

Chris Hani Development Agency (SOC) Limited
(Registration number 2012/033437/30)
Midterm Report for the year ended 30 June 2022

20 January 2022

The midterm budget and performance report is a legislated requirement and a key reporting tool to applicable stakeholders and residents of the Chris Hani District, on the service delivery performance of the Chris Hani Development Agency SOC Ltd during the review period of the first half of 2021-2022, namely 1 July – 31 December 2021. This report is based on the approved 2021-2022 service delivery or organisational performance commitments and budget implementation plan, which details the progress of implementation against key service delivery areas and the budget for the financial year, in compliance with the Municipal Finance Management Act (MFMA).

The advantage of such a report is that it allows for timely identification of performance and financial weaknesses or underperformance that need to be effectively addressed for the organisation to meet its service delivery and financial commitments by the end of the financial year of 30 June 2022. This report then allows for management and the board to effectively implement required improvements or put in place necessary mechanisms early on to allow the realisation of these organisation's commitments.

The report is underpinned by the CHDA's approved 4 strategic programmes, as well as approved budget. A detailed performance report against targets is annexed to this report, as well as a detailed financial report against approved budget.

These reports show that in the first half of the year, the agency encountered a number of performance and financial challenges, that have to be addressed to allow the organisation to achieve its development mandate and realise its objectives for the year.

This can be summarised in the tables below:

BUDGETTED INCOME

Source	Budget 2021-2022	Actual 2021-2022 31Dec2021	Variance	% Received	% of Budget Total Income
TOTAL BUDGETTED INCOME	74 833 974.83	103 628 083.92	- 28 794 109.09	138.48	138.48

BUDGETTED EXPENDITURE

Source	Budget 2021-2022	Year To Date Movement	Balance	% Spent	% of Total Exp
Operational Expenditure	- 39 373 332.64	- 19 598 704.35	- 19 774 628.29	49.78	25.51
Project Expenditure	- 37 458 518.70	- 82 301 026.51	44 842 507.81	219.71	107.12
TOTAL BUDGETTED EXPENDITURE	- 76 831 851.34	- 101 899 730.86	25 067 879.52	132.63	132.63

TOTAL BUDGET SURPLUS / DEFICIT at MIDYEAR :

1 728 353.06

-98%

*Unfunded surplus, as most income set-off against equivalent movement in grant expenditure
 No cash-backed unspent grants, due to overspending on critical budget votes*

- The agency has received 138% of its budget, which is an anomaly caused by the under-budgetting for infrastructure implementation causing a large spike in the actual movement, despite 100% of contractor fees paid have been passed over to contractors. Also, funds not budgetted for received for irrigation-schemes/livestock/mech-workshop _ THIS WOULD RESULT IN ONLY 35% OF PROGRAMMING FUNDS BEING RECEIVED IF UNBUDGETTED AMOUNTS WERE EXCLUDED. Thus far, less than budgetted income has been received due to challenges with third party funding approvals, budget cuts, delays in SARS VAT refund processes, offtake agreements due to limitations in farmer support and QMC activities; CHDA will have to put measures in place to collect overdue revenue, and possible reduce some income estimates in midterm adjustment process
- The CHDA adjusted is project grant exp budget to 39% of initial budget exp estimate to align to reduction of income to 42%. The agency has spent 219% of its programming budget, which is an anomaly caused by the under-budgetting for infrastructure implementation causing a large spike in the actual movement, despite 100% of contractor fees paid have been passed over to contractors. Also, funds not budgetted for received for irrigation-schemes/livestock/mech-workshop, have corresponding project expenditure totals which have inflated expenditure will have to be accommodated in midterm budget adjustment

Strategic Programmes	No Cfwd to 2021-2022	New Targets for 2021-2022	Due Dates	Status at 31 December 2020			Challenges
				Achieved 100% of >	Part Achieved 75-99.99%	No Movement Since 30/6/2021	
PROG 1: TO DEVELOP A PROFICIENT, VIABLE AND SELF-SUSTAINABLE ENTITY BY 2025	3	0	31/12/2021	0	2	1	_organogram approval delays, with budget cuts affecting ability to implement organogram _own revenue generation challenges _internal audit plan delays due to adhoc assignments and budget limitations
PROG 2: TO MOBILISE FUNDING AND FACILITATE INVESTMENT PROMOTION INTO THE DISTRICT	2	0	30/06/2022	0	0	2	_delays in confirmation of fundraising by third parties _investors not secured due to challenges with investor summit and lack of investment strategy
PROG 3: TO DEVELOP ECONOMICALLY VIABLE AND SUSTAINABLE RURAL CORRIDORS BY 2025	4		31/12/2021				_budget cuts ahave affected LED implementation across a number of areas, from technical studies and masterplan development _hectorage limits by DRDAR in the district have affected mechanisation ability and cut in funds have affected ability to support farmers with cropping programmes _skills programme implementation also affected by lack of funds and inability to recruit participants on bursary supprot and artisan programmes
	6	0	30/06/2022	0	0	10	
PROG 4: TO SUPPORT IMPLEMENTATION OF ENABLING INFRASTRUCTURE PROJECTS IN THE DISTRICT BY 2025	0	1	30/06/2022	1	0	0	_agency tracking well on current infrastructure implemntation on water projects - the movement has resulted in overspending by midyear and over-stating of income against budget due to movement on infrastructure contractor claims
	15	1		1	2	13	
		16		6%	13%	81%	

