

# GOVAN MBEKI MUNICIPALITY (GMM)



## Integrated Development Plan (IDP) REVIEW: 2014-2015 30 MAY 2014



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## ACRONYMS:

AUC	African Union Commission
CBD	Central Business District
CCTV	Close Circuit Television
CDW	Community Development Workshop
CLR	Councillor
CoGTA	Co-operative Governance Traditional Affairs
CS	Corporate Services
CMS	Community Services
DEAT	Department of Environmental Affairs and Tourism
DET	Department of Education
DoE	Department of Energy
DORA	Division of Revenue Act
DPLG	Department of Provincial and Local Government
DWAF	Department of Water Affairs and Forestry
EPWP	Expanded Public Works Programme
EMF	Environmental Management Framework
EIA	Environmental Impact Assessment
GIS	Geographic Information System
GMM	Govan Mbeki Local Municipality
GSDM	Gert Sibande District Municipality
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
HOD	Head of Department
ICT	Information Communication Technology
IDP	Integrated Development Planning
KFA	Key Focus Area
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
LEDF	Local Economic Development Forum
LSDF	Local Spatial Development Framework
LUMS	Land Use Management System
MAYCO	Mayoral Committee
MEC	Member of Executive Council
MIG	Municipal Infrastructure Grant
MDG	Millennium Development Goals
MFMA	Municipal Finance Management Act
MM	Municipality Manager
MMC	Member of the Mayoral Committee
MP	Mpumalanga
MSA	Municipal Systems Act

MTEF	Medium Term Expenditure Framework
NAFCOC	National African Federated Chamber of Commerce
PDO	Predetermined Objectives
PGDS	Provincial Growth and Development Strategy
PMU	Project Management Unit
PD	Planning & Development
RDP	Reconstruction Development Program
SALGA	South African Local Government Association
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SMME	Small Medium Micro Enterprises
S & T	Subsistence & Travelling
TS	Technical Services
WSP	Workplace Skills Plan
WWTP	Waste Water Treatment Plant



## MUNICIPAL STRATEGIC DEVELOPMENT STATEMENT

The Govan Mbeki Municipal Council acknowledges its constitutional responsibility and understands the importance that strong political leadership, sound administration and financial management plays in the effective functioning of a municipality and has therefore reconfirmed its vision, mission and values.

### VISION

**“A Model City and Centre of Excellence”**

### MISSION

**“Promote creativity, prosperity, learning, growth, vibrancy, cultural diversity and a bright future for all”**

### VALUES

A customer-centric approach shapes the values of the GMM. This defines the character of the city and how leadership and employees behave and make decisions. The GMM will be governed by “TIARA”:

<b>Teamwork</b>	: Collectivism, Synergies, Integration, Support;
<b>Integrity</b>	: Honesty, Professionalism, Trustworthy, Owing up, Ubuntu;
<b>Accessibility</b>	: Decentralisation, Closer to customers, Contactable / Reachable;
<b>Responsiveness</b>	: Reduced turnaround time, Acknowledgement, Feedback,
<b>Readiness; and</b>	
<b>Accountability</b>	: Taking responsibility, Scrutiny, Compliance, Public confidence

## MESSAGE BY THE EXECUTIVE MAYOR

The National Government has reiterated the criticality of infrastructural development to grow the economy of the country through radical mechanisms of job creation using the EPWP as a pivotal catalyst in the creation of employment.

This decisive message was clearly captured in the State of the Nation Address by President Jacob Zuma and Premier David Mabuza in the State of the Province Address respectively.

The Govan Mbeki Municipality has received these messages with a positive posture as we galvanize our resources to improve the lives of our people for the better.



In congruence with this vision, we have set up effective systems that are currently being implemented and we have witnessed positive outcomes being yielded. Our Revenue Enhancement Strategy has been vigorously rolled out and we encourage our people to work hand in hand and cooperate with the municipality by paying their dues for the services that we render to them.

The Hon Minister of Finance has amplified the budget for infrastructural development in the field of energy and electrical capacitation in the light of the imminent completion of the Medupi Power Station. We are delighted that more money has been given to municipalities to tackle service delivery challenges.

We are of the view that this financial rejuvenation will improve the capacity of the Municipal Infrastructure Grant (MIG) so that we are in a better position to implement infrastructural projects as captured in our Integrated Development Plan (IDP).

As the ruling party in government, we have been very vocal in mentioning that more of our attention will be concentrated in beefing up the capacity of Local Government which is in the coalface of service delivery.

This displays our resolve that service delivery is our apex priority because we firmly believe that our people deserve better. The community needs as captured in our IDP are being attended to with decisive decision-making and implementation as seen through the on-going service delivery projects and programs.

The Municipal Manager with his team are working around the clock to ensure that we improve service delivery in practical and tangible terms. We believe that with all efforts combined together, most of our IDP wish list needs will be realized.

We appeal for mutual cooperation and working together among our communities so that the Ward-Based Development Strategy achieves its intended objectives. This cooperation will accelerate our vision of making this municipality a Model City and Centre of Excellence.

We reaffirm our commitment of turning Bethal into a Tourism and Cultural hub, Secunda as our Industrial hub, Evander as our Training and Educational hub and Leandra as our Storage hub. It is in this spirit that we invite our people to join hands with us as we navigate this mission of bringing real change in all our lives as proud residents of this beautiful municipality correctly named after ISITHWALANDWE Dr Govan Mbeki.

**EXECUTIVE MAYOR, MRS LL MASINA**

## FOREWORD OF THE MUNICIPAL MANAGER

Since the successful implementation of the IDP and it is subjected to the availability of sufficient financial resources, I would like to urge all citizens to meet their obligations towards the municipality by paying for municipal services.

I wish to highlight some of our recent outstanding achievements as well as some of our short term planned development initiatives/projects which is evident of our commitment and willingness to partner with our community and interest stakeholders to build and maintain our infrastructure, create job opportunities, develop skills and create an environment conducive to local economic development and growth



Despite these successes, the municipality is still confronted with serious challenges which are further exacerbated by the extreme rapid economic changes at the global, regional, national and local levels which require of us to find new ways to sustain our economy, build our society, protect our environment and ultimately to eliminate poverty.

I am, however, confident that Govan Mbeki Municipality is committed and dedicated to meet and overcome the challenges associated with service delivery in our modern local government environment throughout the five year implementation timeframe of this Integrated Development Plan.

I would like to thank the Executive Mayor, Council and Ward Committee Members for their ongoing commitment to the building of a better future for all under difficult circumstances. I want to ensure all citizens that the Municipality will strive towards the successful implementation of this plan to enhance the quality of life for us all.

Lastly I would like to thank the Speaker and the IDP team for their dedication, commitment and hard work for an effective and successful IDP process.

I am proud to present this insightful document to Council for perusal and approval, to the public for scrutiny and comments and to all government sector departments to acquaint themselves with our service delivery backlogs, challenges, special needs and developmental strategies which we without their intervention and cooperation will never be able to overcome and fulfill.

Yours faithfully

MR. M.F Mahlangu  
MUNICIPAL MANAGER

## CHAPTER 1: EXECUTIVE SUMMARY

### 1. INTEGRATED DEVELOPMENT PLANNING DEFINED

Integrated development planning (herein referred to as IDP) is as an mechanism for planning which lies at the centre of the system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, responsive and performance driven in character.

It is important to note that the IDP ensures close co-ordination and integration between projects, programmes and activities, both internally between directorates and externally between stakeholders/vested interest groups and other spheres of government.

The IDP therefore ultimately enhances integrated service delivery and development and promotes sustainable, integrated communities.

This is the **SECOND REVIEW** of the initial Integrated Development Plan (IDP) that was adopted in 2012. The remarkable progress has been made thus far in achieving the development objectives as identified which indicates that this Council is geared and willing to deliver on the socio-economic development initiatives as anticipated.

The IDP allows for synergy between the efforts of all spheres of government to improve the combined developmental impact of the state, translating national, provincial and district objectives into practical interventions within a defined municipal space.

#### 1.1 LEGISLATIVE CONTEXT FOR IDP REVIEW 2014/2015

The IDP process is primarily guided by various legislations, policies and guidelines which have to be carefully considered when the document is compiled. These policies, guidelines and legislation include amongst others the following:

##### 1.1.1 Municipal Systems Act, 32 of 2000

This Act defines integrated development planning as one of the core functions of a municipality in the context of its developmental orientation. The plan should be strategic and inclusive in nature. The plan should link, integrate and coordinate other plans, while taking development proposals into account.

It should be aligned with the municipality's resources and capacity, while forming policy framework on which annual budgets are based. The Integrated Development Plan must be compatible with national and provincial development plans and planning requirements.

##### 1.1.2 Municipal Finance Management Act, 56 of 2003

This Act makes provision for alignment between the IDP and the Municipal Budget. The Service Delivery and Budget Implementation Plan is the mechanism that ensures that the IDP and the Budget are aligned.

### 1.1.3 LG: Municipal Planning and Performance Management Regulations (2001)

These Regulations make provision for the inclusion in the IDP of the following:

- The institutional framework for the implementation of the IDP;
- Investment and development initiatives in the Municipality;
- Key performance indicators and other important statistical information;
- A financial plan; and
- A spatial development framework.

### 1.1.4 Intergovernmental Relations (IGR) Framework Act, 13 of 2005

The Act recognises the importance of local government's full participation in intergovernmental relations, as it is the key site of service delivery and development. Therefore municipal IDP's must interpret national policy into an investment plan for local infrastructure; hence the implementation of the IDP must be supported by appropriate budgetary and resource allocations.

The IDP should reflect the integrated planning and development intent of all spheres of government relevant to a particular municipal geographic space.

The effective implementation of the IDP can only be attained if government across all spheres is committed towards the common goal of rendering quality services; hence the IGR Act seeks to enhance alignment between spheres of government.

## 1.2 MAIN AIM OF 2014/2015 IDP REVIEW

The review process is not tailor-made to completely change or interfere with the fulfilment of the Municipality's long-term development strategies, but rather to reflect on implementation, assessing the municipality's readiness to execute strategy as well as identifying possible challenges and hindrances that might hamper the developmental agenda and how the municipality anticipates overcoming those challenges.

## 1.3 MUNICIPAL MANDATE

To ensure that the GMM is a responsive, efficient, effective and accountable municipality the municipal mandate is guided by powers and functions as per legislation and therefore a mandated but not limited to ensure alignment between national and provincial priorities, policies and strategies (as listed below):

### 1.3.1 POWERS AND FUNCTIONS OF THE MUNICIPALITY

The Minister of Provincial and Local Government has authorised the Govan Mbeki Municipality to perform the functions and exercise the powers stipulated in Local Government **Municipal Structures Act 117 of 1998**, section 84(1)(b) (c) (d) (k) (l)(m) potable water supply systems, bulk supply of electricity, domestic waste-water and sewerage disposal systems, establishment, conduct and control fresh produce markets and abattoirs, establishment and control of cemeteries and crematoria services, promotion of local Tourism.

### 1.3.2 ANC'S 2011 LOCAL GOVERNMENT MANIFESTO

In the 2009 Manifesto, which received the nation's mandate in the 2011 local government elections, the ANC committed itself to continue working together with all South Africans around five priorities:

Creating conditions for an inclusive economy that will reduce unemployment, poverty and inequality and produce decent jobs and sustainable livelihoods;

Access for more and more of our people, especially the youth, to adequate education and training to enable them to participate productively in the economy and society;  
Better quality health care in a system that is accessible to more South Africans, including the introduction of national health insurance;

More and more rural communities benefiting from investments in basic services (water, electricity, sanitation and roads) and empowered to end hunger by productively using the available or redistributed land.

Through rural development we seek to modernise the countryside and bring dignity to rural dwellers; and

Safer communities as serious and priority crimes are reduced, corruption defeated, and our criminal justice system is radically changed.

Local government has a critical role in the implementation of the 2009 Election Manifesto priorities. It is the closest sphere of government to the people and the first point of contact of government with communities.

### 1.3.3 NATIONAL GOVERNMENT'S OUTCOMES-BASED APPROACH TO DELIVERY

National Government has agreed on 12 outcomes as a key focus of work between now and 2014. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers.

Whilst all of the outcomes can to some extent be supported through the work of local government, **Outcome 9** (A responsive, accountable, effective and efficient local government system) and its 7 outputs are specifically directed at local government:

- Output 1: Implement a differentiated approach to municipal financing, planning and support;
- Output 2: Improving access to basic services;
- Output 3: Implementation of the Community Work Programme;
- Output 4: Actions supportive of the human settlement outcome;
- Output 5: Deepen democracy through a refined Ward Committee model;
- Output 6: Administrative and financial capability; and
- Output 7: Single window of coordination.

### 1.3.4 DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS (COGTA) (KEY PERFORMANCE AREAS FOR MUNICIPALITIES)

CoGTA assess the progress made by municipalities against five Key Performance Areas (KPA's) and cross-cutting interventions adopted in the 5-Year Local Government Strategic Agenda. The five KPA's that form the basis of the assessments are:

- Municipal Transformation and Organisational Development;
- Basic Service Delivery;
- Local Economic Development (LED);
- Municipal Financial Viability and Management; and
- Good Governance and Public Participation.

The above allow CoGTA to determine how well each municipality is performing, compare its performance to targeted goals, create measures to improve performance, identify the municipalities that have under-performed and propose remedial action to be taken to improve performance of municipalities.



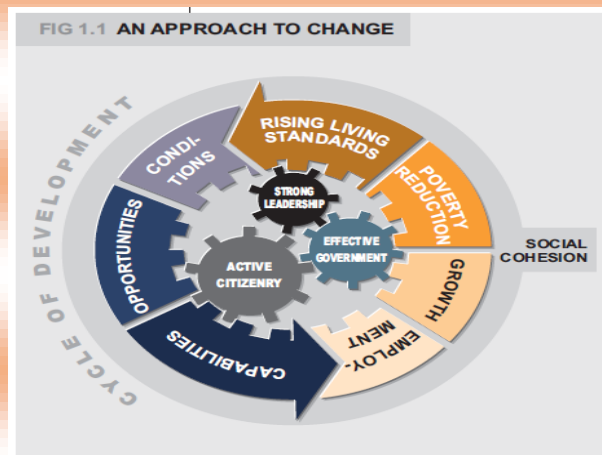
### 1.3.5 THE NEW GROWTH PATH

This National Policy Framework deals specifically with issues such as creating decent work, reducing inequality and defeating poverty through “a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth”. Important and of practical consequence to local government, are the specific job drivers that have been identified:

- Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy;
- Targeting more labour-absorbing activities across the main economic sectors – the agricultural and mining value chains, manufacturing and services;
- Taking advantage of new opportunities in the knowledge and green economies;
- Leveraging social capital in the social economy and the public services; and
- Fostering rural development and regional integration.

### 1.3.6 AN APPROACH TO CHANGE PROPOSED: NATIONAL DEVELOPMENT PLAN (VISION 2030)

- Uniting all South Africans around a common programme to achieve prosperity and equity.
- Promoting active citizenry to strengthen development, democracy and accountability.
- Bringing about faster economic growth, higher investment and greater labour absorption.
- Focusing on key capabilities of people and the state.
- Building a capable and developmental state.
- Encouraging strong leadership throughout society to work together to solve problems



### 1.3.7 MILLENNIUM DEVELOPMENT GOALS

The South African agenda and the objectives set out in its development path embed the objectives of the Millennium Development Goals (MDGs) as listed below:

<b>The Millennium Development Goals</b>	
1. To eradicate extreme poverty and hunger 2. To promote universal primary education 3. To promote gender equality and empower women 4. To reduce child mortality	5. To improve maternal health 6. To combat HIV/AIDS, malaria and other diseases 7. To ensure environmental sustainability 8. To develop a global partnership for the development.



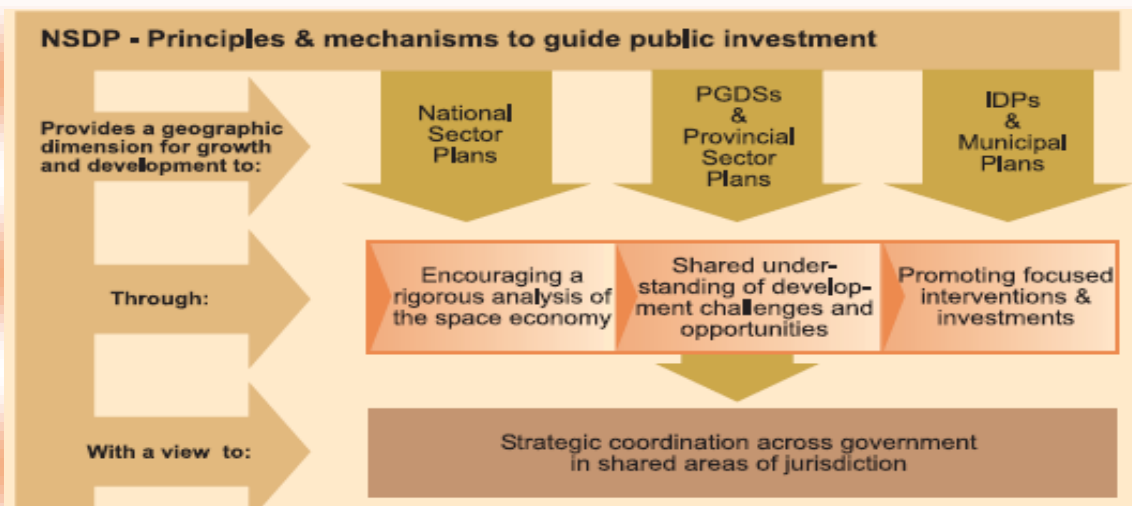
### 1.3.8 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

The National Spatial Development Perspective (NSDP) is a critical instrument for policy coordination, with regard to the spatial implications of infrastructure programmes in national, provincial and local spheres of government.

**The NSDP provides:**

- A set of principles and mechanisms for guiding infrastructure investment and development decisions;
- A description of the spatial manifestations of the main social, economic and environmental trends that should form the basis for a shared understanding of the national space economy; and
- An interpretation of the spatial realities and the implications for government intervention.

The NSDP principles and perspective informing the basis for robust analysis for the three spheres of government are diagrammatically illustrated as follow:



### 1.3.9 HORIZONTAL ALIGNMENT OF MUNICIPAL, PROVINCIAL AND NATIONAL AND STRATEGIC OBJECTIVES

The alignment of the Govan Mbeki Municipal Strategic objectives with the key national, provincial and regional strategies are illustrated in the table below.

HORIZONTAL ALIGNMENT OF MUNICIPAL, PROVINCIAL AND NATIONAL AND STRATEGIC OBJECTIVES

GOVAN MBEKI MUNICIPAL STRATEGIC OBJECTIVES			PROVINCIAL GOVERNMENT MPUMALANGA PROV- (DPLG)STRATEGIC OBJECTIVES	CABINET LEKGOTLA (2010) NATIONAL OUTCOMES	NATIONAL DEVELOPMENT PLAN (VISION 2030)	
MUNICIPAL KEY PERFORMANCE AREAS	STRATEGIC OBJECTIVE	PRE DETERMINED OBJECTIVE (PDO'S)				
<b>KPA 1: Governance and Stakeholder Participation</b>	To ensure good governance and the participation of stakeholders.	<ul style="list-style-type: none"> <li>▪ Promote sound and sustainable governance</li> <li>▪ Pro-actively manage and mitigate risks</li> <li>▪ Review and streamline policies and procedures</li> <li>▪ Review by-laws and enforce</li> <li>▪ Monitor and evaluate performance</li> <li>▪ Improve internal and external communication.</li> </ul>	<b>Key Priority Area 5: Good Governance Strategic Thrust:</b> <ul style="list-style-type: none"> <li>▪ Enhance and develop the institutional capacity of the public sector to ensure effective and efficient service delivery</li> <li>▪ Promote and enhance cooperative governance for integrated service delivery</li> <li>▪ Promote a culture of accountability and transparency in the public sector</li> <li>▪ Improve integrated service delivery through innovative and proactive practices</li> <li>▪ Strengthening of social partnerships and community participation in development and service delivery</li> </ul>	<b>Outcome 12</b> An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.	<b>ROLE OF MUNICIPALITY</b> <ul style="list-style-type: none"> <li>▪ Continue to develop performance monitoring and management systems</li> <li>▪ Comply with legal financial reporting requirements</li> <li>▪ Review municipal expenditures to eliminate wastage</li> <li>▪ Ensure councils behave in ways to restore community trust in local government</li> </ul>	<b>BUILD A CAPABLE STATE</b> <ul style="list-style-type: none"> <li>▪ Fix the relationship between political parties and government officials</li> <li>▪ Make the public service a career of choice</li> <li>▪ Improve relations between national, provincial and local government</li> <li>▪ Boost state-owned enterprises to help build the country</li> <li>▪ Professionalise the police and criminal justice system</li> </ul>
<b>KPA 2: Physical Infrastructure and Energy Efficiency</b>	To ensure appropriately serviced, well maintained physical infrastructure and the efficient use of energy.	<ul style="list-style-type: none"> <li>▪ Improve energy efficiency</li> <li>▪ Plan, construct and maintain roads and stormwater</li> <li>▪ Plan, construct and maintain water and sanitation</li> <li>▪ Plan, construct and maintain waste infrastructure</li> <li>▪ Plan, construct and maintain public facilities</li> </ul>	<b>Key Priority Area 2: Development Infrastructure Strategic Thrust:</b> <ul style="list-style-type: none"> <li>▪ The development of multi-faceted infrastructure to address basic needs and improve the quality of life</li> </ul>	<b>OUTCOME 6</b> An efficient, competitive and responsive economic infrastructure network.	<b>ROLE OF MUNICIPALITY</b> <ul style="list-style-type: none"> <li>▪ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services</li> <li>▪ Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport</li> </ul>	<b>EXPAND INFRASTRUCTURE</b> <ul style="list-style-type: none"> <li>▪ Enable exploratory drilling to see whether there are viable coal seam and shale gas reserves, while investigations continue to make sure that operations do not damage the environment</li> <li>▪ Move Eskom's system operator, planning, power procurement, power</li> </ul>

					<ul style="list-style-type: none"> <li>▪ Maintain and expand water purification works and waste water treatment works in line with growing demand</li> <li>▪ Cities to prepare to receive the devolved public transport function.</li> <li>▪ Improve maintenance of municipal road networks</li> </ul>	<p>purchasing and power contracting functions to the independent system and market operator</p> <ul style="list-style-type: none"> <li>▪ Closely regulate the electricity maintenance plans of large cities</li> <li>▪ Set up an investment programme for water resource development, bulk water supply and wastewater management this year, with reviews every five years</li> <li>▪ Improve and cut the cost of internet broadband by changing the regulatory framework</li> </ul>
<b>KPA 3: Services and Customer Care</b>	To provide sustainable and affordable services and effective customer care.	<ul style="list-style-type: none"> <li>▪ Provide sustainable, reliable, affordable water, sanitation services to all</li> <li>▪ Provide sustainable, reliable, affordable electricity to all residents</li> <li>▪ Provide sustainable, reliable, affordable waste disposal to all residents</li> <li>▪ Develop, implement maintain sound relations with all customers</li> <li>▪ Ensure access to safe and affordable public transport</li> <li>▪ Develop, implement a branding plan</li> <li>▪ Develop effective efficient building plan development application</li> </ul>	<p><b>Key Priority Area 2: Development Infrastructure</b></p> <p><b>Strategic Thrust:</b></p> <ul style="list-style-type: none"> <li>▪ The development of multi-faceted infrastructure to address basic needs and improve the quality of life</li> </ul>	<p><b>OUTCOME 6</b> An efficient, competitive and responsive economic infrastructure network.</p> <p><b>OUTCOME 2</b> A long and healthy life for all South Africans</p>	<p><b>ROLE OF MUNICIPALITY</b></p> <ul style="list-style-type: none"> <li>▪ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services</li> <li>▪ Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport</li> <li>▪ Maintain and expand water purification works and waste water treatment works in line with growing demand</li> <li>▪ Cities to prepare to receive the devolved public transport function.</li> <li>▪ Improve maintenance of municipal road networks</li> <li>▪ Continue to improve community health service infrastructure by providing clean water, sanitation and waste removal services</li> </ul>	<p><b>EXPAND INFRASTRUCTURE</b></p> <ul style="list-style-type: none"> <li>▪ Enable exploratory drilling to see whether there are viable coal seam and shale gas reserves, while investigations continue to make sure that operations do not damage the environment</li> <li>▪ Move Eskom's system operator, planning, power procurement, power purchasing and power contracting functions to the independent system and market operator</li> <li>▪ Closely regulate the electricity maintenance plans of large cities</li> <li>▪ Set up an investment programme for water resource development, bulk water supply and wastewater management this year, with reviews every five years</li> <li>▪ Fix and build transport links, in these key areas:</li> <li>▪ Expand the coal, iron ore and manganese lines. Build the N2 road through the</li> </ul>

						<ul style="list-style-type: none"> <li>Eastern Cape</li> <li>Improve and cut the cost of internet broadband by changing the regulatory framework</li> </ul>
<b>KPA 4: Economic Growth and Development</b>	To facilitate economic growth and development.	<ul style="list-style-type: none"> <li>To plan, execute enterprise development</li> <li>To plan, execute tourism enhancement</li> <li>To plan execute green economy projects</li> <li>To plan, execute skills development</li> <li>To plan, execute rural and agricultural</li> <li>To plan, execute urban renewal projects</li> <li>To plan, execute rural agricultural development</li> </ul>	<b>Key Priority Area 1: Economic Development</b> <b>Strategic Thrust:</b> <ul style="list-style-type: none"> <li>Enhance Provincial economic development to improve the quality of life for all</li> </ul>	<b>OUTCOME 4</b> Decent employment through inclusive economic growth	<b>ROLE OF MUNICIPALITY</b> <ul style="list-style-type: none"> <li>Create an enabling environment for investment by streamlining planning application processes</li> <li>Ensure proper maintenance and rehabilitation of essential services infrastructure</li> <li>Ensure proper implementation of the EPWP</li> <li>Design service delivery processes to be labour intensive</li> <li>Improve procurement systems to eliminate corruption and ensure value for money</li> <li>Utilise community structures to provide service</li> </ul>	<b>CREATE JOBS</b> <ul style="list-style-type: none"> <li>Create 11 million more jobs by 2030 and Expand the public works programme</li> <li>Lower the cost of doing business and costs for households</li> <li>Help match unemployed workers to jobs</li> <li>Provide tax subsidy to businesses to reduce cost of hiring young people</li> <li>Help employers and unions agree on starting salaries</li> <li>Make it possible for very skilled immigrants to work in South Africa</li> <li>Make sure that probationary periods are managed properly</li> <li>Simplify dismissal procedures for performance or misconduct</li> <li>Take managers earning above R300, 000 out of the CCMA process</li> <li>Reward the setting up of new businesses, including partnering with companies</li> <li>Increase value for money for tourists by selling regional packages that meet all pocket sizes. Consider a single visa for SADC visitors</li> <li>Deal with confusion over policies to do with transport, water, energy, labour and communications</li> </ul>

<p><b>KPA 5: Safety and Environment</b></p>	<p>To ensure safety within the community as well as a healthy and protected environment</p>	<ul style="list-style-type: none"> <li>▪ Ensure a safe secure environment</li> <li>▪ Ensure a sustainable environment</li> <li>▪ Review, implement the disaster management</li> <li>▪ Provide reliable emergency services to all residents</li> <li>▪ Ensure effective efficient traffic control , law</li> <li>▪ Provide well-maintained parks, open spaces</li> </ul>	<p><b>Key Priority Area 3: Social Development</b>  <b>Strategic Thrust:</b></p> <ul style="list-style-type: none"> <li>▪ Attain high levels of social development that will ensure a well educated citizenry that is healthy, safe and has access to sufficient recreational facilities</li> </ul> <p><b>Key Priority Area 4: Sustainable Environmental Development</b>  <b>Strategic Thrust:</b></p> <ul style="list-style-type: none"> <li>▪ To ensure sustainable development and environmental management</li> </ul>	<p><b>Outcome 3</b>  All people in South Africa are and feel safe.  <b>OUTCOME10</b>  Environmental assets and natural resources that is well protected and continually enhanced.</p>	<p><b>ROLE OF MUNICIPALITY</b></p> <ul style="list-style-type: none"> <li>▪ Facilitate the development of safer communities through better planning and enforcement of municipal by-laws</li> <li>▪ Direct the traffic control function towards policing</li> <li>▪ high risk violations – rather than revenue collection</li> <li>▪ Metro police services should contribute by:</li> <li>▪ Increasing police personnel and improving collaboration with SAPS</li> <li>▪ Ensuring rapid response to reported crimes</li> </ul> <p><b>ROLE OF MUNICIPALITY</b></p> <ul style="list-style-type: none"> <li>▪ Develop and implement water management plans to reduce water losses</li> <li>▪ Ensure effective maintenance and rehabilitation of infrastructure</li> <li>▪ Run water and electricity saving awareness campaigns</li> <li>▪ Ensure proper management of municipal commonage and open spaces</li> <li>▪</li> </ul>	<p><b>BUILD A CAPABLE STATE</b></p> <ul style="list-style-type: none"> <li>▪ Fix the relationship between political parties and government officials</li> <li>▪ Make the public service a career of choice</li> <li>▪ Improve relations between national, provincial and local government</li> <li>▪ Boost state-owned enterprises to help build the country</li> <li>▪ Professionalise the police and criminal justice system</li> </ul> <p><b>TRANSITION TO A LOW-CARBON ECONOMY</b></p> <ul style="list-style-type: none"> <li>▪ Speed up and expand renewable energy and waste recycling, and ensure buildings meet energy-efficient standards</li> <li>▪ Set a target of five million solar water heaters by 2030</li> <li>▪ Introduce a carbon tax</li> <li>▪ Scale up investments and research and development for new technologies</li> </ul>
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<p><b>KPA 6: Social and Community Development</b></p>	<p>To facilitate social and community development.</p>	<ul style="list-style-type: none"> <li>▪ Develop integrated, sustainable human settlements</li> <li>▪ Promote, develop sport, recreation</li> <li>▪ Develop, conserve protect craft culture</li> <li>▪ Ensure an effective and efficient library service</li> <li>▪ Plan, construct, and maintain cemeteries</li> </ul>	<p><b>Key Priority Area 3: Social Development Strategic Thrust:</b></p> <ul style="list-style-type: none"> <li>▪ Attain high levels of social development that will ensure a well educated citizenry that is healthy, safe and has access to sufficient recreational facilities</li> </ul>	<p><b>OUTCOME 8</b> Sustainable human settlements and improved quality of household life</p> <p><b>OUTCOME 6</b> An efficient, competitive and responsive economic infrastructure network.</p>	<p><b>ROLE OF MUNICIPALITY</b></p> <ul style="list-style-type: none"> <li>▪ Cities must prepare to be accredited for the housing function</li> <li>▪ Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements</li> <li>▪ Participate in the identification of suitable land for social housing</li> <li>▪ Ensure capital budgets are appropriately prioritised to maintain and extend existing services.</li> </ul> <p><b>ROLE OF MUNICIPALITY</b></p> <ul style="list-style-type: none"> <li>▪ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services</li> <li>▪ Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport</li> <li>▪ Maintain and expand water purification works and waste water treatment works in line with growing demand</li> <li>▪ Cities to prepare to receive the devolved public transport function.</li> <li>▪ Improve maintenance of municipal road networks</li> </ul>	<p><b>TRANSFORM URBAN AND RURAL SPACES</b></p> <ul style="list-style-type: none"> <li>▪ Stop building houses on poorly located land and shift more resources to upgrading informal settlements, provided that they are in areas close to jobs</li> <li>▪ Improve public transport</li> <li>▪ Give businesses incentives to move jobs to townships</li> <li>▪ Fix the gap in the housing market by combining what banks have to offer with subsidies as well as employer housing schemes</li> <li>▪ Give communal farmers, especially women, security of tenure</li> <li>▪ Put money into irrigation in Makatini Flats and Umzimvubu River Basin</li> </ul> <p><b>EXPAND INFRASTRUCTURE</b></p> <ul style="list-style-type: none"> <li>▪ Enable exploratory drilling to see whether there are viable coal seam and shale gas reserves, while investigations continue to make sure that operations do not damage the environment</li> <li>▪ Move Eskom's system operator, planning, power procurement, power purchasing and power contracting functions to the independent system and market operator</li> <li>▪ Closely regulate the electricity maintenance plans of large cities</li> <li>▪ Set up an investment programme for water resource development, bulk water supply and wastewater management this year, with reviews</li> </ul>
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every five years  
Improve and cut the cost of internet broadband by changing the regulatory framework

<p><b>KPA 7: Institutional Transformation</b></p>	<p>To ensure institutional transformation.</p>	<ul style="list-style-type: none"> <li>▪ Assess, review, and address the human capital and skills</li> <li>▪ Establish an effective, efficient PMU , develop PM skills</li> <li>▪ Develop, implement an effective, efficient PMS</li> <li>▪ Review processes procedures for effective IT service</li> <li>▪ Review processes procedures - effective service</li> <li>▪ Review, provide the required municipal facilities</li> <li>▪ Review, plan provide for the required equipment vehicle</li> </ul>	<p><b>Key Priority Area 6: Human Resource Development</b> <b>Strategic Thrust:</b></p> <ul style="list-style-type: none"> <li>▪ Invest in people’s skills to promote service delivery economic growth and development</li> <li>▪ To position higher education institutions to meet the skills demand of the Province</li> <li>▪ Improve access to and ensure quality education</li> </ul>	<p><b>OUTCOME 5</b> A skilled and capable workforce to support an inclusive growth path.</p>	<p><b>ROLE OF MUNICIPALITY</b></p> <ul style="list-style-type: none"> <li>▪ Develop and extend intern and work experience programmes in municipalities</li> <li>▪ Link municipal procurement to skills development initiatives</li> </ul>	<p><b>TRANSFORMATION AND UNITY</b></p> <ul style="list-style-type: none"> <li>▪ The Bill of Responsibility, developed by the Department of Basic Education and others, should be popularised and used as a pledge by all South Africans to live the values of the Constitution</li> <li>▪ Encourage all South Africans to learn at least one African language</li> <li>▪ Employment equity and other redress measures should continue and be made more effective.</li> </ul>
<p><b>KPA 8: Financial Sustainability</b></p>	<p>To ensure financial sustainability.</p>	<ul style="list-style-type: none"> <li>▪ To protect and enhance revenue</li> <li>▪ To reduce operational expenditure</li> <li>▪ Ensure sound asset management.</li> <li>▪ Ensure value-for-money capital expenditure</li> <li>▪ Review and streamline SCM processes</li> <li>▪ Develop and implement a funding model.</li> </ul>	<p><b>Key Priority Area 5: Good Governance</b> <b>Strategic Thrust:</b></p> <ul style="list-style-type: none"> <li>▪ Enhance and develop the institutional capacity of the public sector to ensure effective and efficient service delivery</li> <li>▪ Promote and enhance cooperative governance for integrated service delivery</li> <li>▪ Promote a culture of accountability and transparency in the public sector</li> <li>▪ Improve integrated service delivery through innovative and proactive practices</li> <li>▪ Strengthening of social partnerships and community participation in development and service delivery</li> </ul>	<p><b>OUTCOME 9</b> Response and accountable, effective and efficient local government system</p>	<p><b>ROLE OF MUNICIPALITY</b></p> <ul style="list-style-type: none"> <li>▪ Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality</li> <li>▪ Implement the community work programme</li> <li>▪ Ensure ward committees are representative and fully involved in the municipality’s community consultation processes</li> <li>▪ Improve municipal financial and administrative capacity by implementing competency norms and standards and acting against incompetence and corruption</li> </ul>	<p><b>FIGHT CORRUPTION</b></p> <ul style="list-style-type: none"> <li>▪ Centralise the awarding of large tenders or tenders that run for a long time</li> <li>▪ Take political and legal steps to stop political interference in agencies fighting corruption</li> <li>▪ Set up dedicated prosecution teams, specialist courts and judges</li> </ul>

### 1.3.7 MEC COMMENTS

This IDP review also highly valued the MEC comments as submitted on the 2013-2014 reviewed IDP as serious and therefore strive to improve on the comments received from the MEC of Local Government to ensure that a credible document is present and prescribed as per Section 32 of the Municipal Systems Act (Act 32 of 2000) which compels municipalities to submit a copy of their Integrated Development Plan (IDP) to the MEC for Local Government to assess its credibility.

The observations and comments received from the MEC for Local Government on Govan Mbeki Municipality are reflected below and progress thereof given by the municipality are listed.

