

# FIVE YEAR STRATEGIC PLAN

**2023 – 2028**

(Updated 6 December 2023)



Standard Bank Building  
32 Govan Mbeki Avenue  
Port Elizabeth  
6000

[www.cacadudevelopment.co.za](http://www.cacadudevelopment.co.za)

<b>Content</b>	<b>Page</b>
Forward by the Board Chairperson	3
Chief Executive Officers Overview	4
1. Introduction	5
2. Background	8
3. Strategic Plan	9
4. The Mc Kinsey 7S Framework	12
5. Strategic Direction	14
5.1 Action Plan	14
5.2 Actions	14
6. Priorities	15
7. Strategic Risk Management	16
8. CDA Development Model	17
9. Strategic Intent	18
10. Conclusion	19
Acknowledgement	24

### **Maps and Figures**

Map 1: Sarah Baartman in relation to the Eastern Cape

Figure 1 – Organogram

Figure 2 – SWOT Analysis

Figure 3 – PESTEL Analysis

Figure 4 – Mc Kinsey 7S Framework

Figure 5 – Pre-determined Objectives

Figure 6 – Development Model

Figure 7 – Projects from local municipalities

Figure 8 – Strategic Plan 2023 - 2028

## Foreword by the Board Chairperson



The Cacadu Development Agency has set itself an ambitious task of becoming a leader in the development of the Sarah Baartman District. The decision by the Board in the prior year strategy to focus on infrastructure-led catalytic initiatives is in line with both the national and provincial governments response to increase economic growth and to increase jobs and fight unemployment specifically amongst the youth and vulnerable groups. This has seen various new projects being developed and those that did not add the necessary value to the agency, being removed.

The CEO has brought new and fresh ideas and with increasing the staff with specialised Interns has moved the agency into a new era of development. To increase its footprint the agency went on a drive in renewing established relations with local municipalities, sector departments and sister agencies to increase its visibility but also unlock needed opportunities. This resulted in various agreements signed and which is a start for its new development trajectory. The role of particularly the Eastern Cape Development Corporation, a provincial entity and potential development partners from the private sector is essential for the agency to live up to its development mandate.

The SBDM, Board of Directors, Audit and Risk Committee (ARC) and other Committees ensures proper oversight of the agency's financial affairs and governance. The governance structures played a pivotal role in supporting the CDA CEO, Management and Staff in achieving another Unqualified Audit opinion during the previous financial period. Significant progress has been made with only three findings identified. Various matters related to the parent municipality and the functioning is still a limitation on the agency obtaining a Clean Audit Opinion and remains a work in progress that will enhance the confidence in the agency.

The governance and oversight functions of the Board and various committees has placed the agency on a platform to become more agile and responsive towards its mandate. It is therefore prudent to commend and acknowledge the role of the shareholder, partners and especially the CEO and staff for serving the agency with passion, tenacity, and commitment. We wish to express our commitment as the governance structures in supporting the initiatives embarked on by the CEO and staff in changing the economic trajectory of the district.

Mr Alroy Taai  
**Board Chairperson**

## Chief Executive Officer's Overview



The Cacadu District Development Agency (CDA) has achieved an Unqualified Audit Opinion by the Auditor General (AG) in the financial year, 2022/23. As such the Agency's going concern status has been maintained despite a change in leadership. The Agency is dependent on the parent municipality, Sarah Baartman District Municipality (SBDM) for its operational funding and to fulfil its mandate. However, the agency has sufficient surplus to fund some of its smaller capital and related projects. The spending of the unconditional grant from the SBDM year-on-year has been above 90%.

The agency, in terms of its operational mandate, is supposed to receive projects from both the parent municipality and the seven (7) local municipalities it serves. This has not realised and constrain both the output and growth of the agency. Some projects related to the agreement between the SBDM and various municipalities in China, and which was housed in the agency had been discontinued and the human and financial resource attached to same been moved to the parent municipality. In 2022 the Board of Directors in its strategy session approved a new approach for the agency, to focus more on property and catalytic development projects. Resultantly, the agency is actively pursuing acquiring new investors in some of the properties or projects within its current realm. Also, to buy non-core properties from local municipalities to increase the agency's property portfolio and generating income for a measure of self-sufficiency. Supply chain management and in particular the various bid committees is the agencies biggest challenge, as the limited staff component necessitates the use of various external personnel from local municipalities who are not readily available. This has a domino effect on appointments and ultimately the services of the agency. This is a direct result of a moratorium by the parent municipality on new vacancies and a budget that remains stagnant year-on-year.

Despite these challenges the agency has remained resilient and appointed specialised interns on a two-year basis to negate previous audit outcomes linked to segregation of duties. The agencies' outlook is viewed positively by the Board who strive to be less dependent by focusing on large capital projects with the potential of funds generation. The agency has also directed its attention to become an implementer for various sector departments and is actively pursuing private sector partnerships. The role and support of the Board and other oversight bodies is a major contributor to the positive outlook of the agency. It is hoped that a change in such oversight structures will continue building on the new vision and mission of the agency.

Dr Eldrid Marlon Uithaler  
**Chief Executive Officer**

## 1. Introduction

A strategic plan helps to define the direction in which an organization must journey, and aids in establishing realistic objectives and goals that are in line with the vision and mission charted out for it. It also creates a sense of collaboration and collective responsibility.

The key to successful strategic planning is to engage everyone with the plan as early as possible in the planning process and build in measures and implementation steps that allow you to monitor the results at regular intervals. When you do this, goals become stepping stones to even greater goals, and everyone becomes familiar with the aspirations and pain-points of your overall vision, and their contribution to it. For the people involved in the actual strategic planning process itself, it fosters a sense of democratic engagement. People can bring their own perspectives, thoughts, and ideas to the table, and will be encouraged when they see their strategies and actions come to life.