- The agency is battling with completion of planned targets due to mainly cashflow / funding issues
- The agency operations were also affected in the first half of the year as budget cuts have affected the ability to hire in line with approved organogram, and thus maintaining reliance on external consultants for key studies and LED planning work, for which the agency does not have any funding
- The agency strategy has as yet not been approved, on which an APP for 2021-2022 was developed and thus not approved, as a result forcing management to carry forward unachieved targets from prior audit period, which could also not be fully achieved due to the financial crisis of the organisation
- The agency is currently relying on the CHDM's water infrastructure implementation support for own revenue generation, and this has funded agency budget shortfalls in the first half of the year

Detailed reports on the summary tables above are annexed to this item for reference.

Concluding Remarks

The key areas of non-performance up to the end of December 2021 are due to areas within the CHDA's area of control, and outside of its control:

Non-Performance Issues Within Agency's Area of Direct Control

<p>1) Improvement in own fund-raising for programmes</p>	<p>This will improve budgetary performance, and improve LED / service delivery aspects of the CHDA's business</p> <p>Agency to consider:</p> <ul style="list-style-type: none"> - Building internal skills associated with programme conceptualization, feasibility analysis, business planning and funding applications to help reduce reliance on handed-over projects, and non-receipt of promised funds. This will help build a solid project pipeline, as well as create project autonomy, and alternative sources of programme implementation funds 	<ul style="list-style-type: none"> - Fundraising and investment strategy - Revised targets on fundraising efforts - Designated office for business development / fundraising to investigate where CHDA is currently falling short in funding applications, and place current staff with funding application and business plan capacity in key fundraising roles - Consider cutting of unfunded projects as this leads to non-performance and reputational risk
<p>2) Investment in skills and capacity of implementing resources</p>	<p>This will improve LED / service delivery aspects of the CHDA's business</p> <p>Agency to invest more in:</p> <ul style="list-style-type: none"> - Attracting and recruiting the right candidates with the right set of skills, which are needed for building distinct competencies and build organizational strengths - Training and development for implementation staff, to ensure that those who drive programmes are well-equipped with technical, financial and project-management capabilities 	<ul style="list-style-type: none"> - Due to current financial constraints, CHDA may consider conducting a skills audit to place under-utilised staff with skills to project implementation and monitoring roles, to boost current PMU capacity at no additional cost - Look into improved project planning, monitoring and evaluation methods to better manage projects and report on impact to motivate value-add by CHDA as opposed to activity-based reporting
<p>3) Improvement in monitoring and evaluation processes</p>	<p>This will improve LED / service delivery aspects of the CHDA's business</p> <p>Agency to consider:</p> <ul style="list-style-type: none"> - Allocating the responsibility of a strategic manager / performance officer or senior operations to a single individual on a full-time basis to ensure that programme and performance planning, monitoring and 	<ul style="list-style-type: none"> - Performance resource to work actively with project resources in planning, conceptualizing, and reporting on projects as part of ongoing knowledge management and an M+E

	<p>management of programme risks is managed daily and prioritized, so performance can be championed within the agency</p> <ul style="list-style-type: none"> - Design improved methods of reporting by project implementers, linked to pre-approved key performance indicators on programmes. This function has to be driven and monitored by a key resource in the agency, so all reporting is not only reactive, but linked to solutions and counter-measures, and monitoring of high – importance / high – impact areas that could result in poor performance - Investment in advanced monitoring and evaluation training for those involved in project implementation - Investment in a monitoring and evaluation baseline study to identify benchmarks for performance planning, and performance review. This will help motivate a business case for the agency, and highlight key achievements 	<ul style="list-style-type: none"> - Assisting with documenting lessons learned so mistakes of the past are not replicated - Link project planning and reporting with risk framework as LED projects major source of non-performance risk
<p>4) Improvement in partner selection and evaluation</p>	<p>This will improve budgetary performance, and improve LED / service delivery aspects of the CHDA's business</p> <p>Agency needs to:</p> <ul style="list-style-type: none"> - Create a formal method of selecting partners for development projects, so as to enter in meaningful MOU's and SLA's, given CHDA's disappointments from third parties in the past. - All partnerships must be based on distinctive competencies the agency does not have access to, so all partnerships are mutually beneficial, and reduce the likelihood of non-performance on both parties - A formal method of vetting partners, and monitoring their performance under the terms of the MOU are necessary, so un- 	<ul style="list-style-type: none"> - Review current partner SLA's and review partner performance on active projects - Legal action should be sourced on partners not performing on project objectives but CHDA has incurred expense