KPA	KEY OBSERVATION/ AREAS OF IMPROVEMENT AND RECOMMENDATIONS	PROGRESS
<b>SPATIAL RATIONALE</b>	❖ A clear description of the municipality's understanding of its spatial challenges and opportunities is not well articulated in the IDP. A concise understanding is only in the SDF.	SDF has been revised and approved by council and attached as an annexure towards IDP
	❖ Linkage between IDP, SDF, Sector plans and projects still needs to be strengthened	To be included as part of final IDP
<b>SERVICE DELIVERY</b>	❖ The IDP does not include the community needs raised per service delivery issue in each of its wards to reflect ownership of development by communities.	A reflection of the Community needs are captured in this review IDP of 2014-2015
	❖ The status quo of applicable plans is not indicated in the IDP, ie WSDP, Energy, Road & Storm Water, IWWP Master plans for the long term planning requirements of the municipality	The status quo of applicable plans are indicated in the review IDP of 2014-2015

<b>LOCAL ECONOMIC DEVELOPMENT</b>	❖ There is a LED strategy, but it is not being implemented.	LED strategy in process to be revised within the financial year 2014-2015
	❖ The IDP does not clearly articulate the municipality's objectives and strategies to tackling its socio-economic challenges such as poverty, unemployment, inequality, rural development and skill shortages.	The municipal Strategic objectives and pre-determined objectives are reflected in the IDP
	❖ EPWP targets are not included in the IDP	The total of job creation through EPWP are reflected
<b>GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>	❖ The municipality does not reflect whether the municipality has full understanding of its governance and participation status quo, mechanisms for participation and role played by communities in the development planning process are reflected such as ward committees.	The municipality reflect its full understanding of its governance and participation status quo as contained in the IDP 2014-2015
	❖ No oversight functions and issues raised by communities not reflected to give meaning to their influence on decision making.	To be included as part of final IDP
	❖ No adequate strategies identified to promote both good governance and public participation, except for an attached risk management register.	To be included as part of final IDP

	❖ The IDP should take into consideration the impact of the IDP in its responsiveness and actual alignment to the 12 Development outcomes, The National Development plan, the National Growth Path and Provincial plans and policies binding the municipality together	Alignment are reflected
<b>FINANCIAL VIABILITY</b>	❖ The five year plan is incorporated in the IDP, but no thorough analysis on the financial challenges experienced by the municipality.	The financial plan is incorporated and reflect on financial matters
	❖ Aimer audit opinion for the Auditor General, such situation is not acknowledge by the municipality and action plan to deal with issues raised by the AG is not incorporated.	To be included as part of final IDP
<b>MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>	❖ A broad complement of the organogram reflecting all positions and vacancy rate especially critical posts are not in the IDP to indicate the capacity and constraints in the implementation of the strategy.	The organogram reflecting all positions are included in the IDP
	❖ The powers and functions that the municipality must perform in terms of Constitutional obligations are not acknowledge in the IDP.	The powers and functions that the municipality must perform in terms of Constitutional obligations are reflected
	❖ The SWOT analysis of the municipality is not reflected in the reviewed IDP	SWOT analysis included
<b>DISASTER MANAGEMENT</b>	❖ There is an understanding of the municipal legislative mandate and status quo in the IDP, however it is not thorough in elaborating the readiness/ preparedness of lack thereof by the municipality in dealing with disastrous situations rigorously.	Concluded as part of IDP

## CHAPTER 2: SITUATIONAL ANALYSIS

### 2 INTRODUCTION





This chapter seeks to provide an indication of the status-quo of Govan Mbeki Municipality (GMM) in terms of the demographic, local economic and socio-economic aspects of the municipality.

The situational analysis and statistics indicate the developmental challenges facing Govan Mbeki Municipal area as it will also shed light on provincial, district and local service delivery priorities and

The aim of a situation analysis study is to provide the municipality and its social partners with deep insight into local socio-economic trends and how they impact on development identify the major strengths and weaknesses of the geographical area as well as ascertaining the available information and current development initiatives being undertaken.

The SWOT Analysis intent to outline the major strengths and weaknesses, opportunities and threats within the municipal geographical region

### SWOT ANALYSIS

INTERNAL FACTORS	 <b>STRENGTHS</b>	<b>WEAKNESSES</b> 
	<ul style="list-style-type: none"> <li>• Relatively low crime rate</li> <li>• Close Proximity to airport and National Road</li> <li>• Petro-Chemical and synthetic fuels plant</li> <li>• Moderate climate</li> <li>• Good tourism potential</li> <li>• Good infrastructure</li> <li>• Good sports facilities</li> <li>• Good medical facilities</li> <li>• Good schools</li> <li>• Stable Political Environment</li> <li>• Functioning of Ward Committees</li> <li>• Good Public Participation track record</li> <li>• Rail Network</li> <li>• Mining Area</li> <li>• University /satellite campus</li> </ul>	<ul style="list-style-type: none"> <li>• Rural areas and some poor communities still have gravel roads</li> <li>• Some roads not in good condition; potholes</li> <li>• Inadequate storm water drainage in some areas;</li> <li>• Frequent sewerage blockages</li> <li>• Ageing electricity infrastructure</li> <li>• Pressure on energy sources</li> <li>• Lack of available land for Integrated Human Settlements</li> <li>• Backyard dwellers / Housing shortage</li> <li>• Relatively far from major ports (Durban/Richards Bay/Maputo)</li> <li>• Growing Informal Settlements</li> </ul>
EXTERNAL FACTORS	 <b>OPPORTUNITIES</b>	<b>THREATS</b> 
	<ul style="list-style-type: none"> <li>• Many development opportunities</li> <li>• Marathon Activities</li> <li>• Institutionalisation of Annual Cultural and Sport Events</li> <li>• Capitalising on the Extended Public Works Programme</li> <li>• SMME Development</li> </ul>	<ul style="list-style-type: none"> <li>• Eskom Price increases</li> <li>• Increase in crime</li> <li>• HIV/AIDS</li> <li>• Unemployment and Poverty</li> <li>• Government Grant Dependency Increasing</li> <li>• Climate change, Air pollution, Droughts</li> <li>• Water shortage</li> <li>• Limited lifespan of mines</li> <li>• Increasing population (informal settlements, pressure on housing, unemployment, infrastructure and municipal services)</li> <li>• Decline of central business district</li> <li>• Immigration from other provinces</li> <li>• Illegal occupying of Municipal Land (Squatting)</li> <li>• Non affordability of Houses influences the attracting of suitable candidates</li> </ul>

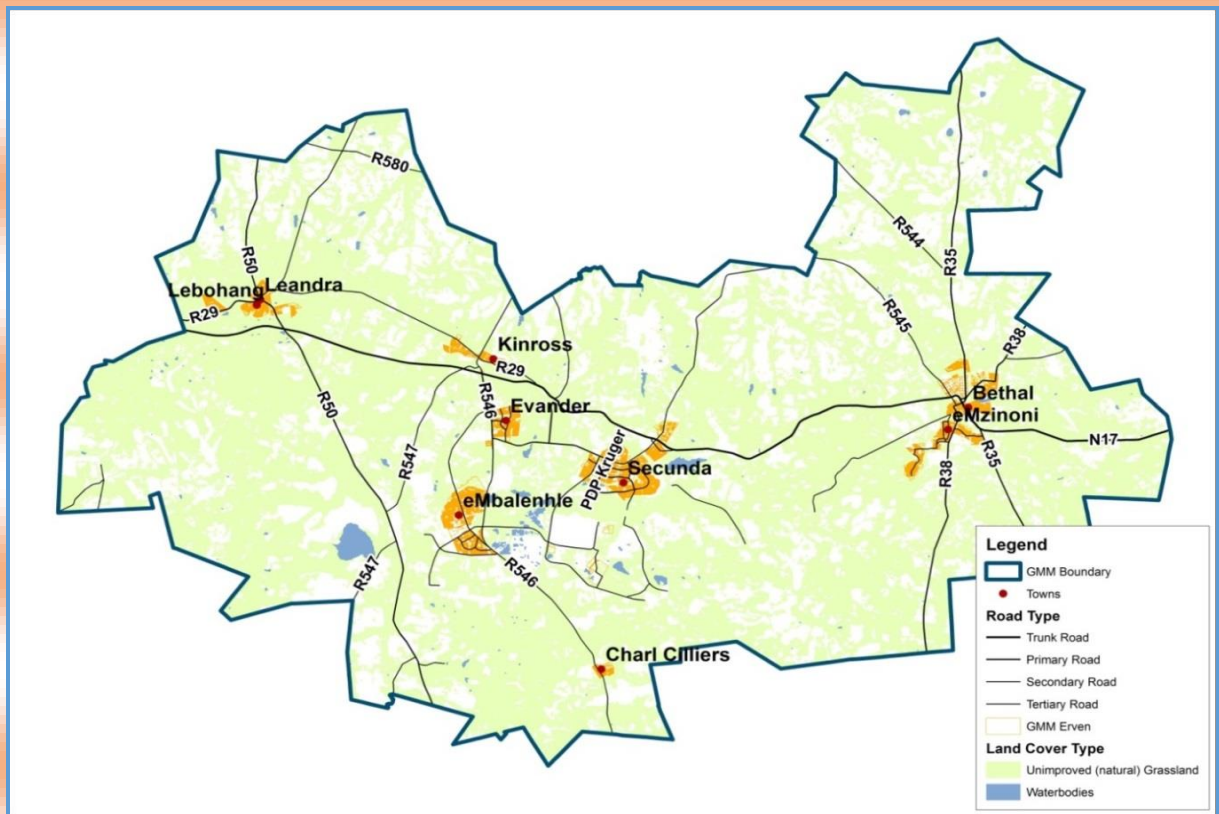


## 2.1 GEOGRAPHIC CONTEXT

The Govan Mbeki Municipality is located within the south-west of the Mpumalanga Province, 100km east of Johannesburg and 300km west of Nelspruit. Its strategic location is enhanced by the Gauteng/Richards Bay Corridor, the freight railway lines and the national roads (particularly the N17 highway) which link it to prominent economic hubs.

The municipality falls within the Gert Sibande District Municipality (GSDM) and comprises 32 electoral wards which cover an area of 2 958m<sup>2</sup>. Figure 1 below provides a graphic representation of the Govan Mbeki municipal jurisdiction and physical boundaries.

**Figure 2.1: The Govan Mbeki Municipality municipal jurisdiction and physical boundaries**



### 2.1.1 SOCIO-ECONOMIC OVERVIEW MUNICIPAL CONTEXT

To be able to understand the socio-economic situation of the Govan Mbeki LM, one must consider the factors which impact on the area from a historical and current perspective.

This provides a holistic picture of the components contained within the area, as well as those components within the broader district and provincial contexts. By considering these factors, the development path for the Govan Mbeki LM can be determined.

This analysis offers an in-depth outline of the growing trends and overall socio-economic environment of the area. It also provides an understanding of the distribution of population throughout the municipal area, the areas where poverty is concentrated, and average densities. The table below is a summary of the demographic situation within GMM by providing the population distribution.

**Table 2.1: Population Distribution of Govan Mbeki Municipality**

Population Distribution	Govan Mbeki LM	
	2001	2011
<b>Year</b>	<b>2001</b>	<b>2011</b>
<b>Total Population</b>	221748	294513
<b>Male</b>	51%	52%
<b>Female</b>	49%	48%
<b>Population Growth</b>	72765	
<b>Percentage Growth</b>	33%	

(Source: Stats SA: Census 2011)

The main economic attraction towards GMM is the dominant presence of mining and manufacturing activities. From the table below it is clear that the mining sector (39%) and manufacturing sector (24%) contributes the most in terms of GDP, and as a result the economy is concentrated with a Tress of 62.5. The table below is an indication of each sector's GDPR contribution for the Govan Mbeki LM, the sector share it has in the total economy and the rank of the sector in the economy according to the Tress Index.

Table 2.2 below reveals that the population distribution within the GMM has grown by 33% from 2001 to 2011. Since 2001, males have been the dominant gender of the population in the municipality.

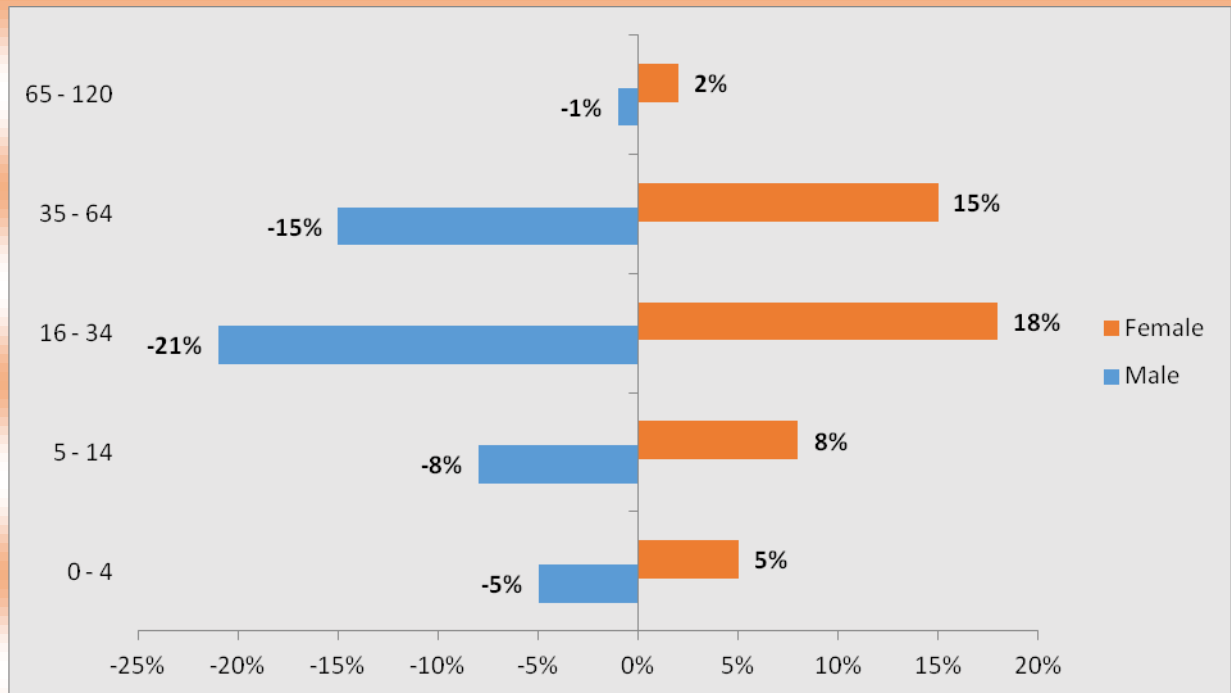
**Table 2.2: Population Distribution**

Population Distribution	Govan Mbeki LM	
Year	2001	2011
Total Population	221748	294513
Male	51%	52%
Female	49%	48%
Population Growth	72765	
Percentage Growth	33%	

(Source: Stats SA: Census 2011)

The figure below shows the gender distribution for the GMM, based on the differentiation between male and female according to age groups.

**Figure 2.2 : Age and Gender Distribution**



(Source: Stats SA: Census 2011)

The gender distribution for GMM is predominantly evenly spread out with males (52%) dominating females (48%). From Figure 2.4 above it is evident that the split between males and females across all level of age groups is fairly equal, with a slight one or two percent difference. It is further evident that the largest proportion of the population does fall within the economically active age groups.

Table 2.3 below shows the racial composition within GMM. The dominating racial group within the population in Govan Mbeki LM is the Black African group, with a majority share of 81% of all residents.

**Table 2.3 Population by Race Group**

Race Group	Percentage Distribution
<b>Black African</b>	81%
<b>Coloured</b>	2%
<b>Indian or Asian</b>	1%
<b>White</b>	16%
<b>Other</b>	0%
<b>Total</b>	<b>100%</b>

(Source: Stats SA: Census 2011)

The figure below shows the composition of the age groups between 0 and 14, 15 to 64 and persons 65 and older. The 0 to 14 age group provides an indication of those persons still dependent on their parents and that are thus not economically active, whilst the 15 to 64 year age group shows persons potentially economically active within the population. The 65 year and older age group gives an indication of persons that have retired and are elderly and potentially no longer economically active.

**Table 2.4: Age Distribution**

Age Group	Percentage Distribution
<b>0 - 14</b>	27%
<b>15 - 64</b>	69%
<b>65 - 120</b>	4%

(Source: Stats SA: Census 2011)

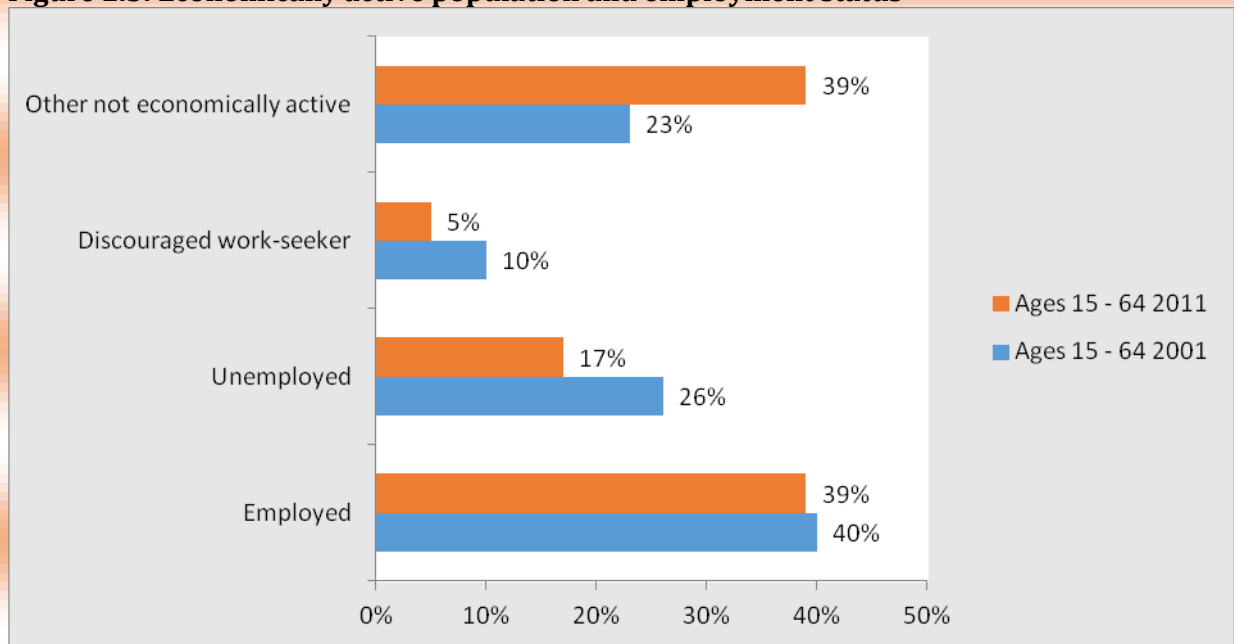
The above figure shows that within the three age group clusters, the economically active population (15-64) is the most dominant with 69% of the entire population falling under that age group. The large economically active proportion of the municipality indicates that a large human resource exists which can be assisted by the establishment of development projects.

In the same light, the 27% of the youth component of the population (0-14) indicates the need to focus on youth development initiatives. The area has a 4% share of persons above the age of 64 years. This reveals that the claim is still laid on the provision of services to the elderly but is significantly smaller in comparison to the other age groups.

StatsSA has defined an economically active person as one who is available for work and is aged between 15 and 65 years of age, regardless of whether that person is employed or not. In conjunction to the previously stated, an employed person is defined as one who works for remuneration, profit or family gain and includes employers, employees as well as those who are self-employed or a working family member and includes the formal and informal sector.

The figure below provides an indication of the proportion of economically active persons and the employment status of these persons within Govan Mbeki in 2001 and 2011.

**Figure 2.3: Economically active population and employment status**



**(Source: Stats SA: Census 2011)**

To assist in understanding the employment and unemployment within Govan Mbeki LM, a comparison is drawn between the labour force participation rate, and the employment and unemployment of the economically active population. The labour force participation rate (LFPR) is defined by Statistics South Africa (2010) as the proportion of the working-age population that is either employed or unemployed.

The Govan Mbeki LM had a LFPR of 66%, in 2001 which decreased by 10% in the year 2011 to 56%.

Of the economically active population, the statistics for employed persons were 40% in 2001 and 39% in 2011. It is also revealed that the percentage of the non-active population group increased by 16% from 2001 to 2011. These statistics show a decrease in the activeness of the municipality’s labour force. This could be because of the general ill-health of the population, the high population growth rate and/or the lack of skilled workers in the area.

### 2.1.2 SOCIO-ECONOMIC ASPECTS

To be able to understand the socio-economic reality of the Govan Mbeki Municipality, one must consider the factors which impact on the area from a historical and current perspective. This provides a holistic picture of the components contained within the area, as well as those components within the broader district and provincial contexts. By considering these factors, the development path for the Govan Mbeki LM can be determined.

Table 2.5 below provides an illustration of the distribution of annual household's income within GMM.

As discussed above, 40% of the economically active persons within the GMM are employed. When taking this into consideration with the information provided in the table below, the majority of employed persons in the municipality earn a low income.

This is illustrated by the fact that 17% of the employed population in GMM earn an annual salary of between R9 601 and R19 600, whilst 4% earn between R1 and R4 800 and 7% earn between R4 801 and R9 600. Further, 19% of the employed population earn an annual salary between R19 201 and R38 400.

Approximately 62% of the employed population earn a salary between R1 and R38 400 annually, which sets the basis for a low paid labour force and high poverty rates in GMM. A quarter (15%) of the economically active population has no income.

**Table 2.5: Percentage distribution of annual household income, 2011**

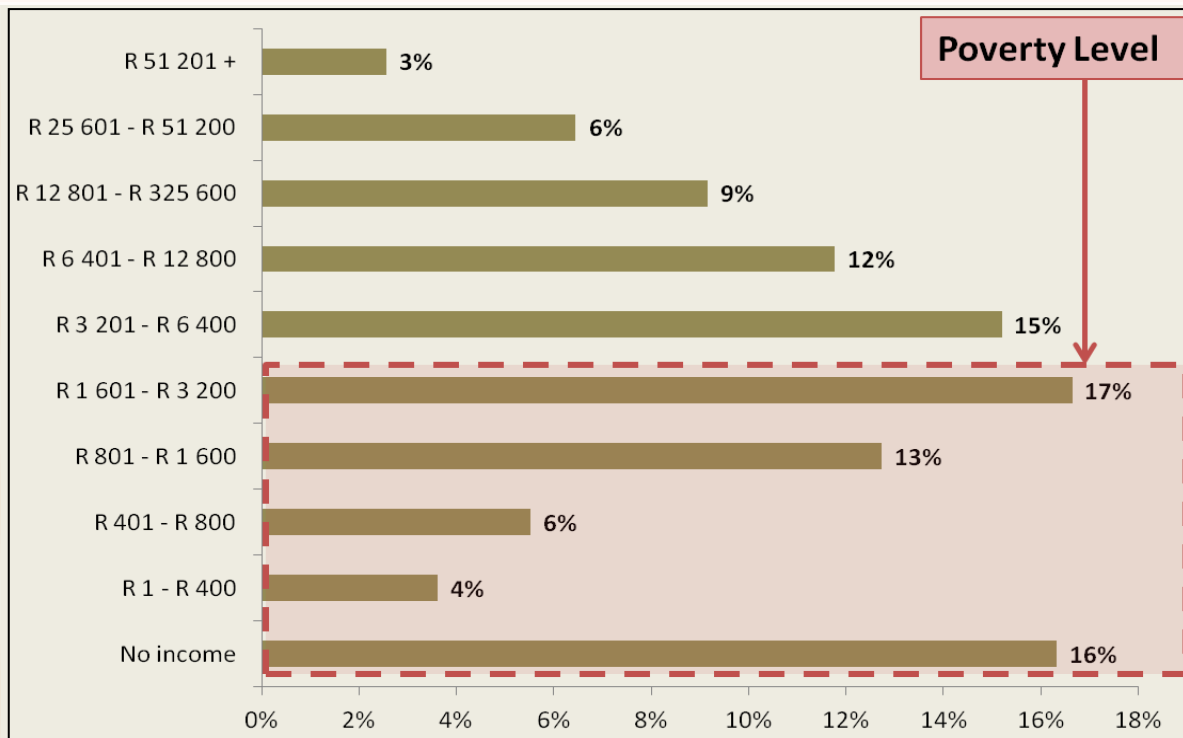
<b>Income</b>	<b>Percentage Distribution</b>
<b>No income</b>	15%
<b>R 1 - R 4800</b>	4%
<b>R 4801 - R 9600</b>	7%
<b>R 9601 - R 19 600</b>	17%
<b>R 19 601 - R 38 200</b>	19%
<b>R 38 201 - R 76 400</b>	13%
<b>R 76 401 - R 153 800</b>	9%
<b>R 153 801 or more</b>	15%
<b>Total</b>	<b>100%</b>

(Source: Stats SA: Census 2011)

Figure 2.4 below illustrates the distribution of average monthly household income within the GMM. Households in this instance can be classified as poor, when their average monthly household income equates to anything between the margins of no income to R3 200 per month. Of the total number of households within Govan Mbeki LM, 56% fall within the poverty range.

This poses significant challenges when related to the quality of life of these households, not being able to afford school fees, lack of medical care, lack of food and lack of services.

**Figure 2.4: Poverty Level with regards to Households monthly income distribution in the Govan Mbeki LM**



(Source: Stats SA: Census 2011)

Figure 2.5 below is an indication of the education levels of persons 20 years of age and higher within the Govan Mbeki LM.

Within the primary education level, 14% of the population enrolled but only 4% of the population completed this phase.

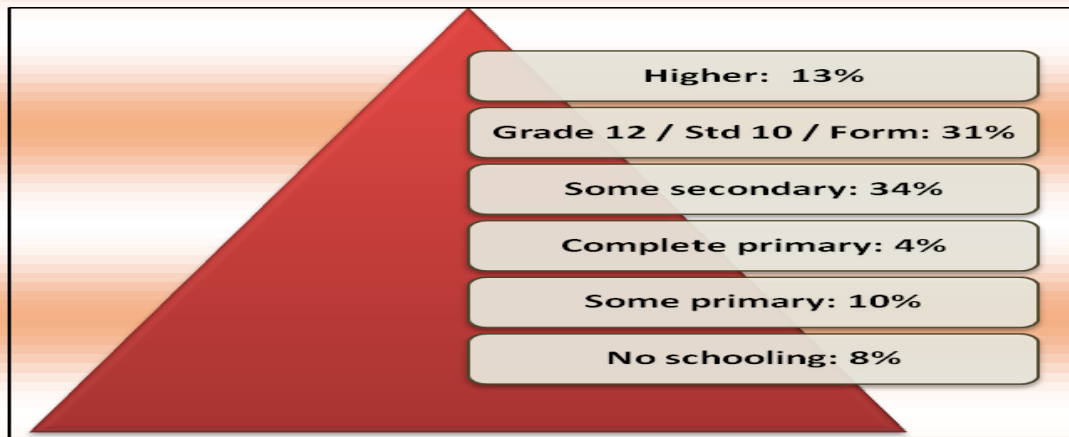
This poses the situation that more people enrolled in basic education activities to achieve higher levels of literacy and competence but were not able to complete due to overcrowding in schools, lack of proper schooling facilities and the uneven ratio between teacher and students at the schools.

The Govan Mbeki LM has shown that at secondary level, 34% of persons in the municipality have gained some secondary education, whilst grade 12 qualifications dropped by 3% percent to 31%.

The data shows that the local population is attaining higher skills levels and are thus more able to become viable within the local work force. It also shows that a larger proportion of persons are inclined to leave school when achieving some secondary education, which may create the challenge that people are not inclined to finish schooling or are withheld from finishing school as a result of local community issues such as overcrowding in classrooms.



At higher level education, the Govan Mbeki LM has lowered demographic with tertiary education (13%) than the 31% of grade 12 qualification. This linked to the lack of tertiary education facilities within the municipality with resultant move out of the municipality and persons remaining within the area.



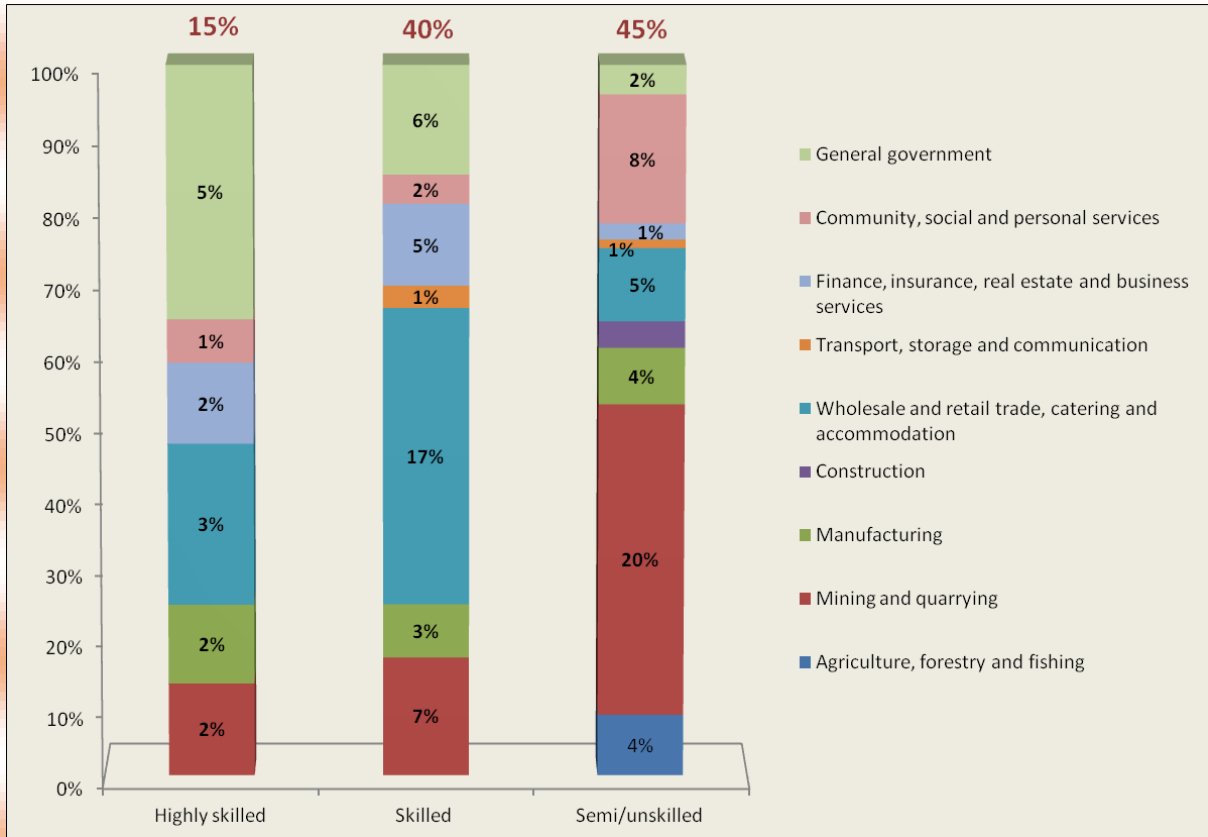
**Figure 2.5: GMM Education Qualifications, 2011 /12**

The Figure below provides an indication of the occupational profile of the Govan Mbeki LM as a whole.

The information provided below can be directly related to the educational and employment profile of the municipality.

The educational profile provides the further insights into the limited skills development and skilled labour within the municipality, whilst the employment profile has connections to the skills level of the labour force as well as in which occupation the majority of the labour force resides.

**Figure 2.6 Occupational profile of Govan Mbeki LM, 2011**



**(Source: Stats SA: Census 2011)**

Of the employed population within the Govan Mbeki LM, 40% are employed within the skilled profession range. The range primarily consists out of workers: in general government; community, social and personal services; finance, insurance, real estate and business services; transport, storage and communication; wholesale and retail trade, catering and accommodation; construction; manufacturing; mining and quarry; and agriculture, forestry and fishing.

Wholesale and retail trade, catering and accommodation workers are the dominant skilled employing occupation (17%) within Govan Mbeki LM. This is reflective of the number of B&B and caterers that serve temporary contractors and engineers working within the mining industry and Sasol.

Mining and quarry workers are the second most employing skilled occupation (7%), followed by general government workers (6%) and skilled finance, insurance, real estate and business services workers (5%) and manufacturers (3%) and workers in community, social and personal services (2%) and lastly workers in transport, storage and communication (1%).

The elementary occupations have a 45% share in the employed persons in Govan Mbeki LM. This occupation is based in the semi/un-skilled group based on the limited skills necessary to achieve this occupation.

The highly skilled proportion of the employed population claims 15% of the total employed persons, with general government being the highest employer, followed by wholesale and retail trade, catering and accommodation (3%) and mining and quarry, manufacturing and finance, insurance, real estate and business services all at (2%), the employer employing the least workers is within community, social and personal services (1%).

In addition to the data above, it must be noted that the data is only representative of the skills levels of the formal employed population within Govan Mbeki LM, and is not representative of all economically active or potentially employable persons.

The possibility exists that, skilled labour does exist within the unemployed section of the population, and that these persons do not have the necessary opportunities to gain employment.

The table below gives an indication of the grants received by the residents within the Govan Mbeki LM in 2007.

**Table 2.6: Percentage distribution of annual household income, 2007**

Social Grant Received	Govan Mbeki LM	
	Grants	% of Pop
Old age pension	6871	3%
Disability grant	3351	1%
Child support grant	28569	11%
Care dependency grant	64	0%
Foster care grant	0	0%
Grant in aid	183	0%
Social relief	61	0%
Multiple social grants	63	0%
Institutions	2253	1%
<b>Total</b>	<b>41415</b>	<b>15%</b>

(Source: Stats SA: Census 2007)

Within the GMM, 41415 grants were allocated during 2007, of which 11% of the total population had been given child support grants. Child support grants further made up 69% of the total amount of grants that have been issued, whilst 17% of grants have been allocated for old age pension and 8% for disabilities.

The large proportion of grants that are paid out by the municipality places a great strain on government funding, and thus creates implications for government spending on various other issues such as economic development initiatives.

However, in analysing population growth, it is important to also take into account the HIV/Aids prevalence for the municipality, as the incidence of HIV/Aids will have a distinct effect on the population totals in the future.

In order to gain a greater understanding of the prevalence and severity of HIV and AIDS in the area, the District Health Barometer (DHB) was consulted. The DHB provides an overview of the delivery of primary health care in the public health sector across all the provinces and districts and draws data from StatsSA, the antenatal HIV prevalence survey and other relevant sources.

**Table 2.7: Overview of HIV Prevalence, 2011**

<b>Indicator</b>	<b>Gert Sibande DM</b>	<b>Mpumalanga Province</b>
<b>Antenatal clients tested for HIV</b>	43.5%	39.0%
<b>Antenatal Clients HIV 1st test positive</b>	34.0%	28.9%
<b>Estimated number of infants born to HIV positive women</b>	93.7%	88.9%
<b>HIV positive infants (tested at 6 weeks)</b>	3.2%	4.6%
<b>HIV pre-test counselled (excluding antenatal)</b>	91.8%	93.4%

(Source: Stats SA: Census 2011)

From the table it is revealed that approximately 43.5% of women were tested for HIV within GSDM, of which 34% were tested positive. When looking at the figures for Mpumalanga Province 39% of women were tested for HIV and 28.9% were tested positive. An alarming estimated 93.7% of infants are born to HIV positive women in GSDM, compared to 88.9% for the Mpumalanga Province. Only 3.2% of babies tested for HIV at 6 weeks of age within GSDM are tested positive compared to 4.6% for the province. The table further shows that 91.8% of individuals who under-went HIV tests within the GSDM decided to undergo pre-test counselling.

### 2.1.3 LOCAL ECONOMIC PROFILE

The economic activity of an area is generally measured by means of the output generated by that activity. In order to measure the output generated by an area, reference is generally made to the GDPR or Gross Domestic Product per Region.

The GDPR is an indicator of the quantifiable measure to which the market value of new goods and services produced in a given time period can be measured. The table below is an indication of the contributions made by each sector to the local economy of Govan Mbeki and therefore provides an indication of the most important sectors in the economy.

In order to measure the diversification of an economy, the Tress Index is used. The Tress index is based on determining the share contribution by each sector and then accordingly ranking these sectors from smallest to largest contribution.

A weighted value is then determined which is then reworked to provide an indication of the Tress Index for the economy as a whole. The indication scale is distributed between 0 and 100, where 0 shows a completely diversified economy and 100 shows a concentrated economy.

The table below is an indication of each sectors GDPR contribution for the Govan Mbeki LM, the sector share it has in the total economy, the rank of the sector in the economy according to the Tress Index and finally the Tress Index.

**Table 2.8: Tress Index of GDRP, 2011**

Industry	GDP	% Share	Rank
<b>Mining</b>	10 574 495 600	39%	9
<b>Manufacturing</b>	6 590 891 943	24%	8
<b>Wholesale and trade</b>	4 168 093 454	15%	7
<b>Government and community service</b>	2 396 477 705	9%	6
<b>Business services</b>	1 338 062 167	5%	5
<b>Transport</b>	1 189 554 953	4%	4
<b>Agriculture</b>	367 050 120	1%	3
<b>Construction</b>	354 147 947	1%	2
<b>Electricity and water</b>	351 098 875	1%	1
<b>Total:</b>	<b>27 329 872 764</b>	<b>100%</b>	<b>n.a.</b>
<b>Tress Index: 62.5</b>			

(Source: Stats SA Census 2011)

In terms of outputs created by each sector within the Govan Mbeki LM economy, the mining sector is the dominant contributor, contributing 39 % of the total output. Manufacturing (24%), wholesale and trade (15%) and government and community service (9%) sectors are the other main contributors of the local economy. Essentially, mining contributed about R10.5 billion to the local economy, whilst the other top performing sectors (as mentioned above) contributed R6.5 billion, R4.1 billion and R2.3 billion respectively to the total economic output.

The Tress index for the Govan Mbeki LM has been calculated at 62.5. This is an indication of a variably concentrated economy whilst incorporating major underdevelopment in some sectors.

When compared to 2001 Tress values, the economy of Govan Mbeki has become slightly diversified, climbing almost 5 points up the ladder from 67.0 to 62.5.

