic service skills such as water, storm-water, sewerage, electricity, streets, building</td>
<td>Learner ships</td>
</tr>
<tr>
<td>Introduction of Management/Leadership development programme for all post level 6 to senior management level in conjunction with higher learning institution</td>
<td>Computerised PMS on all post-levels</td>
<td>Internal Supervisory programme with internal facilitators</td>
<td>Internal transformation programme with internal facilitators</td>
</tr>
<tr>
<td>Internship for Scarce skills posts EA Programmes</td>
<td>ABET programme</td>
<td>ABET programme</td>
<td>ABET programme</td>
</tr>
<tr>
<td>Monthly EA, Occupational health and Safety programmes</td>
<td>HR audit by external auditor</td>
<td>HR work experience: “Getting to know the customer” 2 x per annum</td>
<td>HR work experience: “Getting to know the customer” 2 x per annum</td>
</tr>
<tr>
<td>Transformation workshops for employees</td>
<td>Learner-ships is major service areas</td>
<td>Taking part in the “Best company to work for” survey</td>
<td>Taking part in the “Best company to work for” survey</td>
</tr>
<tr>
<td>TOT-JOU-DIENS project (Visits to towns and work-places by HR services)</td>
<td>Launching a coaching and mentoring programme</td>
<td>Launching a coaching and mentoring programme</td>
<td>Launching a coaching and mentoring programme</td>
</tr>
</tbody>
</table>

It is therefore the aim of the SBM HR section to move our focus from a reactive to a proactive and predictive approach as illustrated below:

**Focus of HR today:**

| 30% Development | 70% Admin |

**Future focus of HR:**

| 70% Transformation | 30% Admin |

### 6.3 ORGANISATIONAL REORIENTATION

#### 6.3.1 INTRODUCTION

Saldanha Bay Municipality recognizes that for planning to result in effective implementation, it is necessary to structure the resources of the municipality appropriately.

This requires the proper organization of both internal and external resources. This section considers the key elements of our approach to the current, as yet unfinished, reorientation of the macro and micro of the municipal resources.

#### 6.3.2 BACKGROUND

The two key policy instruments that governs our approach are the Integrated Development Plan and Performance Management. While the IDP significantly assist with clarifying our strategic outputs, the performance management system helps in evaluating the effectiveness of internal resources.

Together with employment equity and our workplace skills considerations it provides the framework within which we organize the internal resources in line with our responsibility to deliver developmental local government.

Our maturing understanding of our capacity constraints have led us to consider the following as key principles that should inform our organizational platform:

- Flatter structures to reduce the level of bureaucratic decision making that inhibits action.
- Decentralised decision making and control will take place within a well managed system of responsibility and accountability.
- Greater flexibility in resource organization and application and greater integration between functional departments. This gives us the scope to use available skills on a flexible basis where it is most needed and to increase the co-operation at planning and implementation level between functional departments. We are of the view that this will ensure that resources are better allocated across departments and applied in a coordinated manner, reducing wastage.
- Increasing the levels of organization communication. With a flatter structure, decentralized decision making and interdepartmental decision making, it is critical that we increase the level of focused communication within the organization.
- Establishing support functions to support delivery and not to be an end in themselves. This entail that the finance, administration exist to provide organizational and governance support to implementation. Our view is that they do not exist merely to perpetuate themselves. There service function must be understood and defined in relation to implementation and implementing departments.
- Complementary but demarcated co-operation between the political and administrative structures. We are insistent that clarity about and respect for the differentiation of roles between our politicians and officials. Confusion or overstepping by either constituency creates implementation-inhibiting conflict.
6.3.3 ORGANISATION OF OUR HUMAN RESOURCES IN LINE WITH FUNCTIONAL REQUIREMENTS

Our approach is to ensure that everyone in our organization understands their functions and that of the structures and how they interact.

We have therefore spent considerable effort to ensure this clarity through:

- Properly defining job descriptions at a macro level.
- Clear terms of reference for the macro structure.