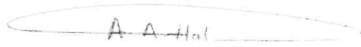
	beneficial partnerships are cancelled timeously to mitigate associate strategic risk from non-performance	
5) Improvement in project Planning, Implementation Management, Reporting and Evaluation Processes	<p>This will improve LED / service delivery aspects of the CHDA's business</p> <p>Agency needs to:</p> <ul style="list-style-type: none"> - Develop a standard framework based on approved project management methodologies, such as PMBOK, on which to base project planning, implementation, reporting and monitoring processes 	<ul style="list-style-type: none"> - Performance resource to work actively with project resources in planning, conceptualizing, and reporting on projects as part of ongoing knowledge management and an M+E
6) Improvement in disaster management and business continuity processes	<p>This will improve LED / service delivery aspects of the CHDA's business</p> <p>The Covid19 pandemic outbreak affected a number of activities, and had there been a comprehensive disaster management and business continuity strategy in place, negative impact on some performance targets and indicators could have been reduced or prevented.</p> <p>Since this, the agency has committed to improving ICT capacity and infrastructure to allow for virtual means of stakeholder engagement, as well as allowing staff to work remotely</p>	<ul style="list-style-type: none"> - Innovative methods of working need to be investigated to cut operating costs but allow performance - Poor planning and Covid being reasons for non-performance should have consequences as by now pandemic is established and key resources should be equipped to plan around pandemic constraints - Covid still a source of possibility in cost savings so this can be leveraged further

Non-Performance Issues Outside of Agency's Area of Direct Control
1) Default on MOU terms by third parties, or non-performance by technical partners – legal action to be taken in those found to be renegeing on signed SLA's
2) Non-receipt of approved funding for programme implementation – adjust budgetary processes to budget for confirmed funds, and cut expenditure and operational commitments in line with budget availability / introduce scenarios in budgeting
3) Handover of projects by the parent municipality which may be difficult to fully have control and power over anticipated outcomes – manage legal issues raised by infrastructure projects
4) Social issues in irrigation schemes, which affect how well the agency is able to fulfil its mandate in these areas – key role involving community mobilization to be explored

Recommendation:

It is recommended that the midterm status against budget and performance be accepted and noted by applicable stakeholders.

Signed:

A handwritten signature in blue ink that reads "A. A. Hala". The signature is enclosed within a light blue oval-shaped scribble.

Abongile Hala, Mr

Chief Executive Officer (Acting)

A detailed performance report for the year is attached as

ANNEXURE B-1: Detailed Annual Performance Report _ 2020-20



Chris Hani Development Agency (SOC) Limited
(Registration number 2012/033437/30)

ORGANISATIONAL PERFORMANCE REPORT

(Against Predetermined Objectives)

for the period

2021-2022

(Based on c/fwd targets unachieved in 2020-2021 when agency closed at 42%)

Summary:

Strategic Programmes	No Cfwtd to 2021-2022	New Targets for 2021-2022	Due Dates	Status at 31 December 2020			Challenges
				Achieved 100% of >	Part Achieved 75-99.99%	No Movement Since 30/6/2021	
PROG 1: TO DEVELOP A PROFICIENT, VIABLE AND SELF-SUSTAINABLE ENTITY BY 2025	3	0	31/12/2021	0	2	1	<ul style="list-style-type: none"> _organogram approval delays, with budget cuts affecting ability to implement organogram _own revenue generation challenges _internal audit plan delays due to adhoc assignments and budget limitations
PROG 2: TO MOBILISE FUNDING AND FACILITATE INVESTMENT PROMOTION INTO THE DISTRICT BY 2025	2	0	30/06/2022	0	0	2	<ul style="list-style-type: none"> _delays in confirmation of fundraising by third parties _investors not secured due to challenges with investor summit and lack of investment strategy
PROG 3: TO DEVELOP ECONOMICALLY VIABLE AND SUSTAINABLE RURAL CORRIDORS BY 2025	4		31/12/2021				<ul style="list-style-type: none"> _budget cuts ahave affected LED implementation across a number of areas, from technical studies and masterplan development _hectorage limits by DRDAR in the district have affected mechanisation ability and cut in funds have affected ability to support farmers with cropping programmes _skills programme implementation also affected by lack of funds and inability to recruit participants on bursary support and artisan programmes
PROG 4: TO SUPPORT IMPLEMENTATION OF ENABLING INFRASTRUCTURE PROJECTS IN THE DISTRICT BY 2025	6	0	30/06/2022	0	0	10	<ul style="list-style-type: none"> _agency tracking well on current infrastructure implementation on water projects - the movement has resulted in overspending by midyear and over-stating of income against budget due to movement on infrastructure contractor claims
	15	1		1	2	13	
				6%	13%	81%	

1. Introduction:

The agency's strategic objectives are aligned to the parent municipality's IDP objectives, and the approved operational mandate issued by the shareholder. These have been secured in a Service Level Agreement (SLA) between the agency and the Chris Hani District Municipality (CHDM) for the year 2020-2021 and have served the basis of structuring the agency's Annual Performance Plan (APP) for the year.

