



EASTERN CAPE
LIQUOR BOARD

ANNUAL
PERFORMANCE
PLAN 2022 – 2025



ENABLING &
PROMOTING

A RESPONSIBLE
LIQUOR INDUSTRY



EASTERN CAPE
LIQUOR BOARD

ANNUAL
PERFORMANCE
PLAN 2022 – 2025

Enabling and Promoting a Responsible Liquor Industry

Executive Authority Statement

The country is still dealing with the devastating effects of the pandemic that have caused human suffering, destabilised the economy, jobs lost, unemployment and poverty. Furthermore, the liquor industry is still characterised by challenges such as the socio-economic impact of liquor; the slow pace of transformation; standardisation of key aspects of regulation and improved regulatory collaboration; eradicating the manufacturing and trading in illegal or illicit alcohol, to name a few.

Despite these challenges, we are still committed to the vision of the province of “building a future we want” and commit to contribute to the call for the recovery and regeneration of the economy of the province.

The 2022/23 APP has been reviewed to adapt to the changing environment we are operating in, and respond to policy directives and prioritising the economic recovery plans of the province such as the:

- Economic reconstruction and recovery plan
- Provincial economic strategy
- Five-point plan for economic recovery of the EC.

The entity has, for this APP, developed two (2) new indicators. The first is on the entities' contribution to Local Economic Development (LED) and township economy, and the second is assessing on impact of the anti-alcohol campaigns conducted.

Our success is underpinned by the achievement of the following government priorities namely: -

- Economic transformation and job creation.
- Education, skills and health.
- Consolidating the social wage through reliable and quality basic services.
- Spatial integration, human settlements, and local government.
- Social cohesion and safe communities.
- A capable, ethical, and developmental state.

In order to give effect to these priorities, the ECLB has identified three outcomes for the next five years namely:

- Economic transformation and job creation in the liquor industry
- Community protection from irresponsible liquor trading.
- Good corporate governance

The entity is committed to mitigating the harmful effects of excessive consumption of alcohol and alleviate the harmful effects of alcohol abuse through education and awareness programmes as well as working with stakeholders.

The ECLB's Board Members has re-affirmed its committed to driving and enhancing improvement in the following areas of operation: -

- Fundraising which is of critical importance as there is concern about institutional viability in the light of shrinking budget. There is a need to identify strategic projects in order to leverage funding from the liquor industry and beyond.
- Forming strategic partnerships to drive the transformation (farmers, manufacturers, PPPs, communities, other departments).
- Impact on the socio-economics of the province through empowerment of small entrepreneurs and liquor traders and thus also job creation.
- Identification and facilitation of projects that could contribute towards local economic development and economic recovery.

This plan complies with the requirements of Section 30 of the Treasury Regulations issued in terms of the PFMA. The Board undertakes to ensure that in the execution of its duties it complies with these and all other relevant pieces of legislation.

As the Accounting Authority, the Board is responsible for providing strategic direction and oversight function as mandated in terms of Section 49 (1) (a) of the Public Finance Management Act 1 of 1999 (referred to as PFMA).

The Eastern Cape Liquor Board (referred to as the ECLB) herein humbly submits the draft Annual Performance Plan for the 2022/23-2024/25 MTEF in line with Chapter 5 of the Treasury Regulations issued in terms of the PFMA.



Ms N Tys
Board Chairperson



Honourable G.M. Mvoko
Member of Executive Council

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Eastern Cape Liquor Board under the guidance of Members of the Board and Department of Economic Development Environmental Affairs and Tourism.
- Considers all the relevant policies, legislation and other mandates for which the Eastern Cape Liquor Board is responsible.
- Accurately reflects the impact statements, outcomes and outcome indicators which the Eastern Cape Liquor Board will endeavour to achieve over the period 2022/23 to 2024/25.



Ms N. Tshefu
Official Responsible for Strategic Planning



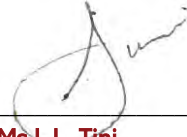
Mr P. Tyali
Senior Manager: Licensing



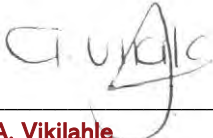
Mr Z. Tyikwe
Chief Inspector



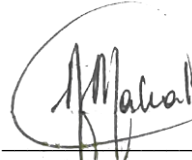
Dr M. Msiya
Manager Social Accountability



Ms L.L. Tini
Senior Manager: Corporate Services



Ms A. Vikilahle
Chief Financial Officer



Dr N. Makala
Chief Executive Officer

Approved



Ms N. Tys
Board Chairperson

CONTENTS

EXECUTIVE AUTHORITY STATEMENT	2
OFFICIAL SIGN-OFF	4
LIST OF ABBREVIATIONS AND ACROYNMS	7
PART A: OUR MANDATE	9
1. CONSTITUTIONAL MANDATE	9
2. LEGISLATIVE MANDATE	9
2.1 LIQUOR ACT 59 OF 2003	9
2.2 EASTERN CAPE LIQUOR ACT 10 OF 2003	9
2.3 EASTERN CAPE LIQUOR AUTHORITY ACT 4 OF 2018	9
2.4 OTHER LEGISLATION	10
3. POLICY MANDATE	10
3.1 NATIONAL LIQUOR POLICY	10
3.2 ECLB'S ALIGNMENT WITH NATIONAL, PROVINCIAL AND DEDEAT PRIORITIES	10
3.3 UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES	11
3.4 RELEVANT COURT RULINGS	11
PART B: OUR STRATEGIC FOCUS	14
1. VISION	14
2. MISSION	14
3. VALUES	14
4. SITUATIONAL ANALYSIS	14
4.1 EXTERNAL ENVIRONMENT ANALYSIS	14
4.1.1 ECONOMICS OF THE INDUSTRY	15
4.1.2 ADVERSE EFFECT OF ALCOHOL CONSUMPTION	16
4.1.3 THE SOCIO-ECONOMIC IMPACT OF ALCOHOL ABUSE	17
4.1.4 STATUS OF LIQUOR LICENCES	17
4.1.5 LEGISLATIVE FRAMEWORK	19
4.1.6 REVENUE COLLECTION FROM LIQUOR LICENCES	20
4.1.7 TRANSFORMATION OF THE LIQUOR INDUSTRY	20
4.2. INTERNAL ENVIRONMENT ANALYSIS	21
4.2.1 FOCUS AREAS FOR THE MTEF	21
4.2.3 GOVERNANCE	25
4.2.4 FISCAL RESOURCES AND FUNDING INITIATIVES	25
4.2.5 DIGITALISATION AND IMPROVE OPERATIONAL EFFICIENCIES	25
4.2.7 ORGANISATIONAL REDESIGN	25

PART C: MEASURING OUR PERFORMANCE	27
1. INSTITUTIONAL PERFORMANCE INFORMATION	27
1.1 IMPACT	27
2. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	29
2.1 ORGANISATIONAL RESOURCE CONSIDERATIONS	29
2.2 BUDGET PROGRAMME 1: CORPORATE SERVICES MANAGEMENT & ADMINISTRATION	32
2.2.1 BUDGET SUB-PROGRAMME: FINANCE	32
2.2.2 BUDGET SUB-PROGRAMME: CORPORATE SERVICES	34
2.2.3 BUDGET SUB-PROGRAMME: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)	37
2.3 BUDGET PROGRAMME: LICENSING	41
2.3.1 BUDGET SUB-PROGRAMME: LICENSING ADMINISTRATION	41
2.3.2 BUDGET SUB-PROGRAMME: LIQUOR TRADER DEVELOPMENT	42
2.3.3 EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD	43
2.3.4 LICENSING PROGRAMME RESOURCE CONSIDERATIONS	44
2.4 BUDGET PROGRAMME: COMPLIANCE AND ENFORCEMENT	45
2.4.1 BUDGET SUB-PROGRAMME: PRE-REGISTRATION COMPLIANCE	45
2.4.2 BUDGET SUB-PROGRAMME: POST-REGISTRATION COMPLIANCE	46
2.4.3 BUDGET SUB-PROGRAMME: COMPLAINTS MANAGEMENT	47
2.5 BUDGET PROGRAMME: SOCIAL ACCOUNTABILITY	50
2.5.1 EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD	52
3. ORGANISATIONAL KEY RISKS	54
PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDS)	57
ANNEXURE: DISTRICT DEVELOPMENT MODEL	67
ANNEXURE B: AMMENDMENTS TO APP AND STRATEGIC PLAN	68

LIST OF ABBREVIATIONS AND ACROYNMS

AO	-	Accounting Officer
AG	-	Auditor-General
APP	-	Annual Performance Plan
BBBEE	-	Broad Based Black Economic Empowerment
BCMM	-	Buffalo City Metro Municipality
CEO	-	Chief Executive Officer
CFO	-	Chief Financial Officer
CoGTA	-	Cooperative Governance and Traditional Affairs
COVID-19	-	Coronavirus disease
DEDEAT	-	Department of Economic Development Environmental Affairs and Tourism
DTI	-	Department of Trade and Industry
EC	-	Eastern Cape
ECLA	-	Eastern Cape Liquor Act
ECLB	-	Eastern Cape Liquor Board
ECLAA	-	Eastern Cape Liquor Authority Act
ECPTA	-	Eastern Cape Parks and Tourism Agency
FAS	-	Foetal Alcohol Syndrome
GBV	-	Gender Based Violence
GDP	-	Gross Domestic Product
HIV	-	Human immunodeficiency virus
ICT	-	Information Communication and Technology
LTDP	-	Liquor Traders Development Programme
MEC	-	Member of the Executive Council
MTEF	-	Medium Term Expenditure Framework
MTSF	-	Medium Term Strategic Framework
NGO	-	Non-Governmental Organisation
NPA	-	National Prosecuting Authority
NDP	-	National Development Plan
NLF	-	National Liquor Forum
PAIA	-	Promotion of Administrative Information Act
PAJA	-	Promotion of Administrative Justice Act
PFMA	-	Public Finance Management Act
POE	-	Portfolio of Evidence
POPI	-	Protection of Personal Information Act
PPP	-	Public Private Partnership
SALGA	-	South African Local Government Association
SMME	-	Small Medium Micro Enterprise
WHO	-	World Health Organisation



EASTERN CAPE
LIQUOR BOARD

PART A

OUR MANDATE

Enabling and Promoting a Responsible Liquor Industry

ANNUAL
PERFORMANCE
PLAN 2022 – 2025

PART A: OUR MANDATE

1. Constitutional mandate

The mandate of the Eastern Cape Liquor Board is empowered by the provisions on section 104 of the Constitution of the Republic of South Africa 1996, which gives exclusive provincial legislative competency on certain matters including those functional areas listed in schedule 5 of the Constitution. Liquor licences are listed in schedule 5 which vests and confers to the provincial government the mandate to regulate issuing of liquor licences.

2. Legislative mandate

The ECLB is governed by the following pieces of legislation:

2.1 Liquor Act 59 of 2003

This Act seeks to establish national norms and standards to maintain economic unity within the liquor industry; to provide for the essential national standards and minimum standards required for the rendering of services; to provide for measures that promote co-operative governance in the area of liquor regulation; and to provide for matters connected therewith.

2.2 Eastern Cape Liquor Act 10 of 2003

The Eastern Cape Liquor Board is established in terms of the Eastern Cape Liquor Act (Act 10 of 2003) to:

- Regulate the registration of retail sales and micro-manufacturing of liquor in the province.
- Encourage and support the liquor industry in the management and reduction of the socio-economic and other costs of excessive alcohol consumption by creating an environment in which:
 - The entry of new participants into the liquor industry is facilitated;
 - Appropriate steps are taken against those selling liquor outside the regulatory framework;
 - Ensure that those involved in the liquor industry may attain and maintain adequate standards of service delivery.
 - Community considerations on the registration of retail premises are taken into account; and
 - The particular realities confronting the liquor industry in the province can be addressed.

2.3 Eastern Cape Liquor Authority Act 4 of 2018

A new enabling statute, the Eastern Cape Liquor Authority Act 4 of 2018, was passed and published in the Government Gazette on the 11th March 2019. The said Act awaits proclamation to be brought into effect.

The objects of this Act are –

- (a) to give effect to the constitutional mandate of the Province regarding the licensing, regulation and control of retail sale and micro-manufacturing of liquor;
- (b) to provide mechanisms that ensure the compliance and enforcement of this Act and the licence conditions;
- (c) to provide mechanisms aimed at reducing socio-economic and other effects of alcohol abuse;
- (d) to promote the development of a responsible and sustainable retail and micro-manufacturing liquor industry in a manner that facilitates -
 - (i) the entry of new participants into the industry;
 - (ii) diversity of ownership in the industry; and
 - (iii) an ethos of social responsibility in the industry

The Act however has not come into operation as yet. The Department of Economic Development, Environmental Affairs and Tourism is still in the process of finalising the regulations for the implementation of the Act. The ECLB is encouraged by the recent pronouncements by the Hon Premier and in turn the MEC in the respective State of the Province Address and DEDEAT policy speech as detailed hereunder:-

“Madam Speaker, in 2018, this House passed the Eastern Cape Liquor Authority Act, No. 4 of 2018. However, we have noted that due to budgetary constraints implementation of this important piece of legislation was not rolled-out as anticipated. Having considered this omission, the Department of Economic Development, Environmental Affairs and Tourism, and the Eastern Cape Liquor Board have worked out a plan of a phased approach to the implementation of this legislation. The MEC will provide more detail in this regard.”

“The devastating COVID-19 pandemic exacerbated the need for the Eastern Cape Provincial Government to counter the negative consequences of irresponsible liquor consumption. During the distressing period, certain taverns flouted their licence trading conditions and the Disaster Management Regulations by permitting crowds of patrons with no compliance to the prescribed lockdown regulations, health protocols and enforcement of social distancing measures or wearing of masks. These “super spreaders” caused immense harm not only to their communities but to the liquor retail sector as well. To address these negative consequences, we will be vigorously implementing the Eastern Cape Liquor Authority Act 4 of 2018 to enforce the law.”

2.4 Other legislation

- Public Finance Management Act 1 of 1999 as amended by Act 29 of 1999;
- Promotion of Access to Information Act 2 of 2000;
- Promotion of Administrative Justice Act 3 of 2000;
- Protection of Personal Information Act 4 of 2013;
- Preferential Procurement Policy Framework Act 5 of 2000;
- Broad-Based Black Economic Empowerment Act 46 of 2013 as amended by Act 46 of 2013.
- Labour Relations Amendment Act 6 of 2014;
- Basic Conditions of Employment Amendment Act 20 of 2013;
- National Treasury Regulations; and
- Companies Act 71 of 2008
- National Disaster Management Act and its regulations
- Spatial Planning and Land Use Management Act 16 of 2013 and its regulations and municipal by-laws

3. Policy Mandate

3.1 National Liquor Policy

The norms and standards provide guidelines within which provincial liquor authorities should establish their provincial legislations. The ECLB is charged with interpreting and implementing this policy at a Provincial level. The new legislation has taken into effect the guidelines of the Norms and Standards as published by the Department of Trade and Industry (DTI).