In the coming months we will intensify our efforts in respect of:

- Training and orientation of staff, including planned career path development.
- Reviewing the effectiveness of the functional contributions to delivery through linkage with the performance management system.

CHAPTER 7: LOCAL ECONOMIC DEVELOPMENT

7.1 INTRODUCTION

In line with the shift at national and provincial government level, the municipality embrace the notion of the "developmental state" approach and an increasing recognition of the roles of national, provincial and local government in fostering economic development.

The IDP is our development platform for government and our partners to bring about shared growth and integrated, sustainable development to Saldanha Bay municipal area and the region, given our significance in the regional (district) economy.

The Saldanha Bay municipality accepts the obligation to consider its chosen economic growth path within the parameters of the environment and its preservation. This implies that no degradation of resources be permitted and that the economy should be run in such a way that the welfare of future generations can be sustained indefinitely.

However, this IDP also advocates a new approach to Local Economic Development based on targeted interventions. This implies that the municipality identify a strategic cluster and develop a strategic focus to support it. For us the key challenge is to understand what the evolution of a strong local industrial cluster means for local demand for services, anticipate it in terms of real estate, infrastructure and knowledge development.

Our analysis suggests that the following key strategies need to be pursued to achieve maximum impact:

7.2 MAIN SUPPORTING STRATEGIES

7.2.1 DEVELOP SALDANHA BAY AS A SUPPLY HUB AND FABRICATION CENTRE FOR SUPPLIES AND SERVICES, MAINTENANCE AND NEW BUILD PROJECTS FOR THE OFFSHORE OIL AND GAS COMMUNITY IN WEST AFRICA

- To support and lobby for the development of Saldanha Bay, as a major supply hub and fabrication centre for supplies and services, repairs and maintenance and new build projects for the Offshore Oil and Gas community in West Africa. To achieve this would entail:
  # Working together with the industry to unlock the potential benefits of the multi billion dollar industry for local firms.
  # Investigating the feasibility of a supply and service hub.
  # Entering into strategic partnerships to skill the local labour force.
• The size of the West African market is in the order of between 7.5 and 10 billion US Dollars. The South African Oil and Gas alliance targets 10 percent of this market as a realistic share that South Africa should pursue (16).

• Saldanha Bay, has an inherent competitive advantage due to its location on the strategic sea route and are thus strategically placed to add significant value to the industry.

• It should be noted that success in this regard could double the GDP of the municipality from its current 2.2 billion rand.

7.2.2 DEVELOP THE BACK OF PORT AREA AS AN INDUSTRIAL CORRIDOR

• Establishing the industrial development corridor between Saldanha Bay harbour and Vredenburg by 2013. This project is dependant on a pre-feasibility study that is currently being undertaken by Wesgro on behalf of the government of the Western Cape. The results of this study will be available in September 2009 and should influence all future resource allocation within the municipality.

• The largely vacant and underutilised land between Saldanha and Vredenburg has well-developed road and rail infrastructure (pre-requisites for industrial development). Moreover, the land is well-located relative to the sea and holds the potential for rail transportation of goods. Due to a number of factors the Back of Port area has the potential to attract existing firms who would want to relocate to well-located and accessible locations. The Back of Port area therefore has the potential to attract new and existing firms as the opportunity exists to optimise the location of the area relative to the sea and rail transport opportunities. It is therefore logical that industrial development be encouraged in this area.

• While the location of specific industries will be determined by market forces, it is important that higher impact industrial activities be located further away from residential areas.

• Harbour-related industrial activity should also be encouraged within the industrial corridor.

• It is recommended that a detailed plan be prepared for the industrial corridor, indicating the desired configuration of land uses within the corridor.

• Establishing and encouraging the development of a mixed use corridor along Saldanha way to provide facilities for small and medium businesses. To this end the municipality will facilitate and encourage projects that support this goal.

