

49/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com): 03 March 2015

**B. Overstrand Municipality Red Tape Action Plan: Access to land for agricultural purposes and leasing of municipal properties for business purposes**

This action plan focuses on the following issue prioritised by formal businesses during the red tape identification workshop:

- Options to get identify and access land for agricultural purposes including leasing land from private owners through municipal support. In-addition, exploring options to leasing municipal market square stands (for leases longer than 1 year) and the improvement of communication between informal businesses and the municipality.

<b>Red issues and Problem Statement</b>	<p><b>Background to the farming cooperative applying for land for agricultural use.</b> The cooperative is composed of local farmers. The cooperative has been operating for 2 years. The farmers focus on livestock production. Some of the farmers are currently renting land from local farmers.</p> <p>The Provincial Department of Agriculture had promised to assist farmers to get land but these promises have not been met. The local farmers have received training from the municipal Local Economic Development. Furthermore, the local farmers have developed business plans. Casidra encouraged them to get a land lease of at least five years so as to get access to credit and make their business viable. The local farmers perceive that the local municipality is not making sufficient efforts to assist farmers to get land for their livestock.</p> <p><b>Municipal response to land availability for agriculture.</b> The municipality indicated that according a study conducted in the area in the past two years, there was no municipal land zoned or available for agriculture. Some of the land that is currently vacant is earmarked for other uses and so it is not possible to have livestock production.</p> <p>The municipality also indicated that there is land that is currently being zoned to allow for vegetable gardens. The municipality is waiting for Council to approve this. This is small land parcels which is not suitable for livestock.</p> <p>The municipality indicated when land is available, the municipality cannot do a direct sale the law requires that the municipality follows a tender process to lease or sell the land. On the other hand local farmers indicated that they do not have the money to bid for these tenders and that it is unfair because when the land the land will mostly be taken by other bidders who have the money.</p> <p><b>Community benefit</b> The municipality indicated that one key criteria for leasing municipal land is how much community benefit will be realised afterwards.</p> <p><b>Alternative ways to obtain land for agriculture livestock purposes</b></p>
---	---

One municipal official stated that there is a District structure and process (which includes national government departments such as the Department of Rural Development and Land Reform) formed that is looking at buying from private owners and using it to assist landless people.

#### **Rental of Municipal Properties:**

A number of challenges and problems were identified regarding the rental of municipal properties, including the following:

##### **1. Market square traders association:**

The market square currently has 42 stalls with informal traders. The informal traders are self-managing and they have a lawyer who represents them when they have challenges with the municipality. According to a representative from the traders association, the municipality had not done any maintenance of the stalls in the past 6 years.

#### **Challenges in securing leases**

The informal traders at the operating at the stall are concerned with the new municipal regulation which stipulates that they have to bid for their stalls after the leases expire. Furthermore, the informal businesses are concerned about the one year leases that are currently being offered by the municipality. The Informal businesses indicated that these short leases make it difficult for them to plan ahead as they will not be sure whether they will have their stalls in the coming year. Overall, the informal traders do not understand why they have to tender for their stalls.

#### **Municipality response to stall leases**

The municipality indicated that it had changed its policy to allow for longer leases. The new policy now states that short term leases should be up to three years. For leases longer than three years, the municipality will advertise the property and open it up for tender.

The municipal Town Planning Department's officials indicated that businesses which have had a policy for a year can apply for an additional two year extension.

The stalls were established as an incubator but the approach was not for small businesses to remain small forever. The idea is to assist businesses to start and then move on.

A municipal official from the LED Department indicated that the tender process was put in place to give an equal opportunity to all citizens in the area given that the municipality is mandated to help people at different levels of businesses. Hence the municipality cannot necessarily allow the same traders to use the stalls for a very long time.

