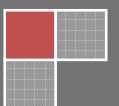


2012  
/201

# THABA CHWEU LOCAL MUNICIPALITY

## INTEGRATED DEVELOPMENT PLAN

FIRST DRAFT DOCUMENT



## Table of Contents

**Section A: Executive Summary;** this provides an overview of the municipality, its current situation, challenges, opportunities, priority strategies and targets to be achieved in order to improve the situation over the 5 year term of the IDP.

**Section B: Municipal Vision & Mission;** this section reflects on the municipal council's vision for the long term developments, with special focus on its strength and opportunities. Also showing how the municipality will map out its strategy implementation.

**Section C: Background;** here is just a brief background about Thaba Chweu Local Municipality as it relates to its geographic location, wards, villages and towns within the municipal space or jurisdiction.

**Section D: Overview of the Integrated Development Planning,** This section will cover the overview of planning process that was followed in compiling this document.

**Section E: Status Quo Analysis on Basic Services,** Status Quo analysis of the municipal area, with focus on basic service delivery and Inputs from the Community,

**Section F: Spatial Development Framework;** this presents a high level Spatial Development Framework which reflects the text and maps and is reviewed on a 5 yearly basis.

**Section G: Corporate Governance,** institutional Analysis in as far as policy formulation and internal process are concerned.

**Section H: Implementation Plan;** this section presents the municipality's KPI's for each set objective and Annual Performance Report

**Section I: Development Strategies, Programmes & Projects;** ; this section provides comprehensive details of projects to be executed during the IDP duration; this section basically gives effect to the Implementation Plan. Includes the vision, mission, strategic objectives and strategies structured into the 5 KPA's of the 5 year Local Government Strategic Agenda.

**Section J: Sector Involvement;** presents the extent of involvement of various sector departments as well as the private sector in general in term of developments in the locality and could be in the form of a Strategic Plan or Medium Term Expenditure Framework or Sector Plan information for that particular Integrated Development Plan period.

## **SECTION A: EXECUTIVE SUMMARY BY THE MUNICIPAL MANAGER**

### **Overview**

This Integrated Development Plan (IDP) for Thaba Chweu Local Municipality for 2011-2016 is a culmination of a cross-section of inputs and considerations, taking into its ambit the following:

#### **Legislative requirements including but not limited to –**

- The Constitution of the Republic of South Africa
- The Municipal Systems Act (Act 32/2000)
- The Municipal Finance Management Act
- The Public Finance Management Act
- The Credible IDP Evaluation Framework 2010
- The Draft Mpumalanga Economic Growth & Development Path 2011
- The Draft Auditor-General's Report 2010
- The Municipal Turn-Around Strategy (as reviewed 2010)
- The Millennium Development Goals
- The Ehlanzeni District Planning Process
- The Presidential State of the Nation Address
- The Premier's State of the Province Address
- The Comprehensive Rural Development Plan

Of equal if not utmost importance has been the inputs made by members of the community, voicing their needs, aspirations and concerns through a structured process of public hearings across all wards. Interest groups, including the youth; ratepayer and resident associations; business forums; the mining sector; religious forum; and others have also been afforded an opportunity to be heard. The combined submissions made during the public hearing process has shaped this IDP, identifying priorities, and confirming the direction service delivery and developmental projects must take. Lastly, the hard lessons of our recent service delivery past and their shortcomings have been learnt.

It is not the intention of this document to repeat the contents of the various enabling pieces of legislation, policy and frameworks that inform this planning process and document, other than to use key extracts to place issues in context and create common understandings.

The IDP must reflect:

1. The council's vision for the long term development of the municipality with special emphasis on the most critical development and internal transformation needs of the municipality;
2. An assessment of the existing level of development in the municipality which includes an identification of communities which do not have access to basic municipal

services,

3. The council's developmental priorities and objectives for its elected terms;
4. The council's local economic development aims and strategy;
5. Spatial development framework which includes the provision of basic guidelines for land management systems for the municipality;
6. Development strategies which must be aligned with national and provincial sectoral Plans and planning requirements binding on the municipality in terms of the legislation;
7. The council's operational strategy;
8. Applicable disaster management plan;
9. Financial plan which includes a budget projection for at least the next three years;
10. Key performance indicators and performance targets determined in terms of the municipality's performance management systems and national key performance indicators.

The municipality has successfully completed the compilation of the five year document in which this 2012/2013 Integrated Development Plan is the final review of the five year document as required by the legislation. This document is therefore known as the Reviewed Integrated Development Plan (IDP) for the Thaba Chweu Local Municipality. This review followed an institutional assessment on performance measurements for 2011/2012 financial year. This plan links, integrates and coordinates other institutional plans and takes into account proposals from various participants for the development of the municipality. This document, therefore serves as the super developmental framework that guides and informs all planning and development, budgeting, annual performance review, management and development, in the municipality.

The introduction of the Service Level Agreement (outcome 9) and the implementation report of the Municipal Turnaround Strategy of Thaba Chweu Local Municipality have further necessitated a thorough re-visit of the 2011/2012. As a result of continuous engagements between the municipality with other role-players and stakeholders, it was realised that it is important to re-consider the core components of the IDP as espoused in the IDP Framework Guide issued by the Department of Cooperative Governance & Traditional Affairs. One of the critical aims of the Integrated Development Plan Framework Guide is to provide clarification on the packaging, contents and in preparation of the 2012/2013 reviewed IDP and beyond.

In our view, these guidelines are not meant to replace the contents of the IDP as reflected in section 26 of the Municipal Systems Act, 2000 and Performance Management Planning Regulations, 2001, but to intensify understanding and clarification of such contents accordingly. These core components are presented and briefly defined hereunder as follows:



**Section A: Executive Summary;** this provides an overview of the municipality,

**Section B: Municipal Vision & Mission;** this section reflects on the municipal council's vision for the long term developments, with special focus on its strength and opportunities. Also showing how the municipality will map out its strategy implementation.

**Section C: Background;** here is just a brief background about Thaba Chweu Local Municipality as it relates to its geographic location, wards, villages and towns within the municipal space or jurisdiction.

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**Section J: Sector Involvement;** presents the extent of involvement of various sector departments as well as the private sector in general in term of developments in the locality and could be in the form of a Strategic Plan or Medium Term Expenditure Framework or Sector Plan information for that particular Integrated Development Plan period. This information should be current and as updated annually.

**Section K: Annexure;** the municipality's Three Year Financial Plan & Spatial Development Framework that have to be included as part of the IDP will be attached as an annexure as part of the document.

As indicated under analysis of Section C above, for the duration of this Integrated Development Plan, the municipality has to consider the following 5 key performance areas for local government as determined by the National Government:

KPA1: Municipal Transformation and Institutional Development;

KPA2: Financial Viability and Financial Management;

KPA3: Basic Service Delivery and Infrastructure Investment;

KPA4: Local Economic Development and

KPA5: Good Governance and Community Participation

This Integrated Development Plan is compatible with the district, national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

## **SECTION B: VISION AND MISSION**

The Local Government Municipal Systems Act 32 (2000) S26 states that an integrated development plan must reflect the municipal council's vision for the long term development of the municipality with special emphasis on its most critical development and internal transformation needs.

The existing vision and mission statements for TCM were reviewed and adopted as appropriate for the planning period covered in this process (2011-2016), viz.:

### **VISION**

***"The tourism home to the scenic wonders of Africa"***

### **MISSION**

***To provide tourism based developmental local government through the rendering of-***

- World class quality service***
- Socio-economic development***
- A safe and healthy environment***
- Tourism enhancement***

### **CORE VALUES**

The following core values were developed to frame TCLM staff and Councilors' behaviors one-to-another and more importantly, towards community members-

- Responsiveness***
- Professionalism***
- Integrity***
- Patriotism***
- Accountability***
- Quality***
- Developmental***
- Environmental conservation***

**STRATEGY MAP**

**INTEGRATED DEVELOPMENT  
PLAN**

**RESOURCING THE STRATEGIC PLAN:  
FINANCIAL RESOURCING & HUMAN RESOURCING**

**IMPLEMENTATION PLAN  
(SDBIP)**

**DEPARTMENTAL OPERATOPNAL PLANS**

**INDIVIDUAL WORK PLANS**

**JOB DISCRIPTION**

## STRATEGIC OBJECTIVES

STRATEGIC OBJECTIVES	FOCUS AREA
Provide access to basic services	Maintain and refurbish assets and infrastructure Engage govt. sector departments to address inherited backlogs Integrate human settlements to address lack of social infrastructure Develop and implement informal settlement policy and identify land Prevent runaway fires through public awareness raising Ensuring the quality of drinking water meets standard at all times
Increase revenue base	Encourage community to pay for services Lobby private investors Improve billing systems
Improve resource management	Develop an effective monitoring system Attract & retain staff Ensuring the sustainability of natural resources plus the development of the human resource potential within the TCLM
Develop a performance management system (PMS)	Align organisational structure with IDP
Create a conducive environment for local economic development	Enabling economic development Reduce numbers of indigents through LED local economic development Addressing the economic legacies of the past, ensuring inclusive economic growth Supporting meaningful LED initiatives that foster SME opportunities and job creation Protecting the poor from the impacts of the slow economic recovery Develop effective Community Policing Fora and educate tourists as well as improve access to police
Address HIV/AIDS	Address issues of HIV/AIDs through the Local AIDS Council (LAC)



## KEY PERFORMANCE AREAS

<b>PRIORITY AREA</b>
Infrastructure Development and Basic Service Delivery
Rural Development
Local Economic Development and sustainability by the Municipality
Planning and Performance Management
Environmental Management
Good Governance and Institutional Capacitation
Financial Management and Financial Viability
Public Participation and Intergovernmental Relations

## MUNICIPAL SWOT ANALYSIS

An exercise was conducted to establish a common view of the strengths, weaknesses, opportunities and threats the TCLM currently face. Best practice theory has it that when an organization focuses on its strengths, the other three issues are also concomitantly addressed. The following were identified:

<b>MUNICIPAL INTERNAL ENVIRONMENT</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>o Current stability of the council,</li> <li>o Scenic beauty of the area, including abundant waterfalls</li> <li>o Amongst the best activity sports opportunities in the region</li> <li>o Proximity to the greatest game reserve in the world (KNP)</li> <li>o Neighbouring private luxury game reserves</li> <li>o Forestry resources with ability to expand, e.g. timber-frame housing, alternate energy sources</li> </ul>	<ul style="list-style-type: none"> <li>o Poor and ageing infrastructure</li> <li>o Review of sector plans</li> <li>o (Lack of) Promotion of tourism</li> <li>o (Failure to ) Review the organizational structure</li> <li>o Management of the environmental resources</li> <li>o Internal &amp; external communication</li> <li>o Involvement of the community</li> <li>o Credibility of the (current) IDP and local govt.</li> <li>o Under-utilization of municipal lands</li> <li>o Data/ Information management</li> <li>o Security of tenure and formalization (upgrading) of informal settlements</li> </ul>

## MUNICIPAL EXTERNAL ENVIRONMENT

### Opportunities

- o Willingness of communities to assist
- o Extensive mineral reserves neighboring the municipality (further beneficiation initiatives)
- o Proximity to Maputo (Mozambique) and Zimbabwe, allowing for transport corridor link developments
- o Technological developments in terms of waste recovery & management, e.g. development of bio-gas
- o Job creation opportunities in rural development initiatives, e.g. roads

### Threats

- o Informal trading
- o Illegal land usage
- o Job shedding (in forestry sector)
- o Illegal connections
- o Lessons not learnt from the past, limited service delivery
- o Pollution of our waterways
- o Environmental degradation (e.g. overutilised landfill sites)
- o Vast realities of unemployed youth
- o Corruption
- o Non-Compliance with by-laws deterring tourists

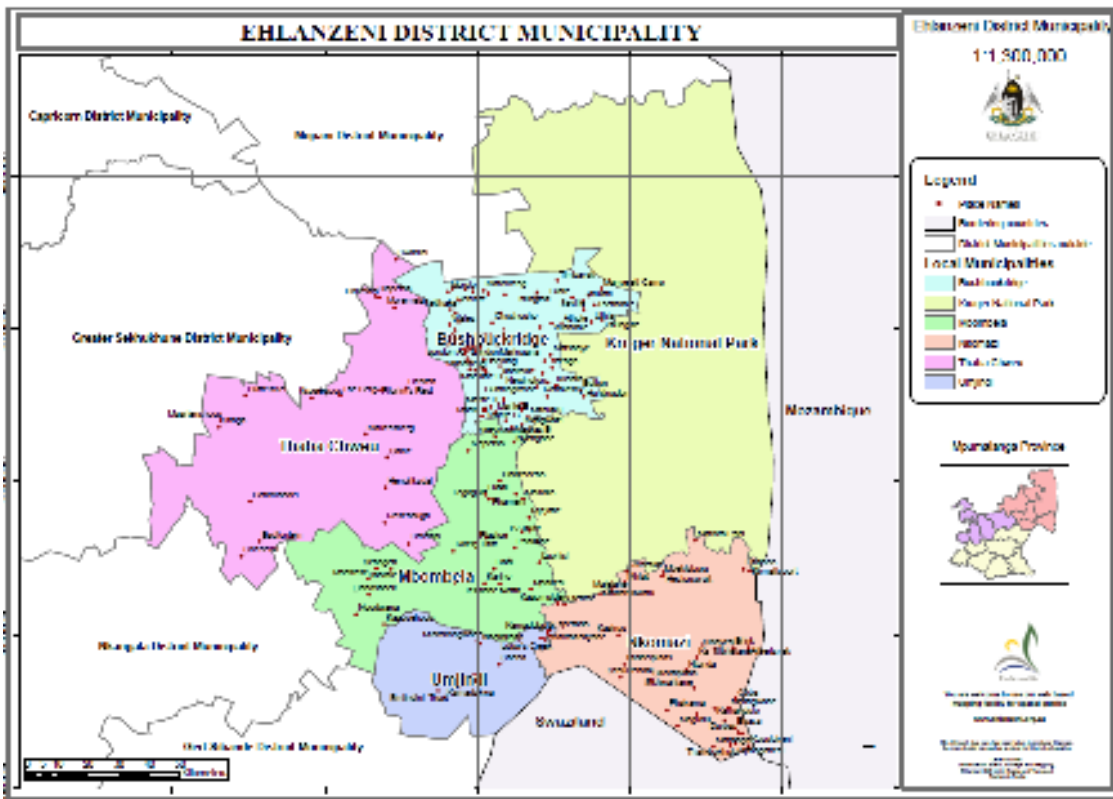


## **ORGANIZATIONAL STRUCTURE**

The Municipality needs to review its structure so as to respond to the current challenges and humanly resource its integrated development plan.

## SECTION C: BACKGROUND

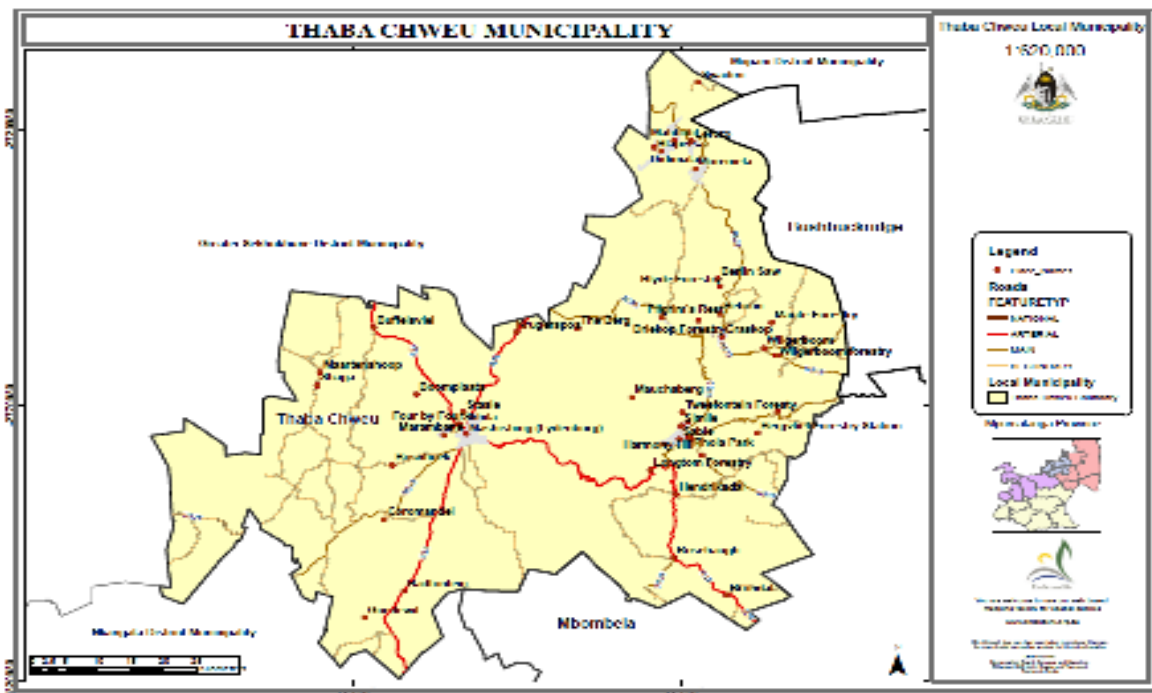
### LOCATION OF THABA CHWEU LOCAL MUNICIPALITY



Source: Ehlanzeni District Municipality GIS Unit

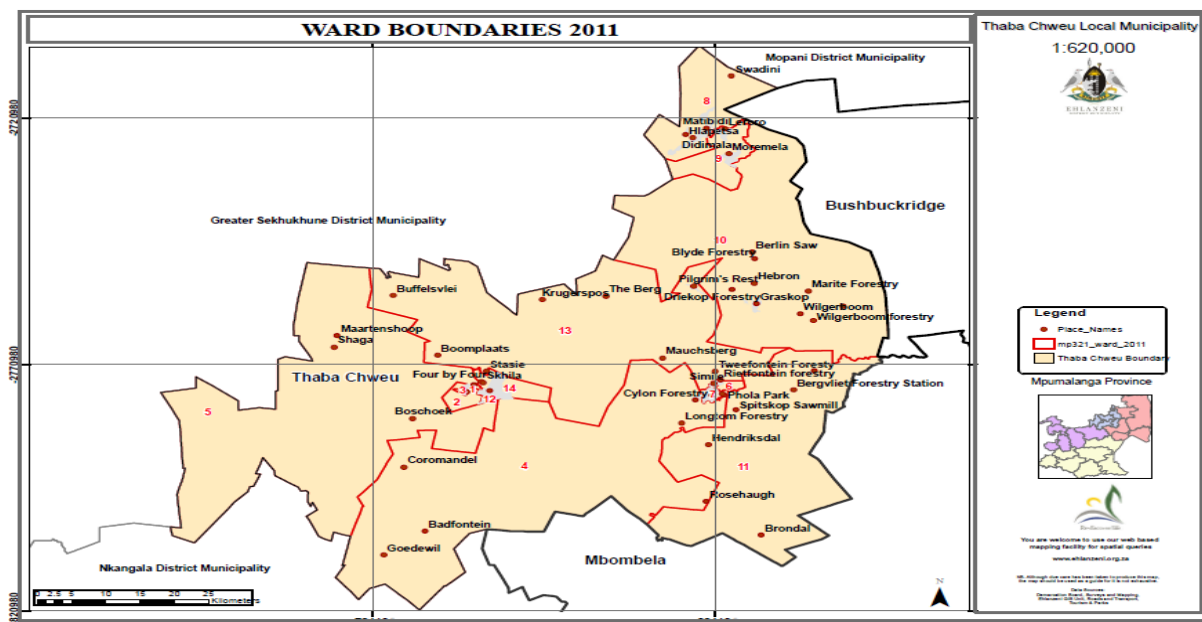
The above map indicates the location of Thaba Chweu Local Municipality in the Ehlanzeni District Municipality.