7.2.3 MARKET VREDEBURG AS THE PREFERRED LOCATION FOR PUBLIC SECTOR ADMINISTRATIVE OFFICES ON THE WEST COAST

• Assertively marketing Vredenburg as the preferred location for public sector administrative regional head offices. This should build on our current successes in this regard and would entail the kind of strategic partnerships with other spheres of government. To this end the municipality will facilitate the:
  
  # Relocation of the regional headquarters of the Department of Public Works by 2011.
  
  # The relocation of the regional offices of the Department of Justice by 2012.

7.2.4 INVEST IN OUR PEOPLE

Continue our investment in the people of Saldanha Bay by working together with our partners in government and the private sector to intensify skills transfer in construction, engineering, maths, science and entrepreneurship.

7.2.5 DEVELOP AND MARKET OUR TOURIST ICONS

• Over the next three years phase out public funding of tourism marketing to be replaced by a tourism levy of business and to intensify public spending on tourism product and entrepreneurship development. The following projects to augment the bouquet of tourism facilities will be undertaken and completed by 2012:

  # Development of a tourism gateway.
  
  # The development of the West Coast Fossil park on the R27. This project has the potential of attracting an additional 100 000 visitors to the area per year. This could therefore effectively double our GDP contribution from the sectors associated with tourism.
  
  # Review the potential of existing municipal/public resorts for opportunities to further develop and market them, in conjunction with the private sector to identified West Coast target markets

• Continue to invest in basic tourism infrastructure such as roads, signage and services.

• Increasing our interventions with respect to heritage and environmental conservation, i.e. the provision and management of parks, museums, heritage attractions etc.

• Reviewing our facilitating and regulatory environment. This will encompass the following:
  
  # Basic Hygiene and safety requirements.
  
  # Environmental impact management.
  
  # Development controls.
  
  # Control of standards.
The high impact strategic goals, interventions and actions can be summarised as follows:

**Table 8: High Impact Strategic Goals.**

<table>
<thead>
<tr>
<th>STRATEGIC GOALS</th>
<th>STRATEGIC INTERVENTIONS</th>
<th>ACTIONS</th>
</tr>
</thead>
</table>
| Double the current gross Regional Product by 2014    | Create an oil and gas service and supply hub in Saldanha Bay  
Develop the back of port industrial corridor  
Develop the Saldanha port as a multi product port facility  
Develop an Iconic tourism facility on the Saldanha bay port | Research sector support strategies for the establishment of an oil and gas service and supply hub  
Complete the pre-feasibility study of the back of port industrial corridor  
Release land for the development of an iconic tourism facility  
Sector support strategies for the aquaculture industry |
| Create 50 percent more jobs in the local economy by 2014 | See interventions above                                                                                           |                                                                        |
| Train an additional 750 technical tertiary qualified people by 2014 |                                                                                                                  |                                                                        |
| Achieve a 90 matric pass rate of grade 7 enrolled people by 2016, with an emphasis on maths and science |                                                                                                                  |                                                                        |
| Train 1000 people with the skills required in industry and manufacturing with a key focus on the engineering and oil and gas industry |                                                                                                                  |                                                                        |
| Create high profile partnerships                      |                                                                                                                  |                                                                        |

**CHAPTER 8: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

**8.1 INTRODUCTION**

The municipality is required by statute to secure sound and sustainable management of its fiscal and financial affairs in a transparent, accountable and appropriate way. We are mindful that failure in this respect would undermine all other developmental efforts. Our financial performance is underpinned by the returns from disciplined financial management, an ever growing tax base and maximising and diversifying our revenue streams.

The threat of a global economic meltdown could be particularly severe on the municipality, given our integration into the international economy. The biggest impact is potentially the non-payment of by consumers due to the economic situation.