51/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com) 03 March 2015

	<p>Businesses feel that the municipality should consider the fact that the market is generating income for the town and is a major tourism attraction. The municipality cannot ignore the value that is being brought by the current traders, breaking up the market could kill the attraction and economic benefit by allowing businesses to trade that do not have the necessary skills, knowledge and experience and which may not necessarily be sustainable.</p> <p><b>Communication and dialogue between the municipality and businesses leasing market stalls:</b> An Operations Management committee which includes the informal businesses and the municipality has not been fully functioning. The informal businesses suggested that the municipality should consider resuscitating this committee to improve communication between businesses and the municipality.</p> <p>The municipal Town Planning Department should meet with the market square traders committee and discuss the maintenance and lease process issues further.</p> <p><b>2. Municipal business premises in Zwelihle community</b> One informal businesses asked how applications for municipal premises in Zwelihle were processed.</p> <p>The municipal Property Department Official indicated that businesses had to write a letter justifying why they needed the property and what they want to use the property for. The letter needs to be sent to the Property Department. Property Department then assess this application and sends an application form to be completed.</p> <p>The property Department Official also indicated that the municipality was still in the process of finalising the details for leasing these new premises in Zwelihle premises. These new premises will be advertised via a municipal tender which will be placed on the community notice boards. Potential traders need to monitor these community notice boards every two weeks.</p>
<p><b>Causes of the Problem</b></p>	<ul style="list-style-type: none"> <li>• There is poor communication between informal traders and the municipality around issues of leasing municipal stalls and the market square. The Operations Management Committee has not been functioning. The municipal official responsible for managing the market does not appear to be visible.</li> <li>• There is poor communication between farming cooperatives and the municipality around issues of availability of land for agriculture and options available to address this issue where the municipality can play a support/ facilitation role.</li> </ul>
<p><b>Actions to address causes:</b>  <b>'To Be'</b></p>	<p><b>Leasing agricultural land to farming cooperatives</b> The farming cooperative present at the workshop indicated that private farmers are willing to assist leasing private land to cooperatives but there is need for the municipality to assist by negotiating with farmer groups/associations in the area.</p>

53/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com): 03 March 2015

<p><b>Processes:</b></p>	<p>The municipality should identify spatially where the cooperatives would like to lease land so that they have the right information for negotiation processes with private land owners in terms of which farmers can be approached for further discussion. One municipal official indicated that the municipality had already started a process to engage the private land owners to try and organise leasing of land to cooperatives.</p> <p>The municipality to set up a meeting with the cooperative present at the workshop and relevant private sector farmers in the area the cooperative wants to lease land. Key issues to be discussed between the municipality and relevant private sector farmers is whether they are prepared to lease land to cooperative for livestock purposes for at least a five year period, whether they are prepared to offer a below-market affordable rental, and what special conditions need to be in place to govern the lease relationship (and which many need to form part of the lease agreement).</p> <p><b>Market Square Stall Leases</b> The informal businesses requested that the municipality should consider offering them leases between three and five year leases compared to the one year leases they are currently have.</p> <p><b>Operations Management Committee: Improving communication between informal traders and the municipality</b> The informal businesses suggested that the municipality should resuscitate the Operations Management Committee to improve communication between businesses and the municipality. The municipality should consider revising the role, purpose, representation and secretariat support/ functioning of this committee so that all key issues related to leases, maintenance, marketing etc. can be included in the agenda. A proposal was made that LED Department coordinate this Committee.</p> <p><b>Leasing of Municipal Premises/ Properties in General:</b> The Property Department to instruct the municipal IT Department to add an email address on the municipal website which businesses can use when they have queries related to leasing of municipal properties. In addition, basic instructions on what information the public should submit to the municipality regarding the availability of municipal buildings to be used for business purposes should be included on the municipal web site.</p>
<p><b>Expected benefits once implemented</b></p>	<ul style="list-style-type: none"> <li>• The Operations Management Committee will improve the relationship between informal traders and the municipality through ensuring traders is able to plan their businesses into the future and through ensuring that maintenance issues are addressed. This will ensure a thriving market continues into the future and that it remains a major tourism attraction that contributes to the local economy.</li> <li>• Cooperative access to rented land that is geographically convenient on the basis of a five year lease will allow them to raise government funding required in terms of their business plans which in turn will allow them to expand their livestock and start selling affordable meat to the local community which will grow the income</li> </ul>

53/92

Red Tape Reduction in Overberg District: Final Report  
 Impact Economix (www.impacteconomix.com): 03 March 2015.