3.2 ECLB’s Alignment with National, Provincial and DEDEAT priorities

The President of the sixth administration announced seven government priorities to drive the National Development Plan. Cabinet ministers have signed performance agreements linked to these outcomes. More detailed delivery agreements have since been developed to extend targets and responsibilities to national and provincial departments, entities and municipalities.

The priorities are, economic transformation and job creation, education, skills and health, consolidating the social wage through reliable and quality basic services, spatial integration, human settlements and local government, social cohesion and safe communities, a capable, ethical and developmental state, a better Africa and world.

The table below shows the priorities at both National and Provincial level to which the ECLB will strive to contribute with its resources.

Table 1: National and Provincial Priorities

National /Provincial priority	ECLB's contribution
1. Transformation and job creation	<ul style="list-style-type: none"> • Facilitate the implementation of programmes geared towards the empowerment of marginalised liquor traders to: <ul style="list-style-type: none"> ○ acquire business skills and knowledge, ○ form liquor traders' cooperatives, ○ form liquor traders association ○ facilitate registration as liquor distributors ○ register as liquor micro-manufacturers in order to move up the value chain in the liquor industry and trade responsibly.
2. Social cohesion and safe communities	<ul style="list-style-type: none"> • To work with law enforcement/security cluster partners to enforce compliance in the liquor industry and to clamp down on inconsiderate and illegal trading. • Educate communities on the adverse effects of alcohol abuse.
3. A capable, ethical and developmental state	<ul style="list-style-type: none"> • To ensure the ECLB conducts its business in a manner that is consistent with all principles of good corporate governance.

3.3 Updates to institutional policies and strategies

All the organisational policies were reviewed to ensure alignment with changes in legislation, practices in the operating environment including the development of a COVID-19 policy and related policies for the entity due to the advent of the COVID-19, and its effects on operations.

In line with the Protection of Personal Information (POPI), Act 4 of 2003, which requires compliance by the 1st of July 2021. ECLB has made significant progress to comply with the requirements of the Act. Accordingly, a POPIA policy has been developed and approved by the Board.

All the institutional policies have been updated in line with the requirements of the POPI Act as well as other operational requirements and subsequently approved by the Board.

3.4 Relevant court rulings

The entity operates in a litigious environment as its decisions may be challenged and /or reviewed by Applicants and or any interested persons. Outlined below are relevant court rulings that may have influence in the mandate of the organisation.

(a) Shoprite Checkers (Pty) Limited v Member of the Executive Council for Economic Development, Environmental Affairs and Tourism, Eastern Cape and Others (CCT 216/14) [2015] ZACC 23

The applicant in this matter challenged the provisions of section 71 (2) and 71 (5) of the Eastern Cape Liquor Act which provides for the lapse of the grocers wine licence stating that the provisions should be declared unconstitutional.

The High Court held that the grocer's wine licence issued under the 1989 Liquor Act constitutes property as contemplated by section 25 (1) of the Constitution and that the termination of the applicants grocer licence will result in permanent deprivation of the applicant's property rights. It held that the impugned provisions of the Act arbitrarily deprived the Applicant of this property and found the provisions of the Eastern Cape Liquor Act to be constitutionally invalid.

The High Court's decision regarding the unconstitutionality of the Eastern Cape Liquor Act was placed before the Constitutional Court for confirmation. The majority judgment held that the wine licence constitutes property. This is of significant legal importance as it confirmed that a liquor licence constitutes property and provides furtherance of other constitutional rights such as the right to trade.

However, the deprivation of this property by the Eastern Cape Liquor Act was not total as the grocer had the opportunity to convert that right to a registration to sell all kinds of liquor, *albeit* not on the same premises as a grocery business. Finally, the main judgment held that because the change in regulatory regime brought about by the Eastern Cape Liquor Act did not extinguish any other fundamental rights of holders of grocer's wine licences or fundamental constitutional values, rationality would be sufficient reason to avoid a finding of arbitrariness. It held that it was rational to change the regulatory regime of liquor sales to provide for simplification in the licensing processes and courts should not easily interfere with the intention of the legislature. In conclusion, the Court didn't confirm the unconstitutionality of the legislative provision.

(b) Skillfull 1059 (Pty) Ltd v Eastern Cape Liquor Board and Another (2851/2017) [2018] ZACEPHC 38

The applicant sought an order declaring that s 22 (11) of the Eastern Cape Liquor Act does not apply to the conversion of a close corporation to a company pursuant to Schedule 2 of the Companies Act 71 of 2008. In summary, the applicant converted as a close corporation to a company as provided in the Companies Act, it then unsuccessfully requested the ECLB to amend its records. The ECLB cited that its enabling Act made no provision for the amendment of the applicant's certificate of registration authorising the sale of liquor, save by way of transferring said. It therefore contended that the envisaged request would be *ultra vires* the provisions of the Liquor Act. The Court found in favour of the applicant and ordered the ECLB to amend its records accordingly. The Courts decision highlights the significance of contextual statutory interpretation: -

Legislative provisions must be interpreted sensibly and in manner which does not undermine the purpose of the legislation. In this instance, effect must be given to the purpose of both the Companies Act and the Liquor Act. To hold that the first respondent is precluded from giving effect to a provision of the Companies Act because the Liquor Act, enacted prior thereto, does not refer to the amendment of the certificate of registration in circumstances such as the present, would lead to an insensible and un-businesslike interpretation of the legislation. To hold, on the contrary, that the first respondent is entitled in the exercise of its administrative functions which do not engage its adjudicative or regulatory powers, to amend the certificate of registration by issuing a certificate in the name of the converted entity would give effect to the purposes of both the Companies Act and the Liquor Act.

(c) Western Cape High Court case of South African Breweries (Pty) Ltd and others v President of the Republic of South Africa and Another (139/2021)

It is imperative to note the above detailed case in light of the COVID-19 pandemic and the resultant prohibition of the sale of liquor at certain alert levels. In this case the judiciary was tasked with considering an application which contends that the decision to ban the sale of alcohol and the process followed by the National Coronavirus Command Council (NCCC) was unconstitutional. The judiciary found against the applicant on the basis that the state acted in a procedurally fair and justifiably manner.



EASTERN CAPE
LIQUOR BOARD

PART B

OUR STRATEGIC FOCUS

Enabling and Promoting a Responsible Liquor Industry

ANNUAL
PERFORMANCE
PLAN 2022 – 2025

PART B: OUR STRATEGIC FOCUS

1. VISION

To be a liquor authority that strives for economic transformation and social cohesion.

2. MISSION

To become a responsible regulator that promotes compliance and transformation of the liquor industry, while mitigating the adverse effects of excessive alcohol consumption.

3. VALUES

The Eastern Cape Liquor Board subscribes to the fundamental guidelines of corporate governance and is also guided by the following values which are important to us as an organisation.

Table 2: ECLB Values

VALUE	BEHAVIOUR
Fairness	Behaviour without favouritism, bias or discrimination in all our dealings.
Integrity	Ensuring uncompromised truth, demonstrating sound and moral principles. Demonstrate consistency and trustworthiness.
Accountability	Obligated to demonstrate and take responsibility for our actions, decisions and policies and accountable to the public at large.
Transparency	The decisions and actions taken are open to public scrutiny and the public has a right to access information.
Customer centricity	Demonstrating that our customers both internally and externally are at the centre of our business's philosophy, operations or decisions.

4. SITUATIONAL ANALYSIS

The analysis is provided to afford a context on the basis for the implementation of the planned targets for the MTEF period. 2022/23 APP is the second plan of the 5-year Strategic Plan planning cycle. The two previous years have been hard hit by the effects of COVID-19, thereby affecting the operations and service delivery.

This year's review is updated with changes as informed by the changes in the institutional internal and external environment. The review takes into consideration the previous year's performance, emerging trends such as the COVID-19, government policy directions, the digital transformations mainly caused by COVID-19 and making use of planning tools.

4.1 EXTERNAL ENVIRONMENT ANALYSIS

Since the onset of the pandemic in March 2020, South Africa's liquor industry has been subjected to four liquor bans and several periods in which liquor trading was restricted by the government. It is estimated that the bans and trading restrictions cost the industry over R45bn from March 2020 to July 2021.

During 2020, the EC accounted for 15% of the total volume share in the liquor market. This is a decrease from previous years due to the recurring restrictions. The effect can also be seen in the decrease of 46% in the beer volume sales since the start of the lockdown, while there has been a strong growth in value shares of 22% in unfortified wines, 41% of fortified wines, 23% in Brandy, 25% share of rum and a 27% share of

gin; with an anticipated continued growth. The growth in the demand for gin has been largely seen in the Eastern Cape compared to other parts of the country. Despite its loss in value share, beer is still far and away the category's most important segment making up the largest value sales for the province, this is also attributed by the continued popularity of the craft beer.

4.1.1 Economics of the industry

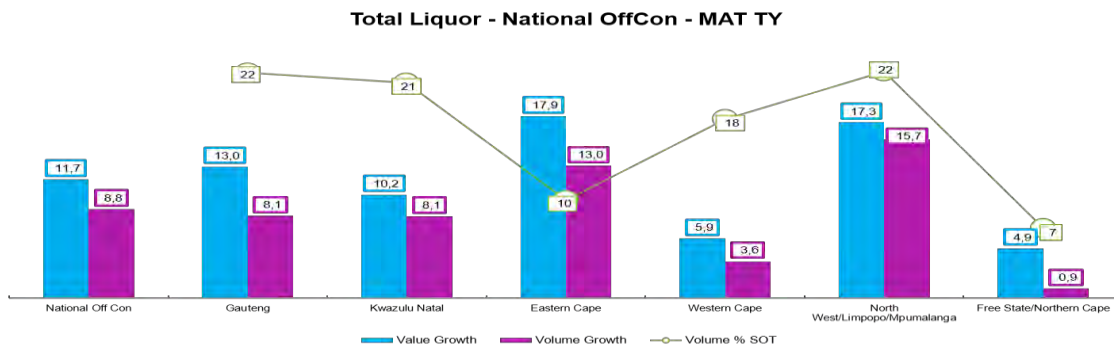
The Nielson report (January 2020) shows that the Eastern Cape is growing ahead in the liquor category in value and volume at 10% share of trade; the Eastern Cape has spent R6 billion in the past year. This reveals that the liquor industry is a strong force in the South African economy and society although frequently in the limelight for the associated negative social consequences of the overconsumption of alcohol. Secondly, the liquor industry is an important economic driver and supplier of employment.

It makes a significant contribution to the Gross Domestic Product (GDP), adds to the South African tax-base and contributes significantly to the trade account through export earnings. Figure 2 below, show the significant contribution by the liquor industry in terms of growth in value and volume. The Eastern Cape (EC) is the largest contributor in terms of growth, while the Western Cape, Free State and Northern Cape are growing behind.

Figure 1: Eastern Cape Liquor growth in value and volume

EASTERN CAPE IS GROWING AHEAD OF LIQUOR CATEGORY IN VALUE AND VOLUME AT 10% SHARE OF TRADE

WC & FS/NC are growing behind the liquor category

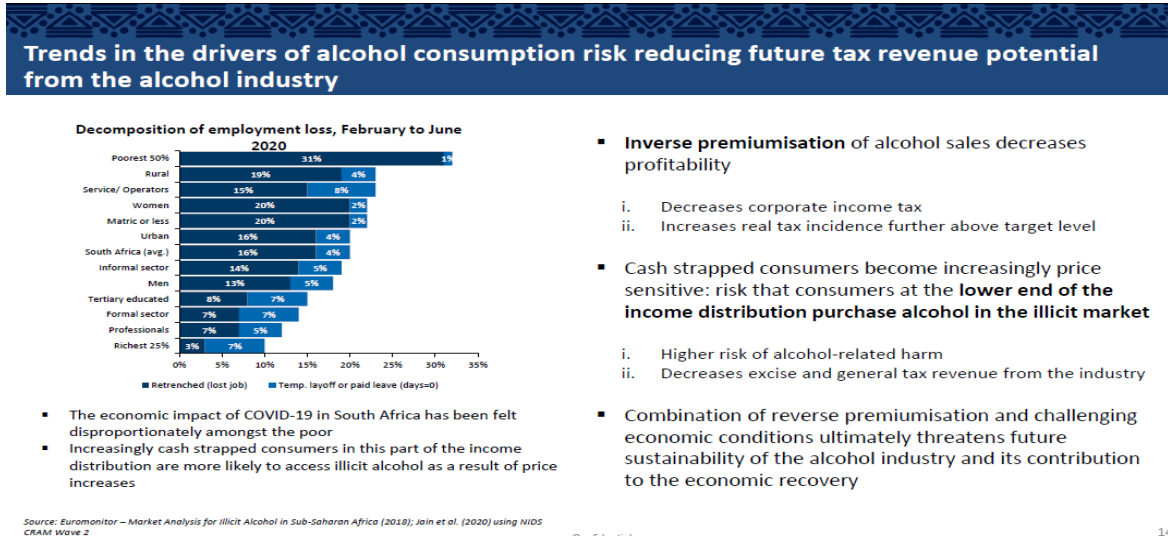


Research also shows that demand for liquor globally and locally is also driven by the population structure. In South Africa, 27% of the population is between the 18-34 years cohort (millennials), and 35% of the alcohol consumption is attributed to this category. This therefore indicates that the millennials are determinants for delivering of liquor growth and should be taken into consideration during planning.

The convenience of online purchasing and the increase in liquor outlets in close proximity to grocery shops has increased the accessibility and ability for consumers to purchase liquor.

The increasing demand for craft products is beginning to plateau. There is a trend of consumers shifting from spirits to craft products at global and local level. While the country, including Eastern Cape is seeing a growth in micro-manufacturing, this shows that there is a need to put more effort to support this area. To date, the Eastern has close to 20 craft brewing and distilling micro-manufacturers. During the 2021/22 year, ECLB partnered with Eastern Cape Parks and Tourism and Agency (ECPTA) for the launch of the Eastern Cape Craft Brewing, Distilling and Wine route. This initiative forms part of the ECLB's agenda to develop the industry through the integration and full participation of craft brewing and distilling micro-manufacturers in the value chain of the provincial tourism promotion strategy. The massive media exposure during the launch had a positive impact to the breweries' businesses.