- A) **THERE WERE CHALLENGES IN THE START OF THE YEAR THAT RESULTED IN CHDA NOT ACHIEVING ITS STRATEGY AND DRAFT APP APPROVED. THE BOARD HAS MANDATED A TASK TEAM OF BOARD MEMBERS TO ASSIST MANAGEMENT WITH FINE-TUNING ITS STRATEGY DOCUMENT AND DRAFT APP, AND MANAGEMENT HAS BEEN WORKING WITH THE TASK TEAM UP UNTIL LAST SITTING HELD 29/09/2021 – REFER ATTACHED LAST PRESENTED ITEM BEFORE THE FIN/MANAGER COLLAPSED AND WAS RUSHED TO HOSPITAL – NO FURTHER SITTINGS HAVE TAKEN PLACE SINCE DUE TO AUDIT COMMITMENTS (ANNEXURE 8.10-A)**
- B) **THE BUDGET CUTS HAVE AFFECTED ABILITY TO COMMIT TO NEW PROJECTS AND PROGRAMMES**
- C) **THE ONGOING AUDIT, AND BEING SHORT-STAFFED HAVE ALSO AFFECTED ABILITY OF INHOUSE RESOURCES WORKING WITH PERFORMANCE TO CONCENTRATE ON PMS AND AOPO ISSUES IN Q1 AND Q2, DUE TO THE ISSUE RESULTING IN EXTENDED LEAVE OF THE AGENCY CFO**
- D) **THE UNACHIEVED TARGETS FROM 2021 WERE THUS USED AS GUIDELINE FOR PERFORMANCE FROM 1/7/2021, AND BELOW IS A SNAPSHOT ON PROGRESS AGAINST THESE UNACHIEVED TARGETS – A DETAILED REPORT WILL BE SUBMITTED TO INTERNAL AUDIT AS REVIEW FOR MIDYEAR PERFORMANCE REPORT, WHICH IS AN ANNUAL REPORT REQUIREMENT**

2. Summary Organizational Performance – Annual for 2020-2021:

The agency's assessed performance for the period 1 July 2020 to 30 June 2021, is as follows:

Achieved: 42.42% (100% or greater completion of planned outputs due by end June 2021)

Partially achieved: 12.12% (75 – 99% completion of planned outputs due by end June 2021)

Not achieved: 45.45% (less than 75% completion of planned outputs due by end June 2021)

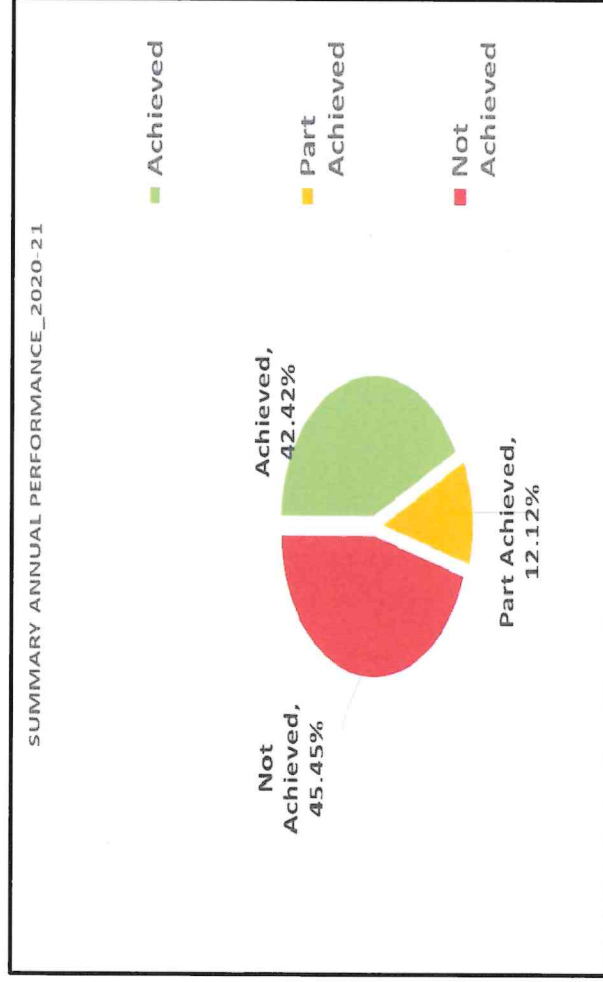


Figure 1 _ Organisation Performance Summary _ 2020-2021

In compiling the performance figures, the organizational performance was reviewed against the individual performance by programme, across each of the 5 key programmes in 2020-2021. The performance by programme can be summarized as follows:

- 1) To develop a proficient, viable and self-sustainable entity by 2025
- 2) To mobilise funding and facilitate investment promotion into the district by 2025
- 3) To develop economically viable and sustainable rural corridors by 2025
- 4) To support implementation of enabling infrastructure projects in the district by 2025

STATUS ON ANNUAL PERFORMANCE as at 30 June 2021 _ 2020-2021							
	Targets for the year	Achieved		Part Achieved	Not Achieved	Achieved Above Required Performance Metric	
		2020-2021	100% or >				75% - 99%
PROG1	Strategic Programme TO DEVELOP A PROFICIENT, VIABLE AND SELF-SUSTAINABLE ENTITY BY 2025	5	1	2	2	0	0%
PROG2	TO MOBILISE FUNDING AND FACILITATE INVESTMENT PROMOTION INTO THE DISTRICT BY 2025	3	1	0	2	0	0%
PROG3	TO DEVELOP ECONOMICALLY VIABLE AND SUSTAINABLE RURAL CORRIDORS BY 2025	24	11	2	11	5	21%
PROG4	TO SUPPORT IMPLEMENTATION OF INFRASTRUCTURE PROJECTS IN THE DISTRICT BY 2025	1	1	0	0	1	100%
Total:		33	14	4	15	6	18%
			42.42%	12.12%	45.45%		