	<p>generated by the cooperatives and improve sustainable employment.</p> <ul style="list-style-type: none"> <li>• Small businesses will have clearer information on how to lease municipal properties which will assist them to establish themselves and grow local employment into the future.</li> </ul>
<b>Champion and next steps</b>	<ul style="list-style-type: none"> <li>• The municipal LED Department should lead the revival of the Operations Management Committee.</li> <li>• The municipal LED Department should facilitate the negotiation process between local farmers and cooperatives to negotiate entering into five year leases between cooperatives and local farmers.</li> </ul>
<b>Who needs to support and next steps</b>	<ul style="list-style-type: none"> <li>• The Town Planning Department should support the negotiations for leasing farms to local cooperatives from private farmers.</li> <li>• The Property Department needs to support the functioning of the Operations Management Committee as well as ensure that improved information is available to the public on the processes to be followed when applying for the lease of municipal properties.</li> </ul>

Red Tape Reduction in Overberg District Final Report  
Impact Economic (www.impacteconomic.com) 03 March 2015

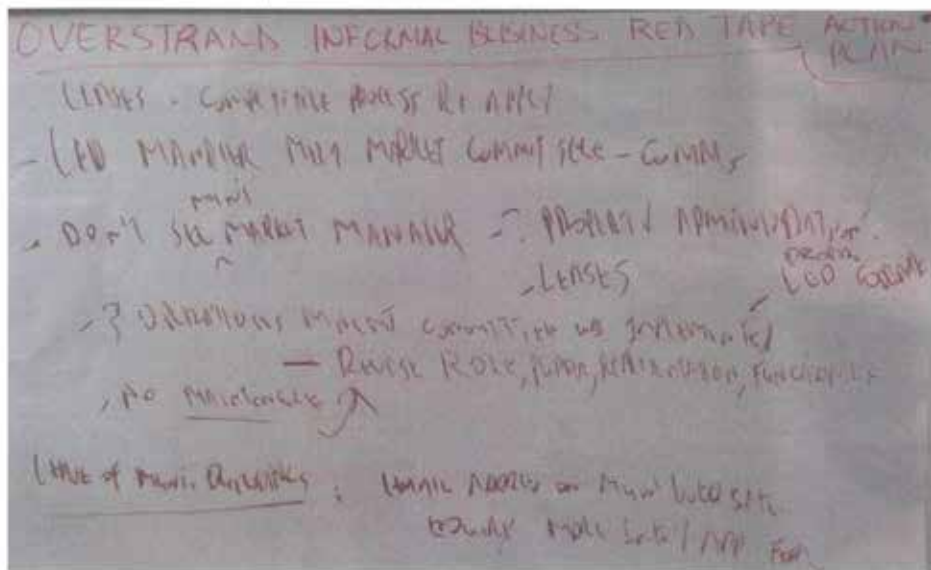
3.2 Discussion notes/charts

Formal Business Red Tape Action Plan Discussion Charts



Red Tape Reduction in Overberg District: Final Report  
Impact Economics (www.impacteconomics.com) 03 March 2015

Informal Formal Business Red Tape Action Plan Discussion Charts



56/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economics (www.impacteconomics.com) 03 March 2015

3.3. Attendance registers

Formal Business Workshop;



Municipal Red Tape Reduction Attendance

Overstrand Municipal Red Tape Action Plan Workshop: FORTIN PHILLIPS BUILDING PLANS

Date: 26 February 0900-1200

First Name	Surname	Organisation	Position	Mobile phone	Email Address
PELUS	ROSE	East Panning	Team Manager	028 355 4677	pelus.rose@overstrand.gov.za
ANNA	LINDA	Panorama	Manager		
ZABETH	LINDA	Panorama	Owner		
ENCO	CELESTH	cyber Centre	Director	072 735 4677	enco@overstrand.gov.za
VALIE	KOSI	CEO	MANAGER	028 355 4677	valie@overstrand.gov.za
MICHAEL	KUP	CEO	CEO	028 355 4677	ledtemp@overstrand.gov.za
JHANS	du TOIT	Protonic	Lead Informant	028 355 4677	jhans@overstrand.gov.za
ROBERTO	MACEE	Construction	CEO	028 355 4677	roberto@overstrand.gov.za
MYENDELO	MALAMSA	LEAD	LEADER	028 355 4677	ledtemp@overstrand.gov.za
HENRY	ALBERTS	H. ALBERTS	OWNER	076 602 774	23 Bani Spa, HAWSTON
JACO PUIS	MANUEL	CONSTRUCTION	OWNER	074 176 226	LESSEN WEG HAWSTON

57/92

Red Tape Reduction in Overberg District: Final Report  
 Impact: Economic (www.impacteconomics.com) 03 March 2015