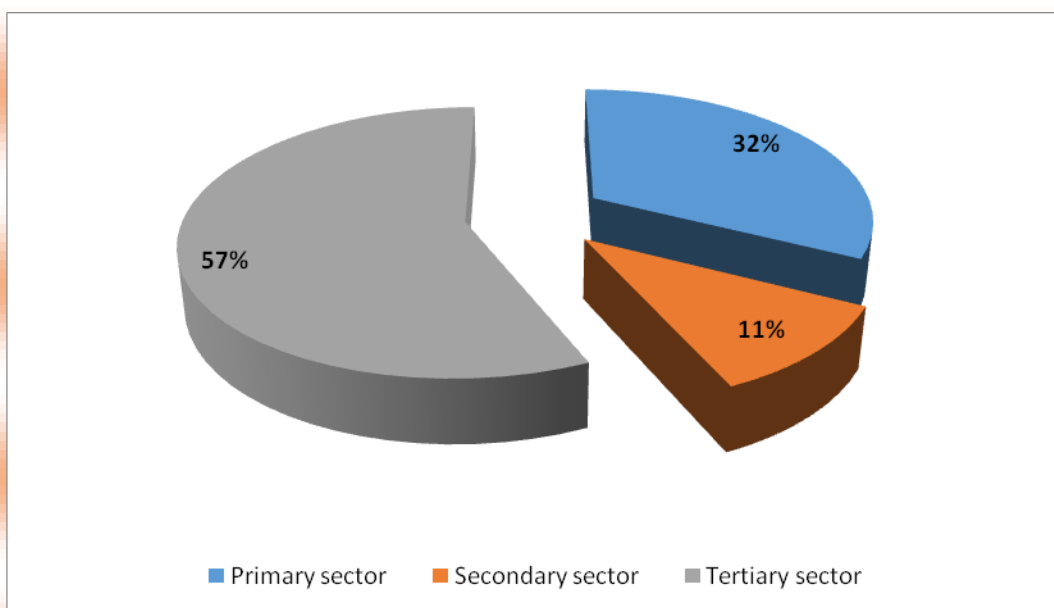
A diversified economy can be described as that the local economy is not particularly dependant on any one sector to be able to function and sustain itself. In essence, all the sectors in that local economy are contributing to the local economy in such a way that the local economy is not vulnerable to fluctuations in any one sector.

When considering Govan Mbeki Local Municipality, the Tress Index indicated that the local economy is not very diversified because it is majorly dependent on the mining 39% and the manufacturing sector 24% to drive and simulate growth.

Other sectors like manufacturing, wholesale & trade and government & community service range between 24% and 9%. Most of the economic sectors dwindle below 5% of total contribution. These include finance & business, transport, agriculture, construction, electricity & water. This poses significant issues when related back to dependency on single sector for growth and development. The prospects of growth in other sectors, or linkage between lower performing sectors and major sectors of the local economy must be investigated to stimulate and encourage growth across all sectors of the economy.

To further illustrate how a sector would be performing in the local economy, the employment generated by that sector can prove to be a valuable indicator of importance and growth. The figure below shows the employment distribution by economic sector for 2011.

**Figure 2.7: Employment by sector**



Source: Quantec Research, Standardised Regional Data

The majority employer within Govan Mbeki LM is the tertiary sector, which has a dominance share of 57% of all formal employment in the area.

The sector is closely related to all wholesale, retail, business and government services.

The second largest employer in the municipality is the primary sector which contributes roughly 32% to the formal employment. This sector is composed out of the agriculture and mining sectors, which are sectors that are extremely vulnerable to external factors such as climate changes and environmental disasters, commodity prices, exports and international trade and market fluctuations.

Lastly, the secondary sector provides 11% of all formal employment in the municipality. Manufacturing would play the largest role in this sector.

The Figure 2.8 below further illustrates the breakdown of employment within the sub-sectors of the primary, secondary and tertiary sectors.

The mining sector within the Govan Mbeki LM is the dominant supplier of employment opportunities in the area, providing (28%) of all employment in the area. When comparing employment to GDP contribution for the same sector, the sector has a 39% share in the GDP contribution to the local economy and acts as a main driving force to long term development.

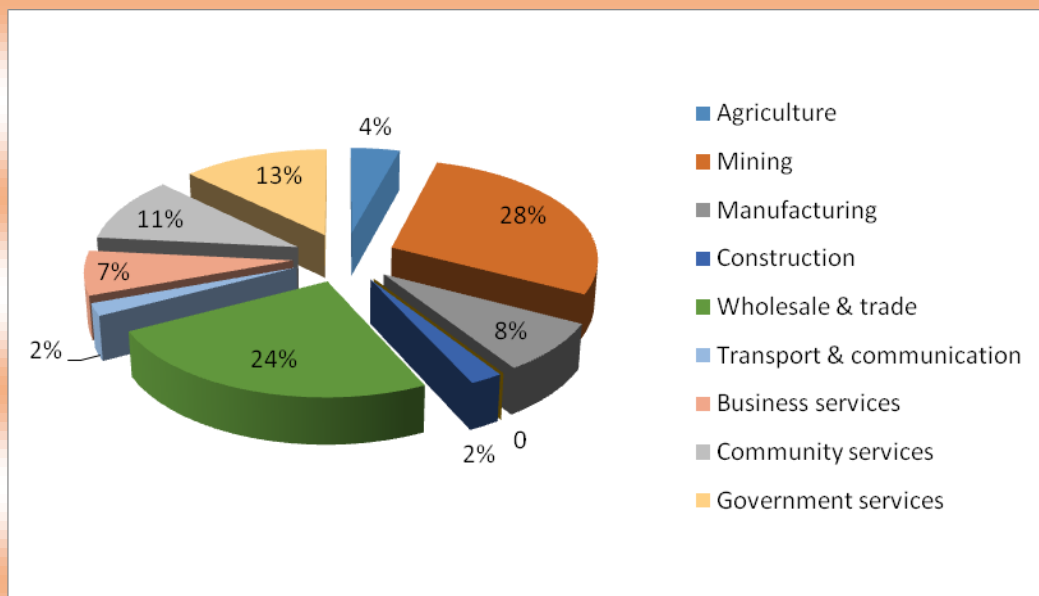
When considering that, GDP contribution is higher than the contribution made to employment, the conclusion can be deduced that the mining industry may be providing higher paying employment to fewer employees than various other sectors.

The wholesale and trade sector is the second highest supplier of employment opportunity within the municipality, providing almost a quarter 24% of employment. When comparing employment to GDP the sector has 15% share in the GDP.

Whilst, the GDP contribution is lower than that of employment contributions, the impetus can be placed on the sector as one of the major supplier of employment opportunities, and plays a vital role in the continued growth in employment and economic development of the municipality.

The aim in this instance would be to strengthen the basis of the sector to ensure that development opportunities can be facilitated and encouraged in the area.

**Figure 2.8: Sectoral percentage distribution of employment 2011**



Source: Quantec Research, Standardised Regional Data

The community (11%) and government (13%) services sectors combined, provided roughly 35% of all employment in the municipality. This in essence provides a picture of the importance of government's role in the provision of services within the area.

Other sectors that must be noted in this instance would be manufacturing and business services, which contributed 8% and 7% respectively to employment.



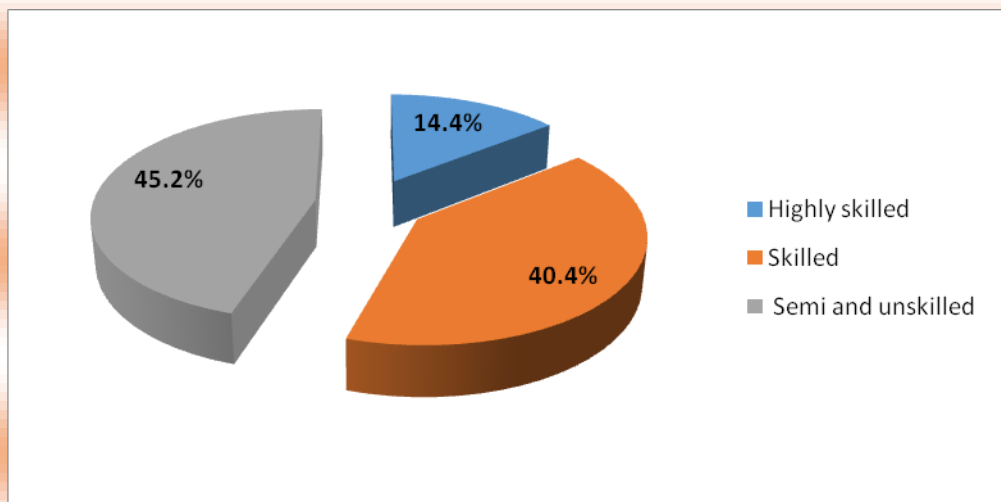
The business sector (5%) plays minimalistic roles in GDP contribution in the municipality, whilst the manufacturing (15%) sector is one of the major role-players in the economy.

The conclusions drawn from this is related to service required by local mining in terms of manufacturing, which places the sector as a high performance sector.

The sector also requires higher skilled labour which in turn makes the sector less labour intensive.

The figure below is an illustration of the labour skills profile for the Govan Mbeki LM, depicting the distribution between semi/unskilled, skilled and highly skilled labour.

**Figure 2.9: Labour skills profile of formal employed in Govan Mbeki LM, 2011**



Source: from Quantec Research, Standardised Regional Data

Based on the data above, in 2011, 45.2% of the labour force in Govan Mbeki LM had been classified as semi/unskilled labour, skilled labour accounted for about 40.4% and highly skilled for about 14.4% of the workforce.

The high amount of semi and unskilled labourers can be accounted for by the fact that, majority of the time; the mining sector hires recent high school graduates with little to no experience.

The table below is a summary of growth in employment in the time period between 2001 and 2011.

**Table 2.9: Average per annum sectoral employment growth, 2001 to 2011**

<b>Industry</b>	<b>2001</b>	<b>2011</b>	<b>Growth Rate (%)</b>	<b>Average Jobs Created per Annum</b>
<b>Agriculture</b>	5330	3786	-3%	-154
<b>Mining</b>	12982	20206	5%	722
<b>Manufacturing</b>	13518	6356	-7%	-716
<b>Electricity and water</b>	419	332	-2%	-9
<b>Construction</b>	5193	3520	-4%	-167
<b>Wholesale and trade</b>	16921	36280	8%	1936
<b>Transport &amp; communication</b>	1550	2801	6%	125
<b>business services</b>	5710	5721	0%	1
<b>Community services</b>	7900	9825	2%	192
<b>Government services</b>	5879	9154	5%	327
<b>Total</b>	<b>75401</b>	<b>97981</b>	<b>9%</b>	<b>2258</b>

Source: Quantec Research, Standardised Regional Data

The Govan Mbeki LM showed a positive growth rate average of 9% between 2001 and 2011.

This positive growth has resulted in the increase of 2258 jobs during this time period.

The main booster for this increase was wholesale and trade with a growth of 8%, creating 1936 jobs. Mining, the dominant contributor to the GDRP experienced an increase of 5% and creating 722 jobs in the municipality.

## 2.2 STATUS QUO SOCIO-ECONOMIC CONTEXT COMPARISON GOVAN MBEKI MUNICIPALITY AND THE REGION

This section seeks to provide an indication of the status-quo of Govan Mbeki Municipality (GMM) in terms of the demographic, local economic and socio-economic aspects of the municipality.

It will also shed light on provincial, district and local service delivery priorities and objectives as highlighted in relevant plans and strategies. Finally, this section provides an understanding of the dynamics and features of the informal settlements located within GMM - after completion of the settlement assessments that formed part of this project.

### 2.2.1 Mpumalanga Province and Gert Sibande District Socio-economic Context

In order to determine the level of development and development potential of an area and its citizens, it is important to understand the background of that area and its population in terms of their demographics and related socio-economic details.

**Table 2.10: Population Composition**

	<b>Mpumalanga Province</b>	<b>Gert Sibande DM</b>	<b>Govan Mbeki LM</b>
<b>Total Population</b>	4039491	1043102	294513
<b>Male</b>	49%	49%	52%
<b>Female</b>	51%	51%	48%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

(Source: Stats SA: Census 2001 & 2011)

From the table above 2.10, it is clear that in contrast to Mpumalanga Province and Gert Sibande District Municipality, the male population is approximately 4% greater than the female population for Govan Mbeki Municipality.

This could be explained by the fact that numerous mining (e.g. Sasol), manufacturing, and wholesale and trade activities are evident in this area, which attract more slightly more male than female migrant labour due to the nature of the work.

The mining sector, for example, predominantly employs male labourers.

The population growth and growth rates are set out in Table 2.11 below. Currently, GSDM represent approximately 26% of the total population for the Mpumalanga Province, with GMM representing 7% of the Mpumalanga population and 28% of the Gert Sibande population. Since 2001 to 2011, Mpumalanga Province has seen its population grow by 673 725 (20%) people, GSDM by 143 189 (16%) and GMM population by 72 789 (33%).

**Table 2.11.: Population Growth in Govan Mbeki, 2011**

	Mpumalanga Province		Gert Sibande DM		Govan Mbeki LM	
Year	2001	2011	2001	2011	2001	2011
<b>Total Population</b>	3366213	4039491	900006	1043102	221748	294513
<b>Population growth</b>	673278		143096		72765	
<b>Percentage growth</b>	20%		16%		33%	
<b>Growth Rate (%)</b>	1.84%		1.49%		2.88%	

(Source: Stats SA: Census 2001 & 2011)

As revealed by the table above, it is clear that the growth rate for GMM (2.88%) is more than double than that of Mpumalanga Province (1.84%), and the population growth since 2001 to 2011 for GMM population (33%) is about 13% more than the Mpumalanga population growth (20%).

The rapid population growth for GMM indicates that the growth experience in the district was largely generated in GMM.

This in-migration can once again be explained by the presence of large mining, manufacturing, wholesale and trade industries in the region attracting employment seekers. GMM is also the municipality closest to the Gauteng Province, allowing people to easily commute to the 'economic powerhouse' of South Africa.

**Table 2.12: Percentage Age Distribution**

Age	Mpumalanga Province	Gert Sibande DM	Govan Mbeki LM
<b>0-14</b>	31%	32%	27%
<b>15-64</b>	64%	64%	69%
<b>65+</b>	5%	5%	4%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Child Dependency Ratio</b>			
<b>%</b>	<b>49%</b>	<b>49%</b>	<b>39%</b>

(Source: Stats SA: Census 2011)

Table 2.12 above shows that more than a quarter (27%) of the population in Govan Mbeki fall within the 0-14 age group which is low by 5% when comparing it to the population in Gert Sibande DM and 4% to Mpumalanga Province .

The child dependency ratio for Govan Mbeki Municipality is 39% which is considered to be fairly low when comparing it to the ratio for both the district and the province with both 49%.

The greatest population concentration (69%) within GMM falls within the potential economic active population (PEAP) bracket. Based on Stats SA the definition of economically active persons is a person of working age (15-65 years) who is available for work and is either employed or unemployed.

Persons that fall within this category are referred to as the PEAP. The PEAP for GMM (69%) is also greater than that of the GSDM (64%) and Mpumalanga Province (64%). This higher concentration of PEAP can be explained due to the fact that persons of working age migrate to GMM due to the established mining and industrial activities which employ a great number of the local population.

The table below sets out the employment status of those who fall within the PEAP and the EAP (Economic Active Population).

**Table 2.13: Economically active population and employment status, 2011**

<b>Employment Status</b>	<b>Mpumalanga Province</b>	<b>Gert Sibande DM</b>	<b>Govan Mbeki Municipality</b>
<b><i>Employment status as percentage of potential economic active population</i></b>			
<b>PEAP (Age 15-64)</b>	2589193	666627	204457
<b>Employed</b>	48%	41%	48%
<b>Unemployed</b>	17%	17%	17%
<b>Not working/ Other</b>	34%	42%	34%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b><i>Employment status as percentage of EAP</i></b>			
<b>EAP</b>	1417654	368751	134374
<b>Employed</b>	68%	70%	74%
<b>Unemployed</b>	32%	30%	26%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

(Source: Stats SA: Census 2011)

The first section in the table above deals with the PEAP, which refers to those persons who are potentially viable to be economically active within the economy, and is more specifically within the age group of 15 to 64.

This group also includes sections of the population who are not working as a result of disability, being a student or not wanting to work to name but a few. Of the PEAP, 48% are employed within the GMM.

This is 7% higher the district's average and the same as the province's at 48% as well. In relation to the employed population, the unemployed population for the same category within GMM has been calculated at 17%, where 34% of the population is not working or other.

The unemployed section in GMM is the same as the GSDM and the Mpumalanga province all at 17%.

As illustrated above, 74% of the economically active persons within the GMM are employed. This percentage is only 6% higher than the percentage of employed persons in GSDM and 4% higher than those in the Mpumalanga province.

The high employment rate in GMM is as a result of the prominence of the wholesale and trade, mining (especially Sasol), manufacturing and agricultural industries, as well as government services.

Taking this into consideration, the Table 2.14 below, the majority of employed persons (19%) in the municipality earn more than R153 801 compared to the district (12%) and provincial (11%) averages.

Even though the area shows high employment rates, other factors must be considered when analysing the employment sector.

These factors include the type of sector in which people are employed (formal or informal), the type of skills that people have and the income bracket in which they fall under.

Other statistics reveal that the Mpumalanga Province is one of the poorer provinces within South Africa, with approximately 14% of households having no income, compared to the national average of 15%. GMM also has very high poverty levels with about 16% of households not having any form of income.

**Table 2.14: Annual Household Income**

<b>Annual Household Income</b>	<b>Mpumalanga Province</b>	<b>Gert Sibande DM</b>	<b>Govan Mbeki LM</b>
<b>No income</b>	14%	14%	16%
<b>R 1 - R 4800</b>	5%	5%	4%
<b>R 4801 - R 9600</b>	9%	8%	5%
<b>R 9601 - R 19 600</b>	19%	18%	13%
<b>R 19 601 - R 38 200</b>	20%	20%	16%
<b>R 38 201 - R 76 400</b>	13%	14%	15%
<b>R 76 401 - R 153 800</b>	9%	9%	12%

<b>R 153 801 or more</b>	11%	12%	19%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

(Source: Stats SA: Census 2011)

When comparing the annual income of households who reside within informal dwellings, the average annual income in Govan Mbeki LM is 4% higher than the district's and 6% higher than the province's average annual income.

This may be as a result of the high concentration of manufacturing factories, agricultural activity and the existence of Sasol and other firms within the trade industry in Govan Mbeki that employ residents.

The income figures are stipulated in the table below.

**Table 2.15: Annual Household Income in Informal Dwellings**

<b>Average Annual Income</b>	<b>Mpumalanga Province</b>	<b>Gert Sibande DM</b>	<b>Govan Mbeki LM</b>
<b>Informal dwellings</b>	R30 275	R32 392	R36 233

It has been established that there is no one standard definition for an informal settlement, but that settlements can be classified according to the characteristics they exhibit.

However, when establishing the status and extent of informal settlements within Mpumalanga, Census 2011 data was consulted, which defines informal settlements as "an area consisting mainly of informal dwelling".

Informal dwellings in turn, are defined as "dwelling structures which are not erected according to approved architectural plans or on planned sites in municipal or local authority areas, or are on un-proclaimed land in both urban and non-urban areas, or are in makeshift structures in relatively high density concentrations in rural areas".



## MUNICIPAL FACT SHEET

Description	Unit	GMM
Geographical size	sq km	2958
Number of people		294513
Population growth	% per annum 2001-2011	3
Number of Households		83874
Number of Wards		32
Number of Councillors		63
% of households with formal housing		51,98
% of households with hygienic toilets		92,61
% of households with piped water at or above RDP level		95,42
% of households with electricity connections		91
% of households with formal refuse removal		92
Unemployment rate (broad definition)	%	26,23
Unemployment rate (narrow definition)	%	34
% of people employed in the formal sector		59,8
% of people employed in the informal sector		20
% of people employed in private households		8,1
Dependency Ratio	per 100 (15-64)	40

(Source: Stats SA: Census 2011)

## CHAPTER 3: PROCESS FLOW FOR PUBLIC PARTICIPATION IN IDP AND BUDGET PROCESS

### 3. COMPREHENSIVE PLANNING PROCESS

Drafting an IDP requires a comprehensive planning process and the involvement of a wide range of internal and external role players. Such a process has to be properly organized and prepared. This preparation is the duty of the municipal manager and senior management.

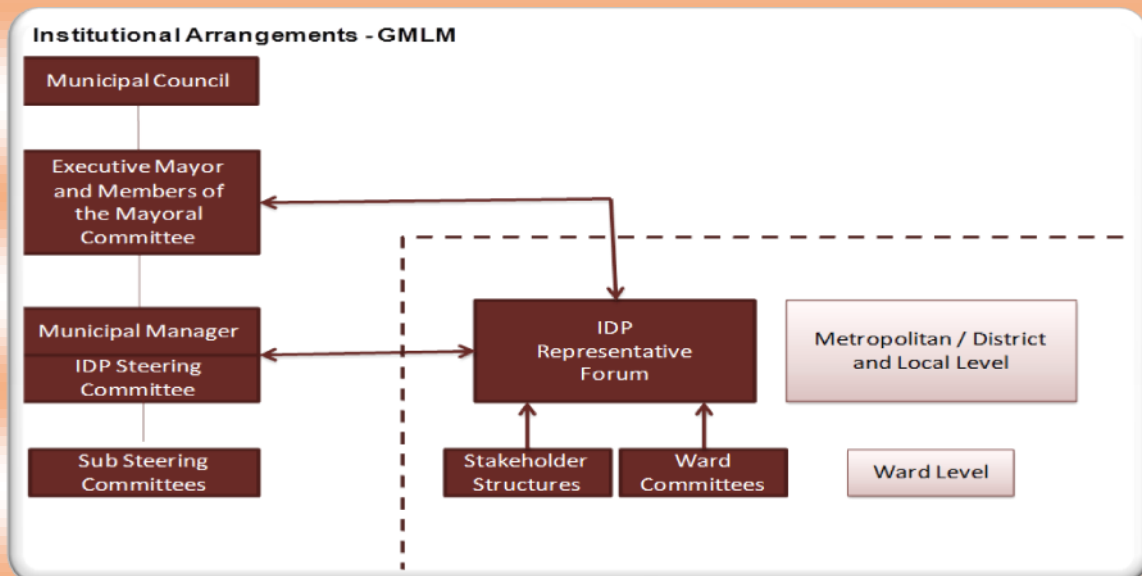
The preparation process will be referred to as the “Process Plan” and should contribute to the institutional readiness of the municipality to draft or review the IDP.

The elected council is the ultimate IDP decision-making authority. The role of participatory democracy is to inform, negotiate and comment on those decisions, in the course of the planning process. The following positions and structures will serve as a guide:

- IDP representative forum;
- Municipal Manager;
- IDP Steering Committee; and
- Sub Steering Committees (Departmental projects, programmes, etc.).

The Municipal Manager, IDP Steering Committee and IDP Representative Forum are structures required throughout the IDP process.

The Sub Steering Committees (Departmental project, programmes, etc.) will be small operational teams composed of a number of relevant municipal sector departments and technical officials involved in the management and implementation of projects and programmes.



The GMM IDP Steering Committee will meet weekly to assess progress and will thereafter recommend amendments to the IDP for consideration by Council.

In terms of the Council approved IDP and Budget process plan, Council should approve the final IDP before the start of the new financial year, that is, no later than 31 May 2013.

In order for the GMM to prepare a credible IDP, several stakeholders have to be engaged to provide inputs and guide the final IDP. Stakeholder interventions (timeframes, resources, etc.) are outlined in the process plan (see Annexure “A”).

### 3.1 PROCESS FOLLOWED: 2014/2014/15 IDP REVIEW

According to Section 28(1) of the Municipal System Act, 32 of 2000 a Municipal Council must adopt a process set out in writing to guide the planning, drafting and review of its IDP. The Process Plan and the schedule for IDP Public Engagement Sessions were unanimously adopted by Council on 27 **July 2013** and is attached hereto an **annexure**.

The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget. In addition, it identifies the activities in the processes around the key statutory annual operational processes of the budget and IDP compilation, performance management implementation and the adoption of the municipality’s annual report.

### 3.2 PROCESS PLAN

Item No.	Deliverable	Legislative Requirement & Information	Time Frame
1	Draft IDP Schedule:  Tabling of Draft IDP and Budget time-schedule to Council	MSA 32 of 2000 & MFMA No. 56 of 2003	August
2	Public Engagement:  Advertisement of time-schedule on website, local newspapers and notice boards  Acknowledgement of inputs received	MSA CH5 S29  MSA S28	October/ November
3	Annual Report:  Tabling of Annual report to Council  Annual report made public and submitted to PCs  Council  Public making of oversight report	MFMA	January  February  March  April

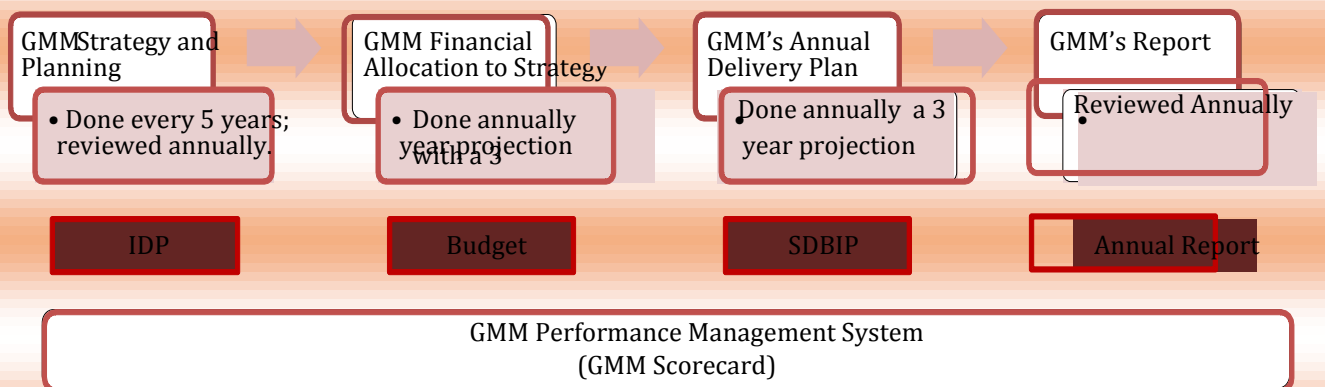
4	<p>Provisional approval of Draft IDP (5 Year Plan) and Budget:</p> <p>Table draft IDP and Budget Report to Mayco and Council</p> <p>Advertise and publish final draft of IDP and Budget for public comment and submit to National and Provincial Treasury and others as prescribed</p>	MSA & MFMA s16(2)	March April
5	<p>IDP and Budget Hearings:</p> <p>Conduct IDP/Corporate Scorecard / Budget Public Hearings to obtain public comment and inputs from communities, provincial government and other relevant stakeholders</p> <p>Acknowledgement of comments received</p> <p>Response to public comment i.r.o. Budget, tariffs and policies</p>	MSA s 74, 75 / MFMA s23	April May June
6	<p>Approval of the Budget and IDP:</p> <p>Draft IDP and Budget consultation feedback to Portfolio Committees.</p> <p>Council must give final approval of the IDP/Corporate Scorecard and Budget document by resolution, setting taxes and tariffs, approving changes to the IDP and budget related policies, approve measurable performance objectives for revenue by source and expenditure by vote before the start of the financial year</p>	MFMA s23 MSA s 25 & MFMA 24	April May
7	Public Communication of Budget and IDP	MSA and MFMA	June
8	<p>Section 57 (MSA) Performance Agreements:</p> <p>Submit performance agreements to the Executive Mayor within 10 days after approval of the IDP and Budget.</p> <p>Council to note New Section 57 Scorecards</p> <p>Notification of approved S57 (top management performance agreements)</p>	MFMA s 16, 24, 26, 53 MFMA s 53	May June August/ September

	to the public.		
9	<p>Approval of SDBIP's:</p> <p>Executive Mayor to approve Municipal SDBIP within 28 days after approval of the budget</p> <p>Place all Directorate Executive Summaries and SDBIPs and Department Business Plans and SDBIPs on website</p>	MFMA	June

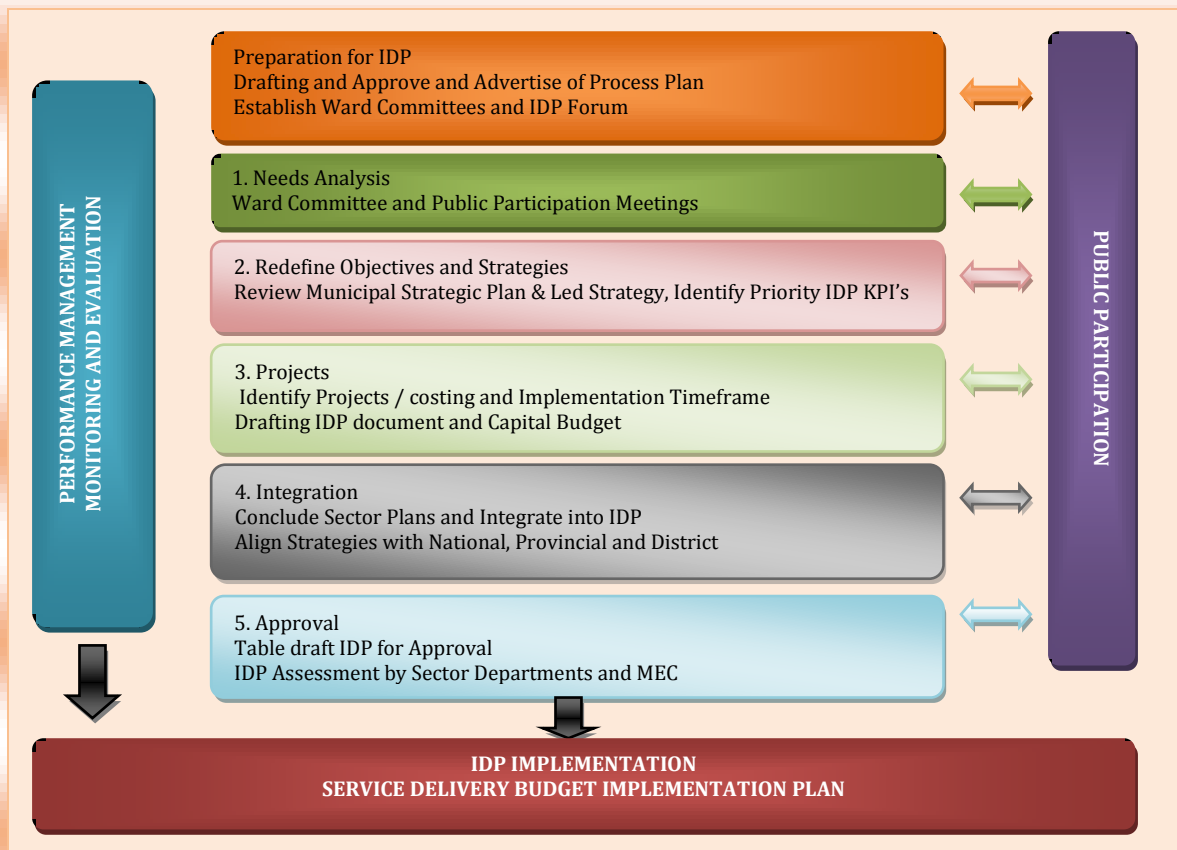
### 3.3 IMPLEMENTATION OF THE IDP

The IDP drives the strategic development of the GMM. The municipality's budget is influenced by the strategic objectives identified in the IDP. The Service Delivery Budget Implementation Plan (SDBIP) ensures that the municipality implements programs and projects based on the IDP targets and associated budgets.

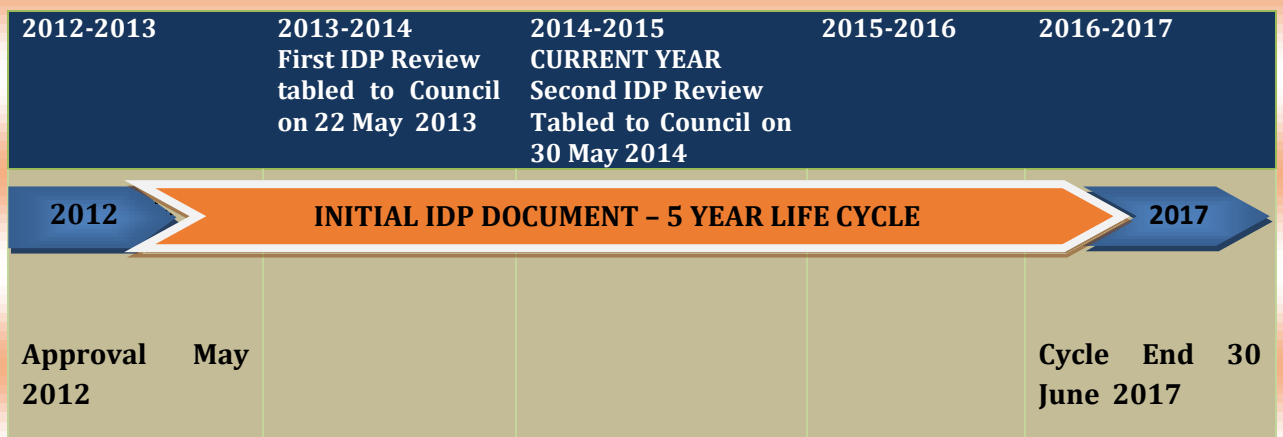
The performance of the municipality is reported in its Annual Report. There is a public participation and consultation process associated with each of the processes identified:



### 3.4 THE IDP PROCESS SUMMARISED



### 3.5 FIVE (5) YEAR IDP CYCLE - VISION 2017



*Annual Reviews*

## CHAPTER 4: INSTITUTIONAL ARRANGEMENTS- GOVERNANCE AND ADMINISTRATION

This chapter portrays the institutional framework of the municipality as the existing governance model. It further inform the reader of the key functions and responsibilities linked to the executive political and administrative structures / offices.

It also includes an organisational organogram which reflects on the municipality's ability and capacity to drive and implement its strategic development agenda.

### 4 GOVERNANCE STRUCTURE

Section 151 (3) of the Constitution states that the Council of a Municipality has the right to govern, on its own initiative, the local government affairs of the local community.

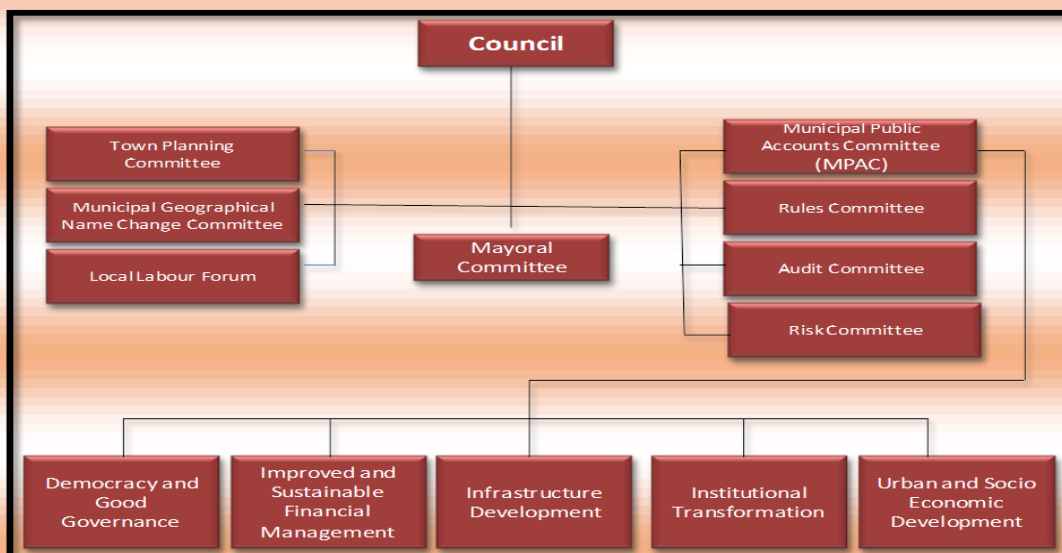
At the Govan Mbeki Municipality clear distinction is made between the politically elected structure, namely Council, which is responsible for the oversight and legislative function of the Municipality, and the Administration.

The Council is chaired by the Speaker. The executive is headed by the Executive Mayor with a Mayoral Committee of five (5) members, The Chief Whip of Council and Chairperson of Municipal Public Accounts Committee (MPAC), who fulfil an oversight roll and been involved in the day-to-day running of Council from the political perspective.

A delegation register was adopted by Council, which provide for detail delegations.