Figure 2 _ Detailed Organisation Performance by Strategic Programme - Tabular_ 2020-2021

The detail above has been summarized below:

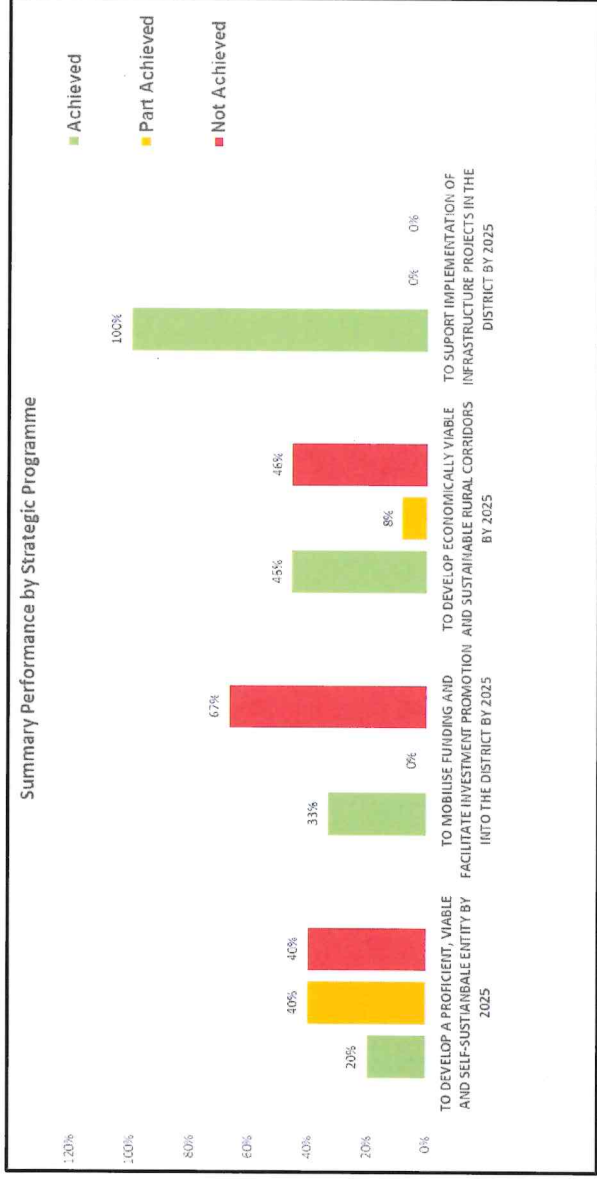


Figure 3 _ Comparative Organisation Performance by Strategic Programme - Graphical _ 2020-2021

The charts above indicate the status of key output deliverables at 30 June 2021. A detailed look at these figures is explained below:

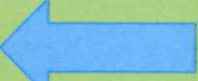

- A total of 14 deliverables of the 33 (42.42%) identified for the year have been achieved to within 100% or above of the annual target. Of the number of targets achieved, a total of 6 of the 14 (18%) have been achieved above the required performance metric (achieved above target) this equates to a total of 6 of the 33 annual targets being exceeded (18%) [GREEN AND BLUE].
- A total of 4 deliverables of the 33 (12.12%) identified for the year have been partially achieved to within 75-99.99% of the annual target. On a holistic level, there was positive movement on 54.55% of the annual performance objectives by the end of June 2021, looking at fully and partially achieved targets [AMBER].
- In closing, a total of 15 deliverables of the 33 (45.45%) identified for the year have not been achieved, as they have fallen within 0-74.99% of the annual target [RED]

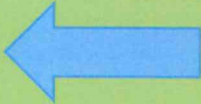

3. Progress on 2020-2021 Areas of Non-Performance – Annual Performance Plan for 2021-2022 (as at 31/12/2021):




The key areas of non-performance leading to the results in the summary table above have been tabled below for easy reference.



The table indicates areas of non-performance, underlying issues, and progress to remedial action and anticipated level of confidence in target being achieved in the current financial year.




PROG 1: TO DEVELOP A PROFICIENT, VIABLE AND SELF-SUSTAINABLE ENTITY BY 2025										
Objective	Focus Area	Area of Non-Performance	Reason / Root Cause	Planned Remedial Action and Detailed Counter – Measures Going Forward	C/fwd. to 2021-2022	STATUS AT 31/12/2021				
Corporate Governance	Unqualified Audit	Qualified audit outcome for 2020 financial period due to non-compliance with Grap17 on treatment of PPE	Poor stakeholder management (AG) Poor implementation of AG, Internal Audit and Audit Committee recommendations	Improve engagement with the AG audit team Accept and implement corrective actions suggested by AG, Internal Audit and the Audit Committee to mitigate risk of negative audit opinions Comprehensive post-audit action plan to ensure all audit issues raised are addressed, with audited follow-up <table border="1" style="width: 100%;"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>CEO</td> <td>n/a</td> </tr> </table>	Responsible:	Date:	CEO	n/a	No	N/A
Responsible:	Date:									
CEO	n/a									