A strategic plan offers both the much-needed foundation from which an organization can grow, but also helps establish the roles and boundaries for everyone, thus improving efficient decision making and creating a greater sense of overall momentum and direction.

This Strategic Plan was prepared after extensive engagements by Management and Staff of the CDA complemented by the Board of Directors and various stakeholders during the Board Strategic Planning Workshop held on 6 December 2023. The purpose of the strategy is to present key and collective actions emanating from the stakeholder workshop. It provides the Board and Management with clear inputs that contribute to amendments and additions to the Five-Year Strategic Plan (2023/24 to 2027/28) and Annual Performance Plan of the agency.

The strategic plan aims to increase transparency, which helps build trust and eliminate ambiguity, both inside the organization and among key stakeholders. This planning exercise is beneficial because it creates more opportunities for collaboration across the district and amongst the agency and local municipalities, the private sector, and other potential partners. Working together to see what each is doing, rather than having disjointed groups, improves trust in the overall direction of the organization and promotes integrated development. Because so much of strategic planning refers to determining organizational goals, this helps set expectations across the different areas of the organizations involved and improves the overall functioning of the agency.

Having this strategic plan may reduce the experience of “silo-mentality” which can increase the sense of autonomy, cooperation, collaboration and therefore mutual benefit for the Sarah Baartman District and the people we all serve.

The Sarah Baartman region (see Map 1 below) is situated in the western part of the Eastern Cape. It is the largest district in the province, covering approximately 60 000km<sup>2</sup>. The boundaries stretch from Bloukrans River in the west to the Great Fish River in the east, Nieu-Bethesda in the north to the Indian Ocean in the south.

The majority of its approximately 533 253 people speak isiXhosa. English and Afrikaans are the next, most widely spoken, languages.

Sarah Baartman incorporates seven local municipalities and four portions called District Management Areas (DMAs).



Map 1: Sarah Baartman in relation to the Eastern Cape Province

**Sarah Baartman's seven local municipalities and their key towns are:**

- Beyers Nuadé (Graaff Reinet, Steytlerville, Willowmore, Aberdeen, Nieu-Bethesda, Jansenville, Klipplaat)
- Blue Crane Route (Somerset East, Cookhouse, Pearston)
- Kouga (Jeffreys Bay, Humansdorp, Oyster Bay, Hankey, Patensie, St Francis Bay, Cape St Francis)
- Koukamma (Kareedouw, Joubertina, Krakeel River, Louterwater, Misgund, Storms River, Sanddrif, Woodlands, Clarkson)
- Makana (Makhanda / Grahamstown, Alicedale, Riebeeck East)
- Ndlambe (Port Alfred, Alexandria, Bathurst, Boknes, Bushmans River, Cannon Rocks, Kenton-on-Sea)
- Sundays River Valley (Addo, Kirkwood, Paterson)

**BOARD OF DIRECTORS**



**Ms Naomi Koeberg**  
Finance Committee Chairperson



**Mr Alroy Taai**  
Chairperson

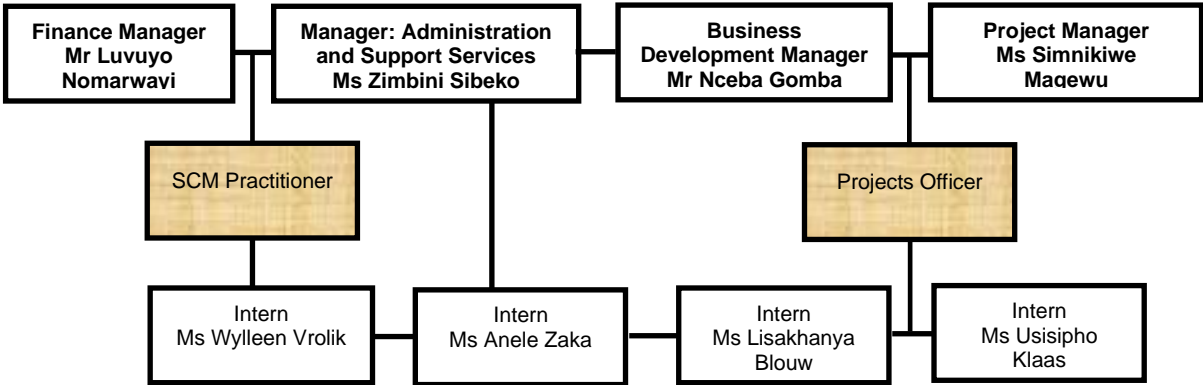


**Ms Doreen Mgoduka**  
HR Committee Chairperson



**Dr Eldrid Uithaler**  
Chief Executive officer

**Board Committees**  
**ARC / HR / FINANCE**



**Figure 1: Organogram**



## 2. Background

The CDA was established in 2012 with the aim of being the special purpose vehicle (SPV) or implementing arm of catalytic projects for the Sarah Baartman District Municipality (SBDM). These projects would find expression in the district and local municipal Integrated Development Plans (IDP) and implemented at local government level. The agency partners and collaborates with the various levels of government and solidifies its role as preferred implementer for various provincial and national sector departments. Identified projects will find expression in the District Development Model (DDM) or One Plan which is a blueprint for complementary development at local level. Partnerships with the private sector and civic organizations will be for the greater good of local development, job creation, skills development, and employment.

Despite being eleven years in existence the agency is not yet at a stage where it can comfortably operate without the current over-dependence on funding from the parent municipality and other sector departments.