The Administration is headed by the Municipal Manager, who is also the organisation's Accounting Officer. Five (5) departmental heads reporting directly to the Accounting officer. During the year under review, the organisational structure was reviewed, six (6) departments were reduced to five (5) departments

#### 4.1 POLITICAL STRUCTURE



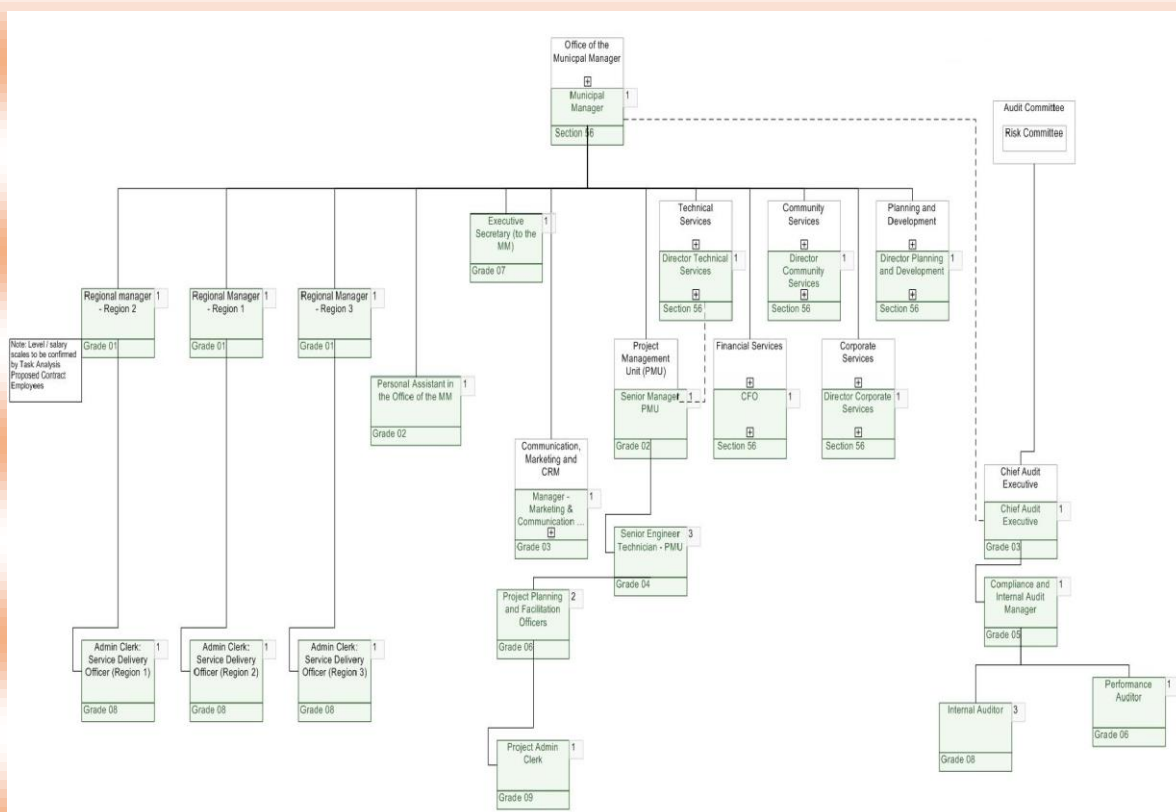


Composition of Council						
Political Party	Number of Councillors	Gender		Council Executive	Name of Councillor	Political Party
		Male	Female			
ANC	45	26	19	Executive Mayor	Cllr Lindi Masina	ANC
DA	16	11	5	Speaker	Cllr Cyril Gwiji	ANC
COPE	1	1	1	Chief Whip	Cllr Anthony Makhaye	ANC
VF	1	1	1			
<b>Total</b>	<b>63</b>					

#### 4.2 ADMINISTRATIVE STRUCTURE

Section 60 (b) of the Municipal Finance Management Act states that the Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures, political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

The macro-structure of the Govan Mbeki Municipality with the incumbent heads of department are as follow:



### 4.3 FUNCTIONS AND RESPONSIBILITIES

The functions of the five Directorates are as follows:

#### **TECHNICAL SERVICES**

##### **Energy**

- Electricity Installations
- Electricians
- Render Electrical Services
- Air Quality
- Solar Energy

##### **Roads and Storm Water**

- Maintain Municipal Roads
- Maintain the Storm Water Drainage System
- Establish and Maintain Sidewalks

##### **Fleet and Facilities Management**

- Maintain Municipal Buildings
- Maintenance of the Machinery and Equipment Services
- Render Mechanical Services

##### **Water and Sanitation**

- Maintain the Reservoir and Pipeline Services
- Monitor and Maintain the Water Bulk Line
- Conduct Water Quality Tests
- House Connection and Disconnection services
- Metre Reading
- Construct Minor Reticulation in Settlements
- Maintain the Sewer System

#### **COMMUNITY SERVICES**

##### **Environmental Services**

- Provision and Maintenance of Cemetery Services
- Environment Management
- Municipal Environmental Health Practices
- Parks and Open Spaces

##### **Sport, Recreation, Arts, Culture and Heritage**

- Facilitate the Implementation of Sports and Recreation Programmes
- Manage Municipal Libraries
- Develop and Manage Recreation Community Facilities (Thusong Service Centre)
- Museums

##### **Emergency and Disaster Management**

- Disaster Management Services
- Provision of Emergency and Fire Services

##### **Safety and Security**

- Traffic Law Enforcement Services
- Drivers and Vehicle Licensing – Road worthy Regulatory Services
- Security and Loss Control
- By law Enforcement

##### **Waste**

- Cleansing Services
- Waste Operations

## **CORPORATE SERVICES**

### **Human Resource Management and Development (HR)**

- HR Practices and Administration Services
- HR Utilisation and Capacity Development
- HR Organisational Strategy and Planning
- Employee Health and Wellness
- Employee relations and People Management

### **Legal and Contract Management**

- Interpret Legislation and Render Legal Advisory services
- Liaison with State Attorney and State Law Advisors
- Council Representation on Litigation Matters
- Review By-Laws and Enforce
- Management of Liquor and Business Licenses
- GIS dash boarding

### **Information Communication Technology**

- Municipal ICT Operations Management
- Implementation of Disaster ICT Management System
- Information Technology Support Services
- Network Support Services

### **Administration and Secretariat Services**

- Manage Municipal Records
- Manage Cleaning, Gardening , Messenger and Secretarial Services (Auxiliary Services)
- Manage Secretariat Services to Council and Council Committees
- Council Administration Management

## **FINANCIAL SERVICES**

### **Revenue and Fund Management**

- Fund Management
- Revenue Management
- Salary Administration
- Credit Control
- Debt Collection

### **Supply Chain management**

- Demand and Acquisition Management
- Logistical Management
- Supply Chain Administration

### **Budget and Expenditure Management**

- Budget and Expenditure Management
- Revenue Collection and Debt Management

### **Asset Management**

- Asset Register Management
- Disposal of Assets
- Asset Policy Management
- Manage infrastructure Insurance and Leasing of Municipal Assets

## **PLANNING AND DEVELOPMENT**

### **Local Economic Development**

- Facilitate ,Develop and Implement Municipal LED, Rural Development and Tourism Strategy
- Mobilise and coordinate Public / private Sector Support to Municipal LED, Rural Development and Tourism Programmes
- Identify and Market new Economic Opportunities
- Process Applications for Business Licences
- Promote Tourism within the Municipality
- Transport (air, Freight and Rail)

### **Integrated Development Planning, Public Participation and Performance Management**

- Facilitate the Development of IDP
- Monitor the Implementation of IDP Programmes and Projects
- Make Inputs to Policy Making Bodies
- Facilitate the Development of Service Delivery and Budget Implementation Plans
- Coordinate Research and Knowledge Management Services
- Coordinate Public Participation programmes
- Manage the Evaluation of Performance

### **Land Use and Spatial Development**

- Land Use and Spatial Planning
- Building Control
- Geographical Information Systems
- Determine Land Potential

### **Human Settlements**

- Subsidy administration
- Implementation of Housing Projects

### **Property Services**

- Council Properties
- Valuations

## CHAPTER 5: FINANCIAL MANAGEMENT PLAN

### 5. 1. INTRODUCTION AND OVERVIEW OF BUDGET ASSUMPTIONS

The purpose of this chapter is to outline the comprehensive long term financial sustainability of the Govan Mbeki Local Municipality (GMM).

The plan is essential to ensure that the municipality continues to implement its mandate effectively without impairing its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

The purpose of the long-term financial strategy is to ensure that the municipality is financially sustainable and able to respond to the Municipal Growth and Development Strategy, policies, priorities and infrastructure needs.

The objectives of the LTFS are:

- Prudent and sound medium-term to long-term financial framework.
- Resilience and able to absorb future shocks.
- Ensure sustainability of services.
- Investment in infrastructure.
- Adequate maintenance of infrastructure.
- Identify strategies that will ensure long-term financial sustainability:
- Operational efficiency initiatives,
- Sustainable and alternative revenue streams.
- Respond to the long-term strategy of the municipality.
- Improve the municipality's credit rating.

Owing to the limited revenue base (municipal rates, user charges and grants/subsidies) the Municipality has to be proactive in the minimization of costs and the maximisation of efficiencies in order to respond to increased service delivery requirements.

The strategies and measures already implemented to ensure sustainability are:

- The Budget Policy;
- The Revenue Enhancement Strategy;
- Budget Principles and guidelines; and
- The Cash-Flow Management Intervention Initiatives

The budget assumptions are determined before the budget process, guided by the economic outlook, movements in terms of the markets and by the national treasury guidelines.

The assumptions are devised in such a way that they support the short and long term finances and strategy of the municipality.

### 5.1.2 Key Financial indicators

The growth parameters set by National treasury are set between 3 and 6 percent which are also target range for the inflation rate. All steps have been taken to be in line with these National Treasury guidelines however the following factors affect the municipal operations and the budget accordingly:

- Anticipated high fuel prices
- Higher salaries
- Increase by Eskom and Rand water
- Job creation and protecting the poor

The 2014/2015 has been developed guided by the following inflation forecast:

Fiscal Year	2012	2013	2014	2015	2016	2017
	Actual	Actual	Forecast	Forecast	Forecast	Forecast
Real GDP Growth	3.1	3.1%	3.8%	3.0%	3.6%	3.8%
CPI Inflation	5.6%	5.6%	5.8%	5.8%	5.4%	5.4%

*Source: Budget Review 2013*

### 5.1.2 Credit Rating

The municipality has not had a credit rating and with National Treasury support, the municipality will have to undertake it.

### 5.1.3 Borrowing and Investment of funds

The MFMA permits the borrowing for long term if it is for the acquisition of capital goods such plant and equipment and infrastructure. The municipality will consider the unsecured loan in the medium term, as this is backed up by the acknowledgement from the lender, that the municipality is showing sound financial management and an ability to meet short term obligations.

The municipality has a total amount of R 19 million external loans. The municipality has short term facility which is used on monthly basis to bridge the financial shortfall.

The investments amount to 18 million, R15 million of these investments are securities for the loans and due to negative cash flow the municipality is unable to build more reserves.

### 5.1.4 Rates, tariffs, charges and timing of revenue collection

Accounts for rates, refuse, electricity, water and sanitation are issued on a monthly basis and are due and payable before the 7<sup>th</sup> of the month. Recovery procedures for non-payment may be commenced within 7 days of payment default. The electricity supply is cut and water supply is restricted when a client defaults. The municipality is committed in ensuring that collection levels are improved and that credit control will be enforced on those who can afford and not honouring their municipal accounts.

The tariffs have been set in line with tariff policy and the following factors were considered:

- The current collection rate
- The affordability of the community
- The social package
- The direct cost drivers

The tariffs for service charges have been increased as follows:

<b>MUNICIPAL TARIFFS</b>	
Water	8.13785%
Electricity	7.39%
Rates	-5 %
Waste management	
Refuse removal	5.5%
Town cleansing	1%
Landfill site rehabilitation	2.5%
Sewer	8.13785%
Miscellaneous	5.5%

### 5.1.5 Collection rates for each revenue source

The collection rate for all the services is expected to on the 85% average throughout; this is due to credit control actions that are taken against the defaulters. Where Eskom is a service delivery agent, consumers who are not paying will be restricted water.

### 5.1.6 Price movements on specifics

The cost of bulk purchases amounts to R 572 million for both electricity and water. The projections are informed by the increases from the Rand water and Eskom. Eskom has advised there will be an increase across the board of 8.06% on the bulk purchases of electricity. Nersa approved an annual 7.39% increase in the bulk price of electricity in terms of the third multiyear price determination application applicable for 2013/14 to 2017/18.

The increase on the electricity tariff has been pegged at 7.3% per MFMA Circular no.70 recommendation. The increase on water bulk purchases is expected to be 8.01%.

### 5.1.7 Average salary increases

The multi-year Salary and Wage Collective agreement was taken into account in budgeting for employee related costs. The agreement provides for a wage increment based on the average CPI for the period 1 February 2013 until 31 January 2014, plus 1.25 % for the 2014/15 financial year. In this regard salaries and wages have been increased by 7% for the 2014/15 budget year. The provision is guided by the vacant positions to be filled and the annual increase to be effected by July 2014.

### 5.1.8 Changing Demand characteristics

The demand for services is increasing yearly as the municipality is expected to deliver services to the indigent and pressure to reduce poverty.

### 5.1.9 Ability to the municipality to spend and deliver on programs

The challenges are still there in terms of maintaining the infrastructure and managing the breakaways of vehicles especially revenue generating.

## 5.2 Key Focus Areas in terms of multi- year financial plan

The multi-year financial plan will deal with the following Key Focus Areas (KFA's):

- Revenue;
- Expenditure;
- Assets;
- Funding;
- Investment;
- Supply Chain Management;
- Cash Management; and
- Finance Policies.

### 5.2.1 Revenue

In order to serve the community and to render the services needed, revenue generation is fundamental to financial sustainability; the reality is that we are faced with developmental backlogs and poverty, challenging our revenue generation capacity. The requests always exceed the available funds and this becomes more obvious when compiling the annual budget.

GMM must table a balanced and more credible budget, based on the realistic estimation of revenue that is consistent with budgetary resources and collection experience. The revenue enhancement is a key component to ensure:

- Economic growth and development;
- An expanded revenue base;
- An above 90% annualized collection rate for consumer revenue;
- A full cost recovery – per department;
- A tariff escalation rate aligned to the revenue requirement; and
- The extension of new services and the recovering of costs thereof.



The South African economy is slowly recovering from the economic downturn and it will still take some time for municipal revenues to increase through local economic growth. Consequently cash flows are expected to remain under pressure for the 2014/2015 financial year and therefore a conservative approach is followed to project expected revenues and cash receipts.

### 5.2.2 Expenditure

Some of the salient features and best practice methodologies relating to expenditure include the following:

- Asset renewal (infrastructure repairs and maintenance a priority);
- Balanced budgeting (expenditure cannot exceed revenue);
- Capital programme alignment to asset renewal;
- Operational gains and efficiencies (resulting in additional funding capacity on the capital programme; as well as redirection of funding to other critical areas);
- Solid project / business plans; and
- Strict principles around not allowing expenses if there is no budget allocation.

#### Analysis of projected Expenditure

The medium term projections reflect an average growth of 6% over the next five years. The operating expenditure has increased by 10% against the 2011/12 full year forecast. Employee related cost are amongst the major cost drivers which need to be micro managed to ensure that resources are used optimally

The cost associated with the remuneration of councillors is determined and informed directly by way of the Remuneration of Public Office Bearers Act 1998 (Act No. 20 of 1998) Aligned to the best practice methodology of preserving and maintaining current infrastructure, the expenditure framework has essentially catered for infrastructure maintenance.

Bulk electricity and water purchases remain the main increasing factor on operating expenditure with increases over the multi years

General expenses reflect an average increase of 6% the multi-year plan

### 5.2.4 Cost Containment

The following table lists issues and or items to be given attention to and specific programmes to be developed in order to contain cost within the municipality:

ITEM	OBJECTIVE	ACTION
General Expenditure	To reduce expenditure on general purchases	To micro manage expenditure on general costs. It should be within an acceptable norm.
Over time	To manage and reduce overtime expenditure. It should be within the norm and within budget.	All departments should ensure that their allocated amounts are not exceeded. Departments to look into alternative ways of service delivery such as shift systems, usage of SMMEs, etc.
Fleet Management	To reduce maintenance costs, fuel usage and monitor after hours use of vehicles through the implementation of a fleet management system.	Continuous implementation and monitoring of fuel and diesel usage, parts replacement and service intervals of all municipal vehicles and equipment.

### 5.2.5 Assets

Asset management is crucial to sustainable service delivery and maximising the value to be delivered from assets.

It is important to maintain a regular inventory of property, plant and equipment, implementation of a maintenance programme and insurance cover review. This part of the plan will be extended to assist in identifying and listing unutilised / uneconomic assets with a view to disposal as indicated earlier.

Although directly related to revenue raising it is appropriate to include the monitoring of rental income and policies with the asset management programme. This aspect of asset management will ensure that council is receiving economic benefit from council owned land and buildings which are rented out.

Resources will be deployed to support and assist in addressing issues raised in audit reports and to ensure GRAP compliance.

The update and preparation of the Asset Register (movable and immovable) takes priority in the coming year with a specific focus on the following physical verification of movable and immovable assets and the reconciliation of the project register with the AUC; the reconciliation of the valuation rolls to the Asset Register; and disposal and addition reconciliations.

### 5.2.6 Funding

The following are the anticipated funding sources:

- **Grant Funding.** Allocations from National and Provincial government in terms of the Division of Revenue Act and Infrastructure Development grant from the District.
- **Private Sector Funding.** Funding from the mining housed within the jurisdiction of the municipality in terms of their Social Labour Plans

- **Public Private Partnerships.** The GMM must constantly investigate alternatives of providing services whether it's by the municipality or through a public private partnership.
- **Implementation of a plan to access donor funding.** This plan will create a framework for accessing funds from local and overseas donors. It will detail the type of projects for which funding will be sought, procedures to be used, donor conditions that are acceptable or unacceptable.

### 5.2.7 Supply Chain Management

The Supply Chain Management (SCM) system of the GMM seeks to ensure the proper flow of goods and services between the supplier and the municipality, in the right quality and quantity whilst advancing the empowerment principles, supplier development, Local Economic Development (LED) and value for money, to ensure expeditious and appropriate service delivery.

### 5.2.8 Cash Management

Cash flow management is generally acknowledged as the single most pressing concern for continuous service delivery which in its simplest form is the movement of money in and out the municipality. The effect of cash flow is real, immediate and, if mismanaged, 5 Yearly unforgiving.

Cash needs to be monitored, protected, controlled and put to work. In order to sustain cash management the following major recommended practices will be observed:

- The active monitoring of cash flow;
- The accelerated collection of receipts;
- Optimized timing of disbursements; and
- Maximizing interest earnings while maintaining lawful, prudent, and properly secured investments.

Some of these functions, such as managing receipts and disbursements, are day-to-day. Others, such as planning your investment strategy, have a longer-term outlook.

The detailed cash flow programme is an integral part of the Service Delivery and Budget Implementation Plan (SDBIP).

### 5.2.9 Finance Policies

The financial policies should ensure and provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services in the GMM. Our policies should coerce us to address the following core fiscal goals or areas:

- Keep the municipality in a fiscally sound position in both long-term and short-term;
- Maintain sufficient financial liquidity through regular reviews and adjustments to meet operating and contingent obligations;
- Apply credit control procedures that will maximise revenue collection, whilst providing relief to the indigent;

- Operate council utilities in a responsible and fiscally sound manner; and
- Maintain existing infrastructure and capital assets and direct financial resources toward meeting the goals of the Integrated Development Plan.

**The following policies are in place:**

- Virement;
- Accounting;
- Supply chain management;
- Credit control;
- Debt collection;
- Investment;
- Property rates;
- Tariff;
- Fixed asset management;
- Rates;
- Cash receipts; and
- Banking.

## **5.3 Consolidated overview of the 2014/2015 Budget**

Following the community participation process through the integrated development plan (IDP) and tabled budget process, the 2014/2015 to 2016/2017 annual budget is herewith tabled for consideration and adoption.

### **5.3.1 Principles and guidelines informing the budget**

The 2014/2015 Medium Term Revenue and Expenditure Framework have been prepared in terms of the following principles and guidelines:

1. The IDP was the primary point of reference for preparation of the MTREF for 2014/2015
2. The performance of 2013/2014 budget was used as baseline and was appropriated as upper limits.
3. National treasury MFMA circular 70 and 72 and the MFMA.
4. CPI guidelines (5.8%) from National Treasury except where specific sector increases are prescribed.
5. Ensuring that drinking water meets the required quality standards at all times
6. Identification of inefficiencies and elimination of no-priority spending
7. Developing strategies in reducing water and electricity losses
8. Developing tariffs that are cost reflective
9. Protect the poor from the worst impacts of the economic downturn at all times
10. Job creation and poverty reduction

### 5.3.2 Challenges during the budget process

The Budget Committee was confronted with numerous challenges during the budget process.

The following had an impact:

- The continued negative effect of the economic downturn;
- The funding constraints with regards to the low available funding for the Capital Budget through the Capital Replacement Reserve;
- The high distribution losses that the municipality is experiencing resulting in operating losses on most of the Municipal trading services.
- The addressing of service delivery shortcomings as identified in the adjustments budget in February 2014 and its effect on the available funding;  
No cash backed reserves

### 5.3.3 Strategic plan

To counteract the abovementioned challenges a continued strategy was followed whereby the following was done;

- A revenue enhancement plan is place to facilitate the following:
- Increasing the tax base
- Debt collection
- Metering installation (Distribution losses)
- Cost curtailment
- Credit control

The municipality needs to focus on its core functions. During the adjustments budget the Budget Committee, Finance Portfolio Committee in conjunction with the Heads of Departments, scrutinised the budget to affect all possible savings;

Tariff setting especially with this annual budget was carefully considered to ensure certain levels of revenue which can accommodate basic services according to the IDP and to address the increasing demand for bulk infrastructure and renewal of ageing infrastructure within the limits of affordability.

A continued effort will be made to enhancement our income to ensure that all consumers are billed correctly and are contributing to the municipality's income as set out in our tariff policy. A revenue enhancement plan is in place to facilitate this exercise  
Reprioritise competing needs within the allocations.

#### Funding the Budget

- Section 18(1) of the MFMA states that an annual budget may only be funded from:
- Realistically anticipated revenues to be collected;
  - Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
  - Borrowed funds, but only for the capital budget referred to in section 17(2).

Section 18 of the MFMA requires that an annual budget must be funded. Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

National Treasury advice municipalities to keep increases in rates, tariffs and other charges at levels that will reflect an appropriate balance between the interest of poor households, other customers and ensuring the financial sustainability of the municipality.

In addition municipalities are encouraged to explore ways in which their own revenue contribution can be increased to fund capital budgets.

Water and sanitation tariffs are fully cost reflective and include the cost of maintenance and the costs for upgrades and new infrastructures.

Solid waste services are economical services and their budgets are break-even.

This service tariff is mainly affected by the high labour cost, petrol price increases and vehicle cost which in many cases are beyond the municipality's control.

#### 5.3.4 IDP Link to budget

The IDP is the primary point of reference for preparation of the MTREF. Accordingly the budget addresses the following strategic objectives:

- Provide basic services, roads and storm water.
- Economic growth and development and job creation.
- Sustainable communities with clean, healthy and safe environments and integrated social services.
- Participatory democracy and Batho Pele.
- Promote sound governance.
- Ensure financial sustainability.
- Organisational development and transformation.

The 2014/15 MTREF reflects the reality of the current budgetary pressures. The following budget guidelines directly informed the compilation of the budget;

- Scale down on baseline allocation as indicated by National Government.
- Approve a balanced budget and create cash surplus over the Medium-term.
- The budget must be funded in accordance with the funding compliance procedure set out in MFMA Circular 42 and the Funding Compliance Guideline.
- Ensure the timely delivery of the capital programmes (eliminate under spending of capital budget).
- Tariff and Property Rate increases should take into account the need to address infrastructure backlogs and other strategies and affordability of services.

The percentage salary increase in terms of the SALGA wage agreement as follows:

2014/15 Financial Year – 6.8% (5.8 percent plus 1 percent)

2015/16 Financial Year – 6.4% (6.4 percent plus 1 percent)

2016/17 Financial Year - 6.4% (6.4 percent plus 1 percent)

Special attention needs to be given to efficiency gains and the principle of value for money. Filling of vacancies should be reviewed within the available budget.

For the municipality to be able to deliver efficient and effective public services within the existing fiscal purse, tough decisions will have to be taken on the expenditure side. Priority ought to be given to the following areas:

- A performance culture where all the people are held accountable for their actions, accompanied by clear, measurable outcomes related to key developmental priorities.
- Limit outsourcing of work
- Procurement reforms
- Limit wastage and inefficient systems

The budget has been prepared with a vision of sustaining the financial capability of the municipality in the long term. A special effort was taken to improve the credibility of the budget. The tariffs have been set in line with tariff policy and the following factors were considered:

- The current collection rate
- The affordability of the community
- The social package
- The direct cost drivers
- Tariff increases

The social package will be increased from R345.83 to R368.10 to cater for indigent and child headed households.

The municipality is fully implementing the inclining block tariffs on electricity and water. The IBT for the electricity is in-line with the NERSA guidelines. The water tariffs are also designed using the inclining block model to promote conservative approach to the domestic consumers.

The municipality will still ensure that the poor are protected through the indigent support scheme as per the indigent policy and debt collection strategy. The threshold for increasing free basic services has increased to R2 300 per month. The increase on the package indicates the municipality's commitment to protect the poor and also to ensure that those who cannot afford to pay are not burden with the unpaid accounts.

The council is committed in creating employment and reducing poverty as part of National Initiative, through meaningful local economic developmental initiatives and labour intensive projects. Furthermore, the municipality will on the continuous basis engage with the service providers to ensure that labour intensive approaches are utilized. The municipality will also ensure that it implements the intern programs to provide the young people with on the job training.

The municipality's cash position will remain under pressure in 2014/2015, so we should adopt a conservative approach in spending. As a municipality we should also all pay serious attention to managing revenue and any cash streams effectively through revenue management processes and procedures.

For the municipality to be able to deliver efficient and effective public services within the existing fiscal purse, tough decisions will have to be taken on the expenditure side. Priority ought to be given to the following areas:

- A performance culture where all the people are held accountable for their actions, accompanied by clear, measurable outcomes related to key developmental priorities.
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Municipal revenues and cash flows are expected to remain under pressure as we still continue to have low income revenue growth with a continued increase in expenditure.

#### **5.3.5 2014/2015 Budget**

The 2014/2015 budget comprises of R1.8 billion for operating expenditure and R141 million for capital investment programs. The total operating income budget is R1.59 billion resulting in an operating deficit of R141.9 million.

Municipal revenues and cash flows are expected to remain under pressure as we still continue to have low income revenue collections with a continued increase in expenditure. A revenue enhancement strategy is in place as a turnaround plan.



**Table 1: Consolidated overview of the 2014/2015 Budget**

Description	Audited Outcome 2012/2013	Original Budget 2013/2014	Adjusted Budget 2013/2014	Budget 2014/2015	Budget 2015/2016	Budget 2015/2016
	R'000	R'000	R'000	R'000	R'000	R'000
Total Operating Revenue	1 137 187	1 369 466	1 411 600	1,592,998	1,478,258	1,569,375
Total Operating Expenditure	1 235 741	1 445 002	1 711 781	1,833,009	1,834,517	1,963,014
Surplus / (Deficit) for the year	(98 554)	(75 535)	(300 180)	(240,011)	(356,259)	(393,638)
Total Capital Expenditure	132 521	257 888	310 089	141,993	65,416	68,598

### 5.3.6 Operating budget

The operating budget deals with day to day operations of the municipality to ensure that service delivery is sustained.

The operating budget has increased to R1.8 billion compared to the current adjusted budget of R1.711 billion.

The trend is that the operating expenditure has been increasing over the years driven by:

- salary increments
- the need to repair infrastructure
- the need to adequately budget for debt impairment and depreciation,
- Inflation

Due to the current cash flow constraints we are facing it is prudent to introduce stringent cost control measures.

### 5.3.7 Capital budget

An amount of R141.9 million has been allocated for the capital investment program for 2014/2015 financial year. This is a decline from the R310 million budgets for 2013/14. The main reason for this is reduction in the MIG allocation for the year as well as non exclusion of SLP projects as we are still to get the SLA agreements.

### 5.3.8 Achievements and Challenges

Following the community participation process through the integrated development plan (IDP) and tabled budget process, the 2014/2015 to 2016/2017 annual budget is herewith tabled for consideration and adoption.

Principles and guidelines informing the budget

The 2014/2015 Medium Term Revenue and Expenditure Framework have been prepared in terms of the following principles and guidelines:

- The IDP was the primary point of reference for preparation of the MTREF for 2014/2015
- The performance of 2013/2014 budget was used as baseline and was appropriated as upper limits.
- National treasury MFMA circular 70 and 72 and the MFMA.
- CPI guidelines (5.8%) from National Treasury except where specific sector increases are prescribed.
- Ensuring that drinking water meets the required quality standards at all times
- Identification of inefficiencies and elimination of no-priority spending
- Developing strategies in reducing water and electricity losses
- Developing tariffs that are cost reflective
- Protect the poor from the worst impacts of the economic downturn at all times
- Job creation and poverty reduction

### 5.3.9 Funding the Budget

Section 18(1) of the MFMA states that an annual budget may only be funded from:

Realistically anticipated revenues to be collected;

Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and

Borrowed funds, but only for the capital budget referred to in section 17(2).

Section 18 of the MFMA requires that an annual budget must be funded. Achievement of this requirement in totality effectively means that a Council has 'balanced' its budget by ensuring that budgeted outflows will be offset by a combination of planned inflows.

National Treasury advice municipalities to keep increases in rates, tariffs and other charges at levels that will reflect an appropriate balance between the interest of poor households, other customers and ensuring the financial sustainability of the municipality.

In addition municipalities are encouraged to explore ways in which their own revenue contribution can be increased to fund capital budgets.

Water and sanitation tariffs are fully cost reflective and include the cost of maintenance and the costs for upgrades and new infrastructures.

Solid waste services are economical services and their budgets are break-even. This service tariff is mainly affected by the high labour cost, petrol price increases and vehicle cost which in many cases are beyond the municipality's control.

#### **5.3.10 The municipality experienced challenges on the following issues:**

##### **Project Implementation**

Slow expenditure on Capital Project has been experienced for various reasons. The PMU needs to be resuscitated in order to ensure smooth implementation of projects. This has led to budget roll-over of R29.9 million which Treasury discourages at all odds. The municipality has set a target of 80% expenditure by year end.

##### **Refuse Removal**

Refuse is expected to be collected at least once a week at all residential areas and per agreed schedule in all business sites. However, for the year under review the municipality experienced back log due to old and ageing municipal fleet.

##### **Electricity**

The municipality is experiencing continuous loss of electricity the average loss is 40%. Although the municipality does from time to time intervene to prevent this loss, such steps only reduced the theft insignificantly.

Various initiatives has been put in place through which electricity consumption should be managed such as energy saving and the implementation of automated meter readings.

##### **Water**

The average water loss is 20% at this stage due to theft and leakages as a result of old infrastructure. Currently a project to conserve water is underway wherein Sasol and Rand Water are also participating to curb these losses.

##### **Debtors**

The municipality is experiencing an increase on outstanding debtors. A Debt Collection Scheme was implemented wherein some of the Credit Control measures were relaxed in order to give relieve to consumers, the scheme is currently under review.

The municipality will also consider implementing a policy to reward its loyal customers to ensure constant cash flow.

### **Cash Flow**

The municipality experienced negative cash flow as a result of non-payment and losses of electricity and water. Although cash flow management was tightened on integrated revenue enhancement strategy is needed to ensure sustainability of the municipality going forward.

### **Audit Outcome**

The Municipality received a qualified Audit Opinion mainly on Asset Management. A plan is in place to address this matter.

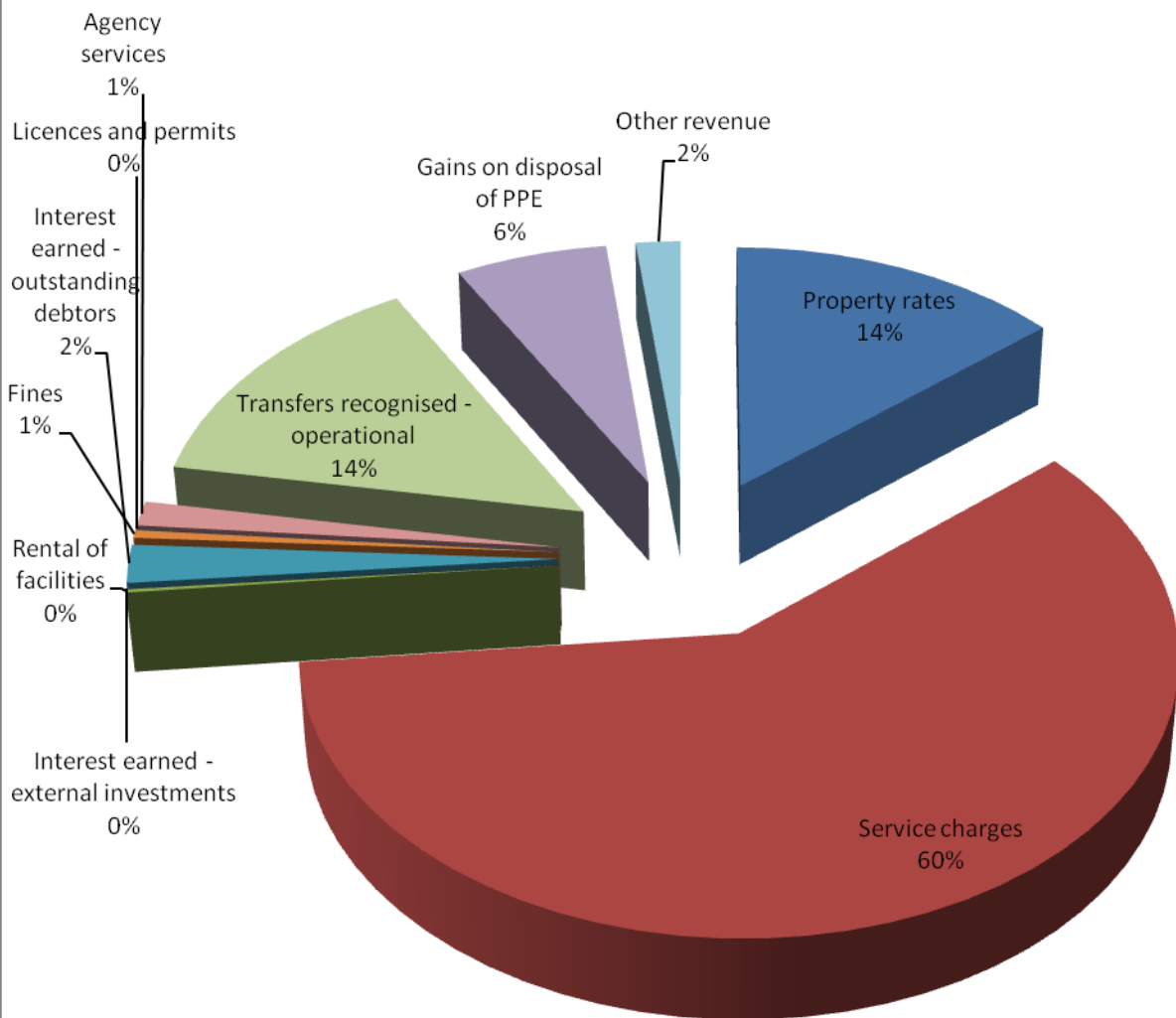
## 5.4 DETAILED OVERVIEW OF BUDGET

### Financial performance (revenue)

Description R thousand	Ref	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget 2014/15	Year +1 2015/16	Budget Year +2 2016/17	Year +2 2016/17
Revenue By Source											
Property rates	2	145,537	173,240	159,194	192,601	195,312	130,208	219,808	214,762	225,197	
Property rates - penalties & collection charges		-	547	-	-	-	-	-	-	-	
Service charges - electricity revenue	2	375,365	334,268	382,875	410,275	394,909	263,283	483,238	454,558	488,195	
Service charges - water revenue	2	115,490	235,354	269,530	269,530	253,133	168,755	275,317	295,801	319,761	
Service charges - sanitation revenue	2	177,075	51,927	59,446	66,580	69,429	46,286	76,733	81,132	87,704	
Service charges - refuse revenue	2	66,344	77,093	79,316	87,247	87,557	58,371	95,437	101,163	107,233	
Service charges - other		-	-	10,000	10,000	-	-	17,500	-	-	
Rental of facilities and equipment		10,654	3,872	4,675	3,273	2,914	1,943	3,065	3,234	3,412	
Interest earned - external investments		(765)	3,769	1,292	1,492	1,602	1,068	1,581	1,672	1,768	
Interest earned - outstanding debtors		34,778	31,233	35,955	35,955	34,108	22,738	36,086	38,179	40,393	
Dividends received		-	-	-	-	-	-	-	-	-	
Fines		9,025	8,014	9,721	9,721	6,993	4,662	7,378	7,786	8,216	
Licences and permits		44	1	14	14	5	4	5	6	6	
Agency services		24,796	19,682	33,935	73,935	91,679	61,213	23,264	20,408	21,531	
Transfers recognised - operational		176,853	193,751	196,735	196,735	191,808	129,422	224,188	232,603	237,485	
Other revenue	2	388,428	5,606	91,778	19,242	39,690	26,461	29,397	26,953	28,475	
Gains on disposal of PPE		1,129	(1,171)	35,000	35,000	27,474	18,316	100,000	-	-	
Total Revenue (excluding capital transfers and contributions)		1,524,754	1,137,187	1,369,466	1,411,600	1,396,612	932,731	1,592,998	1,478,258	1,569,375	

## Revenue 2014-2015

- Property rates
- Rental of facilities
- Interest earned - outstanding debtors
- Licences and permits
- Transfers recognised - operational
- Other revenue
- Service charges
- Interest earned - external investments
- Fines
- Agency services
- Gains on disposal of PPE



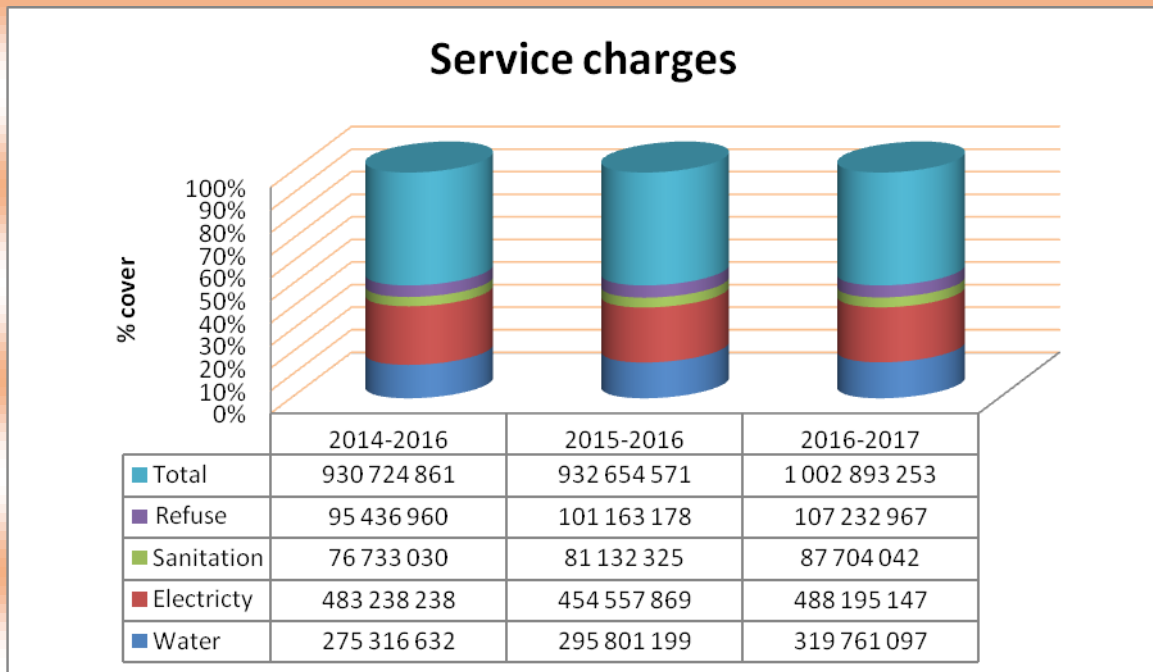
### 5.4.1 Comments on Operating Revenue

#### **The property rates**

The property rates show estimated revenue of R 219 million. The estimated forecast by 30 June 2014 is R195 million. An amount of R 28.6 million is budgeted for the income forgone in terms of rebates and discounts that are offered by the municipality for the indigents, pensioners and the areas where the municipality is not providing services. This revenue stream contributes 14% of the total revenue.