	Strategic HRM	The targeted 100% implementation of HRM action plan was not achieved (87.5% of activities achieved)	Lack of dedicated inhouse HR personnel	Finalise organogram approval to enable dedicated HR personnel to drive key HRM processes and reduce reliance on single party who may be over-committed <table border="1"><tr><td>Responsible:</td><td></td></tr><tr><td>CEO</td><td></td></tr><tr><td>Date:</td><td>31December2021</td></tr></table>	Responsible:		CEO		Date:	31December2021	Yes	POSITIVE PROGRESS: CHDA ORGANOGRAM WAS APPROVED IN 07/2021, AND HRM RESOURCE SECONDED TO CHDA FROM 11/2021 TO ASSIST WITH POLICY DEVELOPMENT AND LABOUR ISSUES 
Responsible:												
CEO												
Date:	31December2021											
Objective	Focus Area	Area of Non-Performance	Reason / Root Cause	Planned Remedial Action and Detailed Counter – Measures Going Forward	C/fwd. to 2021-2022							
	Risk Identification, Management and Risk Based Internal Audit Plan	The planned 100% implementation of approved risk-based internal audit plan was not achieved (82% or 9/11 planned audits finalized)	Ad-hoc assignments resulted in budget being overspent for internal audit resulting in non-finalisation of planned HR and ICT audits	Unfinalized audits rolled over to 2021-2022 internal audit plan <table border="1"><tr><td>Responsible:</td><td></td></tr><tr><td>CEO</td><td></td></tr><tr><td>Date:</td><td>31December2021</td></tr></table>	Responsible:		CEO		Date:	31December2021	Yes	IN PROGRESS AFS AND APR DONE BY DUE DATE, BUT OTHERS LAGGING AND REPLACED WITH RISK-BASED ASSIGNMENTS IN RESPONSE TO MFMA AUDIT FINDINGS 
Responsible:												
CEO												
Date:	31December2021											


Financial Viability	Own Revenue Generation	Targeted R10.5million own revenue target not met (52% achieved with only R5.2 million raised from agency operations)	Poor planning and making adequate provision with active tenants for rental collections, resulting in nil rentals collected from Komani industrial Park operating leases Lease agreements signed in 2021 allowing for non-rental payment to offset infrastructure improvement costs to be undertaken by the lessees on leases facilitated by CHDA	Final schedule of active leases requested from EMLM, and will inform the billing on rentals from 07/2021 <table border="1" data-bbox="339 678 448 1160"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>EMO</td> <td>31December2021</td> </tr> </table>	Responsible:	Date:	EMO	31December2021	Yes	POSITIVE PROGRESS: ADDITIONAL REVENUE OF R3.7MILLION HAS BEEN BILLED TO CHDM ON INFRASTRUCTURE TO DATE FROM 01/07/2021, TAKING OWN REVENUE UP TO R8.9M 
Responsible:	Date:									
EMO	31December2021									
PROG 2: TO MOBILISE FUNDING AND FACILITATE INVESTMENT PROMOTION INTO THE DISTRICT BY 2025										
Objective	Focus Area	Area of Non-Performance	Reason / Root Cause	Planned Remedial Action and Detailed Counter – Measures Going Forward	Cifwd. to 2021-2022					
Fundraising	Funding to Support LED Implementation	The targeted funding to support LED project implementation was not achieved (8% of targeted funding was realized)	Poor quality of funding applications and proposals Skills involved in packaging comprehensive funding applications that better address funder focus areas Poor organisational image due to negative audit Funder confidence affected due to progress made by the	Improve inhouse funding processes through skilled resources compiling funding applications / review Improve alignment of applications to funder requirements Manage governance to minimise negative audit outcomes Improve planning and develop M&E Enhance project appraisal system and cCoordination and technical partnerships mobilization <table border="1" data-bbox="1278 678 1324 1160"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> </table>	Responsible:	Date:	Yes	IN PROGRESS NO ADDITIONAL APPROVALS, BUT ADDITIONAL HIGH IMPACT FUNDING APPLICATIONS MADE TO DEDEAT, DSB AND IDC FOR PROGRAMMING SUPPORT 		
Responsible:	Date:									