The original strategic plan focused on investment facilitation for catalytic infrastructure and economic development projects district wide. The district being inclusive of seven (7) local municipalities covering an area of 58 243 km<sup>2</sup>. Key characteristics of the district that mandates an agency response includes:

- Total population in Sarah Baartman District Municipality approximately 533 253.
- Estimated working population (15 – 64 years) is 64.9% of the total population.
- The unemployment rate for Sarah Baartman was 30.5% in 2020 and has not significantly changed.
- Growth across the major sectors i.e., construction, manufacturing, agriculture, and tourism shows fluctuations with some performing better in the last 10 years.
- The labour force participation rate increased to 63.62% in 2020 which is an indication that people are actively looking for employment opportunities.
- Increasing costs of electricity will have a negative impact for businesses and households. Sustained economic growth has not been achieved throughout the district and thus impacts on economic upsurge for job creation.
- The condition of the road network signals a great concern as more than 45% of the surfaced road network is in a poor or very poor condition.
- Weak revenue collection rates across the district with some municipalities collection rates below 50 percent.
- The extent of investment, the efficiency of project implementation, but also the responsiveness of investment to social conditions and social change, as well as adoption and selection of appropriate technology will influence how infrastructure acts as a driver across the district.



A diverse range of factors continually shape and refocus the impact of economic development. At the start of the 21<sup>st</sup> century, global economies were impacted by shifting global roles and rapid technological advances that offered advantages for some and contributed to challenges for others - the developing world and emerging economies as usual lagging behind! Disruptions continued to transform the economic development both in terms of planning and implementation and directed economic development agencies and organizations to reassess their role, developing comprehensive strategies focused on broadening economic opportunities, participation and being more responsive.

Key themes that influence the economic development agendas both in the country, the district and for the agency include demographic shifts, deficient economic and social infrastructure, a transitional energy market, external impacts on the labour market, challenges in creating opportunities for small business, variations in entrepreneurship, an increase in the severity of disasters, and widening economic disparity and growing social unrest at the local level. Significantly, the 2020 global pandemic and subsequent economic impacts destabilized communities across the country and district, creating unprecedented uncertainty. These matters – as well as those yet unknown to us – will continue to affect the economic development space and create the opportunity for the CDA to engage with. These complex economic development scenarios offers both compelling opportunities and significant challenges to economic development and practitioners must intentionally and deliberately articulate the value of their work, as they try to rebuild local economies. This strategic plan therefore serves as a tool to address new challenges and identify and implement thoughtful strategic interventions and solutions where so needed in the district.

### **3. The Strategic Plan**

Since the initial strategic plan, the Board has reviewed and revised the organization's strategic priorities to meet an ever-growing and changing set of new realities. This strategic plan (2022 – 2027) represents a strategic policy document that will be annually reviewed within the budget process and benchmarking, to ensure that efforts are prioritized in both a strategic and fiscally responsible manner. Any new activities that are undertaken within the framework of the plan must be revenue neutral or come with an identified revenue stream.

The board found it fit to review the mission, vision, and core values for a more agile and future focused agency. The strategic directives or predetermined objectives (PDOs) have been revised, and the outcomes, outputs, objectives, and action plan have been modified to best address the current realities within the district with identification of project collaboratively by the Agency, the SBDM, some Local Municipalities and external partners.

## **Our Mission**

*To be a self-sustaining entity that drives economic growth.*

Our mission may evolve over time, but this remains the core endeavour for the CDA to be self-sustaining so that it will rely less on the parent municipality in delivering opportunities for growth district wide.

## **Our Vision**

*Transforming the district economy through investment facilitation and job creation.*

Our vision is to make economic prosperity and sustainable economic development initiatives a priority in communities of all sizes and at every level of the district.

## **Our Core Values**

The CDA embraces the following core values which entrench our vision, mission, and guide our decision-making, actions, and response to our shareholder, governance, and oversight structures and ultimately the communities we serve:

- Accountable
- Agile
- Collaborative
- Courage
- Efficient
- Entrepreneurial
- Ethical
- Innovative
- Radical
- Responsive

Our Strategic Planning utilized collective knowledge available to make decisions about the CDAs future direction. The strategic planning process allowed us to identify priorities, allocate resources, align Board and administration and employees around objectives, and ensure objectives are supported by realistic analysis. To that extent a 360-degree analysis through a SWOT and PESTEL Analysis was done, and which is expanded on below.