#### **Service charges**

Service charges include electricity, refuse, sewer and water. This revenue contributes 60% to our overall revenue. The service charges for 2014/2015 amount to R 930 million, 2015/2016 R 932 million and 2016/2017 amounts to R 1 billion. The R 930 million service charge breakdown is reflected in the graph below:



#### **Interest on debtors**

Interest on debtors has been increased to R 36.08 million guided by the expected figures by year end. The increase on interest on debtors was informed by past year trends as well and inflation. This revenue stream contributes 3% of the total revenue.

#### **Rent of facilities**

The rental of facilities projected revenue increased by 5.5% based on expected tariff increases. The stream contributes 0.2% of the revenue. If proper management is exercised more revenue can be realized.

**Interest on investments**

The interest on investment is expected to increase to R 1.6 million due to current performance of the revenue stream in 2013/14. The municipality is not in a position to invest due to negative cash flow.

**Fines**

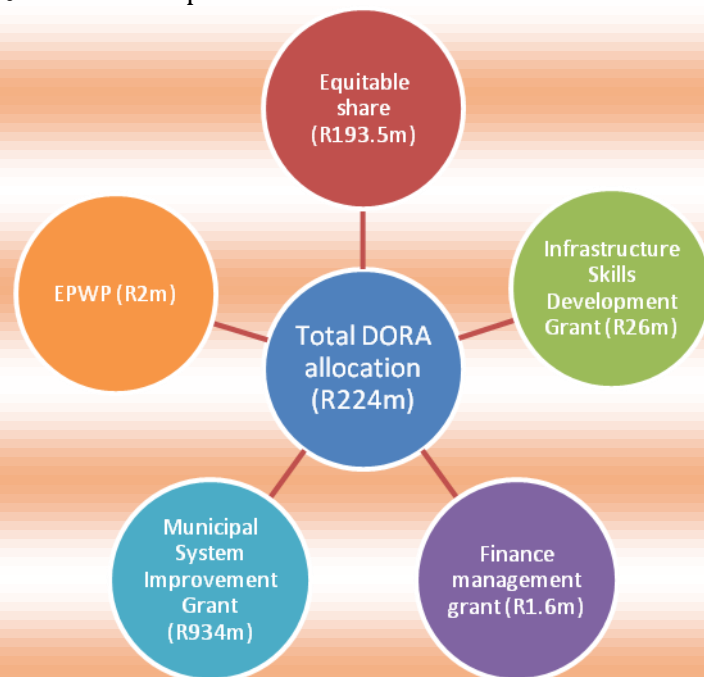
The revenue estimates for the fines have been decreased from R 9.8 million to R 7.3 million, this was guided by the year to date figures.

**The agency fees**

The estimates for this revenue stream has been decreased from R33 million to R19.3 million, this is based on the 20% of the Licensing fees collected from Department of Transport. This revenue stream needs to be properly monitored. It contributes 1% to the total operating revenue streams.

**Grants and Subsidies - operating**

The grants subsidies operational refers operating grants allocated per DORA. These grants forms part of 14% of the municipal revenue and are as shown below:





### **Other Revenue**

An amount of 19 million was budgeted for the current year and the expected performance by year end is expected to be R 40.6 million. The indicative figure for the 2014/ 2015 is R 29 million however monitoring and control should be exercised to achieve the results. Departments should report monthly on their revenue streams.

### **Gains on disposal of assets**

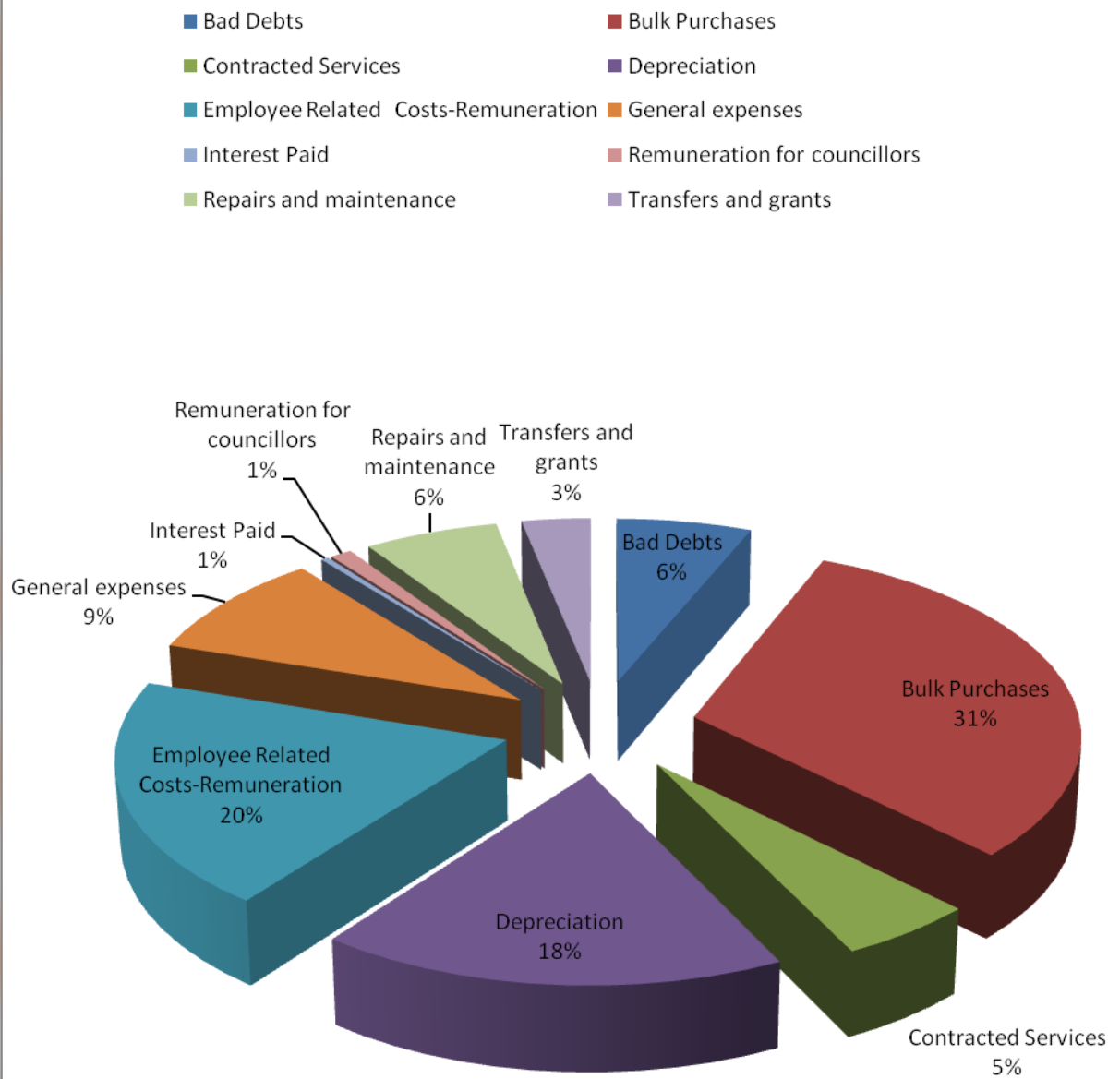
The disposal of R100 million worth of assets is budgeted for in the 2014/2015 financial period.. This revenue stream contributes 6%.

## 5.4.2 Financial performance (Expenditure)

Description R thousand	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Expenditure By Type									
Employee related costs	302,268	318,675	331,374	331,339	338,181	225,455	361,709	387,558	416,606
Remuneration of councillors	14,499	15,567	17,331	17,331	16,342	10,894	18,544	19,842	21,231
Debt impairment	114,032	(241,603)	50,159	144,054	-	-	114,773	122,972	131,772
Depreciation & asset impairment	399,642	310,569	85,309	301,760	-	-	322,884	345,485	369,669
Finance charges	16,728	17,710	12,352	4,662	15,236	10,157	6,510	5,830	6,168
Bulk purchases	472,661	476,456	499,940	531,940	488,767	325,845	572,152	614,421	659,868
Other materials	-	-	-	-	-	-	-	-	-
Contracted services	52,401	61,108	79,498	81,898	69,573	46,382	95,636	65,418	69,212
Transfers and grants	86,008	31,564	55,175	55,175	47,924	31,949	58,375	61,761	65,343
Other expenditure	126,857	116,980	313,863	243,621	202,764	138,069	282,425	211,230	223,144
Loss on disposal of PPE	-	128,714	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>1,585,095</b>	<b>1,235,741</b>	<b>1,445,002</b>	<b>1,711,781</b>	<b>1,178,787</b>	<b>788,751</b>	<b>1,833,009</b>	<b>1,834,517</b>	<b>1,963,014</b>
Surplus/(Deficit)	(60,341)	(98,554)	(75,535)	(300,180)	217,826	143,980	(240,011)	(356,259)	(393,638)
Transfers recognised - capital	72,167	107,340	87,245	101,701	89,699	59,799	71,781	65,416	68,896
Contributions recognised - capital	-	1,000	147,720	179,561	47,762	31,841	-	-	-
Contributed assets	144	9,539	13,150	15,676	6,990	4,660	5,300	-	-
Surplus/(Deficit) after capital transfers & contributions	11,971	19,325	172,579	(3,242)	362,276	240,280	(162,930)	(290,843)	(324,742)
Surplus/(Deficit) for the year	11,971	19,325	172,579	(3,242)	362,276	240,280	(162,930)	(290,843)	(324,742)

## Operating Expenditure

### EXPENDITURE 2014-2015



## 5.5 CONCLUSION

The municipality will still ensure that the poor are protected through the indigent support scheme as per the indigent policy and debt collection strategy. The threshold for increasing free basic services for a household has increased to R2 300 per month. The increase on the package indicates the municipality's commitment to protect the poor and also to ensure that those who cannot afford to pay are not burden with the unpaid accounts.

The council is committed in creating employment and reducing poverty as part of National Initiative, through meaningful local economic developmental initiatives and labour intensive projects. Furthermore, the municipality will on the continuous basis engage with the service providers to ensure that labour intensive approaches are utilized. The municipality will also ensure that it implements the intern programs to provide the young people with on the job training.

The municipality's cash position will remain under pressure in 2014/2015, so we should adopt a conservative approach in spending. As a municipality we should also all pay serious attention to managing revenue and any cash streams effectively through revenue management processes and procedures.

## CHAPTER 6: PUBLIC PARTICIPATION / WARDS NEEDS ANALYSIS

### 5. WHY PUBLIC PARTICIPATION?

The Constitution of the Republic of South Africa, Act 108 of 1996, places an obligation on municipalities to encourage the involvement of communities and community organisations in the matters of local government.

The Municipal Systems Act, 32 of 2000, focused once again the attention of municipalities to encourage the involvement of communities in the affairs of the municipality as through public participation the municipality is able to make development plans and render services that are more relevant to the needs and conditions of local communities.

Improving public participation in government can enhance good government in at least eight important ways which are set out in the table hereunder.

<b>The Benefits of Public Participation</b>	
1	Increased level of information in communities
2	Better need identification for communities
3	Improved service delivery
4	Community empowerment
5	Greater accountability
6	Better wealth distribution
7	Greater community solidarity
8	Greater tolerance of diversity

#### 6.1 PUBLIC AND STAKEHOLDER ENGAGEMENT IN IDP PROCESSES

The Municipality's IDP and Budget processes are people-driven. It is informed by Ward-based planning, analysis of ward needs and priorities, and public and stakeholder engagements. Govan Mbeki Municipality is committed to ensuring community participation in the interests of participative democracy at a local government level.

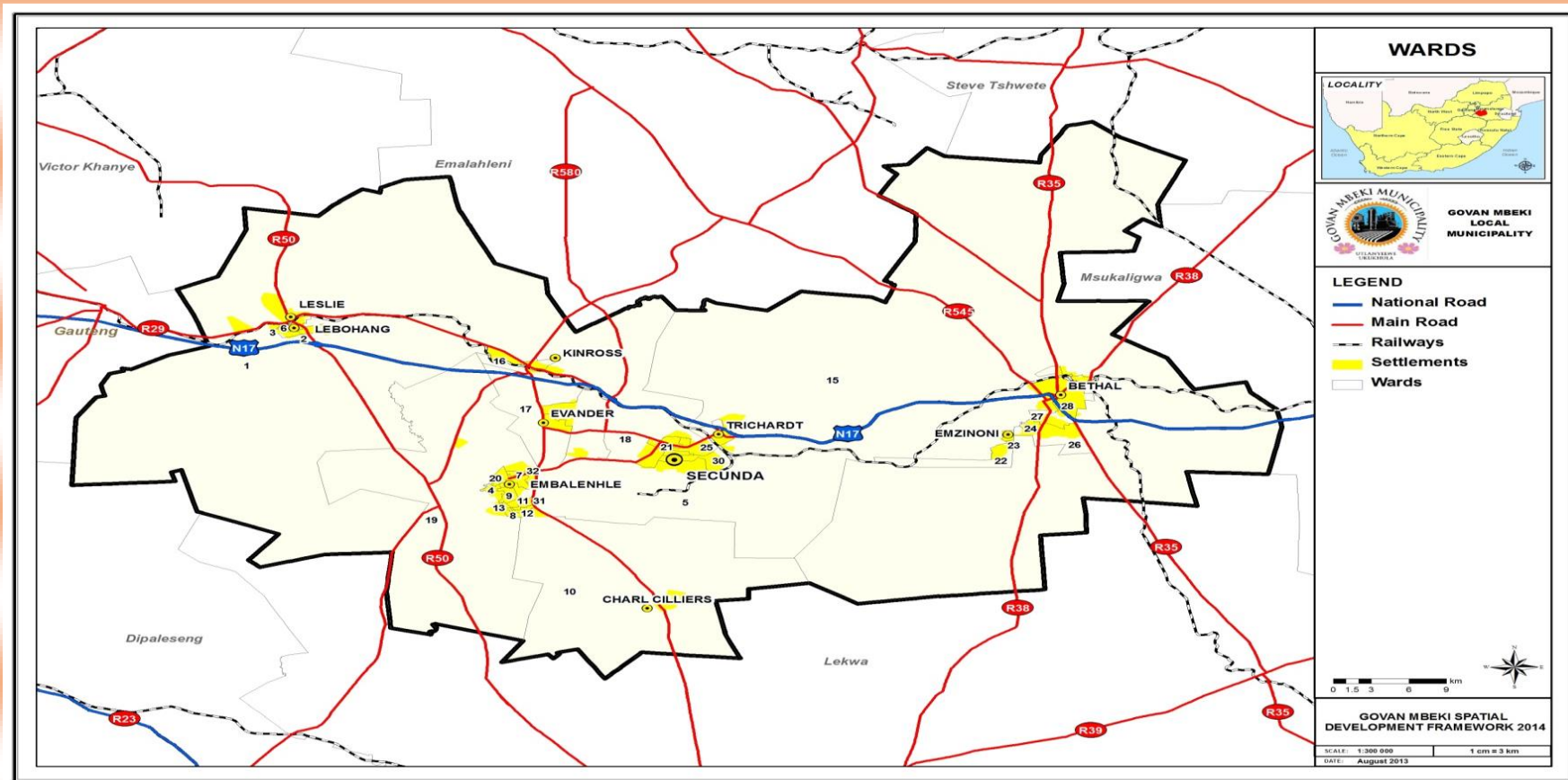
The commitment to community participation is underpinned by adherence to the Municipal Systems Act and the Municipal Finance Management Act, which require municipalities to consult with local communities through appropriate mechanisms, processes and procedures.

The Public engagement sessions were generally well attended except for some wards where the turnout was lower than expected or meetings that were cancelled due to no attendance.

The municipality continue to commit itself towards enhancing good relationships with its citizens and therefore intends to allocate more resources in mobilising the community to participate in municipal affairs.

## 6.2 CORE SERVICE DELIVERY ISSUES

This chapter also outlines the various service delivery and community development needs as stated by the various communities during the IDP public engagement process conducted from 22 October 2013 to 27 November 2013. Annexure F, also form part of this chapter and should therefore be read concurrent with the service delivery issues.



6.2.1 THE CORE SERVICE DELIVERY ISSUES PER WARD ARE LIST BELOW:

Summary of Development Needs (Issues) listed by Community	Ward/s	Extensions/ Sections
<ul style="list-style-type: none"> <li>• Electricity Provision and Upgrade of Electrical Infrastructure network,</li> <li>• Multi-purpose centre to service affected wards/areas,</li> <li>• Job creation through LED and Social Upliftment Projects,</li> <li>• High Mast Lights ,</li> <li>• Play Park,</li> <li>• Upgrade Sewerage Network ,</li> <li>• Speed Humps for traffic calming</li> <li>• Traffic signs,</li> <li>• Traffic Lights, Stands ,</li> <li>• Water Pollution programmes to ensure a Healthy Environment and provide Clean drinking Water</li> <li>• A robot on the main road from Standerton to Leslie</li> </ul>	1	Ext 12, 13, Farms, Eendracht and Leandra Town
<ul style="list-style-type: none"> <li>• Bridge or Subway Construction,</li> <li>• Building of a new school,</li> <li>• High Mast Lights in dark spots,</li> <li>• Multi-purpose centre,</li> <li>• Stands,</li> <li>• Cemetery roads to be re-gravelling,</li> <li>• Outstanding title deeds,</li> <li>• Speed humps Ext 16 Mbana Street,</li> <li>• Upgrade Water drainage Ext 9,</li> <li>• Water Pollution programmes to ensure a Healthy Environment and provide Clean drinking Water</li> <li>• Upgrading of Sewerage network pipes all areas</li> </ul>	2	Ext 16 phase 1 &2, 17,18,19,20,21,22,23

<ul style="list-style-type: none"> <li>• Repair of Sewerage leakages all affected areas as well as Sewer leakage next to car wash.</li> </ul>		
<ul style="list-style-type: none"> <li>• High Mast Lights ,</li> <li>• Multi-purpose,</li> <li>• Upgrade Sewerage Network ,</li> <li>• Stands,</li> <li>• Water Pollution programmes, to ensure a Healthy Environment and provide Clean drinking</li> </ul>	3	Ext 1,5,6,7 , part of Ext 10,11 and 12
<ul style="list-style-type: none"> <li>• Stands,</li> <li>• Maintenance of engineering services</li> <li>• Extended underground Storm water at Phumlazala.</li> <li>• Hector Peterson +Solomon Mahlangu</li> <li>• Storm water Masilela Street</li> <li>• Footbridge between Bayethe and Solomon Mahlangu</li> <li>• High Mast Light in the middle of 2054/00 Ext.</li> <li>• Street renewal at Ext 02</li> <li>• Sewer network at Ext 25</li> <li>• Street Maintenance at Extzalaz 25</li> <li>• Street Paving of Masilela and Phindamzala</li> <li>• Power failure Ext 25 and Ext 02 Mtetho Block</li> </ul>	4	Ext 2 , Ext 2 Ext 25 (section D and E), Section E (2054/00)
<ul style="list-style-type: none"> <li>• Stands,</li> <li>• Maintenance of engineering services</li> </ul>	5	
<ul style="list-style-type: none"> <li>• Multi-purpose Centre,</li> <li>• Stands,</li> <li>• Water Pollution programmes to ensure a Healthy Environment and provide Clean drinking Water</li> <li>• Renovations of Diffa Nkosi Hall.</li> <li>• Library Renovations</li> <li>• Street light at ext. 9 as well as Additional of High Mast lights at Ext 9</li> <li>• Paving of roads at Ext 9 Lebo hang</li> <li>• Shortage of residential stands</li> </ul>	6	



<ul style="list-style-type: none"> <li>• Cleaning of all furrows</li> <li>• Road needs paving</li> <li>• RDP houses to be fixed</li> </ul>		
<ul style="list-style-type: none"> <li>• Building of New Schools</li> <li>• Upgrade Water drainage Ext 9,</li> <li>• Crèche,</li> <li>• Job creation through LED and Social Up-liftment Projects ,</li> <li>• High Mast Lights ,</li> <li>• Multi-purpose Centre,</li> <li>• Speed Humps for traffic calming and traffic signs,</li> <li>• Traffic Lights ,</li> <li>• Upgrade Water drainage Ext 9</li> </ul>	7	Part of Ext 4,5,7,9,11 and 12
<ul style="list-style-type: none"> <li>• Job creation through LED and Social Up-liftment Projects,</li> <li>• Multi-purpose centre,</li> <li>• Upgrade Sewerage Network ,</li> <li>• Speed Humps for traffic calming</li> <li>• Traffic signs,</li> <li>• Traffic Lights</li> <li>• Paving of Internal roads</li> <li>• Storm water channels</li> <li>• Multipurpose Centre</li> <li>• Electricity Upgrades</li> <li>• Sports Fields</li> <li>• Unemployment</li> <li>• Schools</li> <li>• Satellite Police Station</li> <li>• Residential Stands</li> <li>• Street light at ext. 9</li> <li>• Paving of Roads</li> <li>• Albert Luthuli road not yet finish, needs to be completed</li> </ul>	8	Part of Ext 14,15 and portion of Ext 21

<ul style="list-style-type: none"> <li>• Job creation through LED ,</li> <li>• Social Up-liftment Projects</li> <li>• Road from Sasol needs paving</li> <li>• High Mast Lights</li> <li>• Project about the renovation of a sewer, no contractor on side</li> </ul>	9	Ext 8 (Hostels) Ext 18 (26147/26148), part of ext 2
<ul style="list-style-type: none"> <li>• Electricity Provision</li> <li>• Upgrade of Electrical Infrastructure network,</li> <li>• Multi-purpose centre,</li> <li>• Upgrading and resealing of roads,</li> <li>• Job creation through LED and Social Up-liftment Projects,</li> <li>• Provision of Storm Water channel for all affected wards,</li> <li>• Improvement of Waste removal,</li> <li>• Refuse dumping sites,</li> <li>• Refuse Drop Off-sites, and</li> <li>• Environment Cleaning and beautification of all wards</li> </ul>	10	Part of Ext 15,17 and 20, Charl Cillier and farms
<ul style="list-style-type: none"> <li>• Speed Humps for traffic calming</li> <li>• Traffic signs,</li> <li>• Traffic Lights</li> </ul>	11	Part of Ext 3,4,5,7, Ext 24 whole
<ul style="list-style-type: none"> <li>• Job creation through LED and Social Up-liftment Projects,</li> <li>• Multi-purpose centre</li> <li>• Upgrade Sewerage Network ,</li> <li>• Provision of Storm Water channel for all affected wards,</li> <li>• Sewerage network is problematic needs to be upgraded</li> <li>• Paving of BJ Nhlapo street at Ext 14</li> <li>• Paving of Eyethe street at Ext 18</li> <li>• Paving of Barney Molokoane street at Ext 19</li> <li>• Paving of Mphata RoadPhase one Ext 20</li> <li>• Paving of Mdakane Road Ext 20</li> </ul>	12	Part of Ext 14, 18, 19, 20

<ul style="list-style-type: none"> <li>• Multi-purpose centre,</li> <li>• Upgrade Sewerage Network ,</li> <li>• Provision of Storm Water channel for all affected wards</li> </ul>	13	Part of Ext 14 and 21
<ul style="list-style-type: none"> <li>• Job creation through LED and Social Up-liftment Projects,</li> <li>• Speed Humps for traffic calming</li> <li>• Traffic signs,</li> <li>• Traffic Lights,</li> <li>• Multi-purpose centre,</li> <li>• Upgrade Sewerage Network ,</li> <li>• Provision of Storm Water channel for all affected wards</li> <li>• Ext 18 gate 3 they need a bridge, they are also affected by a furrow which is supposed to save as a storm water</li> <li>• Gate 2 has a leaking sewerage (stand no 19478)</li> </ul>	14	Part of Ext 18
<ul style="list-style-type: none"> <li>• Electricity Provision and Upgrade of Electrical Infrastructure network,</li> <li>• Job creation through LED and Social Up-liftment Projects,</li> <li>• Upgrading and resealing of roads,</li> <li>• Multi-purpose centre</li> </ul>	15	All Bethal and Trichardt farms
<ul style="list-style-type: none"> <li>• Clinic</li> <li>• Clinic services needed,</li> <li>• High Schools, Job creation through LED and Social Up-liftment Projects,</li> <li>• Paving of Sidewalks and roads</li> <li>• Sanitation not complete at ext. 25</li> <li>• Street lights need attention</li> <li>• People needs land (the allocation of stand is moving slow)</li> <li>• Electricity supply problematic as winter is around the corner.</li> <li>• Electricity substation needs to be upgraded to satisfy the demand.</li> </ul>	16	Ext 1,2, 3, 4, 6, 7, 8, 11, 12,15, 17, 18, 19,22 24 in Kinross Town,  Ext 16, 21, and 25
<ul style="list-style-type: none"> <li>• Maintenance of infrastructure,</li> <li>• Improved Law Enforcement to reduce Crime,</li> <li>• Enkomeni they need a bridge,</li> <li>• Electricity,</li> </ul>	17	Enkomeni farm, Emazakhele farm, Bioskop farm, Kinross Mine, and Evander town sector 1

<ul style="list-style-type: none"> <li>• Lappa needs attention,</li> <li>• Informal settlements are growing land taken by force</li> </ul>		
<ul style="list-style-type: none"> <li>• Improved Law Enforcement to reduce Crime,</li> <li>• Maintenance of infrastructure</li> </ul>	18	Evander town sector 2 and farms
<ul style="list-style-type: none"> <li>• Crèches, Multi-purpose centre,</li> <li>• Upgrade Sewerage Network ,</li> <li>• Job creation through LED and Social Up-liftment Projects,</li> <li>• Maintenance of infrastructure,</li> <li>• Roll -out of Youth Development Programmes</li> <li>• Shortage of water at ROODEBANK and REEDKALE farms</li> <li>• Shortage of water in farms they request for Jojo tanks as boreholes are no longer working.</li> <li>• Challenges of cracking of houses at ext 2 as it is no longer in good conditions for people to reside in it.</li> <li>• Rectification houses to be accelerated.</li> </ul>	19	Ext 1, part of Ext 25, Ext 26, Ext 22 and farms
<ul style="list-style-type: none"> <li>• Maintenance of engineering services</li> <li>• Greenfield Ext 10 that is a developing area</li> <li>• New Ext Budget for</li> <li>• Electricity at the new RDP houses</li> <li>• Storm water from Circle Mandela Ext 16</li> <li>• Foot Bridge from Circle Mandela Ext 16</li> <li>• Mkhatlo Road Project</li> <li>• Community Hall is needed</li> <li>• Storm water systems needs to be attended to all affected areas</li> </ul>	20	Ext 12 (Greenfield), Ext 10, 15, White City (12), White City (13), white City stands
<ul style="list-style-type: none"> <li>• Maintenance of engineering services</li> </ul>	21	Portion of sunset park in Secunda, Ext 17, 04, 26, 00, Police station, Fire station.
<ul style="list-style-type: none"> <li>• Improved Law Enforcement to reduce Crime</li> <li>• Convention of VIP toilets not complete</li> <li>• Ext 23 reservoir is leaking</li> </ul>	22	Ext 5

<ul style="list-style-type: none"> <li>• Improved Law Enforcement to reduce Crime,</li> <li>• Speed Humps for traffic calming</li> <li>• Traffic signs,</li> <li>• Traffic Lights</li> </ul>	23	Ext 4.6, Azapo and kanana
<ul style="list-style-type: none"> <li>• Community Hall - Second Phase Hall(Raymond Mavuso),</li> <li>• Community Hall to be fence off.</li> <li>• Storm water channel,</li> <li>• Houses,</li> <li>• Stands,</li> <li>• Provision of Storm Water Parabula and 5<sup>th</sup> Street,</li> <li>• Residential stands</li> <li>• Sewer connection for 19 stands in Ext 7 (Thambo)</li> <li>• Electricity infill's for 19 stands in Ext 7 (Thambo)</li> <li>• Paving of roads</li> <li>• Storm water Drainage from EH Third Street to Ext 7 (Thambo)</li> <li>• High Mast Lights Ext 7 (Thambo)</li> <li>• Project at Thambo not complete for RDP houses and toilets</li> <li>• Some RDP houses are cracking</li> <li>• Street lights need attention</li> <li>• Speed humps on the tar road to Vukanini School</li> <li>• Storm water drainage system at Tambo.</li> <li>•</li> </ul>	24	EH, 17 to 12 Street, New stands, Ext 2, Tambo, Part of Cowvillage, Part of Chris Hani
<ul style="list-style-type: none"> <li>• Lights ,</li> <li>• Upgrade of Storm water system as well as new Storm water infrastructure</li> <li>• High school,</li> <li>• Stands</li> <li>• Maintenance of roads URGENT</li> <li>• Traffic enforcement at Grey and N17 or maybe a robot</li> <li>• High school needed</li> <li>• Stands are needed</li> </ul>	25	

<ul style="list-style-type: none"> <li>• Opened electrical boxes be maintained</li> <li>• Library parking area be paved</li> <li>• Clinic parking area be paved</li> <li>• High mast lights</li> <li>• Storm water infrastructure needed</li> </ul>		
<ul style="list-style-type: none"> <li>• High school,</li> <li>• Stands,</li> <li>• Street lights,</li> <li>• Clinic services needed</li> </ul>	26	Ext 23, Informal settlements, Ext 13, Part of Cow Village, Chris Hani Ext 8, Ext 1 and Ekuthuleni
<ul style="list-style-type: none"> <li>• Upgrade of Storm water Infrastructure</li> <li>• Stands,</li> <li>• Street lights,</li> <li>• RDP Houses,</li> <li>• Paving of interconnecting roads,</li> <li>• Paving of roads in parama section</li> <li>• RDP houses are urgently needed</li> <li>• Roads un-trafficable</li> </ul>	27	Ext 2, 3, 9, and EMzinoni Proper stands
<ul style="list-style-type: none"> <li>• Job creation through LED and Social Up-liftment Projects,</li> <li>• Maintenance of infrastructure</li> </ul>	28	Ext 22, Milan Park, Part of Town eastern side of Clerq street, Plots east of R35, Bethal Rand.
<ul style="list-style-type: none"> <li>• Building of New School,</li> <li>• Upgrade Water drainage Ext 9,</li> <li>• Improved Law Enforcement to reduce Crime,</li> <li>• Upgrade Water drainage Ext 9</li> <li>• School needs to be built</li> <li>• Roads un-trafficable.</li> </ul>	29	Part of Ext 9, and 12
<ul style="list-style-type: none"> <li>• Building of New Schools</li> <li>• Upgrade Water drainage Ext 9,</li> <li>• Provision of Storm Water channel for all affected wards,</li> <li>• Upgrade Sewerage Network</li> </ul>	30	

<ul style="list-style-type: none"> <li>• Electricity Provision</li> <li>• Upgrade of Electrical Infrastructure network,</li> <li>• Upgrade Sewerage Network</li> <li>• <b>Roads:</b> 4km paved road with storm water at Ext 17 (Proposed source funding MIG ) 3km paved road with storm water drainage at Ext 17 (Proposed source funding Gert Sibande District)</li> <li>• <b>Upgrading of facilities:</b> Upgrading of Youth Park at Ext 17 (Proposed funding Source SLP) Upgrading of Sport Fields and establishment of Netball ground at Ext 17 (Proposed funding Source SLP) Upgrading of community facility centre at Ext 17 (Proposed funding Source SLP)</li> <li>• <b>Enterprise Development/ LED Projects:</b> Community Co-operative</li> <li>• Chicken broilers, slaughter house, processing egg laying, cage, egg incubators and bleeders/ stunners (Proposed funding Source SLP)</li> <li>• <b>Human Settlement/ low cost</b> 300 Consolidation at Ext 17 200 Low Cost at Ext 17</li> </ul>	31	Part of Ext 17, 15, 14, 20, 19
<ul style="list-style-type: none"> <li>• Crèche ,</li> <li>• Bridge,</li> <li>• Pedestrian crossing,</li> <li>• Storm water,</li> <li>• Primary School,</li> <li>• Parks</li> </ul>	32	Part of Ext 11 and 12

## CHAPTER 7: MUNICIPAL DEVELOPMENT STRATEGIES/AGENDA

### 6. MUNICIPAL KEY PERFORMANCE AREAS AND STRATEGIC OBJECTIVES

To give effect to the objectives as set out in Sections 152 and 153 of the Constitution and to ensure that the Municipality continues to remain functional, rendering services in the manner as stated in our vision, the Govan Mbeki Council has reconfirmed its Eight ( 8) Key Performance Areas (KPA'S), Strategic Objectives and Pre-Determined Objectives ( PDO's) as outlined in its five-year IDP.

#### 7.1 KPA 1: Governance and Stakeholder Participation

##### **Strategic Objective**

To ensure good governance and the participation of stakeholders.

##### **Pre determined Objective (PDO's)**

- ✓ Promote sound and sustainable governance
- ✓ Pro-actively manage and mitigate risks
- ✓ Review and streamline policies and procedures
- ✓ Review by-laws and enforce
- ✓ Monitor and evaluate performance
- ✓ Improve internal and external communication.

#### 7.2 KPA 2: Physical Infrastructure and Energy Efficiency

##### **Strategic Objective**

To ensure appropriately serviced, well maintained physical infrastructure and the efficient use of energy.

##### **Pre determined Objective (PDO's)**

- ✓ Improve energy efficiency
- ✓ Plan, construct and maintain roads and stormwater
- ✓ Plan, construct and maintain water and sanitation
- ✓ Plan, construct and maintain waste infrastructure
- ✓ Plan, construct and maintain public facilities



### 7.3 KPA 3: Services and Customer Care

#### **Strategic Objective**

To provide sustainable and affordable services and effective customer care.

#### **Pre determined Objective (PDO's)**

- ✓ Provide sustainable, reliable, affordable water, sanitation services to all
- ✓ Provide sustainable, reliable, affordable electricity to all residents
- ✓ Provide sustainable, reliable, affordable waste disposal to all residents
- ✓ Develop, implement maintain sound relations with all customers
- ✓ Ensure access to safe and affordable public transport
- ✓ Develop, implement a branding plan
- ✓ Develop effective efficient building plan development application

### 7.4 KPA 4: Economic Growth and Development

#### **Strategic Objective**

To facilitate economic growth and development.

#### **Pre determined Objective (PDO's)**

- ✓ To plan, execute enterprise development
- ✓ To plan, execute tourism enhancement
- ✓ To plan execute green economy projects
- ✓ To plan, execute skills development
- ✓ To plan, execute rural and agricultural
- ✓ To plan, execute urban renewal projects
- ✓ To plan, execute rural agricultural development

### 7.5 KPA 5: Safety and Environment

#### **Strategic Objective**

To ensure safety within the community as well as a healthy and protected environment

#### **Pre determined Objective (PDO's)**

- ✓ Ensure a safe secure environment
- ✓ Ensure a sustainable environment
- ✓ Review, implement the disaster management
- ✓ Provide reliable emergency services to all residents
- ✓ Ensure effective efficient traffic control , law
- ✓ Provide well-maintained parks, open spaces

## **7.6 KPA 6: Social and Community Development**

### **Strategic Objective**

To facilitate social and community development.

#### **Pre determined Objective (PDO's)**

- ✓ Develop integrated, sustainable human settlements
- ✓ Promote, develop sport, recreation
- ✓ Develop, conserve protect craft culture
- ✓ Ensure an effective and efficient library service
- ✓ Plan, construct, and maintain cemeteries

## **7.7 KPA 7: Institutional Transformation**

### **Strategic Objective**

To ensure institutional transformation.

#### **Pre determined Objective (PDO's)**

- ✓ Assess, review, and address the human capital and skills
- ✓ Establish an effective, efficient PMU , develop PM skills
- ✓ Develop, implement an effective, efficient PMS
- ✓ Review processes procedures for effective IT service
- ✓ Review processes procedures - effective service
- ✓ Review, provide the required municipal facilities
- ✓ Review, plan provide for the required equipment vehicle

## **7.8 KPA 8: Financial Sustainability**




### **Strategic Objective**

To ensure financial sustainability.