**Western Cape  
 Government**  
 Economic Development  
 and Tourism

First Name	Surname	Organisation	Position	Mobile phone	Email Address
Regina	Fisher	Finance Dept	Proc. Support Service	082 313 0441	regina.fisher@wcg.gov.za
Vanessa	Barnes	LED	JED OFFICER	076 310 1094	vanessa@overstrand.gov.za
Deborah	Seckman	LED	Admin. Support	073 511 2000	
Jusan	Botha	LED	Admin. Asst	076 311 1665	
Wendie	Klein	LED	ED Unit	076 311 1000	wendie.klein@gmail.com
William	Boys	LED	Admin. Asst	076 311 1000	

Red Tape Reduction in Overberg District: Final Report  
 Impact Economix (www.impacteconomix.com), 03 March 2015

Informal Business Workshop Attendance:



Municipal Red Tape Reduction Attendance

Overstrand Municipal Red Tape Action Plan Workshop: *Handwritten notes: Informal Business Workshop Attendance in MLI*  
 Date: 20 February 13:00-16:00 *Handwritten notes: Overstrand Municipality - ALL 25*

First Name	Surname	Organisation	Position	Mobile phone	Email Address
<i>Handwritten: Muel</i>	<i>Handwritten: Muller</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Economic Development</i>		<i>Handwritten: muel@municipality.gov.za</i>
<i>Handwritten: Kelly</i>	<i>Handwritten: Hooper</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: kellyhooper@overstrand.gov.za</i>
<i>Handwritten: Paul</i>	<i>Handwritten: Smith</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: paulsmith@overstrand.gov.za</i>
<i>Handwritten: Patricia</i>	<i>Handwritten: Smith</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: patricia@overstrand.gov.za</i>
<i>Handwritten: Romya</i>	<i>Handwritten: Smith</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: romya@overstrand.gov.za</i>
<i>Handwritten: RALPH</i>	<i>Handwritten: PETERSEN</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: ralph@overstrand.gov.za</i>
<i>Handwritten: Michelle</i>	<i>Handwritten: Ellis</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0835651867</i>	<i>Handwritten: Michelle.Ellis@westerncape.gov.za</i>
<i>Handwritten: William</i>	<i>Handwritten: Hooper</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: william@overstrand.gov.za</i>
<i>Handwritten: Patricia</i>	<i>Handwritten: Smith</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: patricia@overstrand.gov.za</i>
<i>Handwritten: Cathie</i>	<i>Handwritten: MACHADO</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: Cathie@overstrand.gov.za</i>
<i>Handwritten: Juan</i>	<i>Handwritten: DAVEN</i>	<i>Handwritten: Overstrand Municipality</i>	<i>Handwritten: Member</i>	<i>Handwritten: 0834512345</i>	<i>Handwritten: Juan@overstrand.gov.za</i>

Red Tape Reduction in Overberg District: Final Report  
 Impact Economic (www.impacteconomic.com) 03 March 2015



First Name	Surname	Organisation	Position	Mobile phone	Email Address
PHUMZI	LUSIBI			076 989	phumzi.lusibi@gmail.com
VINCENT	PATO EDELE	Overberg		021 9122	vincent.pato@overberg.gov.za
SUSAN	BOTHIA	LED	Admin Asst	021 27716	bothia.susan@gmail.com
RAQUEL	SECOMBI	LED	h.v. in Dev	021 27716	raquel.secombi@gmail.com
LINDANI	TSHEZI	Law Enforced	Sub. Insp	021 27716 021 9122	lindani.tshezi@overberg.gov.za

**Annexure 2: Cape Agulhas Municipality: Launch Minutes and Detailed Red Tape Reduction Action Plans including 'As Is' and 'To Be' Processes where relevant**

---

**1. Red Tape Launch Meeting Minutes**

**Red Tape Reduction Process: Launch Workshop: Minutes  
Cape Agulhas Municipality  
17 October: 13:15-14:00**

**1. Meeting purpose and Agenda:**

**2. Welcome:**

Michelle Ellis (Western Cape Government: Department Economic Development and Tourism: Red Tape Unit) provided background that the red tape reduction initiative had been discussed in May with relevant municipal managers and Mayors and they had indicated the Cape Agulhas Municipality's willingness to participate in this initiative.

**3. Overview of the Red Tape Reduction Process:**

Rae Wolpe of Impact Economix presented the proposed process which included detailed roles and responsibilities of Impact Economix, the Municipality, and business organisations to ensure the success of the process.