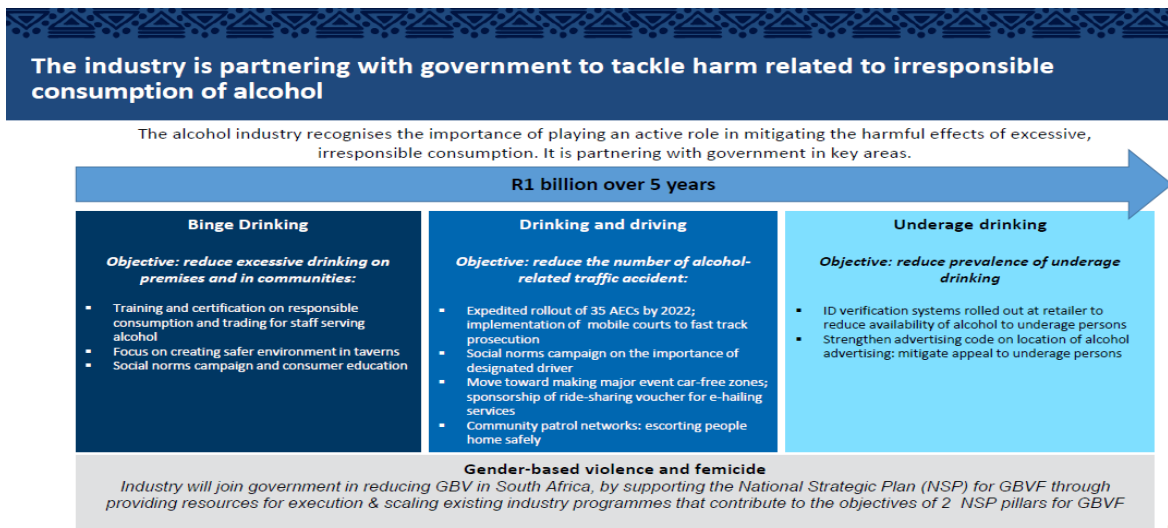
Figure 2: Trends in the drivers of alcohol consumption



4.1.2 Adverse effect of alcohol consumption

The Eastern Cape Liquor Act enjoins the entity to mitigate against the harmful effects of alcohol of the excessive consumption of alcohol in our communities. Statistics show that South Africa is a heavy drinking country, and this invariably has an enormous socio-economic impact on our people. A World Health Organisation (WHO) report shows that more than 3 million people died as a result of harmful use of alcohol in 2016 worldwide. The available research data from a study commissioned by Aware!org show that there is also an increase of alcohol consumption among underage people, and this calls for renewed efforts to educate young people about the dangers of underage drinking. It is therefore imperative that necessary steps are embarked upon to fight the scourge of alcohol abuse in all fronts.

Figure 3: The industry contribution to tackle irresponsible consumption of alcohol



4.1.3 The socio-economic impact of alcohol abuse

The Southern African Catholic Bishops Association (SACBC), Justice and Peace Commission and DG Murray Trust (August, 2020) indicates that South Africa is the largest contributor to death and disability after sexually transmitted Diseases (STDs) and interpersonal violence, the report suggests that alcohol plays a role in 80% of deaths among young men. Data published by the World Health Organization (WHO) shows that South African consumers of alcohol are some of the heaviest drinkers globally, despite relatively high levels of abstinence in the population. South Africa is currently rated as the sixth drinking nation in the world.

The WHO's most recent data tracked levels of alcohol consumption in 2019, showing that an estimated 31% of the population aged 15 and older consume alcohol, with the majority (69%) abstaining from drinking for at least 12 months. While most of the adult population are not big on alcohol, the third of the population who are drinkers, do so heavily.

Underage drinking is a serious social problem that impacts many school-going and out-of-school young people. Available research studies show that young people start to experiment with alcohol at 13 years old. Findings from a survey conducted by HDI youth marketers shows that in the average South African home, one (1) in every two (2) teenagers is an active drinker, furthermore, forty-nine percent (49%) of leaners interviewed indicated that they have consumed alcohol at some stage during their school tenure.

The increase in the reported cases of liquor outlets in the proximity of schools that allow learners into their premises is becoming a challenge as contributor to the underage drinking. This challenge is compounded by the mushrooming of illegal outlets around schools. There is also no concerted effort within communities to play a meaningful role in educating young people about the dangers of underage drinking, instead, by and large many elderly members of the communities are involved in the perpetuation of this scourge by allowing young people to consume alcohol and in some instances sending them to purchase alcohol. The break-down of the family structure, which leaves young people with no moral campus, and end up resorting to excessive consumption of alcohol as a refuge from social challenges they experience within the family environment.

The ECLB is committed to ensure unity in the fight against GBV and femicide and acknowledges the compounding effect of COVID-19 in fuelling the GBV crises. ECLB has heavily relied on the utilisation of multi-media platforms to continue to reach communities with its messages on the GBV, among others. In the execution of the ECLB mandate, renewed focus is placed on advocacy campaigns which educate communities on the harmful consequences of alcohol abuse. The entity will continue strengthening collaborations and partnerships with various stakeholders in order to augment its capacity and resources.

The collaborations impressively assist in the endeavour to alleviate the scourge of excessive alcohol consumption and abuse, enforce compliance with regulations and license conditions, as the budget constraints remain a challenge. The ECLB has established and sustained these strong relationships with sector departments, municipalities, law enforcement agencies, community-based structures, traditional leaders, liquor industry, NGO's, civil society and institutions of higher learning amongst others. Through the strategic alliances, ECLB has been able to achieve greater impact than it could have generated on its own.

4.1.4 Status of liquor licences

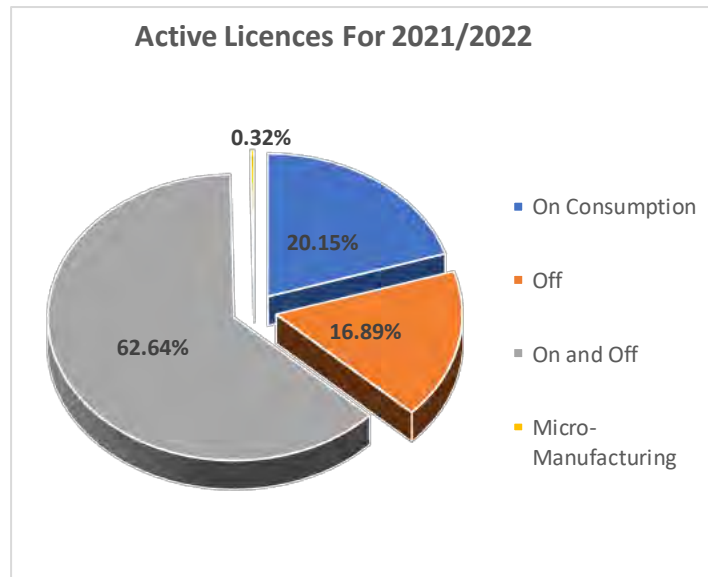
The immediate implication of the development was that the Eastern Cape Liquor Act 10 of 2003 (ECLA) was superseded by the National Disaster Management Act 57 of 2002 (Disaster Act). COVID-19 regulations and the subsequent ban on sale of liquor placed the entire liquor industry under an unprecedented business pressure, which adversely affected their operations in many ways. This was further compounded by the length of time they had to endure without operating.

Further, COVID-19 has had an immediate and dramatically severe impact on employment and job security within the liquor industry sector, which is further exacerbated by the fact that the majority of these businesses are family-owned, predominantly rural, and are the only source of income for these families as

they provide local employment in the areas in which they operate. Most are failing to meet their basic needs and more importantly some have had to close their businesses.

The ECLB's contribution to the economy's GDP is through the registrants licensing fees. As the liquor regulator in the Province, the entity works hard to ensure that it fulfils the mandate of promoting a responsible liquor industry through a rigorous process of issuing liquor licences. For the year 2021/22, the entity had a total of 7 441 active licences in the province that comprise of different types, such as on-off consumption, on-consumption, off-consumption, and micro-manufacturing. The figure below provides the detailed categorization of licences.

Figure 4: Active licences by categories

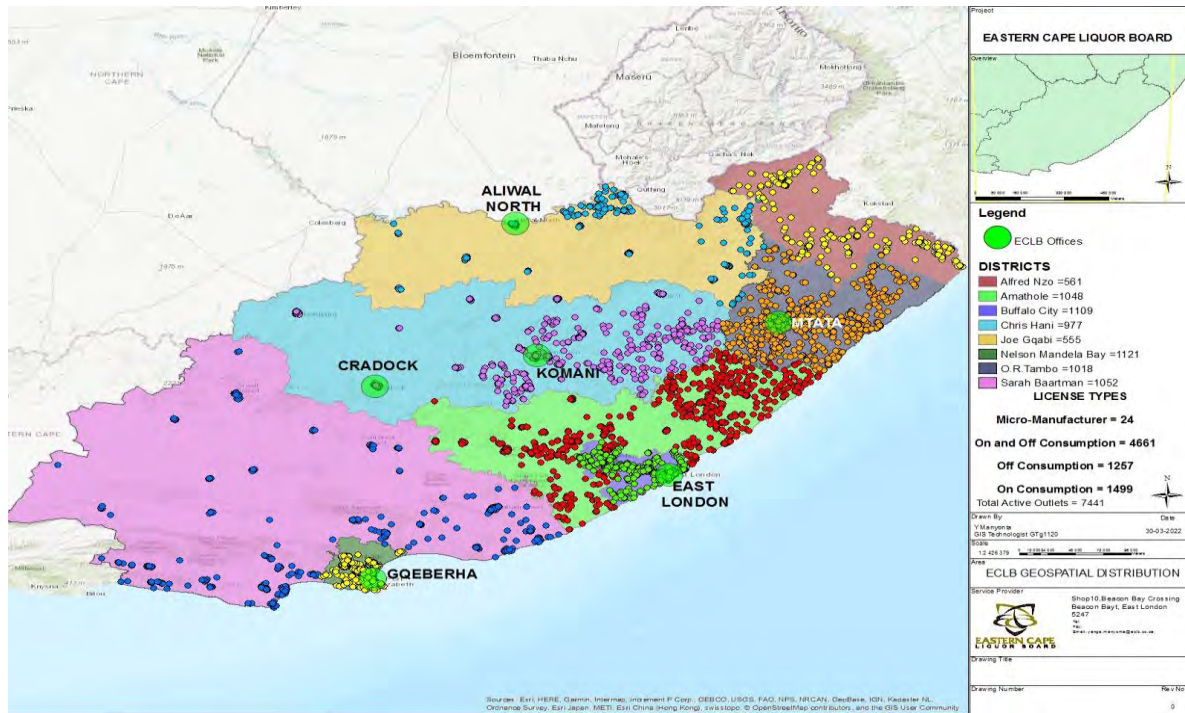


2021/22		%
On Consumption	1499	20,15%
Off	1257	16,89%
On and Off	4661	62,64%
Micro-Manufacturing	24	0,32%
Total Number of Licences	7441	

The largest proportion of liquor licences in the EC fall in the category of on-off (taverns), and are largely located in rural areas and townships, and these are the hardest-hit. To compound the problem, almost 70% of the total number of licence-holders could not benefit from the business relief fund as they did not meet the set criteria thereof, which the current legislation governing liquor trading does not put as a requirement for obtaining a liquor licence.

Depicted below is the spread of registered outlets throughout the province:

Figure 5: Geographical spread of Registered Outlets



4.1.5 Legislative framework

Liquor licensing is a provincial competency in terms Schedule 5 of the Constitution of the Republic of South Africa. Both the National Liquor Act 59 of 2003 and Eastern Cape Liquor Act 10 of 2003 seek to promote new entrants into the Liquor industry as big manufacturers/distributors and micro-manufacturers /retails sales respectively. That said, there are noticeable gaps and challenges in the implementation of the current legislation which are currently being addressed through the process of review. Significantly, the Eastern Cape Liquor Authority Act, No 4 of 2018 has been pronounced and compilation of regulations is underway.

The new technological advancements have exposed a huge gap in the legislation due to the new ways of buying and supplying alcoholic beverages e.g. use of apps and online sales. There is therefore a gap in the current legislation in relation to licensing as well as compliance monitoring and enforcement to regulate such virtual establishments. In view of these rapid developments in our regulatory environment, the lack of funding to implement the new legislations will be a challenge for the regulator.

The entity is working closely with municipalities as the Act provides for participation by ward committees and communities in the consideration of licence applications for registration as well as enforcement of by-laws. The challenge has been the absence of by-laws in some municipalities and lack of enforcement of existing by-laws. To address this, the entity is continuously engaging COGTA, SALGA and the municipalities to ensure alignment of municipal by-laws, liquor regulations and liquor licensing conditions in order to ease the regulatory burden.

Eastern Cape Province developed a five-point plan for the economic recovery of the province. The five-point plan is built on the objective of economic growth and job creation through infrastructure development; industrialisation and sector development; equitable, inclusive transformation through SMMEs, township economies, informal sector and social economy; digital transformation and public finance.

4.1.6 Revenue Collection from Liquor Licences

COVID-19 regulations relating to sale of alcohol adversely impacted collection of revenue as licensing processes had to be suspended especially during harder lockdown levels in the prior year. The table below illustrates the financial implications detailed above taking into consideration the relief to liquor traders provided by the MEC for DEDEAT which positively impacted 2021/22 financial year revenue collection.

Table 3: Year On Year Revenue Comparison by Month to December 2021

YEAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
2020/21	2 000	1 000	250	5 000	306 860	264 500	709 300	3 657 680	3 914 350	8 860 940
2021/22	694 250	1 331 350	2 410 600	325 250	359 500	461 450	2 196 000	3 550 000	3 109 076	14 437 476
DIFF	(692 250)	(1 330 350)	(2 410 350)	(320 250)	(52 640)	(196 950)	(1 486 700)	107 680	805 274	(5 576 536)

Year on year comparison in rand value, of liquor licensing revenue accruing to the provincial revenue fund indicates a year-to-date increase in revenue collection by R5 576 536 when compared with the prior year (2020/21).

These liquor traders were allowed to effect payments in installments from April to June which increased revenue collection during that period. Despite the difficulties, percentage renewals exceeded 95% for the prior year; with 6 896 liquor traders renewing out of 7 415 active licences that were due for renewal. This can also be attributed to the approval of the MEC to extend the renewal period.