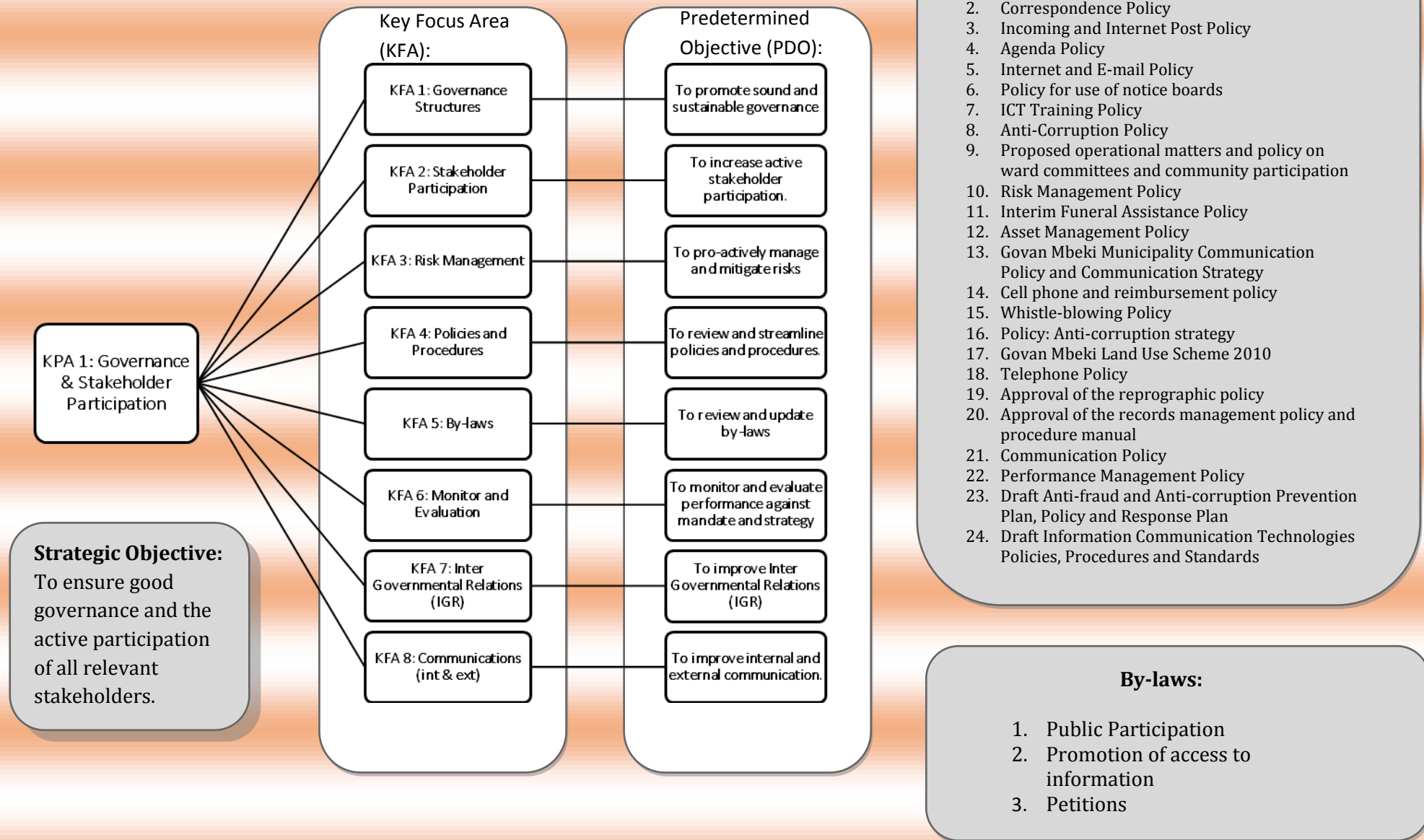
#### **Pre determined Objective (PDO's)**

- ✓ To protect and enhance revenue
- ✓ To reduce operational expenditure
- ✓ Ensure sound asset management.
- ✓ Ensure value-for-money capital expenditure
- ✓ Review and streamline SCM processes
- ✓ Develop and implement a funding model.

This chapter provide for an analysis conducted as per the below rating legend on each of the municipal key focus areas as follows:

<b>LEGEND:RATING SYSTEM</b>	
1- good performance/implementation/standard	
2- average performance/standard OR policy in place with average implementation -	
3- poor performance/standard OR no performance/function	

## KPA 1: Governance and Stakeholder Participation



## KPA 1: GOVERNANCE AND STAKEHOLDER PARTICIPATION

**Strategic Objective 1 : To ensure good governance and the active participation of all relevant stakeholders.**

### GOVERNANCE AND STRUCTURES

Govan Mbeki Municipality is a category B Municipality. The GMM comprises 32 electoral wards, and is one of seven local municipalities that fall under Gert Sibande District Municipality.. It has an Executive Mayoral System.

Section 151 (3) of the Constitution states that the Council of a Municipality has the right to govern, on its own initiative, the local government affairs of the local community.

At the Govan Mbeki Municipality clear distinction is made between the politically elected structure, namely Council, which is responsible for the oversight and legislative function of the Municipality, and the Administration.

In terms of Sections 79 and 80 of the Municipal Structures Act 117 of 1998 Govan Mbeki Council has established five sub-committees to assist Council in carrying out its responsibilities.

The institution has established the section 79 committees, rules committees, section 80 committees, internal and external audit committee, risk committee who co-conduct oversight on behalf of the council.

The GMM comprises of five departments, all of which account to the Office of the Municipal Manager. These departments include: Corporate Services; Technical Services; Finance; Planning and Development; and Community Services.

Description	Rating
Council has been duly elected and is fully functional	☹️
Executive Mayor and Mayoral Committee	☹️
Sect 80 Committees	☹️
Sect 79 Ethics Committee	☹️
Sect 79 MPAC (Municipal Public Accounts Committee)	☹️
Sect 79 Petitions	☹️
Audit/ Risk Committee	☹️
IDP Representative Forum	☹️

Office of the Speaker	😊
Ward Committees in all wards	😊
Office of the Chief Whip	😊
Municipal Code	😊
Town Planning Tribunal	😊
Municipal Bylaws	😊

### Municipal Systems Act Section 53 Role Clarification

Section 53 of the Municipal Systems Act 32 of 2000 stipulates, inter alia, that the respective roles and areas of responsibility of each political structure and political office bearer of the Municipality and of the municipal manager must be defined.

➤ <b>Municipal Council</b>	➤ <b>Executive Mayor</b>	➤ <b>Mayoral Committee</b>
<ul style="list-style-type: none"> <li>➤ Governs by making and administrating laws, raising taxes and taking decisions that affect people's rights.</li> <li>➤ Is a tax authority that may raise property taxes and service levies</li> <li>➤ Is the primary decision maker and takes all the decisions of the Municipality except those that are delegated to political structures, political office bearers.</li> <li>➤ Individual councillors or officials</li> <li>➤ can delegate responsibilities and duties for the purposes of fast and effective decision making.</li> <li>➤ Must strive towards the constitutional objects of local government;</li> <li>➤ Must consult the community with respect to local government matters; and</li> <li>➤ Is the only decision maker on non-delegated matters such as the approval of the IDP and budget?</li> </ul>	<ul style="list-style-type: none"> <li>➤ Is the executive and political leader of the Municipality and is in this capacity supported by the mayoral committee.</li> <li>➤ Is the social and ceremonial head of the Municipality</li> <li>➤ Must identify the needs of the Municipality and must evaluate progress against key performance indicators.</li> <li>➤ Is the defender of the public's right to be heard</li> <li>➤ Has many responsibilities with respect to the annual budget, the budget process, budget control and various other financial matters; and</li> <li>➤ Performs the duties and exercises the responsibilities that were delegated to him/her by the Council.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Its members are elected by the Executive Mayor from the ranks of councillors, with the exception of the Deputy Executive Mayor who is elected by the council and is an ex officio member of the mayoral committee.</li> <li>➤ Its functional responsibility area is linked to that of the Executive Mayor to the extent that he must operate together with the members of the mayoral committee.</li> <li>➤ Its primary task is to assist the Executive Mayor in the execution of his powers - it is in fact an extension of the office of Executive Mayor and</li> <li>➤ The committee has no powers on its own – decision making remains that of the Executive Mayor.</li> </ul>

## STAKEHOLDER PARTICIPATION

The Constitution of the Republic of South Africa, Act 108 of 1996, places an obligation on municipalities to encourage the involvement of communities and community organisations in the matters of local government.

With the promulgation of the Municipal Systems Act, 32 of 2000, the attention of municipalities was focused anew on the need to encourage the involvement of communities in the affairs of the municipality.

Through Stakeholder/Public participation the municipality is able to make development plans and render services that are more relevant to the needs and conditions of local communities. This in itself empowers local communities to have control over their own lives and livelihoods.

There are many key stakeholders in each economic sector in the GMM. Sasol accounts for an overwhelming share of municipal value added, particularly in mining and manufacturing.

A good participation process is characterised by commitment from the municipality and those from the community that participate in the process. All relevant stakeholders that have an interest in the IDP process were provided the opportunity to participate directly or through representation.

Description	Rating
Petitions Policy	😊
Petitions Committee	😊
Resources and Procedures	😊
Functional ward committees in all wards	😊
Participation in IDP and Budget process	😊

## RISK MANAGEMENT

Section 62 (i) (c) of the Local Government: Municipal Finance Management Act, Act 56 of 2003, requires a municipality to have and maintain an effective, efficient and transparent system of risk management

Risk management forms part of management's core responsibilities and is an integral part of the internal processes of the municipality.

It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the municipality's service delivery capacity.

When properly executed risk management provides reasonable, but not absolute assurance, that the municipality will be successful in achieving its goals and objectives.

GMM views the commission of acts of corruption, fraud and theft by officials and Councillors with utmost seriousness and has therefore developed an anti-corruption and fraud plan that's still needs to be approved and implement accordingly.

The objective of this Plan is to extend and cultivate a culture within the Municipality where the entire workforce will strive to ultimately eradicate action of fraud, corruption, theft and maladministration.

Description	Rating
Anti-Fraud and Corruption Management	☹️
Risk Matrix	☹️
Risk Management Policy	☹️
Risk Register	☹️
Risk Committee	☹️
Risk Management Committee	☹️
Incident Register	☹️
Disaster Management Plan / Risk Management Plan / Business Continuity Plan	☹️

## POLICIES AND PROCEDURES

The Council of Govan Mbeki Municipality has approved the following policies, plans and technological systems to guide the administration towards the effective and efficient management of the municipality and its resources.

These policies and plans are reviewed annually to ensure that it remains relevant and practical to the inherent operational needs of the municipality. Through the implementation of policies and plans the municipality is able to enhance sound administrative and financial control.

Description	Rating
Policy Register	☹️
Regular review of policies	☹️
System of Delegations	☹️

## BYLAWS

Section 11 (3) (m) of the Municipal Systems Act, No 32 of 2000 provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.



The Govan Mbeki Municipality has the following approved policies and by-laws in place :

<b>POLICIES</b>	<b>STATUS</b>
Land Alienation Policy	Approved B51/10/2007
Indigent Policy	Approved A19/05/2011
Housing Charter Policy	Approved
Housing Policy	Approved B362/11/2004
Fraud and Corruption Policy	Approved B48/02/2004
Whistle-blowing Policy	Approved A21/07/2007
Transport and Equipment Policy	Approved A24/06/2008
HR Development and Management Policies	Approved A47/08/2010
Property Rates Policy	Approved A16/05/2009
Credit Control Policy	Approved A19/05/2011
Budget Policies	Approved A19/05/2011
Cell phone and Reimbursement Policy	Approved CB07/06/2008
Expanded Public Works Policy	Approved A19/06/2008
Library Policies	Approved A25/05/2009
Public Participation by-laws	Draft A20/05/2012
Promotion of access to Information by-laws	Draft A20/05/2012
Public Libraries and auditoriums by-laws	Draft A20/05/2012
Cemetery by-laws	Draft A20/05/2012
Youth Development by-laws	Draft A20/05/2012
Preparation of food at registered Kitchens by-laws	Draft A20/05/2012
Child Care by-laws	Draft A20/05/2012
Home for the Aged by-laws	Draft A20/05/2012
Disposal of contaminated and/or Infectious Waste by-laws	Draft A20/05/2012
Privately Owned Swimming Pools by-laws	Draft A20/05/2012
Public Swimming Pools by-laws	Draft A20/05/2012
Smoking by-laws	Draft A20/05/2012
Nuisance by-laws	Draft A20/05/2012
Informal Trading by-laws	Draft A20/05/2012
Hair salon and Barber Shop by-laws	Draft A20/05/2012
Keeping of Animals by-laws	Draft A20/05/2012
Law Enforcement by-laws	Draft A20/05/2012
Caravan Park by-laws	Draft A20/05/2012
Emergency Services by-laws	Draft A20/05/2012
Standard Electricity by-laws	Draft A20/05/2012
Pauper Burial by-laws	Draft A20/05/2012
Storm water Management by-laws	Draft A20/05/2012
Public Roads, Electronic Communications Network Miscellaneous by-laws	Draft A20/05/2012
Encroachment by-laws	Draft A20/05/2012
Traffic by-laws	Draft A20/05/2012
Petitions by-laws	Draft A20/05/2012
Control of illegal Invasions by-laws	Draft A20/05/2012
	Draft A20/05/2012
Credit Control by-laws	Draft A20/05/2012
Tariff by-laws	Draft A20/05/2012
Street Trading by-laws	Draft A20/05/2012

Description	Rating
Regular review of bylaws	☹️
Bylaw Register	☹️

## MONITORING AND EVALUATION

The aim of the monitoring process is to take appropriate and immediate interim (or preliminary) action where the indication is that a target is not going to be met on time.

Monitoring is a continuous process of measuring, assessing, analysing and evaluating the performance of the organisation and departments with regard to KPIs and targets. Mechanisms, systems and processes for monitoring should provide for reporting at least twice per annum to the GMM council and the community.

It should also enable detection of underperformance and provide corrective measures. The institution has appointed an external audit committee to assess performance of the municipality against service delivery pointers.

IDP and Budget are implemented through a Service Delivery and Budget Implementation Plan (SDBIP). A municipal scorecard is used to measure, monitor, evaluate and report on institutional performance (on a monthly, quarterly, bi-annual and annual basis).

The institutional SDBIP forms the basis of the directorate-based SDBIP and the performance agreements and plans of employees

The PMS System serves as primary mechanism to monitor, review and improve the implementation of the municipality is IDP and eventually the budget

The municipality has made progress in improving organisational performance and has improved its capacity in the following aspects;

- Developing and Setting of Key Performance Areas that complies with the SMART principle
- Stronger / Clear linkage between IDP, Budget, SDBIP and Annual Report
- Implementation of Performance Management System
- Review and expanding organisational Macro and Micro structures and the filling of key posts to implement projects and programmes.

The overall performance of the municipality is managed and evaluated by a municipal scorecard (**Top Layer SDBIP**) at organisational level and through monitoring and evaluation of the detailed Departmental Service delivery budget implementation plan (SDBIP) departmental, Deputy Directors and Senior Manager's levels.

The municipal scorecard (Top Layer SDBIP) sets out consolidated service delivery targets for Executive Management and provides an overall picture of performance for the municipality as a whole, reflecting the performance on each strategic objective and service delivery priorities.

Description	Rating
Regular review of service providers and contractors	😊
Project Management Unit	😊
Performance Management System	😊
Management Information	😊

## INTER GOVERNMENTAL RELATIONS (IGR)

The Govan Mbeki Municipality strives to maintain its legislative authority and co-operative governance as required by the Constitution and other relevant legislation.

Govan Mbeki Municipality participates in many Intergovernmental Relations activities in the district and province.

In doing so, the Municipality maintains good co-operative and intergovernmental relations with its district and neighbouring municipalities, provincial authority, national government and intergovernmental agencies.

The Govan Mbeki Municipality sincerely participates in various Intergovernmental Relations activities in the district and province. The Municipality delegates officials and Councillors to the following forums:

Intergovernmental Relations Forums:		
Forum	Frequency	Department
Municipal Managers Forum	Quarterly	Office of the Municipal Manager
SALGA Working Groups, NCOP, FFC	Quarterly	Relevant Department and Portfolio Councillor
District Co-ordinating Forum (DFC)	Quarterly	Office of the Mayor, Speaker ,MMC's, Office of the Municipal Manager and Directors
Premiers Co-ordinating Forum (PCF)	Quarterly	Office of the Mayor and Office of the Municipal Manager
Communication Forum	Quarterly	Office of the Municipal Manager
Monitoring and Evaluation Forum	Quarterly	Planning and Development
District IDP Managers Forum	Quarterly	Planning and Development
Provincial Skills development forum	Quarterly	Corporate Services
Disaster Management Forum	Quarterly	Community Services
Local Economic Development Forum	Quarterly	Planning and Development

Description	Rating
Dedicated IGR Unit	☹
Premier's Coordinating Forum (PCF)	☺
Technical PCF	☺
MEC/MMC Fora	☺
SALGA	☺
District Fora	☺

## COMMUNICATIONS (INTERNAL AND EXTERNAL)

Govan Mbeki Local Municipality (GMM)) recognizes the importance of effective communications in the delivery of services to the communities as prescribed in terms of The Municipal Structures Act 117 of 1998, Municipal Systems Act 32 of 2000, the Access to Information Act 2 of 2000 and the Constitution of South Africa.

Communication is a two way process and Govan Mbeki Local Municipality continues to maintain and encourage regular dialogue with media, local communities and stakeholders so that information and views are exchanged both inside and outside the institution.

Communication channels are via the following medium:

INTERNAL COMMUNICATION	
<ul style="list-style-type: none"> <li>➤ E-mail system</li> <li>➤ Internal telephone system</li> <li>➤ Internal memorandums</li> </ul>	<ul style="list-style-type: none"> <li>➤ Municipal notice boards</li> <li>➤ Departmental meetings</li> <li>➤ Management meetings</li> </ul>
EXTERNAL COMMUNICATION	
<ul style="list-style-type: none"> <li>➤ Municipal Website (<a href="http://www.govanmbeki.gov.za">www.govanmbeki.gov.za</a>)</li> <li>➤ Thusong Service Centre</li> <li>➤ Mayoral Izimbizo</li> <li>➤ Local media</li> <li>➤ Municipal newsletter</li> <li>➤ IDP representative forum</li> <li>➤ Ward committees</li> </ul>	<ul style="list-style-type: none"> <li>➤ Brochures</li> <li>➤ Ward monthly meetings</li> <li>➤ Suggestion boxes</li> <li>➤ Social networks</li> <li>➤ District newsletter(insight)</li> <li>➤ Annual customer survey (customer satisfaction)</li> </ul>

Description	Rating
Communications Policy	☹️
Communications Plan	☹️
Marketing Plan	☹️
Communications and Marketing Unit	☺️
Budget and resources	☹️
Internal newsletter	☺️
External newsletter	☺️
Functional website	☺️
Complaints Management System	☺️
Media releases	☺️
Stakeholder engagement	☺️
Branding	☺️
Corporate gifts	☺️
Corporate Identity Manual	☺️
Advertising and Marketing	☺️
Events	☺️
Telephone systems	☺️
Regular internal management meetings	☺️
Departmental meetings	☺️
Regular Mayoral Strategic Sessions	☺️
Functional website and Compliance with Sect 75 of MFMA	☺️
IDP Fora	☺️
Functional Ward Committees in all wards	☺️
E-mail system	☺️

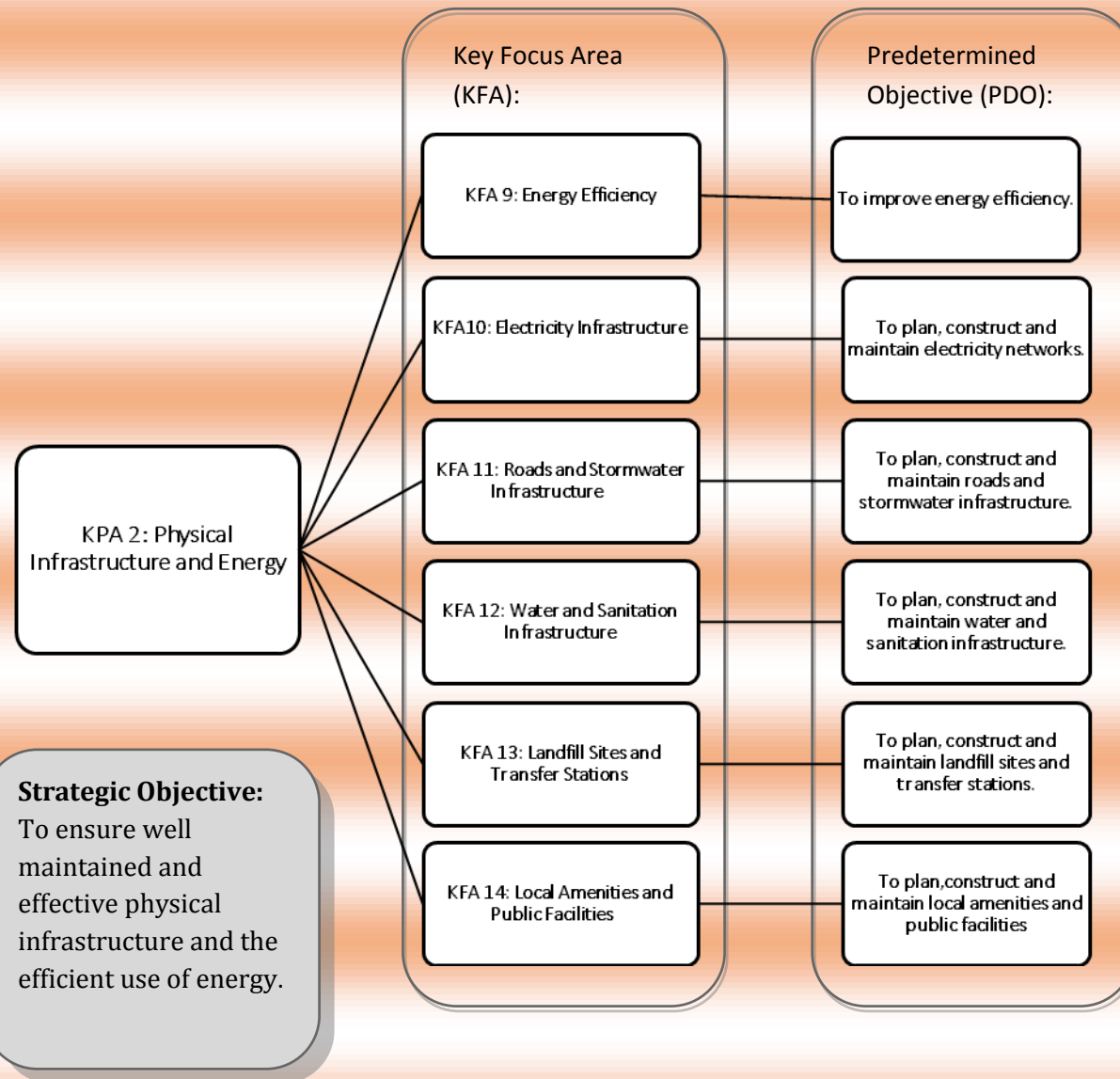
## KPA 2: Physical Infrastructure and Energy

### Policies:

Policies on Health Facilities Governance  
 Policy on the acquisition and utilization of public facilities for ward meetings  
 Policy for outdoor advertising control in the area of jurisdiction of the Highveld East municipality  
 Expanded Public Works Policy and Implementation Framework  
 Transport and Equipment Policy  
 Library Policies:  
 Policy on Notice Boards and Exhibitions in Libraries  
 Policy on Public Computer Use in Libraries  
 Policy on closure of libraries over long weekends and Christmas/ New Year Holidays  
 Media Collection Development and Management Policy  
 Expanded Public Works Programme Policy  
 Policy: Free Use of Municipal Facilities

### By-laws:

1. Standard Electricity By-laws
2. Standard Electricity By-laws Penalties
3. Public Roads
4. Electronic Communication Network  
Miscellaneous



## KPA 2: PHYSICAL INFRASTRUCTURE AND ENERGY

**Strategic Objective 2 :** To ensure well maintained physical infrastructure and the efficient use of energy.

### ENERGY EFFICIENCY

The institution has applied for funding to install energy saving measures (solar geysers) in low income category, an awareness drive to educate the general community to use energy savings methods (gas stoves) within their household.

Description	Rating
Energy Efficiency	☹

### ELECTRICITY INFRASTRUCTURE

Electricity is purchased from Eskom and at present distributed in accordance with the NRS 047 and 048 qualities of supply and service standards as stipulated by the National Electricity Regulator of South Africa (NERSA).

Electricity for the area is reticulated throughout the towns, except in Charl Cilliers and Leandra/Lebohang, where the internal reticulation is provided directly by Eskom.

The municipality purchases bulk electricity from Eskom and distribute to supply points namely: Secunda, Kinross ,Evander, Bethal, Trichardt ,and sub stations supplying Embalenhle township and surrounding farms.

Leandra and Lebohang is supplied directly by Eskom.

Substation per Region/Area	Capacity	Condition
Main Substation Ext 5 Embalenhle	☹	☹
Main Substation Secunda	☺	☺
Trichardt Main Substation	☺	☺
Evander Main Substation	☺	☺
Kinross Main Sub-station	☺	☺
Bethal Main Substation	☹	☹

Network per Region/Area	Capacity	Condition
Embalenhle Overhead and Underground 11kv	😊	😊
Bethal Overhead and Underground 11kv and 22kv	😊	😊
Kinross Overhead and Underground 11kv	😊	😊
Evander Overhead and Underground 11kv	😊	😊
Secunda Overhead and Underground 11kv	😊	😊
Trichardt Overhead and Underground 11kv	😊	😊

## ROADS AND STORM WATER INFRASTRUCTURE

Within GMM there is a number of roads that belongs to Province and those belonging to National. The GMM has approximately 540 km of tarred roads and 500km of gravelled roads

Description	Rating
National Roads	😊
Provincial Roads	😞

Municipal roads	Rating
Paved 550 km's	😊
Unpaved 490 km's	😞

### Storm Water

The institution is committing itself in instituting road infrastructure services that is linked with the maintenance and installation of storm water channels/network

Description	Rating
Limited storm water infrastructure exists. Storm water is mainly in surface drains and channels which are cleaned on an annual basis.	😞



## WATER AND SANITATION INFRASTRUCTURE

### Water Service Infrastructure

The Municipality owns and maintains its water distribution network consisting of pipelines, storage dams and boreholes. The distribution mains are 5.0 km in length. A Total of nineteen (19) storage dams (reservoirs) are in the municipal area.

Network	Capacity	Condition
Combination of Asbestos, Galvanized, Steel pipe, and PVC	😊	😊

Reservoirs per Region/Area	Capacity	Condition
Bethal Rand 4,5 MGL	😊	😊
NBO Reservoir 2 MGL	😊	😊
Ext 4 Reservoir 10, 000 MGL	😊	😊
Ext 5 Reservoir 10,000 MGL	😊	😊
Adullaum Reservoir x 2	😊	😊
Ext 15 Reservoir	😊	😊
Charl Cilliers	😊	😊
Leandra Reservoir	😊	😊
Lebohang Reservoir	😊	😊
Eendracht Reservoir	😊	😊
Evander Reservoir	😊	😊
Kinross Ext 25 Reservoir	😊	😊
Thisle Groove Reservoir	😊	😊
Joel Street Reservoir	😊	😊
Trichardt Reservoir	😊	😊

### Sanitation Infrastructure

The institution is committed to ongoing maintenance of the bulk sanitation infrastructure

Network	Capacity	Condition
The network condition	😞	😞
Maintenance	😞	😞

### Pump Stations

Sewer Pump Stations per Region/Area	Capacity	Condition
Bethal Pump Station	😞	😊
First Street Pump Station	😞	😊
Milan Park Pump Station	😞	😊
Cow-Village Pump Station	😞	😊
Dan Ford Pump Station	😞	😊
Bethal Dam Pump Station	😞	😊
Ext 4 Emzinoni Pump Station	😞	😊
Ext 5 Emzinoni Pump Station	😞	😊

Sewer Pump Stations per Region/Area	Capacity	Condition
Ext 22 Emzinoni Pump Station	☹	☺
Bethal Rand Pump Station	☹	☺
Ext 5 Embalenhle Pump Station	☹	☺
Ext 18 Pump Station	☹	☹
Ext 24 Pump Station	☹	☹
Ext 2 Pump Station 2	☹	☹
Ext 25 Pump Station	☹	☹
Trichardt 1, 2, 3	☹	☹
Evander Ext 3 /Industrial	☹	☹
Evander Main Pump Station	☹	☹
Alberta Pump Station	☹	☹
Kinross Ext 25 Pump Station	☹	☹
Tanker Service Pump Station	☹	☹
Voortrekker Pump Station	☹	☹
Silos Pump Station	☹	☹
Dry Clean Kinross Pump Station	☹	☹
	☹	☹
Kinross Golf Course Pump Station		
Secunda Echo Pump Station	☹	☹
Standerton Road Pump Station	☹	☹
Testing Ground Workshop Pump Station	☹	☹
Populier Pump Station	☹	☹
Lebohang Main Pump Station	☹	☹
Kliphuis Pump Station	☹	☹

### Treatment Works

The municipality consists of six (6) Wastewater Treatment Works for purification, maintenance of sewer network thereof Bethal WWTW = 8.5ML/d, Trichardt WWTW = 2ML/d, Evander WWTW = 16.5ML/d, Kinross WWTW = 2ML/d, Embalenhle WWTW = 9.6ML/d and Leandra WWTWE = 8.5ML/d

Description per Region/Area	Capacity	Condition
Bethal WWTW	☺	☺
Trichardt WWTW	☺	☺
Evander WWTW	☺	☺
Embalenhle WWTW	☺	☺
Leandra WWTW	☹	☹
Maintenance	☹	☹

## LANDFILL SITES AND TRANSFER STATIONS

Waste collection is done at households, industries, businesses and institutions within the municipal area. No refuse collection is presently done in farmsteads due to lack/ shortage of resources.

Waste is also collected from open spaces, corners in bulk where illegal dumping of waste occurs. Removal of litter is done along main roads, CBD and open spaces. Emptying of street litter, household and business bins are done daily. Carcasses are also collected for disposal.

There are 8 landfill sites, 4 of them are closed i.e. Evander, Embalenhle, Bethal along Ermelo road and Lebohang. 4 are still operational i.e. Secunda, Bethal next to Standerton road, Leandra and Kinross landfill sites.

All these sites are not permitted however the municipal began a process of licensing the Secunda and Bethal landfill sites. In the 2013/2014 financial year, an amount of R2m is set aside for the licensing of the Leandra and Kinross landfill sites.

The operations of the Secunda landfill site are outsourced to a private company and the other sites are dependent on hired machinery for their operation and maintenance.

There are no weighbridges at the landfill sites to measure amount of waste generated and disposed in the area. Therefore estimates are used.

There are waste reclaimers at all landfill sites

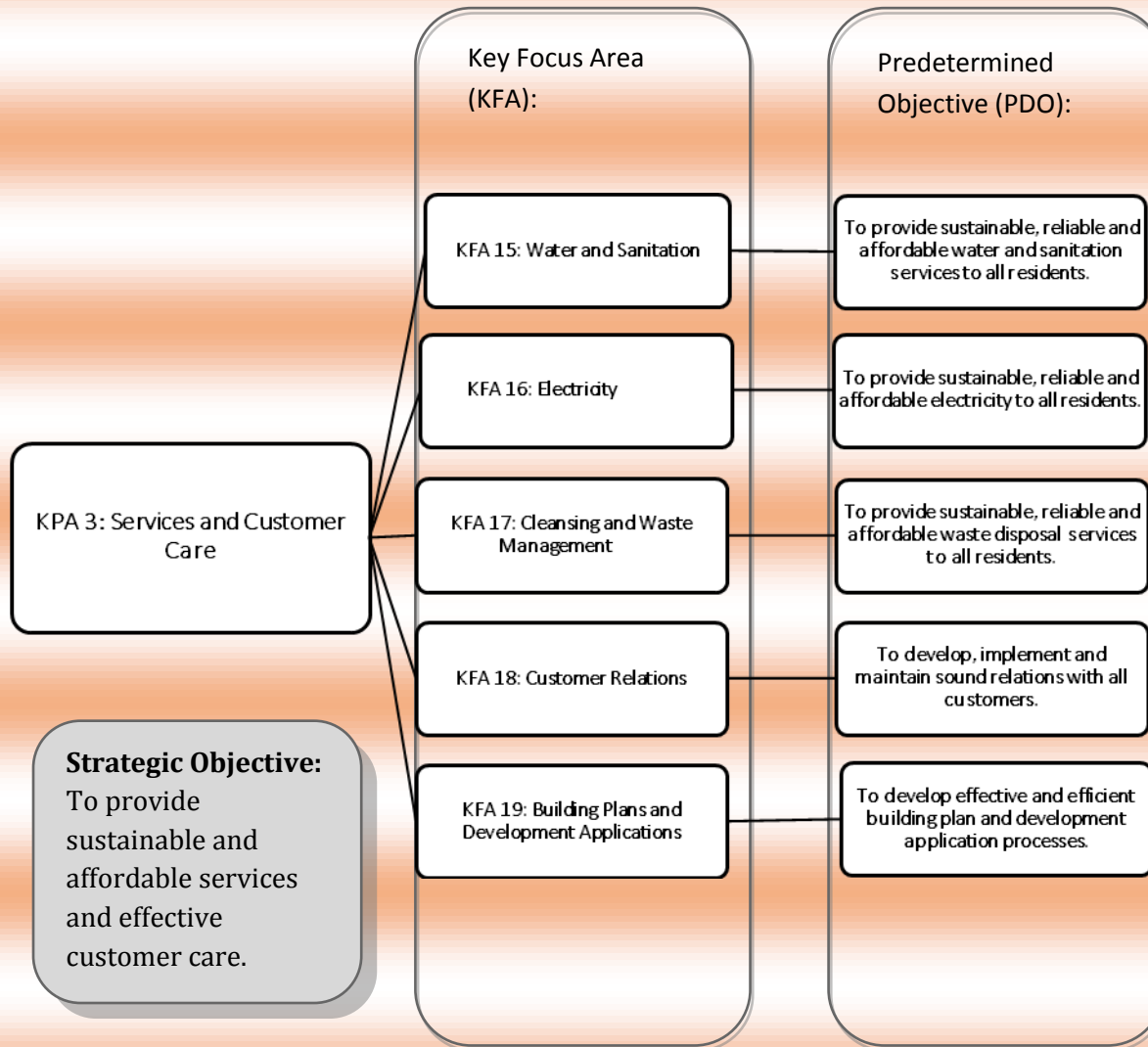
Description per Region/Area	Rating
Bethal reclaimers	⊖
Secunda reclaimers	⊖
Leandra reclaimers	⊖
Kinross reclaimers	⊖
Maintenance of dumping sites	⊖

## LOCAL AMENITIES AND PUBLIC PLACES

The primary purpose of the library and Information services is to provide resources and services to meet the needs of the individuals and groups for education, information and personal development.

Description (categories) per Region/ Area	Rating
<b>Libraries</b>	
Emzinoni Library	☹️
Milan Park Library	☹️
Bethal Library	☹️
Secunda Library	☹️
Embalenhle Library	☹️
Evander Library	☹️
Kinross Library	☹️
Lebohang Library	☹️
Eendracht Library	☹️
<b>Clinics</b>	
Secunda Clinic	☹️
Embalenhle Clinic	☹️
Embalenhle South Clinic	☹️
Lebohang Clinic	☹️
Kinross Clinic	☹️
Evander Clinic	☹️
Trichardt Clinic	☹️
<b>Civic Centre</b>	
Secunda Civic Centre	☹️
Lilian Ngoyi Centre	☹️
Bethal Civic Centre	☹️
<b>Pay points</b>	
Thusong Centre	☹️
Leandra Paypoint	☹️
Kinross Thisle Groove Pay point	😊
Kinross Ext 25 Pay point	😊
Trichardt Pay point	😊
Secunda Pay point	😊
Bethal Pay point	😊
Emzinoni Thusong Centre Pay point	😊
Embalenhle Paypoint	😊
Embalenhle South Pay point	😊

### KPA 3: Services and Customer Care



#### Policies:

Department of Health Services: Policy for Provision of Refuse Bins to Residents of the Highveld East Municipality  
 Property alienation  
 Land use  
 Outdoor advertising control in the area of jurisdiction of the Highveld East municipality

#### By- laws:

1. Standard Electricity
2. Disposal of contaminated and or infectious waste
3. Storm water management

## KPA 3: SERVICES AND CUSTOMER CARE

**Strategic Objective 3 : To provide sustainable and affordable services and effective customer care.**

### WATER AND SANITATION

Govan Mbeki Municipality has no water purification plants and dams as raw water sources for water provision since potable water is from Rand Water.

The rural areas consist of boreholes and windmills which is the water source for water provision to the community, however the boreholes and windmills were installed at private properties.

Below is a summary of the two biggest projects within the water provision department for the year under review:

Lebohang bulk water pipe project – the eradication of AC 110mm dia bulk pipe to UPVC from Rand Water main connections to Eendracht pressure tower. The resealing of ext 25 Kinross reservoir through SLP

Govan Mbeki Municipality provides sanitation from domestic water use to sewer reticulation, sewer pump stations and wastewater treatment works. It consists of six (6) WWTW's whereby purification and maintenance is conducted.

It also has 34 sewer pump stations. It is responsible for the operation and maintenance of sewer network. It has VIP toilets and septic tanks where maintenance is conducted using sewer suction trucks.

The maintenance sewer team is responsible for the unblocking of sewer manholes, repair of damaged sewer pipes, cleaning of sewer pipes and sewer manholes.

Blue and Green Drop Ratings	Rating
Water: Blue Drop 77%	😊
Sewer: Green Drop 65%	😊

Access to Water and Sanitation	Rating
Households without formal housing	😊
Households without toilets	😊
Households without piped water at or above RDP level	😊

## ELECTRICITY

Electricity for the area is purchased in bulk, by the municipality, from Eskom and reticulated throughout the towns, except in Charl Cilliers and Leandra/ Lebohang, where the internal reticulation is provided directly by Eskom.