Investment Promotion	Facilitate Investments into the District	The planned investment target of R200 million was not achieved (13% achieved, equalling to R25 million)	agency on project implementation Lack of investment incentive packages to attract investors Poor infrastructure to attract investors into industrial park Limited skills to effectively package investment opportunities	EMO 30June2022	Follow up on identified investors Engage appointed investment facilitator to assist with follow up on identified investment leads Prioritise organisational skills towards appointment of vacant Chief Investment Officer position in the short to medium term Responsible: Exco Date: 30June2022	Yes	NO MOVEMENT EXCO WORKING ON INVESTMENT STRATEGY TO ASSIST UNDER GUIDANCE FROM INVESTMENT AND FINANCE COMMITTEE – STANDING AGENDA ITEM 
PROG 3: TO DEVELOP ECONOMICALLY VIABLE AND SUSTAINABLE RURAL CORRIDORS BY 2025							
Objective	Focus Area	Area of Non-Performance	Reason / Root Cause	Planned Remedial Action and Detailed Counter – Measures Going Forward	C/fwd. to 2021-2022	Yes	NO MOVEMENT CHALLENGES WITH INFRASTRUCTURE, VANDALISM FAILS TO ATTRACT INVESTORS FOR LARGE SCALE JOB CREATION AT THE PARK 
Job Creation	Job and Work Opportunity Facilitation for Locals	The targeted number of 2000 jobs were not achieved	Lack of commercial – level projects being implemented to allow for job creation Poor record keeping by CHDA and project beneficiaries Ineffective stakeholder engagement and IGR to allow effective job creation partnerships with private sector	Improve project implementation methodology to increase chances of project success to commercialisation / high impact stage Enforce job creation and recording aspects for partners, suppliers and beneficiaries/co-ops as a condition for doing business with CHDA Incentives in place for local big business to increase local job creation and opportunities (Ind Park – etc) Responsible: EMO Date: 30June2022	Yes	Yes	NO MOVEMENT CHALLENGES WITH INFRASTRUCTURE, VANDALISM FAILS TO ATTRACT INVESTORS FOR LARGE SCALE JOB CREATION AT THE PARK 

Corridor Specific Scarce Skills Development	Bursary Support	The targetted number of young people under bursary support programmes was not met (75% achievement)	Intake processes need to be reviewed to improve student pass rate Limited skills / bursary budget	Raise funding for bursaries in critical skills areas Stricter intake on bursary and skills participants <table border="1"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>EMO</td> <td>31December2021</td> </tr> </table>	Responsible:	Date:	EMO	31December2021	Yes	POSITIVE IMPROVEMENT ADDITIONAL APPROVALS FOR CETA, LGSETA IN Q1 
Responsible:	Date:									
EMO	31December2021									
Objective	Focus Area	Area of Non-Performance	Reason / Root Cause	Planned Remedial Action and Detailed Counter – Measures Going Forward	C/fwd. to 2021-2022					
	Young People in Skills and Capacitation Programmes	Targetted number of youth in ICT skills programme not met	Inability for implementer to recruit required number of young people from local community	The remaining budget was approved to allow for savings incurred in recruiting only 100 / 150 planned youth, to increasing the number of training modules per participating learner <table border="1"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>EMO</td> <td>n/a</td> </tr> </table>	Responsible:	Date:	EMO	n/a	No	N/A
Responsible:	Date:									
EMO	n/a									
		Targetted number of young people in approved artisan programme not achieved	Poor recruitment and selection processes for artisan programme: _ 3 candidates were assessed in PE but did not qualify for programme _2 candidates dropped out	Improve artisan selection processes in line with hosting Seta requirements for enrollment <table border="1"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>EMO</td> <td>31December2021</td> </tr> </table>	Responsible:	Date:	EMO	31December2021	Yes	IN PROGRESS 
Responsible:	Date:									
EMO	31December2021									

Corridor Masterplan Development	Technical and Planning Documents to Assist Development Work	The 7 targetted masterplans were not developed to guide strategy implementation based on corridor development	No budgets set aside for formal studies Lack of inhouse skills to conduct technical studies	Partnerships to identify sector partners who focus on technical studies and research <table border="1"><tr><td>Responsible:</td><td>Date:</td></tr><tr><td>EMO</td><td>30June2022</td></tr></table>	Responsible:	Date:	EMO	30June2022	Yes	IN PROGRESS PARTNERSHIPS BEING IDENTIFIED BUT AFFECTED BY BUDGET LIMITATIONS FOR PROGRAMMING 
Responsible:	Date:									
EMO	30June2022									
Corridor Mining and Manufacturing Development	Technical and Planning Documents to Develop Mining Initiatives	The planned feasibility and business plans on local mining initiatives to support corridor development not finalized	Delays from SCM processes resulting from poor scope / terms of reference definition resulting in timely appointment of service provider for technical work and mining license application	Finalise appointment within available CHDM budget to allow for finalization of required planning documents <table border="1"><tr><td>Responsible:</td><td>Date:</td></tr><tr><td>EMO</td><td>30June2022</td></tr></table>	Responsible:	Date:	EMO	30June2022	Yes	POSITIVE MOVEMENT PARTNER APPOINTED FOR MINING STUDIES AND LICENSE, BUT AFFECTED BY GEOSCIENCES DELAYS 
Responsible:	Date:									
EMO	30June2022									
Objective	Focus Area	Area of Non-Performance	Reason / Root Cause	Planned Remedial Action and Detailed Counter – Measures Going Forward	C/fwd. to 2021-2022					
Corridor Tourism Development Programme	Technical and Planning Documents to Assist Tourism Development	The planned feasibility and business plans on local wine tourism and heritage tourism were not developed	No budgets set aside for formal studies Lack of inhouse skills to conduct technical studies Poor planning to allow for completion of feasibility and business plans on identified cultural concept initiative	Partnerships to identify sector partners who focus on technical studies and research Engage ECDC in signed MOU to assist with feasibility, business planning and concept development / packaging on identified cultural tourism initiative <table border="1"><tr><td>Responsible:</td><td>Date:</td></tr><tr><td>EMO , CFO</td><td>31December2021</td></tr></table>	Responsible:	Date:	EMO , CFO	31December2021	Yes	IN PROGRESS PARTNERSHIPS BEING IDENTIFIED BUT AFFECTED BY BUDGET LIMITATIONS FOR PROGRAMMING 
Responsible:	Date:									
EMO , CFO	31December2021									