The total area coverage of the Municipality is 5 719.06 km<sup>2</sup>. The main urban areas are Graskop, Sabie and Mashishing, with the key features depicted below:



Source: Ehlanzeni District Municipality GIS Unit

The 12 wards of the TCLM are depicted below, but it is to be noted that ward boundaries will change with the additional two wards planned.



Source: Ehlanzeni District Municipality GIS Unit

The wards in TCLM are as follows:

<b>WARD</b>	<b>VILLAGES / TOWNS</b>
1	Marambane W1
2	Kellysville( Lydenburg), Marambane W2, Skhila(Lydenburg)
3	Marambane W3
4	Badfontein, Ceylon Forestry Station, Emshinini (Coromandel), Hendriksdal, Long Tom Forestry Station, Magsleigh Forestry Station, Uitsoek Forestry
5	Boomplaats, Boschoek Farm,Draaikraal,Shaga Farm (Maartens Hoop), Stasie
6	Harmony Hill ( Sabie) , Simile (Sabie),Tweefontein Forestry Station
7	Sabie, Simile Informal
8	Matibidi
9	Leroro, Moremela
10	Berlin Saw mill, Blyde Forestry Station, Driekop Forestry Station, Glory Hill (Graskop), Graskop,Hebron, Hostel, Informal Settlement (Graskop), Marite Forestry Station, Morgenzon Forestry Station , Wilgerboom Forestry Station
11	Bergvleit Forestry Station, Brondal, DR de Wet Forestry Station, Frankfort Forestry Station, Phola Park (Sabie),Rietfontein Forestry Station, Spitskop Saw Mill, Witklip Forestry Station
12	Part of Lydenburg
13	Pilgrims Rest, Ponieskatz (Pilgrims Rest), Roodewal SawMill,, Orhastad Dam, Sperkboom
14	Part of Lydenburg

## DEMOGRAPHIC PROFILE OF THABA CHWEU LM

### Population Profile

Information about the population of the municipality is valuable as one of the indicators of the developmental status of the population. It can also serve to highlight developmental challenges that could guide decision making in the municipality.

Unless otherwise indicated, Census 2001 and Community Survey 2007 data from Statistics South Africa have been used, as analyzed by the Population Unit within the Department of Social Development.

### Population size and sex ratio

Table 1: Population Size and Sex ratio

<b>Demographic indicator</b>	<b>1996</b>	<b>2001</b>	<b>2007</b>	<b>Share of the Ehlanzeni District</b>
Population Size	65635	81681	87545	5.7%
Population Sex ratio	101	99	99	

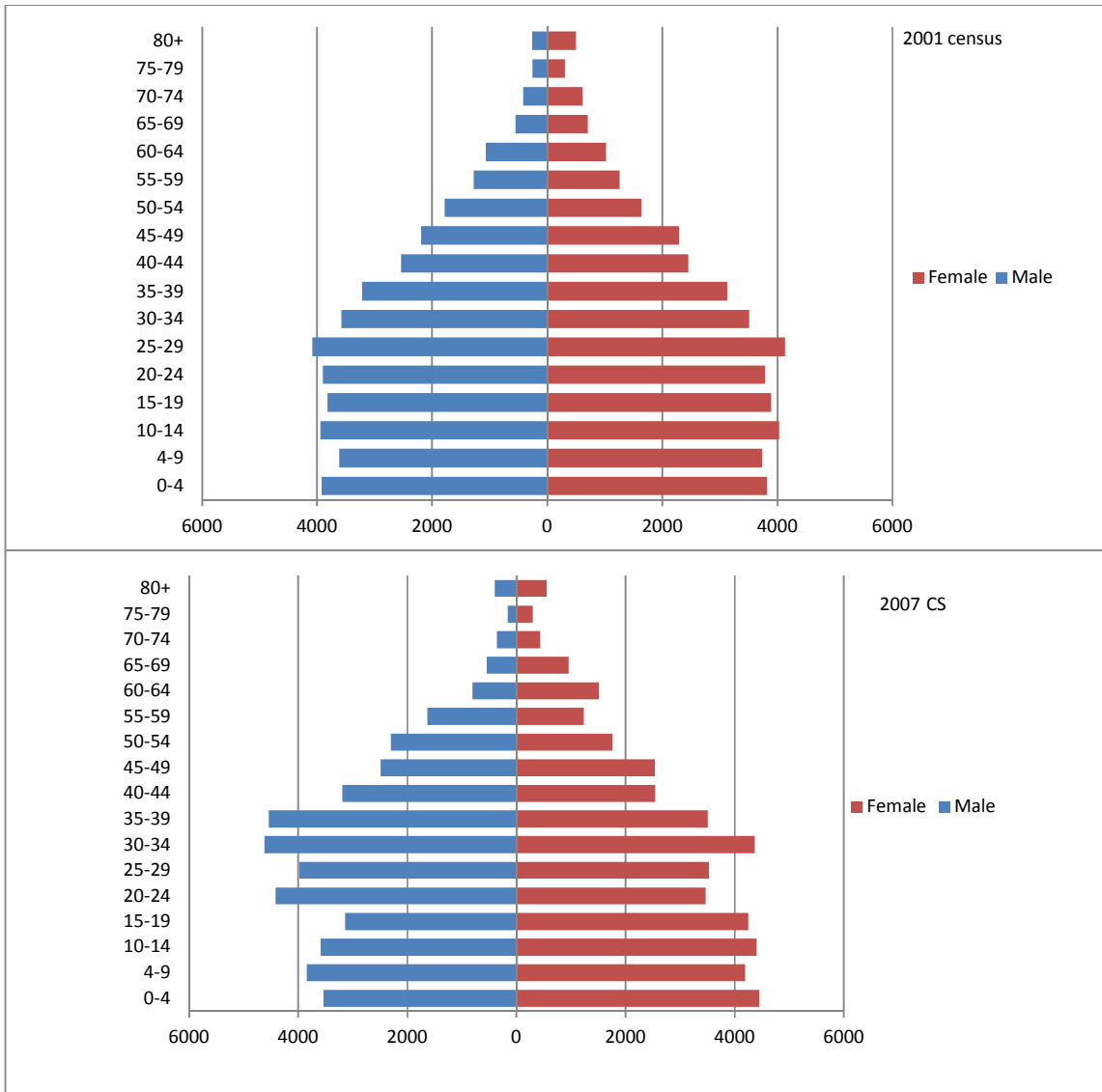
(Source: Statistics SA, Census 1996, 2001 and Community Survey 2007)

According to Statistics SA Census information the population of Thaba Chweu local municipality grew from 65 635 in 1996, to 81,681 persons in 2001 and to 87,545 persons in 2007. This implies an annual growth rate from 1996-2001 of 4.4% and 2001-2007 1.3%. Although the population growth rate slowed down in the local municipality it represents a similar growth rate than of the annual growth rate of Ehlanzeni District at 1.31%.

The sex ratio in the local municipality for 2001 was 99 and for the Ehlanzeni District it was 89. In other words there are 99 and 89 males for every 100 females in the respective areas.

## Age and Sex Structure

Figure 1: Age and Sex Structure of Thaba Chweu Local Municipality between 2001 and 2007



The population of Thaba Chweu municipality shows a typical age structure of a very young population distribution. In 2001, there was no evidence of declining fertility compared to other municipalities in the district. The distribution of the 2007 population is erratic and shows no clear pattern. Despite this, the population of the municipality was concentrated in younger age groups in both years.

## Dependency Burden

In 2001 there were 49 people in the dependent age groups (0-14 and 65+) for every 100 economic active people, aged 15 to 64. This dependency dropped slightly to 46 per 100 in 2007.

This represents an improvement of 3 % and is lower than the dependency ratio of 89 for the Ehlanzeni District. A reduction in the dependency ratio is an indication of opportunities for savings and economic growth since there is an increase in the number of potential workers who can earn income and at the same time there are less people depending on them. This opportunity can however only be realized if potential workers can be absorbed into the labour market. This also implies that workers need the requisite skills to compete in a skills and information driven economy.

### Household Profile

As in the rest of South Africa, Thaba Chweu is showing signs of the un-bundling of households, particularly in the period between 1996 and 2001, when the number of households grew by 6% while the population only grew by 4.4% per annum. This is most probably because people who previously shared a household, move away to form their own households.

Table 2: Number of households

<b>Indicator</b>	<b>1996</b>	<b>2001</b>	<b>2007</b>
<b>Number of Households</b>	19,953	26 770	28 258

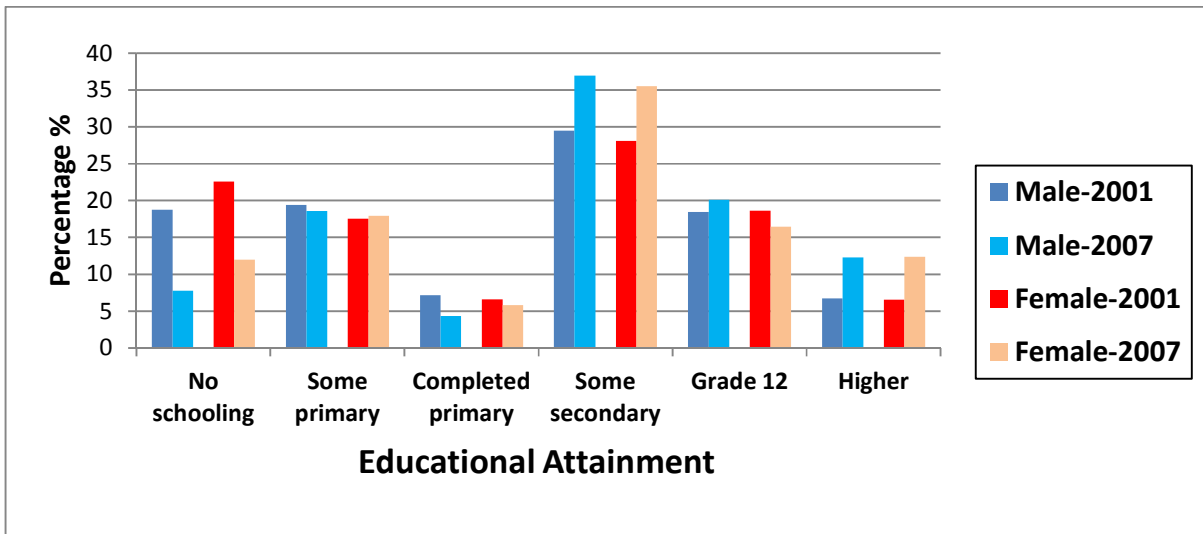
Source: Statistics SA, Census 1996, 2001 and Community Survey 2007

Although the rate for growth for both population and households have decreased to around 1% per annum between 2001 and 2007 the total number of households is still increasing; adding to the huge backlog of the previous reference period. Determining the growth rate in households per municipality is very important since municipalities deliver services at household level. At the same time it should be considered that the Stats SA definition of a household is not the same as the definition of a service point by the municipality.

### Education

Educational attainment is a key indicator of development in a population. To evaluate long term provision of education, it is important to disaggregate educational attainment for persons older than 20 years. This group represents people who have completed matric and potentially a post matric qualification.

Figure 2: Highest educational attainment, persons 20 years and older, by sex



Source: Statistics SA, Census 2001 and Community Survey 2007

The graph above represents the educational attainment of males and females older than 20 years in Thaba Chweu local municipality. There were major improvements in educational attainment within the municipality between 2001 and 2007. About 19% of males and 23% females over 20 years had no schooling in 2001. This was reduced to 7% and 13% for males and females, respectively by 2007.

Major improvements are noted for those who have attained some secondary education as well as for those with a post matric qualification.

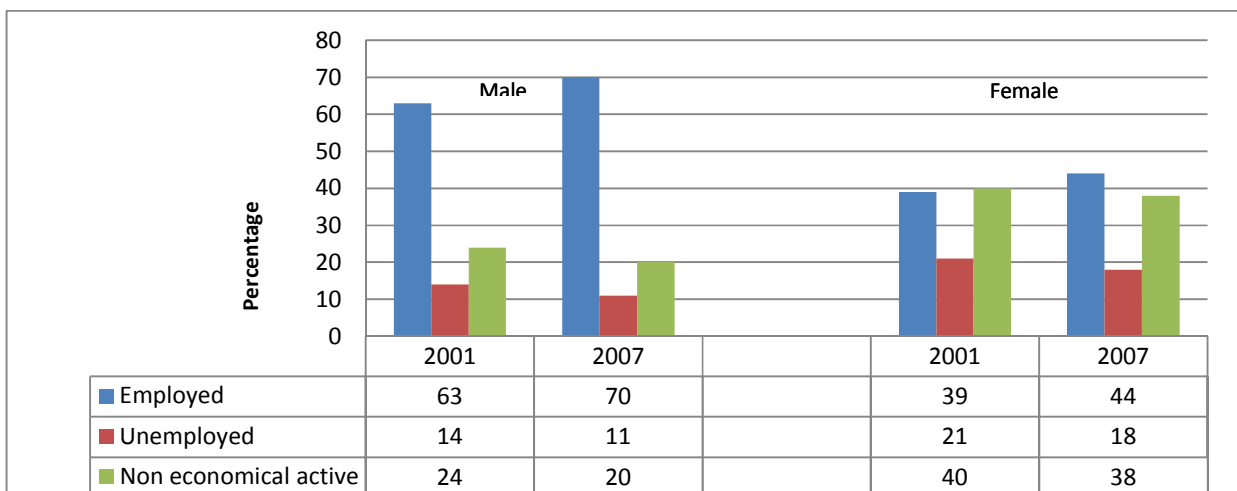
The decrease in the percentage of females attaining Grade 12, is of concern. This could be an indication of increased school drop-out among females and warrants further investigation, since it may contribute to an increase in gender inequality in the municipality.

### Poverty and Vulnerability

Employment remains one of the most critical factors determining the vulnerability of individuals, households and communities.

Figure 3: Employment Status of the Economic Active Population (15 – 64 years)





Source: Statistics SA, Census 2001 and Community Survey 2007

The figure above shows employment status of the population in the economically active group (15 to 64 years old). The figure indicates that there are favorable employment opportunities in the municipality, with increases in the percentage employed from 63% to 70% among males; and 39% to 44% for females between 2001 and 2007.

Unemployment for both males and females declined during the reference period although it remains higher for females than for males. Twenty one percent (21%) of females were unemployed in 2001 compared to 14% males. By 2007, this decreased to 11% for males and 18% of females. The percentage of persons who were not economically active in the municipality remains high, especially among women. These are persons who are not employed and are not actively seeking employment.

Poverty and vulnerability is not only determined by where a person is employed or not, but perhaps more importantly by the level of income they earn.

Table: 3 Monthly Income of the employed, (15 – 64 years)

Individual Income (15 – 64 years)	2001 %	2007 %
No Income	1.3	2.4
R1 – R3 200	85.8	72.2
R3 201 – R25 600	12.2	23.2
R25 601 – R102 400	0.6	2.0
R102 401+	0.1	0.2
<b>Total:</b>	<b>100</b>	<b>100</b>

Source: Statistics SA, Census 2001 and CS 2007

The No Income category includes individuals who do not wish to disclose their income or who are involved in non-remunerative family /household employment. It is encouraging to note the decrease in the R1 – R3 200 range in favor of the higher income ranges.

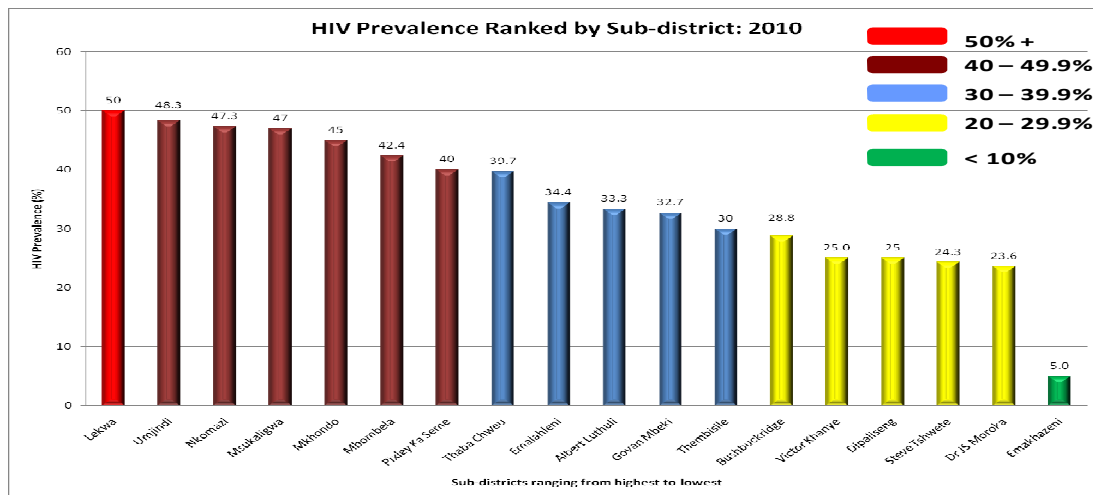
Any employment or income data for the 2001 to 2007 reference period should consider that 2008 introduced international economic pressures for which no recent data is available. It could be expected that some of these positive developmental gains have been reduced.

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### HIV and AIDS

HIV and AIDS continue to be one of the main health and development challenges facing South Africa. The disease has an impact on the individual, families and communities. Various factors contribute to the spread of HIV and AIDS. Significant drivers include male attitudes and behaviors, intergenerational sex, gender and sexual violence and untreated SDI'S. Underlying social and structural factors which add to the impact include economic and gender inequalities, affecting young women and women in rural areas most severely.

Figure 5: HIV Prevalence in the Mpumalanga, 2010



Source: Department of Health, 2010

The HIV prevalence for Thaba Chweu is 39.7%. These figures are determined through studies done amongst pregnant women aged 15-49 years making use of public health facilities in the province. Although Thaba Chweu is ranked 4<sup>th</sup> in the Ehlanzeni District with a lower prevalence than Umjindi LM, Nkomazi LM and Mbombela LM, it has shown the largest increase from 2009 to 2010m, as seen in the table below .

Table4: HIV Prevalence Trend by Sub-district 2009-2010

Local Municipalities	HIV prevalence % 2009	HIV prevalence % 2010	Change from 2009 to 2010
Umjindi	39	48.3	+ 9.3

Nkomazi	41.3	47.3	+ 6
Mbombela	38.5	42.4	+ 3.9
Thabachweu	30.2	39.7	+ 9.5
Bushbuckridge	25.5	28.8	+ 3.3

Source: Department of Health 2010

The fact that the prevalence has increased from 2009 to 2010 should raise a serious concern and all role players need to pool their expertise and resources to address this issue. The National Strategic Plan for HIV and AIDS, STI and TB 2012 to 2016 highlights the following key objectives that need to be addressed in the municipality:

- Mainstream HIV and TB interventions in all 18 sectors.
- Address Behaviour and Socio-economic Drivers of HIV, STIs and TB( e.g poverty, unemployment, alcohol abuse and Smoking) amongst the youth.
- Empower Men and Women to Address Inequities and Gender-Based Violence
- Strengthen child and adolescent Responses to HIV and TB
- Retain young people in school and provision of post-school job opportunities Reduction of stigma and discrimination
- Empower communities on HIV&AIDS,STIs and TB issues through AIDS council

Linked to the HIV and AIDS pandemic is the issue of Child headed households. Children as young as 10-14 years are heading households and special care should be taken to address the needs of these families.

Table 5: Number of Child Headed Households

<b>Age group</b>	<b>2001</b>	<b>2007</b>
10-14	22	33
15-19	484	59

Source: Statistics SA, Census 2001 and Community Survey 2007

Child headed households is a phenomenon often associated with the HIV and AIDs pandemic. Such households could develop quickly, but could also change it status quickly as children are absorbed into extended family or community structures. This make child headed households difficult to measure.

Although numbers may look small or vary from time to time this subgroup in any population remains among the most vulnerable an all possible efforts should be made to protect and care for their needs.

### **Disability**

Apart from being a factor that contributes to vulnerability, disability is also an indication of the health status of a population. The percentage of persons with disability in Thaba Chweu decreased from 5.9% in 2001 to 2.6% in 2007.

Table 6: Prevalence of disabled by type of disability

<b>Type of disability</b>	<b>2001</b>	<b>2007</b>
---------------------------	-------------	-------------

Sight	23.4	12.8
Hearing	18.4	9.4
Communication	2.6	5.2
Physical	19.1	24.1
Intellectual	6.8	6.7
Emotional	14.1	36.4
Multiple disabilities	15.6	5.4
<b>Total:</b>	<b>100</b>	<b>100</b>

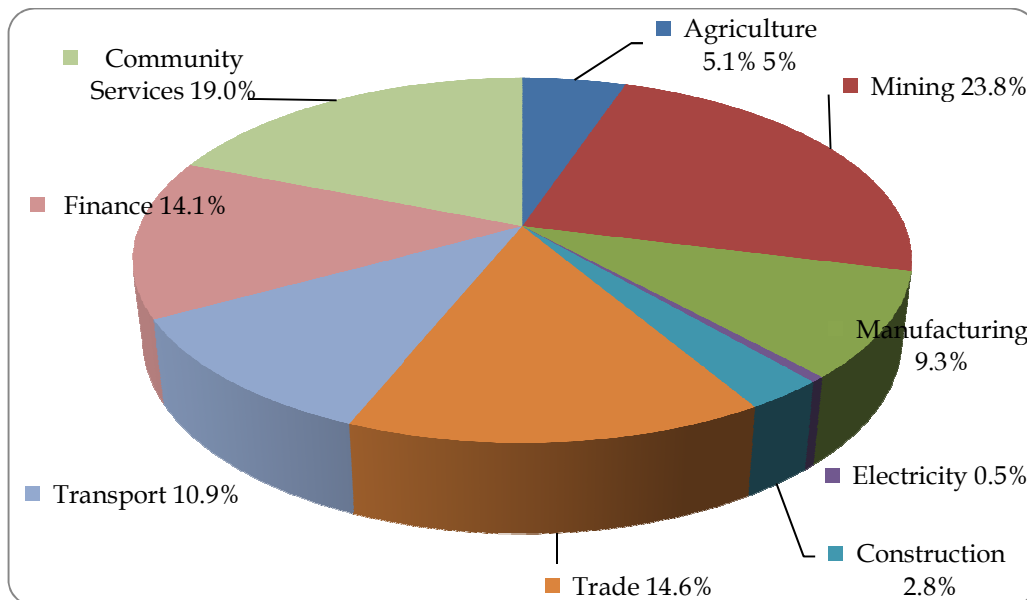
Source: Statistics SA, Census 2001 and Community Survey 2007

The most prominent change reflected in the table below is the increase in the percentage of physical and emotional disabilities. Although much more information would be needed to developed detailed support for this group, it is important to ensure that persons with disabilities do not face discrimination and that they have equal opportunities to services within the municipality.

### ECONOMIC PROFILE

The leading sectors in terms of its contribution to the Thaba Chweu economy are mining (23.8%), community services (19.0%), trade (14.6%), finance (14.1%) and transport (10.9%). Thaba Chweu local municipality's contribution to the Ehlanzeni District economy is 11.8% and 68.7% to the district's mining.

Figure 4: Sectoral Gross Value Added (GVA) Contribution, Thaba Chweu



(Source: Dept. of Finance – Socio Economic Profile, 2011)

Growth in real economic terms is primarily concentrated in the agriculture and forestry sector

(24.3%), the manufacturing sector (23.6%), the community, social and personal services sector (15.5%), the wholesale and retail trade sector (12.4%) and mining and quarrying sector (10.1%).

Thaba Chweu shows comparative advantages in agriculture, mining and quarrying, manufacturing and financial, insurance, real estate and business services when compared to the Ehlanzeni economy. These advantages will with growth in the mining, manufacturing and forestry sectors together with increasing government support in the provision of community and social services and infrastructure and increase in employment and money available for expenditure, provide economic spin offs which will enhance the growth in all other sectors.

## **AGRICULTURE**

Intensive crop production also provides future potential. The development of international and domestic markets for these products holds the key to the future development of agriculture cultivation. A strong growth in local demand is foreseen due to strong expected growth in the local population. The proximity of the KMIA in close proximity also provides the future opportunity for export of high value agricultural produce.

Livestock farming is also concentrated in the higher lying areas. Growth in this sector is restricted.

## **MINING**

Mining contributes 10% to the Thaba Chweu economy and provides for 2500 jobs. The locality of Thaba Chweu within proximity of the eastern limb of the Bushveld geological complex however provides the future focus of the economy of Thaba Chweu. Growth within towns and settlements that has taken place over the past two years can mainly be contributed to the growth within the mining sector.

Mining shall continue to be a key sector in the Thaba Chweu economy for a long time to come. The direct linkages with other critical sectors such as electricity and manufacturing and the beneficiation of the raw metals into intermediate and finished products before export provides enormous supported by the necessary incentives from government holds vast opportunities for economic growth within Thaba Chweu, SMME expansion and job creation.

## **FORESTRY**

Agriculture, forestry and fishery, is the largest economic sector in the Municipal Area making up 24.35 of the Thaba Chweu economy. Forestry is the largest contributor to this sector and takes up approximately

151,877 ha or 30% of the Thaba Chweu area. Commercial Agriculture takes up 35,600 ha or 7% of the area. Subsistence agriculture makes up 1300ha. A fish hatchery is found at Mashishing(Lydenburg).

The restriction on more land for forestry restricts the growth of the forestry sector. The development of the wood sector to add value to existing products however will enhance the economic benefits to the area.

## **ACCOMMODATION**

One of the most important characteristic in relation to the municipality's economic growth and development is accommodation. As tourists from within the borders of the Republic and from outside the country gather in relatively large numbers to enjoy the scenic beauty of the municipality's terrain, accommodation becomes central to their short and prolonged stay.

## **TOURISM**

South Africa is increasingly, becoming an international tourism destination. The Kruger National Park is part of the growing international tourism market and is Ehlanzeni and Thaba Chweu area on the doorstep thereof ideally situated to gain from this market.

The different towns of the Thaba Chweu offer a diversity of nature, outdoor and adventure products including internationally renowned attractions such as God's Window and the Blyde River Canyon including Bourkes Luck Potholes and the Three Rondawels.

The economic environment for the development of tourism is supported by international as well as domestic demand. The following aspects will in future contribute to the growth in the tourism sector within Thaba Chweu:

Proximity to wildlife, nature and heritage sites - nature and game reserves with big five and special interest nature are within or in close proximity of Thaba Chweu. Nature reserves include the Kruger National Park, provincial, community and private game reserves. Tourism

activities are concentrated around the beautiful areas of Pilgrim's Rest, Blyde River Canyon, Sabie and Graskop.

□ Access - there are major arterial routes crossing through the area and the KMIA airport is 100km away. Thaba Chweu is situated on the main route to Kruger National Park. Mashishing(Lydenburg) is around 4 hours drive from Gauteng.

## **ECONOMIC GROWTH**

The economic potential of the TCLM area is determined by its natural resource base which consists of forests and a natural environment of unique beauty and its human resource base. The new Lydenburg Platinum Development initiative also provides substantial economic potential for the region.

53.9% of the adult population has had access to secondary schooling or above. This bodes well for creating jobs in the tourism industry where much of the job creating potential is reliant on a semi-skilled population which could be employed as tour guides, front office staff such as receptionists and back office staff such as accountants, chefs and filing clerks and in support industries such as bus driving.

Less skilled people, 20.7% of the population has not been to school could be employed as gardeners, cleaners or could be encouraged to establish their own enterprises as service providers in these fields.

In terms of natural resources, although much of the natural forest has disappeared, this has been replaced by pine and eucalyptus plantations which constitute among the biggest man-made forests in the world. In economic terms pines are classified as softwoods which are used primarily for pulp, box and crate production.

Older logs from mature (20-30 year old) trees are used for building and construction timber. High quality logs are used for veneer and furniture. Eucalyptus trees, on the other hand, are hardwood trees with younger trees (7-10 years old) being used for the production of pulp, mining timber, telephone and transmission poles whereas timber from older trees (12-30 years) is used for furniture production.

There is potential for local expansion of productive activities in the forestry sector at all levels of the supply chain. 90 million trees are planted in the Sabie area each year<sup>1</sup> which offers local

employment opportunities in the forestry supply chain and in tourism.

Forestry related activities for the local community include clearing of forests and the use of off-cuts for crate production as well as downstream activities such as the production of artworks for sale to the tourist market and furniture production. There is also potential for local economic empowerment which would necessitate the creation of joint ventures between existing forests and sawmill owners and the local population in order to create sustainable enterprises.

In terms of forestry related tourism activities hiking trails and 4X4 routes provide employment potential for the population which is relatively well educated with more than 50% having at least 8 years of schooling. The Sabie tourism site has provided a list of artists and craftspeople which provide crafts in areas such as the production of wooden bowls and other forestry related products.

There are also craft studios which provide a broader variety of crafts that are marketable to tourists. These include a lead glass studio, jewellery production, fine arts, pottery, candles, beads and lampshade makers.

## **CONSTRAINTS FOR ECONOMIC GROWTH**

Despite the vibrant economic activities in this municipality, the economy is still skewed towards the previously advantaged sector of the community. Very little beneficiation takes place of primary produced products as most products are exported out of the region as raw products to be processed elsewhere. Employment opportunities in commercial agriculture are largely limited to unskilled workers and more than half of total employment in commercial agriculture is of a seasonal and temporary nature.

The situation and opportunities for economic development in the rural settlements (where there is high unemployment and poverty) are weak and poor due to poorly developed infrastructure.

The local youth and unemployed need to be capacitated and skilled in these sectors to have a meaningful participation in the sectors of the economy.

There is a low active involvement of the previously disadvantaged communities in commercial agriculture and tourism development except through the selling of curio products along the main roads and as workers in the hotels and lodges within the area.



There is a challenge to effective coordination and alignment of efforts, initiatives and resources to market the industry within the municipality. This is due to lack of financial resources. Tourism is affected by lack of entrepreneurship and skills of historically disadvantaged groups to develop and implement cutting-edge marketing strategies or network with other organisations with the same objective.

The current situation with regards to local economic development has a number of implications. Thaba Chweu has two distinctive economies – the urbanised economy which is taking place mainly around the areas of Lydenburg, and semi-urban economies in Sabie and Graskop. There are very minimal economic activities in the rural areas – Mathibidi, Leroro and Moremela.

The socio-economic analysis provides essential information for decision making on how the LED strategy should address the existing constraints on economic growth in a systematic and integrated manner for the area. The increasing population is putting pressure on not only improving employability of the potentially and economically active labour force but also a negative effect on disposable income of the households.

The agricultural and forestry sector remains the largest employer and contributor to the economy of TCLM. TCLM needs to expand its economic base by exploiting opportunities in other sectors such as mining, which is the fastest growing sector, construction and manufacturing. The tourism industry has the potential to improve the economies of the municipality especially in the rural areas.

A SMME support and development strategy coupled with human resource development is a definitive vehicle and mechanism which should be formulated to deliver on tourism economic potential.

Human resource development programmes to improve the skills of the labour force and population in general is critical for economic growth in Thaba Chweu. While there is a trained, qualified and skilled unemployed workforce TCLM should promote entrepreneurship development in order to stimulate job creation through self start-up enterprises by the unemployed.

The conspicuous absence of a Feather Education and Training centre (FET) in the area has dire consequences for growth and development and the well being of the local populace. Due, to the increasing demand to facilitate and equally attain harmony between economic growth and

access to economic opportunities, a skills development centre with a view of enabling the local citizenry to add value to the rich land resources of the area becomes essential.

Economic growth has been at a slow pace, if not declining. While some sectors such as construction, wholesale and retail experienced growth, the major economic sectors agriculture and mining experienced a decline particularly during the recession. TCLM offers its comparative advantage in agriculture, mining and tourism.

To address these challenging economic issues, the municipality is investigating the establishment of a Local Economic Agency. The role of this agency will be to plan and implement economic issues within the municipality. However, due to the current fiscal challenges facing the municipality the establishment of the Local Economic Agency will be adversely compromised.

## **CONCLUSION**

### **Strategic considerations related to the population profile:**

- The population age structure reflects a typical youthful population and the needs of the youth should be analyzed and addressed by various role-players e. g. education, health practitioners, social development, LED strategies, housing, infrastructure;
- Preparing youth for participating in the labour market and making them a driving force for economic development should be prioritized. This included creating job opportunities for youth as well as skills development. If this is not done growing numbers of youth will be left idling which may lead to an increase in social ills such as crime and unemployment;
- More women than men are unemployed and economic opportunities for women, as well as other empowerment programs should be focused on women;
- Less women than men aged 20 years and older have completed matric and the reasons should be investigated and addressed;
- The HIV prevalence is high and rising. This should be addressed urgently by the local community;

Attention should be given to standardizing the definition of the term household in the context of municipal service delivery

## **JOB CREATION**

There is no specific projects for the sole purpose of job creation, but all other projects listed in the IDP will result into new jobs created.

## **SECTION D: OVERVIEW OF INTEGRATED PLANNING**

### **IDP Analysis progress report 2011/2012**

This is the first review of the five year IDP. Thaba Chweu Local Municipality acknowledges the fundamental task performed by all the participants during the assessment of Integrated Development Plan (under the auspices of Department of Cooperative Governance and Traditional Affairs). This assessment has assisted the municipality to re-engineer its efforts to meet the legislative requirements and to speed-up the process of service delivery to communities of Thaba Chweu Local Municipality. The municipality understood that an Integrated Development Plan must both comply with relevant legislations and convey the following:

1. Compliance and adherence to constitutional and policy mandate for developmental local government
2. Awareness by municipality of its role and place in the regional provincial and national context and economy. The Municipality must also show how it would contribute to the fight against poverty, the creation of jobs and improving the quality of lives of its citizens.
3. Awareness by municipality of its own intrinsic characteristics and criteria for success
4. Comprehensive description of the area – the environment and its spatial characteristics including backlogs
5. A clear strategy, based on local developmental needs on a ward-by-ward basis. The IDP must not be a 'wish-list' but subjected to the realities of what can be delivered by the budget over the three to five year horizons.
6. Insights into the trade-offs and commitments that are being made re: economic choices, integrated service delivery etc
7. The key deliverables for the next 5 years
8. Clear measurable budget and implementation plans aligned to the SDBIP

9. A monitoring system (OPMS)
10. Determines capacity of municipality
11. Communication, participatory and decision-making mechanisms
12. The degree of intergovernmental action and alignment to government wide priorities.
13. Reporting timeframes and the regulatory periods for reporting
14. Alignment with, and indication of, an aligned organogram
15. Alignment between the SDBIP and the performance contracts of section 57 managers.

This are the reflects the following Key focal areas and provides to the reader the progress made and challenges during 2011/2012

1. Spatial consideration
2. Service delivery and infrastructure planning
3. Financial planning and budget
4. Local Economic Development
5. Good governance: public participation, labour, IGR etc
6. Institutional arrangement

## **IDP DEVELOPMENT PROCESS**

Following the adoption of the process plan in September 2011 and subsequent introduction of the National Treasury MFMA Municipal Circular, it was appropriate for the Municipality to adjust the activities contained in the adopted process plan. For this reason, this work plan was developed to meet the contents of the Circular and adopt the said option as outlined by the National Treasury.

The following table hereunder presents a programme specifying timeframes for different steps followed during the planning process:

Work-plan for 2012/2013 IDP compilation

<p><b>INCEPTION PHASE</b></p>	<ul style="list-style-type: none"> <li>• Agree on project brief, attend project set-up with municipal manager and/or IDP Manager, prepare proposed work-plan for implementation &amp; agree on scope of work-plan and align with adopted process plan;</li> <li>• Information gathering session in which section 56 managers gave report and progress made on the implementation of 2011/2012 IDP/</li> <li>• Preparations for public engagement sessions for 2012/2013 IDP &amp; Budget Review</li> </ul>	<ul style="list-style-type: none"> <li>• <b>STRATEGIC OUTPUTS</b> <ul style="list-style-type: none"> <li>♦ Reflection on information available at all levels, joint local and district spatial analysis, progress on previous commitments, confirm/change strategic direction of development in line with FSGDS and NSDP</li> </ul> </li> <li>• Extensive research on the Service Level Agreement and way forward to align the outputs with IDP.</li> </ul>
	<ul style="list-style-type: none"> <li>• Review Roles &amp; Responsibilities of the</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic discussion based on information from</li> </ul>

	<p>Council, IDP Steering Committee, Representative Forum, other Key-Role-Players and Service Provider in line with Project Objectives, Activities and Outputs</p>	<p>phase 1- decisions on where investment would go or not, trade-offs. Indicative budgets (municipality &amp; sectors) and programmes based on consultation process with communities.</p>
	<ul style="list-style-type: none"> <li>• Analysis of 2012 Credible IDP Assessment Framework, community inputs gathered during the planning cycle, Interpretation of Auditor-General's Report</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
<p><b>ANALYSIS PHASE</b></p>	<ul style="list-style-type: none"> <li>• Facilitation of IDP Steering Committee to review and confirm the following: <ul style="list-style-type: none"> <li>– Prioritised community needs per town/area</li> <li>– Alignment with policy and strategy</li> <li>– Brief profile of priority areas</li> <li>– Considered the SWOT analysis</li> <li>– Assessment of existing and envisaged backlogs and service delivery status</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>♦ Sectors embark on strategic sessions and feed local analysis into sector strategic plans.</li> <li>• Working sector commitments into draft IDP.</li> </ul>

	<ul style="list-style-type: none"> <li>– Spatial Analysis</li> <li>– Problem statement, Challenges and Recommendations</li> </ul>	
<b>STRATEGIES PHASE</b>	<ul style="list-style-type: none"> <li>• Facilitate Strategy Workshop with IDP Steering Committee and Representative Forum to review and/or validate Thaba Chweu Vision, Mission, Values, Development Objectives and Strategies per Priority Issue</li> </ul>	•
	<ul style="list-style-type: none"> <li>• Re-design and validate strategies as guided by legal and policy framework :</li> </ul>	•
<b>PROJECTS PHASE</b>	<ul style="list-style-type: none"> <li>• Facilitate review of Draft Reviewed Project Proposals by both the IDP Steering Committee and Representative Forum</li> </ul>	•
	<ul style="list-style-type: none"> <li>• Facilitate re-designing of Draft Reviewed Projects by Project Task Teams</li> </ul>	•
	<ul style="list-style-type: none"> <li>• Facilitate the presentation of Draft Reviewed Budget per IDP project over the</li> </ul>	•

	Medium Term Expenditure Framework (2011/2012– 2012/2013 and 2013/2014)	
<b>INTEGRATION PHASE</b>	<ul style="list-style-type: none"> <li>Facilitate screening and consolidation of Draft Reviewed Project Proposals by the IDP Steering Committee against</li> </ul>	•
	<ul style="list-style-type: none"> <li>Facilitate the integration of draft reviewed projects and programmes;</li> </ul>	•
	<ul style="list-style-type: none"> <li>Facilitate the review and validation of Sector Plans and Programmes</li> </ul>	•
	<ul style="list-style-type: none"> <li>Finalise the Draft Reviewed IDP 2012/2013</li> </ul>	•
<b>APPROVAL PHASE</b>	<ul style="list-style-type: none"> <li>Present Draft Reviewed IDP 2012/2013 to IDP Steering Committee</li> </ul>	<ul style="list-style-type: none"> <li>♦ Sectors confirm commitments (verify budgets) made in consultation phase.</li> <li>• Final adopted IDP becomes true integration of government action in the municipal area</li> </ul>
	<ul style="list-style-type: none"> <li>Present Draft Reviewed IDP 2012/2013 to the Council for public comments</li> </ul>	•



	<ul style="list-style-type: none"> <li>• Incorporate inputs as obtained from community and other relevant stakeholders, then submit final draft IDP for Approval</li> </ul>	•

### **IDP Analysis progress**

In order to give effect to the implementation of the process plan, the following internal key role players presented hereunder, were identified and distributed various roles and responsibilities in order to ensure efficient and effective management of the IDP drafting process. This table of role-players and roles and responsibilities was tabled to council for adoption as part of the process plan.

#### Internal Role-Players

<b>ROLE-PLAYER</b>	<b>ROLES/RESPONSIBILITIES</b>
Municipal Council	✓ Monitoring of the process and the final approval of the IDP
Councillors	<ul style="list-style-type: none"> <li>✓ Organise public participation in their respective constituencies</li> <li>✓ Linking IDP process to their constituencies</li> </ul>
Executive Mayor and Mayoral Committee	✓ Political oversight of the IDP
Finance and IDP Portfolio Committee	<ul style="list-style-type: none"> <li>✓ Responsible for assisting the Speaker- Mayor in their oversight role</li> <li>✓ Summarizing /and processing of inputs from the participation process</li> <li>✓ Commenting on inputs from other specialists</li> </ul>
Municipal Manager	✓ Overall responsibility of the IDP
IDP Manager	<ul style="list-style-type: none"> <li>✓ Responsible for managing the IDP process through: <ul style="list-style-type: none"> <li>◆ Facilitation of the IDP Process</li> <li>◆ Co-ordinating IDP related activities including capacity building</li> </ul> </li> </ul>

	<p>programmes</p> <ul style="list-style-type: none"> <li>◆ Facilitate reporting and the documentation of the activities</li> <li>◆ Making recommendations to the IDP Portfolio Committee</li> <li>◆ Liaising with Provincial Sector Departments</li> <li>◆ Providing secretariat functions for the IDP Steering Committee and Representative Forum</li> </ul>
Chief Financial Officer	<ul style="list-style-type: none"> <li>✓ Ensure that the municipal budget is linked to the IDP</li> <li>✓ Co-ordinating budget implementation as per IDP</li> <li>✓ Development of the 3-year Municipal Integrated Financial Plan</li> </ul>
IDP Steering Committee	<ul style="list-style-type: none"> <li>✓ Responsible for IDP processes, resources and outputs</li> <li>✓ Oversees the status reports received from departments</li> <li>✓ Makes recommendations to Council</li> <li>✓ Oversees the meeting of the Representative Forum</li> <li>✓ Responsible for the process of integration and alignment of the projects</li> </ul>
IDP Representative Forum	<ul style="list-style-type: none"> <li>✓ Forms the interface for community participation in the affairs of the Council</li> <li>✓ Participates in the annual IDP review process</li> </ul>
Municipal Officials	<ul style="list-style-type: none"> <li>✓ Provide technical expertise and information</li> <li>✓ Prepare draft project proposal</li> <li>✓ Mobilise funding for the IDP projects</li> <li>✓ Provide scheduled reports on the IDP implementation process</li> </ul>

### **Meaningful Public Participation Process**

The importance of meaningful public participation has played a central role in the development of this Integrated Development Plan. Like other previous years, Thaba Chweu Local Municipality has conducted public participation in all Wards to determine the path for implementation. The Municipal Systems 2000 forms the plinth for community participation at local government. In chapter four, section 16 of this Act the emphasis is on community participation and mechanisms for development. Moreover, this legislation requires that all municipalities develop a culture of

participatory governance by putting in place mechanisms and procedures that allow for public participation in the affairs of the municipality.

Central to this is the need for community members to be well informed about the governance issues of the municipality at all times and to take part in the decision-making processes of the council.

As part of consultation process for the review of this IDP, the municipality embarked on an extensive community participation process in all wards for the whole month of November 2011. The participation process was conducted on ward basis and in the form of public debate on what priority issues are and what appropriate ways and means are of dealing with these priority issues.

Ward councillors and ward committee members played a crucial role in convening community meetings and communicating with the community about various municipal governance issues. In general, the public participation process in all wards within the municipality depended largely on the involvement of ward councillors.

The table hereunder, reflects a programme of action for public participation in all wards within the municipality. This schedule was also tables to council for adoption as part of the process plan.

**PUBLIC PARTICIPATION SCHEDULE**

<b>Ward Number</b>	<b>Date</b>	<b>Officials</b>	<b>Venue</b>	<b>Time</b>
Traditional Authority	17 October 2011	Social & ID & T	Moremela	10h00
			Matibidi	10h00
			Draaikraal	10h00
Business Community	17 October 2011	MM & Technical & Engineering	Lydenburg Chamber	17h00
	24 October 2011		Graskop Town Hall	17h00
6	18 October 2011	MM & Technical & Engineering	Ekuthuleni Hall	18h00
		Social & ID & T	Harmony Hill	18h00
1, 2 & 3	19 October 2011	MM & Technical & Engineering	Mashishing Community Hall	18h00
		Social & ID & T		
4	22 October 2011	MM & Social	Coromandel	09h 00
		Technical & Engineering and ID & T	Badfontein (Klipspruit)	14h00

5	15 October 2011	Technical & Engineering and Social	Bosfontein Primary	10h00
	20 October 2011	MM & Technical	Draaikraal	10h00
		Social & ID & T	Kellysville	18h00
8 & 9	21 October 2011	ID & T	Matibidi Tribal Authority	14h00
		MM	Leroro Community Hall	14h00
		Social	Moremela Community Hall	14h00
		Technical	Mashile Tribal Authority	14h00
10, 11 & 13	24 October 2011	ID & T & Technical	Brondal	17h00
	26 October 2011	Technical & ID&T	Pilgrim Rest	18h00
		MM & Technical	Spekboom	18h00
		Social & Technical	Graskop Town Hall	18h00
12 & 14	20 October 2011	ID&T and Social	Marifaan Primary School	18h00
	19 October 2011	MM & Technical	Lydenburg Civic Centre	18h00
			Recreation Hall	18h00

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### **IDP Representative Forum**

One of the emphasis as entailed in the IDP Guide Packs (guidelines for creating conditions for public participation) is that the Representative IDP Forum has to be involved at least once in each major stage of the drafting process of the IDP. It is for that reason that the IDP Representative Forum is regarded a structure that institutionalizes and ensures a representative participation in the IDP process. The representative forum represents the interest of its constituents in the IDP process, and is thus required do give feedback to its constituents. The Representative Forum of Thaba Chweu was a fairly representative structure and consisted of representatives of the following structures:

- Community Based Organizations
- Ehlanzeni District municipality
- Non-Governmental Organizations
- Business Community
- Government Sector Departments
- Ward Committees
- Community Development Workers

### **Alignment Process**

The process of alignment of the municipal planning and other spheres of government’s planning processes has played a great role in meeting the legislative requirement. The Municipal Systems Act states and requires that development strategies must be aligned with national and provincial sector plans as well as their planning requirements. It also establishes that a single inclusive and strategic plan must be adopted which links, integrates and coordinates plans. This municipality acknowledges and recognizes the importance of ensuring alignment between its IDP, various sector departments’ Annual Plans and Ehlanzeni District Municipality IDP.

It also realized that proper and effective alignment would result in successful implementation of the planning outcome, whilst a failure to align might result in waste of resources and a total collapse of the implementation of the IDP.

## **Ehlanzeni District Growth and Development Strategy**

This section should clearly indicate the synchronized planning between Ehlanzeni District Municipality and Thaba Chweu Local Municipality. Ehlanzeni District Growth and Development Strategy aims to provide a framework for sustainable growth and economic development for the District. The municipality will however consider newly developed and amended strategies as contained in the five year draft integrated development plan and align its contents with the revised edition of the growth and development strategy.

## **The Mpumalanga Growth and Development Strategy (MGDS)**

The reviewed strategy is expected to chart the way for a comprehensive Mpumalanga Economic Development Plan.

The MGDS aims to provide a framework for sustainable growth and economic development for the Province over a ten years period (2004 – 2014). The MGDS will continue to establish the basis from where the Provincial Programme of Action is negotiated through consultations with both internal and external stakeholders. It further forms a yardstick from which progress and achievements are monitored and evaluated at the provincial level.

The MGDS is guided by the National policy thrusts identified for the millennium (2004 – 2014). It seeks to achieve balanced development of economic sectors and spatial localities in accordance with the needs and aspirations of the people. It is also aimed at targeted investments in the province, with the aim of offering opportunities to the people in skills development, employment and the improved quality of life.

Based on the social and economic development challenges of the province, the Mpumalanga Province has identified the following as primary development objectives:

- a) Stimulate economic development
- b) Develop and enhance infrastructure for economic growth and social development.
- c) Reduce poverty through human and social development
- d) Stimulate economic development.

- e) Ensure a safe and secure environment for all people of the province
- f) Promote effective and efficient governance and administration

In order to give effect to these developmental objectives, the Province has identified these areas that need to be addressed by 2014:

- 1. To achieve an annual economic growth rate at least equal to the national average economic growth rate.*
- 2. To reduce unemployment.*
- 3. To reduce the number of households living in poverty*
- 4. To improve the functional literacy rate*
- 5. To reduce the obstetrical maternal mortality.*
- 6. To stabilize the prevalence rate of HIV and AIDS and reverse the spread thereof.*
- 7. To provide shelter for all the people of the province.*
- 8. To provide free basic services to all households.*
- 9. To reduce crime rate.*
- 10. To provide adequate infrastructure for economic growth and development*

In order to achieve the above-mentioned targets, the province needs to focus on the following Key Priority Areas and Strategies:

#### **i. Economic Growth, Development and Employment**

The Province aims to optimize and broaden the province's current economic profile by placing more emphasis on the key economic sectors such as tourism, agriculture and manufacturing. In our commitment to bridge the gap between the first and second economies the province will focus on developing and expanding the SMME sector, facilitating greater access to capital and creating opportunities for Broad Based Black Economic Empowerment.

#### **ii. Social and Human Development**

The Mpumalanga provincial government seeks to confront the challenges of poverty and under development. In order to meet the needs of the under-privileged and address the backlogs, the



province will embark on the improvement of the provision of social security, social infrastructure, free basic services, education, health care services, housing and participation in sport and cultural activities.

### **iii. Justice, Crime Prevention and Security**

Mpumalanga Province is largely a peaceful and stable province. However, there are safety and security challenges that still need to be addressed. The reduction of crime levels, the issue of social crime prevention and the creation of a safe and secure environment are amongst others fundamental to the provincial strategy. The province will embark on an integrated disaster management to safeguard against both natural and crime-related disasters. Road incident management is another area of focus given the geographical location of the province.

### **iv. Effective and Efficient Governance and Administration**

In order to strengthen government's ability to deliver services for the people of Mpumalanga, the province need to improve the effectiveness and efficiency of governance and administration. The Mpumalanga Province will promote integrity within government by combating fraud and corruption and promoting ethical behaviour.

## **National Spatial Development Perspective (NSDP)**

### **National Spatial Development Vision**

The NSDP is to fundamentally reconfigure apartheid spatial relations and implement spatial priorities that meet the Constitutional imperative of providing basic services and alleviating poverty and inequality. It provides a set of principles and mechanisms for guiding infrastructure investment and development decisions. The NSDP serves as a tool for identifying key areas of tension and/or priority in achieving positive spatial outcomes.

The NSDP identified six categories of developmental potential which cover the spectrum of economic functions in a modern economy

- Innovation and experimentation
- Labour-intensive, mass-produced goods
- Retail and services
- High value, differentiated goods
- Public services and administration
- Tourism

The Government's National Spatial Development vision determine that: *"South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives"*

- ↳ By fostering development on the basis of local potential;
- ↳ By focusing economic growth and employment creation in areas where this is most effective and sustainable;
- ↳ By supporting restructuring where feasible to ensure greater competitiveness;
- ↳ By ensuring that development institutions are able to provide basic needs throughout the country.

### **Normative Principles**

The NSDP proposes the following normative principles to be used as a guide by all spheres of government when making decisions on infrastructure investment and development spending:

- ↳ Government spending on fixed investment, beyond constitutional obligations to provide basic services to all citizens, should be focused on localities of economic growth and/or potential for sustainable economic development in order to attract private sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities. In these areas government's objective of both promoting economic growth and alleviating poverty will best be achieved.
- ↳ In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities.

In localities with low development potential, government spending beyond basic services should focus social investment, such as human resource development, labour market intelligence and social transfers, so as to give people in these areas better information and opportunities. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities. The further concentration of people in need in areas of low potential should therefore not be encouraged.

Based on the above development potential, towns are classified as having a High Combined Development Potential, Above Average Combined Development Potential, Below Average Combined Development Potential and Limited Combined Development Potential. This table depicts the Municipality's growth potential, capacity and constraints.

Municipality growth potential

<b>CATEGORY</b>	<b>DESCRIPTION OF THE CATEGORY</b>	<b>MUNICIPALITY'S STATUS QUO</b>
Innovation & Experimentation	Research & Development and application of technology to production processes	There is an existing Research & Development to explore utilization of the salt pans as the means for income-base generation for the municipality
Production: High value Differentiated Goods	All production focusing on local & global niche markets (agricultural, manufacturing or natural resources based)	The Agriculture especially production of meat have a comparative advantage in District Municipality. However, the sector that contributes the most to the District GDP is mining. This shows heavy reliance in this sector, therefore more resources should be allocated to develop other sectors
Production: Labour-Intensive Mass-produced Goods	Highly depended on proximity to good and cheap transport linkages and large unskilled and semi-skilled labour pool.	A low-rating in terms of labour-intensive and mass produced goods.
Public Services & Administration	Business & public management required to organise processes of production, consumption and circulation.	A number of professionals is been employed by the Municipality since it is one of the bigger employers in the region
Retail and Services	Retail, catering & personal services large employer of semi-skilled workers willing &	In Thaba Chweu Local Municipality, the bulk of household expenditure is

	able to pay for goods and services.	towards Services, This is the highest in all the Local Municipalities around the District area.
Tourism	Eco-scenary, cultural heritage, entertainment, high-quality restaurants & accommodation.	An -average tourism potential due to game farming.

## SECTION E: STATUS QOU ANALYSIS ON BASIC SERVICES

The December 5, 2000 democratic local government elections ushered in the era of development government and politics. The incoming new local municipalities were faced with the immense challenge of deconstructing the decades long era of separate, unfair and racially based local government. Through cooperative government, all three levels of government implemented programmes and projects aimed at eradicating poverty and ensuring the socio-economic development of all South Africans.

“Income poverty alleviation by the state has happened mainly through the system of social grants, with expenditure and the number of beneficiaries having increased more than threefold since 1994. Changes in the taxation structure have also improved households’ disposable income.

Human capital poverty alleviation has taken the form of programmes in the areas of education, health, water, sanitation, and electrification. These have quantitatively and qualitatively improved the lives of millions.

The legacy of apartheid remains huge, with millions still unable to access such basic necessities as clean portable water, electricity and shelter”. **Source: "A nation in The Making: A discussion document on Macro-Social trends in South Africa" PCAS, The Presidency**

Like any other post-apartheid municipality in South Africa, Thaba Chweu has inherited massive developmental backlogs and developmental challenges. Through the adoption of its first Integrated Development Plan (IDP) and its subsequent reviews over years, Thaba Chweu crafted a development trajectory aimed at integrating the development of the area and ensuring the provision of equitable, fair and sustainable services for all.

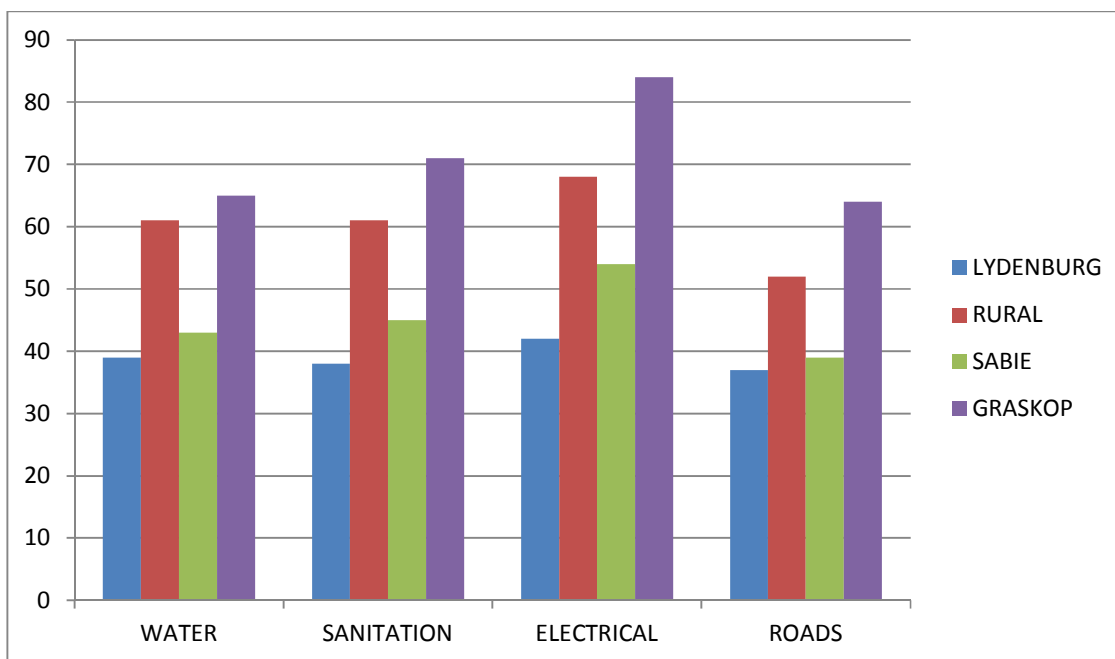
**Strategic Goal:**

**To ensure the provision of Infrastructure development and Service Delivery**

**INFRASTRUCTURE AND BASIC SERVICES DELIVERY ANALYSIS**

Like any other municipality in the country, TCLM is faced with service delivery backlogs. Figure 2.5a below reflects the service delivery backlogs per municipal zones.

**Service delivery backlogs per municipal zones**



**Notes: Main towns include surrounding areas.**

**The graph shows the % of households with services below standard.**

**Source:** Study done in 2008 by SSI.

## **Water**

According to the above mentioned study the number of households with sub standard access to water services constitute 52% of the total Municipal households compared to 16% with access to full service.

The above illustrates that more focus should concentrate on the Graskop area with the highest number of households receiving water below basic of 65% followed by the Rural areas with 61%, Sabie area with 43% and Lydenburg at 39%.

Institutionally, the municipality is faced with the tasks of completing the Section 78 assessments and master plans. According to the Civil Engineering Unit, the municipality had to provide water to backlogs 17 887 stands at a cost of R 400 million (bulk and storage included). Lack of ground water and its pollution, as well as the dolomite areas limited abstraction from the ground as well as areas to develop.

## **Sanitation**

The study further reflects sanitation backlogs of below service of 19 994 households. It is evident from the above figure that higher percentage of households in Graskop (71%), Rural (61%), Sabie (45%) and Lydenburg (38%) respectively are accessing below basic sanitation facilities. This requires urgent interventions to improve the health standards of communities and achieve 2010 Millennium target. An estimate to provide the required service is R 160 mil.

## **Electricity**

According to Electrical Services Unit survey, the backlog is estimated to be 22 900 households to be connected and 20 000 streetlights totaling to approximately R 103 million in order to meet the National targets. It must also be noted that some of the switch gear are very old and need to be replaced as well as increase of supply that is required due to the demand increase.

## **Roads and Storm water**

This programme is one of the main drivers of economic development to draw developers to the area and spatial integration. The municipality has to upgrade and tar all main routes that were damage due to heavy vehicles. The total road network consists out of 200km of surfaced road, 8.7 Km of paving and 210 Km of grave and graded roads. The estimate for rebuilding of 60 km of surfaced roads are R 312 million (unit cost of R 5, 2 million per km) and 42 km gravel roads at a cost estimate of R 105 Million (unit cost of R 2, 5 million per km)and taking into account the storm water drainage systems. There is a need to compile a maintenance plan that will deal with

upgrades, resealing and regular maintenance of roads. In ensuring community safety, the municipality also needs to priorities the need of providing speed humps, overhead and foot bridges for the reduction of accidents and access to other neighboring areas. This is essential where main roads need to be crossed specially by school children.

### Service delivery analysis

<b>Household Refuse Removal</b>
Removed by local authority/private company once a week
Removed by local authority/private company less often
Communal refuse dump
Own refuse dump
No rubbish disposal

### Energy for Lighting

<b>Period</b>	<b>Census 2001</b>	<b>%</b>	<b>Community Survey 2007</b>	<b>%</b>
Electricity	20 496	73.34	19955	85.19
Gas	18	0.06	-	-
Paraffin	426	1.64	812	3.46
Candles	4815	18.64	2657	11.34
Solar	33	0.12	-	-
Other	42	0.16	-	-
<b>Total</b>	<b>25 830</b>		<b>23424</b>	<b>100.00</b>

### Fuel Source for Cooking

<b>Period</b>	<b>Census 2001</b>	<b>%</b>	<b>Community Survey</b>	<b>%</b>
---------------	------------------------	----------	-----------------------------	----------



			<b>2007</b>	
Electricity	19 034	73.68	14 757	62.99
Gas	13	0.05	718	3.06
Paraffin	431	1.66	6 814	29.08
Wood	4 793	18.55	943	4.02
Coal	1 470	5.69	105	0.44
Animal dung	48	0.18	-	-
Solar	41	1.58	-	-
Other	-		86	0.36
<b>Total</b>	<b>25 830</b>	<b>100.00</b>	<b>23 424</b>	<b>100.00</b>

### Fuel Source for Heating

<b>Period</b>	<b>Census 2001</b>	<b>%</b>	<b>Community Survey 2001</b>	<b>%</b>
Electricity	20 496	79.34	9 017	38.49
Gas	18	0.06	367	1.56
Paraffin	426	1.64	4 087	17.44
Wood	3 339	12.92	7 387	31.53
Coal	1 470	5.69	1 604	6.84
Solar	51	0.19	-	-
Other	48	0.18	913	3.89
<b>Total</b>	<b>25 830</b>	<b>100.00</b>	<b>23 424</b>	<b>100.00</b>

The tables above illustrate that as a locality we are overly dependent on electricity as source of energy for lighting, cooking, and heating. In fact the statistics reflect an increase of electricity as energy source in that electricity for lighting has increased from 73.34% in 2001 Census to 85.19% in Community Survey 2007.

## **SECTION F: SPATIAL DEVELOPMENT FRAMEWORK**

The Municipal Systems Act provides that an integrated development plan must contain the Spatial Development Framework to assist during the spatial planning and utilization of “space” appropriately. The outcomes of the IDP Analysis as conducted at the provincial level has indicated amongst other that:

- The Spatial Development Framework of some of the municipalities (with no exception to Thaba Chweu municipality) is outdated and incomplete with oftentimes only a new front page. These has been raised as a serious concerns as the SDF is a dynamic planning document that has to change with time and development taking place in municipalities.
- Although the legislative obligations have not been negated and disregarded in the process of compiling the Thaba Chweu SDF, the concern was that most of the SDF disregarded the legislative obligations.
- The municipality understands that planning must take place in an orderly manner and the SDF is the only document that can ensure this, as it indicates the areas that are suitable and available for development.

Thaba Chweu Local Municipality is been regarded as a predominantly rural in nature. Following this, the municipality falls within the category of those municipalities whom their revised 2012/2013 SDF will indicate the following components:

- Guidelines for land use management that inform the LUMS
- Capital expenditure framework showing where the Local Municipality intends spending its capital budget (mapping the projects (capital and maintenance) included in the budget)
- Strategic environmental assessment for the areas impacted by a key anchor project located in the municipality
- An indication of the interventions that will be implemented and detailed design parameters that private sector and government must comply with in municipality.

The municipality will be reviewing its spatial development framework for the five year integrated development plan with assistance from the Department of Rural Development. Following the above, it came to the conclusion by the municipality that the high level Spatial Development

Framework which reflects the text and maps will only be included in the 2013/2014 IDP and will be reviewed on a yearly basis to meet the trends and development within the municipal area of jurisdiction.

The municipality has adopted its Spatial Development Framework (SDF) in March 2009. However, the adopted SDF is not aligned to the latest Provincial Growth and Development Strategy (PGDS), as noted in the last IDP credibility assessment process. Therefore, it should be reviewed so that it can be aligned accordingly.

Nonetheless, the aim of the SDF is to give direction to development and take into account the need for and compatibility of land uses. The purpose of the Spatial Development Framework as a land use management tool is to plan, direct and control development but it does not provide land use rights.

The SDF forms part of the existing land use management process of the municipality and provides the necessary policies at local level in order to ensure the application of the development principles of sustainability, integration, equality, efficiency and fair and good governance in order to create quality of living, investor confidence and security of tenure.

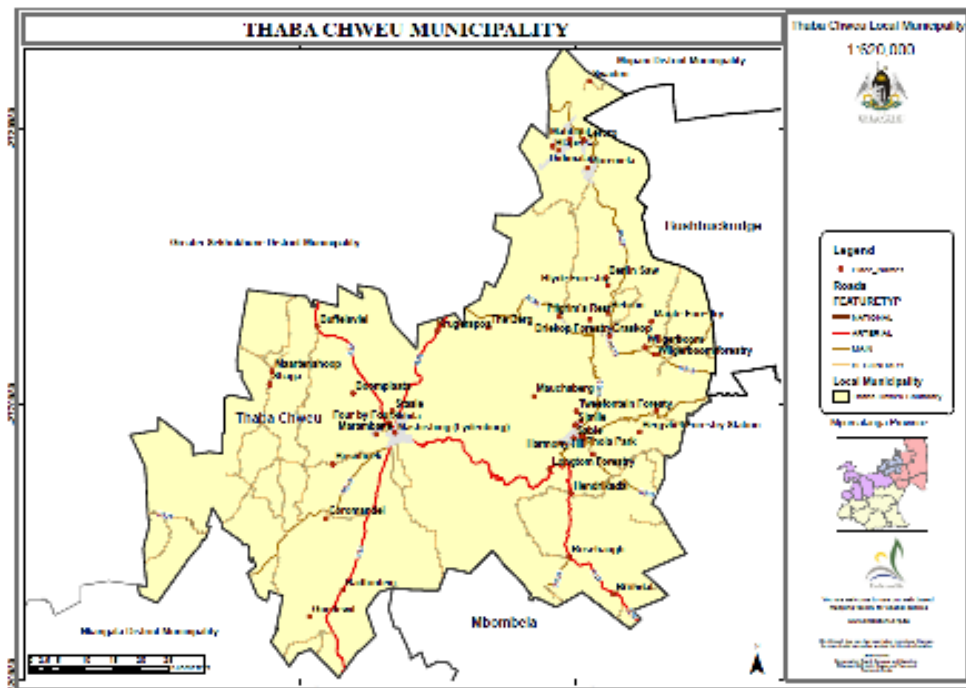
### **Objective(s)**

- To provide a systematic development control.
- To guide the development in the municipal area of jurisdiction.
- To ensure efficient access to spatial information.
- To promote the principles of the Development Facilitation Act (DFA)

### **Strategy**

Ensure that the municipality has all the instruments in place to promote the review and restructuring of the spatial patterns. This should be in the form of regulations and guidelines as well as the information systems enabling planning activities to be performed easily.

## Location



Source: Ehlanzeni District Municipality GIS Unit

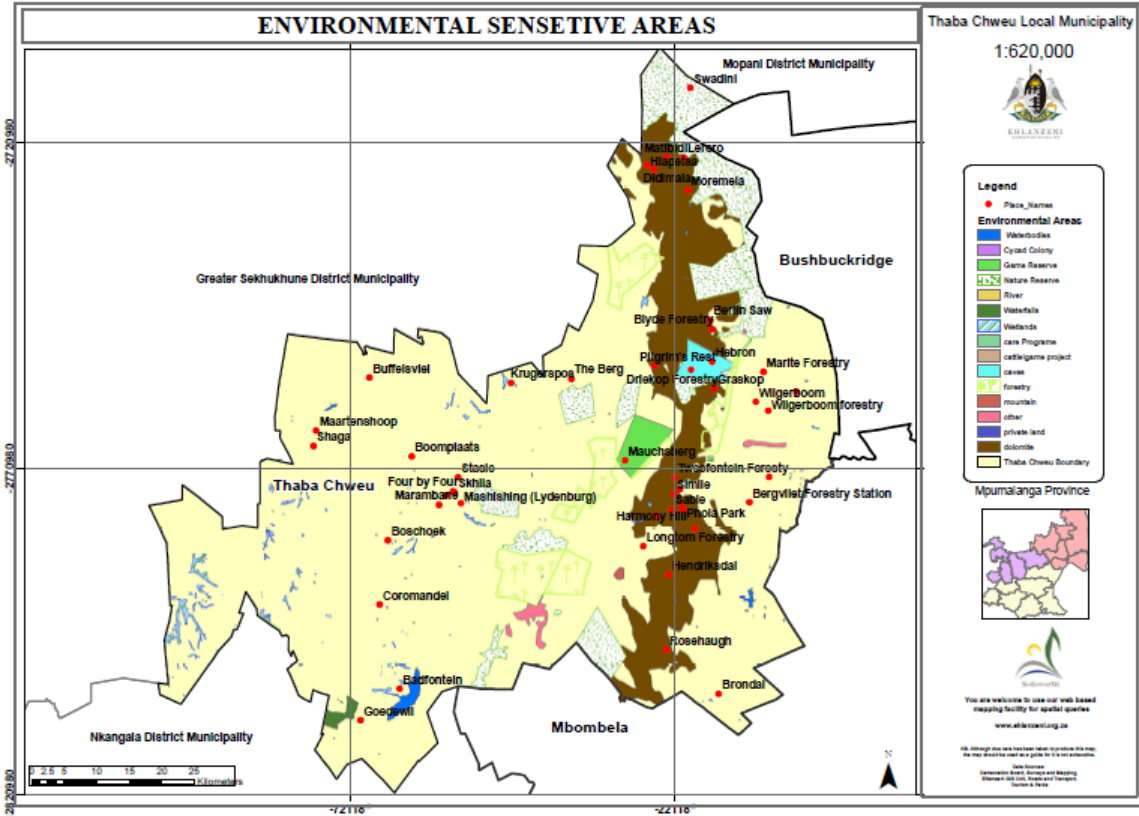
The map above indicates the settlement patterns of Thaba Chweu, due to the landscape pattern the settlements are located far apart from one another with Lydenburg on the eastern side, Sabie to the west and Moromela, Lerero and Matibidi to the north. Most of the land is occupied by natural and conservation areas.

The urban/rural ratio of the population is 68.1%: 31.9% compared to 40.5% : 59.5% for Mpumalanga as a whole. This indicates a higher degree of urbanisation for the municipal area that is expected to increase in future. There are three tribal rural areas which were part of the former Lebowa government and are situated on the far northern part of the municipality along road P170/1 from Graskop towards Ohrigstad/Steelpoort/Burgersfort:

Regional movement is strongly influenced by the municipality's economic link with Mbombela and the tourism activity that attracts visitors from the region, nationally and internally. Related to the regional movement are activities that are of a regional nature including:

- Tourism
- Forestry
- Mining
- Agriculture

## PROTECTED AND SENSITIVE AREAS

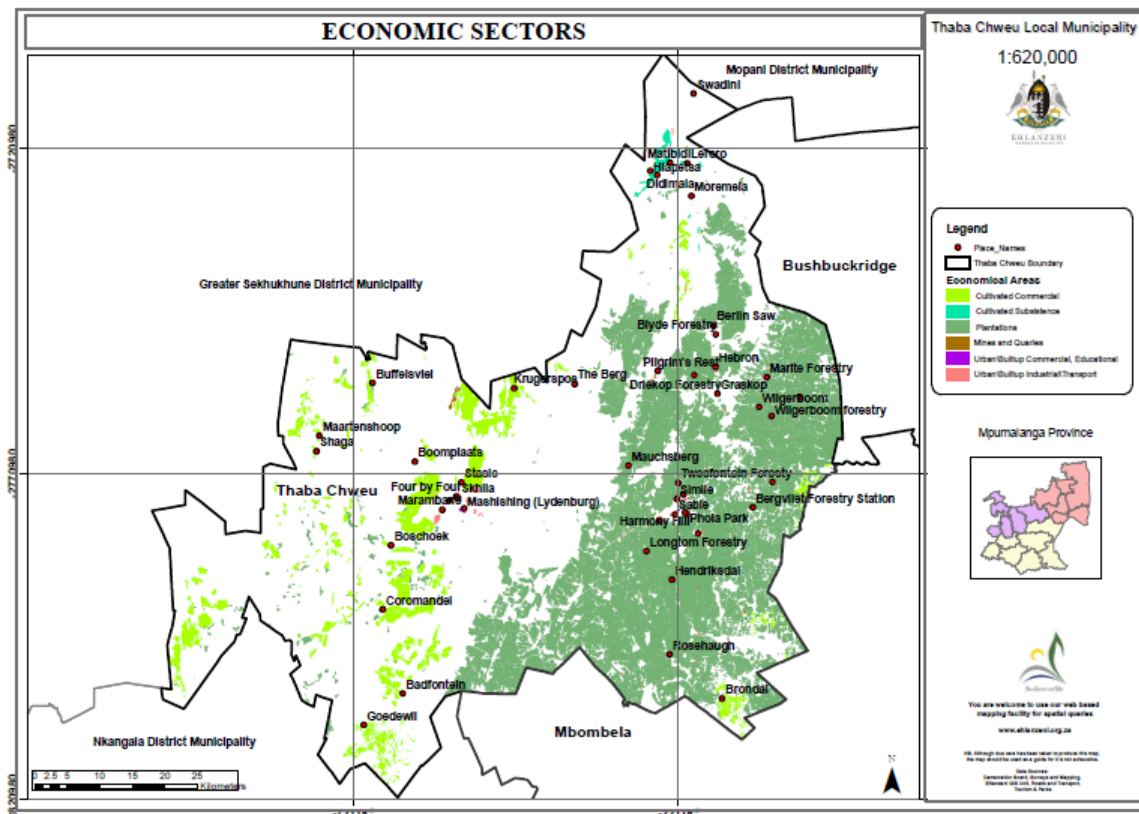


Source: Ehlanzeni District Municipality GIS Unit

The vast human uninhabited land is mostly occupied by forestry, agriculture, protected areas, wetlands and other environmental sensitive areas.

## ECONOMY

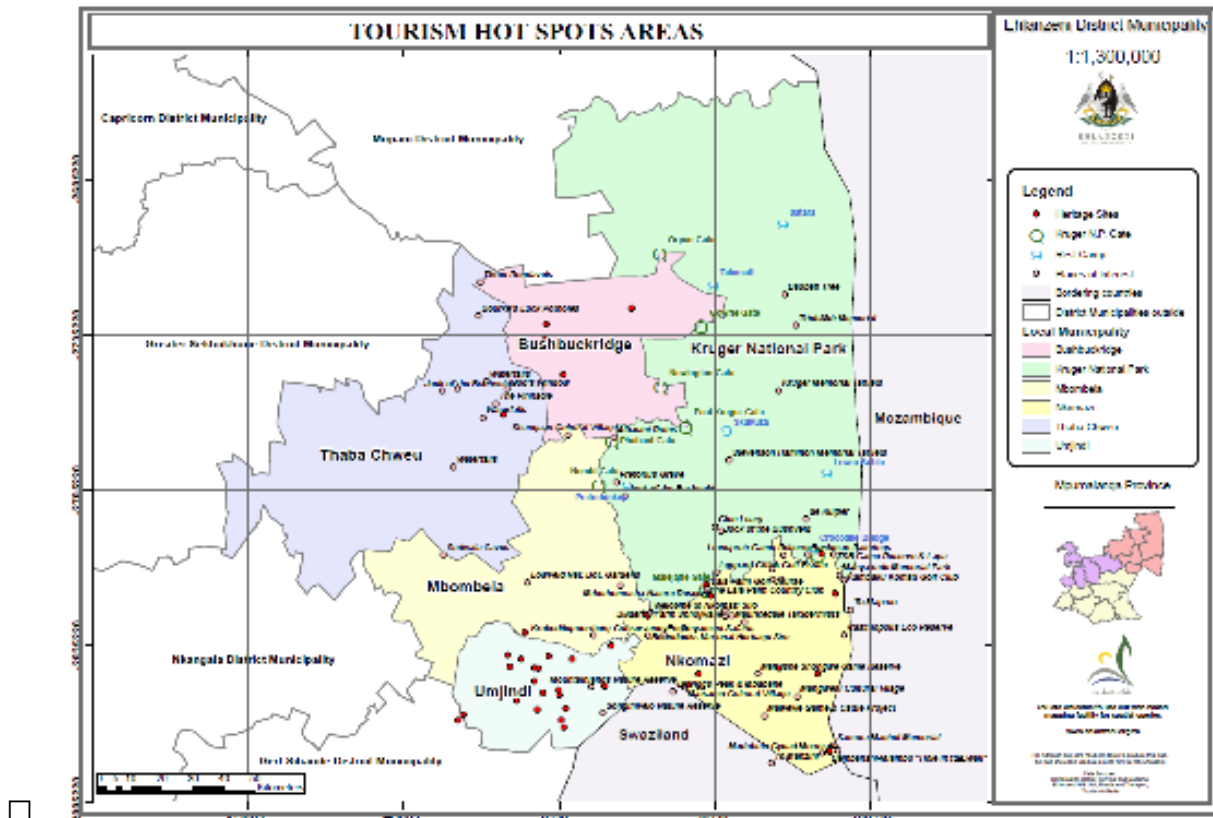
Thaba Chweu produces 19% of the Ehlanzeni GGP and accommodates 7% of the population of EDM. The economy is driven by agricultural and forestry sectors and 44% of the districts total production in this sector comes from Thaba Chweu. The contribution of the agriculture sector amounts to 33%, mining 32%, manufacturing 22%, community services 16%, trade and catering 11% to Thaba Chweu's GGP which provides the economic base for future development.



Source: Ehlanzeni District Municipality GIS Unit

The economic status of Thaba Chweu in relation to the district and other local municipalities is as follows:

- Although the local economy of the Thaba Chweu is relatively healthy, when considered in the light of its total contribution to the District and Provincial economies, it is small. Of the 5 Local Municipalities in EDM municipal area, the economy of Thaba Chweu is R2, 476,832 ranks third after Mbombela at R11, 247,061 and Bushbuck Ridge at R3, 464,110. The economy of Thaba Chweu constitutes only 12% to the districts economy.
- Of the 23 local municipalities in Mpumalanga, the economy of Thaba Chweu ranks 8th and its contribution to the Provincial economy is only 2.7%.
- When compared to the District economy, Thaba Chweu shows comparative advantages in agriculture, mining and quarrying, manufacturing and tourism.

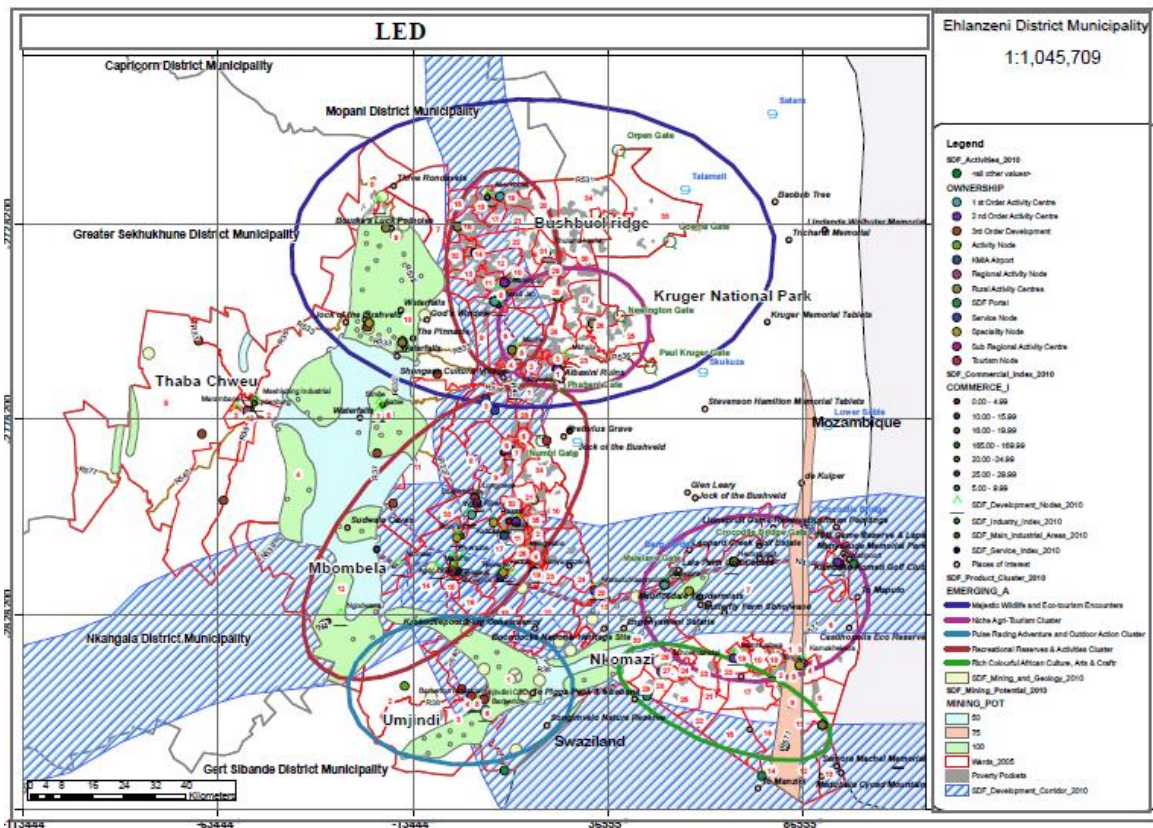


Source: Ehlanzeni District Municipality GIS Unit

The tourism sector in Ehlanzeni District is an important source of foreign revenue. Tourism activities are concentrated around the beautiful areas of Pilgrim’s Rest, Blyde Rivierspoort, Sabie and Graskop.

These activities have regional implications and should be managed taking regional implications into account.





Source: Ehlanzeni District Municipality SDF

The municipality is located on the periphery of the province's main activity areas that are located along the Maputo Development Corridor and Phalaborwa Development Corridor. In future the situation might change if the Tubatse mining activities lead to significant growth of Burgersfort. A strong corridor can then be established along the R37 route that links Mbombela with Burgersfort, with Mashishing as an important halfway activity centre.

## Movement

Many Cities economies and indeed existence are reliant on better movement and transportation, Thaba Chweu is no exception in this regard.

Transportation strategies within TCLM need to address the following:

- The provision of integrated modal interchanges supported by infrastructure inter alia ranks, amenities, footpaths and security facilities in all Activity Nodes and Activity Centres; and



- The provision of basic access to affordable transportation, thereby reducing long walking and travel distances.

The urbanised areas of the municipality are easily accessible by taxi. However, some of the rural and farming areas are inaccessible due to poor and inefficient public transport systems. Improvement of the public transport system as well as provision of shelters for commuters are critical to the needs of the rural and farm communities that should also introduce reliable and safe passenger transportation linking all the rural communities or a greater section thereof.

Moreover, the existing taxi ranks in the main towns are usually congested. There is a need to upgrade the transport infrastructure to be in line with the urban renewal programmes and meet the demand in rural villages (as nodal points).

## **NATURAL RESOURCES**

The municipal area is situated on the Low veld escarpment with an average elevation of 1400 m above sea level and altitudes varying from 600 to 2100 m. The escarpment and surrounding mountains provide attractive variation in the landscape promoting scenic tourism.

Thaba Chweu disposes of four river systems, the Elands River, the Blyde River, the Sabie River Timbavati River and Steelpoort River, flowing from the Highveld Plateau over the Drakensberg Escarpment towards the Indian Ocean

The land use patterns of urban or rural areas are mostly influenced by a diverse set of factors, which include political factors, climate, topography, and resource base in the area such as minerals, soil types, water availability, and biodiversity (Daniel and Hopkinson, 1989). Forestry, agriculture and other activities such as tourism are the result of the moderate climatic conditions of Thaba Chweu.

The biodiversity within Thaba Chweu also plays a significant role in terms of boosting the tourism industry with the Kruger National Park being one of the major destinations for international and domestic tourism. Tourism, like agriculture, is included among other land use patterns that use land extensively because of the availability of natural resources.

## **SPATIAL CONTEXT**

### Land Use and Development

Land reform and housing constitutes one of the most urgent needs of the residents in this municipality.

Although the Provincial Department of Human Settlement had commenced with the provision of a substantial number of subsidy houses in most municipal settlements, there is still a huge backlog for houses, especially in Lydenburg, Sabie and Graskop. This backlog in houses is mainly due to the high influx of people from the rural and farming areas as well as people from other parts of the country seeking job opportunities in the mines and other growing economic sectors in the municipal area. The provision of housing is also largely constrained by lack of land, the mountainous topography and the dolomite geological conditions that characterises most parts of the eastern portion of the municipality. Most of the land in the municipality is privately owned and some of it is owned by state organs.

The tribal areas are also experiencing a growing demand for residential sites and there is no proper planning and systems of making land available for residential purpose. The municipality should consider entering into negotiations with the traditional leaders in order to ensure that township establishments and proper tenure rights are issued to the residents.

The slow pace of the land reform programme is affecting the establishment of townships in rural farm areas. Tenure upgrading is further exacerbated by inadequate funds and poor coordination between departments, which delay the transfer of land from "current" owners to land restitution beneficiaries.

To this end, the municipality is in a process of reviewing its housing chapter with a view of integrating and synergising the settlement patterns that characterises the landscape of TCLM.

## SECTION G: CORPORATE GOVERNANCE

### INSTITUTIONAL ARRANGEMENTS & GOVERNANCE

#### Internal Audit

The municipality has a functional internal audit unit, and other audit and risk management functions will be outsource, with the intention to strengthen internal capacity and transfer skills.

#### Risk Management Plan

The policy was developed but needs reviewed so as to align it with the current developmental plans.

Focus Area	Status quo	Challenges	Intervention required
Internal Audit Function	<ul style="list-style-type: none"> <li>- IA Unit consist of three staff members one of the is a manger</li> <li>The IA Charter has been approved the AC.</li> <li>- The IA annual plan has been approved by AC and is being implemented</li> </ul>	<ul style="list-style-type: none"> <li>- The IA annual plan is based on risks identified without following RM processes</li> <li>- The Three Year Strategic Annual Plan not yet approved</li> <li>- The IA unit organizational structure to be reviewed.</li> </ul>	<ul style="list-style-type: none"> <li>- The AC to approve the Three Year Strategic Annual Plan and Annual Plan for the financial year 2012/2013.</li> <li>- Management to review the IA organizational structure.</li> </ul>
Audit Committee and Performance Management Committee.	<ul style="list-style-type: none"> <li>- The AC was appointed</li> <li>- The AC is operational and the meetings sit as required by MFMA.</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of management support.</li> <li>- Schedule of meetings with management</li> </ul>	<ul style="list-style-type: none"> <li>- Council to put pressure to management to support AC.</li> </ul>

Focus Area	Status quo	Challenges	Intervention required
	<ul style="list-style-type: none"> <li>- The Council has approved the AC Charter.</li> </ul>	<p style="text-align: center;">and council to be approved.</p>	
<p>Risk Management Committee and Fraud Prevention Plan</p>	<ul style="list-style-type: none"> <li>- The Function of Risk Management is done by the Internal Audit Function</li> <li>- The municipality does not have a RM Committee</li> <li>- Risk Management Policy is in place but not approved.</li> <li>- Risk Assessment has not been conducted</li> <li>- The Fraud Prevention Plan draft exist but not approved by council yet</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of human resource in the RM Unit</li> <li>- The Municipality to budget and appoint a Chief Risk Officer</li> </ul>	<ul style="list-style-type: none"> <li>- The appoint a Risk Management Committee</li> <li>- Management to conduct Risk Assessment</li> <li>- That the Council should approve the Risk Management Strategy and Fraud Prevention Policy</li> <li>- The Accounting Officer appoints the risk management committee members, as the committee consists of representative of senior management and Chief Audit Executive amongst others.</li> </ul>

#### Fraud Prevention Policy & Response Plan

Thaba Chweu Local Municipality is in the process of finalising a policy on this regard so as to reinforce existing internal controls and procedures.

#### Incorporation of Traditional Leadership

The EDM is assisting the municipality in this regard, the first district summit was held on the 3<sup>rd</sup> and 4<sup>th</sup> of June 2008.

#### Human Development Planning

Many organisations invest large amounts of financial and physical resources in other planning activities but often neglect human resources, even though this is the most valuable asset. As the municipality we believe that in order to be more competitive, a well-developed human resource planning process that contributes to our IDP plan and strategies must evolve., and that is why the municipality has developed its HR Strategy to ensure HR development & retention.

#### Performance Management System

It is the intention of management and council to introduce Performance Management System (PMS) as one of the instruments to be used in ensuring that municipality is developmental-oriented in its operations and practice. PMS should be seamlessly integrated to other complementing municipal core processes – *IDP and Budget*.

#### Communication Marketing & Events

The municipality has an up to date well maintained website, there further plan to review the municipal public participation and communication strategy to further strengthen efforts

#### Workplace Skills Development

A workplace skills plan is in place in the municipality and it contains a clear programme for training and development of both municipal employees and councillors.

## Employment Equity Planning

The purpose of the plan is to achieve equity in the workplace and strive to encourage fair treatment and equal opportunity through the elimination of unfair discrimination and other barriers.

The policy sets out clear procedures and principles towards recruitment of candidates from designated groups, the promotion of diversity in the work place, the promotion of transparency in the implementation of decisions related to the promotion of representativity.

The plan further designates clear roles and responsibilities in terms of the implementation and monitoring of the employment equity performance of the municipality.

## Recruitment & Retention

In terms of recruitment the municipality advertises vacant positions both internally and externally with the criteria being consistent in both cases. Generally the media that targets previously disadvantaged groups assumes priority in terms of advertisements. The retention of skilled and experienced workers is an arduous task, which needs planning, time, financial resources and physical resources.

To this end, the municipality has developed a retention strategy that seeks to define the magnitude of the scarcity of various skills and intervention strategies in this regard. Part of the intervention strategies is the awarding of incentives to different categories and levels of skilled and experienced staff. The retention policy further creates a mechanism for the implementation of the strategy in a form of a retention committee.

## Succession Planning

The succession policy of the municipality recognises the need to make the necessary arrangements to ensure that suitably qualified people are available to fill posts which will arise within any specific department over the forthcoming years.

The objective of the succession policy is necessarily to ensure continuity of suitably trained staff in key posts for the future as well as ensuring that training programmes are undertaken in an orderly manner and that staff do not simply attend training courses without a purpose

## Human Resource Strategy

Once the process of human resource planning is in place and the need for more staff has been identified, recruitment of suitable candidates then follows. The HR Strategy of the municipality does not only defines the HR planning process but also provides the necessary monitoring and evaluation mechanisms. Of critical importance is the element of continuous learning and

development of the staff to ensure that the skills that the organization has keeps up the changing environment.

#### Municipal Turn-Around Strategy (MTAS)

The broader fundamental objective of the (MTAS) is to restore the confidence of the majority of our people in our municipality, as the primary delivery machine and to rebuild and improve the basic requirements for a functional, accountable, responsive, effective, efficient developmental local government. The development of the strategy was generally characterised by consultation processes with various stakeholders within and outside the municipality.

The strategy generally consists of certain priority turn around focal areas which the municipality is expected to achieve in order to improve services. Built into the turn-around strategy are the necessary financial projections and commitments necessary to deliver on the prioritised service delivery priorities. For instance, in terms of basic service delivery R 1,8million has been projected to address fleet shortcomings necessary to facilitated service delivery.

The strategy also recognises the central role that Sector Departments plays towards the natural and final attainment of the targets that the municipality set itself to achieve. For instance, to expand the energy provision capacity of the municipality the District Municipality, Department of Cooperative Governance and Traditional Affairs (COGTA) including the Department of Minerals and Energy are identified as critical to facilitate the acquisition of the necessary financial resources for such to happen.

#### MISA SUPPORT PLAN

The municipality has engaged with the MISA to support its implementation plan in terms of the Municipal Turn Around Strategy. The following table below depicts the implementation plan in order to realise its turnaround strategy.

INITIATIVE	GENERIC DESCRIPTION	COST ESTIMATES	TIME FRAME
Dolomite risk management strategy	Dolomite development strategy (status quo)	R 100 000	3 Months
Energy master plan	Strategic level document, dependant on available load and consumption information and size (number and type of consumers) of delivery	R 800 000	6 Months
Operation and maintenance plan	Develop a manual job card system and call desk to capture both routine maintenance and unplanned maintenance	R 200 000	3 months excel training

Integrated waste management plan	Develop a strategic level plan based on current status quo and possible future developments and waste stream changes.	R 400 000	4 Months
Water, including bulk, master plan	Strategic level study based on delivery zones only, using long term projections, identified needs at a strategic level i.e. scheme level only e.g. increase capacity etc.	R 950 000	6 Months
Roads master plan	Largely a desk top exercise, Develop roads hierarchy, access management and long-term planning, also will include a basic model	R 750 000	6 Months
Water conservation and demand management	Develop a WCDM strategy and implementation plan	R 1 100 000	6 Months
PPP and and S78 assessment	Section 78 investigation and council reports	R 500 000	4 months
Operation & Maintenance plans	Develop O&M plans including planned, routine and unplanned maintenance, Only do for water and sanitation, roads and electricity	R 2 600 000	12 months
Water, including bulk, master plan	Detailed level study at network level, includes modeling of network and flows, down to reservoir level, considers abstraction and treatment capacity and needs	R 2 000 000	8 Months
Sanitation including bulk master plan	Detailed level study at network level, includes modeling of network and flows, down to pipe level, considers treatment capacity and needs	R 2 000 000	6 Months
Asset Management	Asset management	R 1 800 000	6 months



Plan	plans for operational assets, i.e. water, sanitation, roads, electricity and waste management		
Disaster management plans	"On the development of Disaster Management Plans the following must be reflected: <ul style="list-style-type: none"> <li>o An outline of the institutional structure;</li> <li>o An allocation of responsibilities and the co-ordination thereof;</li> <li>o Include a national policy statement on disaster management;</li> <li>o Must form part of the IDP (Integrated Development Planning) process;</li> <li>o A hazard assessment;</li> <li>o A disaster risk assessment;</li> <li>o A vulnerability, risk and hazard map;</li> <li>o Prevention and mitigation strategies;</li> <li>o Do contingency planning"</li> </ul>	R 500 000	4 months
Dolomite risk management strategy	Compile a comprehensive dolomite risk management strategy	R 4 500 000	18 Months
Integrated Transport Plan	Integrated Transport Plan	R 750 000	6 Months

Sector Plan	Final and Adopted	Draft and Adopted	Does not exist
Spatial Development Framework	✓		
Disaster Management Plan	✓		
Waste Management Plan	✓		
Water Service Development Plan	✓		
Integrated Transport Plan Housing Plan			✓
Energy Master Plan			
Environmental Management Plan			✓

Local Economic Development Plan	✓		
Infrastructure Investment Plan			✓
Anti Corruption Strategy	✓		
HR Strategy	✓		
Credit Control and Debt Management Policy	✓		
Indigent Policy	✓		
Workplace Skills Plan	✓		
Retention Strategy	✓		
Employment Equity Plan	✓		

Revenue Raising Strategy			✓
Succession Plan			
Municipal Turn Around Strategy	✓		
Communication Strategy		✓	
Policy on ward Committees and Community Participation	✓		

Status Analysis  
of Thaba  
Chweu  
Municipal  
Sector Plans

## **SECTION H: IMPLEMENTATION PLAN**

### **Service Delivery**

The implementation plan of the municipality for delivery of services is primarily informed by community needs. The community needs are identified continuously during the planning process through public consultations. These needs are largely informed by the following key aspects which also inform our developmental objectives and path as an institution; *viz:*

- population growth;
- and historical service delivery backlogs.

The implementation plan framework as outlined herein takes into account the following aspects to ensure coherent and sustainable service delivery:

- Regular and continuous maintenance of existing infrastructure;
- New Capital Works and other ward-based projects

As a small municipality with a narrow revenue base, our major infrastructure projects and other service delivery needs are funded from the Municipal Infrastructure Grant (MIG), thus the MIG is our major source for funding of capital projects and infrastructure maintenance.

For this reason, our implementation plan for capital projects is aligned with the National MIG management and procedures in the following framework.

### **The vision of the MIG programme**

The vision of the MIG programme is to provide all South Africans with at least a basic level of service by the year 2013 through the provision of grant finance aimed at covering the capital cost of basic infrastructure for the poor.

## Key Principles

The MIG complements the equitable share grant for local government, however, it is provided conditionally to municipalities. The key principles underpinning the design of the MIG are outlined below:

- a) **Focus on infrastructure required for a basic level of service:** The MIG programme is aimed at providing only basic infrastructure.
- b) **Targeting the poor:** The programme is aimed at providing services to the poor and funds will therefore be targeted to reach them.
- c) **Maximizing economic benefits:** The programme will be managed to ensure that the local economic spin-offs through providing infrastructure are maximized. This includes employment creation and the development of enterprises.
- d) **Equity in the allocation and use of funds:** The mechanism for distributing funds must provide for equitable access to such funds by the poor in order to make uniform progress in closing the infrastructure gap.
- e) **Decentralization of spending authority within national standards:** Decisions relating to the prioritization of municipal infrastructure spending, such as the identification, selection and approval of projects, are taken through the IDP and budgeting processes with the following provisions:
  - The operating finance and management arrangements must be in place;
  - A degree of national and provincial influence over capital spending, expressed through clear norms, standards and spending conditions must be retained; and
  - Unintended consequences should be limited: the grant must promote sound management practices, not the reverse.

f) **Efficient use of funds:** Funding must be used to provide the greatest possible improvement in access to basic services at the lowest possible cost. This implies the following:

- There should be an appropriate selection of service levels.
- Incentives and conditions must ensure that other funds are mixed with grant funds to minimize leakage to non-eligible households and service levels.
- The mechanism to disburse funds should be simple and easy to monitor, and the outcomes of municipal spending should be easy to evaluate.

g) **Reinforcing local, provincial and national development objectives:** This implies the following:

- The funding mechanism must be consistent with the planning processes of local, provincial and national government.
- Nodal municipalities associated with the Urban Renewal Strategy and the Integrated Sustainable Rural Development Programme must receive proportionally greater allocations of funding.
- Spatial integration must be promoted.
- The emphasis placed on the selection of appropriate service levels.
- The formula should promote appropriate municipal performance relative to policy objectives.

h) **Predictability and transparency:** Funds should be provided to individual municipalities on a three-year basis, consistent with medium term budgeting practice, with minimal in-year changes and with year to year changes based only on clearly defined conditions. It is also essential for municipalities and other stakeholders to easily understand how the funds are distributed.

## **How MIG Funds are integrated into Thaba Chweu Local Municipality Budget**

All MIG funds allocated to projects are contained in the annual capital budget of the municipality. This implies that the process for funding a MIG project is as follows:

- The project is identified in the IDP.
- A three year capital plan based on project business plans (or feasibility studies) is prepared.
- A MIG project registration form is completed
- Funds (including MIG funds) are then allocated to the project in the municipal budget.

## **Implementation framework of MIG**

### **How MIG is linked to the IDP**

All MIG projects are identified in the IDP, taking into account the MIG conditions which require to be met. This means that the following the municipality must also consider the following and apply throughout planning and implementation processes:

- For the first three years of the five year infrastructure plan in the IDP, the total amount of capital grant funds provided for in the IDP must equal the medium term allocation of MIG funds (and other capital grants) to the municipality given in the annual Division of Revenue Act (DORA).
- Each project to be funded with MIG funds, as part of the current year's budget, must appear in the IDP, which is typically updated in the previous year.
- The IDP must contain details of the level of service to be applied for all infrastructure and the rate at which the overall backlog in providing infrastructure is to be reduced.



- The IDP must include an assessment of the operating expenditure of all infrastructure under the control of the municipality, with an assessment of the operating revenue which will be raised to cover this expenditure.

### **Funding Projects where non-poor residents and Businesses benefit**

MIG funds are mainly used to fund basic infrastructure to the poor. Yet almost all projects provide infrastructure which also serves those who are non-poor, including businesses. This means we will have to raise capital from other sources (excluding MIG and other capital grants from government) to finance the part of the infrastructure which does not serve the poor.

To the extent possible, the municipality will source the additional funds from the following sources of revenue to the extent that these funds are not already committed for other purposes:

- Internal capital funds;
- Capital contributions by non-poor consumers;
- Private sector funding;
- Equities; and
- Loans.

### **Operation and maintenance of infrastructure**

It is essential for infrastructure which is provided under the MIG programme to be properly operated and maintained. Therefore one of the conditions of MIG funds is that the municipality must prove that it has the capacity to manage the infrastructure.

This requires a sound viability assessment of the planned infrastructure investment programme. This assessment must be linked to the IDP and sector plans.

## **Dealing with Population Growth and Historical Backlogs**

One of the major service delivery challenges that the municipality is faced with is to maintain a sound balance between provision of basic services in line with the population growth trends and dealing with the historical backlogs. However, our main objective is to eradicate the current service delivery backlog over a period of 5 years, which will enable us to primarily focus on meeting new service delivery demands.

Comprehensive studies still needs to been undertaken to quantify the institutional backlogs. Based on the findings, sufficient resources will have to be made available and directed such service delivery backlogs.

## **Implementation Methodology**

To ensure that both programmatic and project specific sustainability is developed and maintained the municipality must develop a Comprehensive Infrastructure Plan (CIP) which must aim at addressing and achieving the following:-

- Ensure that projects are identified, registered, budgeted for, and initiated to eradicate all backlogs in infrastructure in all communities within the Municipality, and must take into consideration the future development needs of the area to ensure growth and local economic development.
- Support the municipality in providing the necessary institutional capacity to provide different services. This might also include options such as creating regional or ward based service delivery teams.
- Develop the means to fund the capital and operating budgets for service delivery

## Implementation Challenges

The following are details of implementation challenges which invariably affect the implementation of MIG related projects and thus causing delays in eradication of backlogs or poor service delivery.

Main Cat	Main Category	Sub Category	Nature of Problems
1	Institutional functions impacting on project implementation	Policy issues	Unclear policies with regard to levels of service resulting in inappropriate designs and lack of affordability
		Administrative issues with approvals	Late submission of registration forms and time taken by the department to approve the projects procurement processes
			Late approvals of projects
			Legal and administrative challenges
		Administrative issues with payment, lacking financial skills	Municipal Supply Chain Management processes not engaged efficiently
			Late funding approvals received from other spheres of government
			Unverified payment claims by contractors
			Administrative problems: delays in processing valid payment claims by consultants/contractors
		Administrative issues with procurement	Procurement and BEE issues
			Poor council oversight
	Institutional functions impacting on project implementation	Technical issues	
			IDP under revision
			Lack of coordinated planning of infrastructure
			Inappropriate technical solutions for the specific situation in a municipality

<b>Main Cat</b>	<b>Main Category</b>	<b>Sub Category</b>	<b>Nature of Problems</b>
			Lack of technical reports and baseline information
			Lack of technical skills and capacity
		Operation & Maintenance capacity	Limited maintenance and operations budget prevents further infrastructure development
2	MIG implementation	Poor project management	Limited Project Management and planning capacity
			PMU not having adequate capacity
3	Contractors & consultants	Project management of contractors	Capacity of consulting engineer not sufficient
			Lack of materials due to supplier shortages
			Contractors are not monitored to ensure that projects are completed
			Delay getting emerging contractors on site and performing
4	Other government functionaries	CoGTA	Waiting period for CoGTA to register projects
5	External parties	Community involvement	Community preventing some of the registered projects from being implemented



## **SECTION I: DEVELOPMENTAL STRATEGIES, PROJECTS & PROGRAMMES**

The development objectives are linked to the strategies to create continuity in relation to the strategies and projects. Each development objective is preceded with a set of key issues/community needs as identified during the analysis phase.

The strategy phase sets forth the destination of the municipality and the most appropriate ways to arrive at the intended destination. The Municipal Systems Act No 32 of 2000 requires that each municipality must formulate a vision. These constitute the development framework and will inform the way council will deliver in future. The following activities are involved in this process:

- Formulation of a Vision;
- Formulation of objectives for each priority issue identified in Phase 1;
- Formulation of localized strategic principles or guidelines that will guide development in future. Making use of the policies and legislative requirements binding on development in future. The following aspects need to be reflected:
  - a) Spatial dimensions;
  - b) Poverty / gender aspects;
  - c) Environment dimensions;
  - d) Local economic dimensions;
  - e) Institutional dimensions; and
  - f) Infrastructural and transport dimensions.
- Defining resource frames within which strategies can be developed. These resource frames need to incorporate both financial and human capacity within the local municipality, availability of natural resources and other sources of income etc.;
- Creating strategic alternatives and inviting public debate on the proposed alternatives. This activity should also incorporate district level integration; and
- Choosing the correct alternatives and aligning them with sector requirements.

## ALIGNED NATIONAL STRATEGIES FOR LOCAL GOVERNMENT

### Local Government Ten Point Plan

The table below provides a synopsis of the alignment and the synergy created between the Department of Cooperative Governance and Traditional Affairs’ “Ten Point Plan” with the key deliverables and the strategic focus of the Thaba Chweu Local Municipality.

COGTA’s Ten Point Plan	Key Deliverable	Municipal Strategic Focus Area
Implement a differentiated approach to municipal financing, planning and support	Support the implementation of a revised simplified and differentiated IDP process to ensure more effective planning and intergovernmental cooperation	ThabaChweu municipality is mainly rural with communal tenure and as such will require an assistance from COGTA on the simplification of IDP
Improve access to basic services	<p>Increase access to basic water, basic sanitation, basic refuse removal, and basic electricity by strengthening differentiated support for municipal service delivery capacity through the Special Purpose Vehicle (SPV)</p> <ul style="list-style-type: none"> <li>• Address related constraints identified through the MTAS</li> <li>• Mobilize required support to deliver on targets</li> <li>• Facilitate the water sector towards the development of alternative technologies for water services</li> </ul> <p>Increase water – and sanitation sector</p>	The municipality will meet the targets as set-out in the turn-around strategy and as explicitly indicated earlier in the section.

	support to municipalities	
Implement the community works programme and cooperatives support	<ol style="list-style-type: none"> <li>1. Contribute to the identification and creation of CWP job opportunities in the municipality through the single window of coordination</li> <li>2. Support the establishment of cooperatives in each ward towards supporting job creation</li> </ol>	The municipality has been identified as one of the municipalities in which CWP will be rolled-out.
Actions supportive of Human Settlement	Participate in the drafting of the Land Use Planning and Management Bill	The department of Rural and Land Reform will assist the municipality with reviewing the existing Spatial Development Framework. This will enable the municipality to utilize the existing "space" accordingly.
Deepening Democracy through a refined Ward Committee model	Participate in the review and strengthening of the legislative framework for Ward Committees and community participation to broaden participation of various sectors and to propose new responsibilities and institutional arrangements for ward	Municipality will support the existing ward committees to be more functional.



	committees	
Improve municipal financial and administrative capacity	<p>Through Operation Clean Audit:</p> <ul style="list-style-type: none"> <li>➤ Support municipalities in maintaining adequate financial management systems in order to produce accurate and complete financial statements and performance information</li> <li>➤ Support municipalities to improve cash flow management:</li> <li>➤ Support municipalities to improve cash flow management:</li> </ul>	The municipality will through the assistance from DBSA, produce and timeously submits accurate financial statements for assessment.
Single window of coordination	Work together with other sector departments to come up with mechanisms to review and rationalize local government reporting requirements	A constant liaison with COGTA will be made to strengthen support needed by the municipality from other sectors
Promote Traditional Affairs, culture and heritage	Promote traditional culture and heritage	Cultural and heritage issues will be supported through the office responsible for LED.
Improve disaster management	Prevent and/or mitigate disasters in the Province	Since Thaba Chweu area is prone to disasters, the

		municipality will together with the District municipality work towards mitigating the incidents.
Improve inter-governmental relations	Strengthen inter-governmental relations with municipalities and SALGA	A constant liaison with COGTA will be made to strengthen support needed by the municipality from other sectors and to facilitate coordinated approach towards planning and development.

### STATE OF THE NATION ADDRESS - Municipal Priority Areas

National Key Performance Areas (KPA) 2006-2011	Municipal Key Priorities 2007/2012
Municipal Transformation	<ul style="list-style-type: none"> <li>• Equity plan</li> <li>• Review of departmental plans</li> <li>• Review of the structure</li> <li>• Filling of posts(requests intervention from the district or province in areas of higher need)</li> <li>• Development of retention strategy</li> <li>• Policy, Plans, Programmes and Systems development,.</li> </ul>

Local Economic Development	<ul style="list-style-type: none"> <li>• Improving LED</li> <li>• Development of LED strategy review it annually</li> <li>• Development and support</li> </ul>
Basic Service Delivery	<ul style="list-style-type: none"> <li>• Bucket eradication</li> <li>• Sanitation</li> <li>• Housing service delivery</li> <li>• Roads infrastructure</li> <li>• Storm water and drainage</li> <li>• Electricity</li> <li>• Public telephones</li> </ul>
Good Governance and Community Participation	<ul style="list-style-type: none"> <li>• Primary Health Care</li> <li>• Safety and security</li> <li>• Restructuring Municipal Administration</li> <li>• Targeted awareness programme</li> <li>• Communication strategy development</li> <li>• Ward Committee participation</li> </ul>
Financial Viability and Management	<ul style="list-style-type: none"> <li>• Audit reports</li> <li>• Annual Financial statements</li> <li>• Financial Management Reforms</li> <li>• Budget</li> <li>• Audit risk assessment and intervention</li> </ul>

## **PROVINCE ADDRESS - Municipal Priority Areas**

### **THABA CHWEU LOCAL MUNICIPALITY'S STRATEGIES AND OBJECTIVES**

In line with its developmental mandate, Thaba Chweu Local Municipality understands its service delivery objectives as set out in the constitution being:

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

Therefore, the developmental strategies as espoused in this IDP, are directly linked to a specific developmental needs and objectives which are measured in the organizational Performance Management System (PMS), and give effect to Service Delivery and Budget Implementation Plan (SDBIP) targets/ goals.

Where appropriate, municipal service delivery targets are aligned with the national and provincial service delivery targets in order to ensure good cooperative governance and accountability.

The following IDP Objectives and Strategies are presented in terms of the 5 Key Performance Areas for Local Government as follows:

### **Basic Service Delivery and Infrastructure Investment**

#### **STRATEGY: INFRASTRUCTURE DEVELOPMENT**

<b>MIG CAPITAL EXPENDITURE</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
Water			
Main pipe link to Sabie Ext. 10.	R 823 575	R 0	R 0
Provision of Water Supply: Storage Reservoir, Boreholes, Main Supply Pipeline Reticulation at Boomplaats 29 JT	R 2 000 000	R 1 022 743	R 0
Coromandel Water Supply Upgrade	R 0	R 1 600 000	R 0

General water system refurbishment & upgrades on reservoirs and reticulation (Draaikraal & Shaga)	R 0	R 4 083 331	R 3 395 587
Roads and storm water			
Provision of Paved Roads at Boomplaats 29 JT	R 2 000 000	R 2 234 214	R 0
Refurbishment of roads (Refurbishment of Roads (Streets) in all Thaba Chweu Municipality Wards (Draaikraal~ 2km, Shaga~ 1km & Matibidi Leroro Moremela ~5km))	R 11 752 000	R 13 094 123	R 23 806 118
Road & Stormwater Construction in Coromandel	R 0	R 0	R 8 927 294
Paving of Grootfontein Road	R 1 600 000	R 2 634 214	R 0
Sanitation			
Thaba Chweu Rural Sanitation Project (Phase 2)	R 10 029 400	R 6 124 541	R 0
Electricity			
Highmast Lights in Various Areas (Draaikraal, Shaga, Matibidi, Leroro & Moremela).	R 4 272 025	R 3 360 834	R 0
PMU			

Total PMU funding	R 1 622 600	R 1 707 700	R 1 806 450
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Project No.	Project	Objective s	Strategies
	Develop Infrastructure Asset Register	Update the Infrastructure Master Plan	Influence planning & budgeting process by the end of May 2012
	Develop Infrastructure Master Plan	Enhance the quality of service	Ensure provision of improved municipal services
	Dolomite Development Strategy (Implementation of Phase 1)	Investigate & minimize the risks that may be due to dolomite	Ensure sustainable development
	Formalization of Polar Park (phase1: Geotech, EIA Study, Survey )	Formalization of the residential area into a sustable human settlements within Sabie	To integrate society and bring them closer social amenities
	Formalization of Simili (phase1: Geotech, EIA Study, Survey )	Formalization of the residential area into a sustable human settlements within Sabie	To integrate society and bring them closer social amenities
	Formalization of Graskop (phase1: Geotech, EIA Study, Survey )	Formalization of the residential area into a sustable human settlements within Sabie	To integrate society and bring them closer social amenities
	Township Establishment Ext 9 (phase1: Geotech, EIA Study, Survey)		

	Land tenure upgrading	Municipal zoning	Comply with legislation & municipal bylaws
	Regional water scheme (Leroro, Matibidi & Moremela)	Improve access to drinking water	Ensure drinkable quality water
	Replacement of Bulk water Infrastructure Sabie, Lydenburg & Graskop	Bulk Water Provision	Ensure drinkable quality water
	Construction of WTW in Lydenburg & Graskop	Improve basic service delivery (sanitation)	Improve sanitation
	Refurbishment of WTP in Sabie		Improve Sanitation
	Upgrade of Storm Water Drainage System in Skhila, Simile Ext3 & Harmony Hill	Water channeling	
	Network Upgrade & Substations in Graskop & Sabie		
	Construction of Duma Substation in Lydenburg		
	Paving of Streets in ward 5c Ext2 & Kellysville  Paving of Streets in ward 14 Skhila  Paving of Streets in ward 2/3 Ext 6		
	Upgrading of Taxi Rank in Lydenburg	Traffic control	
	Conduct a study to increase landfill site capacity in TCLM	Waste Management	Improve current capacity
	Connect RDP House to basic services in Ext8, Harmony Hill		

	& Glory Hill		
	Indentification of land for future & new proposed establishment	Cater for future proposed establishments	
	Fencing of all municipal cemeteries  Construction of ablution facilities in all cemeteries		
	Renovation of all municipal sporting facilities	Recreational facilities	
	Construction of multipurpose center in Mashishini	Recreational facilities	
	Construction of additional municipal offices & extend the council chamber  Renovate municipal offices in Graskop, Sabie, Moremela & Coramandel		
	Construction of banquet hall in all wards		
	Review the Spatial Development Framework	Ensure that planning take place in an orderly & structured manner	Guide infrastructure development within the municipal jurisdiction



## Financial Viability and Management

### STRATEGY: ENHANCE MUNICIPAL REVENUE BASE

Project No.	Project	Objectives	Strategies
	Revaluation of infrastructure assets	<p>To be compliant with the provisions of GRAP in relation to infrastructure assets</p> <p>To ensure that the municipality's assets are properly quantified and valued.</p>	To develop an implementation plan by end of July 2011 with key dates, targets and deliverables.
	Review of Valuation Roll	To ensure accurate billing for property rates.	To review the existing valuation roll by December 2011 to ensure that it incorporates all ratable properties within the municipality at their market related values
	Clearing Audit Queries	To ensure compliance and improving the audit opinion from Disclaimer to Unqualified audit Report by 2014.	To target all the qualification matters in the latest audit report as the basis, to ensure gradual improvement towards 2014.
	Operation Clean Audit 2014		
	Identification of investment properties	To enhance revenue base of the municipality.	To develop and sign lease agreements with all private occupants of municipality's properties.
	Full implementation of integrated creditors system	To ensure gradual implementation of SEBATA financial system and t to eliminate manual data processing.	To develop internal capacity and ensure full implementation of creditors module by end of September 2012.
	Revenue data purification	To improve the integrity of	To identify services that are

		debtors information and enhance revenue.	provided to every consumer within the municipality and ensure accurate billed.
	Review of finance related policies	To ensure legislative compliance	To review the affected policies in line with the budget process plan for 2012/13.
	Developing an inventory costing model (water & electricity)	To determine distribution losses for water and electricity	To ensure that the model is developed and implemented by end of December 2012 and that identified causes of losses are ring-fenced.
	Update the Asset register	Data Purification	Ensure the realization of GRAP 17 Compliance & Clean Audit 2014
	Fully Comply with GRAP (complete fixed asset register)	To ensure legislative compliance and adherence to the established norms and standards.	To use the provisions of National Treasury's norms and standards to ensure compliant register by end of March 2013.
	Perform and impairment exercise for debtors		To review every debtor's record to determine and assess probabilities of non-collection of debtors and recommend the impairment provision to council by end March 2012.
	Reconciling the Valuation Roll to the billing systems, GIS and the Deeds Register.		To ensure accurate billing in line with market related values for ratable properties.
	Compilation of the Annual Financial Statement 2011/12 and review of the Budget for 2012/13	To ensure compliance with MFMA.	To compile compliant Annual Financial Statements and submit for audit by end of August 2012.

## Municipal Transformation and Institutional Development

### STRATEGY: ORGANIZATIONAL DEVELOPMENT AND REALIZE THE EMPLOYEE OF CHOICE STATUS

Project No.	Project	Objective s	Strategies
	Implementation of Performance Management System to all levels on the organizational structure.	To enhance performance capacity and instill accountability	To link job descriptions and work plans for all employees by the end of July 2012.
	Development and implementation of an automated filing system.	To safeguard municipal data and ensure legislative compliance	To procure a fully automated system by end of December 2012.
	Review the Human Resources Development Strategy	To develop a performance oriented culture.	End of September 2012
	Implementation and monitoring of Human Resources related policies	Ensure realization of strategic objectives of the institution.	Ensure compliance of SDBIP targets and KPIs quarterly.
	Review of Skills Development Plan and Employment Equity Plan and monitor and report on the implementation.	Ensure parity and institutional capacity building	End of September 2012
	Implementation of Employee Performance Appraisal System.		To produce quarterly progress reports
	Review of Institutional Delegations of Powers.	Ensure clear segregation of duties in a manner that will promote accountability	
	Compilation of the Annual Report 2011/12	To report on organizational performance in line with	End of August 2012

		Legislative requirements.	
	Review of the Spatial Development Framework	To ensure legislative compliance	End of November 2012
	Management of beneficiary lists and allocation of sites and houses.	To ensure updated working data of beneficiaries	Ensure efficient management of the beneficiary lists on a month to month basis.
	Review of the Housing Chapter/Sector Plan	To ensure legislative compliance	End of August 2012

## Local Economic Development

### STRATEGY: REVIVE THE LOCAL ECONOMY & CREATE A CONDUCTIVE ENVIRONMENT FOR BUSINESS DEVELOPMENT



Thaba Chweu Local municipality has identified four thrusts that will direct the municipal local economy:

Thrust1: Development of agriculture sector and value chain

Thrust2 Tourism regeneration and integration

Thrust3: Business development

Thrust14: Enabling environment

## Strategies, Programmes & Projects

<b>Project No.</b>	<b>Project</b>	<b>Objective s</b>	<b>Strategies</b>
	Review of LED Strategy	Create a conducive environment for business development	Revive the Local Economic Development
	Develop a Tourism Development Strategy	Respond to the municipal vision	To be the first choice tourism destination
	Establish cooperatives in all towns	Reduce poverty within communities of Thaba Chweu	Ensure sustainable livelihoods
	Develop programmes & project for youth participation in the local economy	Youth participation in the main stream economy	Ensure sustainable livelihoods
	Develop LED Implementation Plan	Successful implementation that is measurable	Measure & Monitor progress & interventions made
	Industrial park (mining)	Poverty Reduction	
	Furniture cluster	Job Creation	
	Hotel (Feasibility Study & EIA)	Tourism Development	
	Trout fishing	Poverty Reduction	
	Graskop Resort (Business Plan)	Tourism Development	
	Transit Node (Pre Feasibility Study)		
	Waste-to-Energy (Pre Feasibility Study)	Generate source of energy	

	Glass Recycle (Business Plan)		
	Sabie Caravan Park (Business Plan)	Tourism Development	
	Citrus Farm & Processing Plant (Marketing & Financial Study)	Agricultural Development	

## Good Governance and Public Participation

### STRATEGY: TO ENHANCE PUBLIC PARTICIPATION IN MUNICIPAL AFFAIRS

Project No.	Project	Project Objective s	Performance Target
	Second review of Integrated Development Plan (IDP) Review		
	Conduct Local Community survey	Collect resend and updated data for better planning	Engage STATS Sa to train the data collector, use CDW's and Ward committees
	Review Public Participation Strategy	Enhance public involvement & accountability in the municipal affairs	End of Sep 2012
	Review/Develop an Internal Audit Plan	Ensure good governance.	To engage and consult with all the relevant stakeholders to ensure development of a comprehensive audit plan.
	Update the Risk Register, Develop Risk Assessment Report & Strategy	Ensure compliance to King Three Report on Corporative Governance	End of Sep 2012
	Review the Communication Strategy	Enhance communication internally & externally	End of Sep 2012



## ENVIRONMENTAL MANAGEMENT OBJECTIVES AND STRATEGIES

The following are suggested environmental objectives and strategies which have to be incorporated into the IDP

Objective s	Development Strategies
<p>Protection of the existing natural environment.</p>	<ul style="list-style-type: none"> <li>• The Municipality to engage in and annually budget for campaigns against littering.</li> <li>• To protect (through relevant by-laws all the sensitive areas within the municipality against large- scale development with destructive consequences).</li> <li>• To introduce all the principles of the National Environmental Management Act (NEMA) into all Local Municipality's planning activities (e.g. Environmental Impact Assessment).</li> <li>• To establish a local garbage recycling centre for paper, tin and glazing material</li> </ul>

<p>To identify and develop new environmental areas or reserves</p>	<ul style="list-style-type: none"> <li>• To identify environmental sensitive areas to be conserved.</li> <li>• To develop the identified conservation areas with community participation to be tourism orientated for example horse riding, fishing, hiking, etc.</li> <li>• To develop an open space system/green belts in all town areas to ensure effective urban greening by means of tree planting, landscaping etc. to be maintained as open spaces in future.</li> <li>• To prepare a comprehensive Integrated Environmental Programme for Thaba Chweu LM including an environmental analyses of the area and the developmental issues, the formulation of solutions to address the issues and to ensure that envisaged projects have no negative impacts on the natural environment.</li> <li>• To determine and identify sites of heritage and cultural value</li> </ul>
	<ul style="list-style-type: none"> <li>• By frequently <b>monitoring the legal compliance</b> of the municipality to external legislation and regulations</li> <li>• By centrally monitoring the municipal <b>compliance to EIA Regulations.</b></li> <li>• By enforcement of standards and by-laws to ensure clean environment</li> <li>• By <b>lobbying for devolution</b> to municipality of provincial powers as well as relevant funding in terms of identified listed activities</li> <li>• By constantly monitoring and collecting new environmental policies, regulations and</li> </ul>

<p>To ensure legal compliance by all (council, employees, contractors) for all its activities, products and services.</p>	<p>legislation.</p> <ul style="list-style-type: none"> <li>• By ensuring that all <b>employees have access</b> to environmental information, policies, by-laws and regulations.</li> <li>• By <b>identifying</b> and monitoring all areas where Hazardous Chemical Substances are stored, handled, transported and disposed of.</li> <li>• By <b>monitoring permits</b> for storage, handling, transporting and disposal of Hazardous Chemical Substances.</li> <li>• By ensuring sufficient regional <b>Hazmat response</b> measures.</li> <li>• By ensuring that <b>personnel and the general public understands</b> the dangers associated with Hazardous Chemical Substances</li> <li>• By <b>identifying</b> and monitoring all areas where asbestos are stored, handled, transported and disposed of.</li> <li>• By systematically <b>eradicating asbestos</b> from municipal facilities and buildings.</li> <li>• By ensuring that <b>personnel and the general public understand</b> the dangers associated with the long-term exposure to asbestos.</li> <li>• By <b>identifying</b> and monitoring all areas where pesticides are stored, handled, transported and disposed.</li> </ul>
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## **SECTION J: SECTOR PLANS**

### **National Departments**

#### **- Department of Water Affairs (DWA)**

Following the approval of Turnaround Strategy for Local Government by Cabinet, the Department of Water Affairs subsequently developed a document which outlined their intended involvement in rendering support to municipalities within the province in realizing the objectives set in the Local Government Turnaround Strategy. This document, dated February 2010 and titled as follows: Department of Water Affairs – Mpumalanga Support, Collaboration and Engagements with Turnaround Strategy, outline, amongst others the following keys issues of support to municipalities in the province.

#### **- Roles and Responsibilities of Sector Departments: DWA**

The CoGTA has indicated the following roles and responsibilities expected from the stakeholders; Provincial, National Government Departments, State Owned Entities (SOEDs) and the other relevant partners in efforts made to support Local Government/ Municipalities in order to turn the tide against the factors that impede developmental local government. The Department (DWA) should therefore respond to the call of duty and functionally and structurally operate in such a way that it can positively, effectively, adequately and efficiently respond to the requirements and rigors of LGTAS.

- The National and Provincial Sector representatives be informed- study National, Provincial and Municipal reports and related documentation
- Provide all relevant information to Municipalities in the process of preparing the TAS; work with the existing IDP to incorporate interventions through the SDBIP. Ensure projects spatially identified via the SDF.
- Assess financial commitments for the TAS and assist in sourcing additional skills and resources

- Provide “focal area” advice, guidance and support
- Improve oversight and support of Municipalities through TAS process and beyond

### Department of Human Settlement

Deduced from the latest municipal housing chapter the are the current realities as captured

#### Housing Blockages

Thaba Chweu Local Municipality	Houses completed		Houses to be completed	Expenditure R		Projected Expenditure	Blockages
	Year	2004/5	2005/6	2006/7	2004/5	2005/6	2006/7
Numbers & Figures	388	707	2.534	R1,13m	R1,01m	R2,14	R7,428

The total number of people on the waiting list as of November 2008 stands at ..... . This is according to the list compiled by Thaba Chweu Municipal Housing Unit. As reflected below ward three has the highest number of people on the waiting list.

#### Waiting List per Ward

Wards	1	2	3	4	5	6	7	8	9	10	11	12	13	14	Totals
Totals	275	1100	1223	25	84	724	633	199	268	175	11	60	100	57	<b>4493</b>

#### Housing Projection

TCLM had 21 257 households in 2001, (Housing Census 2001). This figure increased to 28 258 in 2007 (Housing Community Survey 2007), this represents an increase of 32.94% within the period of six years. Representing an annual growth of 6%. Assuming that the growth rate of households from 2007 to 2012 will remain the same as the previous on (2001 – 2007), it is estimated that in 2012 TCLM will therefore have increased to 37 000 households. See the table below:

28 258	29 809	31 446	33 172	34 993	37 000
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Planned Project deduced from the Human Settlement Annual Plan for 2012/13

Project Description	Targeted Units	Project Location	Source of Funding	Budgeted Amount
Informal Settlement Upgrading	300 Units		Conditional Grants	18 000 000

## DWA Action Plan

- **DWA Generic Support Areas in Municipalities include the following:**

Programme	Issues	Specific DWA Municipal support issues
WSDP	<ul style="list-style-type: none"> <li>• Development</li> <li>• Alignment with IDP</li> <li>• Implementation</li> <li>• Reporting on implementation</li> </ul>	DWA will guide all the Municipalities/ WSAs in the development of the WSDPs
WCWDM	<ul style="list-style-type: none"> <li>• Assessment of the Water losses</li> <li>• Development of the BP/ programme to address the losses</li> <li>• Implementation</li> <li>• Monitoring and reporting</li> </ul>	Support for the development of BPs/ programmes for certain Municipalities/ WSAs
O&M	<ul style="list-style-type: none"> <li>• Development of O&amp;M plans</li> <li>• Implementation</li> <li>• Refurbishment</li> </ul>	Support for the development of O&M plans for certain Municipalities/ WSAs as part of Water Master planning
Capacity Building	<ul style="list-style-type: none"> <li>• Councilor, Ward Committees, CDWs, CSOs</li> </ul>	Councilor, Ward Committees,

and Skills development	training in the Water Business Elements <ul style="list-style-type: none"> <li>• Training of Treatment plant Operators</li> </ul>	CDWs, CSOs training in the Water Business Elements for some Municipalities/ WSAs  Training of Treatment plant Operators for some Municipalities/ WSAs
Guidelines	<ul style="list-style-type: none"> <li>• Provision of guidelines for various water sector issues; Acts, policies, strategies, etc</li> </ul>	Provision of guidelines for various water sector issues; Acts, policies, strategies, etc for the WSAs

Source: Department of Water Affairs: – Mpumalanga Support, Collaboration and Engagement with Turnaround Strategy, 2010

**National Treasury Generic Support:**

- **Local Government Financial Management Grant (FMG)**

The local government financial management grant (FMG) helps municipalities to improve the quality of budgeting and in-year reports, appoint skilled finance officials, participate in the graduate internship programme, build financial management skills, improve processes and procedures, introduce internal controls, publish relevant financial information on municipal websites, enhance audit outcomes, improve management of revenue and expenditure, reform accounting and supply chain management processes, and improve compliance with the MFMA and its regulations.

- **Municipal Infrastructure Grant**

Nine national departments participate in the MIG programme. Their responsibilities are summarized below:

Department	Policy	Support	Regulation
Cooperative Governance and Traditional Affairs	Responsible for implementing MIG policy on behalf of all departments.	Establishes MIG administrative structures; administers transfers of funds; provides support to PMUs	Monitors performance of overall MIG programme.
National Treasury	Overall allocation of funds, through DORA.		Establishes specific MIG conditions
Water Affairs	Sets norms and standards for water services infrastructure.	Planning oversight.	Monitors conditions specific to water services.
Public Works	Establishes criteria relating to poverty alleviation.	Provides advice on labour based construction and procurement.	Monitors poverty alleviation conditions.
Minerals and Energy	Only becomes active once electricity funding is incorporated into MIG		
Roads & Transport	Policy relating to municipal roads and transport.		Monitors performance relating to specific roads and transport conditions.



Human Settlement	Co-ordination of housing and infrastructure policy; synchronization of housing and infrastructure funding.		
Sport and Recreation	Policy relating to sport and recreation.		Monitors performance relating to specific sport and recreation conditions.
Environmental Affairs and Tourism	Policy relating to municipal solid waste (refuse) services.		Monitors environmental performance.

## Provincial Departments

### Cooperative Governance and Traditional Affairs (CoGTA)

#### - Municipal Turn Around Strategy

The roll out of the Municipal Turn Around Strategy to Thaba Chweu Municipality was preceded by a number of planning meetings attended by different Sector Department both Provincial and National; Trade Unions operating at Municipalities and Public entities.

Teams were constituted comprising all stakeholders to visit the three identified Municipalities. During February 01, to 05, 2010 the team responsible for Thaba Chweu Municipality visited the Municipality and undertook the following:

- Meeting with Senior Managers of the Municipality to brief them of the process of MTAS.
- Explain the implementation plan, guidelines and information around structural arrangements for Turn Around Implementation Plan with COGTA within the Municipality.
- Request the senior managers to provide all necessary supporting documents in order to draft MTAS.
- The Provincial team also met Troika to outline the MTAS process of the Municipality.
- The draft MTAS was presented for adoption before the Council meeting.

MP321 Thaba Chweu - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<b>Revenue By Source</b>											
Property rates	2	-	-	75,649	77,918	-	118,888	-	29,463	35,356	36,829
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	60,525	72,860	-	72,860	-	89,479	95,742	100,216
Service charges - water revenue	2	-	-	26,385	27,177	-	27,177	-	24,403	26,111	27,331
Service charges - sanitation revenue	2	-	-	8,646	8,906	-	8,906	-	10,384	11,111	11,630
Service charges - refuse revenue	2	-	-	8,689	8,946	-	8,946	-	10,282	11,001	11,516
Service charges - other				1,117	1,000		1,000				
Rental of facilities and equipment				542	539		539		568	607	636
Interest earned - external investments				2							
Interest earned - outstanding debtors				746	700		700		300	321	336
Dividends received											
Fines				1,934	1,958		1,958		2,062	2,207	2,310
Licences and permits											
Agency services				1,667	4,000		400		3,979	4,258	4,457
Transfers recognised - operational				60,537	69,386		71,692		80,612	86,255	90,285
Other revenue	2	-	-	2,901	972	-	972	-	2,076	2,221	2,325
Gains on disposal of PPE											
<b>Total Revenue (excluding capital transfers and contributions)</b>		-	-	<b>249,339</b>	<b>274,362</b>	-	<b>314,038</b>	-	<b>253,608</b>	<b>275,190</b>	<b>287,871</b>
<b>Expenditure By Type</b>											
Employee related costs	2	-	-	68,008	106,884	-	106,884	-	100,262	107,281	112,294
Remuneration of councillors				4,831			6,989		7,314	7,826	8,192
Debt impairment	3			38,017	19,622		19,622		26,047	27,870	29,172
Depreciation & asset impairment	2	-	-	-	-	-	-	-	1,150	1,231	1,288
Finance charges									2,544	2,722	2,849
Bulk purchases	2	-	-	65,084	82,468	-	82,468	-	89,332	95,585	100,052
Other materials	8										
Contracted services				-	15,151	-	15,151	-	32,729	35,020	36,656
Transfers and grants				3,313	5,327	-	5,327	-	1,918	2,052	2,148
Other expenditure	4, 5	-	-	43,190	-	-	-	-	35,492	37,977	39,752
Loss on disposal of PPE											
<b>Total Expenditure</b>		-	-	<b>222,443</b>	<b>229,453</b>	-	<b>236,442</b>	-	<b>296,788</b>	<b>317,564</b>	<b>332,403</b>
<b>Surplus/(Deficit)</b>											
Transfers recognised - capital				-	-		-		(43,180)	(42,373)	(44,532)
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		-	-	<b>26,896</b>	<b>44,909</b>	-	<b>77,596</b>	-	<b>(43,180)</b>	<b>(42,373)</b>	<b>(44,532)</b>
Taxation											
<b>Surplus/(Deficit) after taxation</b>		-	-	<b>26,896</b>	<b>44,909</b>	-	<b>77,596</b>	-	<b>(43,180)</b>	<b>(42,373)</b>	<b>(44,532)</b>
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		-	-	<b>26,896</b>	<b>44,909</b>	-	<b>77,596</b>	-	<b>(43,180)</b>	<b>(42,373)</b>	<b>(44,532)</b>
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		-	-	<b>26,896</b>	<b>44,909</b>	-	<b>77,596</b>	-	<b>(43,180)</b>	<b>(42,373)</b>	<b>(44,532)</b>

**References**

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method
8. All materials not part of 'bulk' e.g. road making materials, pipe, cable etc.

check balance	-	-	26,895,878	-92,090,155	-	-64,100,409	-139,908,240	-153,706,116	-44,532,444
<b>Total revenue</b>			<b>249,339</b>	<b>274,362</b>		<b>314,038</b>	<b>253,608</b>	<b>275,190</b>	<b>287,871</b>

## Thaba Chweu Municipality Identified Projects for the financial year 2012/13

### WATER PROJECTS

	<b>Project Name</b>	<b>Estimated Cost</b>	<b>FY 2012/13</b>
1	Mashishing Water Reticulation Refurbishment	R8.5m	R2.96m
2	Water Supply: Mashishing Ext 8	R5.58m	R 1m
3	Northern Regions: Refurbishment of Boreholes	R5.9m	R2m
4	Lydenburg Zone Pressure Meters	R1.4m	R0.65m
5	General Water Supply in the Northern Region Villages	R6m	R3.2m
6	Water Reticulation in Sabie	R8.5m	R1.8m
7	Provision of Water Supply in Morapama	R6.27m	R1.1m
		Total	R12.71m

### SANITATION PROJECTS

	<b>Project Name</b>	<b>Estimated Cost</b>	<b>FY 2012/13</b>
1	General Sewer Refurbishment: Sabie, Lydenburg & Graskop	R3m	R2.5m
2	Sewer House Connections in Various Areas	R13.5m	R2.5m
3	Provision of Concrete Manhole Covers	R2.5m	R0.4m
4	Graskop: Upgrade of WWTP	R7.5m	R1.4m
5	Lydenburg: Upgrade of WWTP	R32.04m	R2.1m
6	Sabie: : Upgrade of WWTP	R12m	R1.2m
7	Mashishing/Lydenburg: Outfall Sewer Upgrade	R8.9m	R2.3m
		Total	R12.4m

## ELECTRICITY PROJECTS

	<b>Project Name</b>	<b>Estimated Cost</b>	<b>FY 2012/13</b>
1	Highmast lights in Various Areas	R21.2m	R2.5m
2	Graskop: Street Lights	R1.19m	R0.5m
3	Sabie: Street Lights	R2.5m	R0.4m
4	Lydenburg: Street Lights	R7.5m	R0.5m
5	General Electricity Pole Replacements	R3.8m	R1.2m
6	Leroro: Street Lights	R1.95m	R0.25m
		Total	R5.35m