**8.2 MAIN SUPPORTING STRATEGIES**

- The cornerstone of our strategic intervention in this regard is the diligent implementation of the Municipal Finance Management Act, the Municipal Structures Act, Systems Act and the Property Rates Act and their regulation.
- To strengthen the capacity of councillors to play their oversight role. The municipality will therefore endeavour to introduce qualitative improvements in the way the municipality are governed and managed from a financial perspective.
- A coherent and tight credit control policy and strategy that limits its impact on the poor. This will be supported by an unprecedented and sustained drive to include poor households in the indigent program to provide wider access to free basic water and energy. Improved administrative procedures, including credit risk assessment of consumers to mitigate risks through the use of security deposits and the installation of pre-paid meters.
- The preparation of realistic revenue budgets and monthly review of payment levels to ensure that expenditure budgets are adjusted to real levels of payment. The main reason for this is to ensure that the municipality does not erode surplus cash balances, redeem investments or use bank overdrafts to finance deficit cash flows arising from a cash shortfall in revenue.
- A policy to deal with the diminution in the value of tangible assets by realistic depreciation of our assets in terms of the assets expected utility to the municipality. This will mainly be dealt with in terms of the municipalities asset management policy. This municipality will review the residual value and the useful life of all its assets at least at each financial year-end and adjust the accounting estimate accordingly.
• To finalise and maintain the fixed asset register that is both realistic, compliant and appropriate to our circumstances. This is a particularly important exercise to determine an opening balance of property, plant and equipment that will not distort the operating surplus through inaccurate future annual depreciation charges.

• Review the supply chain management processes used by the municipality to ensure that best practices are adhered to.

• Review its internal control practices to comply with the issues raised by the Auditor General in its 2007/8 audit report.

• Link budgeting to both strategic and operational plans, and actively evaluate performance to ensure that the municipality is fulfilling its developmental mandate.

CHAPTER 9. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

9.1 INTRODUCTION

For Saldanha Bay to prosper, the municipality needs to be in good hands. Strong leadership and meaningful connection to our community, social partners and employees will help set us on the path to becoming the leading centre in the province.

The interventions proposed, here aims to improve the way we are governed to ensure accountable, responsive and united government serving the interest of all our people. The municipality need to expand its leadership role to ensure that the IDP strategic outcomes are achieved through better coordination, partnerships and governance the key features of our approach include:

9.2 MAIN SUPPORTING STRATEGIES

• Policy coherence and coordination. This entails moving away from departmentalising service delivery and strengthening collaboration around a common purpose. Integration and coordination functions take place between departments within the municipality and between different spheres of government and various sectors. Intergovernmental fora such as the Premiers Coordination Forum, The Provincial Advisory Forum, the District Advisory Forum etc. plays a crucial role to achieve this aim. The municipality will continue to participate in these fora.

• In house the responsibility rests of the strategic management team to ensure policy coherence. To facilitate this approach the municipality created the Directorate: Planning and Strategic Services who has this as a particular mandate.

• Integrated Development Planning and the mobilisation of resources. For effective delivery, the IDP strategic priorities should be reflected in the various budgets of state departments and state owned enterprises. This entail that the municipality must double its efforts to get budget support from provincial, national government and state owned enterprises. It further entail that all projects must contribute to the IDP strategic priorities and that the municipality only approve infrastructure investment when they are financially and environmentally sustainable and located in areas of growth potential.

• It also entail reallocating finances within, to cater for new priorities.

• This IDP promotes multi-stakeholder lead interventions, especially through provincial agencies and the private sector.
• Integrated Implementation and Service Delivery. To achieve the IDP strategic priorities, all partners need to participate. Our challenge is to align implementation timeframes. The municipality will place great emphasis on mobilising communities, representative organisations, civil society movements—in fact the entire social capital in existence—in a partnership for delivery. The aim of these partnerships will be two-fold, namely to create fora where we can interact with our stakeholders, provide progress reports and gain valuable insights and inputs from communities, and a hub for mobilising the entire resources of our region in going beyond the modest goals of this IDP for attaining meaningful transformation in the lives of the poor and marginalised.

• This IDP holds the view that problems that require unique, penetrating and partnership based solution—such as poverty, unemployment and crime—are intensifying.

• In addition the municipality will use this space to conduct an aggressive general civic education campaign on issues such as the importance of the IDP.

• This focus with a new focus on the importance intergovernmental and the municipality will create a dedicated capacity to manage this.

• Participatory governance and delivery. Empowerment and effective functioning of our governance structures such as council, mayoral committee, portfolio committees, audit committees and ward committees.