**4. Discussion of Process: The following actions were agreed:**

- a. The process would focus on red tape issues impacting on formal businesses and would thus include the business chambers, tourism organisations, and agriculture associations active in the municipal area. Two red tape issues would be prioritised and action plans developed for those two priority red tape issues.
- b. The RT Identification workshop should ideally take place the week of 10-14 November with Cape Agulhas municipality to confirm next week (week 20<sup>th</sup> October) if this is possible and propose a specific date for one day for the workshops to take place as well as to then confirm and book the venue for the workshops (which may be the same town or two different towns). Cape Agulhas municipal officials to attend the RT identification workshop to include Bertus Hayward (Manager: Town and Regional Planning) and Municipal Finance and SCM representative.
- c. Cape Agulhas Municipality to obtain and forward to Impact Economix by 25<sup>th</sup> October 2014 all available electronic (excel) databases of businesses in the Municipality (databases should ideally include: business name, owner/ manager name, email address, cell phone, and land line) by contacting relevant organisations, including from supply chain management, finance, Local tourism organisations, local business chambers, agriculture associations, construction supplier development etc..
- d. Cape Agulhas Municipality to review the draft red tape business questionnaire and provide comments in writing on proposed changes to this to Impact Economix (Rae Wolpe: [rae@impacteconomix.com](mailto:rae@impacteconomix.com)) by Friday 25<sup>th</sup> October.

61/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com): 03 March 2015

- e. Mr Bertus Hayward to be the Municipality's Red Tape liaison person with Impact Economix and to take forward all logistical arrangements and responsibilities as outlined in the presentation (see Annexure B).

5. Meeting closed

2. Cape Agulhas Municipality: Detailed Red Tape Action Plan Tables including 'As Is' and 'To Be' Processes where relevant

A. Reducing Red Tape Action Plan 1: Reducing illegal land use and illegal business operations

<b>Red Tape and Problem Statement</b>	<p>The Cape Agulhas Municipality sent letters to all businesses regarding illegal land uses. This action plan explores options the best way for businesses to respond to and deal with these letters.</p> <ul style="list-style-type: none"> <li>• There are concerns about the inconsistent enforcement and lack of pro-active enforcement approach of illegal land-uses by the municipality. This links to the need for the municipality to maintain an improved GIS system and database of land-use / zoning information including a record of where businesses operate.</li> <li>• There are some businesses illegally operating in the Cape Agulhas Municipality. For instance, there are unregistered bed and breakfast businesses operating without licenses. These businesses cannot be graded using the tourism accommodation standards and this increases the risk of poor quality tourism accommodation being offered which can negatively impact on tourist experiences and the overall reputation and attractiveness of the area. The municipality has sent letters to illegal businesses regarding illegal land uses in an attempt to start addressing this issue.</li> <li>• There is a lack of communication between Municipal departments regarding illegal operation of businesses in the area. For instance, the electricity department may not know that a certain business they are serving is an illegal business according to the Town Planning Department.</li> <li>• The application for a departure for rezoning process is taking too long. This affects businesses because they have to wait for up to ten months before they can start operating. Whether departure applications are submitted at the beginning or end of the month also impacts on how long the process will take to get approval- ideally the process of obtaining a departure should take about 3 months).</li> <li>• Estate agents in the area are not informed about land zoning and they are not informing property buyers on what they can and cannot do on the purchased premises and what processes need to be followed with the municipality to obtain the required approvals to operate a business.</li> <li>• The municipality does not understand the amount of revenue they are losing through unregistered businesses. This revenue can be about R4000/ business for land-use permission as well as higher municipal rates and other tariffs (e.g. electricity) which are payable by businesses.</li> <li>• The municipality does not send a reminder to business whose temporary</li> </ul>
---------------------------------------	--

62/92

Red Tape Reduction in Overberg District: Final Report  
 Impact Economix (www.impacteconomix.com) 03 March 2015