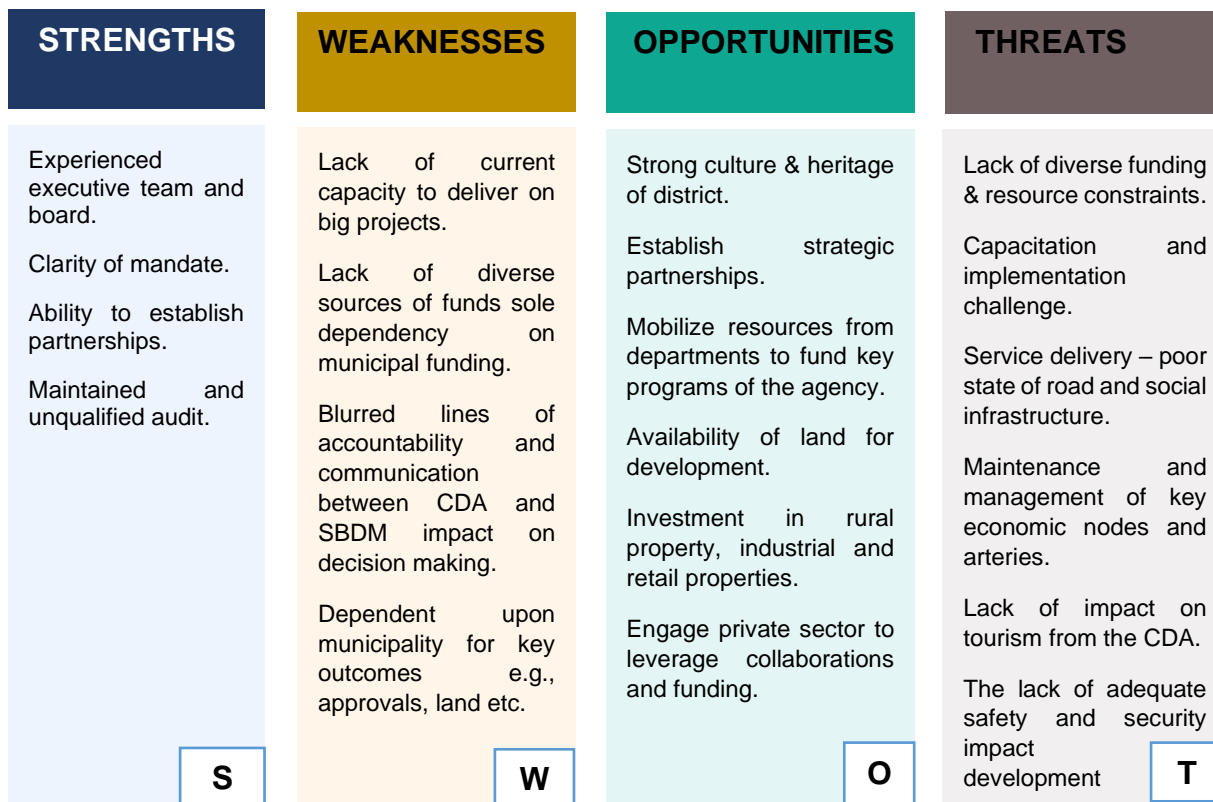


Fig. 2 - SWOT Analysis

<b>Political</b>	Political uncertainty / change in leadership / different political parties between District and LMs not agreeing / Policies that allows for land and property development and investment
<b>Economic</b>	Constraint economic conditions / insufficient fiscus / low revenue generation in LMs / lack of investment / Decline in tourism and property market in some LMs
<b>Social</b>	High level of unemployment / skills not matching jobs / substance and other abuse / damage to social infrastructure
<b>Technological</b>	Lack of technological skills / youth cannot access free Wi-Fi / not exploiting tech related opportunities / ...
<b>Environmental</b>	Aligning to going-green initiatives through wind and other E / New skills required to implement green technology / Waste management and recycling demands not exploited / ....
<b>Legal</b>	SLA not in place / poor audit outcomes / ethical finance and operations / red tape preventing faster delivery of projects / policies not aligned to investment attraction

Fig. 3 – PESTEL Analysis

#### 4. The McKinsey 7S framework

In developing an effective company plan that respond to the strategy and outputs, one must first understand the organisation. An internal analysis was done that helps staff to focus on the areas for development and or improvement. The **McKinsey 7S framework**, a well-known business tool, has been used for such purposes. This tool helps to determine the level of synchronization between units and processes. This framework was used to identify the discrepancy between the present situation and the proposed future state of the agency, with specific focus on the human resources aspect. The following figure provide a summary and analysis of internal deliberations that will assist Management and Staff to effectively respond to the goals identified in the Strategic plan.

<b>McKinsey 7S framework</b>		
<b>Company values:</b> Accountable / Agile / Collaborative / Courage / Efficient / Entrepreneurial / Ethical / Innovative / Radical / Responsive		
	<b>Matters</b>	<b>Interventions</b>
<b>Staff</b>	<ul style="list-style-type: none"> <li>▪ Impaired communication amongst team</li> <li>▪ Language barriers and manner of speaking</li> <li>▪ Respect not always shown</li> <li>▪ Vision of agency not shared or understood by all</li> <li>▪ Internal tension due to misunderstandings</li> <li>▪ Contextual differences impact on relations</li> <li>▪ Professional differences</li> <li>▪ Interpersonal differences</li> <li>▪ Honesty needed for better understanding</li> <li>▪ Reprimand vs corrective guidance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Nurture two-way communication</li> <li>▪ Cultivate the habit of active listening.</li> <li>▪ Use of different communication formats.</li> <li>▪ Focus on employee engagement strategies.</li> <li>▪ Measure the outcomes.</li> <li>▪ Etiquette training.</li> <li>▪ Observe protocol: in communication, etc.</li> <li>▪ Emotional intelligence training.</li> </ul>
<b>Skill</b>	<ul style="list-style-type: none"> <li>▪ Communication barriers</li> <li>▪ Knowledge and skills not realised</li> <li>▪ Appropriate work-related skills and knowledge encouraged</li> <li>▪ Supervisory skills need</li> <li>▪ General document control problematic</li> <li>▪ Time management impact work flow</li> <li>▪ Multi-tasking of work needed</li> <li>▪ Quality of work below par</li> <li>▪ Finance, SCM and Project management skills needed</li> </ul>	<ul style="list-style-type: none"> <li>▪ English will be solely spoken.</li> <li>▪ Multi-tasking and Discipline.</li> <li>▪ Constant Skills development.</li> <li>▪ Skills based team building (e.g leadership, communication, conflict management). Some interventions conclude with action plans.</li> <li>▪ Action plans</li> <li>▪ Technical report writing workshop.</li> </ul>
<b>Style</b>	<ul style="list-style-type: none"> <li>▪ Flexibility for convenience</li> <li>▪ Adjusting and adapting to world of work</li> <li>▪ Silo mentality an inhibitor</li> <li>▪ Passion for work at times lacking</li> </ul>	<ul style="list-style-type: none"> <li>▪ Self-motivation.</li> <li>▪ Professionalism.</li> <li>▪ POEs.</li> <li>▪ Communication, Planning and setting aside the SCM days.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Hierarchy an inhibitor to free expression</li> <li>▪ Busy vs productive</li> <li>▪ Priority between units problematic and ad hoc</li> <li>▪ Management mostly responsible for tasks not on time</li> </ul>	<ul style="list-style-type: none"> <li>▪ Monthly Management Meeting- every 2 weeks after the Staff Meeting</li> <li>▪ Time management.</li> <li>▪ Normal team building exercises.</li> </ul>
<b>Shared values</b>	<ul style="list-style-type: none"> <li>▪ Accountability and responsibility shifted</li> <li>▪ Work should not be a tick box exercise</li> <li>▪ Need for a high performing organisation</li> <li>▪ Not regular government job rather better and more effective</li> <li>▪ Inclusive process of information sharing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Professionalism and patience.</li> <li>▪ Sharing of targets, progress, and achievements.</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>▪ Where to draw the line in work process</li> <li>▪ Roles and duties amongst pairs and teams not clear</li> <li>▪ Office-based vs working on projects</li> <li>▪ Utilization of staff impact on work of host unit</li> <li>▪ Non-adherence to internal processes</li> <li>▪ Delegation upwards or downwards</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensure proper understanding of roles and responsibilities.</li> <li>▪ Coaching and mentoring for both peers and interns where needed.</li> <li>▪ Remain flexible but have appreciation and respect for policy and procedure as set out by the Agency.</li> </ul>
<b>System</b>	<ul style="list-style-type: none"> <li>▪ Slow pace of work</li> <li>▪ Not meeting targets</li> <li>▪ SCM Committee system needed to increase effectiveness</li> <li>▪ Planning not in synergy with other units</li> <li>▪ Rules between Finance and Admin keep changing</li> <li>▪ End-user turnaround insufficient</li> <li>▪ Procurement technicalities and differences</li> </ul>	<ul style="list-style-type: none"> <li>▪ SOPs needed.</li> <li>▪ Monthly Management System.</li> <li>▪ Better and enhanced communication amongst various units to ensure a more effective workflow.</li> <li>▪ Tuesday SCM information sharing.</li> <li>▪ Training of all on SCM and procurement related matters.</li> </ul>
<b>Strategy</b>	<ul style="list-style-type: none"> <li>▪ More projects or project mix to increase workflow and process</li> <li>▪ Future of agency and staff dependent on variety of factors</li> </ul>	<ul style="list-style-type: none"> <li>▪ Follow leads to secure more projects.</li> <li>▪ Learn from the processes of other SOEs to find potential investors.</li> </ul>