Quantec estimates indicate that electricity, as the main lighting source, has increased from 80.9% of households in 2005 to 88.5% of households in 2010, with the exception of certain informal settlements in eMbalenhle.

Electricity Backlogs	Number	Rating
Households without electricity connections	8128	☹

Electricity delivery levels households : Energy above minimum level	No. of Households	Rating
Electricity above minimum level	36 845	☹
Electricity Energy below minimum level	20 025	☹

## CLEANSING AND WASTE MANAGEMENT

Refuse removal services are rendered in all urban areas in the GMM. In general, there is a problem of illegal or unmanaged dumping throughout the municipality. The absence of refuse removal services in agricultural and rural areas presents a significant environmental concern.

Secunda, Leandra/ Lebohang, Kinross, Evander, eMzinoni and eMbalenhle have solid waste disposal site within its vicinity. Approximately 84% of households have their refuse removed at least once a week.

Description	Rating
Townships	☺
Agricultural areas	☺
Industrial areas	☺
Residential areas	☺
Central Business Districts (CBD)	☺

## CUSTOMER RELATIONS

There is a Customer Care Module (CCM) in MunAdmin with new interactive touch screen kiosks installed at local government offices and service centres. It registers customer complaints, compliments, comments, general survey interaction and acts as an information centre.

The interface is universal and easy to use, regardless of language, education, socio-economic or cultural background. However, users are reluctant to use it.

Description	Rating
Complaints Management System	☹️
Toll free complaints hotline	☹️

## BUILDING REGULATIONS AND MUNICIPAL PLANNING

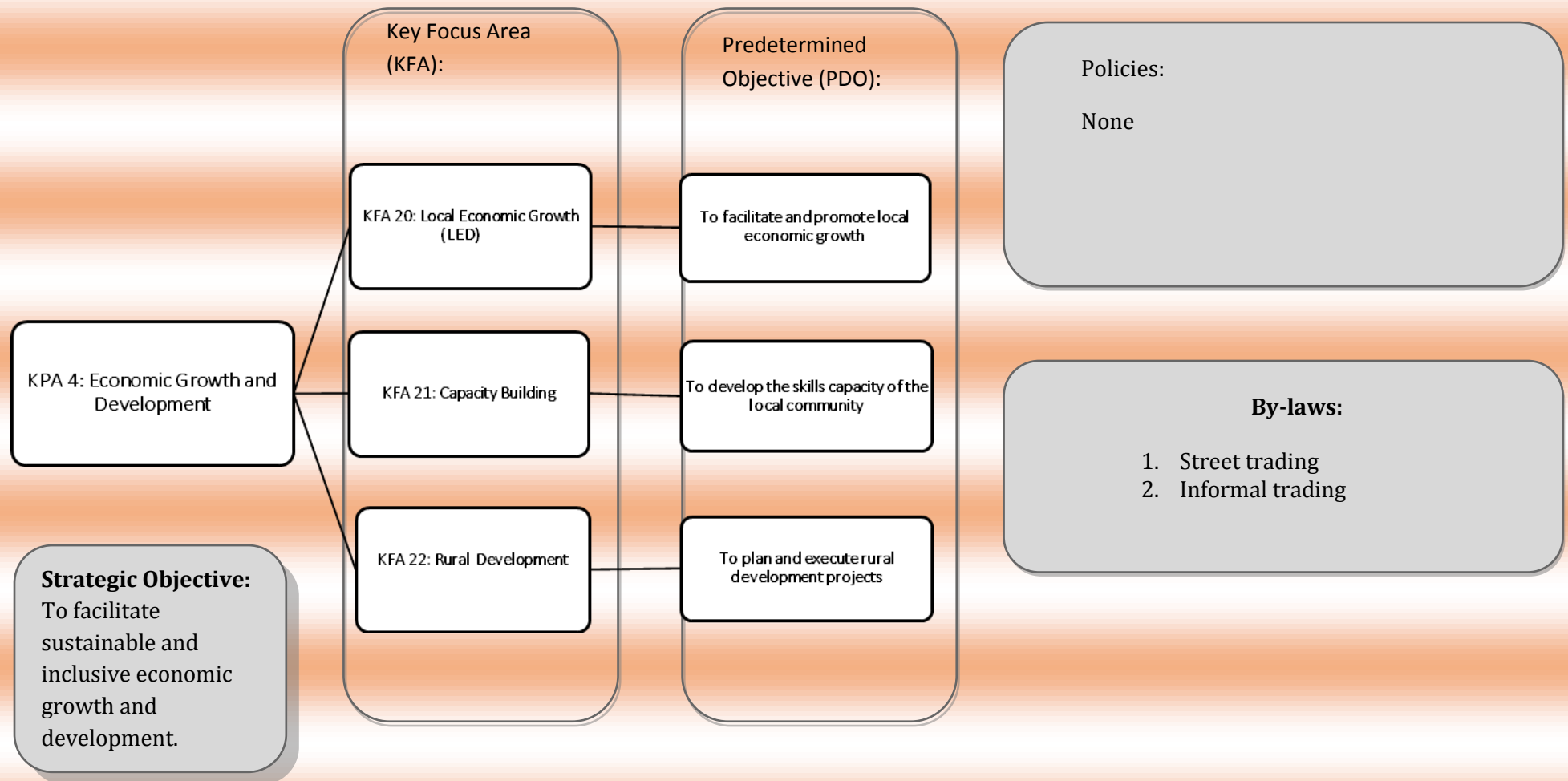
Spatial planning and development forms an integral part of the Govan Mbeki .integrated development planning process.

The Spatial Development Framework (SDF) for GMM is to provide a contextual spatial framework for future developments and to give direction to all other development initiatives within the municipality.

Description	Rating
Spatial Development Framework (SDF)	☹️
Annual revision of SDF	☹️
Regional Spatial Development Frameworks	☹️
Precinct Plans	☹️
Development, Planning and Housing Policies	☹️
Regular revision of Precinct Plans and policies	☹️
Bylaws:	
National Building Regulations	☹️
Town Planning/Land Use	☹️
Outdoor Advertising	☹️
Flood line	☹️
Law enforcement:	
Bylaws	☹️
National Building Regulations	☹️
Town Planning/Land Use	☹️
Outdoor Advertising	☹️
Monitoring of Attorney performance on matters handed over	☹️
Land Use Management Scheme	☹️
Turnaround times on Land use applications	☹️
Turnaround times on building plan applications	☹️
Turnaround times: Complaints received in respect of NBR, TPS, OA	☹️
Up-to-date Geographic Information System	☹️
Electronic Application Tracking and processing System (City Solve)	☹️
Electronic Building Plan Tracking and Processing System (City Solve)	☹️
Local Migration Plan	☹️
Integrated Sustainable Human Settlement Plan	☹️
Monitoring of Land Invasions	☹️
Daleside Dolomite Risk Management Plan	☹️
Municipal wide Dolomite Risk Management Plan	☹️
CBD Revitalization Programme	☹️



## KPA 4: Economic Growth and Development



## KPA 4: ECONOMIC GROWTH AND DEVELOPMENT

**Strategic Objective:** To facilitate sustainable and inclusive economic growth and development through sustainable economic and social opportunity enhancement and job creation.

### LOCAL ECONOMIC DEVELOPMENT (LED)

Local Economic Development entails improvements in the quality of lives of the population as a result of the economic growth and job creation, the reduction of inequality and the eradication of poverty.

The Govan Mbeki Local Municipality identified and commissioned the following key vision elements:

- Creation of job opportunities.
- Reduced dependency on government grants and reducing the poverty gap.
- Economic growth based on key and diversified sectors.
- SMME contribution to economic growth and development.
- Creation of a district economic hub.

From the above vision elements, the following LED vision for Govan Mbeki Local Municipality was developed:

**“To develop a robust and all inclusive economic hub of the district; empower communities and address the socio-economic challenges of unemployment and poverty through sustainable growth and development”.**

The economy of the municipality is highly reliant to the petrochemical sector(Sasol)and the mining operation which mostly by Sasol, Pan African resources, Anglo coal, Shanduka coal, Sudor Coal and other small/emerging mining houses which hold prospecting rights for attraction of the minerals.

Entity	Population (15-64 Years)	Labour Force	% Active in Labour Market	Rating
GMM				☹
(insert district)				☹
(insert province)				☹

Programme/ Project Description	Rating
LED Strategy	☹
Food security Programmes	☹
Improved IGR with other Provincial and National Sector Departments	😊
SMME Database	😊
Community Works Programme (CWP)	😊
Govan Mbeki Economic Analysis	😊
LED Projects	😊

## CAPACITY BUILDING

Description	Rating
Primary Schools	☹️
Secondary Schools	☹️
Tertiary Institutions	☹️

Description	Rating
Capacity Building Programmes for Job Creation	☹️

## RURAL DEVELOPMENT

The Government has placed rural development as one of its key priorities. The Comprehensive Rural Development Strategy (CRDP) is a tool used to intervene in the development of rural areas.

Development of Rural development strategy is currently identified as one of the projects for the provincial government to fund through the spatial development framework of the Municipality.

Description	Rating
Comprehensive Rural Development Programme	☹️

## SPATIAL DEVELOPMENT

The Govan Mbeki Spatial Development Framework (SDF) 2014 forms an integral part of the Govan Mbeki integrated development planning process. GMM Spatial Development Framework (SDF) was approved by council during March 2014, and has been implemented.

The aim of the Spatial Development Framework is to give direction to development and take into account the need for and compatibility of the main 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 Spatial Development Framework forms part of the existing land use management process of the municipality and provides the necessary guidance of land uses 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, investors confidence and security of tenure.

### Legislation on Spatial Development

Land use planning is a municipal competency in terms of the South African Constitution. The compilation of Municipal Spatial Frameworks are dealt with by interrelated legislation which strongly links it firstly with the integrated Development Plan of the municipality prescribed by the Municipal Systems Act 2000 (Act No. 32 of 2000), the Municipal Integrated Development

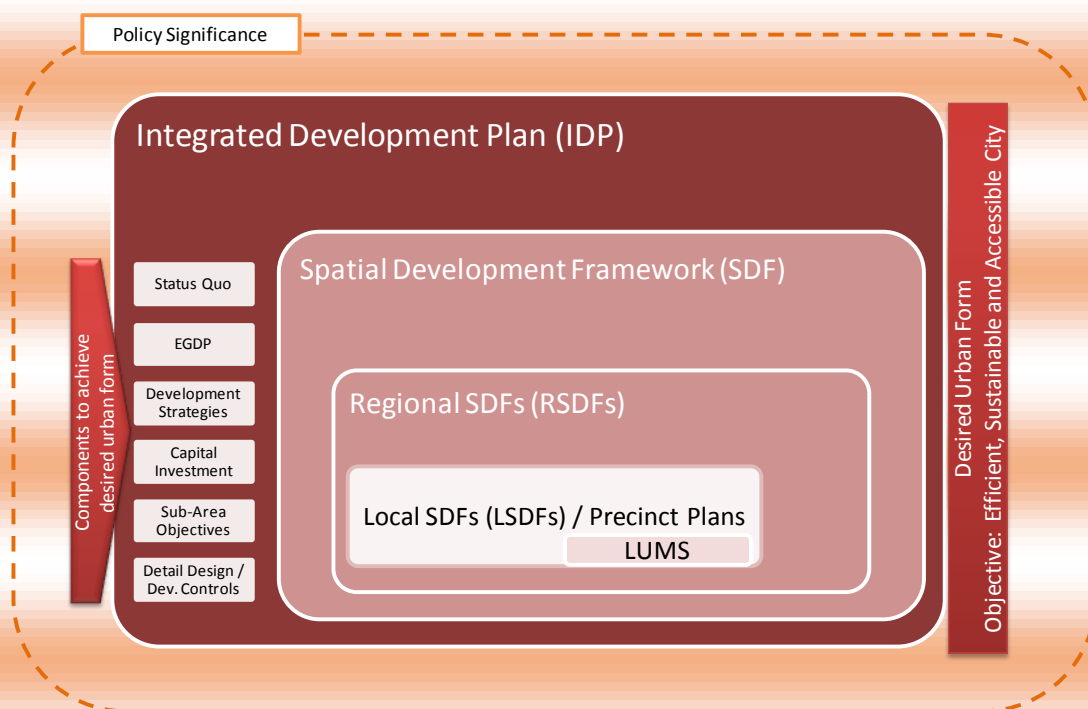
Planning Regulations, 2001, the Local Government Gazette No 22605 of 2001. Secondly the recent Spatial Planning and Land Use Management Act, 2013, determine principles and content which need to be provided for in a Spatial Development Framework

## INTEGRATION: GMM'S IDP AND SPATIAL DEVELOPMENT FRAMEWORK

The Spatial Development Framework (SDF) is the legislated component of the City's IDP that prescribes development strategies and policy guidelines to restructure and re-engineer the City's urban and rural form.

It is the City's long-term vision of what it wishes to achieve, spatially, and within which IDP programmes and projects.

The SDF is underpinned by a series of policies that guide its implementation. The interrelationships between the SDF, the IDP and other policy components and documents are depicted in the figure below.



The Economic Growth and Development Plan (EGDP) is a city-wide policy that determines where, and under what conditions, growth can be accommodated, in order to achieve the desired urban and rural form presented in the SDF.

The Regional Spatial Development Frameworks (RSDFs) and associated Local Spatial Development Frameworks (LSDFs) and precinct plans provide an area-specific interpretation of the SDF and EGDP at the sub-regional level. This provides guidance to move towards the achievement of a desired urban and rural form for the City.

The Capital Investment Programme, through the application of the strategies and guidelines of the IDP, is the framework by which the City identifies and prioritises capital projects from which the medium-term capital budget for the City is determined.

Some of the key challenges and opportunities that require both macro and more localised response are listed below:

- Resource Management (water shortages, energy constraint, fuel consumption) and the compelling need to embrace alternative means of energy;
- Climate change and associated natural disasters;
- Increasing prominence of Information Technology as a driver of both new communications, movement patterns and resource management; and
- Bridging the gap between the rich and poor.

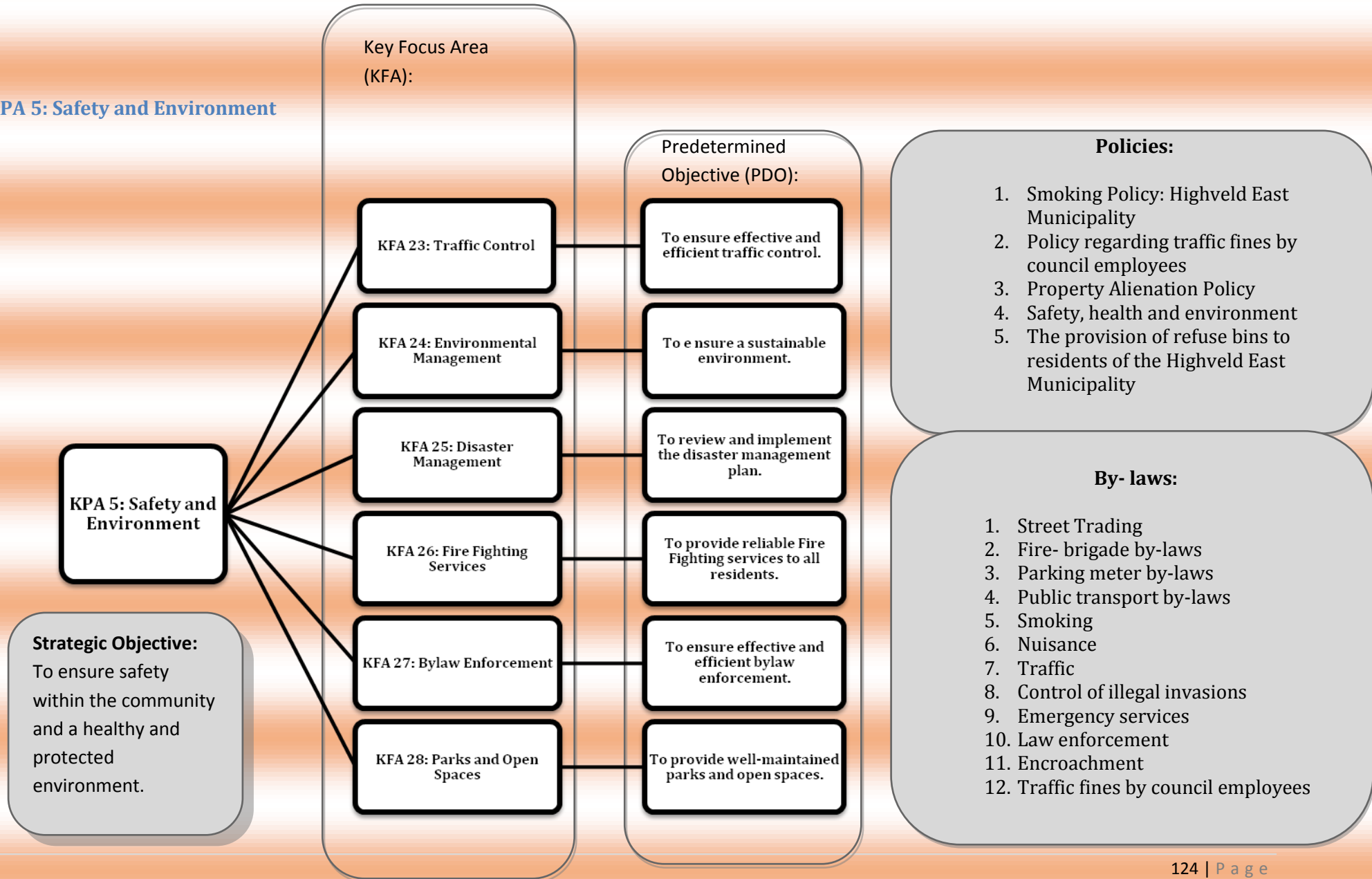
Given this, the City has developed a Spatial Development Framework and supporting principles. The table below outlines these principles, desired outcomes and key implementation measures to achieve the desired spatial outcome.

Table: Desired outcomes through the application of SDF principles

Principles	Outcomes	Key Implementation
Sustainability	Responsible use of the City's natural and heritage resources (water, open spaces, ridges, rivers etc.); A sustainable rates base and financial model; Safe and secure urban and local environments promoted through safety and design principles; Affordable energy supply and consumption patterns; Low emissions and pollution levels; Promotion of food security within the city and province; Protection and conservation of the City's cultural heritage; and Sustainable economic growth and job creation.	Demand management and resource protection; Protection and management of environmental systems; Quality of infrastructure and service delivery (engineering, social and the role technology can play in future delivery modes and management); and Sustainable Human Settlements: affordable and sustainable housing solutions.
Efficiency	An efficient and robust urban and local form and structure that facilitates: Appropriate and functional service delivery; Affordability of business and living costs; Managed growth within the constraints or future plans relating to infrastructure provision; and A connected and effective movement system (in terms of time and cost)	High density, compact, mixed used urban and local systems; Efficient and affordable public transportation system; Pedestrian friendly cities and neighbourhoods; and Quality of infrastructure and service delivery.

Description	Rating
Spatial Development Framework	

## KPA 5: Safety and Environment



## KPA 5: SAFETY AND ENVIRONMENT

**Strategic Objective 5 :** To ensure safety within the community and a healthy and protected environment.

### TRAFFIC CONTROL

Description	Rating
Traffic Law Enforcement	☹️
Speed Law Enforcement	☹️
Traffic Administration	☹️
Community Training/ Projects	☹️

### ENVIRONMENTAL MANAGEMENT

Description	Rating
Environmental Management Framework (EMF)	☹️
Environmental Management (Effectiveness)	☹️

### DISASTER MANAGEMENT

The GMLM is exposed to many hazards, all of which have the potential to disrupt the community, cause damage and create casualties. Possible natural hazards include extreme cold, floods, tornadoes, heavy rain and other violent storms, and earthquakes due to mining and other activities. Other disaster situations could develop from a hazardous materials accident, major transportation accident, terrorism, or civil disorder.

#### Assumptions

The Disaster Management Act, Act 57 of 2002, section 43 delineates the responsibility of the GMLM to establish a Disaster Management Centre while section 44 delineates the responsibility for the protection of life and property. Local government has the primary responsibility for its own disaster management activities. When an emergency / disaster exceeds the municipality's capability to respond, assistance will be requested from the provincial and simultaneously national government in terms of section 49 (1) (b). The provincial and national government will provide assistance to the municipality, when appropriate.

While it is likely that outside assistance would be available in most major disaster situations affecting the GMLM and while plans have been developed to facilitate coordination of this

assistance, it is necessary for the GMLM to plan for, and to be prepared to carry out, disaster response and short-term recovery operations on an independent basis.

A major disaster can exhaust the resources of a single jurisdiction or directly impact more than one jurisdiction. It may require resources from numerous agencies and levels of government.

The GMLM committed itself to maintain a vigilant state of disaster preparedness, response, rehabilitation and reconstruction within a safe and sustainable framework for the residents, staff, stakeholders and neighbours, because all are susceptible to disasters. Enlightened self-interest tells us that to be prepared is the greatest weapon against disaster.

In recognition of the possibility of both small and large disasters, the Disaster Management Centre ensure that appropriate actions are taken in the event of a disaster.

The ultimate responsibility for disaster management in the GMLM belongs with the Council in terms of section 55 (1) of the Disaster Management Act, Act 57 of 2002, while the Council under Council resolution PS20/2001 has delegated authority to the Executive Mayor to deal with disasters. The Executive Mayor will decide whether or not to declare a disaster. The Head of the Disaster Management Centre and the Director Public Safety provide support and coordination for all GMLM disaster operations. The Director Public Safety will report to the Municipal Manager in the form of situational reports.

GMLM will exercise full authority over disaster operations, when the disaster situation exists entirely within the boundaries of its jurisdiction unless the disaster is reclassified as a provincial or national disaster. In this instance the Govan Mbeki Joint Operations Centre (JOC) will be established as per the instructions of the Head of the Disaster Management Centre.

The Disaster Management Plan of the GMLM is a work in progress and will always be that due to the changing nature of society and the environment in which the Municipality is required to function. The plan is geared towards reducing disaster risk through sustainable developmental programmes. The plan is further geared towards increasing capacity to disaster response and increase the ability of manageability of disasters that occur.

Description	Rating
Disaster Management Plan	😊
Disaster Management Centre	😊
Disaster Management (Effectiveness)	😊



## FIRE FIGHTING SERVICES

Integration and coordination of disaster management activities which focuses on preventing and reducing risk of disaster, mitigating disaster, emergency preparedness, rapid response to disaster and post disaster recovery.

Existing Facilities	Rating
Secunda Fire Station SANS 090 Standard	😊
Leandra Fire Station SANS 090 standard	😞
Embalenhle Fire Station SANS 090 Standard	😊
Evander Fire Station SANS 090 Standard	😊
Bethal Fire Station SANS 090 Standard	😊
Emzinoni Fire Station SANS 090 Standard	😊
Fire Prevention Fire Station SANS 090 Standard	😞
Community Training /Projects Fire Station SANS 090 Standard	😞

## BY-LAW ENFORCEMENT

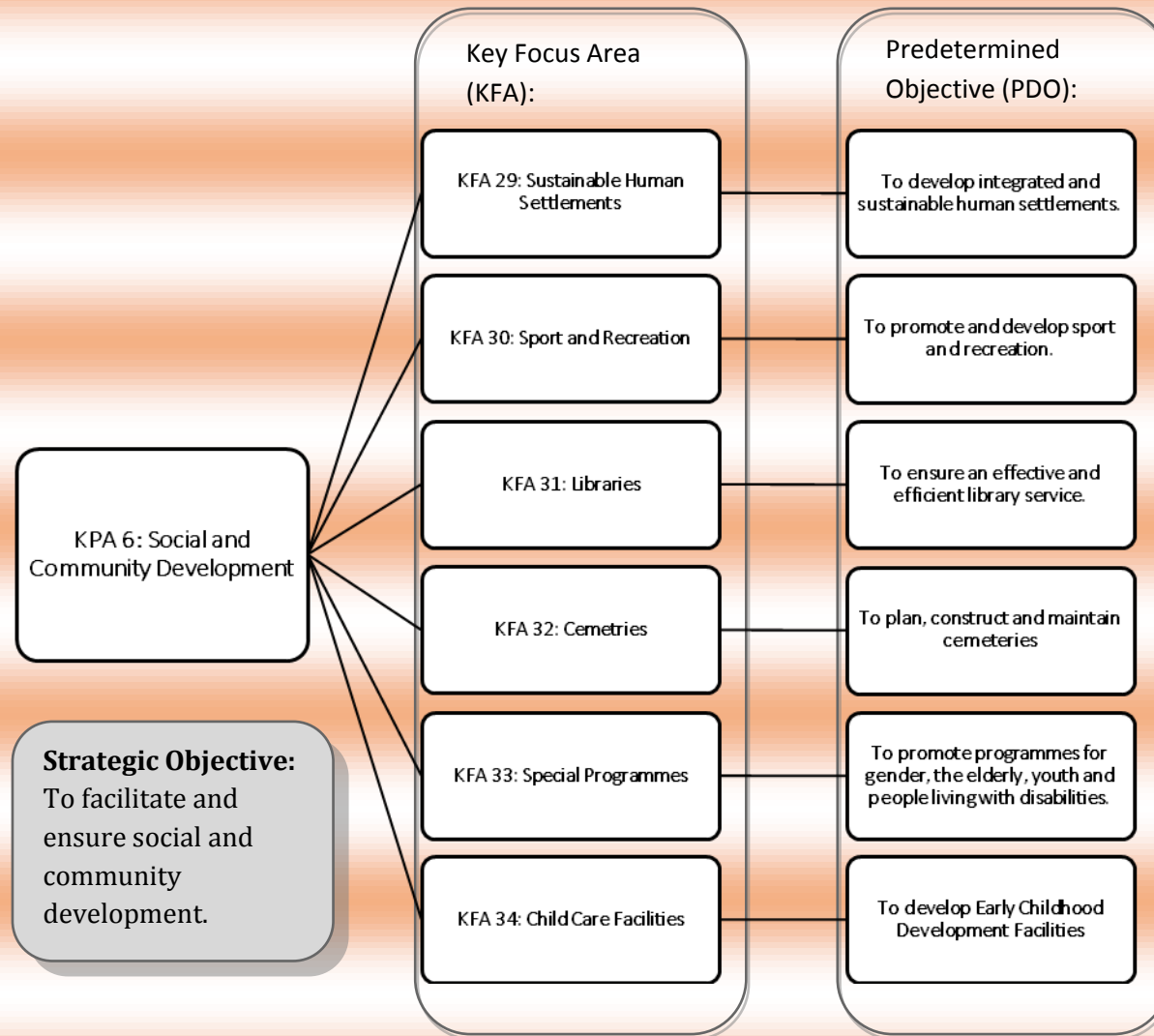
Existing Activities	Rating
Informal Trade By-law enforcement	😞
Poster Management	😞
CCTV project	😞
Crime Prevention	😞
Fire By-law enforcement	😞

## PARKS AND OPEN SPACES

The institution has developed areas free of any business with, socio-economic and ecological potential. Parks are developed on open spaces are used for recreational purposes.

Description of Parks and Open Spaces per Region/Area	Rating
Emzinoni Ext 5 recreational	😊
Bethal Dam	😊
Bethal Central Park	😊
Embalenhle Ext 12 Park	😊
Embalenhle Park	😊
Secunda Dark Pond	😊
Secunda Park	😊
Trichardt Park	😊
Evander Evelyn Underson Park	😊
Evander Dam	😊
Trichart Park	😊
Kinross Park	😊
Thisle Groove Dam	😊

## KPA 6: Social and Community Development



### Policies:

1. Housing policy for Govan Mbeki Municipality
2. Library Policy: Notice boards and exhibitions in libraries
3. Library Policy: Public computer use in libraries
4. Library Policy: Closure of libraries over long weekends and Christmas / new year holidays
5. Library Policy: Media collection, development and management
6. Library Policy: Working time arrangement

### By- laws:

1. Penalties for transgressions of laws, by-laws or regulations applied by the department housing and infrastructure development
2. Hostel By-laws
3. Public Libraries and Auditoriums
4. Cemetery
5. Privately owned swimming pools
6. Public swimming pools
7. Caravan park
8. Preparation of food at registered kitchens
9. Youth Development
10. Child care
11. Home for the aged
12. Pauper burial
13. Hair salon and barber shop
14. Keeping of animals
15. Housing policy for Govan Mbeki

## **KPA 6: SOCIAL AND COMMUNITY DEVELOPMENT**

**Strategic Objective 6 : To facilitate social and community development.**

### **SUSTAINABLE HUMAN SETTLEMENTS**

The Integrated Development Plan 2012-2015 (IDP) has revealed that Govan Mbeki is confronted with a housing backlog amounting to approximately 58 000 units.

This backlog takes into account all the informal settlements located at the periphery of the municipality's urban areas, the informal dwellings situated on designated stands in townships and the backyard dwellings within formal areas.

The Census 2011 data shows that approximately 23 400 households live in informal dwellings in Govan Mbeki. As the main housing developer, the Govan Mbeki Municipality has a responsibility to provide low cost housing schemes for the low-income population that will firstly, address the socio-economic issues confronting households in its informal settlements and secondly, to upgrade informal dwellings without adequate services.

Govan Mbeki's mandate to create sustainable settlements through upgrading informal settlements is challenged by issues relating to: the shortage of developable land, and pressure leading to invasions of both public and private land; geotechnical constraints and health hazards affecting certain sites; and low supply of appropriate rental accommodation despite high demand, especially around mines.

With over 39 000 households living in informal settlements, as indicated from Census 2011, upgrading in Govan Mbeki is a challenge, and requires the establishment of a robust programmatic approach in the provincial and municipal spheres of government.

The National Upgrading Support Programme (NUSP) is an initiative of the National Department of Human Settlements (NDHS), aimed at improving the practice of informal settlement upgrading in South Africa. Govan Mbeki forms part of the 45 priority municipalities which will adopt the mandate of the Upgrading Strategy and Programme to address informality and the upgrading of informal settlements.

Under the NUSP, GMM will receive funding (sanctioned by province) from the National Department of Human Settlements (NDHS) to undertake some of the key priorities that come out of the Upgrading Strategy and form part of the Programme.

Govan Mbeki Municipality consists of informal settlements that are located both adjacent to the existing towns or urban nodes in townships and on farm or mining land in peri-urban or rural areas. The table below provides the number of areas where informal settlements have been identified.

These are referred to as regions and townships as some settlements are located in the peri-urban and rural *regions* of the municipality while others form part of the townships.

## Informal settlements identified in GMM

Region/Township	Number of Informal Settlements
Lebohang (next to Leandra town)	6
Kinross	2
Emzinoni (next to Bethal town)	13
Embalenhle	13
Peri-urban / rural settlements	8
<b>Total</b>	<b>42</b>

(Source: Stats SA: Census 2011)

The majority of informal settlements that have been identified in Govan Mbeki Municipality are located within established townships (i.e. Embalenhle, Emzinoni, Kinross and Lebohang) and therefore have access to bulk and connector infrastructure.

It is therefore evident that most informal settlements have permanent services such as flush toilets, piped water on stands and electricity through prepaid meters.

Many of these settlements are also in the process of being proclaimed township establishment, if they are not already, and therefore it is the responsibility of the municipality to provide permanent services. None the less, 8 of the 13 informal settlements in Emzinoni, have not yet been provided with flush toilets and only have communal taps.

Informal settlements that do not have any or only have minimal services are either located in peri-urban or rural areas away from the existing townships. These settlements dig their own pit latrines, they do not have access to electricity and either have communal taps or have water delivered by a tanker.

These settlements also do not have any area or street lighting and cannot access the bulk infrastructure system due to their location. Only gravel roads have been created and some form of waste removal is in place.

The pie chart below provides a breakdown of the sanitation services provided in the informal settlements of GMM. It highlights that the majority (65%) of the settlements have flush toilets and 20% have no toilets of which a large proportion are located in Emzinoni.

A total of 15% of informal settlements have pit latrines and VIP toilets, of which only one is located in Emzinoni and the remaining settlements are located in the rural and peri-urban areas of GMM.

### Access to sanitation services in the informal settlements of GMM

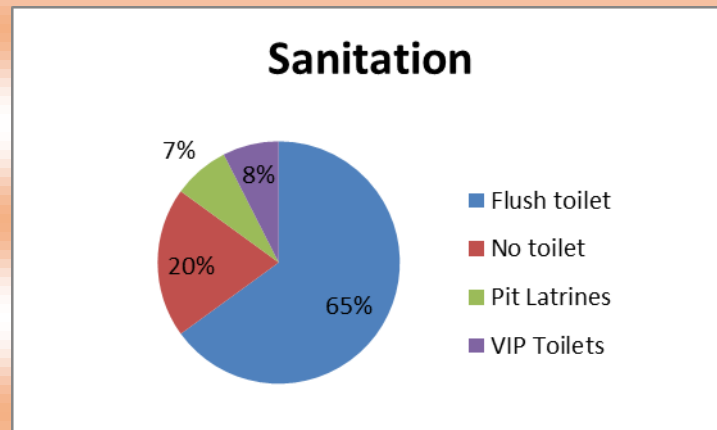
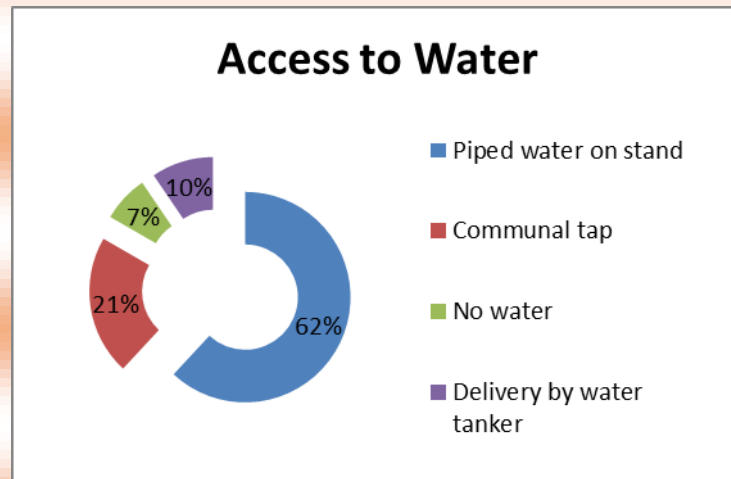


Figure below shows what access to water the informal settlements in GMM have. It highlights that 62% have permanent service provision of piped water on the stand, 21% of settlements have communal taps in which households share water sources.

The majority of informal settlements in Emzinoni and Holfontein have access to communal taps. All other rural and peri-urban settlements either have no water or delivery of water by a tanker (17%).

### Access to water services in the informal settlements of GMM



The assessment of the informal settlements also revealed that 29 had provision of electricity through prepaid meters and 13 had no access to electricity.

Those that did not have electricity were located in Emzinoni Township and in the rural and peri-urban parts of GMM. Finally, the provision of road infrastructure and the condition of the roads are shown in Figure 17 below.

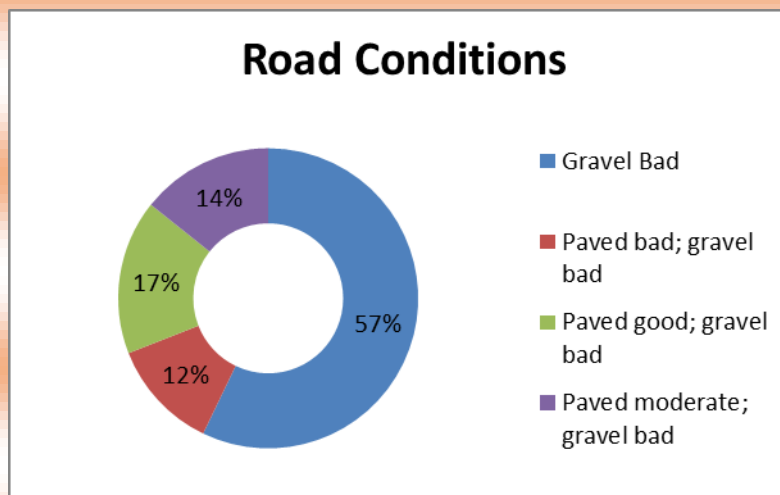
The following table provides a description of what poor, moderate and good mean for assessing the conditions of roads:

<b>Good</b>	<b>Road surface has not been damaged or deteriorated.</b>
<b>Moderate</b>	Road surface is drivable with some potholes evident. Maintenance required preventing further deterioration.
<b>Bad</b>	Road surface is almost un-drivable. Numerous potholes riddle the road. Water damming at intersections and in-passable areas not safe for vehicular use.

The Figure below reveals that 57% of informal settlements have roads that are gravel and in bad condition; 12% have paved and gravel roads that are in bad condition; 17% have paved roads that are in good condition and gravel roads that are in bad condition; and 14% of informal settlements have paved roads in moderate condition and gravel roads in bad condition.

Mpumalanga Province and especially the area of Govan Mbeki experiences heavy rains and coupled with little maintenance none of the roads are in good condition.

**The road type and road conditions in the informal settlements of GMM**



It must be remembered that some informal settlements have mixed provision of services depending on the stage of upgrading the settlement is in.

For example some settlements have both flush toilets and VIP or no toilets; some stands may have piped water while others are sharing a communal tap; or only a portion of the settlement have prepaid meters per house.

These situations often occur when a new informal area within an established township extension develops.

**SPORT AND RECREATION**

Land for public open spaces has not been well maintained. There is a need for developed play parks in all towns. Sports fields are undersupplied, particularly in township areas, where vacant land is used as informal soccer fields.