4.1.7 Transformation of the liquor industry

In terms of the transformation of the liquor industry, the ECLB's study on the Economic Profile of the Eastern Cape Liquor Industry indicated a very limited degree of transformation in the liquor industry, in particular the manufacturing sub-sector of the liquor industry in the Eastern Cape in terms of ownership, management control and employment of previously disadvantaged individuals. Similarly, what came out quite robustly at the Provincial Liquor Summit that was held in March 2017, is an urgent need to address the transformation of liquor industry. The following are some of the challenges that continue to face the industry in relation to transformation:-

- There are very few Black participants in the higher levels of the liquor industry value chain, even those participating are insignificant in terms of the market value share they have in it.
- The liquor industry structure is very monopolistic and is dominated by international companies who get licenced at national level by the National Liquor Authority (NLA) to operate in the country.
- There is a perception and reality in many instances of little evidence of practical compliance monitoring by the NLA on the business practices of these big companies.
- Distribution companies are also licenced by the NLA and the same abovementioned trends exist.
- There is no Black micro manufacturing company in the Eastern Cape.
- There is no evidence of Black participation in the supply value chain of these big companies.
- The majority of Black participants operate at retail level.
- This challenge is further compounded by the absence of industry-wide charter and other instruments to guide transformation. In essence the absence of the charter encourages reluctance from big players in the industry to transform.

The more than 215 craft breweries accounted for less than 1% of the local beer market. The beer segment continues to dominate the market compared to wine and spirits. Currently the Eastern Cape has over 17 micro-manufacturing that are craft breweries.

There are limitations on upward movement in the value chain by Black entrepreneurs at retail level which is still dominated by White owned companies, predominantly chain stores and franchises. The limitations are structural in that the Black participants are poorly organised and do not exploit their buying power leverage which can be used as a meaningful force at this level. Instead, they get exploited by foreign nationals to enter this space and use exactly their buying power to negotiate better deals from the big manufacturers by renting their licenced premises. Subsidization of company registration fees for liquor traders wanting to register as juristic persons.

Lack of access to finance, in that most, if not all business development finance institutions preclude financing of liquor outlets and the commercial banks are very conservative in providing finance to Black liquor traders despite the fact that all of them are their clients, and they have been for many years.

4.2. INTERNAL ENVIRONMENT ANALYSIS

In line with the mandate of the organisation the efforts and resources of the entity will contribute to the following outcomes over the five-year period:

- Reduction in alcohol abuse and behavioural change towards alcohol consumption;
- Compliant liquor trading and regulated access to alcohol;
- Efficient licensing;
- Increased participation by previously disadvantaged in both the retail and micro-manufacturing levels; and
- Good Corporate Governance

4.2.1 Focus areas for the MTEF

This APP is prepared during the period of great uncertainty as the entire world is grappling with the unprecedented effects of COVID-19. This has necessitated the review of wide spectrum of our operations including adjust targets, reviewing entity's mode of operations to allow for remote work and online platforms for improved communication. Furthermore, our clients – liquor traders – have been the hardest-hit due to numerous occasions of alcohol ban, which left them reeling from excessive business losses.

As we prepare for the new financial year, we seek to embrace the 'new normal' under which we are compelled to operate due to the COVID-19 Pandemic. While the liquor industry continues to boost the economy of the Province, we, however, seek to balance this with stringent enforcement of compliance and strengthening of harm reduction initiatives. In order to strike this significant balance, the entity has partnered with various stakeholders that promote responsible consumption and trading.

The ECLB prides itself on the exemplary performance of the different divisions that have continually contributed to the regulation of liquor in the Eastern Cape. The Board has further identified strategic initiatives that will enhance regulation of liquor industry in the Province. However, it is essential to state that the strategic initiatives detailed in this APP are largely contingent on the availability of adequate funding and other related resources. The reality is that the entity, as with all other government entities, will need to optimise and maximise the limited resources at its disposal to ensure that the public is served with greater sense of efficiency and effectiveness.

The ECLB's Board is committed to driving and enhancing improvement in the following areas of operation: -

- Fundraising which is of critical importance as there is concern about institutional viability in the light of shrinking budget. There is a need to identify strategic projects in order leverage funding from the liquor industry and beyond.
- Forming strategic partnership to drive the transformation (farmers, manufacturers, PPPs, communities, other departments)
- Impact on the socio-economics of the province through empowerment of small entrepreneurs and liquor traders and thus also job creation.

- Identification and facilitation of projects that could contribute towards local economic development and economic recovery
- Coupled with the above the entity's focus priorities over the 3-year period are:-
 - Social Accountability – job creation, impacting small traders; assisting with compliance, increase footprint, work on job creation for impact, form strategic partnerships; leverage corporate and other departments, identify strategic projects
 - Operational priorities – digital transformation, improve operational efficiencies by streamlining processes; find cost effective ways of working; systems improvement
 - Improve organisational culture – change management, breakdown silos; enhance capability; invest in people.
 - The entity will also be focusing on the implementation of the Eastern Cape Liquor Authority Act, No 4 of 2018 (new Act) and the regulations are currently being finalised in order to support the implementation of the Act.
- Major implications in relation to the Act which require funding will be: -
 - mandatory pre renewals and compliance monitoring inspections which will increase the responsibilities of the Inspectors and require more Inspectors;
 - Reconfiguration of the systems to meet new requirements e.g. licensing system;
 - Enhancing social accountability programmes (informed by the norms and standards)
 - Rebranding of the organisation and its district offices.

Swot Analysis

In reviewing the operational environment and considering the impact of the pandemic and its effect on the immediate and future operations of the entity the following are the key SWOT factors were identified.

Table 4: ECLB SWOT Analysis

Strengths	Weakness	Opportunities	Threats
<ul style="list-style-type: none"> • Leveraging on corporates • Effective use of partnerships • Enforcement of applicable prescripts (compliance notices) • Invest in technology • Renewal of licences • Culture of performance 	<ul style="list-style-type: none"> • Coordinating with other Spheres • Lack of other funding streams • Limited human resources • Research capacity • Insufficient teamwork • Limited footprint in the Province • Reliance on manual systems (also due to clientele) 	<ul style="list-style-type: none"> • Leveraging on corporates • Building efficiencies and reprioritising time • COVID-19 presented opportunities for improvement in systems and business processes - Integrated and Automation of systems • Effective use of partnerships • Access to new technological advances • Lack of coordination of government programmes (IGR) • Implementation of the new Act • Access to new technological advances 	<ul style="list-style-type: none"> • Long term effects of COVID-19 • Increase in illegal trading • Growing cases of alcohol abuse • Lack of cooperation by key stakeholders e.g. National Liquor Authority. • Limited understanding of the liquor industry by government institutions • Reduced Funding and Economic Challenges • Limited funding Streams and continued budget cuts • Overreliance on the shareholder with limited funds • Industry faced with negative perceptions – Socio-economic Impact • Lack of Clarity on the Rationalisation of SOC in the Province • Lack of transformation of the industry • Delays in the implementation of the Act • Digitalisation and Automation • Safety and security of officials

Table 5: Identified Challenges and Proposed Interventions

Challenges	Proposed intervention	Champion
Support from the Shareholder – finalization of the Act, commitments on funding for high-impact projects, transformation of the industry	The Board to engage with the Shareholder and make commitments on the support	ECLB Board
Transformation in the liquor industry - No funding scheme to support black entrepreneurs into micro-manufacturing and wholesale.	The entity engage with DTI and its entities on the support for traders that are natural and not juristic persons. Industry to contribute towards the development fund to assist in supporting those who want to move up the value chain. Create awareness around the value chain of the liquor industry so that the government funding agencies can explore ways to support the industry. ECLB to assist in connecting the entrepreneurs with potential investors. Broaden stakeholders in support the small business.	ECLB DEDEAT DTI and Entities
Limited funding to support the required research capacity, enterprise development support initiatives, compliance management, social accountability initiatives and support functions	To continue engaging with DEDEAT and Treasury for the review of the funding baseline	ECLB DEDEAT Treasury
Organisational and culture redesign - limited internal communication, low employee moral and silos	Implement a 360 degrees Change Management programme	ECLB Management
Mushrooming of illegal traders due to non-monitoring of compliance, National Registered Outlets (Big Daddy, Ultra, etc). This has an effect on the entity to manage the illegal trading and alcohol abuse.	The Board to escalate the matter to MEC and Minister of DTI	ECLB Board
Limited capacity on Provincial Inspectors Over reliance on external parties, e.g. Municipalities and by-laws. Ward Councillors, SAPS and other Law Enforcement Agencies	Build on internal capacity; appointment of inspectors as Peace Officers/ Improve technological solution (digitise our compliance forms), while awaiting implementation of the new Act	ECLB - Compliance and Enforcement Law Enforcement Agencies Municipalities
Improvement of our footprint	Capacitating district offices with more staff and aligning them to municipal demarcation Capacitate the district offices to be responsive to community needs, e.g. Awareness and Education Programs devolved to District Office Level	ECLB - Social Accountability

4.2.3 Governance

The entity is governed by the Board which is appointed by the MEC for DEDEAT. In terms of the Eastern Cape Liquor Act 10 of 2003, the entity is supposed to consist of five members. All the positions have been filled comprising there are four independent Board members and one representative from the department. The Board has a functioning and fully complemented Audit and Risk Committee. The entity has maintained unqualified audit opinion for the past three years and it continues to improve its systems, processes and structures.

4.2.4 Fiscal resources and funding initiatives

The mandate of the entity and funding requirements spans across the entire organisation with a need to resource research capacity, enterprise development support initiatives, compliance management, social accountability initiatives and support functions. In the same regards there is a need to provide incentives for compliance with the assistance of the industry order to encourage excellent performers. The possibility of getting to that level and operate optimally is not possible when the entity is not adequately resourced. As indicated above the entity needs to continue engaging with DEDEAT and Treasury for the review of the funding baseline as well as further engage relevant stakeholders for funding and collaborations in areas of common interest.

4.2.5 Digitalisation and improve operational efficiencies

The advent of the corona virus further highlighted the need for digital transformation in order to improve operational efficiencies as well as streamline processes; find cost effective ways of working; systems improvement. Working virtually over during the lockdown period has proved to contribute towards cost savings in a number of factors i.e. travelling, printing amongst others yet it is also very efficient. The entity is embarking on strategies to digital transformation over this period in order to improve operational efficiencies.

4.2.6 Organisational culture

The entity has thus identified a crucial need for investing in people, embedding a new culture through change management and building organizational capabilities and competencies. Efforts will be made to broadly deploy change management across and throughout the organization.

4.2.7 Organisational redesign

The new Liquor Act provides for additional responsibilities relating to the overall operations of the entity. These include re-configuration of the entity's operating systems in order for them to be in line with the new provisions of the Act, additional personnel especially in the core divisions to meet the requirements of the Act, rebranding the entity and communication as well as other administrative requirements that are imperative to meet the provisions of the new Act. Currently there are also human resources of the entity that are stretched out beyond the standard requirements as well as incompatible functions bundled in as a stop gap measure to provide services in terms of the mandate. It is thus critical that the entity conducts an organisational redesign to address these matters.



EASTERN CAPE
LIQUOR BOARD

PART C

MEASURING OUR PERFORMANCE

Enabling and Promoting a Responsible Liquor Industry

ANNUAL
PERFORMANCE
PLAN 2022 – 2025

PART C: MEASURING OUR PERFORMANCE

1. Institutional Performance Information

1.1 Impact

Impact Statement	A transformed and responsible EC liquor trading at retail and micro manufacturing levels that promotes a safer South Africa.
-------------------------	--

The ECLB's intended impact in line with our mandate is to create a transformed and responsible Eastern Cape liquor trading at retail and micro manufacturing levels that promotes a safer South Africa. The impact has been developed in line with the Revised Framework for Strategic Plans and Annual Performance plans (2019) issued by the Department of Planning, Monitoring and Evaluation statement. The impact statement is informed by the theory of change and other tools used to develop a results-based plan.

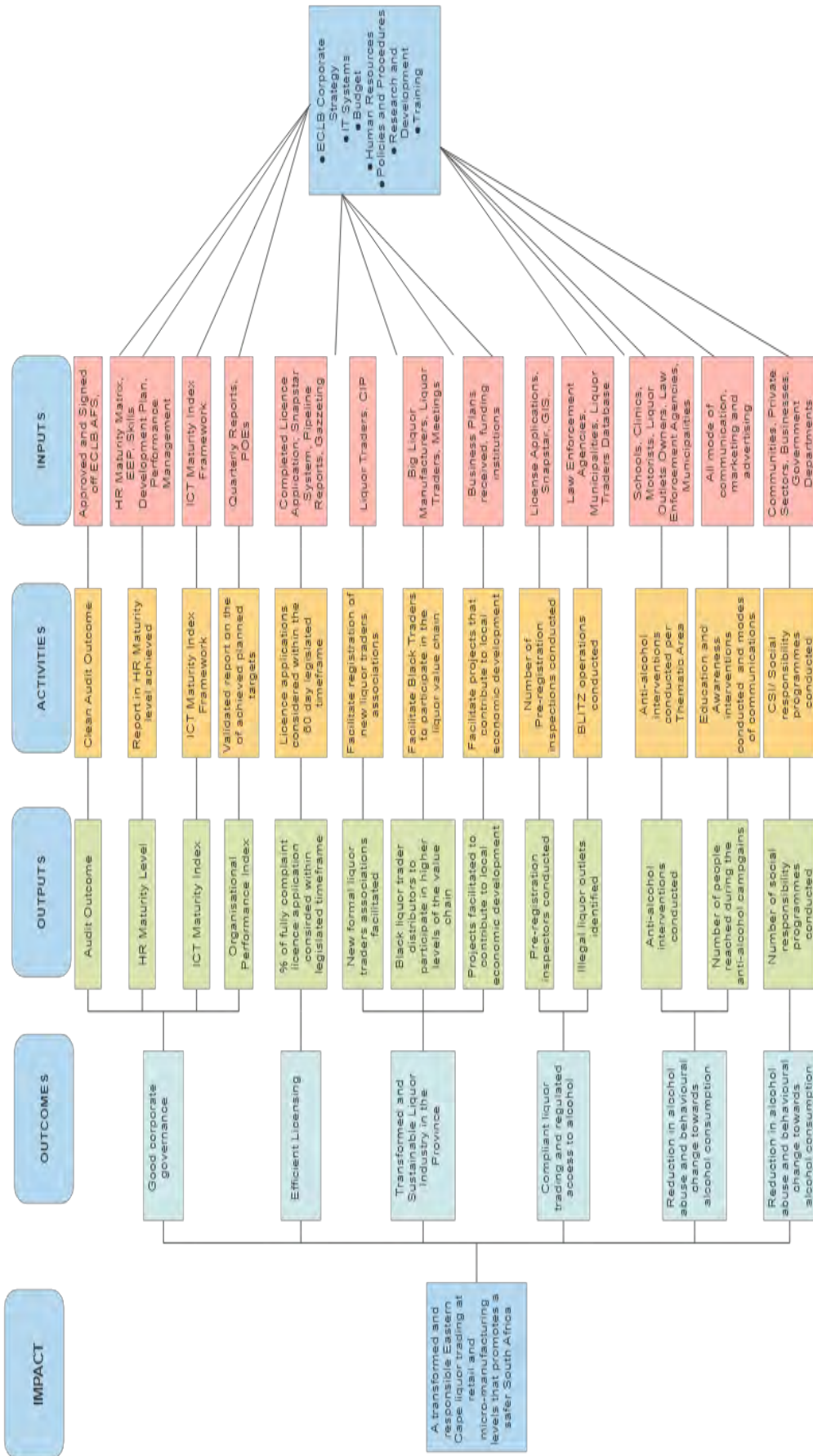
This review is still in line with the strategic plans, and no significant changes have been made in this review. The intended impact and outcomes identified in the diagram below for this strategic plan period will contribute towards the achievement of relevant priority areas in the National Development Plan 2030, Provincial Development Plan, the MTSF and the priorities of the Province and our Department, namely transformation and job creation, social cohesion and safe communities and a capable and ethical developmental state. The diagram shows the intended impact, the intermediate and immediate outcomes, outputs as well as activities and inputs that will be utilized. The entity has focused on areas that it has control as at the end of the period we must be able to demonstrate progress and achievement of those outcomes. Collaborations and partnership will be utilized to ensure success of certain programmes identified. The district model in subsequent pages further demonstrated the integration of our work with the district municipalities.

The 2022/23 APP has been reviewed to adapt to the changing environment we are operating, and respond policy directives and prioritising the economic recovery plans of the province such as the:

- Economic reconstruction and recovery plan
- Provincial economic strategy
- Five-point plan for economic recovery of the EC.

The entity has developed two (2) new indicators, the first will contribute to Local Economic Development (LED) and township economy and second indicator will be assessing impact of the anti-alcohol campaigns conducted. Four (4) indicators were also moved to the Operational Plan. The total APP indicators are 16 for this period.

Figure 6: The Theory of Change for the ECLB



2. Institutional programme performance information

2.1 Organisational Resource Considerations

Programme	Audited Outcome		Appropriation		Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25
				Rand Thousand			
Licensing	6073	6320	6625	5724	6543	6640	6915
Compliance and Enforcement	23264	24766	23858	26448	29559	28886	29839
Social Accountability	6970	4145	7939	4549	6755	6750	7288
Finance	10102	10607	12241	13956	13473	13935	14559
Corporate Services	6600	7451	7984	7361	6958	7106	7424
Information and Communication Technology	2820	2885	2990	2234	2236	3159	3300
Office of the CEO	6208	6896	6446	9273	8956	7909	8265
Total	62037	63070	68083	69545	74480	74385	77590
Economic Classifications							
Current Payments	59484	62278	67233	67555	73204	73046	76190
Compensation of Employees	40405	42969	43220	45474	47268	48953	51151
Salaries and Wages	40405	42969	43220	45397	47268	48953	51151
Goods and Services	19079	19309	24013	22928	25936	24093	25039
Administrative Fees	-	857	2800	3693	3179	3464	3616
Advertising	1576	770	3851	386	2698	2683	3035
Minor Assets	-	-	-	-	-	-	-
Audit Cost: External	1634	1891	1950	2015	595	624	652
Bursaries	-	-	-	-	-	-	-
Catering: Departmental Activities	-	29	210	1105	1543	1140	1192
Communication (G&S)	592	283	117	-	-	-	-
Computer Services	1345	989	657	318	570	598	624
Consultants and Professional Services	475	109	970	-	-	-	-
Infrastructure and Planning	364	-	-	-	-	-	-

Programme	Audited Outcome			Appropriation			Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25		
Scientific and Technological Services	-	1	8	-	-	-	-		
Legal Services	248	429	51	-	-	-	-		
Contractors	-	254	-	-	-	-	-		
Agency and Support/ Outsourced Services	-	75	1016	-	-	-	-		
Entertainment	23	21	9	-	-	-	-		
Fleet Services	1536	634	338	1218	1007	1055	1102		
Fuel, Oil, Gas, Wood and Coal	-	136	-	-	-	-	-		
Consumable Supplies	-	74	331	-	-	-	-		
Consumable: Stationery, Printing and Office Supplies	489	114	174	-	-	-	-		
Operation Leases	-	711	871	-	1104	1157	1209		
Property Payments	-	350	407	587	563	590	616		
Travel and Subsistence	2429	3096	4158	2818	5035	2686	2441		
Training and Development	231	235	126	192	-	-	-		
Operating payments	5509	4054	2351	3745	2451	2561	2680		
Rental and Hiring	2628	4160	3163	4936	5962	6247	6526		
Interest and Rent on Land	-	37	455	588	1229	1288	1346		
Payments for Capital Assets	2553	792	850	1220	1278	1339	1399		
Buildings and Other Fixed	231	-	850	-	-	-	-		
Machinery and Equipment	2282	408	-	754	790	828	865		
Software and Other Intangible Assets	40	384	-	466	488	511	534		
Total	62037	63070	68083	69545	74480	74385	77590		

Explanation of the contribution of resources towards achievement of outputs

- **Non-tax revenue** increased from R69.644 million in 2020/21 to a revised estimate of R69.545 million in 2021/22 due to the increased operational requirements, additional allocation received for operations to correct the ECLB baseline as well as funding received from the industry. Over the 2022 MTEF, non-tax revenue increases to R75.060 million, R74.993 million and R78.225 million, respectively.
- **Departmental transfers** increased from R65 221 million to a revised estimate of R69.545 million due to additional funding provided for Liquor awareness focusing on higher education institutions and marketing programmes as well as inspection operations. Over the 2022 MTEF, departmental transfers increased to R68.995 million in 2021/22 due to additional funding provided, increases to R74.480 million in 2022/23 and decreases to R74.385 million in 2023/24 as a result of the shrinking fiscal budget and increase again to 77.590 million in the outer year.
- **Compensation of Employees** increased from R43.220 million in 2020/21 to a revised estimate of R45.727 million in 2020/21 due to additional positions as well as the cost-of-living adjustment. Over the 2022 MTEF, compensation of employees increases to R47.268 million, R48.953 million and R51.150 million, respectively by inflationary cost of living adjustment.
- **Goods and services** increased from R23.558 million in 2020/21 to R21.492 million in 2020/21 due to additional funding allocated for inspectors in order to meet the entity's legislative imperatives as well as the additional allocation for the Social Accountability division for conducting education awareness programmes. Over the 2022 MTEF, Goods and services increased to R24 705 million 2022/23 to R22.805 million in 2023/24 and increases to R23.695 million in 2024/25.
- COVID-19-19 has necessitated a change in how the entity conducts its operations requiring investment in ICT infrastructure and related services for effective delivery of services. This will mostly be funded under goods and services further reducing funding available for contractual obligations and main entity cost drivers. The entity has been capitalising on relationships with various stakeholders in order to meet its legislative requirements, a majority of these stakeholders were adversely affected by COVID-19-19 and as such will not be able to provide the same level of support when compared to prior years
- **Payments of capital assets** increased from R850 thousand in 2022/23 to R1 220million due to systems upgrade. Over the 2022 MTEF, Payments of capital assets increases to marginally to R1.229 million in 2023/24, R1.339 million in 2024/25 and R1.339 million due to maintenance of intangible assets and enhancement of systems to accommodate ever changing technological developments.

2.2 BUDGET PROGRAMMES

BUDGET PROGRAMME 1: GOOD CORPORATE GOVERNANCE

Purpose

The purpose is to provide corporate administrative and management support to the organisation, including the Board, to ensure that the mandate is executed, achieved and reported. The sub programmes are Corporate Services, Finance, ICT and the Office of the CEO.

2.2.1 BUDGET SUB-PROGRAMME: FINANCE

Purpose of the Sub-Programme: to administer and maintain appropriate financial management systems in an effective and efficient manner.

Outcomes, outputs, performance indicators and targets

	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE				MEDIUM-TERM TARGETS			
				2018/19	2019/ 20	2020/21	2021/22	2022/ 23	2023/ 24	2024/ 25	2022/ 23	2023/ 24	2024/ 25	2023/ 24
Good corporate governance	Approved and Signed off AFS of ECLB	Audit outcome	Unqualified Audit Opinion with findings	Unqualified Audit Opinion	¹ Clean audit	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
Audit outcome	Clean audit	-	Clean audit	-	-

¹ Clean audit – unqualified audit opinion with no material findings

Finance Programme resource consideration

Programme	Audited Outcome			Appropriation			Medium Term Expenditure Framework			
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25	2022/23	2023/23	2024/25
Finance	10102	10607	12241	13956	13475	13935	14559			
Total	10 102	10607	12241	13956	13473	13935	14559			
Economic Classification										
Current Payments	7549	9815	11391	12800	12197	12596	13160			
Compensation of Employees	34863	3782	4165	4634	4570	4603	4810			
Salaries and Wages	3483	3782	4165	4634	4570	4603	4810			
Goods and Services	4066	5996	7226	8166	7627	7993	8350			
Administrative Fees	-	-	900	197	667	699	730			
Advertising	-	-	-	-	-	-	-			
Audit Cost: External	1634	1891	1950	2015	595	624	652			
Communication (G&S)	19	21	15	-	-	-	-			
Computer Services	-	63	174	-	179	188	196			
Consultants and Professional Services	299	37	126	60	-	-	-			
Agency and Support / Outsourced Services	-	75	-	-	-	-	-			
Entertainment	5	-	-	-	-	-	-			
Consumable: Stationery, Printing and Office Supplies	297	-	-	5	-	-	-			
Operating Leases	-	711	695	-	1104	1157	1209			
Property Payments	-	339	339	506	478	501	523			
Transport Provided: Departmental Activity	-	-	-	600	-	-	-			
Travel and Subsistence	95	381	45	593	-	-	-			
Training and Development	-	-	-	169	-	-	-			
Operating Payments	696	441	79	456	-	-	-			
Rental and Hiring	1021	2050	2448	2977	3373	3536	3693			
Interest and Rent on Land	-	37	455	588	1229	1288	1346			
Payments for Capital Assets	2553	792	850	1156	1278	1339	1399			

	Audited Outcome				Appropriation				Medium Term Expenditure Framework					
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25
Programme	Rand Thousand													
Buildings and Other Fixed Structures	231	-	850	-	-	-	-	-	-	-	-	-	-	-
Machinery and Equipment	2282	408	-	725	790	828	865							
Software and Other Intangible Assets	40	384	-	431	488	511	531							
Total	10102	10607	12241	13956	13473	13935	14559							

The budget for the finance division includes capital expenditure budget for the entire organization. The entity is committed in ensuring its compliance to laws and regulations as well as maintaining clean audit outcomes.

2.2.2 BUDGET SUB-PROGRAMME: CORPORATE SERVICES

Purpose of the Sub-Programme: is to ensure effective provision of organisational development, office administration, supply chain management and human resource management.

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2018/19	2019/ 20	2020/21		2022/23	2023/24	2024/25
Good corporate governance	Signed and Approved Procurement Report	% spent on Eastern Cape SMIME's	70%	-	53.5%	42%	50%	55%	60%	70%
	Progress Report on HR maturity level	HR Maturity level	Level 4	New Indicator	New Indicator	New Indicator	New Indicator	Level 3	Level 3	Level 4

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23				Q1	Q2	Q3	Q4
	2018/19	2019/20	2020/21	2021/22				
Percentage spent on Eastern Cape SMME's	55%	-	-	-	-	-	-	55%
HR Maturity level	Level 3	-	-	-	-	-	-	Level 3

Corporate Services resource considerations

	Audited Outcome				Appropriation 2021/22	Medium Term Expenditure Framework 2024/25			
	2018/19	2019/20	2020/21	2021/22		2022/23	2023/23	2024/25	
Programme	Rand Thousand								
Corporate Services	6600	7451	7984	7361	6958	7106	7424	7424	
Total	6600	7451	7984	7361	6958	7106	7424	7424	
Economic Classification									
Current Payments	6600	7451	7984	7361	6958	7106	7424	7424	
Compensation of Employees	4759	5049	5009	5304	5477	5554	5803	5803	
Salaries and Wages	4759	5049	5009	5304	5477	5554	5803	5803	
Goods and Services	1841	2402	2975	2057	1481	1552	1621	1621	
Administrative Fees	-	509	1264	1893	1309	1372	1433	1433	
Advertising	80	150	162	164	172	180	188	188	
Communication (G&S)	97	55	39	-	-	-	-	-	
Consultants and Professional Services	20	-	9	-	-	-	-	-	
Entertainment	5	21	12	-	-	-	-	-	
Fleet Services (Including Government Motor Transport)	45	-	1	-	-	-	-	-	
Inventory: Chemical, Fuel, Oil, Gas, Wood and Coal	-	121	6	-	-	-	-	-	
Consumable Supplies	-	74	189	-	-	-	-	-	
Consumables: Stationery, Printing and Office Supplies	126	100	53	-	-	-	-	-	

Programme	Audited Outcome			Appropriation 2021/22 Rand Thousand	Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21		2022/23	2023/23	2024/25
Travel and Substances	203	200	144	-	-	-	
Training and Development	231	235	126	-	-	-	
Operating Payments	1032	925	970	-	-	-	
Rental and Hiring	2	12	-	-	-	-	
Total	6600	7451	7984	7361	6958	7106	
						7424	

Corporate Services is responsible for office administration, supply chain management and human resource management. Funding challenges for this division related to insufficient funding for employee development initiatives relating to provision of bursaries and training. In line with COVID-19 regulations the entity has appointed a compliance officer and has a compliance committee which attends to all workplace needs relating to COVID-19. Entity operations have been adapted to allow for remote working where possible.

2.2.3 BUDGET SUB-PROGRAMME: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

Purpose of the Sub-Programme: The purpose of the sub-programme is to provide technological support to the organisation

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2018/19	2019/ 20	2020/21		2021/22	2022/23	2023/24
Good corporate governance	ICT Maturity Index Framework Report on the Assessment of the ECLB ICT Maturity	ICT Maturity Index	ICT Level 4	ICT Maturity level 3	ICT Maturity Level 2	ICT Maturity level 3	ICT Maturity level 3	ICT Maturity level 3	ICT Maturity level 3	ICT Maturity level 3

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
ICT Governance framework implemented	ICT Maturity level 3	-	-	-	-

² ICT Maturity refers to Maturity level defines the level at which the ICT Governance is implemented and working within organisations. It is measured using the ICT Gov. MPAT assessment tool from DPSA. Level 1 = No ICT Policies, no nothing around ICT. Level 2 = Policies are in place but not approved or implemented. Level 3 = All ICT policies are in place Approved and implemented. ICT Steering Committee sits Quarterly.

Information and Communication Technology resource considerations

Programme	Audited Outcome			Appropriation		Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25	
ICT	2820	2885	2990	2234	2236	3159	3300	
Total	2820	2885	2990	2234	2236	3159	3300	
Economic Classification								
Current Payments	2820	2885	2990	2234	2236	3159	3300	
Compensation of Employees	1336	1454	1610	1385	1370	2436	2545	
Salaries and Wages	1336	1454	1610	1385	1370	2436	2545	
Goods and Service	1484	1431	1380	849	866	723	755	
Administrative Fees	-	265	219	498	475	313	327	
Communication (G&S)	16	14	6	-	-	-	-	
Computer Services	1333	926	483	318	391	410	428	
Travel and Subsistence	63	144	32	33	-	-	-	
Operating Payments	72	82	640	-	-	-	-	
Total	2820	2885	2990	2234	2236	3159	3300	

The entity's ICT Strategic Plan has been approved and is in alignment with the entity wide strategy. The division currently has two employees responsible for 7 offices throughout the province. The staff compliment of the ICT Division should grow over the MTEF. The entity's budget however does not provide for the required growth and implementation. The need for digital transformation of the organisation has been exacerbated by COVID-19 and funding required to further improve on current technologies employed for effectiveness.

BUDGET SUB-PROGRAMME: OFFICE OF THE CHIEF EXECUTIVE OFFICER (OCEO)

Purpose of the Sub-Programme: The division is responsible to provide strategic ethical leadership and corporate governance at the ECLB as well as administrative functions of the entity's Board.

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2018/19	2019/ 20	2020/21		2021/22	2022/23	2023/24
Good corporate governance	Validated Report on a number of planned targets achieved by the end of the Financial Year	Organisational performance index / percentage achieved	90%	95%	80%	83%	75%	80%	85%	90%

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
Organisational performance index	80%	80%	80%	80%	80%

³ Percentage of targets achieved over the total planned for the period. It is derived from the APP planned targets and the reported achieved targets as per quarterly reports.

Office of the CEO resource considerations

Programme	Audited Outcome			Appropriation			Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25		
Office of the CEO	6208	6896	6446	9273	8956	7909	8265		
Total	6208	6896	6446	9273	8956	7909	8265		
Economic Classification									
Current Payments	6208	6896	6446	9273	8956	7909	8265		
Compensation of Employees	4965	5334	4682	6457	6685	6006	6276		
Salaries and Wages	4965	5334	4682	6457	6685	6006	6276		
Goods and Services	1243	1562	1764	2816	2271	1903	1989		
Administrative Fees	-	83	276	851	728	763	797		
Catering: Departmental Activities	-	24	186	1965	1543	1140	1192		
Communication (G&S)	73	20	28	-	-	-	-		
Consultants and Professional Services	-	72	961	-	-	-	-		
Infrastructure and Planning	364	-	-	-	-	-	-		
Scientific and Technological Services	-	1	-	-	-	-	-		
Legal Services	248	429	51	-	-	-	-		
Contractors	-	254	-	-	-	-	-		
Entertainment	3	-	3	-	-	-	-		
Travel and Subsistence	546	488	169	-	-	-	-		
Operating Payments	9	191	90	-	-	-	-		
Total	6208	6896	6446	9273	8956	7909	8265		

The division is responsible for ensuring that effective and implementable organisational strategic plans are developed through an inclusive participatory process involving relevant employees and shareholder's representatives, for final approval by the Board. The division is also responsible for monitoring and evaluating the organisational performance against the planned objectives and goals as contained in the annual performance plan and operational plan. Policy formulation and reviews are undertaken annually to ensure that the internal operating environment is flexible and can adapt to external changes in the environment. Legal advisory services are rendered to the entity through the office of the CEO to ensure compliance with relevant statutory requirements.

2.3 BUDGET PROGRAMME: LICENSING

Purpose of the Sub-Programme: is to administer the back office for processing of liquor licence applications and renewal of licences, monitor the running of the Snapstar Licensing System, secretariat for the Licensing Committee. Implementation of the Liquor Traders Development Programme, and facilitate the transformation of the liquor industry to ensure that Black liquor traders participate and move up the full value chain in the liquor industry.

2.3.1 BUDGET SUB-PROGRAMME: LICENSING ADMINISTRATION AND TRANSFORMATION

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2018/19	2019/ 20	2020/21		2021/22	2022/23	2023/24
1. Efficient licensing	Reports of Licence applications considered within 60-day legislated timeframes	% of fully compliant licence applications considered within the 60 day legislated timeframes	90%	69%	93%	40.4%	60%	70%	80%	85%

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23			
	Q1	Q2	Q3	Q4
% of fully compliant licence applications considered within 60 day legislated timeframes	70%	70%	70%	70%

2.3.2 BUDGET SUB-PROGRAMME: LIQUOR TRADER DEVELOPMENT

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE		ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS			
				2018/19	2019/ 20		2020/21	2022/ 23	2023/ 24	2024/ 25
Transformed and Sustainable Liquor Industry in the Province	Proof of formal registration of liquor traders association	Number of new formal liquor traders associations facilitated	16	1	3	2	2	3	4	5
	Proof of newly established liquor traders participating micro/retail level of liquor industry value chain and diversification of the business	Number of Black liquor traders distributed to participate at higher levels of the value chain	10	-	-	0	1	2	3	4
	Reports on the number of liquor related projects facilitated to support economic development in the Province	Number of projects facilitated with funding to contribute to local economic development	9	New Indicator	New Indicator	New Indicator	New Indicator	3	3	3

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
Number of new formal liquor traders associations facilitated	3	-	-	-	3
Number of Black liquor traders distributors facilitated to participate at higher levels of the value chain	2	-	-	-	2
Number of projects facilitated to contribute to local economic development	3	-	-	-	3

2.3.3 Explanation of planned performance over the medium-term period

- Efficient licensing will enhance and attract investment into the liquor industry and thereby increase economic activity that will contribute towards job creation and skills development in the province. The enhancement of a licensing system is a critical enabler in processing applications. The automation of the licence application process will also enable applicants to apply at the comfort of their homes more so in light of the COVID-19 related protocols.
- Increased participation by the previously disadvantaged will change the transformation profile of the industry at both retail and micro manufacturing levels. Despite efforts by the ECLB in this regard the biggest challenge remains being the introduction of black entrepreneurs into the micro manufacturing sector as potential development finance institutions demonstrate lack of appetite for the liquor industry. DEDEAT has been approached to consider the following:
 - Support initiatives geared towards transformation of the industry, most notably around micro manufacturing and wholesaling.
 - Approaching the big industry to set up a special purpose vehicle (Development Fund) to support Black retailers who aspire to graduate from retail to wholesale /distribution level.

The liquor trader's development programme will contribute towards the efforts to transform the industry.

- In contributing to the economic regeneration of the province and contributing to prioritising township economy development, the entity has developed a new indicator that will facilitate and promote locally produced products and full value creation thereof.

2.3.4 Licensing programme resource considerations

Programme	Audited Outcome			Appropriation 2021/22 Rand Thousand	Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21		2022/23	2023/23	2024/25
Licensing	6073	6320	6625	5724	6543	6640	6915
Total	6073	6320	6625	5724	6543	6640	6915
Economic Classification							
Current Payments	6073	6320	6625	5724	6543	6640	6916
Compensation of Employees	5201	5361	5641	5033	5581	5663	5917
Salaries and Wages	5201	5361	5641	5033	5581	5663	5917
Goods and Services	872	959	984	691	962	977	998
Administrative Fees	-	-	141	254	-	-	-
Advertising	357	371	349	222	106	111	116
Communication (G&S)	54	57	22	-	-	-	-
Consultants and Professional Services	156	-	-	-	-	-	-
Consumable: Stationery, Printing and Office Supplies	30	14	112	-	-	-	-
Travel and Subsistence	187	136	75	18	500	500	500
Operation Payments	57	381	176	197	356	366	382
Rental and Hiring	31	-	109	-	-	-	-
Total	6073	6320	6625	5724	6543	6640	6916

Legislative obligations of this division includes adhering to timelines in terms of the act which are managed through a pipeline for processing applications as legislated. Inability to adhere to legislated timelines exposes the entity and the Eastern Cape Government to litigations for potential loss of revenue by applicants which can be cured by adequately funding entity operations. Included in the entity's funding deficit is R5.9 million over the MTEF required by this division to discharge its portion of the mandate.

2.4 BUDGET PROGRAMME: COMPLIANCE AND ENFORCEMENT

Purpose of the Programme: The principal responsibility of the Compliance and Enforcement Division is to ensure that appropriate steps are taken against those selling liquor outside the administrative and regulatory framework established in terms of the Eastern Cape Liquor Act (No.10 of 2003) and that community considerations on the registration of retail premises are taken into account. In this regard, working with other law enforcement agencies, the division plays a critical role towards achieving the goal of a responsible liquor trading in the Eastern Cape that promotes safe communities.

2.4.1 BUDGET SUB-PROGRAMME: PRE-REGISTRATION COMPLIANCE

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2018/19	2019/ 20	2020/21		2021/22	2022/23	2023/24
Compliant liquor trading and regulated access to alcohol	Reports on the number of pre-registered applications inspected	% of pre-registration inspections conducted	90%	1 022	931	73%	60%	75%	80%	90%

Output indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
% of pre-registration inspections conducted	75%	75%	75%	75%	75%

2.4.2 BUDGET SUB-PROGRAMME: POST-REGISTRATION COMPLIANCE

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
				2018/19	2019/ 20	2020/21		2021/22	2022/23	2023/24
Compliant liquor trading and regulated access to alcohol	Reports on the number of compliance inspections conducted	Number of compliance inspections conducted to ensure compliance with liquor regulations	7415	5 678	5 071	45%	60%	2 700	3 500	4 000

Output Indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
% of new applications with sufficiently consulted communities	2 700	800	800	600	500

2.4.3 BUDGET SUB-PROGRAMME: COMPLAINTS MANAGEMENT

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE 2021/22	MEDIUM-TERM TARGETS		
				2018/19	2019/ 20	2020/21		2022/23	2023/24	2024/25
Compliant liquor trading and regulated access to alcohol	Reports on illegal Liquor outlets identified; Reports on the rand value of illegal liquor Confiscated	Number of blitz operations conducted with law enforcement agencies to enforce compliance with legislation	378	60	40	50	48	60	60	65

Output Indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
Number of blitz operations conducted with law enforcement agencies to enforce compliance with legislation	60	10	20	15	15

Explanation of planned performance over the medium-term period

- Responsibilities of the Compliance and Enforcement Division include ensuring that that community considerations on the registration of retail premises are taken into account through community consultations. Reliance is largely placed on municipalities and the entity engages various local authorities in educating and emphasizing the role of the ward councillors in the licensing process:
 - Division conducts preregistration compliance inspections which entail in loco inspections to verify inter alia the suitability of the premises, the veracity of community consultation and other relevant information.
 - Post-registration inspections are undertaken to ensure compliance with the administrative and regulatory framework of the Act. This encompasses trading conditions, municipal by-laws and other relevant prescripts.
- The entity further engages in the development of municipal by-laws with COGTA, SALGA and Municipalities

- Compliance inspections and blitz operations with law enforcement agencies are conducted to monitor and enforce compliance with liquor regulations. These will contribute to ensuring that there is responsible drinking and trading in the communities. The strengthened relations with law enforcement agencies including national, provincial, and local sphere to ensure compliance and close down illegal trading will assist in achieving the planned targets:
 - The division conducts joint blitz operations with relevant law enforcement agencies including Home Affairs' Immigration Unit, the SAPS and Municipal law enforcement.
 - The division receives, register and attend to complaints that arise as a result of inconsiderate liquor trading. In this regard there is a complaints management system in the form of a toll-free line through which members of the public can report their challenges.
 - Through these approaches, i.e., blitz and the toll-free complaints system, we are able to identify illegal liquor trading which are then processed through the criminal justice system.
- Together with the industry the entity is rolling out a code of conduct programme as well as responsible traders facilitation programme aimed at improving compliance and rewarding those that exceed expectations in relation to responsible trading.

CED Programme resource considerations

	Audited Outcome				Appropriation		Medium Term Expenditure Framework				
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25				
Programme				Rand Thousand							
Compliance and Enforcement	23264	24766	23858	26448	29559	28886		29839			
Total	23264	24766	23858	26448	29559	28886		29839			
Economic Classification											
Current Payments	23264	24766	23858	26448	29559	28886		29840			
Compensation of Employees	17940	19529	19536	20810	21727	22770		23792			
Salaries and Wages	17940	19529	19536	20810	21727	22770		23792			
Goods and Services	5324	5237	4322	5638	7832	6116		6047			
Catering: Departmental Activities	-	5	3	-	-	-		-			
Communication (G&S)	315	92	48	-	-	-		-			
Computer Services	12	-	-	-	-	-		-			
Entertainment	10	-	2	-	-	-		-			
Fleet Services (Including Government Motor Transport)	1348	623	26	1218	1007	1055		1102			
Inventory: Chemicals, Fuel, Oil, Gas, Wood and Coal)	-	15	-	-	-	-		-			

Programme	Audited Outcome			Appropriation 2021/22 Rand Thousand	Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21		2022/23	2023/23	2024/25
Consumable: Stationery, Printing and Office Supplies	36	-	19	-	-	-	-
Property Payments	-	24	68	81	85	89	93
Travel and Subsistence	1 137	1 312	2 250	2 333	4 081	2 186	1 941
Operating Payments	892	1 068	1 230	1 46	72	75	78
Rental and Hiring	1 574	2 098	676	1 860	2 587	2 711	2 833
Total	2 3264	2 4766	2 3858	2 6448	2 9559	2 8886	2 9840

Operations of this division are the key cost drivers of the entity and are labour intensive which require traveling long distances for compliance inspections and monitoring blitz operations as well. The entity received additional funding in the previous financial years which was reduced in the current MTEF when a call for reduction in the travelling expenditure budget was made for COVID-19 related requirements. Review of funding for this division is necessary in order to manage current budgetary pressures as well as meet legislative demands.

The entity currently has 16 inspectors responsible for compliance monitoring and inspections throughout the province. There is a need to hire additional inspectors to improve the health and wellness of the inspectors and alleviate the burden of work faced by individual inspectors.

2.5 BUDGET PROGRAMME: SOCIAL ACCOUNTABILITY

Purpose of the Budget Programme: The Social Accountability Division is responsible for raising awareness and educating the public on the adverse effects of alcohol consumption through Anti-Alcohol Abuse Awareness programmes.

BUDGET SUB-PROGRAMME: HARM REDUCTION

Outcomes, outputs, performance indicators and targets

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS			
				2018/ 19	2019/ 20	2020/ 21		2021/22	2022/23	2023/24	2024/25
Reduction in alcohol abuse & behavioural change towards alcohol consumption	Reports on the interventions per theme implemented	Number of Thematic reports on the anti-alcohol abuse interventions conducted	1 240	174	160	291	4	4 thematic reports on the 195 anti-alcohol abuse interventions conducted	4 thematic reports on the 200 anti-alcohol abuse interventions conducted	4 thematic reports on the 220 anti-alcohol abuse interventions conducted	80 000
	Confirmation Reports Regarding People Reached with messages of liquor abuse; Platforms Utilised to reach people for awareness	Number of people reached through education and awareness interventions	309 000	55 947	56 000	29 000	60 000	65 000	75 000	80 000	
Empowered Communities through Social Responsibility /CSI Programme of the ECLB	Reports Projects / Tools / Events Implemented as a plough back to communities Evaluation Reports demonstrating	Number of social responsibility programmes conducted	58	11	8	8	11	12	13	14	

STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS			
				2018/ 19	2019/ 20	2020/ 21	2021/22		2022/23	2023/24	2024/25	
	desired outcomes as a result of Social Responsibility Programme implemented											
	Assessment and evaluation report produced annually	Number of assessment and evaluation reports produced on the interventions conducted	3	New	New	New	1	1	1	1		

The indicator relating to number of anti-alcohol abuse interventions conducted has been changed from counting the number of interventions under each thematic programme. For the 2022/23 financial year the indicator will be measuring the thematic programmes relating to underage drinking, drunk driving, foetal alcohol syndrome and community awareness programmes. The main activities under these themes will be comprehensively provided when reporting.

Outputs indicators: annual and quarterly targets

Output Indicators	Annual Target 2022/23	Q1	Q2	Q3	Q4
Number of reports on the anti-alcohol abuse interventions conducted	4 Reports on the 195 anti-alcohol abuse interventions conducted	4	4	4	4
Number of social responsibility initiatives conducted	12	3	4	2	2
Number of people reached through education and awareness interventions and social responsibility initiatives	65 000	18 500	18 000	10 500	18 000
Number of assessment and evaluation reports produced	1	-	-	-	1

2.5.1 Explanation of planned performance over the medium-term period

- The anti-alcohol abuse intervention initiatives contribute to ensuring that members of the community are effectively and meaningfully educated on responsible consumption of alcohol so that the high rate of excessive consumption of alcohol is considerably reduced in the Eastern Cape. In order to enhance the education of communities on the scourge of alcohol abuse, a thematic approach has been adopted by focusing on key areas such as underage drinking, binge drinking and trading, road users, and FAS (pregnant women).
- Social Accountability will design intervention initiatives that are underpinned by key messages on underage drinking, binge drinking and trading, drunk driving and Foetal Alcohol Syndrome. In seeking to fulfil the implementation of Social Accountability Programme, the entity will harness the resources of the local community in undertaking its of its entire programme. This will ensure that support and assistance is provided to particularly members of the community and vulnerable groups that recklessly consume alcohol. A specific intervention activation plan will be developed to address each of the thematic areas with a view to alleviate the excessive consumption of alcohol and promotion of responsible trading.
- The outbreak of the COVID-19 has invariably disrupted ECLB social accountability programme, however, in order to offset this unforeseen interference, ECLB has resorted to utilising multi-media platforms to sustain its messages on responsible alcohol consumption and trading. In addition, during the COVID-19 lockdown, there has been rapid increase in transgressions of the lockdown regulations including reckless trading and consumption of alcohol. This has warranted a concerted effort to educate communities about the significance of adhering to the Lockdown regulations and consuming alcohol responsibly.
- Henceforth, a rigorous multi-media campaign will continue to constitute the Social Accountability programme to ensure that a broad spectrum of society continues to receive anti-alcohol abuse messages in spite of the COVID-19 restrictions. To this end, the concept of the multi-media campaign will increasingly be adopted and will be characterised by the rolling out of outdoor advertising, utilisation of both electronic and print media, and the use of social media platforms.
- Facilitation of the social responsibility programmes will also ensure that various community groups are committed to social activities such as sport, traditional, and facilitation of economic activities instead consuming alcohol and when they choose to, do so responsibly.
- Social responsibility programmes for the period will also focus on current communication mechanisms and trends by using amongst others social media platforms and social influencers.

Programme resource considerations

	Audited Outcome			Appropriation	Medium Term Expenditure Framework		
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/23	2024/25
Programme	Rand Thousand						
Social Accountability	6970	4145	7939	4549	6755	6750	7288
Total	6970	4145	7939	4549	6755	6750	7288
Economic Classification							
Current Payments	6970	4145	7939	4549	6755	6750	7288
Compensation of Employees	2721	2460	2577	1851	1858	1921	2007
Salaries and Wages	2721	2460	2577	1851	1858	1921	2007
Goods and Services	4249	1685	5362	2698	4897	4829	5281
Advertising	1139	249	3292	-	2420	2392	2731
Communication (G&S)	18	24	28	-	-	-	-
Fleet Services (Including Government Motor Transport)	143	11	55	-	-	317	331
Travel and Subsistence	198	435	1443	434	454	-	-
Operating Payments	2751	966	544	2264	2023	2120	2219
Total	6970	4145	7939	4549	6755	6750	7288

This division has relied heavily on and partnerships with the industry which have sustained operations for this division in prior years. Negative impact of COVID-19 has resulted in some of the stakeholders indicating that they will not be able to continue partnering with the entity on harm reduction initiatives as a number of them have and are shedding their workforce.

The Anti-Alcohol Abuse Programme aimed at universities has seen the entity employing 17 unemployed graduates that will facilitate programmes in all universities within the province aimed at curbing abuse of alcohol. This programme is funded through DEDEAT transfers and a consideration of including TVET Colleges in the future is necessary.

3. ORGANISATIONAL KEY RISKS

#	Outcome	Key Risk	Risk Mitigation
1.	Efficient licensing	<ul style="list-style-type: none"> Incompatibility between expectations and legal prescripts Reliance on external stakeholders COVID-19 lockdown restrictions 	<ul style="list-style-type: none"> Educating communities on their role relating to liquor trading. Verify community consultation on all liquor applications. The new legislation provides for sufficient community consultation to be conducted prior processing of the application by the ECLA Automation of licensing process
2.	Increased participation by previously disadvantaged in both retail and micro manufacturing levels	<ul style="list-style-type: none"> Resistance to transformation by manufacturers and wholesalers Non-compliance with BBBEE codes Access to resources (credit and finance) Inability to compete with chain stores 	<ul style="list-style-type: none"> Harsh sanctions for non-compliance Development BBBEE codes that are enforceable Mobilisation of resources Establish co-ops/associations Business skills training Fee structure revised to accommodate new entrants and those that are at the lower end of the value chain
3.	Compliant liquor trading and regulated access to alcohol	<ul style="list-style-type: none"> Illegal trading and use of fraudulent Licences Growth in criminal activities that affect communities Over supply of alcohol Loss of revenue Reliance on external stakeholders e.g., SAPS Insufficient Financial and Human Resources Non-compliance with COVID-19 regulations 	<ul style="list-style-type: none"> Training liquor traders on responsible trading. e.g. Rolling out the code of conduct to all registered out Suspending and cancelling licences for inconsiderate trading. Review the current regulations in order to provide for Issuing of fines in instance of continued non-compliance Educating and training stakeholders on their role relating to liquor trading. Collaborate with law enforcement agencies and additional inspectors if budget permits
4.	Reduction in alcohol abuse and behavioural change towards alcohol consumption	<ul style="list-style-type: none"> Industry and consumer Behaviour Limited capacity Negative perception 	<ul style="list-style-type: none"> Strategic partnerships and collaborations with key stakeholders to enhance the ECLB capacity in fighting against excessive alcohol consumption.
5.	Good corporate governance	<ul style="list-style-type: none"> Inability to maintain clean audit Inability to achieve organisational strategic goals Non-adherence to prescripts Shortage of staff Limited funding Negative corporate culture Fraud risk (institution exposed to fraud and corruption) Inability of the organisation to adequately prepare for stability of the organisation as a result of a possible merger. 	<ul style="list-style-type: none"> Staff workshops and information sharing Collaborations Internship / Learnership Change management
		<ul style="list-style-type: none"> Inadequate ICT 	<ul style="list-style-type: none"> Review and assessment of organisational

#	Outcome	Key Risk	Risk Mitigation
		infrastructure to support the needs of the organisation.	<p>systems and processes</p> <ul style="list-style-type: none"> • Research, development and implementation of maintenance and support applications • Collaboration with relevant organisations/shared services (Public and Private Sector)
6.	Building organisational reputation and image	<ul style="list-style-type: none"> • Inability of the organisation to adequately prepare for stability of the organisation as a result of pending merger • Lack of funding 	<ul style="list-style-type: none"> • Regular communication and updates between the Task team and the shareholder • Development of terms of reference guiding the process of merger • Proper Consultation with all the affected employees in both institutions
7.	Disaster Management (COVID-19)	<ul style="list-style-type: none"> • Decreased productivity 	<ul style="list-style-type: none"> • Implementation of the approved proposal in relation to MEC promulgation through a regulation of the discounted renewal fees for 2021 and deferment period for special events which would be held in 2020 to 2021. • Implementation and monitoring of COVID-19 protocols and business continuity plan • Development and implementation of the Remote Work Policy
8.	Inability of the organisation to adequately prepare for stability of the organisation as a result of a possible merger	<ul style="list-style-type: none"> • Legislative uncertainty • Communication gap between the stakeholders and Treasury. 	<ul style="list-style-type: none"> • Task team constituted of ECLB and ECGB Executive members attending to the merger concerns
9.	Lack of transformation within the liquor industry through the value chain.	<ul style="list-style-type: none"> • Legacy of Apartheid, Current Act does not provide measures to attain transformation 	<ul style="list-style-type: none"> • Liquor Trader programmes • Inclusion in the gazetted Act.



EASTERN CAPE
LIQUOR BOARD

PART D

TECHNICAL INDICATOR DESCRIPTIONS (TIDS)

PART D: TECHNICAL INDICATOR DESCRIPTIONS (TIDS)

1.	Indicator Title	Audit outcome
	Definition	This refers to the audit outcome given by the AG after auditing the financial information of the organisation. The purpose is to ascertain if the organisation is managing its finances responsibly, effectively and line with the prescripts of legislation.
	Source of data	AG report
	Method of Calculation / Assessment	Audit opinion issued
	Indicator Method	Non-Cumulative
	Assumptions	Adherence to prescripts, internal controls in place
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	Clean audit outcome
	Indicator Responsibility	CFO
2.	Indicator Title	HR Maturity Level
	Definition	The target refers to the measuring of effectiveness, and efficiency of HR services within the organisation. The target will be measured against the performance management on: effectiveness and efficiency on recruitment and employment equity plan implementation, labour relations, management of employee performance, development of employees and existence of systems.
	Source of data	HR Plan, Skills Development Plan, Employee Wellness Plan, Employment Equity plan
	Method of Calculation / Assessment	A matrix of the factors to be assessed which include targets set in HR plan/recruitment, skills development plan, health and wellness plan, employment equity plan. The matrix tool will be used to determine maturity level. Levels range from 1 as lowest to 5 as highest.
	Indicator Method	Cumulative Year-to-Date
	Assumptions	Availability of resources for implementation i.e. budget
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annual
	Desired performance	Level 3 or more is desirable
	Indicator Responsibility	Senior Manager: Corporate Services

3.	Indicator Title	Percentage spent on Eastern Cape SMME's
	Definition	This refers to procurement of goods and services done through SMME's. To provide support and development of SMME's
	Source of data	National Treasury Central supplier data base
	Method of Calculation / Assessment	Expenditure through SMME's over total goods and services expenditure
	Indicator Method	Cumulative Year-to-Date
	Assumptions	None
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	40% or more is desirable.
	Indicator Responsibility	Senior Manager: Corporate Services
4.	Indicator Title	ICT Governance framework implemented
	Definition	This refers to the Implementation of ICT Governance as per Department of Public Service and Administration guidelines. The purpose of ICT governance is to ensure that the acquisition, management and use of ICT improves and enables the entity to be efficient and effective in delivering on the mandate.
	Source of data	ICT Governance Policy, ICT Security policy, ICT Steering Committee Members appointment letters, ICT Steering Committee Munities.
	Method of Calculation / Assessment	Using MPAT Assessment tool (Maturity level)
	Indicator Method	Non-Cumulative
	Assumptions	Lack of Resources, Training and budgetary constraints
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	Level 3 maturity and above is desirable
	Indicator Responsibility	ICT Manager

5.	Indicator Title	Organisational performance index
	Definition	This index is expressed as a percentage for organisational performance. It is derived from the APP planned targets and the reported achieved targets as per quarterly reports. The purpose is to measure and evaluate the performance of the organisation against the targets set in the Annual Performance Plan and ensure corrective actions are taken on time.
	Source of data	Quarterly reports
	Method of Calculation / Assessment	This will be the number of achieved indicator targets divided by the total number of indicators multiplied by 100
	Indicator Method	Cumulative Year-to-Date
	Assumptions	Portfolio of evidence to prove achievement
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	80%> is desirable
	Indicator Responsibility	Manager: Strategic Planning
6.	Indicator Title	% of fully compliant licence applications considered within 60 days legislated timeframes
	Definition	This refers to 60% of the fully compliant applications received and considered by the Licensing Committee (LC) within the 60-day legislated timeframes submitted by the CED Division. Fully compliant refers to: completed application with supporting documents, proof of community consultation, inspection report The 60 days refers to when a fully complaint application has been received read for LC. A submission of compliant applications to the Licensing committee and the Board for consideration is prepared within 60 days from the date of inspection report; Communicate outcomes within 30 days of Board decision.
	Source of data	ECLB licensing system
	Method of Calculation / Assessment	% of new applications considered within the legislated timeframe
	Indicator Method	Cumulative to date
	Assumptions	All relevant stakeholders involved in the processing of application comply with the stipulated timeframes for them to fulfil their roles.
	Disaggregation of Beneficiaries (where applicable)	Not applicable
	Reporting Cycle	Quarterly
	Desired performance	100% compliance
	Indicator Responsibility	Senior Manager: Licensing

7.	Indicator Title	Number of new formal liquor traders associations facilitated
	Definition	This indicator refers to the number of liquor traders associations facilitated for establishment. These associations are established within the area of operation. It is intended to support liquor traders to grow their businesses and move up the liquor industry value chain by forming associations.
	Source of data	Certificate of registration as an association
	Indicator Method	Simple count of new formal traders' associations facilitated.
	Method of Calculation / Assessment	Cumulative to date
	Assumptions	There will be traders who respond to the call to grow and form associations.
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	It is desirable to have more new formal traders' associations formed
	Indicator Responsibility	Senior Manager Licensing
8.	Indicator Title	Number of Black liquor traders distributors facilitated to participate at higher levels of the value chain
	Definition	This indicator refers to the number of Black Liquor Traders that will be assisted to move up/ participate beyond micro/retail level of the liquor trader value chain, including diversification of businesses. It is intended to support liquor traders to grow their businesses and move up the liquor industry value chain by becoming distributors.
	Source of data	Proof of changed liquor traders business status
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	Simple count of liquor traders moving up/participating beyond micro/retail level of the liquor trader value chain.
	Assumptions	Challenge with sourcing funds; Positive response from traders in forming a distributor.
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Annually
	Desired performance	Actual performance that is higher than targeted performance is desirable.
	Indicator Responsibility	Senior Manager Licensing

9.	Indicator Title	Number of projects facilitated funding to contribute to local economic development
	Definition	This refers to the number of projects proposals that will be facilitated for funding to contribute to local economic development. Applications will be received from the liquor traders or persons interested to venture into the industry and submitted to facilitate funding opportunities from various stakeholders including financial institutions and government.
	Source of data	Project proposals received for funding opportunities
	Method of Calculation / Assessment	Number of proposals received.
	Indicator Method	Non-Cumulative
	Assumptions	No funding application will be funded.
	Disaggregation of Beneficiaries (where applicable)	This will depend on the merits of each application received
	Reporting Cycle	Annually
	Desired performance	100% compliance
	Indicator Responsibility	Senior Manager: Licensing
10.	Indicator Title	Number of pre-registration inspections conducted
	Definition	This refers to all applications for registration liquor license that have been received and are ready for preregistration inspection. The inspectors conduct physical inspections at the premises that will used for the sale.
	Source of data	Licence applications received
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	Simple count of licence applications pre-inspected against the total received during the quarter. The annual will be a total some of the quarterly applications inspected.
	Assumptions	Meeting timelines may be affected by the high reliance on third parties such as ward councillors and verification of information by relevant municipal departments
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	To achieve desired performance, at least 75% of applications received must be inspected.
	Indicator Responsibility	Chief Inspector

11.	Indicator Title	Number of compliance inspections conducted to ensure compliance with liquor regulations
	Definition	This refers to the compliance inspections on selected licenced on and off consumption liquor outlets in residential areas, both urban and rural, where compliance checks are conducted in terms of general provisions of the Act and trading conditions. It measures compliance levels against provisions of the ECLA and licence conditions. Focus is mainly on problematic outlets as they tend to trade inconsiderately. This indicator will be implemented based on the categorisation of liquor licences holders to be inspected. Each year, a set of focus/ priority areas for inspections will be agreed on and measured.
	Source of data	Post registration inspection reports containing verification of registrant particulars, premises and adherence to trading conditions
	Method of Calculation / Assessment	Counting of inspection reports completed on inspection.
	Indicator Method	Cumulative to date
	Assumptions	Unforeseen circumstances such as declared disasters and security considerations
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	Actual performance that meets the targeted performance is desirable.
	Indicator Responsibility	Chief Inspector
12.	Indicator Title	Number of blitz operations conducted with law enforcement agencies to enforce legislation
	Definition	Refers to a concerted effort by ECLB together with various stakeholder targeting illegal and non-compliant liquor outlets. To ensure that appropriate steps are taken against those selling liquor outside the administrative and regulatory framework established in terms of the Act.
	Source of data	Operational plans for the blitz, the attendance register and the situational report.
	Method of Calculation / Assessment	Simple count of blitz operations planned and conducted
	Indicator Method	Cumulative to date
	Assumptions	Reliance on SAPS and availability of stakeholders (in particular SAPS, municipal law enforcement agencies, Department of Home Affairs Immigration division) may affect the output.
	Disaggregation of Beneficiaries (where applicable)	N/A
	Reporting Cycle	Quarterly
	Desired performance	Actual performance that meets the targeted performance
	Indicator Responsibility	Chief Inspector

13.	Indicator Title	Number of thematic reports on the anti-alcohol abuse interventions conducted
	Definition	This refers to thematic programmes relating to underage drinking, drunk driving, foetal alcohol syndrome and community awareness programmes/initiatives that are undertaken to empower communities with information and knowledge on how to responsibly use alcohol targeting schools, clinics, communities, farms and liquor outlets through community sessions, workshops, printed material, print media, electronic media, and social media.
	Source of data	Report outlining interventions undertaken per thematic area; Attendance registers, newspaper clips, recorded radio adverts indicating themes of the campaigns and regions where they have been conducted
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	<ul style="list-style-type: none"> • Simple count of the number of anti-alcohol abuse interventions initiatives conducted Count of media coverage received
	Assumptions	<ul style="list-style-type: none"> • It is assumed that a reasonable number of people will attend Social Accountability intervention initiatives The emphasis of messages during education and awareness sessions will result to the change of behaviour
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Members of community • Farm workers • Women • Youth (both out-of-school and school-going) • People living with disabilities • Liquor traders Road users (both drivers & pedestrians)
	Reporting Cycle	Annual progress against the five-year target
	Desired performance	It is desirable that more education and awareness initiatives are conducted, and more positive media coverage is secured
	Indicator Responsibility	Manager Social Accountability

14.	Indicator Title	Number of social responsibility initiatives conducted
	Definition	This refers to the social responsibility initiatives that are intended to sponsor and support communities through projects that provide alternative, such as the facilitation of sporting activities and support to community cooperatives
	Source of data	A schedule for the social responsibility initiatives, attendance registers indicating themes for the initiatives implemented, dates and areas where they are implemented
	Indicator Method	Cumulative to date
	Method of Calculation / Assessment	Count of social responsibility initiatives conducted
	Assumptions	<ul style="list-style-type: none"> Targeted members of the community will meaningfully participate in the planned programmes The implementation of the social responsibility programme will reduce excessive consumption of alcohol
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Members of community Farm workers Women Youth (both out-of-school and school-going) People living with disabilities Liquor traders
	Reporting Cycle	Annual progress against the five-year target
	Desired performance	It is desirable that more social responsibility initiatives are conducted, and stakeholder support is attained
	Indicator Responsibility	Manager Social Accountability
15.	Indicator Title	Number of people reached through education and awareness interventions and social responsibility initiatives
	Definition	This refers to the number of people that will be accessed through the education and awareness campaigns and social responsibility initiatives
	Source of data	The attendance registers of the people that attended education and awareness and social responsibility initiatives
	Method of Calculation / Assessment	Number of people that attended education and awareness campaigns and social responsibility initiatives
	Indicator Method	<ul style="list-style-type: none"> Cumulative to date
	Assumptions	<ul style="list-style-type: none"> It is assumed that more people will attend the social responsibility initiatives
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> Members of community Farm workers Women Youth (both out-of-school and school-going) People living with disabilities Liquor traders Road users (both drivers & pedestrians)
	Reporting Cycle	Annual progress against the five-year target
	Desired performance	It is desirable that targeted people for all the education and awareness interventions and social responsibility initiatives are reached with messages of anti-alcohol abuse
	Indicator Responsibility	Manager Social Accountability

16.	Indicator Title	Number of assessment and evaluation reports produced on the interventions conducted
	Definition	<ul style="list-style-type: none"> This refers to both baseline assessment and evaluation of the Social Accountability intervention initiatives. Baseline assessment entails sourcing of baseline data that will inform Social Accountability interventions, and subsequent to the implementation, an evaluation will be undertaken to determine programme effectiveness /impact.
	Source of data	<ul style="list-style-type: none"> Baseline assessment and evaluation reports
	Method of Calculation / Assessment	<ul style="list-style-type: none"> Number of assessment and evaluation reports generated
	Indicator Method	<ul style="list-style-type: none"> Cumulative to date
	Assumptions	<ul style="list-style-type: none"> It is assumed that Social Accountability intervention initiatives will be evaluated to determine the impact and various research entities will provide necessary support to fulfil this indicator.
	Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> N/A
	Reporting Cycle	<ul style="list-style-type: none"> Annually
	Desired performance	<ul style="list-style-type: none"> It is desirable that social accountability intervention initiatives are effectively informed by a baseline assessment and after implementation an evaluation process is embarked upon.
	Indicator Responsibility	<ul style="list-style-type: none"> Manager Social Accountability



EASTERN CAPE
LIQUOR BOARD

ANNEXURES

A. DISTRICT DEVELOPMENT MODEL

B. AMMENDMENTS TO APP
AND STRATEGIC PLAN

ANNEXURE A: DISTRICT DEVELOPMENT MODEL

This is a summary of projects/ interventions related to the services to be delivered with district municipalities during the strategic planning period. For each project the information includes the allocated budget, its location within the district and roles and responsibilities of the stakeholders involved.

Area of intervention	Description of intervention/ project	Budget allocation	District municipality	Location GPS COORDINATES	Project leader	Social partners
Youth education and empowerment	Empowerment of young people with knowledge on responsible alcohol consumption through facilitation of sporting programme and other social activities		OR Tambo, Chris Hani, Buffalo City, Alfred Nzo, Amathole, Sara Baartman & Joe Gqabi	In the local Municipalities and Metros	Manager Social Accountability	Social Development, Education, SAPS, Health, Liquor Industry, NGOs, Civil Society, media organisations, municipalities
Community empowerment through the social responsibility programme	Facilitation of community-based projects that seek to provide an alternative to members of the community		OR Tambo, Chris Hani, Buffalo City, Alfred Nzo, Amatole Sara Baartman & Joe Gqabi, Nelson Mandela Metro	In the local Municipalities and Metros	Manager Social Accountability	Social Development, Education, SAPS, Health, Liquor Industry, NGOs, Civil Society, media organisations, municipalities

ANNEXURE B: AMMENDEMENTS TO APP AND STRATEGIC PLAN

(i) Changes to Budget Programme

BUDGET PROGRAMME	BUDGET SUB-PROGRAMME	DIVISIONS
ONE: CORPORATE SERVICES MANAGEMENT & ADMINISTRATION	<ul style="list-style-type: none"> Financial Management Services Strategic Management Services Office of the CEO ICT Corporate Services 	<ul style="list-style-type: none"> OCEO Finance Corporate Services ICT Strategic Planning/Management Services Legal Services and Board Admin
TWO: LICENSING	<ul style="list-style-type: none"> Licensing Administration Liquor Trader Development and Transformation 	<ul style="list-style-type: none"> Licensing
THREE: COMPLAINCE AND ENFORCEMENT	<ul style="list-style-type: none"> Pre-Registrations Post-Registrations Illegals/Complaints 	<ul style="list-style-type: none"> Compliance and Enforcement
FOUR: HARM REDUCTION AND SOCIAL ACCOUNTABILITY	<ul style="list-style-type: none"> Harm Reduction and Awareness Corporate Social Investments Communications Research and Innovation Stakeholder Management and Relations 	<ul style="list-style-type: none"> Social Accountability

(ii) Amendments and changes to the existing Strategic Plan (indicators)

NEW AND AMENDED

BUDGET PROGRAMME	STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE		ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS			
					2018/19	2019/ 20		2020/21	2021/22	2022/23	2023/24
Budget Programme 1: Corporate Governance	Good Corporate Services	Reports on the levels on the levels of HR maturity	HR Maturity barometer	Level 4	New Indicator	New Indicator	New Indicator	Level 2	Level 3	Level 3	
Budget Programme 1: Licensing	Transformed and Sustainable Liquor Industry in the Province	Reports on the Awareness Sessions conducted; Reports on the number of projects facilitated to support economic development in the Province	Number of new formal liquor traders associations facilitated Number of Black liquor traders distributors facilitated to participate at higher levels of the value chain	16 10	1	3	2	2	3	4	5
Budget Programme 1: Social Accountability	Empowered Communities through CSI Programme of the ECLB	Reports Projects / Tools / Events Implemented as a plough back to communities Evaluation Reports demonstrating desired	Number of projects facilitated funding to contribute to local economic development Number of social responsibility programmes conducted	9 58	New Indicator	New Indicator	New Indicator	3	3	3	14

BUDGET PROGRAMME	STRATEGIC OUTCOME	OUTPUTS	OUTCOME /OUTPUT INDICATOR	STRATEGIC PLAN TARGET 2024/25	AUDITED /ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
					2018/19	2019/ 20	2020/21	2021/22		2022/23	2023/24	2024/25
		outcomes as a result of Social Responsibility Programme implemented										
		Assessment and evaluation report produced annually	Number of assessment and evaluation reports produced on the interventions conducted	3	New	New	New	1	1	1	1	1

REMOVED TARGETS

The following indicators were moved to the Operational Plan

BUDGET PROGRAMME	STRATEGIC OUTCOME	OUTPUT INDICATOR
Budget Programme 1: Corporate Governance	Good Corporate Services	Percentage of employees contracted and reviewed performance Percentage implementation of the Skills development plan
Budget Programme 3: Compliance and Enforcement	Compliant liquor trading and regulated access to alcohol	Percentage of complaints attended to within 30 days % of identified illegal liquor outlets referred to the criminal justice system

ENABLING &
PROMOTING

A RESPONSIBLE
LIQUOR INDUSTRY



EASTERN CAPE
LIQUOR BOARD

Address: Shop 10 Beacon Bay Crossing, Beacon Bay, East London
Tel: 043 700 0900 | www.eclb.co.za

Enabling and Promoting a Responsible Liquor Industry
Complaints Toll Free Line: 0800 000 420