Fig. 4 – McKinsey 7S framework

## 5. Strategic Direction

CDA remains committed to be a driving force in the economic development space of the district into the future. In doing so to provide community-relevant and customized services to our communities. Achieving this will need visionary leadership by the SBDM Council, the Board, and its Committees, a Professional and committed work force of both the Municipality and the CDA and all various partners and stakeholders.

### 5.1 Action Plan

CDA will prioritise and facilitate strategic **catalytic development** initiatives that ensure that investment is attracted to the district and that job creation and economic opportunity is optimised in accordance with the SBDM IDP (2022-2027) and Roles and Mandate as outlined by the SLA.

#### Areas of focus will include:

- Improving the **economic and investment** climate in the region.
- Assist in the development of **regional economic nodes and small-town regeneration**.
- Investment promotion and resource mobilization, for local municipalities which includes:
  - ❖ **Skills development** and job creation.
  - ❖ **Tourism** and related projects and activities.
  - ❖ **Co-ordinate** tasks provided by different local municipalities and government agencies at regional level.
  - ❖ Assist in enhancing the **agriculture and agro processing** in the region.
  - ❖ Assist local municipalities in the development of **catalytic infrastructure** projects.
  - ❖ Actively seeking partnerships in the **Alternative Energy** space.
  - ❖ **Collaborate** with both private and civic sector in implementing community sensitive and responsive projects.

### 5.2 Actions:

CDA will deliberately act to strengthen the economic development scenarios of the district through the following actions as mandated by the Board:

- To remain relevant, Board and Staff must continue to upgrade their skills to manage new challenges and learn to harness new opportunities.
- Deliberately recruit and expand the human capacity of the agency through internships focused on youth and minorities in the district.
- Actively engage officials - at all levels of government - on the importance of economic development and the mechanisms required to be effective and to better articulate the value of economic development at the local level.

- Build collaborative relations and partnerships with relevant national, regional, and international organisations, to promote the impact of economic development within the district.
- Use appropriate marketing strategies to disseminate and promote the work of the Agency through a range of communication vehicles and offerings.
- Recognise and understand, but manage the challenges and opportunities associated with leadership development, economic transformation, placemaking, sustainability, talent and workforce issues, and economic opportunity and diversity.
- Continuously assemble, evaluate, and share tested ideas, strategies and techniques among stakeholders that are engaged in local economic development.
- Maintain and expand the numbers of the Board of Directors for more effective decision-making and oversight with the inclusion of a members with a diverse range of age, gender, race, ethnicity, qualifications, and geography.

## 6. Priorities

CDAs strategic priorities are the core focus for the organization over the next five years (2023 – 2028). The strategic priorities aim to address the most pertinent issues facing the district wide economic development. To this extent the Board decided to review the current predetermined objectives (PDOs) for relevance, appropriateness, responsiveness, and practicality. The figure below provides an indication of changes recommended by the Board.

Focus Area	PDOs
<ul style="list-style-type: none"> <li>▪ Skills Development</li> <li>▪ Economic Development</li> <li>▪ Strategic Partnership Development</li> <li>▪ Tourism</li> <li>▪ Agriculture and Agro processing</li> <li>▪ Catalytic Infrastructure Development</li> <li>▪ Renewable and Alternative Energy</li> <li>▪ Good Governance</li> </ul>	<ol style="list-style-type: none"> <li>1. Strategic Partnership Development</li> <li>2. Unique District-wide Tourism Attractions</li> <li>3. Innovative Agriculture sector</li> <li>4. Appropriate Infrastructure development and Investments</li> <li>5. A Well governed and Viable Agency</li> </ol>

Fig. 5 – Pre-determined Objectives

In the current world of fast-growing development, an organization must be flexible to be able to adapt to changing requirements, environments, and technologies. The most important challenge of modern times is to create such a structure of the organization so that it is not necessary to redesign it all the time when the parameters like output or outcomes, mandate etc., changes. Actions and activities should thus be based on interventions that enable reorientation of new challenges and opportunities without the need to introduce drastic changes in the existing structure and functions. Effective organizational change results not only from the relationship with structure and



strategy, but also from the interaction between factors like systems, style, skills, staff, and goals.