	<p>departure is about to expire. This leaves most business operating illegally because their departures will have expired.</p> <p><b>The above problems are resulting in numerous negative impacts including the following:</b></p> <ul style="list-style-type: none"> <li>• Illegal and unregistered businesses create room for bad customer service in the accommodation industry for instance, some tourists have complained about poor accommodation services. This can give the area a bad reputation and undermine the overall tourism industry when customers report or post negative experiences using social media etc.</li> <li>• Illegal businesses do not have the same costs as legal businesses because they do not pay business rates and taxes. This is creating an uneven playing field for businesses which subsequently affects job creation in the area and can negatively impact on the sustainability of legally operating tourism businesses.</li> <li>• Some illegal businesses are creating challenges for other related industries for instance when an illegal business comes to the local radio station to advertise, the radio station is not sure whether it should allow the business to advertise or not.</li> <li>• The illegal business do not normally have guest insurance cover for guests, which creates problems for the health and safety of tourists for instance, in the case when a tourist has an accident at the illegal premises.</li> <li>• The municipality is losing revenue businesses through illegal businesses which do don't pay rates and taxes. For instance, illegal businesses are still paying household rates when they should be paying businesses rates.</li> <li>• The illegal businesses do not necessarily comply with parking regulations and this can create a safety hazard.</li> </ul>
<p><b>Causes of the Problem</b></p>	<ul style="list-style-type: none"> <li>• Estate agents do not inform potential buyers about zoning issues and zoning processes that potential buyers need to follow when they are considering purchasing properties.</li> <li>• The municipality does not know which businesses (whether legal or illegal) are operating where in the area.</li> <li>• The current municipal business database is not up to date with the comprehensive list for all the businesses in the municipality.</li> <li>• There is no clear business registration process so most businesses would rather operate illegally.</li> <li>• There is no responsible person in the municipality to compile the business database. This may be caused by the fact that it has not been a big issues in the past. The GIS system only started last year and the progress has been slow. The database is still being built.</li> <li>• There is no effective enforcement system against businesses operating without the required land use permissions. The courts of law do take the illegal operation of business seriously, making it difficult for the municipality to take effective legal action against illegal businesses. The illegal businesses know about this and they are not afraid to be taken to court for their illegal operations. For instance, illegal</li> </ul>

63/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com): 03 March 2015

	<p>businesses are fined an averaged of R1500, an amount which is very small and does not encourage an illegal business to register. Most businesses continue operating even after they have been fined.</p> <ul style="list-style-type: none"> <li>• The municipality generally only reacts when there is a complaint about an illegal business.</li> <li>• There is inconsistent enforcement of business registration regulations by the municipality.</li> <li>• When business departures lapse, businesses have not been sent reminders to renew departures.</li> </ul>
<p><b>Actions to address causes of the red tape problem</b></p>	<ul style="list-style-type: none"> <li>• The municipality should create a comprehensive database of all the businesses operating in the areas. On this database, the municipality should then verify who is legal and who is not.</li> <li>• The municipality should consider a name and shame system using the municipal website or radio station to expose illegal businesses in the area. The MM should give permission to have a link on the website where businesses that are not registered are listed.</li> <li>• Businesses should report non-compliant business on the Hello Peter website as well as to the municipality (for attention: Town Planning Manager).</li> </ul> <p>Actions to improve the database:</p> <ul style="list-style-type: none"> <li>• Municipality (Finances department) to send an update form to all businesses to update land-use and other relevant contact and compliance information in order to improve business compliance with land-use and other relevant regulations. The local chamber and Local Tourism Organisation will work with and assist the municipality by communicating this process and update form to all their members and encourage members to comply and submit the requested information.</li> <li>• The municipality must send information on how tourism businesses can apply for departures to the Local Tourism Organisation. The LTO can then inspect their premises. The Business chamber can also assist the municipality in distributing information on the procedure to apply for business departures, procedure to apply for business and health licenses and other approvals required, to LTO members and other tourism businesses.</li> <li>• The municipality should use the slot on the local community radio station and inform people in the area on the need to report unregistered businesses and the processes to be followed.</li> <li>• The municipality should close businesses operating illegally. The police enforces closure of illegal businesses.</li> <li>• The illegal land use business fines are determined under the Provincial Town Planning Act of 1985. The municipality is currently working on recommendations to improve this act.</li> <li>• LUPA will be replaced by LUPA. Municipalities will have more power which includes establishing a Municipal Tribunal (some time in 2015) to deal with the enforcement of town planning regulations including illegal land-use infringements.</li> </ul>

64/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com). 03 March 2015

	<ul style="list-style-type: none"> <li>• Estate Agents should inform clients wishing to purchase properties about zoning process that need to be followed. For instance, the estate agent can provide a list of requirements that each new property owner should be aware of and/or follow. This should include the municipality's Integrated Zoning Scheme compliance brochure. This brochure already exists but and the municipality needs to ensure that estate agents are aware of it ad have copies of it to give to potential and actual property buyers.</li> <li>• Estate agents should encourage potential and actual property buyers to approach the municipality to clarify zoning issues and processes. Potential buyers should be encouraged to fund the re-zoning process before the property transfer process is initiated.</li> <li>• The municipal website (as well as the "explorio" web site) should also include clear and accessible information about municipal land-use/ town planning/ transport/ health and other district and provincial approvals and processes that need to be followed when starting different types of businesses. Much of this information is already available in a municipal brochure/ document. The relevant business application forms should also be made available on the Municipal website.</li> <li>• Individual complaints about illegal tourism businesses should also be sent via the LTO.</li> </ul> <p><b>Maintaining the municipal database:</b></p> <ul style="list-style-type: none"> <li>• The LTO should design, plan and implement an information/ marketing campaign on what approvals are needed for starting and operating a business and what the application procedures and processes are (and relevant contact information for different approvals required).</li> <li>• The municipality should work together with the business chamber and the tourism organization in raising awareness of how to register a business.</li> <li>• The municipality should send a reminder if a business departure is about to expire.</li> </ul>
<p><b>Expected benefits once implemented</b></p>	<ul style="list-style-type: none"> <li>• The quality of tourism experiences will be improved and the overall tourism reputation and sustainability and growth will improve. Registration also helps the accommodation businesses to be graded by the grading agency. Tourists take the grading system seriously, therefore a graded accommodation business will most likely get more clients and the tourism experience will more likely be a positive one where their expectations are met and positive tourist experiences will enhance the overall reputation and perception of the area as a tourism destination. This will assist with overall job creation.</li> <li>• Municipal revenue will grow and be enhanced through both land-use and departure application fees, as well as correct business rates and service charges being charged to businesses. This will raise additional revenue for service delivery and infrastructure which can enhance the overall community's development and quality of the business environment.</li> </ul>

65/92

Red Tape Reduction in Overberg District: Final Report  
 Impact Economix (www.impacteconomix.com): 03 March 2015

<b>Champion &amp; team</b>	<ul style="list-style-type: none"> <li>Town Planning Town Planning Department – Bertus Hayward (working in partnership with the local chamber and Local Tourism Organisation).</li> </ul>
<b>Who needs to support</b>	<ul style="list-style-type: none"> <li>Municipal Manager, Estate Agents, Cape Agulhas tourism organization, LED department, Finance department.</li> </ul>
<b>Resources required</b>	<ul style="list-style-type: none"> <li>The cost of sending out business information update requests from the municipality to businesses.</li> <li>Municipal Town Planning Department staff capacity to pro-actively identify and track down illegal businesses.</li> </ul>
<b>Task Team and next steps</b>	<ul style="list-style-type: none"> <li>The results of this action plan will be presented to Municipal Management for endorsement.</li> </ul>

66/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com): 03 March 2015

**B. Cape Agulhas Municipality: Reducing Red Tape Action Plan 2: Improving the Municipal Complaints System**

<p><b>Red Tape issues and Problem Statement</b></p>	<p>Availability of officials and a policy and system to submit complaints and escalate complaints and monitor responses to complaints and link responses to complaints to individual performance agreements and reviews as well as setting service standards / time-frames for how correspondence from businesses to the municipality are responded to and monitored.</p> <p>There are +-300 complaints received by the municipality every month.</p> <p><b>Problem</b></p> <ul style="list-style-type: none"> <li>• There is no clear process of giving feedback to clients who submit complaints.</li> <li>• When a complaint is received, there is no time frame on when the complaint must be resolved.</li> <li>• There is no single municipal department that is responsible for adding complaints on the Municipal complaint system (Ignite system).</li> <li>• There are no consequences when a department does not respond to a complaint in time. For instance there are two departments which take approximately a year to respond to complaints.</li> <li>• When businesses/ citizens phone the municipal reception, they frequently either do not obtain an answer or have to wait for an answer in excess of 10 minutes because of the limited lines available.</li> </ul> <p>The current complaints process is as follows</p> <ul style="list-style-type: none"> <li>• The public communicates with the municipality through the municipal telephone reception, Facebook, Twitter, help sms system or a complaint email address.</li> <li>• The municipal website has a complaint form/ comment form. Each complaint submitted on this form will go directly to the IT unit which forwards the complaint to the relevant official who handles the issue.</li> <li>• As part of the complaints monitoring process, every week the Municipal Manager sends a complaints summary report to managers and every month a similar report is sent to councilors.</li> <li>• Receptionists in the Municipal departments are responsible for logging in client complaints on the Ignite system. The Ignite system currently makes provision for the following data fields: Name, address, phone number and urgency of the matter, and status of the complaint resolution (in progress or resolved).</li> </ul>
<p><b>Causes of the Problem</b></p>	<ul style="list-style-type: none"> <li>• There is no/ limited feedback on complaints submitted by citizens in terms of both how long it will take to resolve the complaint and/or when the complaint has been resolved.</li> <li>• There is no capacity to send emails acknowledging the receipt of each complaint from the database administrator (who forwards these complaints to relevant departments to respond to).</li> <li>• The biggest problem is with ownership of complaints in terms of the relevant</li> </ul>