There is a large stadium in Secunda, and smaller stadiums in eMbalenhle, Evander, eMzinoni and Lebohang. There are golf courses in Bethal, Secunda, Evander and Kinross. The development of sports facilities are objectives of “Clean and Green” community campaigns. Leandra/ Lebohang intends to develop a regional recreation park.

There are a number of recreational facilities in the GMM, most of which require fencing and maintenance.

Region/Area	Rating
Emzinoni Ext 5 recreational park	☺
Bethal Dam	☺
Bethal Central Park	☺
Embalenhle Ext 12 Park	☺
Embalenhle Park	☺
Secunda Dark Pond	☺

## LIBRARIES

The primary purpose of the library and Information services is to provide resources and services to meet the needs of the individuals and groups for education, information and personal development.

Region/Area	Rating
Emzinoni Library	☺
Milan Park Library	☺
Bethal Library	☺
Secunda Library	☺
Embalenhle Library	☺
Evander Library	☺
Kinross Library	☺

## CEMETERIES

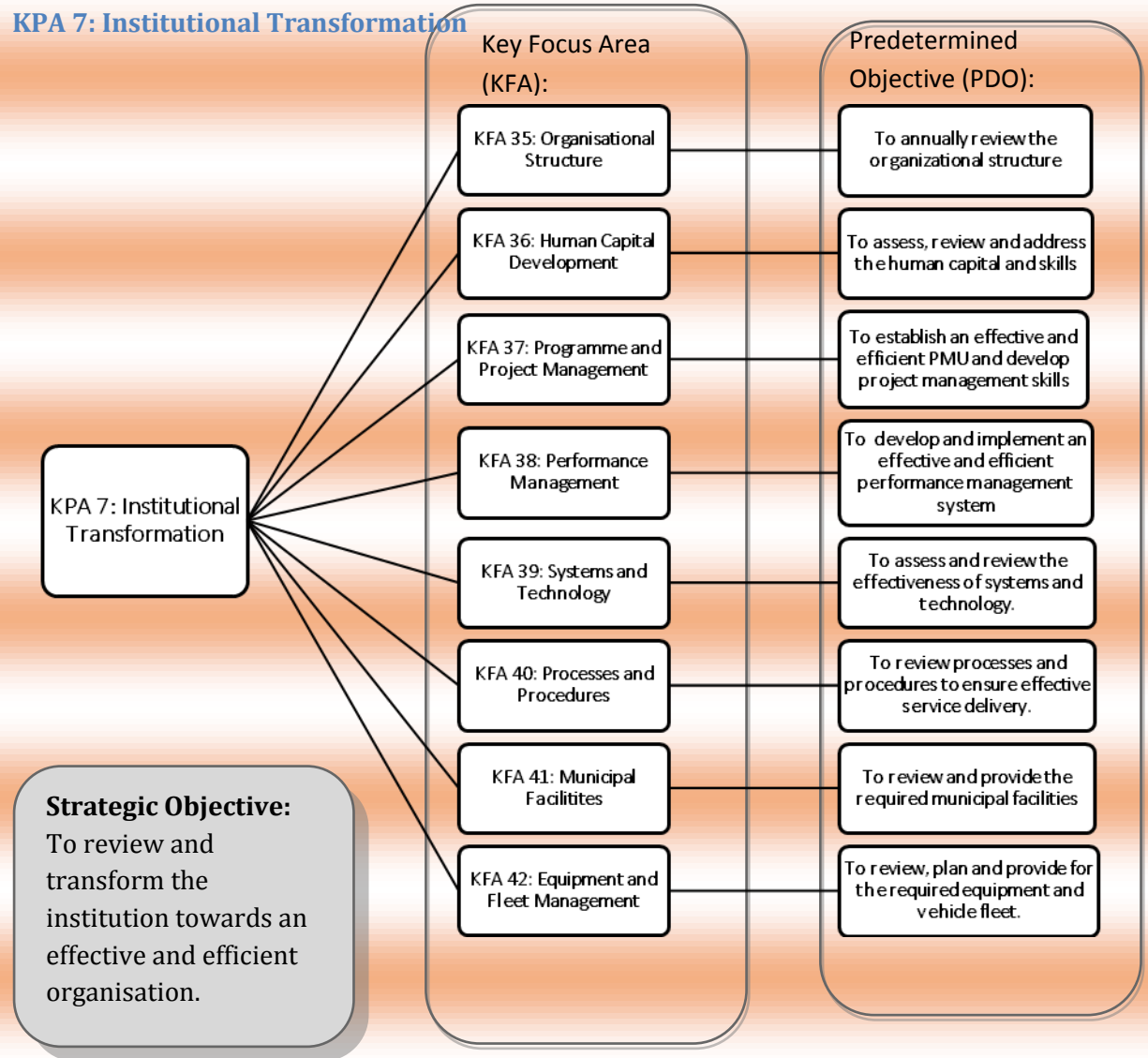
Region/Area	Rating
Emzinoni cemetery	☺
Bethal cemetery	☺
Leandra cemetery	☺
Kinross cemetery	☺
Secunda cemetery	☺
Embalenhle cemetery	☺

## SPECIAL PROGRAMMES

The transversal challenges within the institution are addressed by the introduction of sector focus programmes

Description	Rating
Gender programmes	☺
Elderly programmes	☺
Youth programmes	☺
Programmes on people living with disabilities	☺

**KPA 7: Institutional Transformation**



**Policies:**

1. Personnel over the age of 65: Bethal and Leandra administrative units
2. Placement Policy
3. Relocation policy for Highveld East municipality
4. Overtime Policy
5. Bursary Loan Policy
6. Temporary relief of personnel for clinical services
7. Experiential Training Policy and the Work Ethics Policy
8. Transformation: Uniform Personnel Policy Working Time Arrangements
9. Policy on Legal Representations of Employees and Councillors
10. Acting Policy
11. Personnel Policy: Libraries Working Time Arrangement
12. Human Resources Policies:
  - Recruitment and Selection Policy
  - Employment Equity Policy
  - Leave Policy
  - Drug and Substance Abuse Policy
  - Training and Development Policy
  - Employee Assistance Programme Policy
  - Sexual Harassment Policy
  - Dress Code Policy
  - Funeral Assistance Policy

**By- laws:**

None



## KPA 7: INSTITUTIONAL TRANSFORMATION

**Strategic Objective 7 : To ensure institutional transformation**

### ORGANISATIONAL STRUCTURE

GMM went through an organisational review, redesign and development of the organisational structure.

Description	Rating
Functional Organizational Structure (organogram)	☹️
Vacancy Rate	☹️
Staff Turnover	☹️
Employment Equity Status	☹️
Vetting	☹️

### HUMAN CAPITAL DEVELOPMENT

WSP Submitted to LGSETA.

Gmm has an approved bursary policy as well as a budget for in –service/ experiential training.

Training programmes Conducted in terms of WSP.

Nine approved HR policies exist, 5 current under review.

Description	Capacity
Work place Skills Plan(WSP)	☹️
Annual updating and Submission of WSP	☹️
Succession Plan	☹️
Study Assistance Scheme	☹️
Training Programmes	☹️
Staff Morale	☹️

### PROGRAMME AND PROJECT MANAGEMENT

Programme and Project Management happens in the context of performance monitoring and evaluation, which is linked to various programmes in the municipality.

All programmes are reflected in the Service Delivery and Budget Implementation Plan (SDBIP) which is assessed on a quarterly basis.

The Project Management Unit (PMU) monitors all the capital projects in the municipality and is located in the Municipal Manager's Office.

Description	Rating
Project Management Unit (PMU)	☹️
Expanded Public Works Programme (EPWP)	☹️
Programme and Project Management (Effectiveness)	☹️

## PERFORMANCE MANAGEMENT

The performance management system has been developed and forms part of the basis for performance assessment, monitoring and evaluation. The municipality developed its Service Delivery and Budget Implementation Plan (SDBIP) based on the priorities as identified in the IDP on an annual basis.

Currently, on Section 56 employees are subject to performance assessments. For the next financial year performance management will be cascaded down to level 4 employees.

Description	Rating
Performance Management Policy	😊
Performance Management System	😊
Performance Management (Effectiveness)	😊

## SYSTEMS AND TECHNOLOGY

The institution is supported by a service of information and technology systems, including servicing of lan and wan.

Description	Rating
Strategic capability	😊
Resources (budget, staff, equipment)	😊
Master Systems Plan (MSP)	😊
ICT helpdesk and technical support	😊
Financial Management System	😞
HR Management Plan	😊
Consumer Account Management	😊
Bulk SMS and central database	😊
Systems and Technology (Effectiveness)	😊

## PROCESSES AND PROCEDURES

Description	Rating
Processes and procedures are in place to address and implement Council policies	😊
Processes and procedures are reviewed or developed departmentally as and when required	😊

## MUNICIPAL FACILITIES

The institution is responsible for maintenance of all the council facilities, also hiring out at a fee of the facilities to third party agencies.

Description of Facilities per Region/Area	Rating
Emzinoni Ext 5 recreational park	😊
Bethal Dam	😊
Bethal Central Park	😊
Embalenhle Ext 12 Park	😊
Embalenhle Park	😊
Secunda Dark Pond	😊

### EQUIPMENT AND FLEET MANAGEMENT

Fleet management is the management of a company's transportation fleet. Fleet management includes motor vehicles such as cars, yellow equipment and trucks.

Fleet (vehicle) management can include a range of functions, such as vehicle maintenance, vehicle telematics (tracking and diagnostics) the supervision, monitoring and control of fleet, driver management, speed management, fuel management.

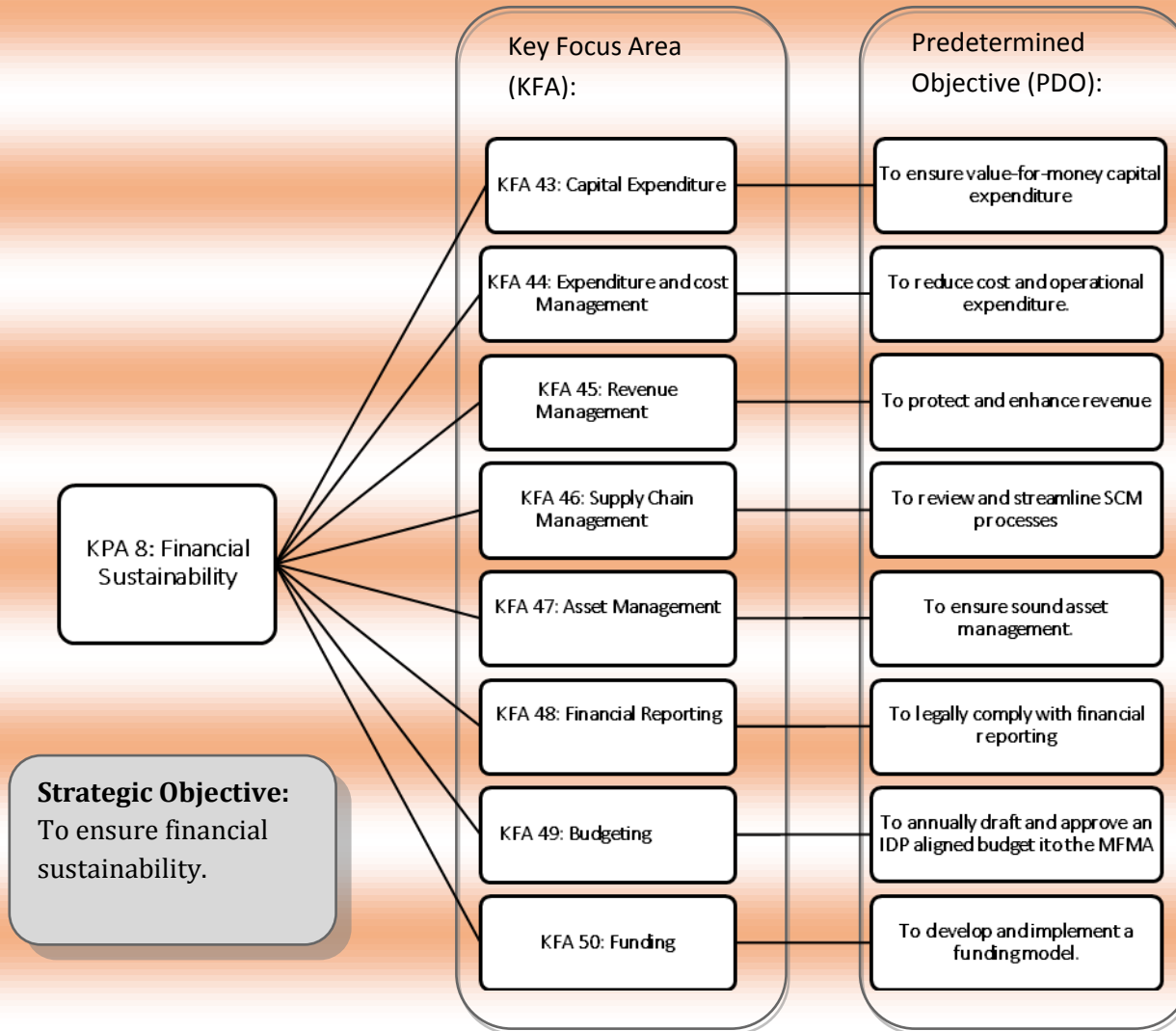
Fleet	Rating
Cars, and Yellow fleet	😊

Vehicle Fleet and Equipment			
Department	Vehicle Fleet	Equipment	IT Equipment
Corporate	😊	😊	😊
Finance	😊	😊	😊
Human Resources	😊	😊	😊
Libraries	😞	😞	😞
Health	😞	😞	😞
Environmental Health	😞	😞	😞
Parks	😊	😊	😊
Cleansing	😊	😊	😊
Solid Waste	😊	😊	😊
Fire	😊	😊	😊
Traffic	😊	😊	😊
W/Shop	😊	😊	😊
Water	😊	😊	😊
Sewer	😊	😊	😊
Roads	😊	😊	😊
Electrical	😊	😊	😊

Mechanical Workshops and Number Maintenance per Region/Area	Rating
Region 1	😞

Region 2	⊖
Region 3	⊖

## KPA 8: Financial Sustainability



### Policies:

1. Exemption from the payment of rates
2. Adoption of the Supply Chain Management Policy and the Code of Conduct for Council and Other Role Players
3. Credit Control and Debt Collection
4. Financial Reporting Framework
5. Borrowing and Raising of Debt Policy
6. Cash Receipts and Banking
7. Investment Policy
8. Amendment: Property Rates Policy
9. Amended Credit Control and Debt Collection Policy
10. Rates Policy
11. Budget Policy:
  - Virement Policy
  - Accounting Policy
  - Tariff Policy
  - Fixed Asset Management Policy
12. Marketing Policy

### By- laws:

1. Tariff By-law
2. Credit Control By-law
3. Property Rates By-law

**KPA 8: FINANCIAL SUSTAINABILITY**

**Strategic Objective 8 : To ensure financial sustainability.**

A detailed situational analysis of the financial sustainability of the Municipality is contained in **Chapter 5: Financial Plan** of this document

**CAPITAL EXPENDITURE**

Description	Rating
Capital expenditure	⊖

**EXPENDITURE AND COST MANAGEMENT**

The monitoring of vehicles, overtime, and performance of votes will assist in curbing costs.

Description	Rating
Operating Expenditure	⊖
Cost Containment	⊖
Maintenance Budget Spending	⊖

**REVENUE MANAGEMENT**

Areas that would enhance revenue, which were both short- and long-term in nature, include the following:

Description	Rating
Debt Coverage	⊖
Registered Indigents	⊖
Revenue Collection	⊖
Cash Management	⊖

### SUPPLY CHAIN MANAGEMENT

The Supply Chain Management (SCM) system of the GMM seeks to ensure the proper flow of goods and services between the supplier and the municipality, in the right quality and quantity whilst advancing the empowerment principles, supplier development, Local Economic Development (LED) and value for money, to ensure expeditious and appropriate service delivery.

Description	Rating
Supply Chain Management	☹️
Contract Management	☹️

### ASSET MANAGEMENT

Description	Rating
Movable assets	☹️
Infrastructure assets	☹️
GRAP Compliance	☹️
Maintenance Budget (%)	☹️

### FINANCIAL REPORTING

Description	Rating
Section 71 Monthly Reporting	☹️
Section 52 Quarterly Reporting	☹️
Midyear Performance Reporting	☹️
Annual Report	☹️
Annual Financial Statements	☹️
Clean Audit Report	☹️
Liquidity Ratio	☹️

Description	Rating
Budget Policy	☹️
Budget Steering Committee	☹️
Operational Budget	☹️
Capital Budget	☹️
Debt Coverage	☹️

## CHAPTER 8: SECTOR AND OPERATIONAL PLANS

This chapter gives detail on the status internal sector and operational plans that are linked to this IDP and the overall strategic development objectives of the municipality.

All sector plans were considered and form part of the reviewed IDP and can be accessed directly from the IDP section as well as the Municipal Website for scrutiny.

The following diagram demonstrates the sequence and interrelation of the sector plans with the municipal Spatial Development Framework (SDF). The objective is an all-inclusive planning approach which commence with development of an SDF (that is inclusive of all current and future developments) as to inform and align operational plans by ensuring planning is streamlined across sector departments.

This approach eradicates re-duplication in the planning and budgeting processes ensuring that development transpires in a coordinated manner.

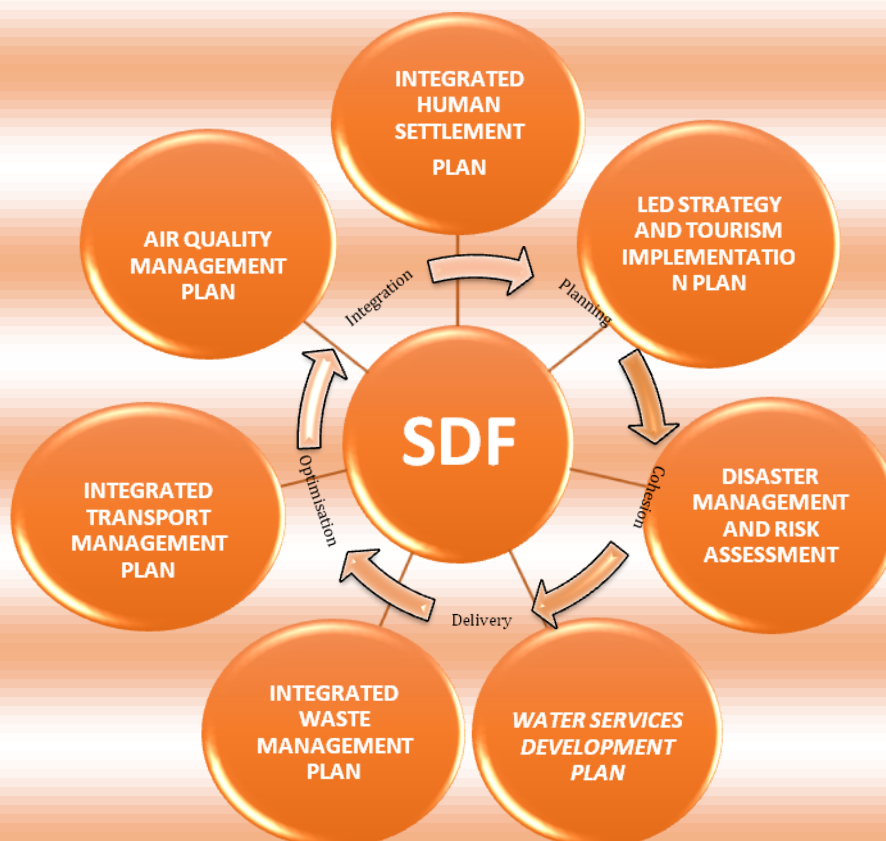


Figure: Sector Plan Linkage / Integration



## 8. 1 OVERVIEW OF SECTOR AND OPERATIONAL PLANS

	TYPE	CURRENT STATUS	DEPARTMENT RESPONSIBLE
<b>GOVAN MBEKI MUNICIPAL AREA SECTOR AND RELATED PLANNING</b>	Spatial Development Framework	Approved	Development and Planning
	Integrated Transport and Land Use Macro Plan	New	
	Water and Sanitation Services Master Plan	New	
	Electrical Services Master Plan	New	
	LED Strategy	Review	Development and Planning
	Tourism Development Plan	New	Office of the Municipal Manager
	Human Settlement Development Plan	Review	Development and Planning
	Safety and Security Plan	New	
	Rural Development Plan	New	Development and Planning
	Roads and Storm Water Master Plan	Review	
	Waste Management Master Plan	New	
	Public Facilities Master Plan	New	Community Services
	Environmental Management Plan	New	
	Disaster Management Plan (DMP)	Review	
	Rural Development plan/Strategy	New	Development and Planning
	Environmental Management Plan (EMP)	New	
	Greenfield township establishment	New	
	Bulk Engineering Infrastructure Alignment Plan involving Eskom, RWB etc.	New	Technical Services
	Alternative Energy Plan	New	Technical Services
	<b>Spatial Planning And Land Use Management</b>		
	Alignment of the Urban Edge: 1. Investigation on existing and future constraints on development and environmental aspects related to coal and gold mining in consultation with the affected	New	Development and Planning

	mining companies and DMR		
	2. Redelimitation of the of the 1995 approvals of Act 70 of 70 to be aligned with the proposed Urban Edge		
	Acquisition of land	New	Development and Planning
	Study on “Town Catalytic Projects”	New	Development and Planning
	Rectification of property pegs	New	Development and Planning
	Alignment of GMM Land Use Scheme to the National SPLUMA and Provincial SPLUA and Regulations	New	Development and Planning
	Property Land Use, Infrastructure and Building data collection	New	Development and Planning
	Municipal GIS Based asset management system:	New	Development and Planning
	Street name and numbering	New	Development and Planning
	GIS Development	New	Development and Planning
	GIS: Aerial photography	New	Development and Planning
	GIS Engineering services	New	Development and Planning
	GIS Valuation roll	New	Development and Planning
	Kinross – Embalenhle Activity Spine Development Plan	New	Development and Planning
	Special Economic Zone Development Plan	New	Development and Planning
	Bethal Urban Regeneration and Renewal Plan	New	Development and Planning
Bethal Dam Precinct Plan	New	Development and	

			Planning
	Secunda Urban Regeneration and Renewal Plan	New	Development and Planning
	Kinross Urban Regeneration and Renewal Plan	New	Development and Planning
	Trichardt Urban Regeneration and Renewal Plan	New	Development and Planning
	Evander Urban Regeneration and Renewal Plan	New	Development and Planning
	Leslie Urban Regeneration and Renewal Plan	New	Development and Planning
	Charl Cilliers Urban Regeneration and Renewal Plan	New	Development and Planning
	Greater Secunda area Detailed Development Plan for Priority Infill Zone	New	Development and Planning

## **CHAPTER 9: IMPLEMENTATION PERFORMANCE MONITORING AND EVALUATION**

This chapter focuses on the status quo of Performance Management in the municipality since employee performance directly impacts on the overall attainment of Council's strategic objectives as outlined in this document

The IDP and Budget are implemented through a Service Delivery and Budget Implementation Plan (SDBIP).

A municipal scorecard is used to measure, monitor, evaluate and report on institutional performance (on a monthly, quarterly, bi-annual and annual basis). The institutional SDBIP forms the basis of the department -based SDBIP and the performance agreements and plans of employees.

### **9.1 PERFORMANCE MANAGEMENT**

Performance Management is a process which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency, effectiveness and the impact of service delivery by the municipality.

The Performance Management System within the Govan Mbeki Municipality is intended to provide a comprehensive, step by step planning design that helps the municipality to manage the process of performance planning and measurement effectively.

The PMS System serves as primary mechanism to monitor, review and improve the implementation of the municipality is IDP and eventually the budget.

#### **9.1.1 STATUS OF THE PERFORMANCE MANAGEMENT SYSTEM IN GOVAN MBEKI MUNICIPALITY**

The municipality decided to pursue a municipal scorecard SDBIP at organisational level and through the detailed departmental Service Delivery Budget Implementation Plan (SDBIP) at directorate and departmental levels through which the organisational performance will be evaluated.

The municipal scorecard SDBIP is of a high-level nature, as it's dealing with consolidated service delivery targets. It therefore provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities and also facilitates the oversight over financial and non-financial performance of the municipality.

The Municipal Scorecard is the municipality's strategic implementation tool and shows the alignment between the Integrated Development Plan, the budget and Annual Performance Agreements of all Section 56 managers.

#### **9.1.1.1 Organisational Level**

It is a legislative requirement to revise the municipal key performance indicators at organisational level; hence, the 2013/2014 key performance indicators were revised and aligned to the 2013/2014 financial budget, strategies and development objectives.

As it is a legislative requirement the municipal key performance indicators were revised and aligned for the 2013/2014 financial year. The municipal scorecard SDBIP for financial year 2013/2014 was approved by the Mayor on 28 June 2013.

All Section 56 managers signed performance agreements for the financial year 2013/2014 as legislatively required.

Regular monitoring and evaluation at this level is taking place and quarterly performance reports are submitted to Council for scrutiny and comment.

The organisational performance of the municipality is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the service delivery budget implementation plan (SDBIP) at directorate and departmental levels.

The municipal scorecard (Top Layer SDBIP) sets out consolidated service delivery targets for senior management and provides an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities.

The Departmental scorecards (detail SDBIP) capture the performance of each defined directorate or department, unlike the municipal scorecard, which reflects on the strategic priorities of the municipality, the SDBIP provides detail of each outcome for which top management are responsible for, in other words a comprehensive picture of the performance of that directorate/sub-directorate.

#### **9.1.1.2 Individual Level**

Govan Mbeki Municipality implements a performance management system for all its senior managers (Sec56 Managers) and are in the process of cascading it down to all lower level employees.

This process has led to a specific focus on service delivery and means that:

- Each manager has to develop a scorecard which is based on the balanced scorecard model.
- At the beginning of each financial year all the Senior Managers (Section 57 employees) sign Performance Agreements.
- Evaluation of each manager's performance takes place at the end of each quarter.

#### **9.1.1.3 Key Performance Indicators (KPIs)**

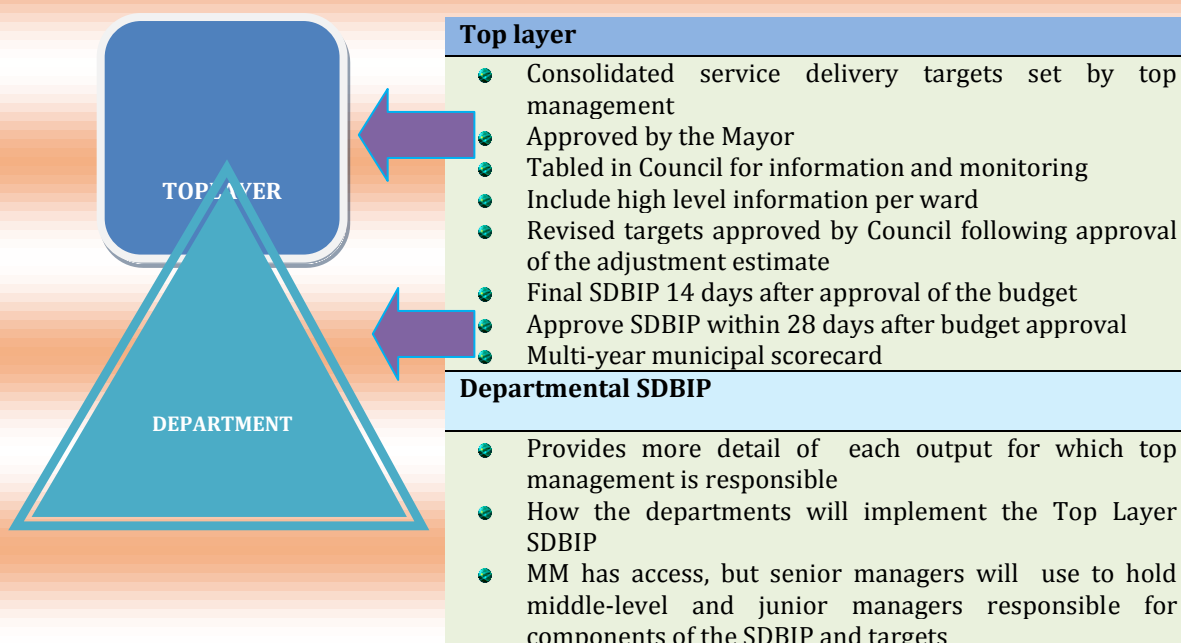
Section 38 (a) of the Systems Act requires Municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the community development priorities and objectives set out in its Integrated Development Plan.

Section 9 (1) of the Regulations to this Act maintains in this regard, that a Municipality must set key performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the development priorities and objectives.

Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the Municipality also sets performance targets for each of the key performance indicators.

The IDP process and the performance management process must be seamlessly integrated as the Performance Management System serves to measure the performance of the municipality on meeting its development objectives as contained in its Integrated Development Plan.

### The SDBIP Concept: A Practical Perspective



## 9.2 Performance Reporting

### 9.2.1 Quarterly Reports

Reports reporting on the performance in terms of the Top Level SDBIP are generated from the system and submitted to Council. This report is published on the municipal website on a quarterly basis.

### 9.2.2 Mid-Year Assessment

The performance of the first 6 months of the financial year should be assessed and reported on in terms of Section 72 of the MFMA. This assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of KPI's, if necessary. The format of the report must comply with the Section 72 requirements. This report is submitted to Council for approval before 25 January of each year and published on the municipal website afterwards.

### 9.3 Legislative Reporting Requirements

The legislative requirements regarding reporting processes are summarised in the following table:

Frequency	MSA/ MFMA Reporting on PMS	Section
<b>Quarterly reporting</b>	The Municipal Manager collates the information and drafts the organisational performance report, which is submitted to Internal Audit. The Internal Auditors (IA) must submit quarterly audited reports to the Municipal Manager and to the Performance Audit Committee. The Municipal Manager submits the reports to Council.	MSA Regulation 14(1)(c)
<b>Bi-annual reporting</b>	The Performance Audit Committee must review the PMS and make recommendations to Council. The Performance Audit Committee must submit a report to Council Bi-annually. The Municipality must report to Council at least twice a year. The Accounting Officer must by 25 January of each year assess the performance of the municipality and submit a report to the Mayor, National Treasury and the relevant Provincial Treasury.	MSA Regulation 14(4)(a) MSA Regulation 14(4)(a) MSA Regulation 13(2)(a) MFMA S72
<b>Annual reporting</b>	The annual report of a municipality must include the annual performance report and any recommendations of the municipality's Audit Committee. The Accounting Officer of a municipality must submit the performance report to the Auditor-General for auditing within two months after the end of the financial year to which that report relate. The Auditor-General must audit the performance report and submit the report to the Accounting Officer within three months of receipt of the performance report.  The Mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality.  The Auditor-General may submit the performance report and audit report of a municipality directly to the municipal council, the National Treasury, the relevant Provincial Treasury, the MEC responsible for local government in the province and any prescribed organ of the state.  Immediately after an annual report is tabled in the council, the Accounting Officer of the municipality must submit the annual report to the Auditor- General, the relevant Provincial Treasury and the Provincial Department responsible for local government in the province.  The council of the municipality must consider the annual report by no later than two months from the date on which the annual report was tabled, adopt an oversight report containing council's comments on the annual report.  The meetings of a municipal council at which an annual report is to be discussed or at which decisions concerning an annual report are to be taken, must be open to the public and any organ of the state. The Cabinet Member responsible for local government must annually report to Parliament on actions taken by the MEC's for local government to address issues raised by the Auditor-General.	MFMA S121 (3)(c)(j) & MSA S46 MFMA S126 1(a)  MFMA S126 (3)(a)(b) MFMA S127(2)  MFMA S127 (4)(a)  MFMA S127 (5)(b)  MFMA S129 (1)  MFMA S130 (1)  MFMA S134

Department	Owner	Key Performance Area	Activities, Programmes, Capital Projects	INDICATORS	P.O.E Reference	Baseline @ 30 June 2014	Type of Indicator	(%)	5 Year Target 2012/13-2016/17	Annual Target Year 3: 2014/2015	Target Date	Qtr 1 Target	Qtr 2 Target	Qtr 3 Target	Qtr 4 Target	Year 4: 2015/2016	Year 5: 2016/2017
FINANCE	CFO	KPA 1: Governance and Stakeholder Participation	Unqualified or Clean audit		Clean Audit Action Plan, Progress Report	Qualified Audit opinion on AFS	Out come	#	Unqualified (Clean Audit)	1x Unqualified AFS Opinion	30-Nov-14	0	1	0	0	1x Unqualified AFS Opinion	Unqualified AFS
FINANCE	CFO	KPA 1: Governance and Stakeholder Participation	Submission of annual financial statements within the prescribed timeframe	Consolidated (Section 126 of MFMA) AFS submitted to AG by 31st August	Council Resolution	Annual financial statements submitted	Out-put	#	1X annual financial statements within the prescribed timeframe	1X annual financial statements within the prescribed timeframe	31-Aug	1	0	0	0	1	1
CORPORATE SERVICES	Dir CS	KPA 1: Governance and Stakeholder Participation	Adoption of Oversight report of Annual report	Oversight report adopted by council by 31 March (Section 129 of MFMA)	Council Resolution	1x Oversight report	Out-put	#	1X Oversight report adopted by council by 31 March	1X Oversight report adopted by council by 31 March	31-Mar-15	0	0	1	0	1	1
CORPORATE SERVICES	Dir CS	KPA 1: Governance and Stakeholder Participation	Number of Council meetings held	No of Council meetings held	Notice, Minutes of the Council Meeting, Attendance Register	4 quarterly council meetings	Output	#	4 quarterly council meetings	4 quarterly council meetings	30-Jun-15	1	1	1	1	4	4



<b>CORPORATE SERVICES</b>	Dir CS	KPA 1: Governance and Stakeholder Participation	Effective functioning of Council Governance Committees	Report on Meetings convened and attended by councillors. (Council, Mayoral Committee, Ward, Portfolio Committees, Audit, MPAC, Rules, etc.)	Notice, Minutes of the Council Committee's Meeting, Attendance Register	New Indicator	Output	#	new	4 reports	30-Jun-15	1	1	1	1	4	4
<b>CORPORATE SERVICES</b>	Dir CS	KPA 1: Governance and Stakeholder Participation	Implement Council resolutions to ensure that the mandate of council is executed	% of council resolutions implemented	Systems report of outstanding council resolutions	100% of council resolutions implemented	Outcome	%	new	100% of council resolutions implemented in the specified timeframes	30-Jun-15	100	100	100	100	100	100
<b>SPEAKERS OFFICE</b>	SPPO	KPA 1: Governance and Stakeholder Participation	Functional section 79 and 80 committees monitored	Four quarterly MPACs meetings held	Notice, Minutes of the Council Committee's Meeting, Attendance Register	4 Quarterly reports	Output	#	new	4xQuarterly report to committees	30-Jun-15	1	1	1	1	4	4
<b>PLANNING AND DEVELOPMENT</b>	Dir P & D	KPA 1: Governance and Stakeholder Participation	IDP (2015/16) adopted by council	IDPs developed and adopted by council in line with the MSA and IDP revised framework	IDP document, council resolution	new	Output	#	new	IDP approved by the end of May annually	31 May 2015	0	0	0	1	1	1

<b>COMMUNITY SERVICES</b>	Dir CMS	KPA 2: Physical Infrastructure and Energy	Access to basic solid waste removal	# of informal households with access to basic solid waste removal	Schedule, Systems report	new	Outcome	#	new	(TBC) points service weekly on schedule	30-Jun-15	TBC	TBC	TBC	TBC	TBC	TBC
<b>TECHNICAL SERVICES</b>	Dir TS	KPA 3: Services and Customer Care	Capacity of infrastructure developed to secure access to water supply	No of additional households supplied with access to Water	Schedule, Systems report	New Indicator	Outcome	#		200 additional households	30-Jun-15	0	0	0	200	200	200
<b>TECHNICAL SERVICES</b>	Dir TS	KPA 3: Services and Customer Care	Capacity of infrastructure developed to secure access to sanitation	No of additional households supplied with access to Sanitation	Schedule, Systems report	New Indicator	Outcome	#		200 additional households	30-Jun-15	0	0	0	200	200	200
<b>TECHNICAL SERVICES</b>	Dir TS	KPA 3: Services and Customer Care	Excellent water quality measured by the quality of water as per SANS 242 criteria	% improvement on blue drop status	Schedule, Systems report		Outcome	%	new	18 % percentage points - improvement on blue drop status (move from 72% to 90%)	30-Jun-15	0	0	0	18%	5%	5%
<b>TECHNICAL SERVICES</b>	Dir TS	KPA 3: Services and Customer Care	Excellent water quality measured by the quality of water as per SANS 242 criteria	% improvement in Green drop status	Schedule, Systems report		Outcome	%	new	18% percentage points - improvement in Green drop status (move from 42% to 60%)	30-Jun-15	0	0	0	18%	18%	18%

<b>PLANNING AND DEVELOPMENT</b>	Dir P & D	KPA 3: Services and Customer Care	Approval of development applications	Percentage (%) of land development applications finalised within 3 months (verify service standards)	Schedule, Systems report	Service Standards	Activity	%	new	100% approval of building plans	30-Jun-15	100	100	100	100	100	100
<b>COMMUNITY SERVICES</b>	Dir CMS	KPA 3: Services and Customer Care	Master plan for cemeteries developed	Compilation of a Master Plan for Cemeteries	Copy of the master plan, Council resolution	new	Output	#	new	Master Plan for Cemeteries reviewed annual by December 2014	Dec-14	0	1	0	0	1	1
<b>SPEAKERS OFFICE</b>	SPPO	KPA 1: Governance and Stakeholder Participation	Number of functional Ward committees by listening and engaging with the community.	Number of ward committee meetings held	Schedule, