

# VICTOR KHANYE LOCAL MUNICIPALITY

## INTEGRATED DEVELOPMENT PLAN

(2011/12 To 2016/17)



4<sup>rd</sup> Review  
2015/16

## ACRONYMS

<b>ABET</b>	Adult Based Education and Training
<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>ARDF</b>	Agricultural Rural Development Funding
<b>ASGISA</b>	Accelerated and Shared Growth Initiative for South Africa
<b>BBBEE</b>	Broad Based Black Economic Empowerment
<b>BCP</b>	Business Continuity Plan
<b>BCP</b>	Biodiversity Conversation Plan
<b>BNG</b>	Breaking New Ground
<b>BPO</b>	Business Process Outsourcing
<b>BRAIN</b>	Business Referral and Information Network
<b>CASP</b>	Comprehensive Agricultural Support Programme
<b>CBIS</b>	Contractor Based Individual Subsidy
<b>CBOs</b>	Community Based Organisations
<b>CDSM</b>	Chief Directorate for Surveys and Mapping
<b>CDW</b>	Community Development Worker
<b>CETA</b>	Construction Education and Training Authority
<b>CHBC</b>	Community Home Base Care
<b>CHRD</b>	Cultural Heritage Resource Database
<b>CIF</b>	Capital Investment Framework
<b>CLARA</b>	Communal Land Rights Act
<b>CMIP</b>	Consolidated Municipal Infrastructure Programme
<b>CPA</b>	Community Property Association
<b>CPF</b>	Community Policing Forum
<b>CPPP</b>	Community Public Private Partnership Programme
<b>CPTR</b>	Current Public Transport Record
<b>CSIR</b>	Council for Science and Industrial Research
<b>DAC</b>	District AIDS Council
<b>DBSA</b>	Development Bank of Southern Africa
<b>DDG</b>	Deputy Director-General
<b>DFA</b>	Development Facilitation Act 67 of 1995
<b>DG</b>	Director-General
<b>DMC</b>	Disaster Management Centre
<b>DMP</b>	Disaster Management Plan
<b>DRP</b>	Disaster Recovery Plan
<b>EDMS</b>	Electronic Document Management System
<b>EHS</b>	Environmental Health Services
<b>EMP</b>	Environmental Management Plan
<b>EMS</b>	Environmental Management System
<b>EPWP</b>	Expanded Public Works Programme
<b>FBS</b>	Free Basic Services
<b>FBE</b>	Free Basic Electricity
<b>GDP</b>	Gross Domestic Product
<b>GDS</b>	Growth and Development Summit
<b>GGP</b>	Gross Geographical Product
<b>GIS</b>	Geographic Information System

<b>GVA</b>	Gross Value Add
<b>HDI</b>	Human Development Index
<b>HET</b>	Higher Education and Training
<b>HIV</b>	Human Immunodeficiency Virus
<b>HRDP</b>	Human Resource Development Plan
<b>IBBD</b>	Industrial and Big Business Development
<b>ICRMP</b>	Integrated Cultural Resources Management Plan
<b>IFSNP</b>	Integrated Food Security Nutrition Programme
<b>IGR</b>	Intergovernmental Relations
<b>IEM</b>	Integrated Environmental Management
<b>IMEP</b>	Integrated Municipal Environmental Programme
<b>INEPBU</b>	Integrated National Electrification Programme Business Planning Unit
<b>IS</b>	Information System
<b>ISF</b>	Integrated Spatial Framework
<b>ISRDP</b>	Integrated and Sustainable Rural Development
<b>IT</b>	Information Technology
<b>ITP</b>	Integrated Transport Plan
<b>KPA</b>	Key Performance Area
<b>KPI</b>	Key Performance Indicator
<b>LAR</b>	Land Audit Report
<b>LDO</b>	Land Development Objective
<b>LDP</b>	Land Development Principles
<b>LED</b>	Local Economic Development
<b>VKLM</b>	Victor Khanye Local Municipality
<b>LOA</b>	Leave Of Absence
<b>LRAD</b>	Land Redistribution for Agricultural Development
<b>LUM</b>	Land Use Management
<b>LUMB</b>	Land Use Management Bill
<b>LUMS</b>	Land Use Management System
<b>MAM</b>	Multi Agency Mechanism
<b>MDGs</b>	Millennium Development Goals
<b>MDCSR</b>	Mpumalanga Department of Culture, Sports and Recreation
<b>MDHSS</b>	Mpumalanga Department of Health and Social Services
<b>MDE</b>	Mpumalanga Department of Education
<b>MEC</b>	Member of Executive Committee
<b>MFMA</b>	Municipal Finance Management Act
<b>MHS</b>	Municipal Health Services
<b>MIG</b>	Municipal Infrastructure Grant
<b>MPCC</b>	Multi-Purpose Community Centres
<b>MPRA</b>	Municipal Poverty Rates Act
<b>MRDP</b>	Mpumalanga Rural Development Programme
<b>MSA</b>	Municipal Systems Act
<b>MSIG</b>	Municipal Systems Improvement Grant
<b>MSP</b>	Master Systems Plan
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTGS</b>	Mpumalanga Tourism Growth Strategy
<b>MTSF</b>	Medium Term Strategic Framework

<b>NDPGF</b>	Neighbourhood Development Partnership Grant Fund
<b>NEDA</b>	Nkangala Economic Development Agency
<b>NEDLAC</b>	National Economic Development & Labour Council
<b>NEMA</b>	National Environmental Management Act
<b>NEPAD</b>	New Partnership for Africa's Development
<b>NER</b>	National Electricity Regulator
<b>NDM</b>	Nkangala District Municipality
<b>NGO</b>	Non-Governmental Organization
<b>NHRA</b>	National Heritage Resources Act
<b>NLP</b>	National Land Care Programme
<b>NSDP</b>	National Spatial Development Perspective
<b>NWMS</b>	National Waste Management Strategy
<b>OHSA</b>	Occupational Health and Safety Act
<b>OLS</b>	Operating Licence Strategy
<b>PA</b>	Protected Area
<b>PGDS</b>	Provincial Growth and Development Strategy
<b>PHC</b>	Primary Health Care
<b>PHP</b>	Peoples Housing Programme/Process
<b>PLAS</b>	Proactive Land Acquisition Strategy
<b>PMS</b>	Performance Management System
<b>PPP</b>	Public Private Partnership
<b>PRUDS</b>	Provincial Rural and Urban Development Strategy
<b>PSC</b>	Project Steering Committee
<b>RDP</b>	Reconstruction and Development Plan
<b>REDS</b>	Regional Electricity Distribution System
<b>REED</b>	Regional Economic Enterprise Development
<b>RIDS</b>	Regional Industry Development Strategy
<b>RSA</b>	Republic of South Africa
<b>RSC</b>	Regional Service Council
<b>SAHRA</b>	South African Heritage Resources Agency
<b>SALGA</b>	South African Local Government and Associations
<b>SAMAF</b>	South African Micro Finance Apex Fund
<b>SANAC</b>	South African National AIDS Council
<b>SANACO</b>	South African National Civic Organization
<b>SAPS</b>	South African Police Service
<b>SAR</b>	South African Railways
<b>SDA</b>	Spatial Development Areas
<b>SDLC</b>	System Development Life Cycle
<b>SDF</b>	Spatial Development Framework
<b>SEAM</b>	Strategic Engagement and Agreement Matrix
<b>SEDA</b>	Small Enterprise Development Agency
<b>SETA</b>	Sector Education Training Authority
<b>SEMP</b>	Strategic Environmental Management Plan
<b>SLA</b>	Service Level Agreement
<b>SMART</b>	Specific - Measurable - Accurate - Realistic - Time-Based
<b>SMME</b>	Small Medium and Micro Enterprises
<b>SUPA</b>	Service Upgrading Priority Area

<b>SWOT</b>	Strength, Weaknesses. Opportunities and Threats Analysis
<b>TOD</b>	Transit Orientated Development
<b>TRC</b>	Transitional Regional Council
<b>UN</b>	United Nations
<b>URDP</b>	Urban and Rural Development Programme
<b>VIP</b>	Ventilated Improved Pit Latrine
<b>WMP</b>	Waste Management Plan
<b>WSDP</b>	Water Services Development Plan

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## **CHAPTER 1: STRATEGIC MISSION**

### **1.1 Introduction**

Strategic planning is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy. It may also extend to control mechanisms for guiding the implementation of the strategy. Strategic planning became prominent in corporations during the 1960s and remains an important aspect of strategic management. It is executed by strategic planners or strategists, who involve many parties and research sources in their analysis of the organization and its relationship to the environment in which it competes.<sup>1</sup> Strategy has many definitions, but generally involves setting goals, determining actions to achieve the goals, and mobilizing resources to execute the actions. A strategy describes how the ends (goals) will be achieved by the means (resources). The senior leadership of an organization is generally tasked with determining strategy.

Strategy can be planned (intended) or can be observed as a pattern of activity (emergent) as the organization adapts to its environment or competes. Strategy includes processes of formulation and implementation; strategic planning helps coordinate both. However, strategic planning is analytical in nature (i.e., it involves "finding the dots"); strategy formation itself involves synthesis (i.e., "connecting the dots") via strategic thinking. As such, strategic planning occurs around the strategy formation activity. A strategic vision enables an organisation to focus on future success. The Victor Khanye Local Municipality, during the process of reviewing the IDP, has remained steadfast on its commitment to deliver on its mandate as contained in their vision statement:

**“A prosperous Mpumalanga Western gateway city for a cohesive developed community”**

A mission statement reflects the way in which the municipality will conduct their everyday tasks. It describes the purpose of the municipality and the areas to focus on in order to achieve its vision. The mission addresses the objects of government as stipulated in Section 152 of the Constitution: Democratic and accountable governance, sustainable services, social and economic development, safe and healthy environment and encouraged community involvement. This is illustrated in the mission statement of Victor Khanye Local Municipality:

**“To provide quality and sustainable services to the diverse community in a responsive and efficient way for optimum economic growth in order to enhance prosperity. Inspired by desire to be positioned on the global map of attractive cities resulting in a positive impact on investment, jobs, inhabitants, visitors, and events through quality service provision”**

It is within this context that the vision has been translated into the following key strategic thrusts and developmental goals as reflected in the following table:

<b>Key Performance Area</b>	<b>Strategic Thrust</b>	<b>Strategic Goal</b>	<b>Strategic Objective</b>
KPA 1 - Basic Service Delivery and Infrastructure	Service Delivery	Improved provision of basic services to the residents of Victor Khanye Local Municipality	Reduce water backlogs
			Reduce sanitation backlogs
			Increased access to electricity to all households
			Improved the state of existing roads to better and acceptable standard
			Improved storm water drainage system
			Reduced housing backlog
			Provide an efficient, safe and economical waste management
			Traffic law enforcement on all roads and streets in the municipality to curb

Key Performance Area	Strategic Thrust	Strategic Goal	Strategic Objective
			speeding and illegal usage of roads and streets by unlicensed drivers and heavy vehicles
			Ensure the general environment is protected and promoted in a sustainable way
			Increased access to the public education
		Improved social protection and education outcomes	To ensure that that the needs of all vulnerable groups in the community are addressed
		Improved revenue collection	
KPA 2: Financial Viability and Finance Management	Financial Viability	Improved compliance to MFMA and Victor Khanye local municipality policy Framework	Improved compliance to financial regulation
	Financial Management		Increase the efficiency of the Supply Chain Management process
			Improve the functionality of the organisational structure with the Victor Khanye local Municipality Strategy
KPA 3: Institutional Development and Transformation	Organisational Development	Improved efficiency and effective of the Municipal Administration	Improve the level of skill level of employees
			Improve the Wellness of employees
			Improve the

Key Performance Area	Strategic Thrust	Strategic Goal	Strategic Objective
			management of EE issues
			Increased compliance to Occupational Health and Safety Act
			Increase the roll out of PMS
	Performance Management		Improve the ICT infrastructure
	Operational Efficiency		Enhance Oversight over Municipal Administration
KPA 4: Good Governance and Public Participation	Accountability	Improve community confidence in the system of local government	Reduced Risk tolerance level
	Good Governance		Reduce incidence of fraud and corruption
	Good Governance	Improve community confidence in the system of local government	Increased implementation of public participation imperatives
			Improved Customer Relationship Management
	Customer Relationship Management		To provide a systematic spatial / land development control
	KPA 5 : Spatial Development	Land Tenure and Spatial Development	Increase regularisation of built environment
Economic Growth and Development			
KPA 6: Local Economic Development	Economic Growth and Development	Increased economic activity and job creation	Increased economic participation by the youth

Table 1: Developmental Goals

## 1.2 SWOT Analysis

A SWOT Analysis is a strategic planning method used to evaluate the Strengths, Weaknesses, Opportunities and Threats of an organisation. It involves the identification of internal and external factors that are favourable and unfavourable to achieve the objectives of an organisation.

- Strengths: Attributes within the municipality that are helpful in achieving results
- Weaknesses: Attributes within the municipality that is harmful to achieving the desired results
- Opportunities: *External* conditions that can be helpful to achieving the desired results
- Threats: *External* conditions that can be harmful to achieving the desired results

The Victor Khanye Local Municipality has reviewed and updated the original SWOT Analysis developed in the previous cycle to assist the process of reviewing the IDP. The current SWOT Analysis as extracted from the 2013/14 IDP and amended in respect to certain departmental updates is as follows:

**Table 2: SWOT Analysis**

STRENGTHS	
Good working relationships	Functional PPP initiatives
Achieved Blue drop status (Water quality)	Skilled Management Staff
Leadership commitment	Functional Intergovernmental Forum
Strategic geographic location (N12/N4 route corridor).	Municipal learnerships and other forms of financial assistance
Good historical background	
WEAKNESSES	
Shortage of solid waste removal containers (dustbins, bulk waste containers)	Lack of suitable or adequate office accommodation
Unfilled budgeted posts	Document / Records management.
Poor ICT Strategy and Systems compromises Municipal Data Security	Poor rural focus (municipal services delivery)

Poor internal and external communications channels	Low municipal staff morale
IDP not fully implementable	Poor municipal by-laws enforcement
Lack of skills in low level employees	Congested "schedule of events"
SCM processes too restrictive for normal operations	Aging infrastructure with respect to service delivery
Financial constraints	IDP and Risk Management plans developed for compliance purposes
<b>OPPORTUNITIES</b>	
Forthcoming Development of International Cargo Airport (attraction of investors and new job opportunities)	Rehabilitations of coal dumps and mine land resulting in job creation
Anchor development projects	Close proximity to markets & exports (GP)
Access to developmental finance for agriculture, tourism and other business	Availability of public/private sector learnership and bursaries
Provision of acceptable sanitation in rural areas	
<b>THREATS</b>	
Unrestricted office access a security risk	Loss of institutional memory
Mushrooming of informal settlements	Limited local fresh produce
Developments in the wetlands	No support structures for Business Chambers on the municipal LED Strategy
Illegal sand mining	No Debt collection /credit control strategy and approach
Environmental pollution	High unemployment rate (poverty).
Service delivery protests	Remoteness of municipal service points and amenities for rural communities.
Uncleared Dolomite sites (severe injuries)	Decreasing water table due to mining activities and farming
Tensions between the Municipality and the Farming organisation	Land invasion (informal settlements)
Shortage of land for future developments	Poor management of Mining Exploration/Development and rehabilitation

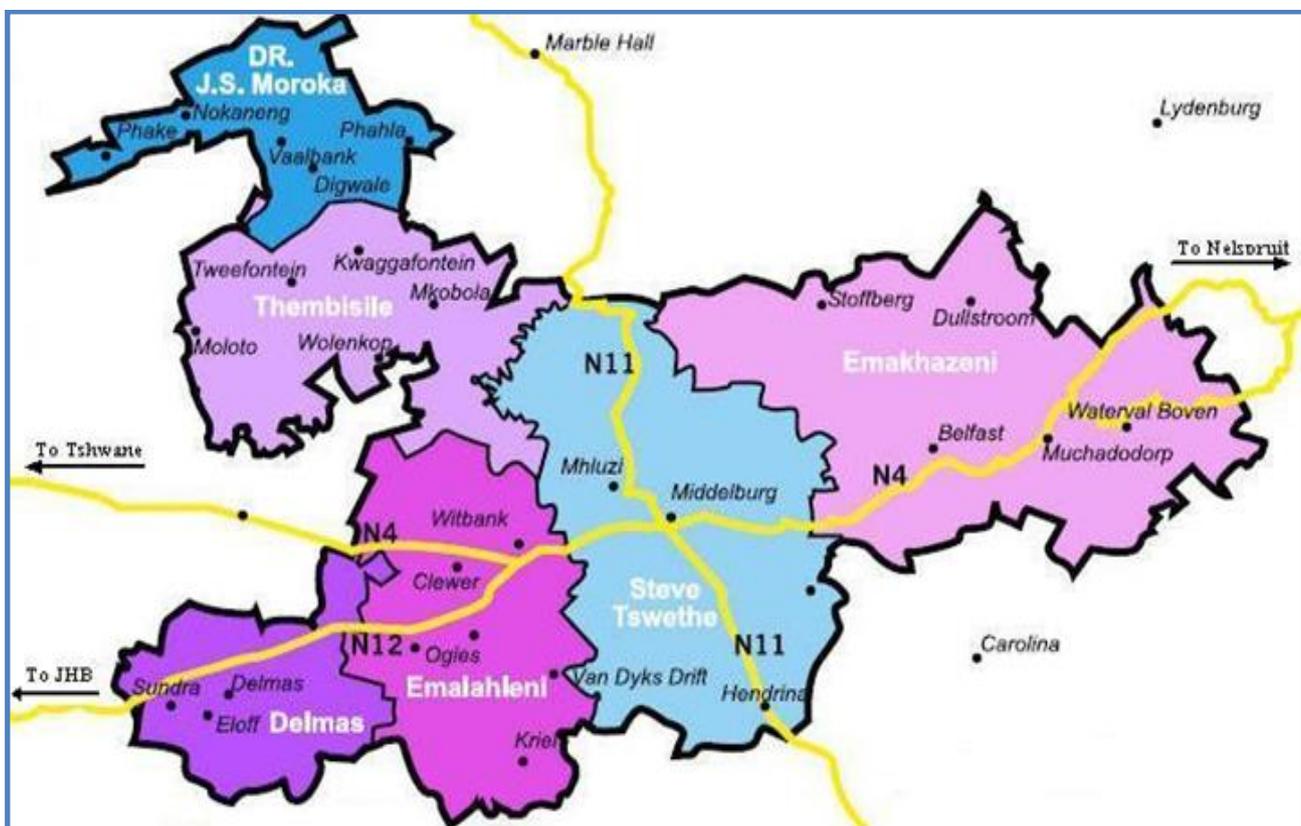
**Table 02: SWOT Analysis**

## **CHAPTER 2: REGIONAL LOCATION**

### **2.1 REGIONAL CONTEXT**

The Victor Khanye Local Municipality is situated on the western Highveld of Mpumalanga Province, covering a geographic area of approximately 1,567 square kilometres. The prominent towns and settlements in the Municipality include Abor, Argent, Delmas, and Brakfontein. The municipality is strategically located close to the metropolitan areas of Tshwane and Ekurhuleni to the west. The headquarters of the municipality are in Delmas (a French word meaning small farm). Victor Khanye is currently characterized by an increase in mining and related activities in the Leandra area.

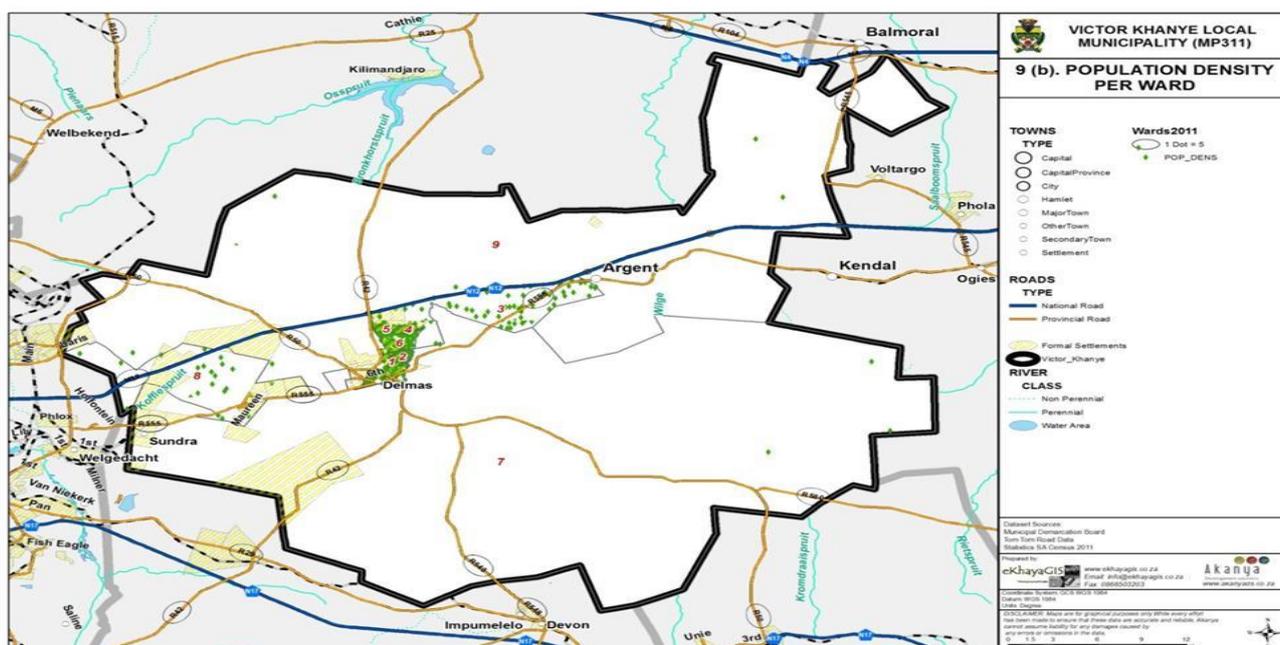
In addition to mining (concentrating on coal and silica), other important sectors in this area are agriculture (a major provider of food and an energy source – maize); finance and manufacturing (capitalizing on the area's proximity to Gauteng). Delmas has good infrastructure. Natural resources make a significant and direct contribution to the Nkangala District economy, which is 'resource based' (coal, water, land capacity, geographical features, climate, and conservation areas, and ecosystems, natural features).



**Figure 1: Regional context**

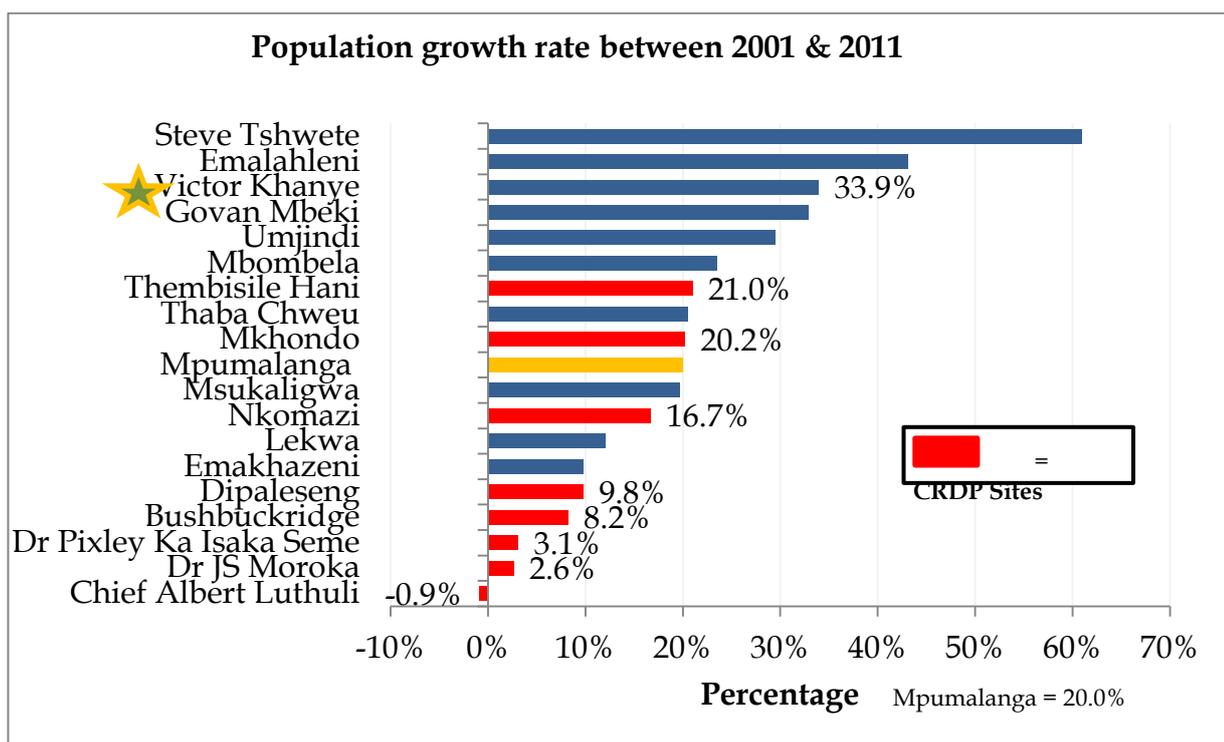
## 2.2 Population Distribution and Trends

The population of Victor Khanye Local Municipality has grown significantly since 2001 increasing from 56,335 to 75,452, which represent a growth of 33, 9% (Census, 2011).



**Figure 2: Population distribution**

The highest population density occurs in the core urban area of Delmas and Botleng, with the rural wards recording the lowest.



### Figure 3: Population growth

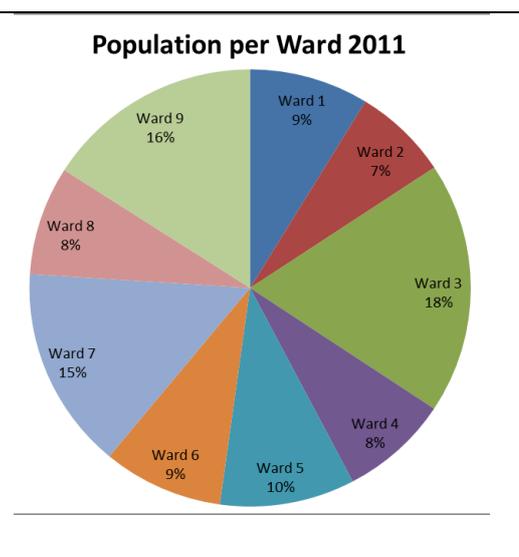
As can be observed from figure 3 above the Victor Khanye Local Municipality reflects the third largest population growth in Mpumalanga province, indicative of the migration of labour attracted to the area as a result of the potential for economic growth and resultant job opportunity.

Age	2011/2012		
	Male	Female	Total
Age: 0 – 4	3990	4063	8053
Age: 5 – 9	3349	3322	6671
Age: 10 – 14	3415	3146	6561
Age: 15 – 19	3433	3347	6780
Age: 20 – 24	4114	3516	7630
Age: 25 – 29	4188	3538	7726
Age: 30 – 34	3335	2772	6107
Age: 35 – 39	2868	2558	5426
Age: 40 -44	2443	2040	4483
Age: 45 -49	2069	2144	4213
Age: 50 -54	1683	1686	3369
Age: 55 -59	1381	1343	2724
Age: 60 -64	1002	1144	2146
Age: 65 -69	656	704	1360
Age: 70 -74	440	536	976
Age: 75 -79	238	361	599
Age: 80 -84	126	221	347
Age: 85+	87	193	280
	38817	36634	75452

Table 03: Population Source: StatsSA

The highest population density occurs in the core urban area of Delmas and Botleng, with the rural wards recording the lowest in terms of spatial distribution, Wards 3, 7 and 9 have the highest population numbers accounting for 50% of the total population of 75,452. These wards are the large, rural wards characterized by mining and agricultural activities. Ward 3 includes a section of Botleng. In terms of population per specific settlement; Botleng (including its extensions) is the settlement with the highest total population.

Wards	Male	Female	Total	% Male	%Female
Ward 1	3297	3309	6606	49.9	50.1
Ward 2	2689	2562	5251	51.2	48.8
Ward 3	6969	7065	14033	49.7	50.3
Ward 4	3108	2914	6022	51.6	48.4
Ward 5	3783	3685	7469	50.7	49.3
Ward 6	3403	3241	6644	51.2	48.8
Ward 7	5953	5369	11322	52.6	47.4
Ward 8	3251	2829	6080	53.5	46.5
Ward 9	6363	5661	12024	52.9	47.1
<b>Total</b>	<b>38816</b>	<b>36636</b>	<b>75452</b>	<b>51.4</b>	<b>48.6</b>



Source: StatsSA

Table 4: Population per ward

As reflected in the following table the highest percentage of the population, approximately 67%, is in the economically active age group of 15-64 year old category, the majority of which are under the age of 35 years of age. This trend demonstrates that labour migration may be the contributing factor to the increase resulting from the economic growth potential of the area.

The census<sup>1</sup> results also reflect a shift in the ratio of males to females with the current balance now marginally in favour of males, representing 51% of the total. A point of interest is that 30, 2% of households are headed by females. The youth between the age groups of 15 to 35 make up approximately 38% of the total population. A split of the population by race reveals the following classification:

- Approximately 82% Africans
- 16% White
- 1% Coloured
- The balance Asian or others

Age	1996			2001			2011		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
0-14	7 821	8 013	15 834	9 008	8 984	17 992	10 754	10 531	21 285
15-64	16 894	16 954	33 848	17 745	18 235	35 980	26 516	24 089	50 605

	Male	Female	Total	Male	Female	Total	Male	Female	Total
65+	1 017	1 184	2 201	985	1 378	2 363	1 547	2 016	3 563
<b>Total</b>	<b>25 733</b>	<b>26 151</b>	<b>51 884</b>	<b>27 738</b>	<b>28 597</b>	<b>56 335</b>	<b>38 816</b>	<b>36 636</b>	<b>75 452</b>

Table 5: Population per gender Source: StatsSA

The most prevalent language spoken is IsiNdebele, spoken by approximately (57%) of the population, followed by IsiZulu (33%) and Afrikaans (2%). The largest variety of spoken languages occurs in the non-urban area. The language preference by Ward is illustrated in the following table.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Total
<b>Afrikaans</b>	122	138	141	27	82	872	3 268	3 459	3 738	11 847
<b>English</b>	184	184	272	80	149	350	568	472	445	2 704
<b>IsiNdebele</b>	2 158	1 635	3 496	2 096	2 452	1 717	1 910	276	3 232	18 972
<b>IsiXhosa</b>	212	204	570	255	280	215	350	110	285	2 481
<b>IsiZulu</b>	2 894	2 116	7 350	2 444	3 400	2 539	3 162	890	2 112	26 906
<b>Sepedi</b>	244	150	526	251	267	205	383	150	366	2 542
<b>Sesotho</b>	381	274	551	275	313	234	410	148	294	2 880
<b>Setswana</b>	236	241	283	100	101	103	212	91	176	1 543
<b>Sign language</b>	2	7	35	13	20	11	20	16	27	151
<b>SiSwati</b>	72	74	340	158	133	127	283	57	188	1 433
<b>Tshivenda</b>	16	41	65	25	16	28	70	52	117	431
<b>Xitsonga</b>	55	49	259	178	95	80	296	140	270	1 424
<b>Other</b>	29	34	145	120	160	73	276	219	347	1 402
<b>Unspecified</b>	-	-	-	-	-	-	-	-	-	-
<b>Not applicable</b>	-	104	-	-	-	91	114	-	428	737
<b>Grand Total</b>	<b>6 606</b>	<b>5 251</b>	<b>14 033</b>	<b>6 022</b>	<b>7 469</b>	<b>6 644</b>	<b>11 322</b>	<b>6 080</b>	<b>12 024</b>	<b>75 452</b>

Table 6: Language preferences Source: StatsSA

### 2.3 Household Distribution

The municipality has recorded a significant growth in the number of households units from 13,409 in 2001 to 20,548 in 2011, representing an increase of 53%, as a result of the population's exponential growth. However, the Victor Khanye Local Municipality comprises only 5, 8% of the total households in the Nkangala District Municipality.

#### Number of Households

Category	Victor Khanye
Population	75452
Households	20548

<b>Average HH size</b>	3.7
------------------------	-----

Table 7: Number of Households Source: StatsSA

It is interesting to note that the average household size has decreased from 4, 2 persons to 3, 7 as per Census 2011 statistics. This phenomenon could be as a result of several factors including incorrect baseline data or that younger people have set up their own homes or the average family size per household is actually decreasing.

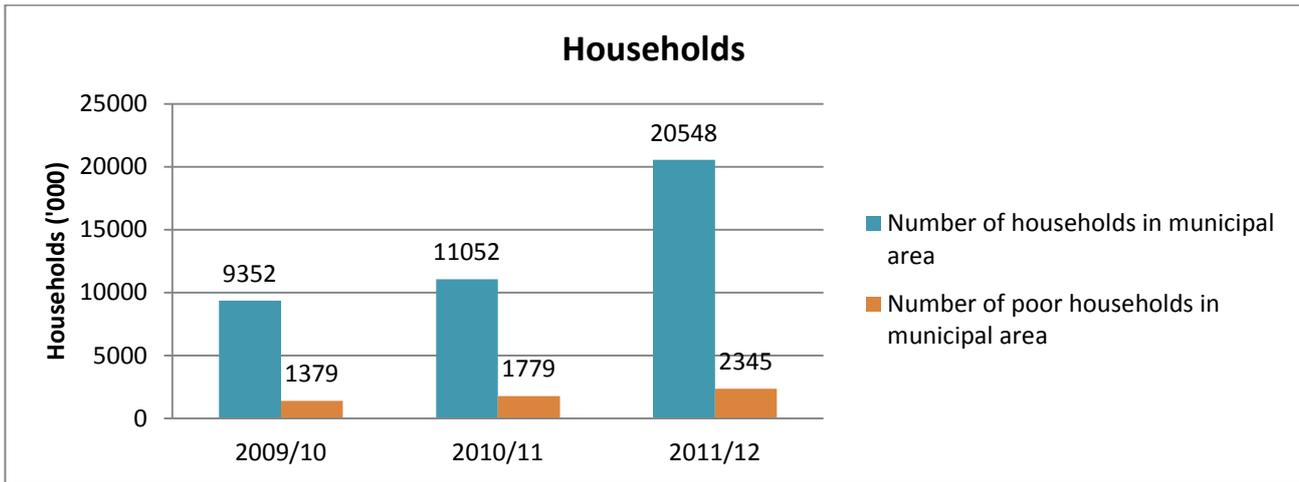


Figure 4: Household statistics Source: StatsSA

Monthly Income	Victor Khanye	%
no income	3,053	14.9%
R1 - R1,600	5,668	27.6%
R1,600 - R12,800	9,697	47.2%
R12,800 - R51,200	1,835	8.9%
R51,200 - R102,400	175	0.9%
R102,401 plus	120	0.6%
Unspecified	0	0.0%
	20,548	100%

Table 8: Income Groups: Source: StatsSA

## 2.4 Household Income levels

The Human Development Index (HDI) is a composite statistic of life expectancy, education, and income indices. It was introduced in 1990 through the auspices of the United Nations to evaluate development not only by economic advances but also improvements in human wellbeing. According to the latest statistics the Victor Khanye Local Municipality is factored at 0.61; 1.0 being the desired level of achievement. In terms

of provincial standings the municipality is ranked in 10th position<sup>2</sup>. In terms of inequality and poverty measured in terms of the Gini-coefficient index that represents the income distribution of a nation's residents and where a factor of zero expresses perfect equality, the Victor Khanye Local Municipality reflects a 2011 index of 0.60, which represent an improvement from 2007, but places the municipality 12th in the province.

The income level per household is considered a better barometer of poverty and reflects that 42% can be classified as Indigent as they earn less than R1, 600 per month, as per Stats SA 2011. Not all these households have registered to qualify for access to free basic services as provided in the Indigent Policy guidelines. This issue is currently being progressed by the municipal administration. There is a negative trend developing as more households are reportedly below the poverty line. The average household income level in the Victor Khanye Local Municipality areas is reflected as R80 239 per annum, ranking it 9th with respect the overall province statistics standing. The income levels by Ward are demonstrated below and shows where the highest level of unemployment and subsequently high poverty conditions prevail.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9
<b>No income</b>	191	290	711	348	256	251	470	182	355
<b>R1-R4800-R4801-R9600</b>	144	159	655	224	234	165	212	87	184
<b>R96012-R19600-R2457 or more</b>	1313	1174	3004	983	1351	1362	2332	1486	2426
<b>Grand Total</b>	1648	1623	4369	1555	1841	1778	3014	1755	2965

Table 9: Income Groups **Source: StatsSA**

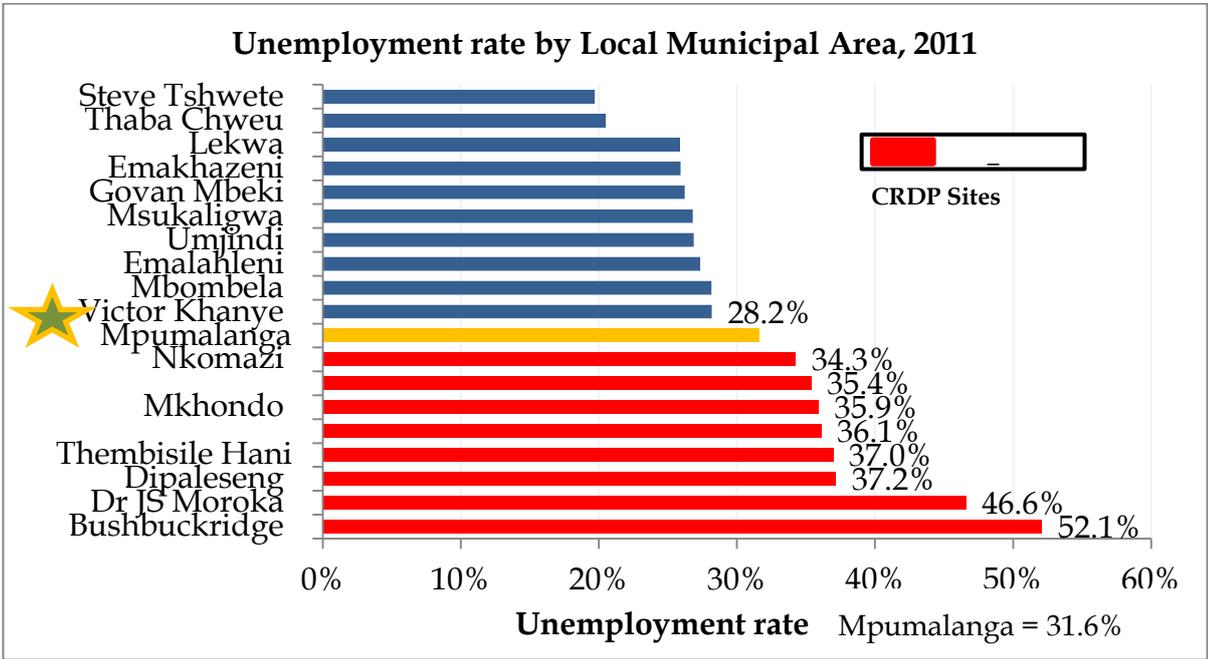
### 1.3.5 Unemployment Statistics

Employment Status	Victor Khanye Local Municipality	%
<b>Employed</b>	21,843	28.9%
<b>Unemployed</b>	8,573	11.4%
<b>Discouraged work-seekers</b>	2,477	3.3%
<b>Not economically active</b>	19,365	25.7%
<b>Others</b>	23,194	30.7%
	75,452	100.0%

Table 10: Employment Statistics **Source: StatsSA**

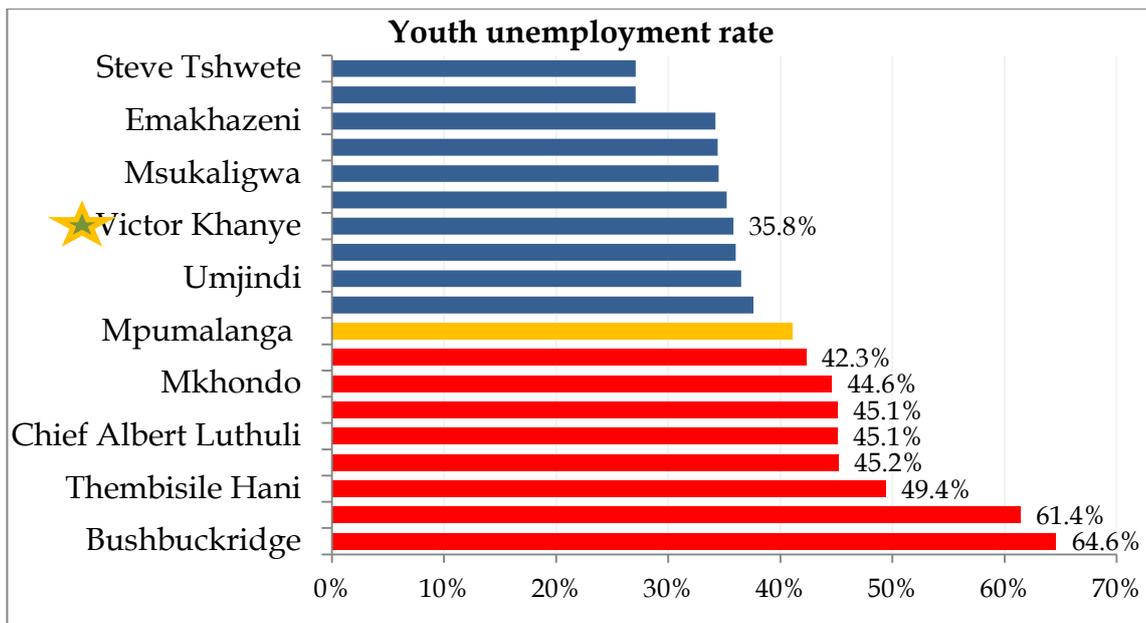
The latest statistic reflect that the employment level in the Victor Khanye Local Municipality is currently at 28, 9%. Based on the 2011 definition of Economically Active Population (EAP) of 30,415 the unemployment rate is reflected at 28, 2%, this represents an overall gain in employment compared to 2001. This figure is high when we consider the economic activity in the area, but obviously impacted by the migration influx of job seekers.

Leading industries in employment comprise of Trade (18, 7%), Agriculture (18, 2%) and Community Services contributing (14, 3%). However, the former two sectors are experiencing a decline in employment in the last few years whilst Community Services has increased and Mining as an employer has grown and now contributes 12, 7%.



**Figure 5: Unemployment rate by Local Municipal Area**

The unemployment rate with respect to the Youth is 35.8%, which is below the Mpumalanga provincial rate.



**Figure 6: Youth unemployment rate**

The employment situation is expected to improve over the medium term with additional jobs expected in the mining sector. Four mines are set to become operational in the years 2012-15:

- Shanduka Coal
- Umthombo Resources
- Universal Coal
- Brakfontein

These developments may however also draw new job-seekers into the Victor Khanye Local Municipality from surrounding areas, which may lessen its positive impact on the prospects of local employment.

### **2.5 Education**

Outcome 1 of the Delivery Agreement requires the improvement of the quality of basic education in general and in Maths and Science in particular. The Victor Khanye Local Municipality has an inherited problem namely that the low income levels per household in the community correlate to the low education levels in the area. Statistics show that 25% of the population above 15 years of age has had no schooling or did not complete primary school. Of this number 5,528 are basically illiterate and therefore future meaningful employment prospects are virtually impossible. A further 41% of the population did not complete the schooling curriculum and therefore did not reach the level of matric.

<b>Highest level of education obtained in Victor Khanye Local Municipality</b>	
No schooling	5 528
Less than Grade 7	6 164
Grade 7	2 234
Less than Grade 12	16 610
Matric/ Grade 12	12 719
Matric plus	3 348
<b>Total</b>	<b>46 603</b>

Table 10: Levels of education **Source: StatsSA**

On the positive side the pass rate reported in 2012 shows that 76.7% of matriculates wrote the year-end exam, which reflects an upward trend and attributed to Victor Khanye Local Municipality being ranked in 5th place in the province. However this improved pass rate was not reflected in the university admission rate with only 26, 2% of scholars seeking to further their education status. When these statistics are compared with the unemployment statistics the assumption can be made that a high percentage of job seekers do not have the minimum education entry level. Unfortunately these job seekers will be restricted to unskilled manual work where the main employer in this sector of employment, namely Agriculture, is receding as a leading employer. This poses a huge problem within the communities as the dependency syndrome increases and criminal activities increase.

The status of teacher and pupil ratio in the township schools is slowly creating a problem for public education in VKLM. The Primary schools in Botleng Proper are experiencing a decline in learner registration. These phenomena might be influenced by the development of Botleng Extension 3, 4 and 5 versus the ageing of the population in Botleng proper. Contrary to this declining trend, the Primary schools in Botleng Extension 3 are experiencing overcrowding. Secondary schools are not much affected by this situation because these pupils are more mobile and able to commute between the different areas. With the Development of Botleng extension 6 the problem will be exacerbated even further. There might be a future need for transportation for learners to fill the empty schools. The following table illustrates the attendance levels at the various Educational Institutions by Ward.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Grand Total
<b>Pre-school (day care; crèche; Grade R, ECD)</b>	12	3	10	2	12	16	27	9	39	129
<b>Ordinary</b>	579	1 102	3 695	1 758	1 958	1 588	2 170	1 000	2 407	17 256

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Grand Total
school (Grd R In a school; Grd 1-12)										
Special school	3	10	28	3	11	3	19	21	18	117
FETCollege FET	55	25	74	20	40	32	62	37	84	428
Other College	32	23	33	30	22	8	54	17	65	285
HED University / of Technology	52	31	71	80	53	94	122	104	247	854
ABET Centre	23	22	73	102	47	56	44	14	160	540
Literacy classes e.g. Kha Ri Gude; SANLI	5	-	7	10	2	8	7	-	20	60
Home based education	3	-	10	3	2	10	17	20	26	92
Unspecified - N/a	4 841	4 034	10 033	4 012	5 323	4 829	8 799	4 859	8 959	55 690
<b>Grand Total</b>	<b>6 606</b>	<b>5 251</b>	<b>14 033</b>	<b>6 022</b>	<b>7 469</b>	<b>6 644</b>	<b>11 322</b>	<b>6 080</b>	<b>12 024</b>	<b>75 452</b>

Table 11: Education institution attendance by Ward Source: StatsSA

### Table 3: Education institution attendance by Ward

The following table illustrates the highest level of education attained by scholars based in the respective Wards where they reside.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Total
Grade 0 - Grade 11 / Std 9 / Form 4	3 779	3 125	8 650	3 693	4 723	3 796	6 162	2 889	5 895	42 712
NTC I / N1/ NIC/ V Level 2 - N6 / NTC 6	57	71	95	25	46	59	203	239	220	1 014
Certificate with less than Grade 12 / Std 10 - Diploma with less than Grade 12 /	15	6	26	8	6	12	39	40	56	208

<b>Std 10</b>										
<b>Grade 12 / Std 10 / Form 5</b>	1 405	914	2 440	819	1 091	1 240	1 783	1 479	2 021	13 193
<b>Certificate with Grade 12 / Std 10</b>	64	31	73	14	23	34	101	63	103	504
<b>Diploma with Grade 12 / Std 10</b>	71	37	59	30	33	62	91	132	228	742
<b>Higher Diploma</b>	23	29	43	15	23	49	136	153	201	674
<b>Post Higher Diploma Masters; Doctoral Diploma</b>	4	2	8	1	9	6	11	8	43	91
<b>Bachelor's Degree</b>	16	15	26	-	11	34	92	81	198	472
<b>Bachelor's Degree and Post graduate Diploma</b>	4	2	11	-	5	19	27	37	52	156
<b>Honours degree</b>	4	5	8	-	5	23	16	40	62	163
<b>Higher Degree Masters / PhD</b>	3	3	5	1	2	15	10	19	46	104
<b>Grand Total</b>	5 445	4 239	11 444	4 607	5 975	5 347	8 671	5 180	9 125	60 034

Table 12: Level of scholastic achievement by Ward Source: **StatsSA**

There is a great need for an institution addressing mining skills and manufacturing qualifications. The high poverty levels in especially rural areas warrant an extension of school feeding schemes to all schools, especially to the foundation phase. Also, some children are orphaned largely by HIV/AIDS and other families are headed by minors renders them at risk of teenage pregnancy and many other threats. In view of the high levels of poverty, the criteria used for determining and declaring no fee schooling need to be evaluated.

## 2.6 Health

Mpumalanga is one of the three (3) Provinces with the highest infection rates of HIV/AIDS. Latest statistics<sup>3</sup> for the Province reveal that Victor Khanye Local Municipality has an

increased infection rate; as measured in pregnant women tested, of 55%, the 3rd highest in the province. With respect to HIV prevalence, excluding pregnant women the trend reflected a decrease to 23.0%.

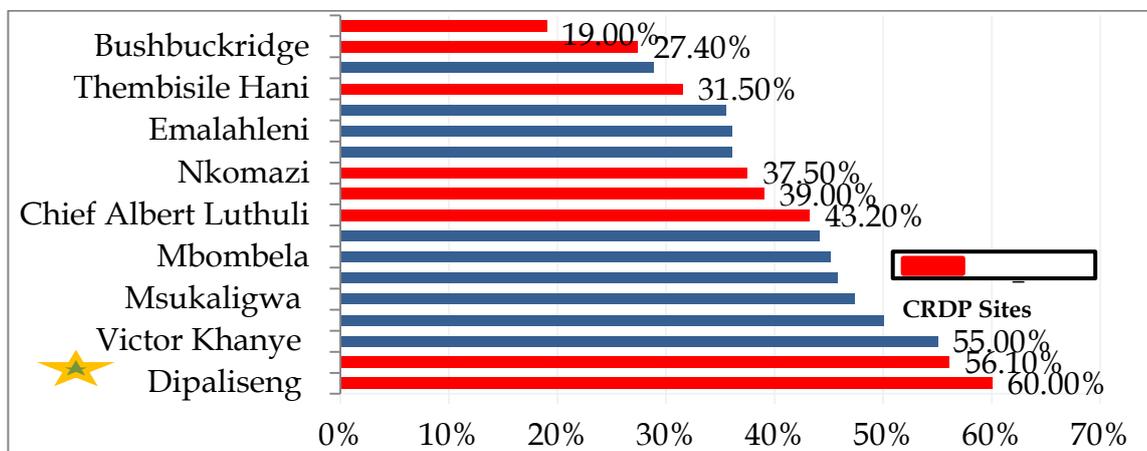


Figure 7: HIV/AIDS prevalence

### 2.7 Economic Perspective

The Victor Khanye Local Municipality Gross Domestic Product (GDP) is forecast to grow by 3.4% per annum over up to and including 2016, although this is lower than the District and Province projections. The forecast is very optimistic if we consider that the historic growth rate in the period 1996-2011 remained relatively low at 2.0% per annum.

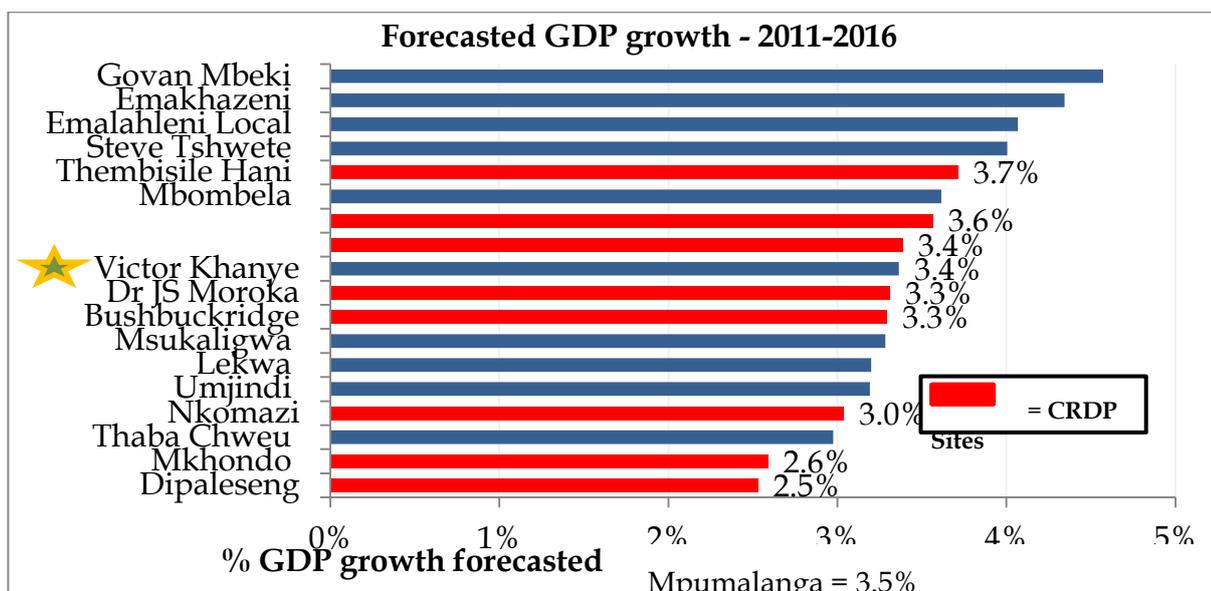


Figure 8: Forecasted GDP growth for 2011-2016

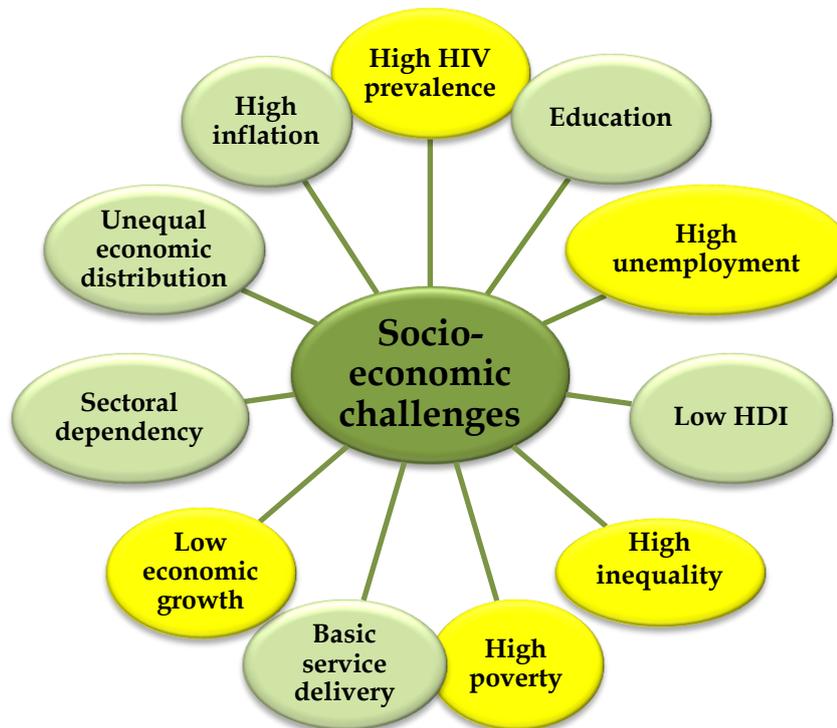
Agriculture, transport, community services, finance and mining will be the main contributors to the Victor Khanye Local Municipality economic growth in the period up to 2016. The municipality is a major maize producing area. Annual maize production is calculated at between 230 000 and 250 000 metric tons.<sup>4</sup> Mining activities are concentrated on coal and silica. About 3 million metric tons of coal and 2 million metric tons of silica are mined annually in the municipal area.

With respect to Gross Value Added (GVA) - a measure in economic terms of the value of goods and services produced in an area, industry or sector of an economy - the Victor Khanye Local Municipality contribution to the Mpumalanga province is reflected at 2,0% in 2011 at an estimated value of 3,4 billion. The projection going forward is a GVA index of 1, 7% reflecting a reduction in the value of economic growth which is contrary to the GDP index projections. With respect to the GVA contribution to the overall Nkangala District's economic basket the municipalities input of 4, 5% is relatively small compared to Emalahleni and Steve Tshwete, which contribute a collective 83, 9% on a 54:46 ratio basis. The major economic "bread basket" for the municipality with regards to value added goods are Mining and associated Transport, and Manufacturing playing a significant role. The regeneration of power stations, as well as the new Kusile power station in the Victor Khanye area, could serve as a catalyst to increased demand for coal reserves in the Nkangala area. The industrial potential of agro-processing should also be promoted to capitalise on its strategic location in relation to the major transport network.

In terms of the Nkangala District priorities, the N12 freeway has been classified as a development corridor as it links Nkangala with the industrial core of South Africa (Ekurhuleni Metro and Oliver Tambo International Airport) as well as the financial and commercial capital of South Africa, namely Johannesburg. There are development opportunities in Victor Khanye Local Municipality along the N12 corridor that need to be identified for development. This development will be nodal in nature. It is suggested that economic activity is to be promoted at Delmas. Intensive agriculture should be promoted along the N12 Corridor, to capitalise on the access to markets at local and regional level.

In summary, the economic challenges facing the Victor Khanye Local Municipality are similar in most respects to that facing the Mpumalanga Province as depicted in the following diagram. Attracting the correct balance of investment is needed to grow the local economy and address the majority of the ills currently faced in the municipality.

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**Figure 9: Socio-economic challenges in Mpumalanga Province**

**2.8 Tourism**

Tourism as a growth industry is clearly reflected in the 2011 statistics which report an increase in overnight stays of 169% and 140% in the number of tourist trips made since 2007. It is estimated that R 253, 8 million was derived by the local economy from tourism activity. This has and will continue to impact positively on the Victor Khanye Local Municipality GDP's growth. However, if compared to the Province as a whole it would appear that Victor Khanye Local Municipality is not leveraging the full potential of the tourist attractions in the area as the municipality is only ranked 10th out of all the municipalities.

**2.9 Transport**

Various national, provincial and municipal roads run through the Victor Khanye Local Municipality, with many regional routes converging at Delmas which lends to its strategic significance. Consequently, the municipality features a well-developed regional road and rail infrastructure. The N12 national toll road that links Johannesburg with Nelspruit runs from east to west through the northern part of the municipality. This road also links the municipality with the Maputo Development Corridor.

The major provincial roads in the municipal area are:

R50 that links Tshwane with Standerton
R42 that links with Bronkhorstspuit
R555 that links Springs with Witbank
R548 that links with Balfour
R42 that links with Nigel

Table 14: The major provincial roads

The following are the main features/ issues pertaining to public transport in the Victor Khanye Municipal area:

Long distances between low-income residential areas and employment areas (Botleng Extensions 3 and 4 – Delmas CBD/ Industrial Areas; and Botleng and Extensions – Rietkol and Springs)
No formal public transport (buses, or rail) are available in area
Efficient and flexible private transport facilities are available (taxis), but are relatively costly
Well-developed transport nodes (taxi ranks)

Table 15: main features

The relationship between where people live and work is distorted and settlements are not integrated. This is especially evident between Botleng Extension 3 and 4.

The railway sections that traverse the municipal area include:

One running alongside the R555
A southern branch that extends into the south of the Municipality where it terminates

Table 16: railway sections

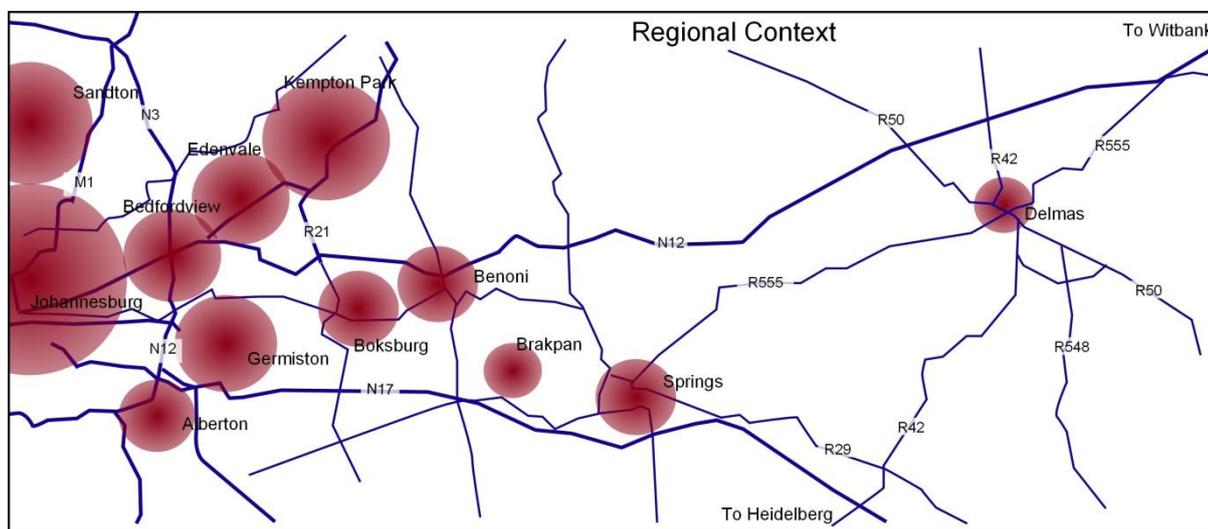
This rail network stretches from Gauteng in the east into Mozambique (Komatipoort and onwards) in the west. It connects the municipality to adjacent and regional markets, and this strength should be leveraged and strongly promoted. A major initiative, according to the Nkangala IDP, is the Nkangala International Cargo Airport. This project aims to enhance and integrate the entire import and export industry in the region through the construction of an airport with international status that will deal primarily with but not be limited to cargo. Land to the north of Delmas has been earmarked for this initiative. A Johannesburg-based company proposed to build the International Freight Airport in Delmas. Beside air cargo facilities, an area is proposed to be used as Free Trade Zone (FTZ)

at the airport and the peripheral areas are proposed to be developed for mixed use including a conferencing facility.

## 2.10 Spatial Development Rationale

### 2.10.1 Spatial Development

Victor Khanye Local Municipality is located in the Nkangala District in Mpumalanga. It covers a geographic area of approximately 1 567 square kilometres. The Victor Khanye Local Municipality is well connected to both Gauteng and Mpumalanga. Regional access is provided via the N12, R555, R50 and R42.

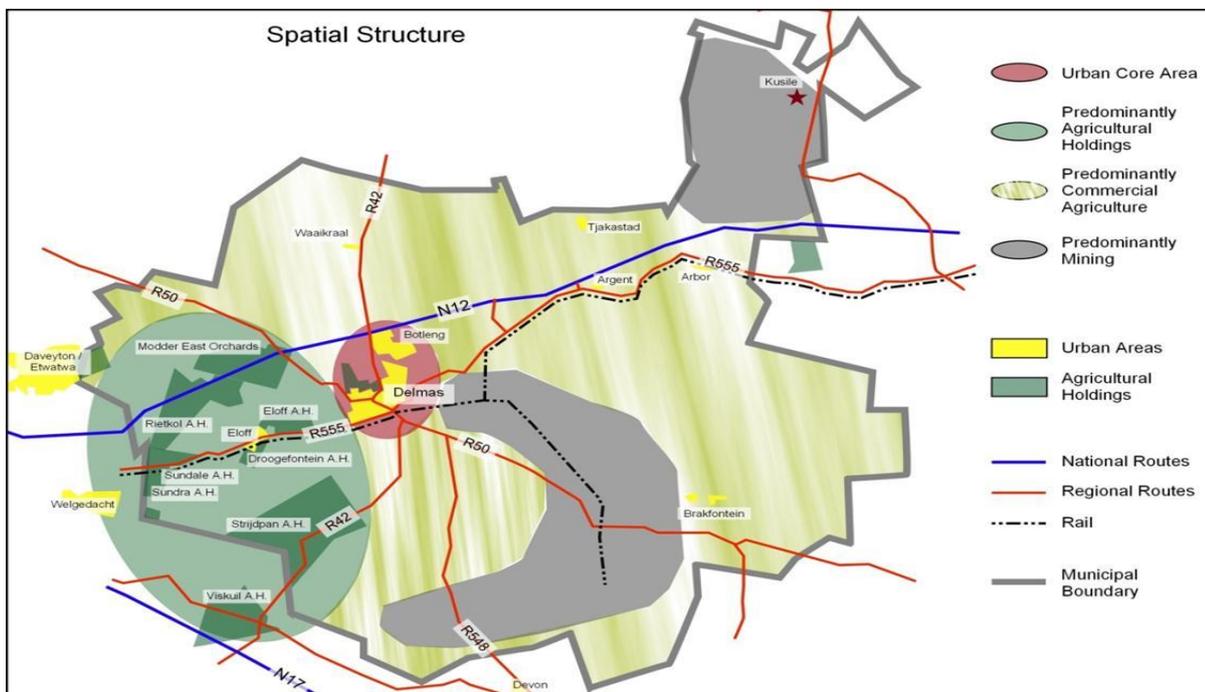


**Figure 10: Regional Context**

Victor Khanye Local Municipality location on the edge of Gauteng is an advantage in terms of transport of agricultural and mining products to processing facilities and markets. The Spatial Development Framework of the Victor Khanye Local Municipality translates the IDP of the Municipality into spatial principles and strategies and thus constitutes the spatial implementation of the IDP. The Spatial Development Framework focuses on integrating the fragmented spatial structure of the municipality with the emphasis of ensuring that all communities have equitable access to sustainable services. The Spatial Development Framework also ensures that economic, cultural, recreational and educational activities and opportunities reach communities in dispersed rural areas in an efficient manner. Key to this was to align the Spatial Development Framework with that of the Nkangala District, and providing spatial inputs to the pilot Comprehensive Rural Development Programme

(CRDP) initiative spearheaded by the Department of Rural Development and Land Reform.

The SDF also creates a spatially based policy framework whereby change, needs and growth in the Victor Khanye Local Municipality is managed positively in a coordinated manner to the benefit of all stakeholders. It focuses on effective, optimised land usage within the broader context of protecting the existing values of the Victor Khanye Local Municipality environs, i.e. as a tourism destination and a rich historical and cultural area. The Spatial Development Framework also protects the functioning of the current environmental ecosystems and ensures that future developments take full cognisance of these factors and incorporates them in the strategies developed.



**Figure 11: Existing spatial structure**

Figure 13 illustrates the existing spatial structure and distribution of land use within the Victor Khanye Local Municipality environs. It is clear that the Victor Khanye Local Municipality could be classified into two district spatial zones, namely:

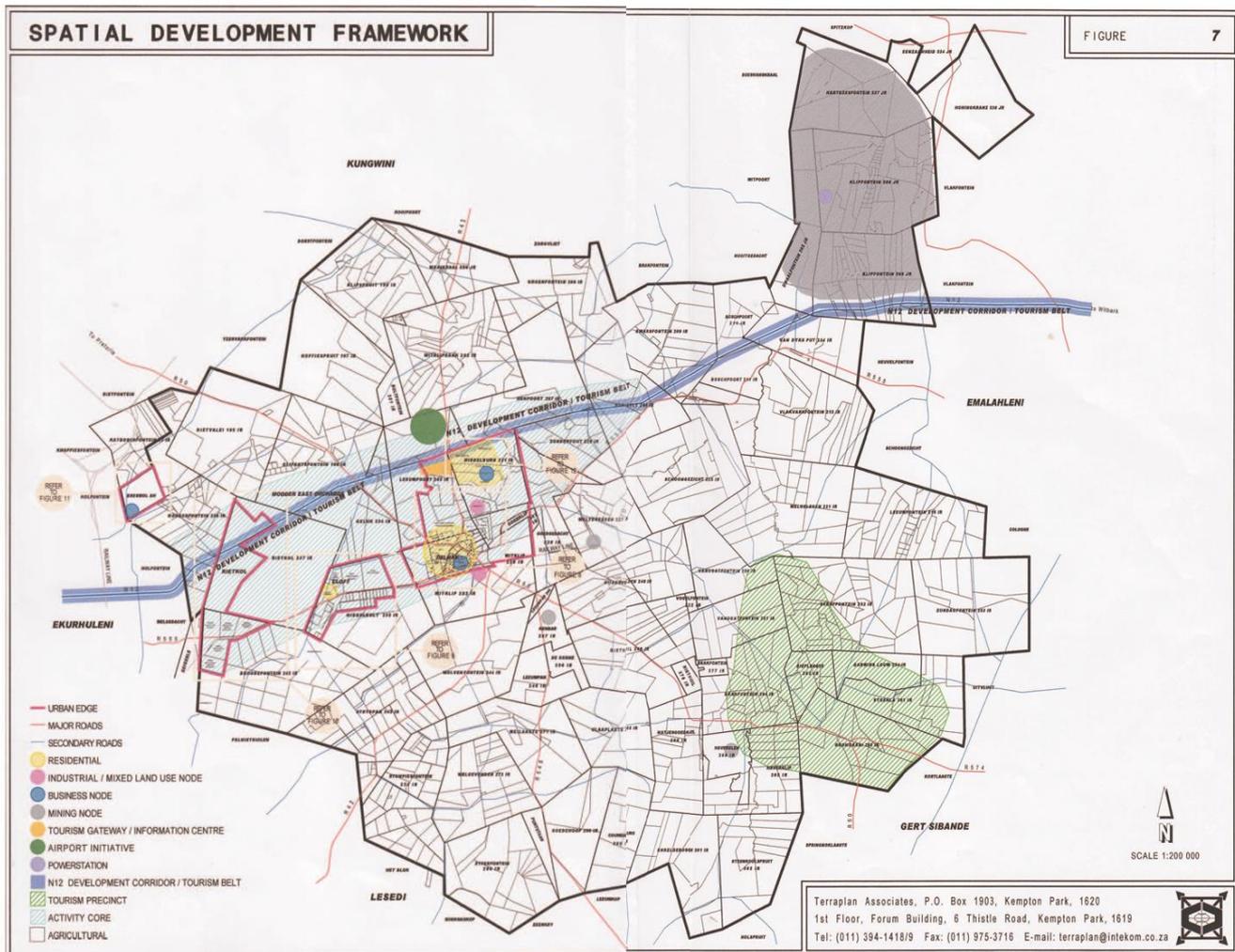
The **urban zone**, including Delmas and Botleng, where most of the social amenities and community services are located. This proposed activity core in the SDF also targets this zone

The **rural zone**, where mining activities and agriculture dominate. This zone is characterised by small, isolated settlements and lower levels of access to services, but the majority of the Victor Khanye Local Municipality population reside in the rural

communities

Table 17: District spatial zones

In essence Delmas, Botleng and Delpark are the main formal urban with the latter two predominantly residential areas and Delmas incorporating a residential area, central business district and industrial area. To the west of Delmas are agricultural holding areas with the remainder of the municipal area characterised by commercial agriculture, mining, and associated small settlements. Going forward, a major development is the construction of the Kusile Power Station which will have a significant impact on development in the area and subsequently lead to the future extension of mining activities and related residential demand around the existing urban core areas. As no new residential areas are planned to absorb the anticipated influx of labour for this development, a need for new housing will have to be accommodated in and around the existing urban core areas. The future extension of mining activities in response to the commissioning of the new Kusile Power Station will also have to be accommodated in these developments.



**Figure 12: Spatial development framework**

There are a number of other major projects and initiatives in the pipeline as per the approved Spatial Development Framework <sup>5</sup>, some of which are in the process of implementation and others that, when implemented, will accelerate economic growth and contribute to the projected GDP target being achieved. Some of these projects already in the process of incubation include:

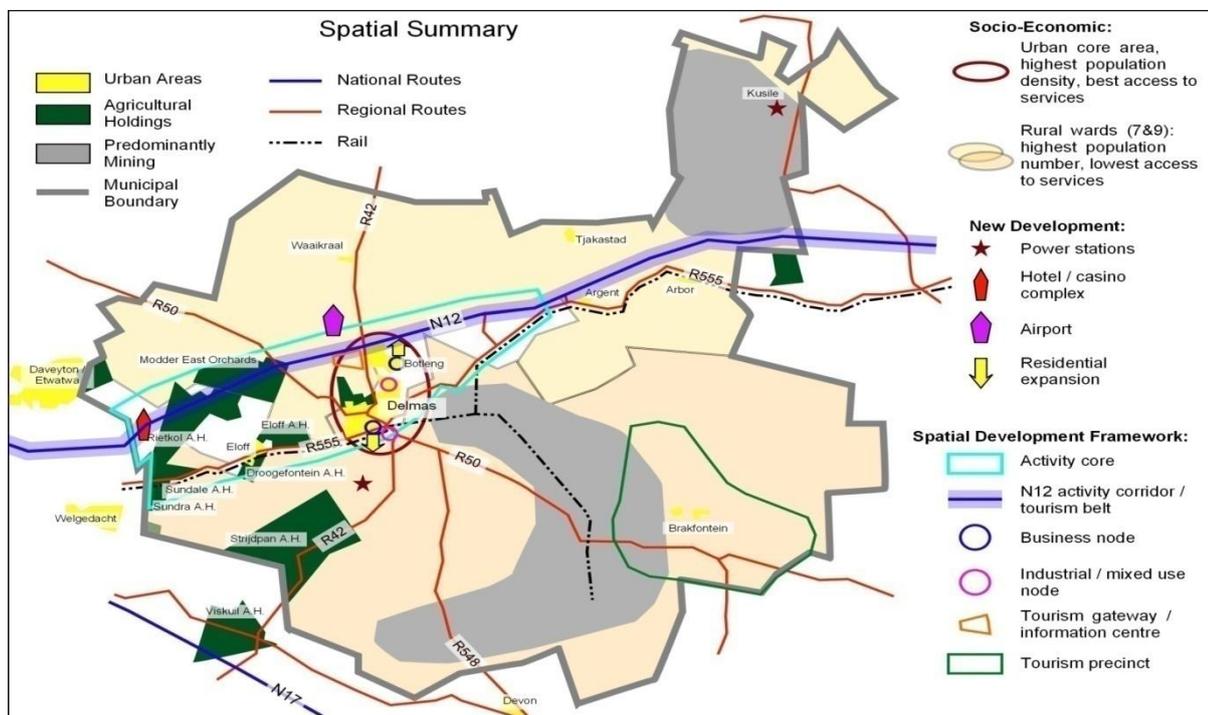
Urban Edge and Residential expansion
Business / Industrial / Mining and mixed land use nodes
Tourism gateway / information centre
Kusile Power station
N12 development corridor / Tourism precinct and belt
Cargo airport and Township Establishment for Nkangala Airport City has been submitted (Delmas Extension 30).
Township Establishment on Portion 7 of the Farm Modderfontein 236 IR (Eastside Junction Development)
Erf 273 Delmas West Extension 2 was subdivided to accommodate a residential, Business and Industrial nodes
Township Establishment of certain portions of Breswol Agricultural Holdings

Table 18: incubation projects

The downside of this economic growth is the Influx of people seeking job opportunities in the Kusile Power Station and new mines placing extreme pressure for the rapid provision of housing and associated service infrastructure. These new developments will also further exacerbate and compound the accelerated deterioration placed on the existing local and provincial road network. This will call for coordinated, holistic and detailed planning for comprehensive new infrastructure to enable funding applications to be formulated well in advance of anticipated need for project commencement.

## 2.10.2 Land Use by Area

The following section reflects in more detail the proposed land use management principles embodied in the current Spatial Development Framework.



**Figure 13: Spatial summary**

The development structure of the town should be consolidated in a rectangular shape between N12 freeway in the north and the railway line to the south. Residential development in the form of in-fill development and or densification should be accommodated and promoted in Delmas West Extension 4, adjacent to the railway line and to the south of Delpark up to the flood line. Others areas for consideration include the east of Botleng and to the south of the Old Witbank Road including the Union Forest Plantation Agricultural Holdings. Also included are the north of Delmas Extension 4, to the southern portion of the Remainder of the farm Leeuwpoort and the portion 6 of the farm Middelburg (Botleng Extensions 5, 6 etc).

In the medium to long term pressure for residential expansion could also expand into the Leeuwpoort area and immediately to the north of the agricultural holdings to the west or route R42. The area between Botleng Proper and Botleng Extensions 4 and 5, which is geologically unsuitable for residential development (dolomite), can be utilised for the future mixed low intensity uses such as sports and recreation or urban/farmer training and/or individual industrial development on geologically stable pockets of land. The land

earmarked for residential purposes should be sufficient to deal with estimated housing backlog which is currently estimated at 4,257 units<sup>6</sup>.

Community facilities should in principle be concentrated around the four proposed Thusong Multi-Purpose Community centres. Council intends to develop the centre of the area on the western portion of the farm Leeuwpoort as the future main municipal complex for Delmas. With respect to regional open space development the Bronkhorstspruit draining system through Delmas/Botleng is a strong farming area around which urban development should take place. This area can serve as an open space for recreation and also cater for the sports needs of the community.

In the Eloff area and surrounds the core residential component is located to the north and south of the railway line. The agricultural holdings areas will be used for rural residential purposes with a condition that the subdivision of holdings are restricted to a minimum size of 7,500m<sup>2</sup> with the necessary excision application, as per the approved Council policy. Socio-economic activities must be accommodated as linear business developments adjacent to the R555 and the railway line as well as in the nodes within the residential area in the western parts of the Eloff Township, parallel to the Provincial Road, which bisects the town from north to south.

Business rights will also be allowed and industrial uses must be concentrated and clustered together to the south of the railway. A multi- purpose centre is proposed on the western boundary of Eloff Township close to the existing Shopping Centre. It should be noted that limited bulk services are available in this area and detailed studies pertaining to availability of the requisite bulk infrastructure need to be evaluated and submitted before any township establishment applications can be considered. The Sundra, Springs and Rietkol Agricultural Holdings are regarded as rural residential areas with limited small scale farming operations. Throughout the area numerous illegal land uses are also present. To alleviate this problem, Council has adopted a policy allowing certain economic activities within the area so as to cluster the economic activities and alleviate the pressure on maintenance of roads, etc.

Certain areas have been identified as economic node points, namely the properties in the Rietkol Agricultural holdings fronting on to the N12 freeway and/or the areas

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immediately to the south of and north thereof. It is important to manage land use change in the area due to a lack of bulk infrastructure services, which could result in excessive pollution. It is also necessary to protect the rights of land owners in the area which use the area mainly for rural residential purposes and/or agricultural purposes. For the same reason, Council should not allow any further subdivision of agricultural land and larger farm portions, subdivided into agricultural holdings in the area.

Business use development will also be considered in the southern portion of the Springs Agricultural Holdings adjacent to route R555, as well as the agricultural holdings directly fronting onto the east/west link road through the Rietkol Agricultural Holdings and in the southern portion on the Sundra Agricultural Holdings.

The Breswol Agricultural Holdings is located on the western boundary of the Delmas Municipal area, directly adjacent to the east of Daveyton/ Etwatwa. Development pressure is being experienced in this area for the establishment of at least 600 to 1000 residential erven (affordable housing). Due to the lack of infrastructure in the Rietkol/ Sundra / Springs Agricultural Holdings area, the Breswol Agricultural Holdings area is best suited to accommodate such development as bulk infrastructure services are available in (Ekurhuleni Metropolitan Municipality – Gauteng). Parts of the Breswol Agricultural Holdings have recently been developed by the Ekurhuleni Metro via a cross border agreement.

It is therefore proposed that Breswol Agricultural Holdings be earmarked for residential development with the supporting facilities such as a business centre, schools, etc. The initial development will comprise of 1 000 erven with the business facilities supporting the area. The major challenges facing Victor Khanye Local Municipality and needs to be addressed in terms of their SDF is prioritising access to basic services to the wards with the highest population numbers, namely Wards 7 and 9, and dealing with the predominately extensive rural wards with dispersed mining and agricultural settlement and their dispersed settlement pattern which impact on service delivery as a result of cost and access.

## **CHAPTER 3: REVIEW PROCESS**

### **3.1. INTRODUCTION**

The character of the current system of local government is informed by the Constitution of the Republic of South Africa, 1996, which defined five objects for local government and provided that all municipalities must strive to realize these objectives within their financial and administrative capacity. The objects of local government as prescribed on, Sec 152(1):

- a) To provide democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment; and
- e) To encourage the involvement of communities and community organisations in the matters of local government.

Importantly, the White Paper on Local Government (1998) clarified what the developmental vision for local government should mean in practice. Essentially, the White Paper indicated that developmental local government concretely means two things: a new approach to doing things; and a set of new tools which local government can use to build this approach. The White Paper proposed that municipalities must begin to focus their energies on a clear set of developmental outcomes that will meaningfully address the impact apartheid had on human settlements. These outcomes are:

Provision of household infrastructure and services;
Creation of liveable, integrated cities, towns and rural areas;
Local economic development; and
Community empowerment and redistribution

Table 19: outcome

To orientate itself to these developmental outcomes, local government is constitutionally required to structure and manage differently its administration, planning and budgeting processes. The White Paper proposed some of the new administrative systems that municipalities needed to adopt to build a developmental approach. These systems are the pillars which concretely support a developmental orientation are enshrined in the Municipal Systems Act (MSA, 2000) and include:

Integrated development planning;
----------------------------------

Performance measurement and management; and
Structures and systems to enable the active involvement of citizens and communities in the affairs of municipalities.

Table 20: pillars

### 3.2 INTERGOVERNMENTAL RELATIONS

The IDP is the key instrument to achieve developmental local governance for decentralised, strategic, participatory, implementation orientated, coordinated and integrated development. Preparing an IDP is not only a legal requirement in terms of the legislation but it is actually the instrument for realising municipalities' major developmental responsibilities to improve the quality of life of citizens. It seeks to speed-up service delivery by securing a buy-in of all relevant role-players and provides government departments and other social partners with a clear framework of the municipality's development trajectory to harness implementation efforts.

Integrated development planning also promotes intergovernmental co-ordination by facilitating a system of communication and co-ordination between local, provincial and national spheres of government. Local development priorities, identified in the IDP process, constitute the backbone of the local governments' budgets, plans, strategies and implementation activities. Hence, the IDP forms the policy framework on which service delivery, infrastructure development, economic growth, social development, environmental sustainability and poverty alleviation rests.

The IDP preparation process requires an intensive consultation and participation of communities, all role-players and key stakeholders in order to achieve shared understanding of the municipal development trajectory and alignment. Although municipalities are expected to establish participation structures, it will however be critical to consider utilising existing arrangements, and adapt them if necessary, and avoid duplication of mechanisms.

The following consultative structures are recommended: IDP Forum, IDP Technical Committee, and IDP Working Groups

The composition and proposed terms of reference for these structures is briefly outlined in the table below. The terms of reference outlined below may only be used as guidelines and the scope may vary depending on the municipal circumstances. The table summarizes the distribution of roles and responsibilities.

Structure	Description	Composition	Terms of reference
<p style="text-align: center;"><b>IDP Forum</b></p>	<p>This is a political structure which institutionalizes and guarantees representative participation in the IDP Processes</p>	<p><b>Chaired by the Executive Mayor.</b></p> <p>Comprises of:</p> <ul style="list-style-type: none"> <li>▪ Executive Mayor</li> <li>▪ Members of the Mayoral Committee</li> <li>▪ Representatives of all political parties within Council</li> <li>▪ Municipal Manager</li> <li>▪ Senior municipal officials(Directors &amp;level 1-3 Managers)</li> <li>▪ Sector Departmental HODs and planners.</li> <li>▪ Traditional leadership</li> <li>▪ Councilors and Ward Committee Members</li> <li>▪ Business</li> <li>▪ Labour</li> <li>▪ Parastatals</li> <li>▪ Civil society and individuals</li> </ul>	<ul style="list-style-type: none"> <li>▪ Provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders inclusive of municipal government</li> <li>▪ Represent constituency interest in the IDP process</li> <li>▪ Participate in the process of setting and monitoring “key performance indicators”</li> <li>▪ Promote coordination and alignment of activities vertically and horizontally</li> <li>▪ Information assimilation/dissemination forum</li> </ul>

Structure	Description	Composition	Terms of reference
<b>IDP Technical Committee</b>	This is an inclusive technical committee involving the municipalities and sector departments	<p><b>Chaired by the Municipal Manager</b></p> <p>Comprises of:</p> <ul style="list-style-type: none"> <li>▪ Chairpersons of IDP Working Groups/ Municipal HODs</li> <li>▪ IDP Managers/coordinators</li> </ul>	<ul style="list-style-type: none"> <li>▪ Serves as the communication mechanism between the Municipality and the sector departments</li> <li>▪ To ensure the validity and technical correctness of the information presented</li> <li>▪ To serve as the mechanism through which consultation and coordination with provincial departments and other external parties e.g. parastatals will take place</li> <li>▪ To facilitate the integration of the policies, objectives, strategies and projects</li> <li>▪ Discussions/commenting on inputs from consultants or other specialists</li> <li>▪ Comment on technical aspects of sector plans</li> <li>▪ Information assimilation and dissemination on regional development planning issues</li> </ul>
<b>Working Groups</b>	These are working committees to be established in terms of the municipal Key Focus Areas so as	<p><b>Chaired by the relevant director from the Directorates responsible for the key focus area under consideration :</b></p> <p><b>Comprises of:</b></p> <ul style="list-style-type: none"> <li>▪ Municipal officials/level 1-3 Managers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitate discussion and resolutions of issues pertinent to specific municipal key focus areas.</li> <li>▪ Consider and make recommendations on items submitted</li> </ul>

Structure	Description	Composition	Terms of reference
	to harness the strategic and implementation oriented nature of the IDP.	(Mandatory) <ul style="list-style-type: none"> <li>▪ Sector departments HOD's/planners</li> <li>▪ Business</li> <li>▪ Civil society</li> <li>▪ Interested groups.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitate discussion of pertinent issues affecting governments and stakeholders</li> <li>▪ Determine methodology to be followed in order to meet the deadlines of the process plan.</li> <li>▪ Commissioning of research studies where applicable.</li> <li>▪ Consider and commenting on inputs from sub-committees , study teams and consultants</li> <li>▪ Consider inputs, comments from Provincial sector departments and the support provided</li> <li>▪ Process summaries and document outputs</li> <li>▪ Conduct an in-depth analysis of all surroundings that affect the planning with the municipality</li> <li>▪ Determine the strengths, weaknesses, opportunities and threats in relation to the key focus area under consideration.</li> <li>▪ Identify ,invite and engage all stakeholders(sector departments, interested groups, municipal officials ,NGO's ,individuals, etc.)</li> </ul>

Structure	Description	Composition	Terms of reference
			<p>that are relevant to key focus areas under consideration and constitute working committee to be chaired by the director.</p> <ul style="list-style-type: none"> <li>▪ Formulate strategic objectives ,key performance indicators and projects in a manner that will respond to the development gaps as outlined in problem statement.</li> <li>▪ Commissioning of research studies ,formation of study teams ,think tanks, and sun committees and consideration of inputs as they come.</li> <li>▪ Revise and integrate all sector plans, strategies and policies pertinent to specific municipal key focus areas under consideration.</li> </ul>

**Table 21: Ccomposition and proposed terms of reference for IDP structures**

### 3.3 ROLES AND RESPONSIBILITIES WITHIN THE MUNICIPALITY

It will be critical that the distribution of roles and responsibilities within the municipality are clearly outlined. The summary of the roles and responsibilities of the external and internal role players is as follows.

IDP Structure	Function, Structure, Roles and Responsibilities
<p><b>Mayoral and Management Committee</b></p>	<p>The purpose of Management and Mayoral Committee is to formulate service delivery related projects and programme proposals in terms of the following:</p> <ul style="list-style-type: none"> <li>• Objectives</li> <li>• KPAs</li> <li>• Measures</li> <li>• Targets</li> <li>• Ward location</li> <li>• Target dates</li> <li>• Responsibility</li> <li>• Cost/ budget implications</li> <li>• Identification of source of finance</li> </ul>
<p><b>Municipal Manager</b></p>	<p>The Municipal Manager is responsible for managing, monitoring, and implementing the overall IDP process, assisted by the Strategic Support Manager, IDP Assistant Manager, the IDP Steering committee, and officials. The terms of reference include:</p> <ul style="list-style-type: none"> <li>• Preparing the process plan</li> <li>• Undertaking the overall management and co-ordination of the planning process by: <ul style="list-style-type: none"> <li>• Nominating persons in charge of participation and involvement of all different role-players</li> <li>• Ensuring that the time frames are being adhered to</li> <li>• Ensuring that the planning process is horizontally and vertically aligned and complies with national and provincial requirements.</li> <li>• Ensuring that conditions for participation are provided</li> <li>• Proper documentation of the results of the planning of the IDP document</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>• Providing relevant technical, sector and financial information for analysis for determining priority issues</li> <li>• Contributing technical expertise in the consideration</li> </ul>

IDP Structure	Function, Structure, Roles and Responsibilities
<b>Heads of Departments/ Executive Directors</b>	<p>and finalization of strategies and identification of projects</p> <ul style="list-style-type: none"> <li>• Providing operational and capital budgetary information</li> <li>• Being responsible for the preparation of project proposals, the integration of projects and sector programmes</li> <li>• Being responsible for preparing amendments to the draft IDP for submission to the municipal council for approval and the MEC for local government for alignment</li> </ul>
<b>IDP Steering Committee</b>	<p>The IDP Steering Committee of VKLM assisted the Municipal Manager in guiding the IDP process. It comprised the following members:</p> <ul style="list-style-type: none"> <li>• Municipal manager and Executive Directors</li> <li>• Unit/ Programme Managers</li> </ul> <p>The terms of reference of the IDP Steering Committee included the following:</p> <ul style="list-style-type: none"> <li>• Providing terms of reference for the various planning activities</li> <li>• Establishing working groups</li> <li>• Commission research studies</li> <li>• Consider and comment on: <ul style="list-style-type: none"> <li>○ Inputs from working groups, study teams and consultants</li> <li>○ Inputs from provincial sector departments and support providers.</li> <li>○ Process, and summarize documents and outputs</li> <li>○ Make content recommendations</li> </ul> </li> <li>• Define the terms of reference for the IDP Representative Forum</li> <li>• Inform the public about the establishment of the IDP Representative Forum</li> <li>• Identify stakeholders to be part of the Forum in such a way that the public is well represented</li> </ul>
	<p>The IDP Representative Forum is chaired by the Executive Mayor or a councillor nominated by her and serves as the organisational mechanism/platform for discussion, negotiation, and decision-making between stakeholders within the municipal area. The terms of reference for this</p>

IDP Structure	Function, Structure, Roles and Responsibilities
<p><b>IDP Representative Forum</b></p>	<p>structure included:</p> <ul style="list-style-type: none"> <li>• Represent the interests of constituents in the IDP process</li> <li>• Provide an organizational mechanism for discussion, negotiation and decision-making between the stakeholders and municipality</li> <li>• Ensure communication between all the stakeholders' representatives</li> <li>• Monitor the performance of the planning and implementation process</li> </ul>
<p><b>Working groups</b></p>	<p>The working groups to be established in terms of the municipal Key Focus Areas so as to harness the strategic and implementation oriented nature of the IDP. Comprises of: Municipal officials/level 1-3 Managers (Mandatory) Sector departments HOD's, planners, business, Civil society. The major functions to be discussed are as follows:</p> <ul style="list-style-type: none"> <li>• Interest groups Facilitate discussion and resolutions of issues pertinent to specific municipal key focus areas</li> <li>• Consider and make recommendations on items submitted</li> <li>• Facilitate discussion of pertinent issues affecting governments and stakeholders</li> <li>• Determine methodology to be followed in order to meet the deadlines of the process plan</li> <li>• Commissioning of research studies where applicable</li> <li>• Consider and commenting on inputs from sub-committees, study teams and consultants</li> <li>• Consider inputs and commenting from Provincial sector departments and support provided</li> <li>• Process, summaries and document outputs</li> </ul>

**Table 22: Institutional Arrangements**

## **CHAPTER 4: PUBLIC PARTICIPATION**

### **4.1. INTRODUCTION**

One of the main features about the planning process undertaken by the Victor Khanye Local Municipality is the involvement of community and stakeholder organisations in the process. Participation of affected and interested parties ensures that the IDP addresses real issues that are experienced by the citizens of a municipality. To further strengthen community engagement the Municipality has established 9 functional Ward Committees. A comprehensive process plan was also developed to guide all stakeholders with respect to the integration of other related to good participation process is characterised by commitment from the decision maker as well as among all affected participants. All relevant stakeholders should be provided access to participate directly or through representation.

The participation should provide a true opportunity to influence result. In order for the Integrated Development Planning process to be an activity that addresses the real needs of the entire community, the municipality organised a number of engagements to ensure that the communities in each Ward and those who have vested interest were afforded the opportunity to shape the IDP according to their needs and interests. From the most recent cycle of IDP community participation meetings the following table of community needs was raised and discussed as being priority issues challenging the community in each of the respective Wards.

### **4.2 Public Participation**

Victor Khanye Local has achieved remarkable progress in institutionalising and implementing its communication and consultation mechanisms and processes. The mechanisms that the Municipality utilises in communication include newsletters, annual report, local and national newspapers, provincial and local radio stations, flyers, brochures, the ward committee system, Community Development Workers, as well as loud hailing.

### **4.3 Community Feedback Meetings:**

In the spirit of cooperative governance the Victor Khanye Local Municipality has institutionalised a Community Feedback Programme that aims at improving communication and interaction between the stakeholders in different wards, and

the community at large on issues of service delivery and development. The meetings are attended by Councillors, traditional leadership, community members.

Focus area	(2011/12)	(2012/13)	(2013/14)
Housing	Incomplete units. Replacement of asbestos roofs	Replacement of asbestos roofs Completion of RDP units Leaking roofs	Rain water get into the houses when it rains  Leaking roofs
Unemployment	High rate of Unemployment	High rate of Unemployment	High rate of Unemployment among the youth
Solid waste	A need for dustbins	A need for dustbins	A need for dustbins
Air quality	Unbearable smell from sewage plant	Unbearable smell from sewage plant	-

**Table 23: Ward 1: Councillor Nhlapo M**

Focus area	(2011/12)	(2012/13)	(2013/14)
Toilets	Bucket systems in Mandela informal settlement	Bucket systems in Mandela informal settlement.	Need for communal toilets at Mandela
Mayoral projects	Criteria used to select mayoral project candidates	Criteria used to select mayoral project candidates.	-
Rates	Clarity on flat rates	Water tariffs are high	-
Drugs	Drugs		Additions to drugs from young people
Speed hump	High speed hump at Rakwena street		
Housing		Need for RDP houses Leaking roofs	Standard time for waiting for a RDP house
Solid waste		Need for dust bins	Still waiting for the allocations of dustbins
Unemployment		High rate of Unemployment	High rate of Unemployment

**Table 24: Ward 2: Councillor Yeko D**

Focus area	(2011/12)	(2012/13)	(2013/14)
Water	Water tanker to reach all affected areas	Regular water interruptions	
Electricity		Need for High mast poles	Need for High mast poles
Clinic	Clinic to operate 24hrs		
Business sites		Business sites	-
Unemployment		Unemployment rate is high	Unemployment rate is high
Road access		Tarring of all outstanding access roads within the ward	Tarring of all outstanding access roads within the ward
Unbearable smell		Unbearable smell from the factor that is around	Unbearable smell from the factor that is around

**Table 25: Ward 3: Councillor Mlambo M**

Focus area	(2011/12)	(2012/13)	(2013/14)
Roads	Maintenance of access roads	Speed humps on main roads	Repair and maintenance of roads
Houses	Need for RDP houses	-	Repair of RDP houses
Water	Regular water interruptions	-	-
Solid waste	Request for dustbins		Request for dustbins
Unemployment		Unemployment rate is high	Unemployment rate is high

**Table 26: Ward 4: Councillor Buda K**

Focus area	(2011/12)	(2012/13)	(2013/14)
Housing	Cracked RDP housing units	RDP housing allocation	RDP housing allocation

Water	Water Saving awareness program		Registration on Social grant
Unemployment	Criteria used to select mayoral project candidates.		

**Table 27: Ward 5: Councillor Ngoma H**

Focus area	(2011/12)	(2012/13)	(2013/14)
Water	Water gets into houses when it rains.	Request for proper drainage system	Request for proper drainage system
Road	Main road to be repaired.		Main road to be repaired as it was washed away by rain
Sports fields	Sports fields		Clearing of sport fields next to IEC
Toilets	Request to repair toilets	Request to repair toilets	Request to repair toilets
Electricity	Vending machine at I.EC offices	High mast poles	Appreciating of Vending machine
Geysers	Leaking Installed geysers	Request to repair toilets	Request to repair toilets

**Table 28: Ward 6: Councillor Shabangu T**

Focus area	(2011/12)	(2012/13)	(2013/14)
Houses	RDP houses	Cracked RDP houses	Cracked RDP houses
Electricity	Electricity connection in farms		
Drugs	Drugs		
Health care	Mobile clinic	Mobile Clinic	Mobile Clinic
Water	Maintenance of Dryden pumping machine	Boreholes.	
Agriculture	Planting next to the roadside	-	-
Relocation	Relocation process of Rietkol people		

Sports facilities		Sports fields are required	Sports fields are required
Sanitation		Toilets	Toilets
Scholar transport		Scholar transport	

**Table 29: Ward 7: Councillor Zulu Z**

Focus area	(2011/12)	(2012/13)	(2013/14)
Houses	Housing objection for RDP	RDP houses	RDP houses
Tenders	Criteria used for awarding of tenders	-	-
Sewage	Sewage removal truck	Regular removal of the waste ( from septic tanks)	-
Electricity	High mast poles	Electricity connection at savannah	Electricity connection at Savannah
Water	Water connection		-
Farm workers	Unfair Farm workers		-
Land		Request for land to build RDP	-

**Table 30: Ward 8: Councillor Bath D**

Focus area	(2011/12)	(2012/13)	(2013/14)
Land	Land	Land	Land
Water	Boreholes.	Water tanker	Water tanker is not reaching all areas
Houses	Cracked housing	-	
Clinic	Mobile Clinic is not reaching all points identified	-	Mobile Clinic is not reaching all points identified
Electricity	Electricity connection to their settlement	Solar panels	Request for Electricity connection to their settlement
Sanitation		VIP toilets	VIP Toilets
Unemployment		Criteria is used for hiring in the mines	
Scholar transport		Scholar transport	Scholar transport

## **Table 31: Ward 9: Councillor Nkabinde S**

### **4.4 Media Liaison (Electronic and Print media):**

This entails communication through national and local media. The Nkangala District Municipality utilizes both electronic and print media to improve and broaden communication within its jurisdiction. As far as communication through radio is concerned, the District is continuing to work with national radio station, IKwekwezi FM, which broadcasts in the dominant language spoken within the region.

### **4.5 District Outreach meetings**

All local municipalities within the District's area of jurisdiction are visited twice per financial year in August/September and January/February to table projects that have been approved and budgeted for by the District.

### **4.6 Promotional materials**

In order to reinforce the flow and the dissemination of information and community participation, promotional materials are also developed, availed and widely distributed. These ranges from brochures, t-shirts, caps, pens, posters, backdrops, banners, etc.

### **4.7 Intergovernmental Relations**

The Constitution of South Africa declares that government is comprised of National, Provincial and Local spheres of government which are distinctive, interdependent and interrelated. It therefore states that all organs of state must promote and facilitate Intergovernmental Relations within the context cooperative government. This initiative will further strengthen peer learning and best practice sharing. Initiatives are in place to harness effective leadership and communication with all stakeholders. In terms of International Relations, Victor Khanye Local Municipality is in a process of developing a Twinning Agreement with the municipality in Zimbabwe and continuing to forge other relationships with other international counties. In addition to the IDP and LED structures.

#### **4.7.1 Ward Committees:**

These are critical structures of local governance which are located closer to communities in the entire Municipality an in all wards in order to enhance

community participation in the affairs of municipality. The Victor Khanye Local has successfully launched 84 ward committees in the Municipality. Common challenges included resignation, lack of resources, lack of interest and motivation, transportation – particularly in vast wards, and out-of-pocket expenses, low literacy levels and in some cases lack of clarity in terms of roles and responsibilities of ward committee members.

#### **4.7.2 COMMUNITY DEVELOPMENT WORKERS (CDWs)**

Community Development Workers (CDWs) also play a critical role in community development. CDWs are an integral part of the ward committee system in the endeavour to fast-track service delivery and poverty eradication. The municipality has nine CDWS.

## **CHAPTER 5: REVIEW PROCESS**

### **5.1. INTRODUCTION**

An Integrated Development Plan (IDP) is a single multi-sectorial strategic planning tool for a municipality, which in terms of the Local Government: Systems Act 32 of 2000 (hereunder referred to as Systems Act), is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality. The IDP links integrates and coordinates all planning activities and aligns the resources and capacity of the municipality to the overall development objectives of the municipality.

The IDP process also provides an opportunity for the municipality to debate and agree on a long term vision for the development of the municipality. After adoption by the municipal council, the IDP binds the municipality in the exercise of its executive authority. The IDP is the key instrument to achieve developmental local governance for decentralised, strategic, participatory, implementation orientated, coordinated and integrated development. Preparing an IDP is not only a legal requirement in terms of the legislation but it is actually the instrument for realising municipalities' major developmental responsibilities to improve the quality of life of citizens. It seeks to speed-up service delivery by securing a buy-in of all relevant role-players and provides government departments and other social partners with a clear framework of the municipality's development trajectory to harness implementation efforts.

Integrated development planning also promotes intergovernmental co-ordination by facilitating a system of communication and co-ordination between local, provincial and national spheres of government. Local development priorities, identified in the IDP process, constitute the backbone of the local governments' budgets, plans, strategies and implementation activities. Hence, the IDP forms the policy framework on which service delivery, infrastructure development, economic

growth, social development, environmental sustainability and poverty alleviation rests.

## 5.2 IDP REVIEW

The IDP therefore becomes a local expression of the government's plan of action as it informs. The outcomes of the IDP-PGDS-NSDP pilot exercise have also brought about further requirements for improving on certain aspects of the IDP, particularly issues relating to ensuring a spatial dimension to all issues as development happens in 'space' over 'time'.

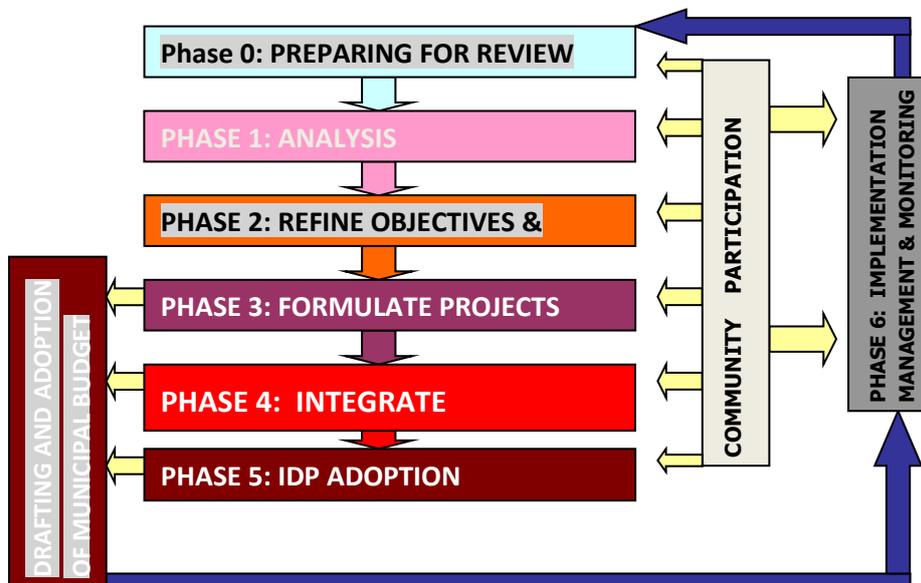


Figure 14: IDP review and budgeting process

In terms of Section 26 of the Systems Act, the core components of an IDP are:

the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;

an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;

the council's development priorities and objectives for its elected term, including

its local economic development aims and its internal transformation needs;
the council's development strategies which must be aligned with any national or provincial sectorial plans and planning requirements binding on the municipality in terms of legislation;
a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
the council's operational strategies;
applicable disaster management plans;
a financial plan, which must include a budget projection for at least the next three years; and
the key performance indicators and

**Table 32: core components of an IDP**

Section 24 of the Municipal Systems Act further stipulates that the planning undertaken by a municipality must be aligned with, and complement, the development plans and strategies of other affected municipalities and other organs of state so as to give effect to the principles of co-operative government contained in section 41 of the Constitution. The IDP must then be in sync with the plans of government as a whole. The manner in which the review is undertaken is outlined in Process Plans which all municipalities must prepare, as per legislation. These Process Plans must comply with the District Framework Plan to, inter alia, ensure implementation, planning alignment and co-ordination between District and local municipalities as enshrined in the Municipal Systems Act .As per Section 27 of the Municipal Systems Act, in order to ensure the alignment between the District and its local municipalities

- **Preparatory phase**

Preparatory: Before starting the planning process, an IDP Process Plan must be drawn up. This plan is meant to ensure the proper management of the planning process. The Plan must be set out in writing in terms of the legislation and must comply with the provisions of the District Framework Plan in terms of the binding National and Provincial Planning Frameworks, mechanisms and processes stipulated in the Framework Plan of the District.

- **Analysis phase:**

Analysis phase: During this phase information is collected on the existing conditions within the municipality. When assessing the existing level of development in the municipality, the level of access to basic services and those communities that do not have access to these services must be identified. Focus must be on the types of problems faced by community in the area and the causes of these problems. The identified problems are assessed and prioritized in terms of what is urgent and what needs to be done first. Information on availability of resources is also collected during this phase. Priority issues highlighted during the 2013/14 IDP processes will also be revised and confirmed during this phase. Community meetings, stakeholder meetings, surveys, opinion polls and researched information should form the basis of this phase. This phase should be completed by October 2014.

- **Strategies phase**

Strategies phase: The Municipality must begin to contemplate on the best possible strategies to tackle the identified challenges. Critical in this process in order to ensure a focused analysis, the municipal vision must be confirmed and development objectives containing clear statements of what the municipality would like to achieve in the medium term to deal with the problems outlined in the first phase. Internal transformation needs and council's development priorities must be taken into account when formulating council objectives. This process should involve strategy workshops, targeted stakeholder engagements, public hearings, sector Provincial and National Departments engagements, social partners, interest-based groups and organized civil society. Once the municipality has worked out where it wants to go and what it needs to do to get there, it needs to work out how to get there. Development strategies must then be developed focusing on finding the best way for the municipality to meet a development objective. Once the municipality has identified the best methods and strategies to achieving its development

objectives identification of specific projects must commence. This phase should be completed by November 2014

- **Projects phase**

Projects phase: During this phase the municipality works on the designs and content/specifications of projects identified during the prior phases. Clear details for each project have to be worked out. Clear targets must be set and indicators worked out to measure performance as well as the impact of individual programmes and projects. The identified projects must have a direct link to the priority issues and objectives identified in the previous phase. Municipalities must ensure engagement of internal technical committees, possibly with selected key stakeholders. The needs and views of the affected communities must be taken as a priority. The project technical committees and their subcommittees must be able to distinguish between the strategic municipal wide development programmes and the localized community-level projects. This phase should be completed by December 2014.

- **Integration phase**

Integration phase: Once all projects have been identified, the municipality must confirm that the identified projects will achieve the desired impact in terms of addressing the identified challenges and are aligned with the objectives and strategies and comply with legislation. The identified programmes/projects will set the pace and direct the trajectory emanating from the overall picture of the development plans of all the stakeholders, including sector departments and social partners.

During this period, Provincial Sector Departments will have finalized their draft strategic plans. Public discussion, community engagement and opportunities for comments from residents and interested stakeholder organisation must be facilitated and appropriate mechanisms should be in place and be institutionalised. Towards the completion of this phase the municipality must also conduct IDP INDABA engagements to confirm the chosen development trajectory with all the stakeholders. This process should continue concurrently with the commenting period in terms of Section 15 (3) of the Municipal Planning and Performance Management Regulations, GOVERNMENT GAZETTE, No. R. 796 which require that a municipality must afford the local community at least 21 days to comment on the final draft of its integrated development plan before the plan is submitted to the council for adoption.

LMREF no	Activity	Completion date	Owner
<b>1. 2014/15 IDP Process Plan and Budget Time Schedule</b>			
1.1	Draft IDP process plan and Budget time schedule and submit to mayoral committee for approval	End Jul 2014	OMM & CFO
1.2	Council considers the Draft Process Plans for approval	End Jul 2014	Council
<b>2. 2014/15 Community Planning</b>			
2.1	Speaker's Office arrange community planning workshops with invites to Ward Councillors and other interested stakeholders	End Jul 2014	OMM
2.2	OMM conduct community consultation sessions to assess needs and priorities		
<b>3. 2014/15 Strategic Planning – Results Based Document</b>			
3.1	Establish which resource partners statistics should be referenced	Mid Aug 2014	OMM
3.2	Conduct a municipal analysis and Integration Study	End Sept 2014	OMM

<b>LMREF no</b>	<b>Activity</b>	<b>Completion date</b>	<b>Owner</b>
3.3	Develop a Status Quo Report	End Sept 2014	OMM
3.4	Conduct an Institutional analysis including review of 2012/13 Annual Report	End Sept 2014	OMM
3.5	Convene Exco and senior management strategic workshop to develop strategic objectives and programmes based on community needs, Institutional analysis and strategic status quo analysis	Mid Oct 2014	OMM
<b>4. 2014/15 IDP Integration</b>			
4.1	Submit Draft Results Based Strategic plan for consideration by the municipal manager	End Oct 2014	OMM
4.2	Submit Draft Results Based Strategic plan for consideration by the mayoral committee and Council	Early Nov 2014	OMM
4.3	Circulate approved Draft Results Based plan to Departments	Early Nov 2014	OMM
<b>5. 2014/15 Departmental Planning – Develop SDBIP and Project Prioritisation</b>			
5.1	Convene departmental workshops to develop municipal strategic objectives into operational objectives/ programmes/projects	Mid Nov 2014	Directorates
5.2	Departments compile comprehensive business plan to support departmental strategy to achieve the objectives and programmes	End Nov 2014	Directorates
5.3	Departments conduct internal planning sessions to develop institutional scorecard, inclusive of the development of all targets, budgets and baseline information	End Nov 2014	Directorates
<b>6. Project Alignment to Strategies</b>			

LMREF no	Activity	Completion date	Owner
6.1	Departments complete registration of projects utilising specific templates	Early Dec 2014	Directorates
6.2	Technical assessment and align options with identified projects	Mid Dec 2014	
6.4	Submit consolidated prioritisation project report to Finance	End Dec 2014	VKLM
<b>7. 2013/14 Adjustment Budget and SDBIP</b>			
7.1	Finance review mid-term financial performance and adjust revenue and expenditure projections accordingly	Mid Jan 2015	CFO
7.2	Departments adjust operational budgets and SDBIP according to guidelines set by Finance and resubmit for consideration	End Jan 2015	Directorates
7.3	Mayoral committee considers the Adjusted budget and SDBIP for Council approval.	End Jan 2015	MC
7.4	Council considers the Adjusted budget and SDBIP	End Jan 2015	Council
<b>8. 2014/15 Draft IDP</b>			
8.1	Compile Draft IDP – Chapters 1-6	Mid Jan 2015	VKLM
8.2	Submit Draft IDP to municipal manager for consideration	End Jan 2015	OMM
8.3	Submit amended Draft IDP for consideration and approval by the mayoral committee and Council	End Jan 2014	MC / Council
<b>9. Community IDP Feedback Process</b>			
9.1	Speaker's Office arrange community planning workshops with invites to Ward Councillors and other interested stakeholders	Mid Jan 2014	OOS
9.2	Print copies of Draft IDP and MTREF for	Mid Jan 2014	OMM

LMREF no	Activity	Completion date	Owner
	community consultation sessions		
9.3	OMM and Finance conduct community consultation sessions on the Draft MTREF and IDP	End Feb 2014	CFO & OMM
<b>10. 2014/15 Draft MTREF</b>			
10.1	Departments develop their Draft budget, inclusive of operational, capital and personnel costs	Mid Jan 2014	Directorates
10.2	Finance allocate Capital funding in line with consolidated project prioritisation report	End Jan 2014	CFO
10.3	CFO reviews Long term financial strategy based on NT preliminary guidelines	Mid Feb 2014	CFO
10.4	Finance conducts departmental budget hearings	End Feb 2014	OMM
10.5	OMM and CFO amend MTREF and IDP according to comments received from all stakeholders and role-players	Mid Mar 2014	CFO & OMM
10.7	Mayoral committee and Council consider Draft IDP and MTREF for approval	End Mar 2014	MC / Council
<b>11. 2014/15 Final MTREF</b>			
11.1	Finance conducts workshops for various stakeholders	Mid Apr 2014	CFO
11.2	Finance host a budget Indaba	End Apr 2014	CFO
11.3	Compilation of Final budget	Mid May 2014	CFO
11.4	Mayoral committee and Council consider Final MTREF for approval	End May 2014	MC / Council
<b>12. 2014/15 SDBIP</b>			
12.1	Departments conduct internal workshop to develop institutional scorecard aligned to the IDP Corporate strategies and objectives	Mid April 2014	Directorates / Victor Khanye local

LMREF no	Activity	Completion date	Owner
			municipality
12.2	Draft SDBIP submitted to MM for comment	Mid April 2014	OMM
12.3	Draft SDBIP submitted to Mayor for consideration	End April 2014	Mayor
12.4	Departments update SDBIP in line with approved MTREF and IDP	End May 2014	Directorates / Victor Khanye local municipality
12.5	Final SDBIP submitted to Mayor for approval	Mid June	Mayor
12.6	Final SDBIP submitted to Council for consideration	End Jun 2014	Council
<b>13. Sec 56 Performance Plans and Agreements</b>			
	Develop individual performance plans aligned to IDP and SDBIP	End May 2014	Victor Khanye local municipality
	Submit performance plans to Mayor	Mid June	Mayor

**Table 33: Consolidated Process Plan**

## **CHAPTER 6: STRATEGIC INTENT**

### **6.1 Introduction**

A readily grasped declaration of the course that the management of a business plans on taking the company in over some future time frame. The strategic intent of a business needs to be easily understood by every member of the firm so that all staff can be working toward a consistent overall goal. In order to ensure that there is proper alignment between the strategic direction of the municipality, it is necessary to keep the National and Provincial priorities in mind during the review of the strategic intent of the municipality. Cognisance was taken of the following legislative guidelines and developmental plans during the process of formulating the review of the Victor Khanye local IDP document.

1. 2009 Electoral Mandate;
2. Millennium Development Goals;
3. National Development Plan – Vision for 2030;
4. National Government's Outcome 9;
5. Medium Term Strategic Framework (MTSF);
6. COGHSTA Strategic Plan 2009-2014;
7. Local Government Turn Around Strategy (LGTAS);
8. Green Paper on National Strategic Planning (2009);
9. Green Paper: Improving Government Performance: Our Approach (2009);
10. CoGTA's Business Plan 2011-2011;
11. The Mpumalanga Vision 2030, Strategic Implementation Framework 2013-2030
12. The National Spatial Development perspective 2006; and
13. The Victor Khanye Spatial Development Framework 2010
14. State of the Nation Address 2014
15. State of the Mpumalanga Provincial Address 2014

**Table 34: legislative guidelines**  
**More details of the important issues arising from these documents are summarized below.**

### **6.2 2009 ELECTORAL MANDATE**

In 2009 the Ruling Party has identified 5 priority areas for the next 5 years:

<ul style="list-style-type: none"> <li>• Creation of decent work and sustainable livelihoods</li> </ul>
<ul style="list-style-type: none"> <li>• Education</li> </ul>
<ul style="list-style-type: none"> <li>• Health</li> </ul>
<ul style="list-style-type: none"> <li>• Rural development, food security and land reform</li> </ul>
<ul style="list-style-type: none"> <li>• The fight against crime and corruption</li> </ul>

**Table 35: 2009 electoral mandate**

### 6.3 MILLENNIUM DEVELOPMENT GOALS

<ul style="list-style-type: none"> <li>• Develop a global partnership for development and eradicate extreme poverty and hunger</li> </ul>
<ul style="list-style-type: none"> <li>• Ensure environment sustainability</li> </ul>
<ul style="list-style-type: none"> <li>• Reduce child mortality, Improve maternal health and Combat HIV/AIDS, Malaria and other diseases.</li> </ul>
<ul style="list-style-type: none"> <li>• Promote gender equality and empower women</li> </ul>
<ul style="list-style-type: none"> <li>• Achieve universal primary education.</li> </ul>

**Table 36: Millennium development goals**

### 6.4 NATIONAL DEVELOPMENT PLAN – VISION FOR 2030

The National Development Plan developed by the National Planning Commission and unveiled on 11 November 2011 states that: South Africa can eliminate poverty and reduce inequality by 2030. It will require change, hard work, leadership, and unity. Our goal is to improve the life chances of all South Africans, but particularly those young people who presently live in poverty. The plan asks for a major change in how we go about our lives. In the past, we expected government to do things for us. What South Africa needs is for all of us to be active citizens and to work together – government, business, communities – so that people have what they need to live the lives they would like.

The plan helps us to chart a new course. It focuses on putting in place the things that people need to grasp opportunities such as education and public transport and to broaden the opportunities through economic growth and the availability of jobs. Everything in the plan is aimed at reducing poverty and inequality. Our view is that government should shift the balance of spending towards programmes that help people improve their own lives and those of their children and the communities they

live in. South Africa can become the country we want it to become. It is possible to get rid of poverty and reduce inequality in 20 years. We have the people, the goodwill, the skills, the resources – and now, a plan. This will be achieved by prioritising the following initiatives:

An economy that will create more jobs
Improving infrastructure
Transition to a low-carbon economy
An inclusive and integrated rural economy Reversing the spatial effect of apartheid Improving quality of education, training and innovation
Quality health care for all
Social protection
Building safer communities
Reforming the public service
Fighting corruption
Transforming society and uniting the country

**Table 37: initiatives**

## **6.5 NATIONAL GOVERNMENT'S OUTCOME 9**

Cabinet approved government performance monitoring and evaluation system and the management for outcomes 26. This includes 12 outcomes that collectively address the main strategic priorities of government. Outcome 9, "A responsive, accountable, effective and efficient local government system," specifically deals with local government and also needs to be aligned and integrated in other national, provincial, district priorities and strategies. The Delivery Agreement for Outcome 927 identifies the following 7 outputs with sub outputs that are linked to Outcome 9 and are as follows:

### **Output 1: Implement a differentiated approach to municipal financing, planning and support**

Policy framework for differentiation
More autonomy to six metro's and top 21 municipalities in respect of infrastructure and housing delivery

A focused intervention for clearly defined smaller municipalities
---

**Table 38: 7 outputs**

**Output 2: Improved access to basic services**

Increased access to basic services
------------------------------------

Bulk infrastructure fund established
--------------------------------------

Established special purpose vehicle
-------------------------------------

**Table 39: 7 outputs**

**Output 3: Implement the community work programme and cooperatives supported**

Job creation supported through the community work programme
---

Job creation supported through the establishment of cooperatives where feasible
---

**Table 40: 7 outputs**

**Output 4: Actions supported by the human settlement outcomes**

Increased densities in Metro's and large town supported.
--

Land acquisition for low income and affordable housing supported.
---

Informal settlements in 45 priority municipalities upgraded.
--

**Table 41: 7 outputs**

**Output 5: Deepened democracy through a refined ward committee model**

Review and strengthen the legislative framework for Ward Committees and community participation.
--

Support measures to ensure that 90% of ward is fully functional by 2014
---

**Table 42: 7 outputs**

**Output 6: Improved municipal financial and administrative capacity**

Improved audit outcomes of municipalities
---

Reduced municipal debt.
-------------------------

Municipal overspending on open reduced.
---

Municipal under spending on capex reduced
---

Municipalities spending less than 5% of opex on repairs and maintenance reduced.
--

Improved administrative and human resource management practices.
--

**Table 43: 7 outputs**

## Output 7: Single window of coordination

Review local government legislation
Coordinated support, monitoring and intervention in provinces and municipalities

**Table 44: 7 outputs**

### 6.6 MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)

A number of new National and Provincial initiatives have been developed over the last few years that influence the strategic plans of local government. Amongst them is the Medium term Strategic Framework<sup>28</sup> issued by the Minister in the Presidency: Planning during July 2009. This Framework is based upon the 4th democratic elections that ushered a new electoral mandate which defines the strategic objectives and targets of government for the period 2009 -2014. This Framework builds on successes of the fifteen years of democracy and is a statement of intent identifying the development challenges facing South Africa and outlining the medium-term strategy for improvements in the conditions of life of South Africans and for our enhanced contribution to the cause of building a better world. The MTSF is meant to guide planning and resource allocation across all spheres of government. Municipalities are expected to adapt their Integrated Development Plans in line with the national medium-term priorities. These priorities are:

Speeding up growth and transforming the economy to create decent work and sustainable livelihoods
Massive programme to build economic and social infrastructure
Comprehensive rural development strategy linked to land and agrarian reform and food security
Strengthen the skills and human resource base
Improve the health profile of all South Africans
Intensify the fight against crime and corruption
Build cohesive, caring and sustainable communities
Pursuing African advancement and enhanced international co-operation
Sustainable resource management and use

**Table 45: national medium-term priorities**

### 6.7 Cooperative governance and Traditional Affairs Strategic plan 2010-2014 -

Building a developmental state, including improvement of public services and strengthening democratic institutions. At the onset of the fourth democratic government, The Department of Provincial and Local Government were re-structured as the Department of Co-operative Governance and Traditional Affairs (COGTA). Government as a key partner to the National Planning Commission and the Monitoring and Evaluation Unit in the Presidency. COGTA is further responsible for aligning its priorities to that of National Government. Its key priority areas as set out in the MTSF and Strategic Plan 2009-2014 include:

Building the Developmental State in Provincial and Local Government that is efficient, effective and responsive
Strengthen Accountability and Clean Government.
Accelerating Service Delivery and supporting the vulnerable
Improving the Developmental Capability of the Institution of Traditional Leadership

**Table 46: MTSF and Strategic Plan 2009-2014**

### 6.8 LOCAL GOVERNMENT TURNAROUND STRATEGY (LGTAS)

Cabinet approved a comprehensive Local Government Turnaround Strategy (LGTAS) on the 2nd of December 2009.

The **five strategic objectives** of the LGTAS are to:

1. <i>Ensure that municipalities meet basic needs of communities.</i> This implies that an environment is created, support provided and systems built to accelerate quality service delivery within the context of each municipality's conditions and needs;
2. <i>Build clean, responsive and accountable local government.</i> Make sure that systems and structures and procedures are developed and enforced to deal with corruption, maladministration and ensure that municipalities communicate and account more to communities;
3. <i>Improve functionality, performance and professionalism in municipalities.</i> Ensure that the core administrative and institutional systems are in place and are operational to improve performance;
4. <i>Improve national and provincial policy, support and oversight to local government and</i>

5. *Strengthen partnerships between local government, communities and civil society.*  
 Ensure that communities and other development partners are mobilized to partner with municipalities in service delivery and development.

**Table 47: LGTAS**

**6.9 GREEN PAPER: NATIONAL STRATEGIC PLANNING (2009)**

The Office of the Presidency has published a Green Paper on National Strategic Planning during 2009. Section 3 of the Green Paper quotes the economist James K Galbraith as follows: "Planning, properly conceived, deals with the use of today's resources to meet tomorrow's needs." The Green paper further expresses the view that strategic planning means strengthening the relationship between state (government spheres) and society. Section 19 of the Green Paper provides information on the roles of sub-national spheres of Government in National planning. It states that National strategic planning should inform and be informed by sector plans and provincial and local plans. The principles of this approach are informed by Section 41 (1) of the Constitution: 1)

All spheres of government and all organs of state within each sphere must-

a) preserve the peace, national unity and the indivisibility of the Republic;
b) secure the well-being of the people of the Republic;
c) provide effective, transparent, accountable and coherent government for the Republic as a whole;
d) be loyal to the Constitution, the Republic and its people;
e) respect the constitutional status, institutions, powers and functions of government in the other spheres;
d) be loyal to the Constitution, the Republic and its people;
e) respect the constitutional status, institutions, powers and functions of government in the other spheres;
f) not assume any power or function except those conferred on them in terms of the Constitution;
g) exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government

in another sphere; and
h) co-operate with one another in mutual trust and good faith by-
i. fostering friendly relations;
ii. assisting and supporting one another;
iii. informing one another of, and consulting one another on, matters of common interest;
iv. co-ordinating their actions and legislation with one another;
v. adhering to agreed procedures; and
vi. Avoiding legal proceedings against one another.

**Table 48: Functions of organs of state**

The Green Paper further states that the key principles of effective government planning relates to the notion that different spheres of government are able to affect one another. Various spheres of government should work together to establish effective and efficient plans.

#### **6.10. GREEN PAPER: IMPROVING GOVERNMENT PERFORMANCE: OUR APPROACH**

The Presidency also published another Green Paper: Improving Government Performance: Our Approach<sup>32</sup> during 2009. This Green Paper was developed with the aim of translating Government's electoral mandate into a clear set of outcomes and output measures. It is envisaged that these outcomes and output measures will assist Government in delivering on the ten priority areas in the MTSF. Performance monitoring and evaluation must not be an end in itself but the means to achieve success. Outcome and output measures must be used to promote a change in behaviour and create a performance culture. Data obtained from the monitoring and evaluation process must be used to inform the planning process. The principles highlighted in this Green Paper are the same principles and approach that will be followed during this strategic planning session for the Municipality.

#### **6.11. DEPARTMENT OF COOPERATIVE GOVERNANCE and TRADITIONAL AFFAIRS BUSINESS PLAN 2010-2011**

On 31 March 2010 the Department of Cooperative Governance and Traditional Affairs has published their business plan for 2010-2011<sup>33</sup>. Two priorities for the Department were identified. The first will be the implementation of Local Government Turnaround Strategy and the Local Government Ten Point Plan. The primary purpose of this plan is to restore the confidence of our people in our system of local government and create a responsive, accountable, effective and efficient local government system.

1. Improve the quantity and quality of municipal basic services to the people in the areas of access to water, sanitation, electricity, waste management, roads and disaster management.
2. Enhance the municipal contribution to job creation and sustainable livelihoods through Local economic Development (LED).
3. Ensure the development and adoption of reliable and credible Integrated Development Plans (IDPs).
4. Deepen democracy through a refined Ward Committee model.
5. Build and strengthen the administrative, institutional and financial capabilities of municipalities.
6. Create a single window of coordination for the support, monitoring and intervention in municipalities.
7. Uproot fraud, corruption nepotism and all forms of maladministration affecting local government.
8. Develop a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system.
9. Develop and strengthen a politically and administratively stable system of municipalities.
10. Restore the institutional integrity of municipalities.
The second priority is to strengthen and improve our system of cooperative governance and inter-governmental relations.

**Table 49: ten points**

## **6.12. THE MPUMALANGA VISION 2030, STRATEGIC IMPLEMENTATION FRAMEWORK**

The Mpumalanga Vision 2030 Strategic Implementation Framework (2013-2030)<sup>34</sup> is established as a direct implementation response to the national Vision 2030. It seeks to present and affirm the province's approach towards realising the adopted and articulated national vision and development plan. The decision to develop a long term strategic implementation framework emanates from the desire within the Mpumalanga Provincial Government to ensure that the Province and other stakeholders work with common purpose for the development of the province and all of its constitutive geographical areas. In structuring the Mpumalanga Vision 2030 Strategic Implementation Framework, careful attention is focused on ensuring that there is close synergy between the implementation

Framework's contents and the provisions and choices defined in the national Vision 2030 plan. The implementation framework builds on sectorial and related planning interventions which have unfolded within the province. The orientation towards crafting the framework is to ensure that it remains simple and accessible, without losing the substance and complexity of the development process in the province and as is reflected in Vision 2030.

The Mpumalanga Vision 2030 Implementation Plan is furthermore directed towards decision-making and action at the macro policy level as a guide to all governance levels within the province. In so doing, attempts were made to ensure that the implementation framework establishes a balance between detail and the articulation of clear and constant high level provincial targets and strategies at the strategic level. It can be used to facilitate decision making and prioritisation, to inform choices and trade-offs, and to shape action within and outside of government. A key element in this approach was to ensure that the plan incorporates focused spatial representation of the content and intention.

The detailed strategies and actions to follow from the Mpumalanga Vision 2030 Strategic Implementation Framework are to be defined in provincial sector plans like the provincial Economic Growth and Development Path, Infrastructure Master Plan, Human Settlement Strategy, Biodiversity and Conservation Plan, Integrated Transport Master Plan, Human Resource Development Plan and the like. Vision 2030 is predicated on an approach to change that links capabilities, to opportunities and

employment, and also incorporates the establishment of focused and interlinked priorities.

The Province's Implementation Framework and Plan is structured on the basis of three interrelated impact areas. The approach taken responds to the NPC conclusion that Government and other stakeholders have to be willing to prioritise and that public officials should focus most of their attention on a few strategic priorities. The overall structure for organising the Implementation Framework and Plan is depicted in the following Figure 1. The logic of this approach is that in order for the socio-economic outcomes to be achieved; key mechanisms must be in place to facilitate the achievement of objectives.

In turn, these mechanisms need to build on the strong foundations of a safe and cohesive society and honest and capable public service. Unless these conditions are in place, it will not be possible to drive development and create jobs through infrastructure development.

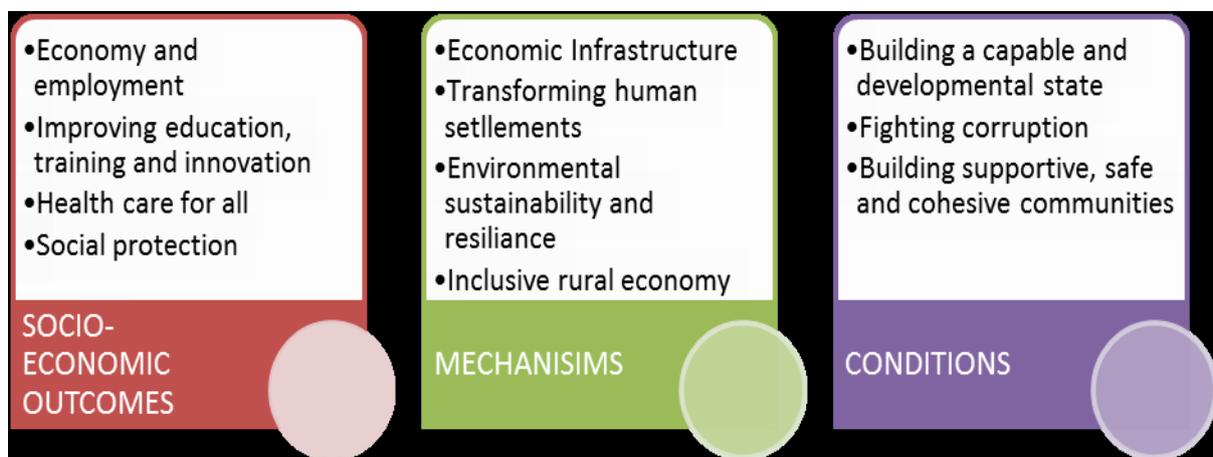


Figure 15: Organising structure of the plan

The Implementation Framework and Plan provides a basis for prioritisation during medium-term and annual planning cycles. Progress in one area supports advances in others. Section 2 summarises the key objectives and outcomes of Vision 2030. Section 3 provides an overview of the Mpumalanga development context, together with a Provincial perspective on the broader drivers of change. Section 4 integrates the various policies and strategies into a framework for prioritisation. Section 5

provides spatial perspective and Section 6 concludes with an approach for more detailed planning. The details contained in Vision 2030 *complement the strategies that have emerged in the province* and are generally consistent with the plans that have emerged at the local level, as reflected in District and Local Integrated Development Plans (IDPs). As with the Medium Term Plan of the Province, Vision 2030 provides some indications on the choices that have to be made and the development orientation that needs to be fostered within the Province.

Vision 2030 captures in a clear and concise manner the *broader drivers of change globally and across the region*. In this respect, it correctly identifies the implications of the global and regional trends on development and the parameters within which development will unfold. It also provides a positive indication of the opportunities that stand before South Africa as a result of the key drivers of change. The Provincial Plan similarly maps provincial trends and their possible impact on development.

### **6.13 THE NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE 2006**

The National Spatial Development Perspective (NSDP) serves as a spatial planning framework for meeting government's objectives of economic growth, employment creation, sustainable service delivery (with a particular focus on access to basic services), poverty alleviation, and reduction of inequalities, as well as spatial integration. The Presidency has made it clear that the NSDP principles should play an important role in the respective development plans of Local and Provincial Government; namely IDPs and PGDS respectively. The NSDP is premised on five principles, which seek to ensure that investment in infrastructure, and development programmes support government's growth and development objectives. It provides concrete mechanisms that seek to guide spatial planning between the three spheres of government to ensure synchronization in prioritization.

The NSDP confronts the question of where government should invest and focus its programmes in order to achieve sustainable development and economic growth and maximum impact on employment creation and poverty reduction. The logic underpinning the NSDP is that by applying a set of common principles to spatial planning the three spheres of government will align their spatial planning, which, in turn, will lead to consistent development outcomes.

Hence, the NSDP is not a plan, blueprint or prescription but a way of thinking about spatial planning. In order to contribute to the broader growth and development policy objectives of government, the NSDP puts forward a set of five normative principles:

<b>Principle 1:</b>	Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key. Review - 2014/15 integrated Development Plan
<b>Principle 2:</b>	Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health, and educational facilities) wherever they reside.
<b>Principle 3:</b>	Government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private-sector investment, to stimulate sustainable economic activities and to create long-term employment opportunities.
<b>Principle 4</b>	Efforts to address past and current social inequalities should focus on people, not places. In areas where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In areas with low demonstrated economic potential, government should concentrate, beyond the provision of basic services, primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes.

**Table 50: NSDP normative principles**

#### **6.14. THE VICTOR KHANYE SPATIAL DEVELOPMENT FRAMEWORK (SDF) 2010**

The Victor Khanye Local Municipality compiled its original SDF in 2007/08, in terms of the Municipal Planning and Performance Reporting Regulations of 200, read in conjunction with the White Paper on Spatial Planning and Land Use Management of 2001. This document was updated in 2009 and subsequently the Nkangala District Municipality commissioned the review / update of the District and the six (6) Local municipalities in the District in 2010. The main aim was to incorporate strategic provincial and national initiatives which fall within the Victor Khanye area into the SDF.

The SDF of the Victor Khanye local Municipality translates the IDP of the Municipality into spatial principles and strategies and thus constitutes the spatial implementation of the IDP. It focuses on integrating the fragmented spatial structure of the Municipality, and ensuring that all communities have equitable access to vital services. The SDF will also ensure that economic, cultural, recreational and educational activities and opportunities reach communities in dispersed rural areas in an efficient manner. Key to this was the alignment of the SDF with surrounding local municipalities' SDFs, and providing spatial inputs to the pilot Comprehensive Rural Development Programme (CRDP) initiative spearheaded by the Department of Rural Development and Land Reform.

It also creates a spatially based policy framework whereby change, needs and growth in the Nkangala District area is to be managed positively to the benefit of everyone. It focuses on how land should be used within the broader context of protecting the existing values of the Nkangala District area i.e. preferred tourism destination, rich in historical and cultural value. It improves the functioning of the local urban, rural and natural environmental systems and assists in the identification of local opportunities for future local urban/ rural development and natural environmental conservation, and makes recommendations as to where and how development of the open space system should be managed

#### **6.14.1 Spatial Development Objectives**

The following are the main Spatial Development objectives of the Victor Khanye Local Municipality:

1. To brand Victor Khanye as a gateway to Mpumalanga.
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2. To optimally use the economic development potential associated with the N12 Corridor in the vicinity of the R42 interchange (in line with Nkangala District Spatial Development Framework directives).
3. Provision of land for housing (in line with Breaking Ground principles) for the different socioeconomic groups in appropriate locations.
4. To provide sufficient social facilities and services to all urban complexes in Victor Khanye, as well as the rural areas.
5. To promote the development of Thusong Centres/Multi-Purpose Community Centres in Victor Khanye area (in line with the Nkangala District Municipality SDF directives).
6. To enhance the tourism potential of the Victor Khanye area and achieve a sustainable equilibrium between the land demands of the mining industry, agriculture, conservation and tourism.
7. To enhance the tourism potential of the Victor Khanye area and achieve a sustainable equilibrium between the land demands of the mining industry, agriculture, conservation and tourism.
8. To promote the establishment of agro-processing industries associated with agricultural activities in the municipal area as provided for in the Nkangala District SDF.

**Table 51: Spatial Development objectives**

### 6.14.2 Development, Priorities and Strategies

1.Compacting the Urban Structure
2.Integrate the urban and rural systems: Sustainability
3.Protection of tax base
4.Mixed Land Use Development
5.Local Economic Development (LED
6.Exploit Urban opportunities and transportation routes
7.Responsible use and management of the natural resources
8.Reduction of Pollution
9.Geology and soils
10.Community structure and facilities
11.Housing standards
12.Road Network
13.Engineering Services and Contributions: Development right, rates and taxes

**Table 52: Development, Priorities and Strategies****6.15 THE STATE OF THE NATION ADDRESS– 2015 (SONA)**

His Excellency Jacob G Zuma, President of the Republic of South Africa on the occasion of the Joint Sitting of Parliament, Cape Town, presented his state of the Nation address on the 12th February 2015. The highlights of his address are summarized in the following matrix to reflect the alignment of Victor Khanye Local Municipality strategy and that of the Province.

**6.16 THE STATE OF THE MPUMALANGA PROVINCE ADDRESS – 2015**

The Premier of Mpumalanga, Mr David Mabuza presented his annual state of the Province address on Friday the 27th February 2015. His speech enunciated the fact that the past Apartheid's laws are still affecting South Africans after 20 years of democracy. He stated that this long-standing exclusion is still having an adverse social and economic impact on the lives of many South Africans. It was emphasised that the challenge of our new democracy has been to enhance social cohesion, a collective identity, and a sense of national pride, but the Premier said there was still a long way to go to eradicate the past regime's ills. The Premier noted that to this day, our people are still confronted by the triple and interrelated challenges of unemployment, poverty and inequality; challenges that the ruling party has been confronting since the dawn of democracy. The matrix reflecting the alignment of the Victor Khanye Local Strategy with the recent State of the Nation Address and State of the Province Address is contained in the following table.

**Table 4: Matrix of Intergovernmental Strategies**

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
<b>Job creation</b>	<ul style="list-style-type: none"> <li>We have created 3,7 million work opportunities over the past five years."</li> <li>"Jobs are now being created again. There are now 15 million people with jobs in the country, the highest ever in our history, and over 650</li> </ul>	<ul style="list-style-type: none"> <li>We have created 3,7 million work opportunities over the past five years."</li> <li>"Jobs are now being created again. There are now 15 million people</li> </ul>	<ul style="list-style-type: none"> <li>Mining houses, other businesses and the municipality should embark on career guidance within schools around</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>thousand jobs were created last year, according to Stats SA."</p> <ul style="list-style-type: none"> <li>• According to latest Quarterly Labour Force Survey published by StatsSA, 15,177,000 people were employed in the last quarter of 2013 and 653,000 jobs were created in the last year</li> <li>• It should be noted that even if 3.7-million "work opportunities" were created it does not mean that 3.7-million people gained work.</li> </ul>	<p>with jobs in the country, the highest ever in our history, and over 650 thousand jobs were created last year, according to Stats SA."</p> <ul style="list-style-type: none"> <li>• According to latest Quarterly Labour Force Survey published by StatsSA, 15,177,000 people were employed in the last quarter of 2013 and 653,000 jobs were created in the last year</li> <li>• It should be noted that even if 3.7-million "work opportunities" were created it does not mean that 3.7-million people gained work.</li> </ul>	<p>Victor Khanye</p> <ul style="list-style-type: none"> <li>• The municipality, jointly with business should undertake community skills audit and match available skills to job opportunities; while developing scarce and required skills</li> <li>• The Nkangala FET College, jointly with other accredited training providers and mining houses to embark on skills development of artisans, technicians and plant operators</li> <li>• SMME incubation and mentorship programmes on mining related and infrastructure development activities</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>• Matric pass rate has gone up from around 61 percent in 2009 to</li> </ul>	<ul style="list-style-type: none"> <li>• Maths, Science &amp; Technology Academy</li> </ul>	<ul style="list-style-type: none"> <li>• The Nkangala FET College,</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>78 percent last year and the bachelor passes improve each year."</p> <ul style="list-style-type: none"> <li>• The number of children attending Grade R has more than doubled, moving from about 300 thousand to more than 700 thousand between 2003 and 2011."</li> <li>• Student enrolments at universities increased by 12% while further Education and Training college enrolments have increased by 90%."</li> <li>• Department of Higher Education and Training's 2012/13 annual report. It states that student enrolment at universities increased by 12% from 837,779 in 2009 to 938,201 in 2012/13.</li> <li>• In 2013, the University of the Witwatersrand received over 35,000 applications for approximately 5,500 first year places. Further Education and Training College enrolments increased from 345,566 in 2010 to 657,690 in 2012/13</li> <li>• When the matric class of 2013 started grade two in 2003 there were 1,111,858 students. But by the time they came to sit for their final exams</li> </ul>	<ul style="list-style-type: none"> <li>• Bursaries in Maths &amp; Science, particularly from previously disadvantaged</li> <li>• Tech Centre of Excellency, prioritising artisan &amp; agricultural skills</li> <li>• To provide support to the establishment of the MP University</li> <li>• In 2013/14, implementation of a comprehensive improvement plan intended to provide targeted support to schools that performed below 50% focusing on: <ul style="list-style-type: none"> <li>• The capacitating of teachers on curriculum content &amp; delivery</li> <li>• suitable mentors to the schools</li> <li>• Providing on-site curriculum support per subject</li> <li>• Grade 12 learners to common monthly tests.</li> <li>• the monitoring</li> </ul> </li> </ul>	<p>jointly with other accredited training providers and mining houses to embark on skills development of artisans, technicians and plant operators</p> <ul style="list-style-type: none"> <li>• Career exhibitions to assist learners understand relevant and needed career choices and available bursaries</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>their numbers had fallen to 562,112</p>	<p>of curriculum coverage, and</p> <ul style="list-style-type: none"> <li>• Hold principals, curriculum implementers &amp; heads accountable for performance.</li> </ul>	
<p><b>Service delivery</b></p>	<ul style="list-style-type: none"> <li>• When 95% of households have access to water, the 5% who still need to be provided for, feel they cannot wait a moment longer. Success is also the breeding ground of rising expectations."</li> <li>• The 2011 national census put the figure of households with "access to piped water" at 91.2%. The most recent general household survey, published last year by Statistics South Africa, states that 90.8% of households had "access to piped water" in 2012. The figures differ from province to province. In the Eastern Cape, for instance, only 79% of households were found to have access to piped water.</li> <li>• Residents of Free State, Mpumalanga and Eastern Cape have consistently been least satisfied with the quality of water. In 2012, 15,1% of households in Free State felt that their</li> </ul>	<p>undertook initiatives with the Minister of Water &amp; Environmental Affairs including:</p> <ul style="list-style-type: none"> <li>• The refurbishment of phase II of the Water Network at Emalahleni which is 60% complete. The target is that it must be complete by the end of April 2013.</li> <li>• The augmentation programme using the Rust de Winter Dam for Dr. JS Moroka.</li> <li>• Bloemendal to Delmas Pipeline which is 95% complete. This resource will ensure that water security for Victor Khanye communities is guaranteed for the next twenty years and</li> </ul>	<ul style="list-style-type: none"> <li>• Improved storm water drainage system.</li> <li>• Increased access to electricity by all households</li> <li>• To provide a quality, adequate water service to all consumers within the municipality</li> <li>• Reduce water and sanitation backlogs</li> <li>• Increased access to electricity by all households</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>water smelled bad compared to 11,7% of Mpumalanga households and only 2,4% of Gauteng households. Free State households were most likely to feel that their water was unsafe to drink (15,1%), not clear (16,5%) and not tasting well (15,2%)."</p>	<p>beyond. The Municipality will be assisted to secure uptake agreements for the surplus to service the pipeline</p> <ul style="list-style-type: none"> <li>• For the upcoming financial year, we have prioritised: To ensure that all our people have access to water services by the end of 2013/14 financial year.</li> <li>• To eradicate sanitation backlogs in all formal settlements &amp; deal with the state of all over capacity waste water treatment works.</li> <li>• To accelerate refuse removal through the municipal public works programme</li> <li>• extend electrification to the remaining households</li> <li>• municipalities to prioritise the implementation of the Programme of Action for Delivery</li> </ul>	

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
		<p>Agreement on Outcome 9 and Local Government Turnaround Strategy in 2013/14 financial year. This will include:</p> <ul style="list-style-type: none"> <li>• MEGA to implement Bulk water &amp; sanitation infrastructure for the Mbombela, Nkomazi, Bushbuckridge, Mkhondo, Chief Albert Luthuli, Emalahleni, Dr. JS Moroka &amp; Thembisile Hani through MEGA</li> <li>• Implementing the Community Works Programme, including the programme on clean towns &amp; villages;</li> <li>• Support programmes for operation clean audit in all municipalities;</li> </ul>	
<b>Mineral and energy</b>	<ul style="list-style-type: none"> <li>• Parliament is finalizing amendments to the law to give effect to this very positive development, which will cut to less than 300 days, the time it takes to start a mine,</li> </ul>	<ul style="list-style-type: none"> <li>• Mine rehabilitation to rehabilitate land for productive use, prioritising agriculture activities</li> <li>• Water reclamation</li> </ul>	<ul style="list-style-type: none"> <li>• Mining houses, other businesses and the municipality should embark on career</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	from application to final approvals.”	<p>to purify underground water for community</p> <ul style="list-style-type: none"> <li>• MOU to be concluded, on similar areas of cooperation, with BHP Billiton the country Oman for Fresh produce &amp; SAMSUNG on Information Technology &amp; Communication (ITC)</li> <li>• Water delivery to power stations is planned by end April 2013 &amp; opportunity exists for access to Kriel Town from the Komati Water Scheme Augmentation Project. An estimated cost of R25 million for the pipeline from KWSAP to Kriel Town would be spent.</li> <li>• Majuba Rail Siding Project construction will commence in the 2nd Q of 2013 to establish a pvt railway line to transport coal to Majuba Power Station coal stockyard in Amersfoort.</li> </ul>	guidance and social responsibility projects.
<b>Crime</b>	<ul style="list-style-type: none"> <li>• “The overall crime rate has decreased by 21 percent since</li> </ul>	<ul style="list-style-type: none"> <li>• Reducing contact crime by 4-7%, with major focus</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce incidences of Fraud and</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>2002..."While overall crime rates may have decreased by 21% between 2002 and 2012, the ISS noted that "overall levels of crime [for 2011/2012] are actually quite comparable with the levels recorded in 1994/1995".</p> <ul style="list-style-type: none"> <li>The decline in crime has also not been uninterrupted. According to the ISS, a "3% increase in total crime levels was recorded in the two-year period between 2007/08 and 2009/10", which was followed by marginal decreases in the subsequent two years.</li> <li>In the last year all forms of serious and violent crimes – including murder, attempted murder, house robbery, and street robbery – all of these have increased. Murder is of particular concern, because the [murder rate] had been coming down – and this is the first time murder has increased in seven years."</li> </ul>	<p>on all hot spots in the Province</p> <ul style="list-style-type: none"> <li>Roll-out a '365 days' programme on No Violence against Women and Children.</li> </ul>	<p>Corruption</p>
<p><b>Economic growth</b></p>	<ul style="list-style-type: none"> <li>On average, the economy has grown at 3,2 percent a year from 1994 to 2012 despite the global recession which claimed a million jobs." Jobs are now</li> </ul>	<ul style="list-style-type: none"> <li><b>Economic Growth:</b> In 2010, the economic growth rate of MP was at 3,1% but decrease to 2,3% in 2012,</li> </ul>	<ul style="list-style-type: none"> <li>To provide a systematic spatial/ land development control</li> <li>To ensure stability in</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>being created again.</p> <ul style="list-style-type: none"> <li>• There are now 15 million people with jobs in the country, the highest ever in our history, and over 650 thousand jobs were created last year, according to Stats SA."</li> <li>• Prior to the recession South Africa's unemployment rate was 21.9%. According to StatsSA, 4,830,000 South Africans are classified as unemployed, resulting in an unemployment rate of 24.1%. But StatsSA uses a very narrow definition of "unemployment" which refers only people who are unemployed but actively seeking work.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Enterprise development on 2 projects:</b></li> <li>• Industrial Park to promote SMMEs and Cooperatives development</li> <li>• Procurement to enhance targeted procurement to promote local enterprises</li> <li>• Renewal focusing on 3 projects: of mining towns</li> <li>• Upgrading &amp; maintenance of the coal haulage network</li> <li>• Social Labour Plans to realign Social Labour Plans to support both urban renewal initiatives and labour supply centres.</li> </ul>	<p>Commercial Agricultural Business</p> <ul style="list-style-type: none"> <li>• Increased economic participation by the youths</li> <li>• Economic Growth and Development</li> </ul>
<b>Health</b>	<ul style="list-style-type: none"> <li>• "Mother to child transmission of HIV has declined sharply and we have doubled the number of people who are receiving anti-retroviral treatment, from one million to 2.4 million people in 2013."</li> <li>• More than 20 million South Africans have taken the HIV test since the launch of the campaign in 2011 which indicates</li> </ul>	<p>In 2013/14, will prioritize the provision of ECD infrastructure &amp; training of ECD practitioners</p> <ul style="list-style-type: none"> <li>• Will work in partnership with traditional leaders in ensuring that our schools become centres of excellence.</li> <li>• MRTT to focus on skills programmes in hospitality,</li> </ul>	

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>confidence in the health system.”</p> <ul style="list-style-type: none"> <li>• A recent study published by the World Health Organisation showed that mother-to-child transmission of HIV in South Africa dropped from 8,5% in 2008 to 3,5% in 2010 and 2,7% in 2011.</li> </ul>	<p>tourism, technical &amp; entrepreneurial fields.</p> <ul style="list-style-type: none"> <li>• MP University to be comprehensive, offering traditional &amp; university of technology type programmes.</li> <li>• institutions comprehensive improvement plan key interventions:</li> <li>• Finalising the appointment of CEOs in all hospitals by the end of April 2013 Complete all outstanding minor repairs and maintenance by the end of June 2013.</li> <li>• HIV &amp; AIDS prevalence rate increased from 2010 at 5.1 to 36.7 in 2011. Gert Sibande dist. has the highest amongst the districts in the country at 46, 1% in 2011.</li> <li>• Will strengthen the implementation of Nat. &amp; Prov. HIV, STI &amp; TB Strategic Plan for 2012 – 2016</li> <li>• Will strengthen the MP Aids Council</li> <li>• Reducing contact crime by 4-7%, with major focus on all hot spots in the Province</li> </ul>	

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
		<ul style="list-style-type: none"> <li>Roll-out a '365 days' programme on No Violence against Women and Children.</li> </ul>	
<b>Tourism</b>	<ul style="list-style-type: none"> <li>The tourism industry has grown dramatically. In 1993, South Africa received a mere 3 million foreign visitors. By 2012, the figure had grown to 13 million visitors."</li> <li>The latest tourism report from StatsSA confirms that during 2012 "about 13,8 million foreigners arrived in South Africa". Not all of these, however, are considered tourists.</li> <li>StatsSA states 94,7% of foreign arrivals in 2012 were "visitors" of which 29,7% were "same day visitors" and 70,3% – or 9,2-million people – were overnight visitors or "tourists". The balance was classed as business travellers, students and workers.</li> </ul>		<ul style="list-style-type: none"> <li>Social and culture integration and conservation of important cultural and historic sites- promote and conserve sites</li> </ul>
<b>Housing</b>	<ul style="list-style-type: none"> <li>In housing, about 3 million housing units and more than 855 thousand serviced sites were delivered since 1994."</li> <li>"Nearly 500 informal settlements have been replaced with quality housing and basic services over the past five years."</li> <li>The current baseline</li> </ul>	<p>In 2013/14 prioritising to:</p> <ul style="list-style-type: none"> <li>finalise the outstanding work on the establishment of integrated Human Settlements in Klarinet, Emakhaseni, Dipaliseng and Thaba Chweu</li> <li>Conduct township</li> </ul>	<ul style="list-style-type: none"> <li>Reduced housing backlog</li> </ul>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>used to measure the number of informal settlements in South Africa comes from 2009. It states that there are approximately 2,700 informal settlements across the country, and that households in these settlements continue to grow at around 3% per annum. (According to the human settlements department, this figure will be updated during the course of 2014)</p> <ul style="list-style-type: none"> <li>• A recent report from the Housing Development Agency suggests that the number of households living in informal settlements has stabilised since 2001. In 2011 there were approximately 1,66-million households in informal residential areas or shacks not in a backyard.</li> </ul>	<p>establishment in Emalahleni, Govan Mbeki, Steve Tshwete and Mbombela as part of eliminating informal settlements.</p>	
<p><b>Land Restitution</b></p>	<ul style="list-style-type: none"> <li>• Since 1994, nearly 5,000 farms, comprising 4.2 million hectares, have been transferred to black people, benefiting over 200,000 families."</li> <li>• Nearly 80,000 land claims, totalling 3.4 million hectares, have been settled and 1.8</li> </ul>		<p>-</p>

ISSUES	STATE OF NATION ADDRESS	STATE OF PROVINCE ADDRESS	VICTOR KHANYE STRATEGIC FOCUS
	<p>million people have benefited."</p> <ul style="list-style-type: none"> <li>The 2012/2013 annual report of the Commission on the Restitution of Land Rights states: "A total of 77,334 claims have been settled to date. Of these, 71,292 claims were settled by payment of financial compensation of R6, 561,021,691 to claimants."</li> <li>The annual report also indicates that a "total of 111,278 people benefitted from the restitution programme in the 2012/13 financial year".</li> </ul>		

**Table 53: alignment planning**

SECTOR PLAN	YEAR OF ADOPTION
1. Water service development plan	SO3/01/.2009
2. Local Economic development plan	SO3/01/2014
3. Local Economic development Strategy	SO3/01/2014
4. Comprehensive Infrastructural development plan	In progress
5. Spatial Development framework	SO3/01/.2009
6. Human Resources development strategy	SO3/01/.2009
7. Land Use Management scheme	Not Yet adopted
8. HIV plan	SO3/01/.2007
9. HIV Strategy	SO3/01/.2006
10. Energy plan	In progress
11. Revenue collection plan	SO4/02/2009
12. Disaster Management plan	SO3/01/2009

13.Property control rates policy	SO3/01/2014
14.Public participation strategy	SO3/01/2014
15.Performance management plan	SO3/01/2014
15.Assets management policy	SO3/01/2014
15.Communication strategy	SO3/01/2009
16.Disaster Management policy	SO3/01/2009
17.Risk Management policy	SO3/02/2014
18.Fleet Management policy	In progress
19.Human resource Management policy	In progress
20.Fraud prevention plan	SO3/01/2009
21. Risk Management strategy	SO3/01/2014
22. Fraud and corruption policy	In progress
23. Performance management strategy	SO3/01/.2014

**Table 54: Victor Khanye Sector plans**

## **6. 16 Financial Management Policies**

Any organisation that wishes to remain financially viable needs to ensure that a sound financial base with appropriate policies and procedures are in place to sustain municipal services on a level that is acceptable to the residents of the municipality. The financial policies of the municipality are reviewed and updated on an annual basis to ensure that they reflect current legislation and needs. To comply with this directive the following policies are currently in place:

Policy	Reason for its Existence
<b>6.5.1 Credit Control Policy</b>	The policy was introduced in order to ensure effective recovery of outstanding debts owed to the Municipality. Without denying the residents excess to a basic municipal service, measures are introduced to act against non-payers.
<b>6.5.2 Indigent Policy</b>	The municipality fulfils the promise of giving access to basic services to the under-privileged or indigent households through the assistance of the Indigent Policy. The policy was introduced to financially assist the poorest of the poor by means of a subsidy financed from the equitable share from National government. Different categories of indigence were determined according to the levels of income. The subsidy is determined according to the category of indigence. The updating of the Indigent register has been completed, but although all the applications have been received the verification process by the respective Ward committees is still in progress and is anticipated to be completed in the current 2013/14 financial year. Approved registered Indigent consumers qualify for free basic services (in terms of the Policy) such as rates, refuse, sewerage, and 6kl of water and 50kw of electricity depending on their indigent status. However, free 6kl of water and 50kw of electricity are extended to all consumers.
<b>6.5.3 Investment policy</b>	As per requirement of the Municipal Finance Management Act, No 56 of 2003, an investment policy was introduced in order to guide the investment of surplus funds as well as the Loan Redemption Fund.
<b>6.5.4 Tariff policy</b>	The Tariff policy was introduced in order to determine the scope and nature of all tariffs as well as the level thereof. Tariffs are charged in order to raise income for

	sustaining the municipal services.
<b>6.5.5 Asset Management Policy</b>	The policy was introduced in order to guide the effective, efficient, and economical acquiring, utilisation, depreciation, writing off and selling of Council's assets.
<b>6.5.6 Supply Chain Management Policy</b>	The policy was introduced in order to guide effective, efficient, economical, and transparent procurement procedures.
<b>6.5.7 Travelling and Subsistence Policy</b>	The policy was introduced in order to guide the reimbursement of travelling and subsistence expenses incurred by Councillors and officials.

**Table 55: Financial Management Policies**

### **6.17 Local Economic Development Plan (LED)**

The LED is a component of the Victor Khanye Local Municipality overall strategic plan as outlined in the IDP Planning process. The strategy provides the municipality with guidelines to create and facilitate economic development, realise the underlying economic development potential, and encourage private sector investment and job creation. Numerous opportunities exist for economic development in Victor Khanye Local Municipality as highlighted in the table in Section 3, Programme 33, Economic Growth and Development. A number of these projects had to be facilitated and funded by engaging with Public Private Partnerships as well as the Nkangala District. The implementation of these projects will ensure that more job opportunities are created, skills development occurs and that SMME and Coop development is enhanced. Priority projects were identified based on job creation, skills development, community involvement, SMME development and overall economic impact.

### **6.18 Integrated Waste Management Plan (IWPM)**

The purpose of the IWMP is to enable the municipality to progressively develop an IWMS capable of delivering waste management services to all households and businesses in the communities that it serves. National policy requires municipalities to

implement IWMS with a focus on prevention and minimisation of waste, recycling of waste and treatment that is able to reduce the potentially harmful impacts of waste. Only after these efforts, should remaining wastes be disposed of at a landfill site. Municipalities are also mandated by the Municipal Services Act, not only for providing general waste collection services and managing waste disposal facilities, but also for raising public awareness about waste management.

**Waste management** by inference is the “generation, prevention, characterisation, monitoring, treatment, handling, reuse and residual disposition of solid wastes”. There are various types of solid waste including municipal (residential, institutional, commercial), agricultural, and special (health care, household hazardous wastes, sewage sludge). To date, the municipality is practising a traditional practice of waste management, namely a method that focuses on waste after it has been generated by means of burying the waste in a Landfill site. A properly designed and well-managed landfill can be a hygienic and relatively inexpensive method of disposing of waste materials. However, the adverse of this can create adverse environmental impacts such as wind-blown litter, attraction of vermin and generation of liquid leachate and methane and carbon monoxide gases. This gas can create odour problems, kill surface vegetation and is commonly referred to as a “greenhouse gas” as part of “green economy” principles there is methods employed to harness this gas for the purposes of electricity generation.

**Recycling** as the name implies is a method employed with reference to the collection and reuse of waste materials such as empty beverage containers. The materials from which the items are made can be reprocessed into new products. There are various methods that can be introduced for effective recycling many of which are practiced in various towns and cities throughout south Africa.

Victor Khanye Local Municipality has prioritised recycling in 2013/14 with the development of a Waste recycling strategy. In the current year the LED department has negotiated with the Department Economic Development, Environment and Tourism (DEDET) to provide funding for a project in respect of recycling industrial and domestic waste. If the funding is sourced, it is projected that it will commence by June 2015 and be effectively rolled out in the various recycling methods employed.

### **6.19 HIV/AIDS Plan**

The South African Constitution respects the human rights of all people. The reaction to HIV/AIDS in our country has resulted in the infringement of many of the fundamental freedoms and human rights the Constitution affirms. Discrimination, degradation, assaults, dehumanisation are all important human rights issues for society to be able to address. It is important for people suffering from HIV/AIDS to be respected as equal human beings. Government, private institutions and individuals must affirm their dignity and worthiness and offer unconditional support. It is on the basis of the above that Victor Khanye Local Municipality developed its HIV/AIDS Plan.

Mpumalanga has one of the highest infection rates of HIV/AIDS in the country, necessitating an aggressive and coordinated programme, adequately funded and with a developed and approved strategy to combat this life threatening disease and retard its prevalence through education. In conjunction with the Nkangala District municipality and Provincial initiatives and aligned to the Victor Khanye Local Municipality HIV/AIDS plan the municipality will focus on factors related to prevention, treatment, care and support to nurture a culture that will be conducive to promoting a long and healthy caring community through the implementation of both preventive strategies to reduce the incidence of infection, whilst addressing the needs of the people suffering and indirectly affected by HIV/AIDS.

### **6.20 Disaster Management Plan (DMP)**

The Victor Khanye Local Municipality has been developed in order to provide all relevant stakeholders with the general guidelines and role that the municipality will assume during the initial response to an emergency and an overview of their responsibilities during the course of an emergency or disaster situation occurring. For the DMP to be effective it is important that all concerned parties be made aware of its provisions and that every relevant stakeholder is well versed on their respective role and responsibility assigned to them during the course of any emergency that may arise. This will provide for a quick cohesive and coordinated response to any emergency/disaster situation that may arise and mitigate the negative impact that could arise from such events.

## 6.21 Fraud and Corruption Strategy

The question of eradicating corruption is of utmost importance to the Government and was again raised as an area of major concern to be vigorously pursued in the recent State of the Nation Address and Provincial Address delivered in February 2015 by our President Mr Jacob Zuma and Provincial Premier Mr David Mabuza respectively. Fraud is defined as a dishonest activity causing actual or potential financial loss to an organisation. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit. Corruption, on the other hand, refers to the dishonest activity in which a person acts contrary to the interests of the organisation and abuses his/her position of trust in order to achieve some personal gain or advantage for them or provide an advantage/disadvantage for another person or entity.

The Risk management unit has developed certain policies and strategies during the current year of which the Fraud Prevention Policy was approved in August 2013. This policy has been facilitated to Councillors and senior management staff to familiarise them with the contents and purpose of the policy. The other documents which have been drafted and are currently with the Policy Development Committee include:

Risk Management Methodology
Risk Management Strategy
Risk Management Policy

**Table 56: Policy Development Committee**

These policies and strategies should all be processed through the relevant bodies for approval and implementation before the commencement of the 2015/16 financial year.

## **CHAPTER 7: INSTITUTIONAL ARRANGEMENTS**

### **7.1 Introduction**

The Victor Khanye Local Municipality is a category B Municipality. It has a collective executive system combined with a ward participatory system in terms of the Local Government Municipal Structures Act, 117 of 1998. There are 17 councillors. Nine (9) of the seventeen (17) councillors are directly elected from the nine (9) municipal wards and comprise eight (8) members of the ANC and one (1) member of the DA. The other eight (8) councillors are proportionally elected and therefore represent the major political parties comprising of five (5) members of the ANC, two members of the DA and one (1) member from the NFP.

Council retains both the Executive and Legislative authority. All decisions within the municipality are taken through Council through a Council resolution; Council resolutions are recorded in a register referred to as the 'Finalisation of Council Resolutions' and circulated to the relevant Directorate for implementation. These forms are then returned to Corporate Services for submission to Council. The Executive Mayor through the Budget Speech also discharges political decisions.

## 7.2 Executive Mayoral Committee

The Council Executive comprises of the Mayoral Committee, supported by three (3) Mayoral Committee members. In terms of the Municipal Structures Act, section 43, members are elected to the Mayoral Committee by and responsible to the Council, chaired by the Exec Mayor which has various functions and powers as set out in section 44 of the Act The present Mayoral Committee comprises of four (4) Members and is chaired by the Executive Mayor and meet bi-monthly.

Executive Mayor, Councillor EN Makhabane ( <b>Chairperson</b> )
Councillor KV Buda (MMC) -Planning, Infrastructure, Transport and Safety
Councillor SH Mahlangu (MMC) - Health & Social Services
Councillor ZJM Zulu (MMC) - Finance & Admin Services

**Table 57: Mayoral Committee**

### 7.2.1. Functions of the Mayoral committee

In terms of legislation she has the following functions:

identify the needs of the municipality;
review and evaluate those needs in order of prioritize;
recommend to the Municipal Council strategies, programmes, and services to address priority needs through the Integrated Development Plan, and the estimates of revenue and expenditure, taking into account any applicable national and provincial development plans; and
recommend or determine the best way, including partnership and other approaches, to deliver those strategies, programmes and services to the benefit of the community

**Table 58: Functions of Mayoral committee**

### 7.3 Political Governance

To assist the Council and Mayoral Committee to exercise their role and responsibility in overseeing the activities of the Municipality, certain committees have been established to perform a monitoring, oversight and report back role to either the Mayoral Committee or Council directly; determined by the type of committee constituted, These committees report back either on a monthly or quarterly basis. At present the Council has established three (3) Section 79 committees which are now referred to as Monitoring Committees as per Council resolution approved in July 2013. The committees are referred to as:

<ul style="list-style-type: none"> <li>• Planning, Infrastructure, Transport and Safety (PITS)</li> </ul>
<ul style="list-style-type: none"> <li>• Health and Social Services and Development (H&amp;S)</li> </ul>
<ul style="list-style-type: none"> <li>• Finance and Administrative Services (A&amp;F)</li> </ul>

**Table 59: Monitoring Committees**

<b>Councillors</b>	<b>Portfolio</b>
Cllr E.N Makhabane	Executive Mayor
Cllr K.V Buda	MMC: Planning, Infrastructure Transport & Safety
Cllr S.H Mahlangu	MMC: Health, Sport & Social Services

Cllr Z.J.M Zulu	MMC : Finance, Administration & Economic Development
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**Table 60: Members of Mayoral Committee**

<b>Councillors</b>	<b>Political Party</b>
Cllr E.N Makhabane	ANC
Cllr R.K Segone	ANC
Cllr S.H Mahlangu	ANC
Cllr B Shabalala	ANC
Cllr M. Mokoena	ANC
Cllr M Rautenbach	DA
Cllr T Nyathi	DA
Cllr T.M Maluleke	NFP

**Table 61: Councillors**

<b>Ward</b>	<b>Name of the Councillor</b>
1	Cllr M.M Nhlapho
2	Cllr B.D Yeko
3	Cllr L.N Mlambo
4	Cllr K.V Buda
5	Cllr H.M Ngoma
6	Cllr E.T Shabangu
7	Cllr Z.J.M Zulu
8	Cllr D.J Bath

9	Cllr S.S Nkabinde
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**Table 62: Ward councillors**

**Section 79 committees**

1	Cllr. SH Mahlangu (Chairperson)
2	Cllr. HM Ngoma
3	Cllr. ET Shabangu
4	Cllr. LN Mlambo
5	Cllr. SS Nkabinde
6	Cllr. M Rautenbach
7	Cllr. RK Segone

**Table 63: Geographic Names Change Committee**

<p>The Head of Department or his/her delegate must evaluate the proposed name against the provisions of this policy and submit a report to the District Name Change committee.</p>
<p>Integrated Communication, Marketing and Information Services must be involved with and take responsibility for the citywide marketing of and Communication on the name changes of the affected properties.</p>
<p>Integrated Communication, Marketing and Information Services will be responsible for the advertisements in all relevant newspapers and any road shows deemed necessary to market and promote the changes, as well as for the budget for these functions</p>
<p>Notification on the proposed new name must be published in the local Press, within the official language of the residents.</p>
<p>Written comments on the name will only be received within 30 days from the date of publication of the notification.</p>

**Table 64. Functions of Geographic Names Change Committee**

1	Cllr. Nhlapho M.M (Chairperson)
2	Cllr. Shabangu E.T
3	Cllr. Shabalala B
4	Cllr. Buda K.V
5	Cllr Nyathi T
6	Cllr Segone R.K (Ex-officio)

**Table 65 : Local Labour Forum**

restructuring and new work methods
partial or total plant closure
mergers and ownership transfers;
retrenching workers
job grading;
criteria for merits and bonuses
education and training;
product development plans;
export promotions; and
health and safety measures

**Table 66. Functions of Labour Forum**

1	Cllr Yeko B.D (Chair)
2	Cllr Zulu Z.J.M
3	Cllr Mokoena B
4	Cllr Makhabane E.N
5	Cllr Bath D.J
6	Cllr Maluleka T.M
7	Cllr Segone R.K (Ex-officio)
8	Cllr. Rautenbach M

**Table 67: Policy Development Committee**

Review and evaluate those needs in order of priority
Recommend to the municipal council strategies, programmes and services to address priority needs
Recommend or determine the best methods, including partnership and other approaches, to deliver those strategies, programmes and services to the maximum benefit of the community
Identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services can be evaluated
Evaluate progress against the key performance indicators
Review the performance of the municipality
Monitor the management of the municipality's administration in accordance with the policy directives of the municipal council
Annually report on the involvement of communities and community organisations in the affairs of the municipality

**Table 68. Functions of Policy Development Committee**

1	Cllr. Segone (Chairperson)
2	Cllr. DJ Bath
3	Cllr. HM Ngoma
4	Cllr. KV Buda
5	Cllr. M Rautenbach

**Table 69: Rules and Ethics Committee**

Overseeing and enforcing local ethics laws and/or codes;
Providing advice to local officials on ethics and ethics laws; and
Training local officials on ethics and ethics laws.

**Table 70. Functions of rules and Ethics Committee**

1	Cllr. LM Mlambo
2	Cllr. ZJM Zulu
3	Cllr. J.Nyathi
4	Cllr. HM Ngoma
5	Cllr. MM Nhlapho
6	Cllr. RK Segone (Ex officio)

**Table 71: Finance & Administration**

1	Cllr. S Nkabinde (Chairperson)
2	Cllr. DJ Bath
3	Cllr. TM Maluleka
4	Cllr. ET Shabangu
5	Cllr. KV Buda
6	Cllr. RK Segone (Ex officio)

**Table 72: Planning, Infrastructure, Transport, & Safety**

1	Cllr. B Shabalala (Chairperson)
2	Cllr. M Nhlapho
3	Cllr. BD Yeko
4	Cllr. M Rautenbach
5	Cllr. SH Mahlangu
6	Cllr. RK Segone (Ex officio)

**Table 73: Health, Sports & Social Services**

1	Cllr. EN Makhabane (Chair)
2	Cllr. ZJM Zulu
3	Cllr. LN Mlambo
4	Cllr. J.Nyathi

**Table 74: Budget Steering Committee**

Taking into account a broad array of stakeholder input as well as work already accomplished by community groups and the agencies themselves, the Steering Committee will advocate for and help to coordinate key agency and cross-agency actions and initiatives to be undertaken by provincial departments.

The Steering Committee will seek support and resources for the initiatives that it recommends.

In addition to creating an action plan with cross-agency priorities, examples of these responsibilities could include reporting progress and results to organizing periodic events (e.g., Summit, workshops, Report Card Event, etc.), public education and outreach.

**Table 75 Functions of budget steering committee**

1. Cllr Mokoena N.B (Chairperson)
2. Cllr J.Nyathi
3. Cllr Shabalala B
4. Cllr Bath D.J
5. Cllr Shabangu E.T
6. Cllr Mlambo L.N
7. Cllr Maluleka T.M
8. Cllr Nhlapho M

**Table 76: Municipal Public Accounts Committee**

The primary function of the Municipal Public Accounts committee is to assist Council to hold the executive and the municipal administration to account and to ensure the effective and efficient use of municipal resources. It will execute this function by reviewing public accounts and exercising oversight on behalf of the Council. It is however important that good working relationships are developed between the Municipal Public Accounts committee and the other committees. Whilst guarding its independence, the Municipal Public Accounts committee should have the right to refer or receive matters from the committees. It is recommended that the committee examines the following:

Financial statements of all executive organs of Council
---

Any audit reports issued on those statements
--

Any reports issued by the Auditor General on the affairs of any municipal entity
Any other financial statements referred to the committee by Council
The annual report on behalf of Council and make recommendations to Council thereafter
Report on any financial statements or reports to Council
Initiate and develop the annual oversight report based on the annual report

**Table 77: Functions of the committee**

Councillors	Political Party
Cllr E.N Makhabane	ANC
Cllr R.K Segone	ANC
Cllr S.H Mahlangu	ANC
Cllr B Shabalala	ANC
Cllr NB Mokoena	ANC
Cllr M Rautenbach	DA
Cllr J.Nyathi	DA
Cllr T.M Maluleke	NFP

**Table 78: Proportionally elected Councillors**

Ward	Name of the Councillor
1	Cllr M.M Nhlapho (chairperson)
2	Cllr B.D Yeko
3	Cllr L.N Mlambo
4	Cllr K.V Buda
5	Cllr H.M Ngoma
6	Cllr E.T Shabangu

7	Cllr Z.J.M Zulu
8	Cllr D.J Bath
9	Cllr S.S Nkabinde

**Table 79: Ward Councillors**

Councillors	Portfolio
Cllr E.N Makhabane	Executive Mayor (Chairperson)
Cllr K.V Buda	MMC: Planning, Infrastructure Transport & Safety
Cllr S.H Mahlangu	MMC: Health, Sport & Social Services
Cllr Z.J.M Zulu	MMC : Finance, Administration & Economic Development

**Table 80: Mayoral Committee**

These committees meet on a monthly basis as per the approved Council resolution pertaining to the "Calendar of Events." Each Directorate submits a synopsis of their monthly activity progress and scheduled plans going forward, based on a fixed agenda of standing items and other ad hoc matters of importance that may arise. Minutes and resolutions are recorded by a secretariat provided by Corporate Services. These committees report back to Council via the Mayoral Committee on a quarterly basis.

The Victor Khanye Local Municipality has also established a Municipal Public Accounts Committee (MPAC). The main responsibility of MPAC is to provide oversight on operational performance and other related management aspects of the Municipality as delegated by Council. The MPAC can recommend or undertake any investigation in its area of responsibility. The primary function of MPAC was initially to provide comment on the Annual Report through the oversight report. The oversight report provides guidance to Council on whether to adopt the Annual Report

## 7.4 Intergovernmental Forums

The municipality takes advantage of the established platforms created to foster relationship between all three spheres of government. The overall aim for consultation with various interest groups and all other key stakeholders is to:

Create a platform for dialogue where all stakeholders would discuss and agree on the development route.
Ensure that all key sectoral issues are well reflected in the IDP;
Ensure that all projects and programmes of all key stakeholders are well captured within the IDP

**Table 81: Intergovernmental Forums**

To this end, the Municipality has established Intergovernmental Forum; between the Municipality and local sector departments, to enhance relationship between all three spheres of government In terms of Section 16 of the Intergovernmental Relations Framework Act, 2005 the Premier's intergovernmental forum was established to promote and facilitate sound relations between the Province and Local municipalities.

To this end the municipality participates in the following forums:

Premier's Coordinating Forum;
Provincial Management Committee

**Table 82: forums**

## 7.5 Administration

During the financial year under review the organizational structure that was adopted by Council constituted the following directorates namely; the office of the Municipal Manager, Budget and Treasury Office, Community Services, Corporate Services as well as Technical Services. Victor Khanye Local Municipality has a staff compliment of 373. The Municipality has within its financial means focused on filling all vacant and budgeted posts prioritising posts which have an impact directly on service delivery. The Municipal Manager as the Accounting Officer is the administrative head of the

municipality supported by the directorate's as reflected in the following table.

<b>Function</b>	<b>Post</b>	<b>Name</b>	<b>Department</b>
Municipal Manager	Vacant	Riba Sonnyboy (Acting )	Office of the Municipal Manager
Executive Director	Filled	Mashabela Thabo	Corporate Services
Chief Financial Officer	Filled	Barnard Carlo	Budget & Treasury
Executive Director	Filled	Mashele Floyd	Technical Services
Executive Director	Vacant	Mdluli Thembi (Acting	Community Services

**Table 83: Administrative Heads of Departments**

The roles and responsibilities of each department are detailed in the following organogram:



The following powers and functions as illustrated in the following table are assigned to Victor Khanye Local Municipality in terms of the Municipal Structures Act of 1998 and the Demarcations Board Capacity Assessment Report.

<b>Function</b>	<b>Authorised</b>	<b>Provided By</b>
Water and sanitation	Yes	VKLM
Electricity Reticulation	Yes	VKLM
Municipal Roads	Yes	VKLM
Other roads (District and Provincial)	No	NDM
Housing	No	DoHS
Building regulations	Yes	VKLM
Local tourism	Yes	VKLM
Fire fighting	Yes	VKLM
Street lighting	Yes	VKLM
Traffic and Parking	Yes	VKLM
Trading regulations	Yes	VKLM
Local sports facilities	Yes	VKLM
Municipal planning	Yes	VKLM
Municipal public transport	Yes	VKLM
Storm water	Yes	VKLM
Municipal airport	Yes	VKLM
Billboards and advertising	Yes	VKLM
Control of liquor and food outlet and street Trading	Yes	VKLM
Local amenities	Yes	VKLM
Waste and Cleansing	Yes	VKLM

**Table 84: Powers and Functions**

## **7.6 Supply chain management (bid) committees**

Rules 26 to 29 of the National Treasury: Municipal Supply Chain Management Model Policy reads together with, and in keeping with the Supply Chain Management regulation (Gen868) and Section 117 of the Municipal Finance Management Act (56 of 2003) as an empowering legislature provides for the Accounting Officer to appoint the Bid Committees. These committees are changed as and when the Accounting Officer deems necessary considering the expertise, knowledge and technical skills required.

## **7.7 Objectives of the employment equity plan**

The objective of the plan is on the overall to address the EE shortfalls of Victor Khanye Local Municipality as highlighted by the gap analysis. The following are a set of numerical objectives for the municipality. The following section has been developed in line with Section 20 (a) (b) (c) of the EEA. There is cognizance that the gaps cannot be addressed in one year. The sections give overall guidelines towards correcting the past imbalances.

Requirements	Corrective Measures
1) Elimination of barriers that inhibit access to employment for designated people.	a) Selective recruitment targeting of designated group,  b) Mentorship programs,  c) Accelerated development programs,  d) Promotions
2) Measurable diversity programs that will foster equal opportunities, respect and dignity for all persons	a) Cultural diversity programs,  b) Leadership development programs,  c) Personal development plans
3) Accommodate people from designated groups	a) Promotions,  b) Transfers,  c) Retention strategies
4) Opportunities that prevail to be filled with people from designated group	a) Selective recruitment,  b) Moratorium on the employment over represented groups
5) Equitable representation however that done with suitably qualified persons	a) Skills development plans  b) No window dressing
6) Efforts made to develop skills in this group as well as initiatives taken to retain these persons in these positions	a) Retention strategies.

**Table 85: Implementation plan**

The following table reflects the numerical plan to be followed per gender, race and occupational

level.

### Occupational categories

YEAR 1											
Occupational Categories	MALE				FEMALE				Disabled	Total	
	African	Coloured	Indian	White	African	Coloured	Indian	White			
Legislators, senior officials and managers					1					1	2
Professionals					1			1			2
Technicians and associate professionals					1	1	1	1			4
Clerks			1	1	1			1		1	5
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers					1					1	2
Plant and machine operators and assemblers											
Elementary occupations					2	1	1	1		1	6
<b>TOTAL PERMANENT</b>											
Non-permanent employees											
<b>TOTAL</b>			1	1	7	2	3	3		4	21

**Table 86: Occupational categories**

Year one proved to be highly successful in terms of recruitment, however, this brought about an inconclusive picture of the Employment Equity with the municipality. Although the targets have been exceeded, in both gender categories, the municipality continued to be employing more male candidates. This is also necessitated by the nature of work within the municipality, which is traditionally male dominated areas of work and the society still find these positions to be unpalatable to the counter female prospective employees.

Victor Khanye Local Municipality will recruit to achieve at least 20% of the identified gaps numerically throughout the various occupational levels. This should be over and above the resignations and terminations that could have occurred through the year.

- Implement the learnership, mentorship and career advancement programs.
- Implement all amended policies and procedures
- Design intervention programs for all challenges realized.

YEAR 2											
Occupational Categories	MALE				FEMALE				Disabled	Total	
	African	Coloured	Indian	White	African	Coloured	Indian	White			
Legislators, senior officials and managers					1					1	2
Professionals					1			1			2
Technicians and associate professionals					1	1	1	1			4
Clerks	1	1	1		1		1			1	6
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades workers					1					1	2
Plant and machine operators and assemblers											
Elementary occupations					2	1	1	1		1	6
<b>TOTAL PERMANENT</b>											
Non-permanent employees											
<b>TOTAL</b>	1	1	1		7	2	3	3		4	22

**Table 87: Occupational categories**

The municipality expect to see an over achievement in the coming financial year as a result of the newly created positions and the anticipated organisational design endeavour which might see the municipality, having to increase its workforce even further.

### 7.8 Workforce Analysis

This section reports on the status of the Victor Khanye Local Municipality workplace. It presents profile of the workforce according to race, gender, and disability status. The section does not look at the corrective measures but rather presents the raw findings in terms of equity of the municipality.

### 7.9 Vacancy Rate

The total headcount for Victor Khanye Local Municipality is currently 341 against a planned establishment of 435, leading to 94 (21.6%) vacancies at the time of compiling this document.

### 7.10 Gender

The following table and its accompanying pie chart reflect the profile of the Victor Khanye Local Municipality:

**Table 88: Gender representation**

GENDER	NUMBER
Male	257
Female	84
<b>Total</b>	<b>341</b>



Figure 17: Employees Gender representation

**7.11 Occupational Level Profile**

The Employment Equity Act should not only be viewed in terms of race and gender, but also right across the organization i.e. various job levels and business units. This section takes the Work profile further by looking at the spread across occupational levels.

**7.12. Occupation by Gender**

OCCUPATIONS	MALE	FEMALE
Directors & Managers	30	12
Professionals	24	10
Technicians & Associate Professionals	9	3
Clerks	19	29
Community & Personal Services workers	20	6
Machine Operators & Drivers	35	0
Elementary Occupations	120	24
<b>TOTAL</b>	<b>257</b>	<b>84</b>

Table 89: Occupation per gender

## Gender Representation per Occupation

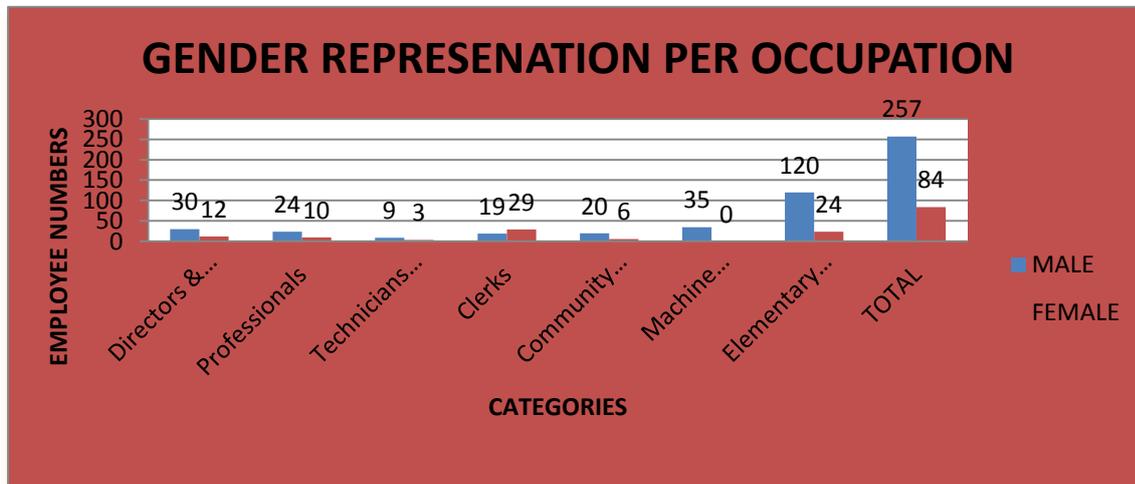


Figure 18: Gender Representation per Occupation

### 7.13. Workforce Movement

Employment Equity is affected by various factors i.e. resignations, dismissals, terminations, deaths, promotions, etc. It is therefore critically important for the municipality to record and track staff turnover. The workforce movement for the past 12 months is as set out below.

#### 7.14 New Appointments

25 new appointments were made during the past 12 months period of the Employment Equity period, see table below:

Gender	Number of new appointments
African Male	14
African Female	11
White Female	
<b>Total</b>	<b>25</b>

Table 90: Number of new appointments per gender

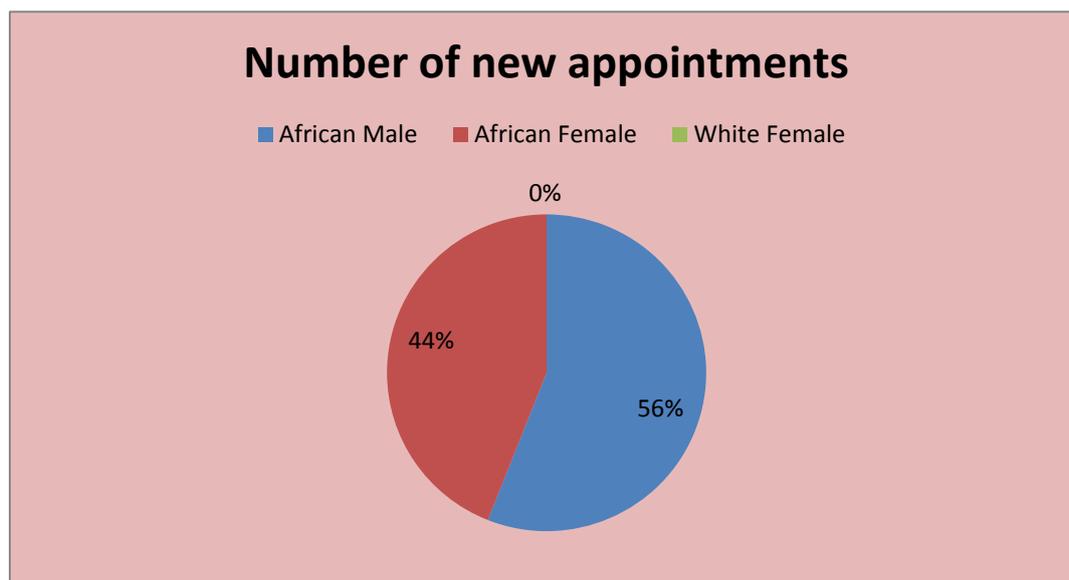


Figure 19: Pie representation of new appointments

OCCUPATIONS	AFRICAN MALE	AFRICAN FEMALE	COLOURED MALE	COLOURED FEMALE	INDIAN MALE	INDIAN FEMALE	WHITE MALE	WHITE FEMALE
Directors & Managers	2	0		0	0	0	0	0
Professionals	2	2						
Technicians & Associate Professionals	2	2						
Clerks	4	5						
Community & Personal Services workers								
Machine Operators & Drivers	2	1						
Elementary Occupations	2	1						
<b>TOTAL</b>	<b>14</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Table 91: New appointments per occupational levels

Although black males are in the majority in terms of the workforce profile, they were still in the majority in terms of new appointments.

**Types of terminations**

Type of Termination	Number of Terminations
Deaths	3
Dismissals	1
Retired	3
Medical Boarding	4
Resignation	2
<b>TOTAL</b>	<b>13</b>

Table 92: Types of terminations

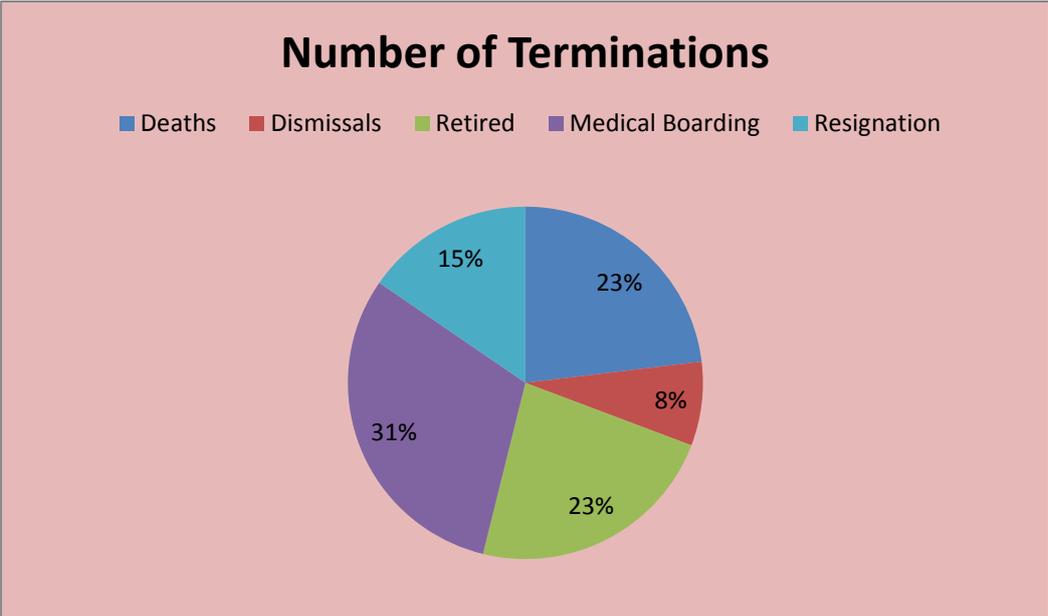


Figure 20: Pie representation of terminations

**7.15 Promotions**

The current promotions policy for the municipality is by application for a vacant post. Six promotions were effected during the period under review.

Promotions

Staff members	335
Promoted Staff	6
Total Staff members	341

Table 93: Number of Promotions



Figure 21: Pie representations of promotions

### 7.16 Profile of Promotions

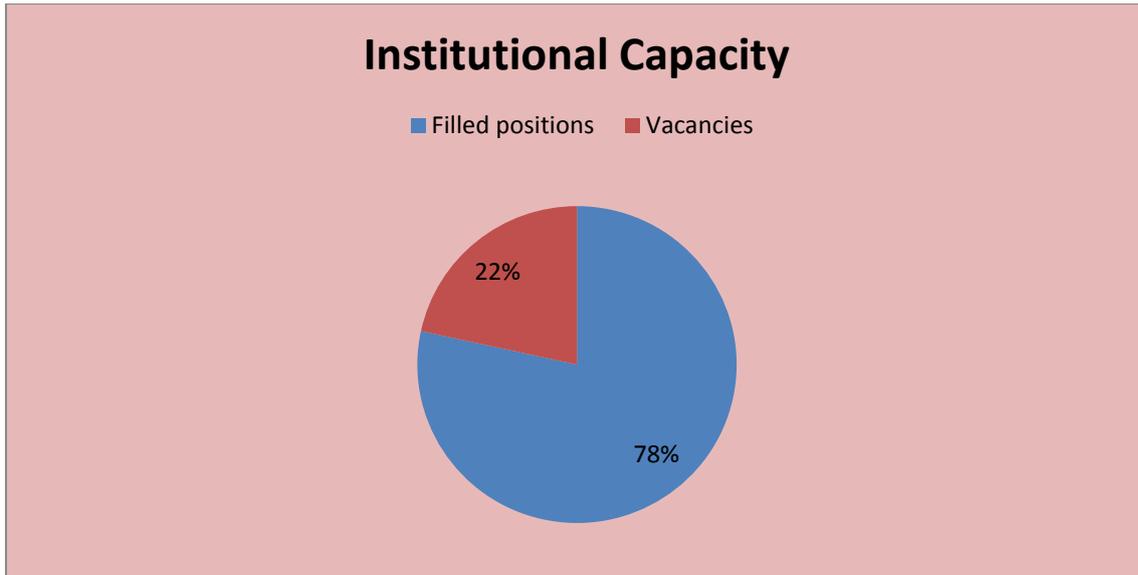
The promotions for the period under review have all been for black males at elementary level.

### 7.17 Vacancies (Institutional Capacity)

The Victor Khanye Local Municipality is currently operating at 78.4% capacity. The remaining 21.6% is a lever to make the municipality compliant.

Institutional Capacity	Number
Filled positions	341
Vacancies	94
<b>Target</b>	<b>435</b>

Table 94: Institutional Capacity

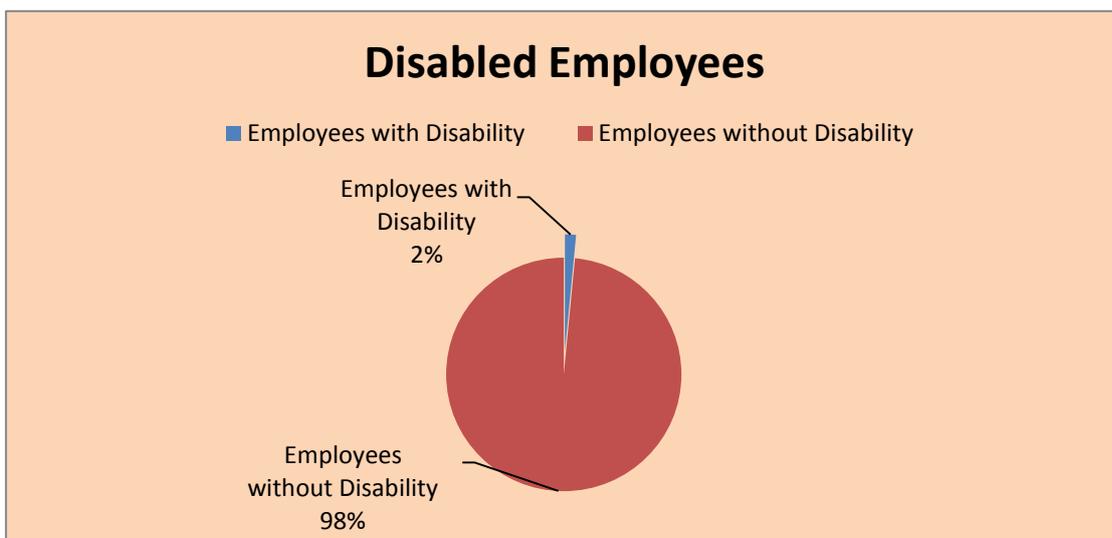


**Figure 22: Institutional Capacity pie representation**

### 7.17 Employees with Disabilities

People with disabilities are defined in the Act as people who have long term recurring physical or mental impairment, which substantially limits their prospects of entering into, or advancement in employment. The Victor Khanye Local Municipality has eight employees with disabilities, working to about 3% of the total workforce.

#### Employees with disabilities



**Figure 23: Employees with disabilities**

The methodology of establishing awareness and determining the status quo of

the municipality in terms of Employment Equity included a workshop and meetings with various stakeholder groups, i.e.

- Employees
- Union representatives
- Leadership
- Management.

Various documentation including management reports, policies, programmes and human resources operations were reviewed. The process was largely guided by the Employment Equity Act prescripts. On the overall, the municipality has made some inroads to align with the Employment Equity Act in the workplace, in their practices and procedures. Training is a critical process of capacitating and empowering employees especially in an instance where there is commitment to Employment equity. All new appointments at Victor Khanye Local Municipality undergo a strict orientation programme, 42 African male and 18 African female, 1 Female Colored and 1 White Male employees attended work related courses during the year ending 30/07/2014.

**Table 96: Number of people Trained**

CCUPATIONS	AFRICA N MALE	AFRICA N FEMAL E	COLOURE D FEMALE	WHITE MALE	WHITE FEMAL E
Legislators	9	5	0	0	0
Directors & Managers	4	1	0	0	
Professionals	0	1	0	1	0
Technicians & Associate Professionals	9	0	0	0	0
Clerks	0	9	1	0	0

### **7.18 Employment practice policy**

This policy is intended to create a framework for decision-making in respect of employment practice/s in the Victor Khanye Local Municipality .The policy establishes a set of guidelines and rules for the consistent interpretation and application of collective agreements and legislation governing the acquisition of staff by the Victor Khanye Local Municipality.

### **7.19 Human resource management strategy**

Human Resource Strategy is a plan for maximising the effectiveness of the municipality's employees in supporting the Victor Khanye Business Strategy as developed and approved Mid 2014.The purpose of the strategic session was to reposition the Victor Khanye Local Municipality in order to maximise the efficiency, effectiveness and impact of the Municipal Council both within the municipality as well as the Mpumalanga Province. As a result of the recently approved Business Strategy, Victor Khanye local had to review its Human Resources Management Strategy to be in line the Victor Khanye Business Strategy. Hence the Strategy is still in draft format and awaiting approval by Council, through various Council Structures. The Human Resources Strategy is central to the delivery of our strategic objectives and has been developed to facilitate Victor Khanye Local Municipality's Institutional Strategy 2011-2015 and core service delivery strategies.

The strategic human resource implications identified in the Institutional Strategy are to be:

Innovative in the development and delivery of all areas of our activity
Externally focused on our markets and customers
Commercially astute and growth driven
Flexible and integrated products and services
Equipped with responsive and efficient organisational structures

**Table 96: Human Resources Management Strategy**

The Human Resources Strategy sets out how our human resources will be

developed to meet these strategic human resource issues.

Policy	Purpose
<b>Succession and career path policy</b>	One of the elements of the Human Resources Manager Strategy is the Succession and Career Pathing Plan Policy. Therefore a policy is developed and its intent is to: Foster the meaning of the succession planning and career pathing to meet its intended meaning.
<b>Succession planning</b>	Making the necessary arrangements to ensure that suitably qualified people are available to fill posts which will arise within a specific department over forthcoming years.
<b>Career path</b>	Ensuring that each staff member's potential is developed to its fullest extent and that there is a career mapped out for him/her in municipal service. The aim should be an attempt to train and develop the employee to the extent that he/she is able to reach the level of seniority to which he aspires and to be able to compete and undertake the duties attached to that post.

**Table 97: Human Resources Strategy objectives**

## 7.20. Organisational Structure

An organisational structure consists of activities such as tasks allocation, coordination and supervision, which are towards the achievement of organisational aims. It can also be considered as the viewing glass or perspective through which individuals see their organisation and its environment. An organization can be structured in many different ways, depending on their objectives. The structure of an organization will determine the modes in which it operates and performs. Organizational structure allows the expressed allocation of responsibilities for different functions and processes to different entities such as the department, sections or units and individual. Organizational structure affects organizational action in two big ways. First, it provides the foundation on which standard operating procedures and routines rest. Second, it determines which individuals get to participate in which decision-making processes, and thus to what extent their views shape the organization's actions (Jacobides., M. G.

(2007). *The inherent limits of organizational structure and the unfulfilled role of hierarchy: Lessons from a near-war*. *Organization Science*). In general, over the last decade, it has become increasingly clear that through the forces of globalization, competition and more demanding customers, the structure of many companies has become flatter, less hierarchical, more fluid and even virtual (Gratton, L. (2004). *The Democratic Enterprise*, Financial Times Prentice Hall).

### **7.21 Staff Vacancy Rate**

Employee turnover is a normal part of the business cycle. Regardless of how happy you make your workers and how enjoyable your company may be to work for, from time to time employees will leave, be it to retire or relocate, or just in response to changing circumstances in their lives. There is, however, such a thing as excessive employee turnover. To ensure that your turnover rates are within the norm -- and, as a result, that no change in management style is necessary -- it is necessary to keep an eye on these rates to ensure that they stay within a healthy range.

When it comes to turning over employees, the fewer the municipality lose the better, as each new hire presents associated challenges for the municipality. While a zero percent employee turnover rate may be ideal, it is not likely. As Bernadette Kenny reports in "Forbes" magazine, any rate below 15 percent annually is considered healthy and no cause for alarm.

While almost all employers consider employee turnover a negative, in some situations turning over employees can be desirable as it brings about new skills, competencies and energies. To maintain a healthy turnover rate a municipality must retain its workforce. To keep workers who are already employed with your company on the job, aim to create satisfied employees by responding to worker needs and making employee morale a prime concern. Finally, before hiring employees, move carefully and deliberately through the screening and vetting

process, ensuring that the employees ultimately selected are the best ones for the job and very likely to stick with the municipality well into the future.

## **7.22 Skills Development Plan**

The municipality recognises that raising motivation and skills levels is essential to continued improved service delivery. As a result, skills development of Municipality staff is a top priority. Skills programmes (interventions) planned for the 2012/2013 financial year has exceeded the target, and for 2013/2014 the municipality target all employees from executives to elementary levels. The municipality has partnered with the University of Pretoria and the University of North West for Municipal Finance Management Programme (MFMP), Certificate Programme in Management Development for Municipal Finance (CPMD) and the University of the Witwatersrand School of Public and Development Management programme to provide top managers with skills to equip them to provide a strategic leadership role within the municipality and to comply with the Minimum Competency Requirements as per MFMA Regulation.

Other council staff members are part of training and development interventions relating to customer care, project management, practical supervision, fire fighting, effective communication; first-aid; law enforcement, computer training, performance management, etc. The municipality also provides a subsidised education scheme to assist all permanent employees who wish to pursue part-time studies towards formal tertiary qualifications. The training and development strategy of the municipality also links skills development to employment equity. While the Municipality would like to fill vacant positions with designated employees – women, black employees, and people with disabilities – it is sometimes not possible to find suitably qualified candidates. It is in this spirit that the provision of training and development opportunities is more inclined to benefit designated employees. In this way the municipality is creating a skills pool from which it can draw previously disadvantaged groupings for promotional opportunities (following recruitment processes, that is, suitably

qualified employees to apply for promotional positions).

### 7.23 Employment Equity

The employment equity policy of the City broadly aims to:

foster diversity in the workplace;
eliminate all forms of unfair discrimination;
ensure that all the people of South Africa are equitably represented within the municipality's environment;
prepare the ground for effective change through appropriate and ongoing investment in training and development;
Prohibit and combat unfair discrimination and harassment among employees; and provide reasonable accommodation of designated groups, in particular people with disabilities.

**Table 98: equity policy**

The municipality developed an Employment Equity Plan at the end of 2015 in line with best practice and legislative requirements. The annual review plan is based on Census 2011 of the Statistic South Africa. Three employment categories were established as follows:

Directors and Managers;
Professionals and Skilled employees; and
Semi-Skilled and Unskilled.

**Table 99: employment categories**

Population Demographics for National, Provincial and Local (Victor Khanye Local Municipality) were utilized in accordance to employment category as follows:

EMPLOYMENT CATEGORY	DEMOGRAPHICS
Directors and Managers	National
Professionals and Skilled employees	Provincial (Mpumalanga)
Semi-Skilled and Unskilled	Local (Victor Khanye Local Municipality)

**Table 100: employment category**

According to Stats SA, outcome for 2011, the Demographics are depicted in the table below:

CATEGORY	MALE				Total Male	FEMALE				Total Female
	A	C	I	W		A	C	I	W	
National	41	6	2	6	55	34	5	1	5	45
Mpumalanga	49	0	1	4	54	43	0	0	3	46
VKLM	42	1	1	8	52	40	0	0	8	48
TOTAL	132	7	4	18	161	117	5	1	16	139
AVERAGE	44	2	1	6	54	39	2	0	5	46

**Table 101: Victor Khanye Local Municipality employees status quo 1 (October 2013)**

CATEGORY	MALE				Total Male	FEMALE				Total Female	TOTAL
	A	C	I	W		A	C	I	W		
Directors & Managers	19	0	0	5	24	6	0	0	2	8	32
Percentage	59	0	0	16	75	19	0	0	6	25	100
Gap Analysis: National	-18	6	2	10	-20	28	5	1	3	37	
Professionals & Skilled	64	0	0	9	73	52	2	0	6	60	133
Percentage	48	0	0	7	55	39	2	0	5	45	100
Gap Analysis: Provincial	1	0	1	-3	-1	4	-2	0	-2	1	
Semi- Skilled & Unskilled	167	0	0	0	167	33	0	0	0	33	200
Percentage	84	0	0	0	84	17	0	0	0	17	100
Gap Analysis:	-40	2	1	6	-30	23	2	0	5	30	

VKM											
TOTAL EMPLOYEES	250	0	0	14	264	91	2	0	8	101	365
Average Percentage	68	0	0	4	72	25	1	0	2	28	100
Gap Analysis: TOTAL	-24	2	1	2	-19	14	1	0	3	19	

**Table 102: Victor Khanye Local Municipality employees status quo 2 (October 2014)**

Noting the above-mentioned comments, the municipality EE Plan for 2014/2015 is depicted below:

**VICTOR KHANYE LOCAL MUNICIPALITY EMPLOYEEMNT EQUITY PLAN FOR 2014/15**

CATEGORY	MALE				Total Male	FEMALE				Total Female	TOTAL
	A	C	I	W		A	C	I	W		
Directors & Managers	19	0	0	5	24	13	0	0	2	15	39
Percentage	49	0	0	13	62	33	0	0	5	38	100
Gap Analysis: National	-8	6	2	-7	-7	21	5	1	3	30	
Professionals & Skilled	72	0	0	9	81	67	2	0	6	75	156
Percentage	46	0	0	6	52	43	1	0	4	48	100
Gap Analysis: Provincial	3	0	1	-2	2	0	-1	0	-1	-2	
Semi- Skilled & Unskilled	170	0	0	0	170	72	0	0	0	72	242
Percentage	70	0	0	0	70	30	0	0	0	30	100
Gap Analysis: VKM	-26	2	1	6	-17	9	2	0	5	17	
TOTAL EMPLOYEES	261	0	0	14	275	152	2	0	8	162	437
Average Percentage	60	0	0	3	63	35	0	0	2	37	100

<b>Gap Analysis: TOTAL</b>	<b>-16</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>-9</b>	<b>4</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>9</b>	
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**Table 103: Victor Khanye Local Municipality employees status quo 3 (October 2014)**

**7.24 Human Resource Management Strategy/plan**

Council approved a comprehensive human resources strategy. The need for such a strategy was identified as it was realised that human capital is key to realise 2030 strategy. The impact of transition has led to low morale and general decline in productivity. To date, organisational transformation focused on the service delivery issues. Little attention was given to the need to focus on a strategic human resource strategy. The key challenges to be addressed by a human resource strategy are:

the reduction in cost of human capital;
to effect change in the attitude of employees;
the enhancement of skills of employees;
the enhancement of leadership capabilities of management; and
to provide institutional support through the human resources department

**Table 104: key challenges**

The key components of a human resources strategy would include:

instilling a culture of service excellence;
planning properly for staff needs;
providing managers with tools and skills to effectively manage their staff;
ensuring parity in remuneration and conditions of service;
implementing efficient and effective employee related workflow processes;
analysing skills gaps and developing plans to close it; and
Setting standards of performance.

**Table 105: key components**

It is envisaged that the comprehensive human resources strategy will be implemented during the course of 2014/15.

**7.25 Performance Management System**

The Performance Agreement provides assurance to the municipal council of what can and should be expected from their municipal manager and managers directly accountable to the municipal manager. Victor Khanye Local municipality is committed (in line with the Local Government: Municipal Systems Act No 32 of 2000) to pursuing its vision through meeting the municipal goals and objectives framed in its IDP document. The Municipality commits itself to providing a fair and transparent mechanism to guide the activities of each employee, identifying and creating opportunities for staff development, and implement a seamless performance measurement structure through which performance shall be assessed at all three levels, namely, municipal, departmental as well as individual levels. The system will be most effective when considered in the context of enabling the implementation of the municipality's IDP. Therefore, should at the same time create an enabling environment for enhanced performance and accountability.



## **CHAPTER 8: PROJECTS, STRATEGIES AND OBJECTIVES**

### **8.1 Introduction**

Project management is the process and activity of planning, organizing, motivating, and controlling resources, procedures and protocols to achieve specific goals in scientific or daily problems. A project is a temporary endeavor designed to produce a unique product, service or result with a defined beginning and end (usually time-constrained, and often constrained by funding or deliverables), undertaken to meet unique goals and objectives, typically to bring about beneficial change or added value.

The temporary nature of projects stands in contrast with business as usual (or operations), which are repetitive, permanent, or semi-permanent functional activities to produce products or services. In practice, the management of these two systems is often quite different, and as such requires the development of distinct technical skills and management strategies.

The primary challenge of project management is to achieve all of the project goals and objectives while honoring the preconceived constraints. The primary constraints are scope, time, quality and budget. The secondary — and more ambitious — challenge is to optimize the allocation of necessary inputs and integrate them to meet pre-defined objectives.

## 8.2 STRATEGIC OBJECTIVES AND KPA

### KEY PERFORMANCE AREA: BASIC SERVICE DELIVERY

#### ISSUE 1: WATER AND SANITATION

##### Problem Statement

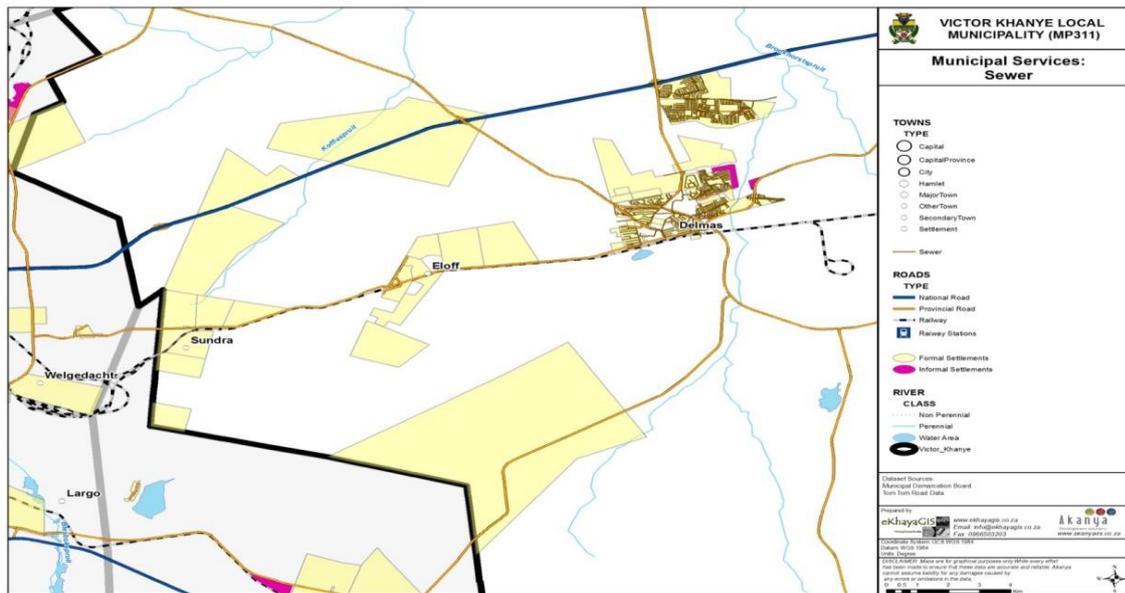
Approximately 17 100 households out of 20 548 households (83,2%) have access to potable water on their stands, excluding rural areas. The municipal council has provided the majority of the households in rural areas with borehole water, with the balance serviced by water tanker. The lack of provision of minimum standards of water negatively impacts on environmental issues associated with inadequate levels of sanitation infrastructure, as most households without potable water are still reliant on pit latrines or septic tanks. At least 2 432 of the households (11,8%) in Victor Khanye Local Municipality have not been provided with standard basic levels of sanitation. Water supply in Victor Khanye, Botleng, Delpark and other Extensions are supplied by means of boreholes. According to the latest Stats SA figures (2011), around 84% of households in the Victor Khanye Local Municipality have access to flush or chemical toilets.

A further 10.4% have access to various forms of pit latrines. If we extrapolate this figure by the projected SDBIP<sup>7</sup> outer year targets to 2016/17, based on available resources and funding availability and taking cognisance of the known increase in h/holds to approximately 22,516 units the percentage of households with access to minimum levels of sanitation will increase to 99,0% over the next four (4) years. However, this is still based on the premise that VIP toilets will still be considered a minimum level of service delivery and the impact to the backlog figures need to be assessed if this is upgraded to a water borne sanitation system. However, this is still based on the premise that VIP toilets will still be considered a minimum level of service delivery and the impact to the backlog figures need to be assessed if this is

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<sup>7</sup> 2013/14 SDBIP

upgraded to a water borne sanitation system.



**Figure 23: Victor Khanye Local Municipality Sewer services**

The provision of sanitation services by Ward is illustrated in the following table.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Total
Flush toilet (connected to sewerage system)	1 605	1 095	3 672	1 520	1 807	1 741	1 209	595	1 253	14 498
Flush toilet (with septic tank)	9	1	116	6	18	13	504	679	276	1 623
Chemical toilet	-	2	541	-	-	-	98	4	41	686
Pit toilet with ventilation (VIP)	1	9	4	2	4	10	107	5	90	232
Pit toilet without ventilation	4	23	5	9	-	11	700	330	759	1 840
Bucket toilet	26	357	-	1	2	1	118	31	169	705
Other	1	45	14	16	3	2	151	80	186	499
Unspecified	-	-	-	-	-	-	-	-	-	-
Not applicable	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>1 646</b>	<b>1 531</b>	<b>4 353</b>	<b>1 554</b>	<b>1 833</b>	<b>1 778</b>	<b>2 888</b>	<b>1 726</b>	<b>2 774</b>	<b>20 083</b>

**Table 106 :Sanitation services by Ward**

All households in the urban areas of Delmas and Botleng utilise waterborne systems, whilst parts of Eloff are connected to the municipal (water borne) sewerage line. Other areas of Eloff and agricultural holdings such as Sundra, Rietkol, Leeuwpoot and the rural areas make use of septic tanks services. Rural settlements are utilising VIP toilets and biochemical toilets. It is the intention of the municipality to eradicate these methods of sanitation where possible, but the terrain and accessibility of many of the rural settlements prohibits an accelerated cost effective approach to this major problem.

There are three Waste Water Treatment Works (WWTWs) currently in operation. The Delmas WWTW is hydraulically overloaded and needs to be upgraded due to its aging infrastructure as it also does not comply with accepted effluent standards. The planned part refurbishment of the plant was completed in the 2014/15 financial year, but the other phases of upgrade are basically to maintain the status quo at minimum levels of service. The Botleng WWTW is also overloaded and requires upgrade: the capacity of the Delmas Sewer Plant is 5MI and the Botleng 4MI; the two plants receive almost 7-8MI and 5-6MI respectively per day. The overload is mainly caused by new residential and industrial developments. The aging infrastructure associated with these sanitation schemes result in significant costs increases with respect to maintenance and refurbishment. An ongoing programme to replace the sewer pipelines in the worst affected areas is jointly funded by the Victor Khanye Local Municipality and Nkangala District municipality. The residents of Sundra, Eloff, Rietkol, Leeuwpoot and Modder East Orchard are still making use of septic tanks and pit latrines which have potential to contaminate ground water. Several of these areas are also making use of ground water for household purposes.

A project has been included in the 2015/16 SDBIP to develop a business plan and source appropriate MIG funding in conjunction with Rand Water and the Department of Water to replace the existing WWTW situated in Botleng. The department is also presently installing a new water/sanitation reticulation system

that commenced at the end of 2013. Another Capital project already identified for the forthcoming 2014/15 financial year is the replacement of the existing 200mm pipeline feed to the Botleng ext 14 pump station which is inadequate to cope with current demands. The extension of the sewerage reticulation system in Botleng Ext 7 and parts of Eloff are currently being progressed funded by MIG infrastructure grant. The existing sanitation network consists of the following infrastructure.

Sanitation Network	Measure	Quantity / Length
Outfall sewers	Km	11.52
Pump stations	No	7
Reticulation	Km	144.73
Waste water treatment works (WWTW)	No	3
<i>Source: Victor Khanye Local Municipality Immovable Asset Register, June 2011</i>		

**Table 107: Sanitation Network Infrastructure**

## Strategic Objectives

- Reduce water backlogs

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 15/16	Indicator	Responsibility
Ws 01-2015	Number of households provided with piped water	New settlements	Victor Khanye Local Municipality	2 Million	2 Million	2 Million	Number of new connections	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 15/16	Indicator	Responsibility
Ws 02-2015	Number of households provided with basic level sanitation	New settlements	Victor Khanye Local Municipality	2.5 Million	2.5 Million	2.5 Million	Number of new connections	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 15/16	Indicator	Responsibility
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Ws 03-2015	Review of water service Development plan	Victor Khanye Local Municipality	Victor Khanye Local Municipality	500 thousands	500 thousands	500 thousands	Water service Development plan	Technical services
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Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 15/16	Indicator	Responsibility
Ws 04-2015	Drilling of boreholes developed	Victor Khanye Local Municipality	Victor Khanye Local Municipality	200 thousands	200 thousands	200 thousands	Number boreholes developed	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 15/16	Indicator	Responsibility
Ws 05-2015	Provision of water to rural areas by tanker	Victor Khanye Local Municipality	Victor Khanye Local Municipality	100 thousands	100 thousands	100 thousands	Number of trips taken to the destination	Technical services

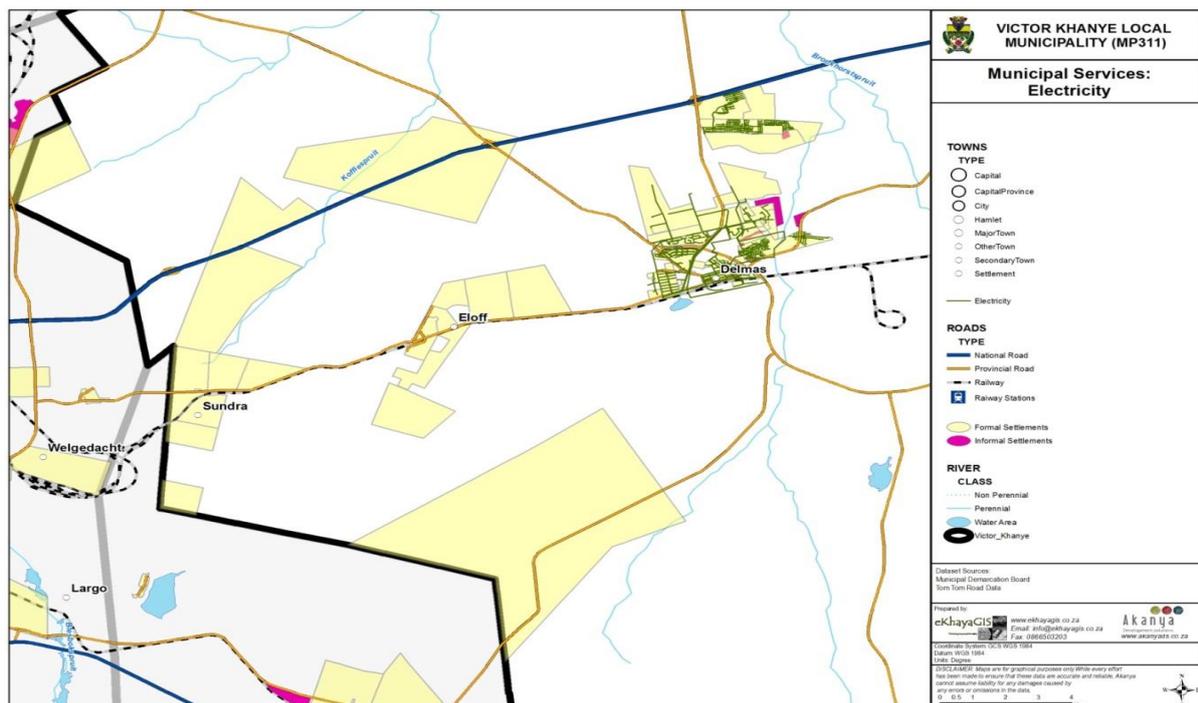
Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 15/16	Indicator	Responsibility
Ws 06-2015	Number of Jojo tanks provided to rural areas	Victor Khanye Local Municipality	Victor Khanye Local Municipality	500 thousands	500 thousands	500 thousands	Number of Jojo tanks provided	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 15/16	Indicator	Responsibility
Ws 07-2015	Number of maintenance activities on water and sanitation	Victor Khanye Local Municipality	Victor Khanye Local Municipality	100 thousands	100 thousands	100 thousands	Registered requests attended	Technical services

## ISSUE 2: ELECTRICITY AND STREET LIGHTING

### Problem Statement

Approximately 85% of households in the Victor Khanye Local Municipality have access to electricity. If we extrapolate this figure by the projected SDBIP<sup>8</sup> outer year targets to 2016/17, based on available resources and funding availability and taking cognisance of the known increase in households to approximately 22,516 units, the percentage of households with access to electricity will increase to 94,9% over the next four (4) years.



**Figure 24: Victor Khanye Local Municipality electricity services**

Delmas and parts of Botleng and Extensions are serviced by the Victor Khanye Local Municipality. The other areas of Eloff, Sundra, Rietkol, Botleng Ext. 3 and the rural areas receive electricity directly from Eskom and therefore do not fall under the municipalities billing system, but require to be upgraded to ensure that communities receive uninterrupted services. The electricity network within Victor Khanye Local Municipality is ageing and has become inefficient. The main electricity substation is under severe pressure and needs to be upgraded since the electricity demand is increasing due to developments both in the residential,

<sup>8</sup> 2013/14 SDBIP

commercial and industrial sectors. These developments include the following

- Proposed industrial developments e.g. Sephaku Cement Factory, Shopping Mall Botleng Ext.3
- Industrial expansions e.g. McCain Foods
- New residential development e.g. Botleng Ext. 5, Delmas Ext.17 and West ridge Estates

The infrastructure within the area supplied by Eskom (Eloff, Sundra, Botleng and Extension 3) needs to be upgraded to ensure that communities receive uninterrupted services. The advent of Pre-paid electricity metering has significantly improved revenue collection and this coupled with the 50/50 system of credit and arrears payment through card purchases is enabling the municipality to reduce the outstanding debtor base.

The installation of the network to the new 20MVA sub-station will be finalised in the 2014/15 financial year. High electricity losses, currently estimated at approximately 19%, as a result of aging infrastructure and illegal connections pose a significant challenge to the municipality. Various initiatives have been implemented in 2014/15 to address this issue and reduce the loss to a more acceptable level of 15%. The practice of illegal electricity connections not only impact on revenue receipts, but create a major safety risk. A project in conjunction with the Finance department has identified possible offenders and resulted in the illegal connections being terminated. Other initiatives being explored include the introduction of "smart" meters which eliminate the possibility of illegal connections being effected by community members.

A programme was initiated and funded by Eskom; currently on hold, with respect to the installation of solar panels in all wards, which would not only address the problem of illegal connections, but further the strategy encompassed in fostering a green economy. It is interesting to note the energy dependency levels by Ward for various domestic applications as illustrated in the following tables.

**Table 108 :Energy for Cooking**

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Grand Total
Electricity	1 000	629	3 043	1 108	1 395	1 078	1 703	1 271	1 825	13 052
Gas	33	18	55	23	4	101	172	163	127	695
Paraffin	52	356	518	35	23	77	274	181	161	1 676
Wood	4	25	46	18	8	15	379	90	569	1 155
Coal	547	578	684	358	402	493	462	34	273	3 832
Animal dung	2	2	5	-	-	-	6	2	3	19
Solar	3	4	5	1	6	2	7	6	3	37
Other	1	-	-	-	-	2	-	-	1	4
None	6	12	13	12	3	9	11	8	3	76
Unspecified	-	-	-	-	-	-	-	-	-	-
Not applicable	-	-	-	-	-	-	-	-	-	-
Total	1 648	1 623	4 369	1 555	1 841	1 778	3 014	1 755	2 965	20 548
Grand Total	1 648	1 623	4 369	1 555	1 841	1 778	3 014	1 755	2 965	20 548

**Table 109: Energy for Fuel**

The existing electricity network consists of the following infrastructure

**Table 111: Electricity Network Infrastructure**

Electricity Network	Measure	Quantity / Length
LV Conductor	Km	136.83
MV Conductor	Km	73.08
MV Mini-Sub	No	25
MV Pole Transformer	No	7
MV Primary Sub	No	11
MV Switch Kiosk	No	19
<i>Source: Victor Khanye Local Municipality Immovable Asset Register, June 2011</i>		

## Strategic Objectives

- Increased access to electricity to all households

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Es01-2015	Number of	New settlement	Victor Khanye local	1 million	1 million	1 million	Number of new electricity	Technical services

	households provided with electricity connection		municipality				connection provided	
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Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Es02-2015	Development of electricity master plan	Victor Khanye local Municipality	Victor Khanye Local Municipality	500 thousand	500 thousand	500 thousand	Electricity master plan	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Es03-2015	Number of maintenance on electricity	Victor Khanye local Municipality	Victor Khanye Local Municipality	200 thousand	200 thousand	200 thousand	Number of registered requested attended to	Technical services

### ISSUE 3: ROADS AND STORM WATER

#### Problem Statement

The estimated kilometers of Municipal and Provincial roads within the boundaries of Victor Khanye Local Municipality is estimated at 245 km and 170km (excluding 50km National Roads) respectively. Roads infrastructure in and around the Victor Khanye Local Municipality area were originally designed for low volume traffic, however these volumes have increased significantly over the past few years, due to the rapid growth within the industrial sector, specifically mining activities. As a result road surfaces in the Victor Khanye Local Municipality are in urgent need of refurbishment and upgrade due to current excessive use, mostly by heavy vehicles. It is estimated that 59% of roads in the Victor Khanye Local Municipality are in a state of disrepair.

The major provincial roads in the municipal area are:

R50 that links Pretoria with Standerton
R42 that links with Bronkhorstspuit
R555 that links Springs with Witbank
R548 that links with Balfour
R42 that links with Nigel

Table 112: major provincial roads

There is a backlog in terms of roads and storm water maintenance because of inadequate resources and the level of old infrastructure that accrues significant maintenance costs. The roads have deteriorated to the point where patching is not a feasible option, but rehabilitation is required. There is also a backlog in terms of existing gravel roads that need to be upgraded to tar macadam surfaces of 111 kms and these are located in the urban residential areas of:

Botleng Proper, Botleng Ext 1,2, 3, 4, 5 and 6,
Sundra and Eloff
Delpark 11

Table 113: urban residential areas

The maintenance of gravel roads is currently a challenge due to the existence of old equipment, coupled with inadequate staff resources, but a project is on-going to ensure that the priority areas are addressed as required. Many roads in Victor Khanye Local Municipality have inadequate or non-existent storm water drainage systems, resulting in serious flooding of households in specific areas during the rainy season. The condition of the following provincial roads within the Victor Khanye local Municipality area of jurisdiction has also deteriorated to such an extent that repairing thereof will not be cost effective:

Victor Khanye /Pretoria /Leandra Road
Ogies Road
Eloff Road

Table 114: deteriorated roads

There is a challenge in terms of access to the following schools in Botleng Extension 3 and 4, Sizuzile Primary School, Phaphamani and MM Motloung Secondary

Schools. Farm schools have been taken over by the Department of Education and as a result access roads that were previously maintained by farm owners are neglected.

The existing road network consists of the following infrastructure<sup>9</sup>.

**Table 115: Road Network Infrastructure**

Road Surface	Length (km)
Bituminous	229.70
Concrete or block surface	5.33
Gravel	63.89

## Strategic Objectives

- Improved the state of existing roads to better and acceptable standard
- Improved storm water drainage system

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
RS 01-2015	Number of roads to be tarred	Victor Khanye local Municipality	Victor Khanye local Municipality	5 Million	5 Million	5 Million	Number of roads to be tarred	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
RS 02-2015	Number of roads to be maintained	Victor Khanye local Municipality	Victor Khanye local Municipality	2 Million	2 Million	2 Million	Number roads to be maintained	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
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<sup>9</sup> Source: Victor Khanye Local Municipality Immovable Asset Register, June 2011

						<b>16/17</b>		
RS 03-2015	Number of roads to be installed with drainage	Victor Khanye local Municipality	Victor Khanye local Municipality	2 Million	2 Million	2 Million	Number of roads installed with drainage system	Technical services

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
RS 04-2015	Development of comprehensive maintenance infrastructural plan	Victor Khanye local Municipality	Victor Khanye local Municipality	1 Million	1 Million	1 Million	comprehensive maintenance infrastructural plan	Technical services

## **ISSUE 4: HOUSING**

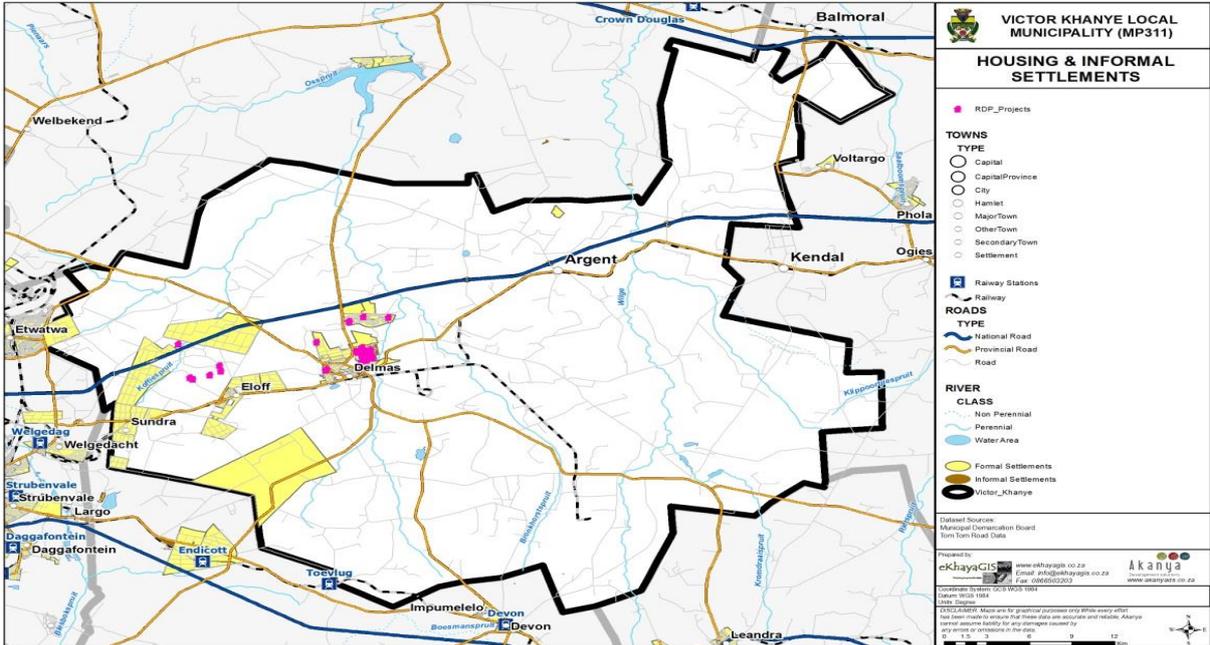
### **Problem Statement**

The Victor Khanye Local Municipality is cognisant that phrase “housing” is much broader than a “house”. Housing encapsulates the physical structure, which is the house, as well as the services that go with it, water and sanitation infrastructure, electricity, roads and storm water. Thus, accelerated provision and facilitation of access to housing can potentially provide a holistic approach to alleviate the service delivery backlog. It must be taken into account that any housing programme has both a social and economic imperative. With that realisation, creation of sustainable human settlements will be achieved. The issue of lack of low-income housing was highlighted as one the factors that lead to the increasing backlog. There are members of the community who are currently employed but cannot afford to purchase a house in the free market. Emanating from the community outreach meetings, communities have identified the need for government intervention and the forging of Public Private Partnerships (PPPs) in supporting those who cannot afford their own housing and do not qualify for the RDP and other low income housing schemes.

According to the latest figures (Stats SA 2011), just over 79.2% of households in the Victor Khanye Local Municipality live in formal dwellings/structures. If we

extrapolate the figure with respect to formal housing units by the projected SDBIP<sup>10</sup> outer year targets to 2015/16, based on available resources and funding availability and taking cognisance of the known projected increase in h/holds to approximately 22,516 units the percentage of households with access to electricity will increase to 89,8% over the next four (4) years. The following map illustrates the areas where low cost housing projects (RDP) are in various stages of planning and/or construction:

**Figure 26: Housing and informal settlements**



The following table illustrates the range of household units to be found within the VKLM demarcated ward boundaries.

Dwelling Type	No Off	%
House or brick/concrete block structure on a separate stand or yard or on a farm	15522	75.50%
Traditional dwelling/hut/structure made of traditional materials	521	2.50%

<sup>10</sup> 2013/14 SDBIP

Flat or apartment in a block of flats	202	1.00%
Cluster house in complex	40	0.20%
Townhouse (semi-detached house in a complex)	30	0.10%
Semi-detached house	111	0.50%
House/flat/room in backyard	244	1.20%
Informal dwelling (shack; in backyard)	906	4.40%
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	2252	11.00%
Room/flatlet on a property or larger dwelling/servants quarters/granny flat	142	0.70%
Caravan/tent	57	0.30%
Other	521	2.50%
Total	20548	

**Table 116: Dwelling Types**

The issue with housing is that although the municipality is instrumental in the provision of serviced stands the authorisation and allocation of funds for the actual construction of housing units is the responsibility of the DoHS. This challenge is further compounded in so much that the allocation of housing units is conducted on an annual basis with the resultant challenges for municipalities to project for infrastructure planning needs to support this development in the forthcoming years. The appointment of consultants, contractors etc., remain the responsibility of DoHS and limit the municipality to the role of overseer with no management control of progress, quality and related costs. Land for housing development and land reform is a challenge due to lack of available land and dolomite conditions. Only the following land may be taken into consideration for development:

- Remainder of the Farm Leeupoort 205 IR earmarked as mixed land uses
- Remainder of the Farm Middelburg 231 IR: (Botleng X7) 1200 stands established and the pegging of the erven is in progress
- Portion of Erf 675 Eloff
- Erf 676 Eloff (52 Erven)
- Delmas Ext 17

With respect to land reform there are no serious issues regarding outstanding land claims in the area. The only outstanding claim currently is in respect of the Farm Straffontein 252 IR (Portion 15 and Portion 16).

## Strategic Objectives

- Reduced housing backlogs

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
HS 01-2015	Number of RDP Housing units provided	Victor Khanye Local Municipality	Department of Human Settlements	10 Million	10 Million	10 Million	RDP Housing units build	Technical Services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
HS 02-2015	Provision of housing education	Victor Khanye Local Municipality	Victor Khanye Local Municipality	5 Thousands	5 Thousands	5 Thousands	Attendance register	Technical Services

## ISSUE 5: ENVIRONMENTAL AND WASTE MANAGEMENT

### Problem Statement

Waste management is a constitutional obligation in terms of section 24 of the National Waste Management Act of 2007. Municipalities are obliged to implement

their waste management operations in a manner that their waste disposal systems comply with all legislative standards. In accordance with this directive the municipality focuses on the following fundamental objectives:

• To provide an efficient waste removal service
• To minimise waste through recycling
• To increase the lifespan of the landfill site
• Provide an environment not detrimental to the health, mental and physical wellbeing of the community

Around 75% of households in the Victor Khanye local Municipality receive weekly kerbside refuse removal collection services, with 21% serviced by means of the provision of plastic bags and skip removal. If we extrapolate the figure by the projected SDBIP<sup>11</sup> outer year targets to 2015/16, based on available resources and funding availability and taking cognisance of the known increase in households to approximately 22,516 units, the percentage of households with access to kerb side waste collection will increase to 87,0% over the next four (4) years.

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Total
Removed by local authority/private company at least once a week	1 597	998	3 762	1 383	1 783	1 689	1 544	1 287	1 096	15 139
Removed by local authority/private company less often	1	98	39	106	38	3	67	22	45	420
Communal refuse dump	-	86	4	1	2	6	89	118	33	339
Own refuse dump	32	380	539	52	14	67	1 075	276	1 362	3 798
No rubbish disposal	14	58	13	4	4	10	197	40	377	717
Other	4	4	12	8	1	2	41	10	52	135
Grand Total	1 648	1 623	4 369	1 555	1 841	1 778	3 014	1 755	2 965	20 548

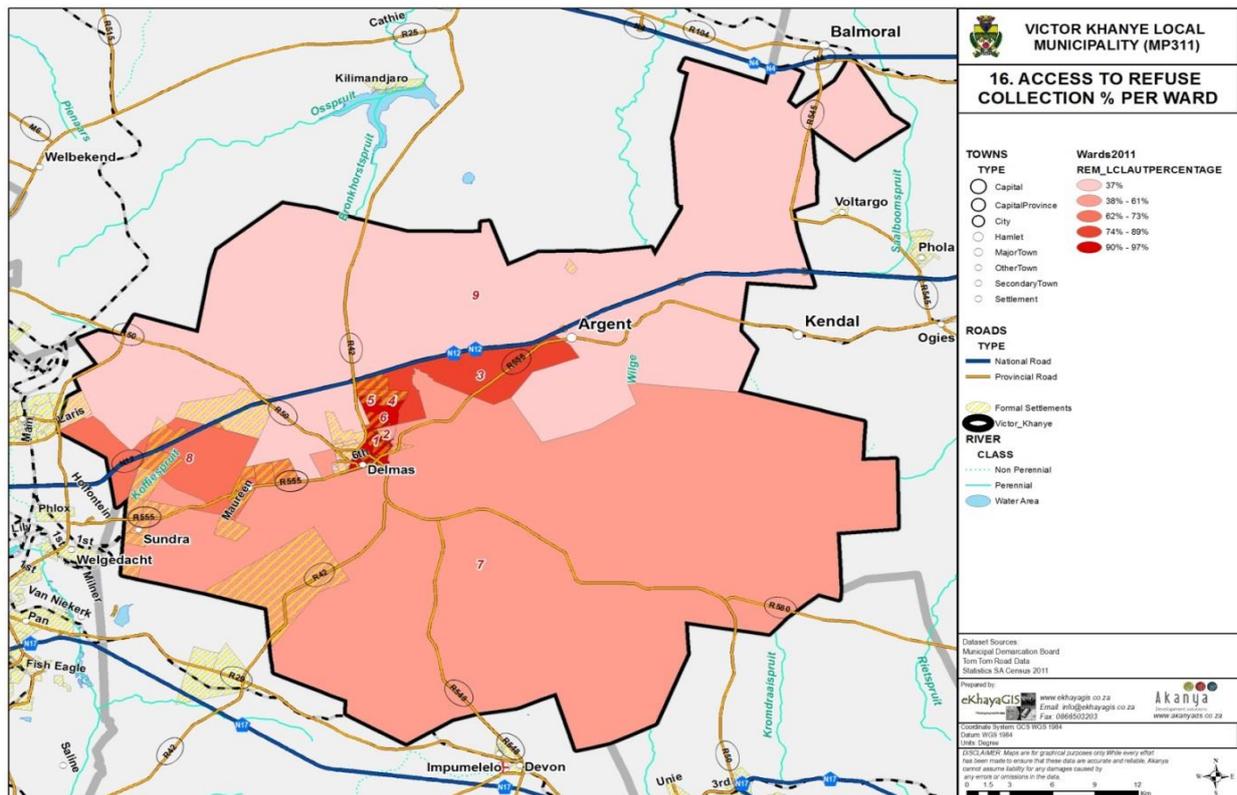
**Table 118: Removal of waste**

<sup>11</sup> 2013/14 SDBIP

The waste management service is rendered by the Municipality with the employment of four (4) refuse compactor trucks and mass containers servicing the black bag method of collection, which are mainly restricted to the Informal Settlements. Refuse is removed in most of the Botleng areas twice a week and in Delmas, Sundra and Eloff once a week. In Sundra, Delmas and Eloff refuse is removed through the black bag system and the rest via containers. No service is delivered in the rural areas due to the shortage equipment, funds and personnel. A challenge with waste removal is that some of the roads, especially in Botleng Ext 6 are almost inaccessible during the rainy season. Due to the fast expansion of the communities, additional refuse trucks will be needed in the not too distant future. The development of new settlements will place added pressure on the present resources specifically the landfill site in Botleng Ext. 4.

It must be understood that access to communities plays a pivotal role in the ability to provide kerbside waste collection services and therefore the need for alternative methods of collection to be employed. The rural wards (Wards 7 and 9) have the lowest levels of access to refuse removal services (between 37% and 61% of households respectively) as reflected in the following map.

Recycling has been prioritised in 2015/16 with the development of a Waste recycling strategy and linking this to a job creation project funded by either leveraging funds from the Neighbourhood Development Partnership Grant or Expanded Public Works Programme. This will be an integral programme for the municipality in the 2014/15 financial year. Illegal dumping is a continuous problem in most area in Delmas and surrounding environs and is removed as hot spots are identified or reported by community members.



**Figure 27: Access to refuse collection**

The Victor Khanye Local Municipality has one landfill site, which has reached its maximum (100%) capacity. The greatest challenge in the section is a lack of dustbins and lack of access to the landfill site due to community resistance, a situation which leads to illegal dumping.

The landfill site was budgeted to be refurbished in the 2014, but the community residing in the informal settlement of Mawag adjacent to the landfill site resisted these initiatives and prevented normal dumping operations and the planned upgrade from being implemented. A protracted impasse has continued with numerous negotiations with various stakeholders being held over a period of time. In the middle of 2014 negotiations progressed in a more positive note and a meeting with the Department of Human Settlement (DoHS) resulted in agreement in principle being reached for the allocation of appropriate funding for the provision of approximately 600 housing units on existing serviced stands. This will permit the relocation of the community members involved in the dispute and therefore enable restructuring operations to resume. However, this will only occur at

the end of the 2014/15 financial year.

## Strategic Objectives

- Provide an efficient, safe and economical waste management

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 1-2015	Number of households provided with kerbside waste removal	All wards	Victor Khanye Local Municipality	200 Thousand	200 Thousand	200 Thousand	Number of households provided with kerbside waste removal	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 2-2015	Number of environmental awareness held	All wards	Victor Khanye Local Municipality	100 Thousand	100 Thousand	100 Thousand	Number of environmental awareness held	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 3-2015	Distributing 6 000 240 wheel bins in the community	All wards	Victor Khanye Local Municipality	100 Thousand	100 Thousand	100 Thousand	Number of dustbins given to community	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 4-2015	Development of the 2nd phase of the landfill site.	All wards	Victor Khanye Local Municipality	100 Thousand	100 Thousand	100 Thousand	Development of the 2nd phase of the landfill site.	Community services
Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM	Delineation of wetlands	All	Victor	100	100	100	Delineation of wetlands	Community services

5-2015		wards	Khanye Local Municipality	Thousand	Thousand	Thousand		y services
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Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 6-2015	Skip loader truck	All wards	Victor Khanye Local Municipality	100 Thousand	100 Thousand	100 Thousand	Skip loader truck	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 7-2015	Development of a recycling strategy	All wards	Victor Khanye Local Municipality	100 Thousand	100 Thousand	100 Thousand	Recycling strategy	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 8-2015	Development of a new cemetery	All wards	Victor Khanye Local Municipality	100 Thousand	100 Thousand	100 Thousand	New cemetery	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EWM 9-2015	Refuse remover truck	All wards	Victor Khanye Local Municipality	100 Thousand	100 Thousand	100 Thousand	Refuse remover truck	Community services

## ISSUE 6: PUBLIC EDUCATION

### Problem Statement

Education in general and in Maths and Science in particular. The Victor Khanye Local Municipality has an inherited problem namely that the low income levels per household in the community correlate to the low education levels in the area. Statistics show that 25% of the population above 15 years of age has had no

schooling or did not complete primary school. Of this number 5,528 are basically illiterate and therefore future meaningful employment prospects are virtually impossible. A further 41% of the population did not complete the schooling curriculum and therefore did not reach the level of matric.

## Strategic Objectives

- Increased access to the public Education

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Pe01-2015	Number of community that uses library	Victor Khanye local municipality	Victor Khanye local municipality	100 Thousands	100 Thousands	100 Thousands	Register list	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Pe02-2015	Number of internet users in library	Victor Khanye local municipality	Victor Khanye local municipality	200 Thousands	200 Thousands	200 Thousands	Number of internet users	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Pe03-2015	Upgrade of Delmas and Sundra library(Including air conditioners and new books )	Victor Khanye local municipality	Victor Khanye local municipality	200 Thousands	200 Thousands	200 Thousands	Number of internet users	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Pe04-2015	Mobile Library	Victor Khanye local municipality	Victor Khanye local municipality	200 Thousands	200 Thousands	200 Thousands	Mobile library	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Pe05-2015	Marketing strategy for the libraries.	Victor Khanye local municipality	Victor Khanye local municipality	200 Thousands	200 Thousands	200 Thousands	Marketing strategy	Community services

## **ISSUE 7: EMERGENCY SERVICES**

### **Problem Statement**

The Disaster Management unit is responsible for the planning, prevention, response, mitigation and rehabilitation of disaster risks and significant events that occur or threaten to occur and could negatively impact on communities or result in serious disruption of services within the municipal boundaries. Due to development and the increase in population, our communities are becoming more exposed to

potentially serious hazards and risks. Victor Khanye Local Municipality is frequently affected by hazards such as fires, vehicle accidents, technological and environmental threats, natural phenomena, service disruption and crime. Disaster Management incorporates the Fire Service as its response function as they are the first responders to incidents where life and property are under threat. The Fire Department is now fully operational on a 24 hourly basis with all outstanding posts being filled. A new fire response truck and water tanker was purchased, upgrading the current facilities to a higher level of readiness.

## Strategic Objectives

- To increase the accessibility of emergency services to the community

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EM1-2015	Number of Community awareness held	Victor Khanye Local municipality	Victor Khanye Local municipality	50 Thousand	50 Thousand	50 Thousand	Number of awareness registers	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EM2-2015	Numbers of fire fighters to be trained	Victor Khanye Local municipality	Victor Khanye Local municipality	500 Thousand	500 Thousand	500 Thousand	Number of fire fighters	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
EM3-2015	Development of standard operating procedure for fire unite	Victor Khanye Local municipality	Victor Khanye Local municipality	500 thousand	500 thousand	500 thousand	standard operating procedure	Community services

## **ISSUE 8: CULTURE, SPORTS AND RECREATION**

### **Problem Statement**

Sport and Recreational programmes play a major role in youth development and they contribute towards social harmony in the community and reduction of crime. Victor Khanye Local Municipality has a challenge in the provision of adequate Sporting and recreational facilities to enable the community to safely and

effectively participate in Sports, Arts and cultural activities. The present facilities are either inadequate or in a state of disrepair and in urgent need of upgrade and replacement. When we consider the high percentage of youth in the community; the majority of whom are unemployed, the need for appropriate and well maintained recreational facilities becomes a priority to allow them to engage in sporting activities of their choice. The sector department responsible for this function has limited capacity and in Victor Khanye Local Municipality the level of backlogs in the provision of basic services has previously precluded recreational facilities being afforded any priority.

The existing Sports Centre at Delmas currently provides the communities of the municipality with access to sport facilities; however a need exists to extend this service in order to accommodate communities in the periphery, particularly communities from areas such as Botleng who have limited access to sport facilities. The need for sport facilities for soccer, netball, etc. (ward 6) has been highlighted by the communities and this could be best addressed with the construction of a multi sports complex. The situation for farming communities is another challenge for Victor Khanye Local Municipality as facilities are largely not available, as land ownership resides is mainly in the hands of the farmers.

A study was recently conducted to establish the nature and condition of all sporting facilities in the Victor Khanye Local Municipality as a prerequisite of developing a Sports and Recreation Strategy document. An ongoing project addresses the maintenance and where appropriate upgrade of existing facilities.

## **Strategic Objectives**

- Ensure the general environment is protected and promoted in a sustainable way

## **Projects**

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Crs1-2014	Review of sports policy	Victor Khanye local Municipality	Victor Khanye local Municipality	500 thousand	500 thousand	500 thousand	New policy	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Crs2-2014	Maintenance of Sports facilities	Victor Khanye local Municipality	Victor Khanye local Municipality	200 Thousand	200 Thousand	200 Thousand	Number of facilities maintained	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Crs3-2014	Construction of Recreational centre	Victor Khanye local Municipality	Victor Khanye local Municipality	15 Million	15 Million	15 Million	Construction of Recreational centre	Community services

## ISSUE 9: GENDER DISABILITY AND CHILDREN

### Problem Statement

In Victor Khanye Local Municipality, these functions do not receive the attention that they should be afforded, mainly due to the lack of a singular qualified person designated to be responsible to implement the initiatives necessary to improve the current impasse with respect to the issue of women empowerment and gender equality, disability and child rights. The question of adequate funding is another criteria currently lacking to provide financial support for meaningful change. The

Victor Khanye Local Municipality requires prioritising the appointment of a suitably qualified person to enable a meaningful response to be directed to this important part of community wellbeing.

## **Gender**

The lack of a common understanding of Gender mainstreaming, obscures the challenges faced with respect to achieving gender equality in all aspects of life and requires a more holistic approach to policy decisions concerning gender and enable interventions that create unequal relations in areas of work, politics, culture etc., to be eradicated. The economically active population distribution of Victor Khanye Local Municipality is weighted toward women, who experience higher unemployment levels. Predominately women source work from the informal sector with resultant lower income generation. There is an urgent need to formulate a gender mainstreaming policy to harness economic opportunities on an equitable basis.

The initial sub-programme will include Women empowerment through conducting self-awareness workshops and projects directed towards the provision of life-skill training, inclusive of gender sensitivity. This will be expanded to engage women in vulnerable groups in food production through the provision of starter packs to establish food gardens. Food security will be promoted specifically in the rural agricultural areas to promote self-sustainability and to contribute to poverty alleviation.

## **Disability**

The objective of this sub-programme is to clearly enunciate the plight of disabled people in conducting their lives in a normal, dignified manner without discrimination. This would encompass being availed of infrastructure that takes cognisance of their disability; support skills development and equal job opportunities and to be recognised as an asset of the community in which they reside. At present there is no strategy in place in Victor Khanye Local Municipality or adequate funding to promote or improve the plight of people living with disabilities. The lack of adequate funding; which has been a restriction in the past,

needs to reflect the nature of all transferral sub-programmes and projects that will realise the objectives of the programme. A comprehensive data base needs to be established to assist in directing future programmes and projects for specific disability groups. The specific job needs of people living with disabilities are generally not taken seriously and therefore the majority of these people are grant dependant, raising the need to provide more training for people with disabilities to empower them to enter the employment field and be more independent.

With respect to both these sub-programmes it is vitally important to capacitate these groups in appropriate skills that will enable them to enter the work-place job opportunity marketplace assisted by vehicles such as the EPWP projects. The needs to ensure that all qualifying indigents are registered and benefit from existing programmes and those new initiatives are actively pursued to provide sustainable living standards for indigents to be self-sufficient. The Victor Khanye Local Municipality currently employe'e's eight staff members with disabilities, equating to about 3% of the total workforce.

## **Children**

This sub-programme with respect to the plight of children has not been afforded the priority that it deserves and urgently requires to be addressed. The impact of HIV and AIDS related illnesses has manifested itself with increasing numbers of households headed by minors and the increase in child abuse, orphans and vulnerable children in the community. Victor Khanye Local Municipality needs to prioritise and be committed to mobilise all the relevant stakeholders within the community to support viable initiatives that will ensure that children are reared in safe and healthy neighbourhoods. Ultimately, we need to create a climate that is conducive to ensuring a safe, healthy and caring neighbourhood for the upbringing and development for the children of the community.

## **Strategic Objectives**

- To ensure that that the needs of all vulnerable groups in the community are addressed

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Gdc1-2015	Number of events held in terms of elderly	Victor Khanye local municipality	Victor Khanye local municipality	200 thousands	200 thousands	200 thousands	Number of events held in terms of elderly	Office of Municipal Manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Gdc2-2015	Number of events held in terms of HIV/Aids	Victor Khanye local municipality	Victor Khanye local municipality	200 thousands	200 thousands	200 thousands	Number of events held in terms of HIV/Aids	Office of Municipal Manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Gdc3-2015	Events held to commemorate Mandela day	Victor Khanye local municipality	Victor Khanye local municipality	200 thousands	200 thousands	200 thousands	Number of events held to commemorate Mandela day	Office of Municipal Manager

## ISSUE 10: TRAFFIC, SAFETY AND SECURITY

### Problem Statement

Various national, provincial and municipal roads run through the Victor Khanye Local Municipality, with many regional routes converging at Delmas which lends it strategic significance. Consequently, the Municipality features a well-developed regional road and rail infrastructure. The N12 national toll road that links Johannesburg with Nelspruit runs from east to west through the northern part of the municipality. This road also links the Municipality with the Maputo Development Corridor. The Victor Khanye Local Municipality with the support of the Nkangala District municipality has developed the Integrated Transport Plan (ITP).

There is no formal public transportation system provided in Victor Khanye Local Municipality, with that role relegated to the private sector by way of an efficient and flexible transport facility providing taxis, with well-developed transport routes and taxi ranks. The main challenges faced by communities is the relatively long distances between the low-income residential areas of Botleng Extensions 3 and 4 and employment areas of Delmas CBD/ and surrounding industrial areas. The relationship between where people live and work is distorted and settlements are not integrated, a legacy of the old apartheid system of land management, this is especially evident between Botleng Extension 3 and 4.

When we consider the main industrial area for employment is situated in Springs, the relationship with respect to travel is further exasperated for employees in the communities residing in Rietkol, Botleng and extensions. The end result is relatively high transport costs. With respect to Rail infrastructure, the railway sections that traverse the municipal area include a network running parallel with the R555 provincial road and a southern branch that extends into the south of the Municipality where it terminates. This railway stretches from Gauteng in the east into Mozambique via Komatipoort and onwards in the west. It connects the Municipality to adjacent and regional markets, and this strength should be actively promoted.

The Victor Khanye Local Municipality and Nkangala District are currently championing a major initiative with respect the establishment of the Nkangala International Cargo Airport. This project aims to enhance and integrate the entire import and export industry in the region through building an airport with international status that will deal primarily with but not be limited to cargo. Land to the north of Delmas has been earmarked for this initiative. A Johannesburg-based company proposed to build the International Freight Airport in Delmas. Beside air cargo, an area to be used as Free Trade Zone at the airport as well as conferencing facilities near the airport will be considered.

## **Strategic Objectives**

- Traffic law enforcement on all roads and streets in the municipality to curb speeding and illegal usage of roads and streets by unlicensed drivers and heavy vehicles

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Tss1-2015	Number of awareness program held on road safety	Victor Khanye local municipality	Victor Khanye local municipality	20 thousand	20 thousand	20 thousand	Number of awareness program held on road safety	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Tss2-2015	Information signs	Victor Khanye local municipality	Victor Khanye local municipality	100 thousand	100 thousand	100 thousand	Information signs	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Tss3-2015	Construction Weighbridge	Victor Khanye local municipality	Victor Khanye local municipality	200 thousand	200 thousand	200 thousand	Weighbridge	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Tss4-2015	Waiting area for clients at the DLTC	Victor Khanye local municipality	Victor Khanye local municipality	400 thousand	400 thousand	400 thousand	Waiting area for clients at the DLTC	Community services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Tss5-	DLTC	Victor	Victor	1.2	1.2 Million	1.2	DLTC	Community

2015	motor cycle evaluation track	Khanye local municipality	Khanye local municipality	Million		Million	motor cycle evaluation track	services
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<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Tss6-2015	Fencing of DLTC	Victor Khanye local municipality	Victor Khanye local municipality	50 thousand	50 thousand	50 thousand	Fencing of DLTC	Community services

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Tss7-2015	Toilets for the public at the traffic offices	Victor Khanye local municipality	Victor Khanye local municipality	10 thousand	10 thousand	100 thousand	Toilets for the public at the traffic offices	Community services

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Tss8-2015	Tractor for parks.	Victor Khanye local municipality	Victor Khanye local municipality	400 thousand	400 thousand	500 thousand	Tractor for parks.	Community services

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Tss9-2015	Parks equipment	Victor Khanye local municipality	Victor Khanye local municipality	200 thousand	200 thousand	200 thousand	Parks equipment	Community services

## **KPI 2: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION**

### **ISSUE 11: ORGANIZATIONAL DEVELOPMENT**

#### **Problem Statement**

As directed by the Employment Equity Act, Act 55 of 1998, and a five-year Employment Equity Plan was compiled and submitted to the Department of Labour in 2008. Over and above the plan, appointments at senior management level were done in a representative manner. One of the Council's goals is to recruit females to management level to achieve gender representation at the senior management level. On the internal processes, the Victor Khanye Local Municipality has achieved

considerable success as far as human resource matters are concerned. Among these achievements is the implementation of the Employment Equity Plans encompassing the following:

• employment of people with disabilities
• designing a system of delegations
• compilation and review of human resource policies
• Implementation of a Performance Management System
• capacity building of employees through a structured Human Resource Development Programme

The coordination and integration of the Performance Management System, capacity building for Councillors and senior management was achieved in the current year with appropriate training workshops conducted in the field of performance management and associated legislation. Retention of skills as well streamlining of the organisational structure and internal administrative processes are some of the issues that still need to be improved.

## Strategic Objectives

### Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
OD 1-2015	% of the implementation of King 3 on IT issues	Victor Khanye local Municipality	Victor Khanye local Municipality	200 Thousand	200 Thousand	200 Thousand	Areas of compliance to king 3 on It	Corporate services

## **ISSUE 12: TRAINING AND SKILLS DEVELOPMENT**

### **Problem Statement**

Skills development, particularly scarce and critical skills, is one of the key issues that are critical which the District must focus on. The municipal economy continues to experience a shortage of certain skills in each of the key sectors. In order to address these challenges, short- to medium-term measures are necessary to address structural imbalances in the labour market. Staff training and development are based on the premise that staff skills need to be improved for organizations to grow. Training is a systematic development of knowledge, skills, and attitudes required by employees to perform adequately on a given task or job. New entrants into the municipality have various skills, though not all are relevant to organizational needs of the municipality. Training and development are required for staff to enable them work towards taking the municipality to its expected destination. It is

against the backdrop of the relative importance of staff training and development in relation to organization effectiveness that this project addressed. As far as skills development initiatives are concerned, the following challenges can be highlighted:

- Skills available not relevant to the needs of the labour market
- Shortage of accredited training institutions
- Available training institutions not providing training programs needed by the labour market
- Businesses/industries failure to support work-based training programs
- Business and Government not willing to support learnerships/skills programs for the unemployed
- Inadequate & uncoordinated efforts by business and government to address issues of skills development

**Not all SETAs committed to fast tracking the implementation of learnerships/skills programme.**

## Strategic Objectives

- Improve the level of skill level of employees

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
TSD1-2015	Review of Development of Work skills plan	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousands	100 Thousands	100 Thousands	Updated Skills development plan	Corporate services

## ISSUE 13: PERFORMANCE MANAGEMENT

### Problem Statement

Performance management lays the foundation to enable informed decisions to be made by senior management to effect the achievement of the municipality's goals and strategic objectives. In essence performance management is

fundamentally simple and implementable in its implementation and execution, but it is essential in the effective, efficient and economics of any organisation. The Victor Khanye Local municipality engaged the services of a service provider in March 2015 to assist it with the implementation of an organisational performance management system incorporating an automated approach to measuring and evaluating on the progress of implementing its Service Delivery Budget Implementation Plan (SDBIP).

The Victor Khanye Local Municipality now generates comprehensive quarterly performance reports measuring progress on a variety of developed performance indicators and project milestones. These reports cumulate in the compilation of the Victor Khanye Local Municipality Annual Performance Report which in turn is integral in informing the review process for the new cycle development of the IDP. Individual performance management is currently limited to section 56 senior managers, but will be cascaded to lower levels of management going forward.

The Victor Khanye Local Municipality seeks to enhance the performance management culture amongst all Councillors and officials. A Performance Management Systems workshop was conducted with all officials and councillors in the 2014/15 financial year to ensure a common base of understanding of respective roles and responsibilities as legislated with respect to Performance Management System.

## Strategic Objectives

- Increase the roll out of Performance Management Systems

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
PMS01-2015	Development and institutionalisation of performance management systems	Victor Khanye Local Municipality	Victor Khanye Local Municipality	1.5 Million	1.5 Million	1.5 Million	Number of performance areas of compliance	Office of Municipal manager

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
PMS02-2015	Implementation of Municipal tele systems	Victor Khanye Local Municipality	Victor Khanye Local Municipality	200 thousands	200 thousands	200 thousands	Municipal tele systems	<b>Office of the Municipal manager</b>

## **ISSUE 14: INFORMATION TECHNOLOGY**

### **Problem Statement**

One of the initiatives to improve the standard and level of service delivery relates to the promotion of the image and use of Information and Communication Technology (ICT) within the municipality through the drafting and development of an ICT Strategy that will provide a roadmap for the extensive adoption of ICT solutions within the municipality. Similar to other local municipalities, Victor Khanye Local Municipality utilises ICT in the normal operations of the municipality, however, the municipality and its executive and administrative management has resolved to adopt other ways to utilise technology solutions to deal and manage other business related risks in addition to improving the efficiency and effectiveness of the municipality in its service delivery functions. As a first step to developing a

sound ICT strategy, a detailed analysis of the municipality's current business processes was conducted. The primary objective for the development of the ICT strategy is to ensure that Victor Khanye Local Municipality is able to define and establish its ICT Unit to enable the municipality to become a focused and structured organisation, such that it could leverage ICT to drive real change. The objectives of the strategy development initiative are to ensure that there is:

A clearly defined role for the ICT unit
Greater engagement and transparency with departments to remove technical barriers
Strengthened governance and assurance of ICT function
Measurable and well defined service delivery goals
Increased standardisation and modularisation of business processes and supporting technologies to create a platform from which the Victor Khanye Local Municipality can deliver against its mandate
Effective spending controls to ensure that new ICT solutions comply with strategy objectives
Effective sourcing and streamlined service provider management
Strengthened partnerships with service providers

Table 119: Development initiative

The objectives, as set out above, should enable the Victor Khanye Local Municipality ICT unit to become an effective support base to the broader Victor Khanye Local municipality organisation.

## Strategic Objectives

- Improve the ICT infrastructure

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
ITS 01-2015	Determine the gaps between the status quo and find ways of closing those gaps	Victor Khanye Local Municipality	Victor Khanye Local Municipality	200 thousands	200 thousands	200 thousands	status quo report	Office of the municipal manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
ITS 02-2015	Regulate the usage of computer networks as well as systems protocol	Victor Khanye Local Municipality	Victor Khanye Local Municipality	200 thousands	200 thousands	200 thousands	Approved Policy document	Office of the municipal manager

## ISSUE 15: OCCUPATIONAL HEALTH AND WELLNESS

### Problem Statement

The welfare and safety of workers are entrenched in the Occupational Health and Safety Act of 1993. The main focus in occupational health is on three different objectives:

The maintenance and promotion of workers' health and working capacity.
The improvement of working environment and work to become conducive to safety and health.
development of work organisations and working cultures in a direction which supports health and safety at work and in doing so also promotes a positive social climate and smooth operation and may enhance productivity of the undertakings

**Table 120:** three different objectives

The concept of working culture is intended in this context to mean a reflection of the essential value systems adopted by the undertaking concerned. Such a culture is reflected in practice in the managerial systems, personnel policy, principles for

participation, training policies and quality management of the undertaking. The Victor Khanye Local Municipality subscribes to the principle of ensuring that employee's welfare, health and wellbeing are first and foremost in fostering a content and productive workforce. For this reason it has developed a Wellness Employee policy and has implemented various initiatives in this respect during the current year.

## Strategic Objectives

- Increased compliance to occupational health and safety act

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
HWS01-2015	Develop and implement staff wellness program	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	wellness program	Corporate services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
HWS02-2015	Increase of the employees the wellness program	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Number of events held	Corporate services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
HWS03-2015	Develop and implement SHE Management strategy	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	SHE Management strategy	Corporate services

## **ISSUE 16: MUNICIPAL ASSETS**

### **Problem Statement**

The Victor Khanye Municipality has its main offices on the corner of Samuel Road and Van der Walt Street in Delmas. These offices cannot accommodate the entire staff compliment. The municipality also has a fleet of vehicles used to deliver municipal service as well as equipment used for the daily businesses at the offices. The fleet is old and prone to abuse by staff. Council is currently having a shortage of ±30 offices. Considering that additional office personnel are to be appointed during the new Financial Year, the number of offices needed shall increase drastically. The condition and appearance of Council building needs to be attended. Due to the increase of personnel and offices, extra parking facilities are required. The theft of diesel, petrol and other equipment requires that security at the Municipal Workshop be beefed up. The construction of new offices requires an estimated cost of R100million and renovations and upgrading of existing offices and the FC Dumat Building R120 million.

## Strategic Objectives

- To ensure that the municipality buildings, vehicles and equipment are sufficient and well maintained for delivering municipal services

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS1-2015	To ensure that municipal buildings vehicles and equipments are not used for personal gain.	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Movement control register	Corporate services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	Grader CAT (140H) or equivalent	Victor Khanye local Municipality	Victor Khanye local Municipality	800 Thousand	800 Thousand	800 Thousand	Grader CAT	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	Pedestrian Roller (Asphalt)	Victor Khanye local Municipality	Victor Khanye local Municipality	800 Thousand	800 Thousand	800 Thousand	Pedestrian Roller (Asphalt)	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	3 X Ton Truck (flat back)	Victor Khanye local Municipality	Victor Khanye local Municipality	800 Thousand	800 Thousand	800 Thousand	3 X Ton Truck (flat back)	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	TLB Loader	Victor Khanye local Municipality	Victor Khanye local Municipality	800 Thousand	800 Thousand	800 Thousand	3 X Ton Truck (flat back)	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	Water Tanker (20 000l)	Victor Khanye local Municipality	Victor Khanye local Municipality	800 Thousand	800 Thousand	800 Thousand	3 X Ton Truck (flat back)	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	Tipper Truck (10m2)	Victor Khanye local Municipality	Victor Khanye local Municipality	800 Thousand	800 Thousand	800 Thousand	3 X Ton Truck (flat back)	Technical services
Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility

MS2-2015	Tipper Truck (10m2)	Victor Khanye local Municipality	Victor Khanye local Municipality	2 Million	2 Million	2Million	3 X Ton Truck (flat back)	Technical services
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Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	Excavator 30 – 40 Ton	Victor Khanye local Municipality	Victor Khanye local Municipality	200 Thousand	200 Thousand	200 Thousand	3 X Ton Truck (flat back)	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	Flat Roller	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	3 X Ton Truck (flat back)	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
MS2-2015	Grid Roller	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	3 X Ton Truck (flat back)	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
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MS2-2015	LDV x3	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	LDV x3	Technical services
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<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
MS2-2015	3 X Ton Truck (flat back)	Victor Khanye local Municipality	Victor Khanye local Municipality	400 Thousand	400 Thousand	400 Thousand	3 X Ton Truck (flat back)	Technical services

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
MS2-2015	Lifting Crain x1	Victor Khanye local Municipality	Victor Khanye local Municipality	200 Thousand	200 Thousand	200 Thousand	Lifting Crain x1	Technical services

## **KPA 3: GOOD GORVERNACE AND PUBLIC PARTICIPATION**

### **ISSUE 17: PUBLIC PARTICIPATION**

#### **Problem Statement**

Section 16 of the Municipal Systems Act (2000)<sup>12</sup> states that a municipality should establish structures and creates a culture to promote community participation.

One of the main features about the integrated development planning process undertaken by the Victor Khanye Local Municipality is the involvement of community and stakeholder organisations in the process through the implementation of IDP Forum meetings. Public Participation is guided by the “schedule of events” that is adopted by Council at the beginning of each and every year. This schedule contains dates for ordinary and special Council meetings and it also contains Ward community meetings and public events that are aimed at ensuring that the community is involved in the affairs of the municipality.

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<sup>12</sup> Republic of South Africa. 2000. *Local Government Municipal Systems Act, Act 32 of 2000*. Pretoria: Government Printers.

Participation of affected and interested parties ensures that the IDP addresses the real issues that are experienced by the citizens of the municipality. The primary purpose of this forum is to facilitate public participation within the community through the provision of a platform for honest discussion and identification of challenges confronting community participation, not always highlighted by the mechanism and structures such as ward councillors, ward committees and Community Development Workers feedback.

A strong working relationship has also been established with print media that exists in the Victor Khanye Local Municipality. Communication through the print media is done through local, regional and national newspapers, websites, magazines and newsletters. A new newsletter was initiated in 2014 and is produced and distributed quarterly. Copies of the newsletter can also be found at the library.

Ward committees are also used effectively in Via to create a community platform for providing information to customers via ward meetings where community members are informed and provided with an opportunity to give input and feedback on the operations of the municipality. To improve the functional efficiency of the Ward committees, CoGTA facilitated training earlier this year for committee members on a new development planning format for monthly reporting to Council on Ward-based activities. All Wards will comply with this new reporting format from July 2014.

## Strategic Objectives

- Increased implementation of public participation imperatives

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
PP01-2015	Development of communication strategy	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	communication strategy	Office of Municipal Manager

## ISSUE 18: MUNICIPAL POWERS AND FUNCTIONS

### Problem Statement

The Constitutions of the Republic of South Africa, read together with the Municipal Systems Act outlines the powers and functions of the municipalities. This was further confirmed by the demarcation board. The following table illustrates the generic powers and function as contained in schedule 4 part b and schedule 5 part b of the Constitution.

### Strategic Objectives

- Improve the management of EE issues

### Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Mc01-2013	Effective functioning of Council committees	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Effective functioning of Council committees	Corporate services

## ISSUE 19: FRAUD AND CORRUPTION

### Problem Statement

The Victor Khanye local Municipality employs to the excess of just over 400 staff members, runs a budget of over R120 million and owns assets. This, including other issues puts the municipality at risk of fraud and corruption by either staff or outsiders. For the purposes of the input fraud and corruption are defined as follows, respectively:

**Fraud is deliberate distortion of documents in order to conceal the misuse of assets**

**for personal gain.**

Corruption is the offering, giving, soliciting, or acceptance of an inducement that may influence any person to act inappropriately. Recently there was only one case of fraud and corruption confirmed in the municipality i.e. the issue of the licensing department. This occurrence has in all probabilities reminded the Municipality of the great English saying i.e. "Prevention is better than cure." The anti-corruption issue is about an attempt to avoid the occurrences of corruption, minimize the chances of such form occurring.

## **Strategic Objectives**

- Reduce incidences of Fraud and Corruption

## **Projects**

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
FC01-2013	Promote standards of honest and fair conduct	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Number of workshops held	Corporate services

## **ISSUE 20: CUSTOMER CARE**

### **Problem Statement**

A stakeholder engagement strategy is necessary to ensure that Victor Khanye Local Municipality understands a wide range of interests amongst residents of the community. Engagement is an integral part of developing an understanding of the impact of the Victor Khanye Local Municipality interventions, future plans and priorities. A satisfied customer is a precious asset. The goodwill generated by a positive customer relationship shall assist in improved revenue for the municipality. The strategy will be focused on how the community can be empowered to share

and co-own pride in the municipality. Complete customer satisfaction is crucial to the Victor Khanye Local Municipality sustainable and viable existence. The continued practice and development of the Batho Pele principles will ensure the provision of an accessible and accountable service. Integral to this process will be the development of a broader base of communication strategies to enable the community at large to participate and respond to specific needs and issues that arise.

The Victor Khanye Local Municipality has committed to conducting a customer satisfaction surveys during the 2015/16 financial year. This will provide valuable input to the municipality to determine its course of direction with a view to improving perceived shortcomings and set a base on which future strategies will be focused. This will lay the foundation for effective Customer Relationship Management based on the participation of customers in the operations of the municipality.

As part of this drive the Victor Khanye Local municipality has committed to the development of a centralised Customer Care Unit which has been highlighted as a priority and a project has been incorporated in the 2015/16 SDBIP to address this need.

## Strategic Objectives

- Improved Customer Relationship Management

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
CS01-2015	Improved Customer relationship	Victor Khanye local Municipality	Victor Khanye local Municipality	300 Thousand	300 Thousand	300 Thousand	Number of surveys to be done	Corporate services

## ISSUE 21: SPATIAL TENURE AND DEVELOPMENT

## **Problem Statement**

The Victor Khanye Local Municipality evolved as a result of the amalgamation of the Botleng Town Committee and the Delmas Town Council. The municipality is composed of urban and semi-urban areas, i.e. Victor Khanye, Botleng, Eloff, and Sundra and the farm and villages. Since 1994 much emphasis has been placed on the restructuring and sustainable development of urban and rural areas. In the spatial planning for the Victor Khanye Local Municipality area, there is a need to spatially reflect on needs to be delivered in terms of legislated and stated developmental principles, as well as desired outcomes at national, provincial and municipal levels. The current backlog for land and providing people with their own stands and erven/houses and title deeds are enormous and needs to be addressed. The problem in Delmas is that the town is situated on dolomite and the establishment of new residential areas are problematic. The Victor Khanye Local Municipality is limited to land availability and has only land to develop that is registered in Councils name due to the fact that the surrounding land in and about Delmas is privately owned. The Victor Khanye Local Municipality will have to engage with the District to seek assistance from the Housing Development Agency (HDA) to acquire land for human settlement

The need for housing will be further exacerbated with the major challenges that the municipality will face with the prospect of job opportunities in the mining sector, resulting in a high migration of populace into the municipal boundaries resulting in an increase in the growth of informal settlements with its associated underlying problems. The municipality has committed to create formalised townships over the next few years and as targeted the residents living in the informal settlements of Mawag and Mandela in the 1st phase of this project funded by the Nkangala District municipality.

Another challenge relates to the resolution of the security of tenure issue for the farm dwellers and farm workers presently residing in farmlands. There are

settlements that have existing for longer than 20 years i.e. Kwa-Isaka, Kwa-Jozi, Dryden, Argent, Arbor, Brakfontein etc. There is currently only one (1) land claims, which are still to be considered by the Department of Land Affairs and the land claims commission. The development of a draft Land Usage Management Strategy (LUMS) was incorporated in the 2014/15 SDBIP and should be approved for implementation prior to the commencement of the new 2015/16 financial year.

The development of Victor Khanye Local Municipality rural areas play a critical role in the overall economic wellbeing of the area due to the contribution it makes to the local GDP as well as being a major employer for the large predominately rural population. A project has been included in the 2015/16 to develop the Victor Khanye Local Municipality Comprehensive Rural Development Strategy (CRDS), through funding to be sourced from Mpumalanga Provincial Department of Agricultural, Rural Development and Land Administration (DARDLA). This same department conducted a workshop in February 2015 to relay amongst other matters the achievements derived from the implementation of the Comprehensive Rural Development Programme (CRDP) in the eight identified municipalities; which has contributed significantly towards improving the quality of life in rural areas. The presentations main focus was based on the Outcome Approach<sup>13</sup> namely Outcome 7: *“Vibrant, equitable and sustainable rural communities with food security for all”*.

It was stated that five (5) key outputs that have been identified and need to be addressed to achieve the desired outcome comprise of:

Output 1: Sustainable agrarian reform with a thriving small and large farming sector
Output 2: Improved access to affordable and diverse food
Output 3: Improved rural services to support livelihoods
Output 4: Improved employment opportunities and economic livelihoods

<sup>13</sup> Guide to the outcomes approach, Version: 1 June 2010

Output 5: Enabling institutional environment for sustainable and inclusive growth

**Table 121:** five (5) key outputs

To achieve these outputs it will be necessary to accelerate economic growth and employment in the Agriculture section by implementing the three (3) focus areas as shown.

- Invest in agriculture infrastructure for value creation
- Increase crop and livestock production
- Promote export markets

The principles embodied in the DARDLA focus areas and initiatives will be incorporated in the development of the Victor Khanye Local Municipality CRDS.

### Strategic Objectives

- To provide a systematic spatial/ land development control

### Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
STD 1-2015	Acquire land for expansion and development	Victor Khanye local Municipality	Victor Khanye local Municipality	10 Million	10 Million	10 Million	Hectors of Land Acquired	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
STD 2-2015	Develop and implement LUMS Strategy	Victor Khanye local Municipality	Victor Khanye local Municipality	500 Thousand	500 Thousand	500 Thousand	Lums Strategy and training	Technical services

# KP A 5: LOCAL ECONOMIC DEVELOPMENT

## ISSUE 22: LOCAL ECONOMIC DEVELOPMENT

### Problem Statement

Is an approach to economic development that emphasises the importance to integrate the two economic streams of micro-economic measures at the local level to complement macro-economic measures at the national level. LED encompasses a range of disciplines including physical planning, economics and marketing, all with the goal of building up the economic capacity of a local area to improve its economic future and the quality of life for all. The major factors inhibiting economic growth and development can be summarised as follows:

Spatial Development Rationale
Poor economic infrastructure
Implementation of Local Economic Development Social Labour Plan Projects
Lack of relevant skills

**Table 122:** inhibiting economic growth

### Spatial Development Rationale

Delmas is about 1 567km<sup>2</sup> in extent, more than 90% of land is owned by the private sector. Furthermore Delmas Town is situated on dolomite soils this further limits establishment of residential, commercial and industrial stands

## Poor Economic Infrastructure

<b>Roads &amp; Storm drainage</b>	Delmas is experienced high traffic volumes mainly due to coal haulage trucks. This development has put a huge strain on local roads leading to traffic jams and deterioration of the R555 road.
<b>Water</b>	Despite commissioning of a water purification plant in 2011 and connection to the rand water system in 2014, Delmas still experiences erratic water suppliers due to the aging reticulation network
<b>Waste water</b>	According to the 2014 SERO report Victor Khanye Local Municipality is ranked 17 worst out of the 18 Municipalities in Mpumalanga Province in the Green Drop risk profile. The Municipal Sewage water works is dilapidated and cannot cope with population increase.
<b>Electricity</b>	The electricity network within Victor Khanye Local Municipality is ageing and has become inefficient. The main electricity substation needs to be upgraded since the electricity demand is increasing due to developments both in the residential, commercial and industrial sectors. The infrastructure within the area supplied by Eskom; Eloff, Sundra, Botleng and Extension 3, is also in need of upgrade to ensure the sustainable provision of uninterrupted services to the community and businesses
<b>Implementation of Local Implementation Social Labour Plan Projects by mining houses</b>	In terms of the Mineral and Petroleum Resources Development Act 28 of 2002, " <i>holders of mining and production rights should contribute towards the socio-economic development of the areas in which they are operating</i> " They are fourteen mines operating with-in Victor Khanye Local Municipality area of jurisdiction, twelve mining coal, two mining silica and three quarrying. The Municipality recommends LED projects to be considered by the Department of Mineral

	Resources ( <b>DMR</b> ) which mines should implement upon approval by the <b>DMR</b> . The LED/SLP implementation rate has been very poor in the past five years less only four mines have fully implemented their LED/SLP commitments. Non implementation of SLP/LED projects lead to slow economic growth & development and community instability
<b>Lack of relevant skills</b>	Despite a marked improvement in Matric pass rate in 2014. Holders of post-matric remain comparatively low. Most locals remain employed as labourers in local industries due to lack of relevant qualifications. This scenario leads to low economic growth due to low disposable income.

**Table 123:**

### **Legislative mandate**

Local authorities have a legal mandate to promote social and economic upliftment in areas of their jurisdiction as outlined by the objectives outlined in section 152 of the Constitution of the Republic of South Africa.

### **Victor Khanye Local Municipality Socio- Economic Profile**

*Source SA-Stats*

<b>Indicator</b>	<b>2001</b>	<b>2011</b>	<b>2012</b>
<b>Demographic</b>			
Population	56 335	75 452	
Number of households	13 428	20 548	
Area size km <sup>2</sup>	1 568	1568	1 568
<b>Economic</b>			
Construction	1.4%		2.2%
Mining	21.2%		16.2%
Agriculture	13.0%		13.0%
Community Services	18.1%		19.3%
Finance	14.3%		13.4%
Utilities	1.4%		0.6%
Manufacturing	4.8%		4.5%
Trade	11.6%		12.5%
Finance	14.3%		13.4%
Transport	14.8%		18.2%
<b>Labour</b>			
Working age	36 108	50 604	
Economically Active Population	23 019	30 416	
Number of unemployed	9 791	8 573	
Unemployment rate	42.5%	28.2%	

Agriculture	24.1%		18.7%
Mining	10.3%		12.8%
Community services	10.8%		14.5%
Private Household	10.9%		11.3%
Finance	3.5%		4.8%
Transport	5.4%		5.2%
Utilities	0.6%		0.5%
Construction	4.7%		5.9%
Manufacturing	7.9%		7.4%
Trade	21.7%		19.0%

### In-Equality & Poverty

	2001	2004	2009	2012
Gini-Coefficient	0.68	0.67	0.61	0.60
Poverty rate	42.2%	45.0%	39.4%	34.7%
Number of people in poverty	25 476	28 346	28 122	27 185
Poverty gap(Rmillion )	R37	R52	R75	R78

**Table 124:**

### Victor Khanye Local Municipality in perspective

The Municipality continues to create an environment conducive to attracting and the retention of investment. The economy of Delmas is relatively diverse, the largest sector in terms of output as well as proportional contribution being Trade followed by Agriculture and Mining. The Municipality has developed and adopted a five year LED Strategy the aims and objectives of the Strategy are to:

Create employment
Develop local markets
Promote and Support SMMEs/Co-operatives
Decrease poverty and hardships
Increase and explore tourism
Infrastructure development
Infrastructure development

**Table 125:**

The 2013 -18 LED Strategy will be the basis of the Victor Khanye Local project plan implementation and is anchored around the following six development thrusts:

Agriculture and Rural Development
Green Economy

Industry and Commerce
Tourism Development
SMME and Co-operative development
Mining and electricity development

**Table 126:**

Victor Khanye Local Municipality must succeed in increasing the level of economic activity in its regions and thereby create sustainable growth and job creation opportunities resulting in a more prosperous community that can participate in an equitable sharing economy. Despite being geographically strategic positioned, Victor Khanye Local Municipality has not been attracting much needed investment, reasons range from inadequate infrastructure and lack of readily available land for investment. The major projects currently in progress and/or planned with identified Public Participation Parties include the following as identified in the following table:

## Strategic Objectives

- Economic Growth and Development
- Increased economic participation by the youth

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led01-2015	Construction of SMME industrial hubs Site yet determined	TBD	NDM	3 Million	3 Million	3 Million	SMME industrial hubs	Office of Municipal Manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led02-2015	Commissioning of a business advisory Centre	Ward 2	Private	3 Million	3 Million	3 Million	Business advisory Centre	Office of Municipal Manager

Project	Description	Project	Funding	Budget	Budget	Budget	Indicator	Responsibility
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ct	on	Locati on	Source	14/15	15/16	16/17		
Led03-2015	Holiday Maths & Science programme	All wards	Private	200 hundred thousand	200 hundred thousand	200 hundred thousand	Improvement in Maths and Science	Office of Municipal Manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led04-2015	Construction of Community Portable Skills Development centre Site yet determined	Ward 07	private	800 hundred thousand	800 hundred thousand	200 hundred thousand	Portable Skills Development centre	Office of Municipal Manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led05-2015	Construction of Nkangala International Airport	Ward 07	Private	5Billion	5Billion	5Billion	Nkangala International Airport	Office of Municipal Manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led06-2015	Construction of a foot bridge in ward 7	ward 7	NDM	3 Million	3 Million	3 Million	foot bridge	Office of Municipal manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led07-2015	Agricultural Hub Project. Straffont ein Farm	Ward 7	Private funding	3 Million	3 Million	3 Million	Agricultural Hub Project	Office of Municipal manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led08-2015	Masibuyele Emasimini & Esibayeni Projects	All wards	800 Thousand	800 Thousand	800 Thousand	800 Thousand	Number of farms that benefited	Office of Municipal manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led09-2015	Establishment of Lavender Project in	ward 9	Private Funding	800 Thousand	800 Thousand	800 Thousand	Lavender Project	Office of municipal manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led10-2015	Hydroponics Project	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Functional Hydroponics Project	Office of municipal manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led11-2015	Development & Adoption of Spatial Development Framework	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Spatial development plan	Technical services

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led12-2015	Create an electronic system for the youth development data base	Victor Khanye local Municipality	Victor Khanye local Municipality	120 Thousand	120 Thousand	120 Thousand	electronic system for the youth development data base	Office of Municipal Manager

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Led14-	Hosting of	Victor	Victor	120	120	120	Youth	Office of

2015	youth Development submit	Khanye local Municipality	Khanye local Municipality	Thousand	Thousand	Thousand	Development submit	Municipal Manager
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<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Led154-2015	Hosting of the high schools Mayoral sports games	Victor Khanye local Municipality	Victor Khanye local Municipality	360 Thousand	360 Thousand	360 Thousand	Mayoral sports games Activities	Office of Municipal Manager

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Led164-2015	Hosting of Career expo	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Career expo	Office of Municipal Manager

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Led17-2015	Hosting of Business expo	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Hosting of Business expo	Office of Municipal Manager

<b>Project</b>	<b>Description</b>	<b>Project Location</b>	<b>Funding Source</b>	<b>Budget 14/15</b>	<b>Budget 15/16</b>	<b>Budget 16/17</b>	<b>Indicator</b>	<b>Responsibility</b>
Led18-2015	Establishment of bursary fund	Victor Khanye local Municipality	Victor Khanye local Municipality	200 Thousand	200 Thousand	200 Thousand	Hosting of Business expo	Office of Municipal Manager

## **KPA 6: FINANCE**

### **ISSUE 23: REVENUE COLLECTION**

#### **Problem Statement**

The current collection rate achieved by the municipality reflects 74,0 % with an improvement level of 68,0 % targeted for the current 2015/16 financial year. Funding is sourced from own revenue with the balance of funding being derived through the equitable share allocation augmented by various conditional/unconditional grant funding as directed by way of the annual Distribution of Revenue Act (DoRA).