To this extent the Board agreed to have a revision of the current structure and proposed a new structure that will allow for more agility, support of both internal and external functions, and assistance in expanding the range of the CDA. The new structure is specifically oriented towards the new PDOs, and related challenges identified through the SWOT and PESTEL analysis, the McKinsey 7S framework and the actions and activities identified to ensure a more responsive approach to community development needs. Pending the approval of the 2024/25 financial year the first step will be the recruitment of a SCM Practitioner and when the project portfolio increase, a Project Officer position that complements the current skills in the CDA but bringing in a new focus towards a more agile and dynamic organisation.

## **7. Strategic Risk Management**

Strategic risk management is the process of identifying, quantifying, and mitigating any risk that affects or is inherent in a company's business strategy, strategic objectives, and strategy execution. The risks identified during the strategic planning process emanates specifically from the CDA past experiences, the SWOT and PESTEL analysis and include risks which provides the basis for the completion of the Strategic Risk Register.

The CDA Risk Management Policy articulate the CDA's risk management philosophy. The CDA recognizes that risk management is a systematic and formalized process to identify, assess, manage, and monitor risks and therefore adopts a comprehensive approach to the management of risk.

During the Strategic Session and Risk Workshop the following risk were identified as the highest and most impactful on the operations of the CDA:

- Inconsistency in the extension of the Service Level Agreement (SLA) which impacts on continuity.
- Utilising SBDM land or property to attract investment remains a distant ideal, as none has been handed to CDA for such purposes.
- Some LMs, despite endless engagements, remains averse to populate the work of the Agency with projects of a catalytic nature that are beneficial to both.
- The lingering issue of "sustainability" and continued going concern status is thus impacted by non-committal from both SBDM and some of its LMs.
- Supply Chain Management (SCM) challenges illustrates how CDA has been hamstrung due to dependencies on SBDM and LMs, where the number of staff does not allow for participation in all the committees.
- This has led to various projects being delayed, as SBDM has withdrawn support for such critical SCM functions.

- Increasing the skills pool is an obvious solution but CDA currently also have a moratorium on appointing key staff and had to opt for specialised Interns to prevent and address some critical prior year findings of the AG.
- Reducing duplication (AG findings) in processing necessary work, but do not respond to the critical numbers needed to constitute a BSC, BEC and BAC – thus impacting on the agility of the CDA.
- Limited to no support from the Provincial Sector Departments thus private sector engagement to invest in projects.
- Red tape reduces the appetite of the private sector, more so at LM level that is also struggling to collect sufficient rates etc.

## **8. CDA Development Model**

The Board empathized that the CDA must reach a stage the Sustainability or Self-sufficiency, defined as the ability to sustain itself into the medium to long-term. Revenue generation through public and private initiatives and investment that can be explored in respect of specific developments using mandated land, property, and catalytic projects becomes an important component in the debate around Sustainability or Self-sufficiency.

It would therefore be prudent for CDA to leverage in pursuance of this strategy:

- An 8% project management fee on all projects implemented by CDA on behalf of SBDM, local municipalities, donors, funders and developers or investors.
- Project Management Fees to be spread through the project phases, i.e., Planning or Design and Implementation and Completion.
- A Development Facilitation Fee as a percentage of project value i.e., 3% of total project value for assisting with unlocking developments, public and community engagements, approvals etc. as part of a Project Steering Committee.
- Linked to the property management and commercialization mandate, CDA will be able to enter into long-term Lease Agreements and earn rental income on the properties that the SBDM or local municipalities provide as part of facilities management.
- Collection of both Project Management and Development Facilitation Fees may allow CDA to earn Interest on these revenue options.
- Proposed developments will realize various revenue to local municipalities viz development applications, rates and taxes and other fees normally collected in any development process.
- These revenue collection options will over time reduce the dependence on the parent municipality and thus create a savings mechanism.
- In addition – marketing the Agency through active CSI Community projects district wide that are responsive to community needs.

The CDA will mobilise funding, implement appropriate funding and cost recovery strategies and financing models to ensure the sustainability of the CDA through

financial prudence and a result-orientated approach. This includes the acquisition of strategic properties and partnering with investors and developers to create a blended or funding mix and shareholding, also called a Blended Financing Model. The figure below provides various options for the CDA to explore in pursuit of its mandate.

Contract type and duration	Asset ownership	Capital investment	Commercial risk	Responsibility for Operations and Maintenance	Service and payment to private provider
Service contract (1 – 3 years)	Public	Public	Public	Public and Private	Definitive fee paid for technical service by government to private provider
Management contract (3 – 8 years)	Public	Public	Public	Private	Private sector manages operation of government service and receives direct fees from government
Lease contract (5 – 15 years)	Public	Public	Private	Private	Private actor manages, operates and / or maintains a public service to specified standards; user fees charged, and rent / lease paid to government for use of facility
Concessions (Turnkey, BOTs, other leases etc. 10 – 30 years)	Public and Private	Private	Private	Private	Private actor manages, operates, maintains and / or invests in infrastructure to specific outputs and standards; fees charged to users; may also pay concession fee to government

Fig. 6 – Development Model

## 9. Strategic Intent

Delivering strategy is enabled using projects and programmes and assigning resources and activities to it. Resources and investments should be aligned with strategic objectives. Through deliberations of the strategy for the next five years the Board defined the change required to implement, enable, and satisfy the strategic intent of the organisation. Therefore, specific initiatives, aligned to the strategic intent, were selected based on available capabilities and resources that can be deployed.