Corridor Agroprocessing Development Programme	Infrastructure Development to Support Local Agroprocessing Initiative not Finalised	The packhouse construction was not finalized by end June 2021	CHDA secured government funding of R15m from DEDEAT, and the remaining R15m was to be raised by private partner, who as yet has not raised their portion of the funding / investment costs	<p>CHDA is planning on making alternate funding applications to DEDEAT and IDC for raising the shortfall to ensure structure completed by end of the year</p> <table border="1" data-bbox="316 680 424 1173"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>CEO</td> <td>30 June 2022</td> </tr> </table>	Responsible:	Date:	CEO	30 June 2022	Yes	<p>POSITIVE MOVEMENT</p> <p>CHCDC WORKING WITH CHDA ON LARGE SCALE FUNDING TO SUPPORT AGROPROCESSING INITIATIVE</p> 
Responsible:	Date:									
CEO	30 June 2022									
Corridor Crop Development Programme	Technical and Planning Documents to Support Forestry Initiative not Finalized	The planned feasibility assessment on local forestry sector was not finalized by end June 2021	<p>No budgets set aside for formal studies</p> <p>Lack of inhouse skills to conduct technical studies</p>	<p>Partnerships to identify sector partners who focus on technical studies and research</p> <p>PG Bison has been identified as a potential investor, and can be engaged to assist with further technical and planning work as a sector specialist</p> <table border="1" data-bbox="743 680 836 1173"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>EMO</td> <td>31 December 2021</td> </tr> </table>	Responsible:	Date:	EMO	31 December 2021	Yes	<p>NO MOVEMENT</p> 
Responsible:	Date:									
EMO	31 December 2021									
	Hectareage Under Cropping	The planned 10000 hectares under cropping was not achieved	<p>Social unrest and infighting amongst beneficiary groups especially within irrigation schemes where bulk of arable land is available</p> <p>Land tenure system / land claims</p> <p>Lack of primary production / technical support and extension to ensure viable business models</p> <p>Poor infrastructure affecting both primary</p>	<p>Improve social facilitation and community involvement through effective partnerships with LM's, tribal authorities and ward councillors</p> <p>Develop working partnership with Dept of Land affairs to fast-tracking settlement of land claims and improve access to land</p> <p>Technical support and extension to help improve quality and outputs from cropping programmes</p> <p>Develop appropriate funding instruments to advance primary producers and enable outgrower re-investment schemes – primary production becomes a source of financial support for future production cycles to support</p>	Yes	<p>NO MOVEMENT</p> <p>BUDGET CUTS HAVE AFFECTED CROPPING INITIATIVES</p> 				

<p>Corridor Commercial Enterprise Commercialisation and Market Linkages</p>	<p>Offtakes Agreements Facilitation from Supported Agribusiness Initiatives</p>	<p>The targeted R10 million secured in offtakes on behalf of local farmers was not achieved</p>	<p>production capacity, yield quality Drought affecting dryland farming initiatives</p>	<p>those communities and commercialise their activities Irrigation infrastructure through effective partnerships with DRDAR, and DAFF Research or investigate drought-resistant cultivars in partnerships with GrainSA and ARC Irrigation infrastructure through effective partnerships with DRDAR, and DAFF Research or investigate drought-resistant cultivars in partnerships with GrainSA and ARC</p> <table border="1" data-bbox="683 678 783 1173"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>EMO</td> <td>30June2022</td> </tr> </table>	Responsible:	Date:	EMO	30June2022	<p>Yes</p>	<p>NO MOVEMENT</p>
Responsible:	Date:									
EMO	30June2022									
<p>Training of co-ops and better M&E processes internally Develop offtake and marketing strategy on agency agri-projects Improve technical support and partner with industry certification bodies to improve local quality to meet market requirements</p> <table border="1" data-bbox="1050 678 1150 1173"> <tr> <td>Responsible:</td> <td>Date:</td> </tr> <tr> <td>EMO</td> <td>30June2022</td> </tr> </table>				Responsible:	Date:	EMO	30June2022	<p>Yes</p>	<p>NO MOVEMENT CO-OPS AFFECTED BY VARIOUS CHALLENGES WITHIN SCHEMES, QUALITY OF PRODUCE, AND INABILITY TO ACCESS FORMAL MARKET</p> 	
Responsible:	Date:									
EMO	30June2022									

PROG 4: TO SUPPORT IMPLEMENTATION OF ENABLING INFRASTRUCTURE PROJECTS IN THE DISTRICT BY 2025					
Objective	Focus Area	Area of Non-Performance	Reason / Root Cause	Planned Remedial Action and Detailed Counter – Measures Going Forward	Cifwd. to 2021-2022
n/a					
All targets achieved in programme					
					N/A