As the municipality operates on the principle of a balanced budget, Capital expenditure is restricted to the available funding raised through own revenue; net of operating expenses, and grant funding leveraged through DoRA and the Nkangala District municipality. Therefore it is imperative that consumers pay for services rendered with respect to water, sanitation, waste collection, electricity and rates. Other sources of revenue to the municipality are limited and do not constitute a positive contribution.

The Municipality makes use of a 50/50 programme whereby 50% of the amount tendered for purchase of electricity is allocated to the outstanding account. Municipal accounts are distributed on a monthly basis, based on a fixed portion consisting of property rates, refuse and sanitation levies and variable portion based on the actual consumption of water and electricity .The consumption of water and

electricity is determined from the actual meter readings. The accuracy, completeness of readings cannot be 100% confirmed due to age of the infrastructure.

## Strategic Objectives

- To reduce water loss and contribute towards the increase of revenue

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
Rc1-2015	Develop and implement a revenue enhancement strategy	Victor Khanye local Municipality	Victor Khanye local Municipality	300 Thousand	300 Thousand	300 Thousand	Revenue enhancement strategy and training	Finance Department

## ISSUE 24: Supply chain

### Problem Statement

Supply chain management (SCM) is the oversight of materials, information, and finances as they move in a process from supplier to manufacturer to wholesaler to retailer to consumer. Supply chain management involves coordinating and integrating these flows both within and among companies. It is said that the ultimate goal of any effective supply chain management system is to reduce inventory (with the assumption that products are available when needed).

## Strategic Objectives

- To increase the Efficiency of the Supply Chain Management Processes

## Projects

Project	Description	Project Location	Funding Source	Budget 14/15	Budget 15/16	Budget 16/17	Indicator	Responsibility
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SC01-2015	Increase the capacity of the supply chain management officials	Victor Khanye local Municipality	Victor Khanye local Municipality	100 Thousand	100 Thousand	100 Thousand	Improvement in work rate	Finance department
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## **CHAPTER 9: FINANCIAL PLAN**

### **Introduction**

In general usage, a financial plan is a comprehensive evaluation of someone's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans.<sup>[1]</sup> This often includes a budget which organizes an individual's finances and sometimes includes a series of steps or specific goals for spending and saving in the future. This plan allocates future income to various types of expenses, such as rent or utilities, and also reserves some income for short-term and long-term savings. A financial plan is sometimes referred to as an investment plan, but in personal finance a financial plan can focus on other specific areas such as risk management, estates, college, or retirement

- **Cash / Liquidity Position**

The effective management of cash as well as the maintenance of a cash flow model to ensure that the municipality will fulfil timorously in all its obligations towards service providers, personnel and other financial commitments is vital for both the short- and long-term survival of the municipality. In addition to budget control and management, a cash flow model is maintained to ensure that expenditure is incurred in line with the cash reserves available within the municipality. The current ratio, which expresses the current assets as a proportion to current liabilities stands at a ratio of 2, 33:1. An overall ration in excess of 2:1 is considered healthy.

- **Sustainability**

The effective continuation of municipal services is determined by the sustainability of the service. The budgets related to the services are balanced in order to ensure that the expenditure will be covered by the income. Said income is generated through the implementation of Council's tariff structure, which is based on affordability.

The level of the services is in line with the affordability level of the community it serves. Due to an unemployment level, in excess of 40% there are a substantial number of poor households, which are not financially equipped to pay for the basic services provided. Hence, subsidisation is supplied by means of a differentiated tariff structure in which case the shortfall is financed from the equitable share from national government.

- **Effective and efficient use of resources**

The utilisation of the Municipality's resources is guided by means of standard operating procedures or policy statements provided by the Council

- **Accountability, Transparency and Good Governance**

Since the Municipality's activities are mainly financed from public resources, it remains essential to enable to be accountable utilization and reporting by means of various forums and processes. As required by legislation, amongst others the Municipal Finance Management Act, no 56 of 2003, the municipality endeavours to be accountable to all its stakeholders who are responsible for providing resources to the Municipality. The compilation of the Integrated Development Plan as well as the Budget is communicated by means of forum meetings and the ward committee system uphold by Council. Hereby all stakeholders can submit their needs and/or requirements for municipal services. As required by legislation, report back meetings are to be held and Council meetings are open for attendance by any stakeholder.

The annual reports, including the annual report from the Office of the Auditor General, are compiled within the prescribed format and timeframes.

- **Redistribution**

The Municipality endeavour has to treat all people in terms of the Batho Pele principles. A basic level of municipal services is available to all the residents, regardless of their own financial capacity. In case where a basic municipal service is not affordable to a resident, it is financed from the equitable share from national government.

- **Development and Investment**

Due to the backlogs in basic services, it is essential that the Municipality continue to invest in the development and maintenance of infrastructure to address these backlogs. Council is addressing this matter by means of the Integrated Development Plan as well as the Capital Program.

- **Borrowing**

Through the various capital markets as well as other financial institutions, financial resources are available to address the backlog in infrastructure development. It is however, essential that a Loan Redemption Fund be maintained which is substantiated by means of a cash investment, in order to fulfil timorously in debt repayment without extra-ordinary fluctuations in tariffs. The current external capital charges, as a percentage of operational income is 6, 2%. The acceptable norm should not be more than 12%.

- **Financial Management Strategies and Programmes**

The following financial management strategies and programmes were identified and implemented:

- **A five-year strategic information technology plan.**

Mainly for the maintenance of effective information technology systems within the Municipality. The development of an integrated MIS (Management Information System) together with a GIS is in progress.

- **Asset management plan**

A computerized bar-code asset management system is maintained in order to ensure accountable utilization and reporting on assets.

- **Budgetary Office**

The establishing of a budget office in terms of the determination of the Municipal Finance Management Act, no 56 of 2003.

- **Pre-paid Vending**

The installation of automated pre-paid vending machines in order to provide a 24/7 service.

- **Improved meter reading functions**

The commissioning of a system to improve the correctness of meter readings in order to provide accurate municipal accounts.

- **Upgrading of networks. WAN - Wireless Area Network**

The implementation of an improved radio link data network to improve the connection to the main financial server. Improve the service to the consumer.

## 1. Operational Budget projections

	<b>Current</b>	<b>Y 1</b>	<b>Y 2</b>	<b>Y 3</b>	<b>Total</b>
	<b>2011/2012</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>Y1 to Y3</b>
<b>Revenue source</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>
Property taxes	33 100	37 409	44 507	49 269	131 185
Rates & user charges	115 280	135 039	150 114	168 362	453 515
Rental: Facilities	1 353	1 420	1 492	1 500	4 412
Interest Investments	1 113	1 224	1 346	1 300	3 870
Interest Debtors	19 333	19 500	20 512	21 100	61 112
Traffic fines	600	660	726	1 100	2 486

Licences & permits	1 661	1 779	1 906	2 350	6 035
Agency services	1 682	1 732	1 819	2 100	5 651
Grants & subsidies	47 528	52 567	56 524	61 000	170 091
Other Income	158	171	186	200	557
Internal recoveries	3 208	3 661	3 785	4 155	11 601
Less Income foregone	-6 186	-6 592	-6 625	-6 500	-19 717
	<b>218 830</b>	<b>248 570</b>	<b>276 292</b>	<b>305 936</b>	<b>830 798</b>
<b>% Increase over period</b>		<b>13.6%</b>	<b>11.2%</b>	<b>10.7%</b>	

Table 127: Operational budget projections

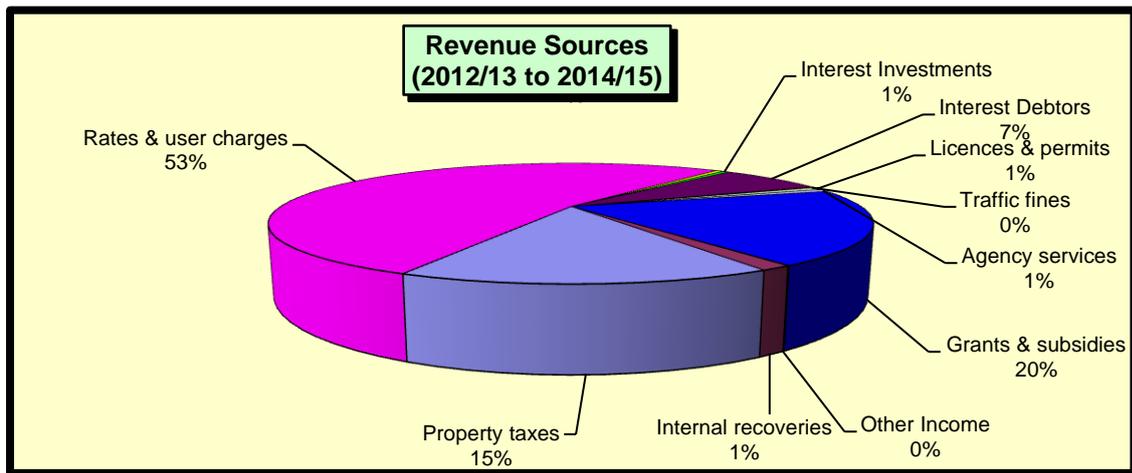


Figure 28: Revenue projection

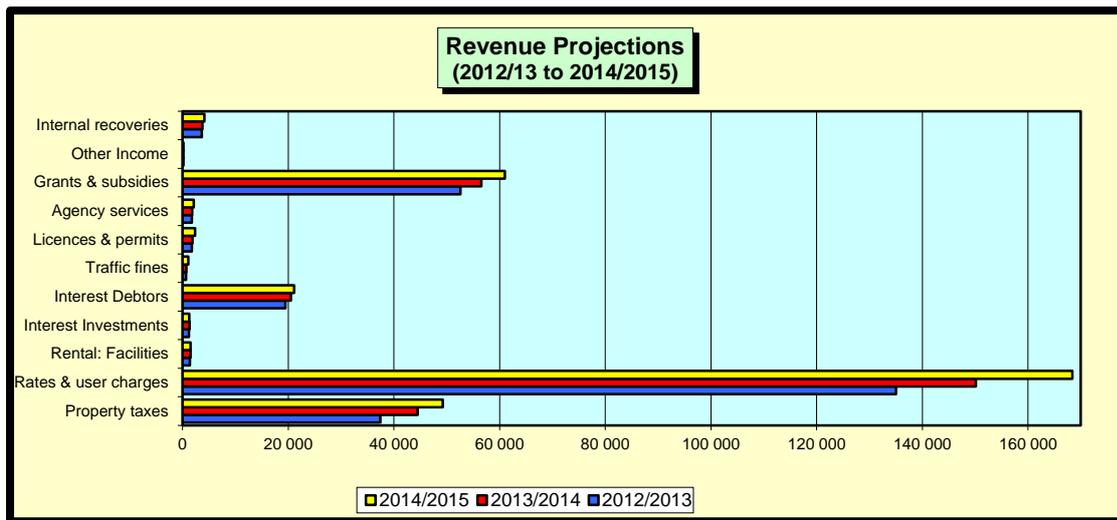


Figure 29: Revenue projection

Table 52: Operational budget

Expenditure per item.	('000)	('000)	('000)	('000)	('000)
Employee related	62 720	71 670	78 312	88 150	238 132
Remuneration Councillors	5 929	6 404	6 916	7 483	20 803
Working Capital reserve	31 627	35 715	40 303	42 552	118 570
Collection cost	250	274	300	350	924
Depreciation	3 169	4 500	5 000	8 550	18 050
Maintenance	14 598	14 956	16 397	19 662	51 015
Interest External	4 179	4 059	4 120	4 599	12 778
Redemption External	213	81	81	1 025	1 187
Bulk purchases	63 815	75 741	86 301	95 344	257 386

Contracted services	4 628	4 883	5 008	5 100	14 991
Grants & Subsidies paid	57	63	68	75	206
General expenses	53 391	53 347	58 012	63 256	174 615
Contribution to capital	896	2 000	3 000	5 000	10 000
Internal charges	3 209	2 842	2 986	2 115	7 943
Costs debited out	-29 889	-28 051	-30 530	-37 331	-95 912
<b>Total expenditure</b>	<b>218 792</b>	<b>248 484</b>	<b>276 274</b>	<b>305 930</b>	<b>830 688</b>
<b>Operating surplus</b>	<b>38</b>	<b>86</b>	<b>18</b>	<b>6</b>	<b>110</b>

Table 128: Operational budget

Figure 19: Appropriation of capital

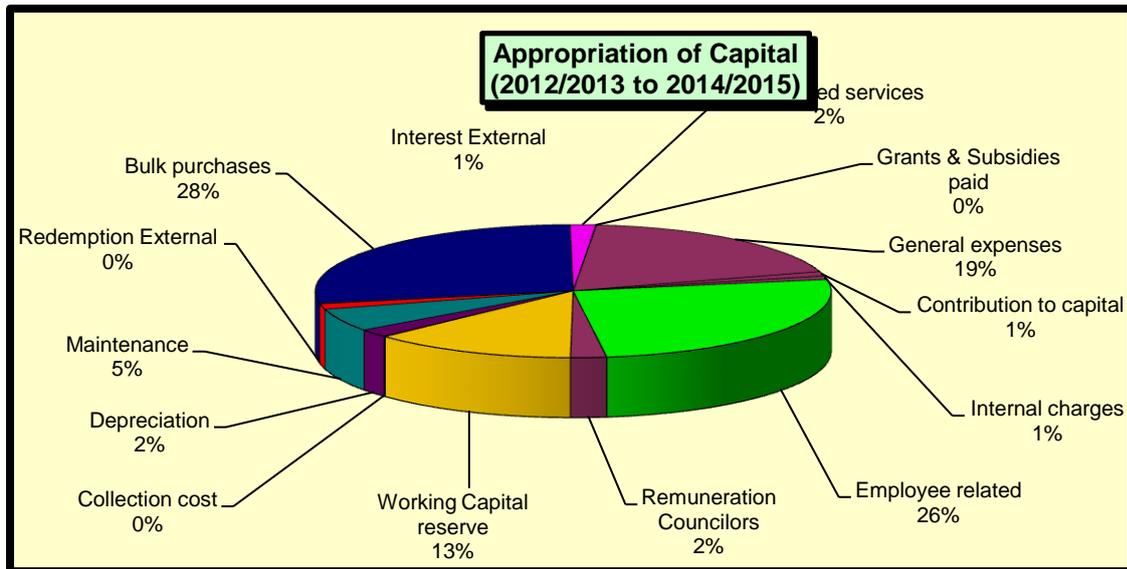


Figure 30: Appropriation of capital

	<b>Current</b>	<b>Y 1</b>	<b>Y 2</b>	<b>Y 3</b>	<b>Total</b>
	<b>2011/2012</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>Y1 to Y3</b>
<b>Expenditure per Vote</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>	<b>(‘000)</b>
Executive & Council	0	0	0		0
Budget & Treasury	64 785	70 491	77 485	84 995	232 971
Corporate Services	969	1 018	1 070	1 098	3 186
Community & social	184	195	206	216	617
Sport & recreation	5	4	4	5	13
Public safety	2 234	2 409	2 598	2 798	7 805
Housing	411	431	453	469	1 353
Health	0	0	0	0	0
Planning & Development	0	0	0	0	0

Road transport	2 199	2 288	5 415	4 622	12 325
Electricity services	70 070	82 963	95 647	108 518	287 128
Water services	50 657	58 998	62 598	66 985	188 581
Waste water management	14 988	16 511	17 337	19 551	53 399
Waste management	12 328	13 176	13 461	16 673	43 310
Electricity supply					0
<b>Total expenditure</b>	<b>218 830</b>	<b>248 484</b>	<b>276 274</b>	<b>305 930</b>	<b>830 688</b>

Table 129: Operational Expenditure per vote

Figure 20: Expenditure per vote

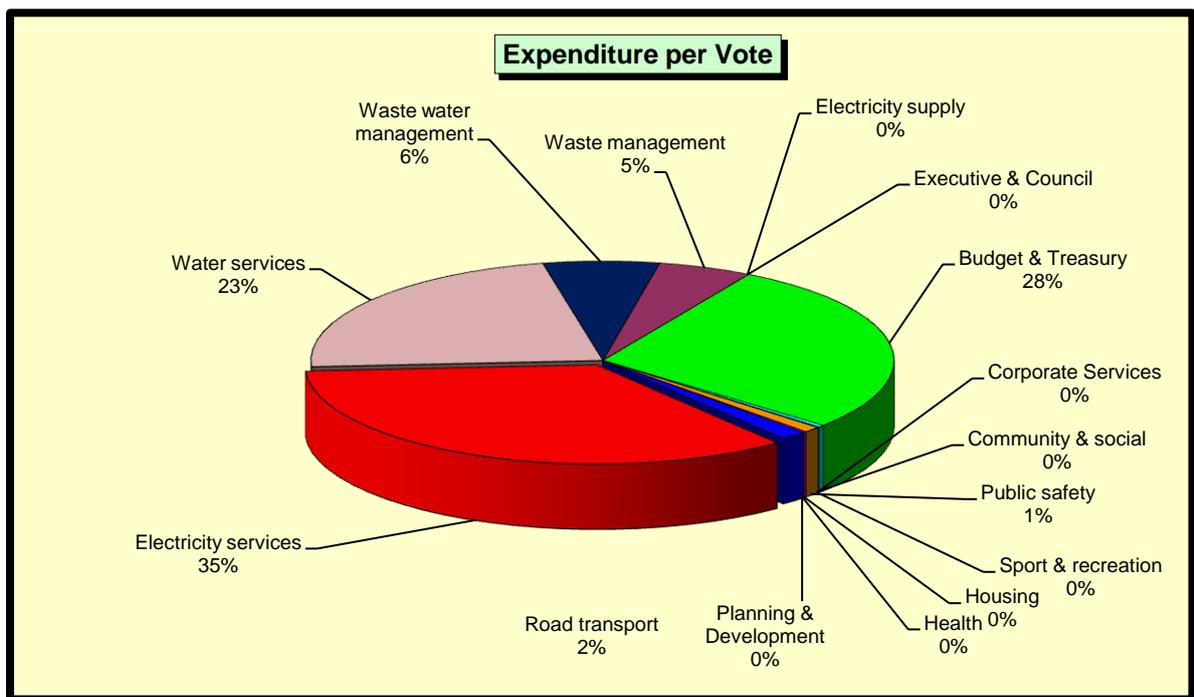


Figure 31: Expenditure per vote

<b>Appropriation of capital</b>	<b>('000)</b>	<b>('000)</b>	<b>('000)</b>	<b>('000)</b>	<b>('000)</b>
Executive & Council		10 000	10 000	10 000	30 000
Budget & Treasury	65	101	95	200	396
Community & social			2 324		2 324
Sport & Recreation	750	2 951		2 500	5 451
Public safety	542		355	512	867
Road Transport	17 360	10 000	8 000	13 500	31 500
Electricity Services	9 300	3 000	2 500	5 000	10 500
Water services	1 800	10 000	2 000	5 000	17 000
Waste water management	4 471	8 770	20 970	10 000	39 740
Waste management	2 280	2 000	3 000	6 000	11 000
<b>Total expenditure</b>	<b>36 568</b>	<b>46 822</b>	<b>49 244</b>	<b>52 712</b>	<b>148 778</b>

Table 130: Operational Expenditure per vote

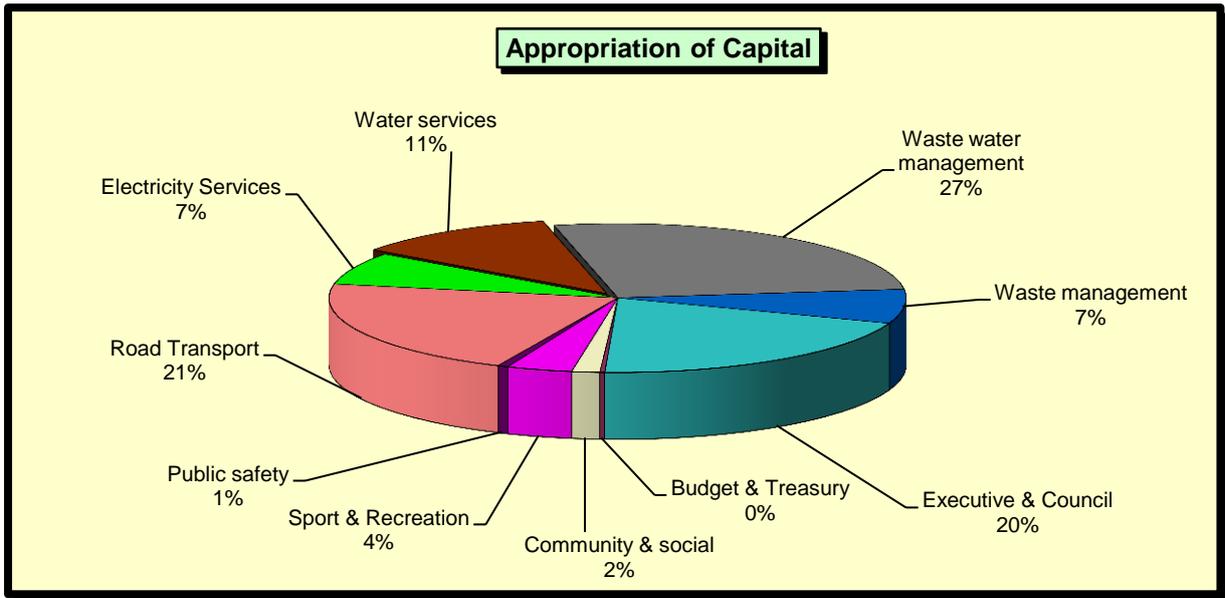


Figure 32: Appropriation of capital

Table 55: Funding sources

Current	Y 1	Y 2	Y 3	Total
2011/2012	2011/2012	2012/2013	2013/2014	Y1 to Y3

Funding Sources	('000)	('000)	('000)	('000)	('000)
External loans	4 000	8 101	7 444	4 712	20 257
Own Revenue	897	2 000	3 000	5 000	10 000
MIG	20 521	24 951	26 324	28 000	79 275
Grants: Nkangala DM	11 150	11 770	12 476	15 000	39 246
<b>Total sources</b>	<b>36 568</b>	<b>46 822</b>	<b>49 244</b>	<b>52 712</b>	<b>148 778</b>

Table 131: Funding of capital projects

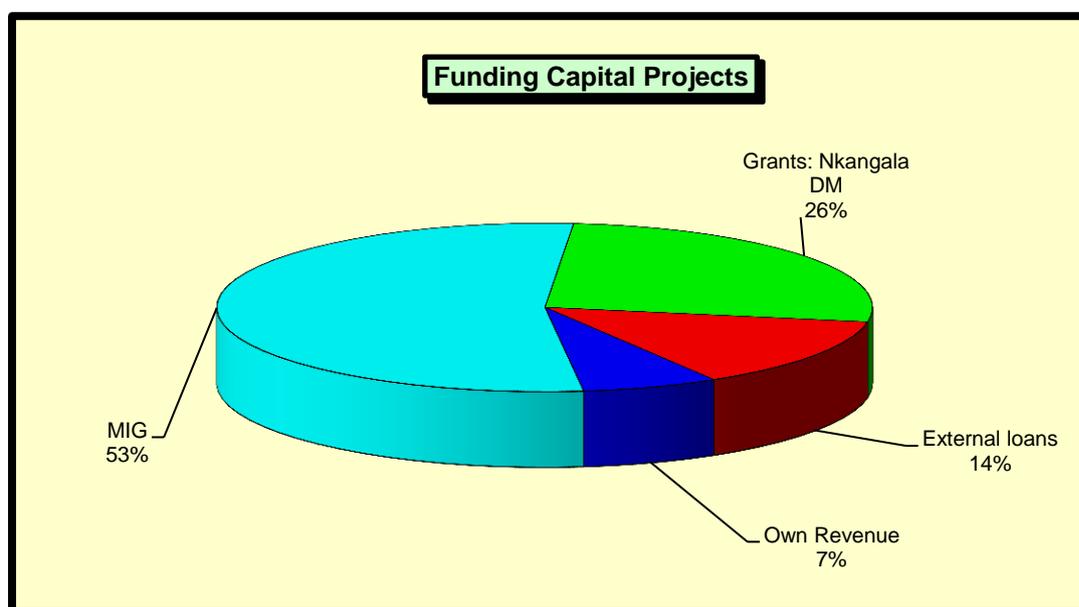


Figure 33: Appropriation of capital

Financial benchmark	Basis of calculation	2009/2010	2010/2011
<b>Borrowing management</b>			
Debt to asset ratio	Total debt / Total assets	12.0%	9.4%

Debt to revenue	Total debt / Annual income	<b>37.3%</b>	<b>26.7%</b>
Interest bearing debt to revenue	Interest bearing debt / Annual income	<b>8.6%</b>	<b>4.0%</b>
Average interest paid on debt	Interest paid / Total interest bearing debt	<b>12.8%</b>	<b>21.6%</b>
Capital charges to operating expenditure	Interest & capital paid / Operating expenditure	<b>1.0%</b>	<b>0.9%</b>
Interest as a % of operating expenditure	Interest paid / Operating expenditure	<b>1.0%</b>	<b>0.9%</b>
<b>Safety of capital</b>			
Debt to equity	Total debt / funds & reserves	-	-
Current ratio	Current assets / Current liabilities	<b>1:0.90</b>	<b>1:0.58</b>
Gearing	Funds & reserves / Long term debt	-	-
Liquid ratio	Cash assets / Current liabilities	<b>1:2.53</b>	<b>1:2.43</b>
<b>Revenue management</b>			
Annual debtors collection rate (Payment level %)	Last 12 months receipts / Last 12 month billing	<b>69.1%</b>	<b>68.8%</b>
Outstanding debtors to revenue	Outstanding debtors (net) / Annual revenue (total income)	<b>15.6%</b>	<b>13.9%</b>
Days debtors outstanding	Outstanding debtors (net) / Annual revenue (total income) x 365	<b>56,8</b>	<b>51</b>
<b>Efficiency</b>			
Personnel costs to operating	Personnel cost / Operating expenditure	<b>22.2%</b>	<b>26.3%</b>

expenditure			
<b>Other indicators</b>			
Electricity distribution losses	(Total units purchase less total units sold) / Total units purchased	16.1%	9.4%
Water distribution losses	(Total units purchase less total units sold) / Total units purchased	20.0%	16.4%
Asset maintenance rate	Repair & maintenance expenditure / Total asset value	2.2%	2.0%
<b>Colour code Legend:</b>		Positive	
		Negative	

Table 133: Financial benchmark

## **CHAPTER 10: PROJECT IMPLEMENTATION**

### **Organizational Scorecard**

The Municipal Systems Act, 2000 (Section 45) requires that the results of performance measurements, be audited as part of the Municipality's Internal Auditing processes. In Terms of Regulation 14 (1) of the Municipal Planning and Performance

Management Regulations, 2001, of the Systems Act, it is the Municipality's responsibility to develop and implement mechanisms, systems and processes for auditing the results of the performance measurements, as part of its internal audit processes. In addition, the Municipal Finance and Management Act No 56 of 2003, section 165 (2) (b) (v) requires that the Internal Audit Unit of a Municipality, report to the Audit Committee on matters relating to Performance Management.

### **KPA1 Basic Service Delivery**

Service delivery to the citizens of Victor Khanye is viewed from two perspectives. The first perspective is that of provision of basic municipal services such as water, sanitation, electricity and roads among others. The second perspective is the provision of social services such as education and social welfare. Two goals have been developed to cover these.

#### ***Goal 1: Improved provision of basic services to the residents of Victor Khanye Local Municipality***

This goal addresses the programmes and projects that will be implemented to improve basic service delivery. The strategic objectives are as follows:

- Reduce water and sanitation backlogs;
- To provide a quality, adequate water service to all consumers within the municipality;
- Reduced housing backlog;
- Provide an efficient, safe and economical waste management;
- Ensure the general environmental is protected and promoted in a sustainable way;
- Increased access to electricity by all households;
- Improved the state of existing roads to better and acceptable standard;
- Improved storm water drainage system; and
- Traffic law enforcement on all roads and streets in the municipality to curb speeding and illegal usage of roads and streets by unlicensed drivers and heavy vehicles.

The Table below details the measurable objectives as well as the baselines and targets for the period of the plan:

## ***Goal 2: Improved social protection and education outcomes***

This goal addresses the programmes and projects that will be implemented to improve provision of social services to vulnerable citizens of Victor Khanye local Municipality.

- Increased access to the public education
- Eradicate illiteracy in the community
- Reduced social ills such as crime, the increase teenage pregnancy as well as HIV/AIDS through the use sport amongst young people
- Social and culture integration and conservation of important cultural and historic sites-promote and conserve sites
- To establish and support facilities and programs helping people with disabilities in our municipality

To provide integrated and comprehensive pre statutory and early intervention services and programmes to children and their families at risk by 31 March 2013.

Goal 1: Improved provision of basic services to the residents of VKLM

KPA 1: Basic Service Delivery

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13 <sup>14</sup>	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
Improved provision of basic services to the residents of VKLM	Service Delivery (Infrastructure)	Reduced water and sanitation backlogs	% of households with access to basic levels of sanitation (VIP toilets)	1.1	TS	13 479	13 479	14 179	14 679	15 179	15 679
			% of households with access to basic levels of water (communal tap)	1.2	TS	13 479	13 479	14 729	15 329	15 829	16 329
		Reduced housing backlog	% of households provided living in formal housing units (	1.3	TS	13 479	13 479	14 679	15 279	15 447	15 547

<sup>14</sup> Sourced from 2012/13 IDP

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13 <sup>14</sup>	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
			RDP)								
			Number of beneficiaries of the Housing Consumer Education Programmes	1.3	TS	New	New	2400	2000	1500	1500
		Improved access to sustainable waste removal service	No. of households with access to a minimum level of basic waste removal (Bag in Skip)	1.5	CSS	11 134	11 134	1200	600	168	100
Improved provision of basic services to the residents of VKLM		Increased access to electricity by all households	No of RDP households with new / upgrade access to basic levels of electricity	1.6	TS	13 479	13479	13 769	15 279	1447	15 547

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13 <sup>14</sup>	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
	Service Delivery (Infrastructure)	Improved standard of existing roads	Km of new tarred roads provided	1.7	TS	141	141	4	10	10	10
		Improved storm water drainage systems	Km of new storm water drainage network provided	1.8	TS	(50km)	1.2	1.2	14.6% (5km)	24.6% (5km)	34.6% (5km)
	Service Delivery (Community Services)	Safer road usage	No of Road safety Awareness implemented	1.9	CSS	1	1	2	3	3	3

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13 <sup>14</sup>	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
		Improved accessibility of emergency services to the community	% availability of vehicles with respect to the request for emergency services	1.10	CSS	87	87	90	90	90	90
	Service Delivery (Transversal)		Number of events to the Elderly	1.14	MM	1	1	1	1	2	2
Improved social protection and education outcomes	Service Delivery (Community Services)	Alleviate Poverty	% of (indigents) households with access to free basic services (GKPI)	1.11	FIN	100% (7 200 <sup>15</sup> )	100%	100%	100%	100%	100%
	Service Delivery (Education)	Upliftment of previously disadvantaged groups	# of learners provided with financial support (Mayoral community)	1.12	MM	15	20	20	20	20	20

<sup>15</sup> As per Indigent register 2012

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13 <sup>14</sup>	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
			programme)								
	Service Delivery (Sport and Recreation)	Improved Recreational and Sporting facilities	% of recreation / sport facilities upgraded	1.13	MM	66.7% (9)	66.7% (9)	100% (9)	100% (9)	100% (9)	100% (9)
	Service Delivery (Transversal)	Mainstreaming of the Elderly	Number of events into the Elderly	1.14	MM	1	1	1	1	2	2
	Service Delivery (Transversal)	Mainstreaming of Disability and Gender	Number of events into Disability and Gender	1.14	MM	1	1	1	1	2	2

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13 <sup>14</sup>	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
Improved social protection and education outcomes	Service Delivery (Health Services)	Improved access to Municipal Health services	No. of HIV/AIDS education Awareness Campaigns	1.15	MM	New Indicator	1	1	2	3	3

## KPA 2: Financial Viability and Finance Management

This KPA focuses on improving financial viability and financial management in the areas financial compliance, financial standing and revenue collection for the municipality.

### 5.2.6 Improved Compliance to MFMA and Victor Khanye Policy Framework

The strategic objectives that support this goal are as follows:

- To complete the conversion of all the financial operations into GRAP to fully implement the legislative requirements;
- To reduce water loss and contribute towards the increase of revenue; and
- To increase the efficiency of the supply chain management processes.
- Improved Compliance to MFMA and Victor Khanye Local Municipality Policy Framework

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17	Target 2017/18
Improved compliance to MFMA and VKLM policy Framework	Financial Viability	Full GRAP compliance to legislative requirements	Auditor General Opinion - Unqualified	2.1	FIN	Unqual	Unqual	Unqual	Clean Audit	Clean Audit	Clean Audit	Clean Audit
		Revenue enhancement	% increase in revenue streams into annual revenue budget	2.2	FIN	New	N/A	2%	2%	2.5%	2.5%	3.0%
		Compliance to Supply Chain Management Regulations	% IAU findings into SCM Policy as reported	2.3	FIN	<b>100</b>	<b>100</b>	<b>100</b>	100	100	100	100
		4.Reduced Risk Tolerance Level	% of AG Management Letter findings resolved	2.4	FIN	80%	81%	82%	85%	85%	90%	90%

		Ensure working liquidity	% service payment level	2.5	FIN	65.0% <sup>16</sup>	70%	68%	70%	72%	74%	75%
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### KPA 3: Institutional Development and Transformation

This KPA addresses the need to enhance the institutional arrangements as well the processes and systems to enable the Municipality to execute its constitutional mandate.

#### Goal 4: Improved efficiency and effective of the Municipal Administration

In line with its mandate the Municipality has developed the following strategies to ensure that the Municipality is transformed:

- Improve the functionality of the organizational structure with the VKLM Strategy
- Improve the level of skill of employees
- Improve the wellness of employees
- Improve the management of Employment Equity issues
- Increased compliance to occupational health and safety act
- Increase the roll out of Performance Management System
- Improve the Information Communication and Technology infrastructure
- To ensure that the municipality buildings, vehicles and equipment are sufficient and well maintained for delivering municipal services

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<sup>16</sup> Extract from 2011/12 Annual Report

### KPA 3: Institutional Development and Transformation

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
Improved efficiency and effective of the Municipal Administration	Organisation Development	Effective and functional organizational structure	% approved critical positions filled (post levels 1-4)	3.1	CS	100%	100%	100%	100%	100%	100%
		Attain Employment Equity parity	% of employees from previously disadvantaged groups appointed in the three highest levels of management as per the approved EE plan (GKPI)	3.2	CS	100%	100%	100%	100%	100%	100%
	Capacity Building	Capacitated workforce	% of budget spent implementing the Workplace Skills Plan (GKPI)	3.3	CS	100%	100%	100%	100%	100%	100%

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
	Performance Management System	Optimum institutional performance	% improvement in # of KPI's attaining organizational targets	3.4	MM	(45%) <sup>17</sup>	44% (65%)	15% (74.5%)	10% (82.0%)	5% (86.0%)	5% (90%)
	Operational Efficiency	Effective ICT infrastructure	% implementation of King 3 recommendations in respect of IT risk assessment	3.5	MM	New	5 <sup>18</sup>	60%	90%	100%	100%

#### KPA 4: Good governance and public participation

<sup>17</sup> Refer Auditor General Management Letter dated 30 November 2012, item 28

<sup>18</sup> Refer 2013/14 Risk Assessment Report

This KPA addresses the constitutional mandate of the Municipality of ensuring public participation in all matters of governance and obligation of the municipality to adhere to matters of good governance. The strategic objectives aimed at achieving this goal are detailed below.

### **Goal 5: Improve community confidence in the system of local government**

In line with the constitutional mandate the Municipality has developed the following strategies to ensure good governance and public participation:

- Increased implementation of public participation imperatives;
  - ✓ Enhance Oversight over Municipal Administration;
  - ✓ Reduce incidences of Fraud and Corruption;
  - ✓ Improved Customer Relationship Management; and
  - ✓ Reduced Risk Tolerance Level.

Goal 5: Improve community confidence in the system of local governance

KPA 4: Good Governance and Public Participation

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
Improve community confidence in the system of local government	Accountability	Increased community participation	No of ward committee meetings	4.1	MM	8	8	9	9	9	9
	Good Governance	Enhanced Oversight	% of MPAC resolutions raised and resolved per quarter	4.2	MM	68%	100%	100%	100%	100%	100%
		Reduced incidences of Fraud and Corruption	% reduction in reported cases of fraud and corruption	4.3	MM	New	100%	100%	100%	100%	100%
	Customer/Stakeholder Relationship Management	Improved Employee Satisfaction	% level of employee satisfaction	4.4	CS	New	N/A	<50% <sup>19</sup>	>50%	>65%	>70%

<sup>19</sup> Employee Satisfaction survey to be implemented in the 2nd Quarter 2013/14

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
	nt	Improved Customer Relationship Management	No. of reports on complaints per quarter.	4.5	MM	New	N/A	4	<b>4</b>	<b>4</b>	<b>4</b>

### **KPA 5: Spatial Rationale**

The KPA aims to ensure that the spatial rationale contributes to the socio and economic development aspirations of the people of Victor Khanye and also addresses the issues of land tenure and land redistribution.

### **Goal 6: Increase regularisation of built environment**

The strategic objectives aimed at achieving this goal are detailed below.

- ✓ To provide a systematic spatial/land development control
- ✓ To ensure stability in Commercial Agricultural Business

Goal 6: Increase regularisation of the built environment

KPA 5: Spatial Rationale

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
Increase regularisation of built environment	Land Tenure and Spatial Development	Regulated built environment	% of new registered building plan application processed	5.1	TS	New	N/A	100	100	100	100
			% of Town Planning Development Applications processed	5.1	TS	New	N/A	100	100	100	100
			No of building inspections conducted	5.1	TS	New	N/A	8	16	16	16

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	Target 2014/15	Target 2015/16	Target 2016/17
			No of new buildings inspected ito compliance.	5.1	TS	New	N/A	<b>1200</b>	<b>600</b>	<b>168</b>	<b>100</b>

### **KPA 6: Local Economic Development**

This KPA addresses the need for increasing the economic activities within the Municipality with a view to creating jobs, reducing poverty with specific emphasis on youth employment.

### **Goal 7: Increased economic activity and job creation**

The strategic objectives aimed at achieving this goal are detailed below.

- ✓ Economic Growth and Development
- ✓ Increased economic participation by the youths

Goal 7: Increase economic activity and job creation

**KPA 6: Local Economic Development**

Strategic Objective	Strategic Thrust / Programme	Outcome	KPI	KPI Ref	Owner	Baseline 2011/12	Target 2012/13	Target 2013/14	2014/15
Increased economic activity and job creation	Economic Growth and Development	Sustainable job creation	# of EPWP Full Time Equivalent (FTE's) through Capital projects (GKPI)	6.1	CSS	NEW	106	<b>106</b>	
		Economic Growth and Development	No of new PPP negotiated into MoU's	6.2	MM	New	N/A	<b>2</b>	