An important aspect of the Strategic Session was input provided for the local and district municipalities, the ECDC and the private sector. Various propositions were made for the CDA to consider partnering with. However, the bulk of the projects are of a service delivery nature and not in the mandate of the agency. Below is a list of potential projects the CDA would like to engage on based on Council resolutions from each local municipality:

Local Municipality	Projects
Dr Beyers Naude Local Municipality	The Palms Swimming Pool Urquhart Park Water By-Law Renewable Energy
Blue Crane Route Local Municipality	Land and Property Audit Climate Change Action Plan Integrated Waste Management Plan Tourism Master Plan
Sundays River Valley Local Municipality	Sandmining Project Renewable Energy
Ndlambe Local Municipality	Beef Abattoir Small Town Regeneration Heritage Site and Route Development Renewable Energy
Koukamma Local Municipality	Tourism site maintenance Capacity Building for new business Blended finance for targeted land or properties
Makana Local Municipality	None
Kouga Local Municipality	None

Fig. 7 – Projects from local municipalities

## 10. Conclusion

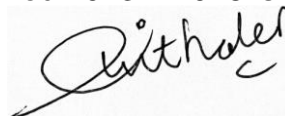
The strategic planning session conducted on the 6 December 2023 was very important for the Cacadu Development Agency to set short- and medium-term goals. The ebbs-and-flows of global economies in the last few years, the Covid Pandemic and various other eventualities have made it important for companies to plan and execute their strategies carefully. Within this context the CDA strategy should be able to minimize the threats and maximizing on the opportunities identified through this process.

This plan will serve as a roadmap for the Agency at least for the next five years of the strategic vision. It is now up to the shareholder, management, oversight committees and various partners to ensure that the new priorities and focus is implemented. We owe it to our communities we serve, to make sure we manage our resources to ensure they receive the best value out of it. In that spirit, as management we will strive to do better and differently than before.

This FIVE-YEAR STRATEGIC PLAN for the period 2023 – 2028 is hereby approved:



Mr Alroy Taai  
**BOARD CHAIRPERSON**  
03 January 2023



Dr Eldrid Uithaler  
**CHIEF EXECUTIVE OFFICER**  
03 January 2023

Below now follows the Strategic Plan for the period 2023 – 2028 as Figure 8.

<b>Predetermined Objectives (PDOs): Strategic Partnership Development</b>						
<b>Outputs</b>	<b>Output Indicators</b>	<b>2023/24 Targets</b>	<b>2024/25 Targets</b>	<b>2025/26 Targets</b>	<b>2026/27 Targets</b>	<b>2027/28 Targets</b>
<b>Conclude 10 Public Sector Agreements</b>	Agreements finalised with the 7 local municipalities and provincial sector departments and agencies	2 Agreements concluded that will realise projects for CDA	2 Agreements concluded that will realise projects for CDA	2 Agreements concluded that will realise projects for CDA	2 Agreements concluded that will realise projects for CDA	2 Agreements concluded that will realise projects for CDA
<b>Conclude 10 Non-Public Sector Agreements</b>	Agreements and or partnerships finalised with non-public sector organisations for delivery of mutually beneficial projects	2 Agreements concluded that will realise projects and or partnerships for CDA	2 Agreements concluded that will realise projects and or partnerships for CDA	2 Agreements concluded that will realise projects and or partnerships for CDA	2 Agreements concluded that will realise projects and or partnerships for CDA	2 Agreements concluded that will realise projects and or partnerships for CDA
<b>Predetermined Objectives (PDOs): Unique District-wide Tourism Attractions</b>						
<b>Development of 5 new projects or partnerships from both the public and non-public sector</b>	Redevelopment, Renovations and Operationalisation of the Boschberg Tourism Hub in Blue Crane Route Municipality	Costing Report and Bill of Quantities for Redevelopment and Renovations	Funding application and implementation of Redevelopment and Renovations	Operationalisation of the Boschberg Tourism Hub	Operationalisation of the Boschberg Tourism Hub and Revenue generation for the CDA	Operationalisation of the Boschberg Tourism Hub and Revenue generation for the CDA
	Assessment and upgrading of 5 Heritage Assets with Tourism Potential in the Sarah Baartman District	Full Assessment Report with projects identified for upgrading	Funding application to various funders for upgrading of the various projects	Upgrading and implementation of 2 Heritage Assets	Upgrading and implementation of 2 Heritage Assets	Upgrading and implementation of 2 Heritage Assets
	Redevelopment of the Palms Swimming Pool into a Mixed-Use Tourism Facility in Beyers Naude Local Municipality	Acquisition of the property with a Council Resolution and commence Title Transfer	Explore MOUs with Developer / Investor for redevelopment of the facility	Turnkey development process commences	Turnkey development process commences	Operationalisation of the Palms Swimming Pool into a Mixed-Use Tourism Facility
<b>Predetermined Objectives (PDOs): Innovative Agricultural Sector</b>						
<b>Development of an Abattoir in Ndlambe Local Municipality</b>	Development of an internationally certified abattoir to export meat products	Finalisation of a Business case for development of an abattoir	Ndlambe to provide CDA mandate for development of	Construction of the abattoir commence	Construction of the abattoir completed	Operationalisation of the abattoir