67/92

Red Tape Reduction in Overberg District: Final Report  
Impact Economix (www.impacteconomix.com): 03 March 2015

	<p>officials not always responding to and resolving complaints. This is linked to the lack of consequence management where official's performance in responding to and resolving complaints is not sufficiently evaluated by management as part of the performance management system and individual performance reviews.</p> <ul style="list-style-type: none"> <li>Managers are receiving the complaint reports every week but there are no consequences for complaints that are not addressed.</li> <li>The municipality does not have a customer care service charter which defines service standards and time-frames for routine services including responding to correspondence (which includes complaints received). The municipality is currently developing this service charter.</li> </ul>
<b>Actions to address causes</b>	<ul style="list-style-type: none"> <li>The municipal staff awareness of what departments and officials are responsible for what services needs to be improved (especially receptionists who are often asked to refer people to the relevant official) so that complaints can be referred to the correct person who can address the problem (municipality could consider a 1-2 page municipal official directory page with user friendly descriptions of main services dealt with by different departments/ branches for use by receptionists/ Pas).</li> <li>The municipality should improve training of municipal officials in customer care and how to use the Ignite system to improve the customer feedback.</li> <li>The municipality should Increase public awareness of complaint system and the importance of always obtaining a reference number once a complaint is submitted so that progress with the complaint can be monitored/ followed up easily. The municipality to use the bulk SMS system to raise this awareness.</li> <li>The municipality to centralise Client Services and complaints in one corporate unit to help manage and track client complaints better. The restructuring of 5 departments into one single Client Services department is already in progress. The new unit will within the office of the Municipal manager.</li> <li>The municipality should consider designing a form to sign off a complaint that has been received.</li> <li>The municipality should include the complaint reporting in the managers KPI report which are sent to the council and the director is evaluated on these reports every 6 months</li> <li>If the client is not satisfied with feedback given, they should be given a chance to speak to the director.</li> <li>All new customer service staff should be trained on the new proposed ignite system</li> <li>IT unit should investigate phone call redirecting options and the cost implications</li> </ul>
<b>Expected benefits once implemented</b>	<ul style="list-style-type: none"> <li>There will be improved communication and feedback to businesses/ citizens on their complaint within five days. This will reduce the business' time involved in following up progress with submitted complaints so that businesses can focus on running their businesses.</li> <li>Improved awareness of how long a complaint resolution process will take should reduce the number of complaints/ follow ups submitted to the municipality and</li> </ul>

68/92

Red Tape Reduction in Overberg District: Final Report  
 Impact Economix (www.impacteconomix.com); 03 March 2015

	<p>potentially the amount of staff time spent on responding to follow ups on complaints progress.</p> <ul style="list-style-type: none"> <li>Improved resolution of business complaints should improve municipal-business relationships and enhance the potential for cooperation and joint initiatives/partnerships between the municipality and businesses to enhance the local economy.</li> </ul>
<b>Champion &amp; team</b>	<ul style="list-style-type: none"> <li>Client Services Manger should champion the process with the Municipal Manager playing an oversight role.</li> </ul>
<b>Who needs to support</b>	<ul style="list-style-type: none"> <li>Directors, managers, Clients service unit and Ignite service provider (to make modifications to the ignite system).</li> </ul>
<b>Resources required</b>	<ul style="list-style-type: none"> <li>2 Client Services staff members for the logging complaints and giving feedback to clients</li> <li>Financial resources to modify the Ignite system (cost to be determined and specifications for required changes to be defined).</li> <li>New phone call redirecting / menu system. IT is currently reviewing options and identifying cost implications.</li> </ul>
<b>Task Team and next steps</b>	<ul style="list-style-type: none"> <li>This action plan should be presented to management for endorsement and implementation.</li> </ul>