CHAPTER 10: SPECIAL MEASURES TO MITIGATE THE CRISIS

10.1 INTRODUCTION

The municipality’s approach to the economic crisis is founded on the following key principles:

• To protect the vulnerable groups such as the low income workers and the unemployed, including their jobs, health and education.

• To strengthen the capacity of the local economy to grow and create decent jobs in the future.

• To maintain our planned levels of investment in public infrastructure and to encourage private sector investment.

• Appropriateness of our intervention, we will avoid making short term popular decisions that might have long term adverse outcomes.

• To participate actively in both the national and provincial governments strategies in response to the economic crisis.

10.2 MAIN SUPPORTING STRATEGIES

10.2.1 SOCIAL

• To gather appropriate data on household affected by the economic crisis, and for the duration of the current crisis ensure that: there are no cut-offs of the monthly free basic allocation of water and basic services irrespective of debt; there are no cut-offs to indigent communities, in general; there are no cut-offs to households which are affected directly by the consequences of the current economic crisis, in particular; there are no cut-offs to firms who are in distress for at least six months while attempts are made to save the firm and jobs.

• That there are no evictions from municipality owned rental stock as a result of non-payment by households which are affected directly by the consequences of the crisis.

• Investigate special measures to increase our capacity to employ more people from affected households during the crisis, subject to labour legislation.

• Increase our capacity through the Expanded Public Works Program (EPWP) to provide employment to those who are not absorbed into the labour market and ensure that these EPWP are of a longer duration to sustain livelihoods.

• To participate in the provincially envisaged comprehensive food security strategy.
• To participate in the food distribution measures that will provide food relief to distressed communities.

• To facilitate social dialogue between local social partners.

10.2.2 ECONOMIC

• To identify vulnerable local sectors and lobby for support under the industrial and trade measures program.

• To lobby parastatals, operating in the municipality to procure local supplies, services and other requirements in order to maintain local employment levels.

• To investigate revising all municipal tenders to increase the local labour absorptive capacity of capital works.

CHAPTER 11: CONCLUSION

The monitoring and evaluation framework for the IDP sets the parameters and identifies the links between the IDP strategic objectives, intervention activities and desired outcomes.

The 2009/10 financial year will see considerable resources directed towards establishing a state of the art performance management system to assist with monitoring the implementation of this plan. This will be done as a matter of priority.

The accountability accountability for a cost effective performance management lies with the political leadership and management teams of the municipality. Objectives are determined collectively, but driven from the top.

The following key tools are employed to measure performance:

• Annual Reporting, Sections 121 to 130 of the Municipal Finance Management Act (MFMA) prescribe the preparation, tabling, publication and approval of annual reports of a municipality and its municipal entities. These processes are co-ordinated by the municipalities Directorate Planning and Strategic Services.

• Quarterly reporting. In terms of Section 166 (2) (a) (v) and (viii) of the Municipal Finance Management Act (MFMA), Section 41 (1) (e) of the Municipal Systems Act and Regulation 7 (1) of the Municipal Planning and Performance Regulations, the municipality, through its treasury, is required to produce regular performance progress reports. The content of the reports measures actual performance against corporate performance indicators and targets for a particular quarter. For purposes of monitoring, the reports will be tabled to our finance standing committees, Audit Committee and Council.
FOOTNOTES:

1. IDP adopted vide resolution333 at the council meeting of ..............


4. The view is expressed that the current world economic crisis represent the most significant change. At the time of drafting the potential impact of the crisis was unclear.

5. The municipality did not submit a review document to the MEC in 2008.


7. The argument is made that the potential impact of the projects identified, is of district significance.

8. The most recent data is used in this analysis.


10 ???

11. Relies heavily on the territorial review(draft part 1).

12. See the Human Settlements Plan of the Saldanha Bay Municipality.

13. People within the municipal area is adequately skilled to take advantage of jobs in the construction sector.

14. See the various proposals for integration in the Spatial Development Framework.

15. As reported to council by the Director Corporate Services.

16. Figures provided by the South African Oil and Gas Alliance.