			the abattoir and provision of funds			
<b>Predetermined Objectives (PDOs): Appropriate Infrastructure Development and Investment</b>						
<b>Development of a Mixed-Use Industrial and Retail Park</b>	Developer and partner led infrastructure developments for industrial and retail services	Explore MOUs with various entities to invest in the Industrial and Retail Park	Finalise Agreements with investors to start Turnkey development process	Concluding of all documentation relating to town planning and EIAs	Turnkey development infrastructure process commences	Full Operationalisation of the Mixed-Use Industrial and Retail Park
<b>Operationalisation of the Somerset East Aerodrome</b>	Repair Infrastructure for Operations by a Private Flight School, Private Pilots and for SACAA compliance	Operationalisation of the Aerodrome for private Pilots to land and generate funds for CDA	Finalise Lease Agreement and Operationalisation of the Aerodrome for a Flight School	Flight School operations and revenue generations for the CDA	Flight School operations and revenue generations for the CDA	Flight School operations and revenue generations for the CDA
<b>Establishing a Sandmining / Glass Manufacturing project in Sundays River Valley Municipality</b>	Formalisation of the Sand Mine or establishment of a Glass Manufacturing operation in Paterson	Appointment of a service provider to conduct a Business Case for the establishment of a Sand Mining or Glass Manufacturing facility	Council Resolution from SRVM for CDA to develop the site and request for developers	Operationalisation of the facility and revenue generation for the CDA	Operationalisation of the facility and revenue generation for the CDA	Operationalisation of the facility and revenue generation for the CDA
<b>A Well-Governed and Viable Agency</b>						
<b>Ensure Effective and Sound Financial Governance and Oversight for the CDA</b>	Compliance with all financial, planning, administration, and reporting requirements	100% Compliance	Budget Planning, Execution and Monitoring, Procurement administration and management, Expenditure Management, and all other regulatory matters	Budget Planning, Execution and Monitoring, Procurement administration, Expenditure Management, and all other regulatory matters	Budget Planning, Execution and Monitoring, Procurement administration, Expenditure Management, and all other regulatory matters	Budget Planning, Execution and Monitoring, Procurement administration, Expenditure Management, and all other regulatory matters
	Improved Audit Outcomes	Unqualified Audit Opinion without findings	Prior year Audit Action Plan implementation,	Prior year Audit Action Plan implementation,	Prior year Audit Action Plan implementation,	Prior year Audit Action Plan implementation,

			manage IA services to ensure full compliance, ensure AFS complies for Clean Audit achievement	manage IA services to ensure full compliance, ensure AFS complies for Clean Audit achievement	manage IA services to ensure full compliance, ensure AFS complies for Clean Audit achievement	manage IA services to ensure full compliance, ensure AFS complies for Clean Audit achievement
<b>Ensure Effective Corporate Service to support the Organisational Mandate</b>	Performance Management of all staff	100% Performance Level Achievement	Quarterly Performance Reviews with a Report on areas of intervention	Quarterly Performance Reviews with a Report on areas of intervention	Quarterly Performance Reviews with a Report on areas of intervention	Quarterly Performance Reviews with a Report on areas of intervention
	Implementation of a Competitive Reward System	Market related salaries for talent attraction and staff retention	Annual comparison and review of CDA reward system and accordingly Report to Board	Annual comparison and review of CDA reward system and accordingly Report to Board	Annual comparison and review of CDA reward system and accordingly Report to Board	Annual comparison and review of CDA reward system and accordingly Report to Board
	Skills Development and Capacity Building Initiatives	97% spent of approved training budget	Implementation of the WSP and PDP of all staff and quarterly reporting to Board	Implementation of the WSP and PDP of all staff and quarterly reporting to Board	Implementation of the WSP and PDP of all staff and quarterly reporting to Board	Implementation of the WSP and PDP of all staff and quarterly reporting to Board
<b>Ensure Effective and Efficient Corporate Governance and Oversight</b>	Board of Directors and various Committees function optimally to ensure effective governance and oversight	7 Annual sittings of the Board of Directors	Minimum of 7 Annual sittings of the Board of Directors	Minimum of 7 Annual sittings of the Board of Directors	Minimum of 7 Annual sittings of the Board of Directors	Minimum of 7 Annual sittings of the Board of Directors
			Minimum of 5 Annual sittings for the HR committee	Minimum of 5 Annual sittings for the HR committee	Minimum of 5 Annual sittings for the HR committee	Minimum of 5 Annual sittings for the HR committee
			Minimum of 5 Annual sittings for the Finance committee	Minimum of 5 Annual sittings for the Finance committee	Minimum of 5 Annual sittings for the Finance committee	Minimum of 5 Annual sittings for the Finance committee
		4 Annual sittings for the Audit and Risk committee	Minimum of 5 Annual sittings for	Minimum of 5 Annual sittings for	Minimum of 5 Annual sittings for	Minimum of 5 Annual sittings for



			the Audit and Risk committee	the Audit and Risk committee	the Audit and Risk committee	the Audit and Risk committee
			1 Annual General Meeting including the Board, Audit and Risk Committee, SBMD and relevant stakeholders	1 Annual General Meeting including the Board, Audit and Risk Committee, SBMD and relevant stakeholders	1 Annual General Meeting including the Board, Audit and Risk Committee, SBMD and relevant stakeholders	1 Annual General Meeting including the Board, Audit and Risk Committee, SBMD and relevant stakeholders

**Fig. 8 Strategic Plan 2023 - 2**

**Acknowledgement:**

The Cacadu District Development Agency (CDA) owes enormous thanks to the members of the Board of Directors for being the key driver of the agencies Vision and Mission. Thanks is expressed for the Chairperson Mr Alroy Taai and members, Ms Naomi Koeberg and Ms Doreen Mgoduka.

The shareholder, SBDM, has been in support of the CDA from its inception and such is appreciated.

The CDA community is district-wide from the respective municipalities and who devoted their time, effort, and expertise in developing the Strategic Plan. Their input is a fresh reminder of why partnerships are important. Our partners from the ECDC and the private sector play an important role in funding or creating partnerships that advances the district community and such support cannot be measured in words.

The CDA Management and Staff remains committed to the Mission and Vision of the agency and deliver their best daily amongst challenging conditions.

The facilitator of the day, Mr Luvuyo Bangazi provided a sterling service to ensure that the focus does not become blurred and delivered an excellent Strategy Report.

It is now upon all to ensure that the strategy becomes more than a wonderful document.

+++++

**Notes:**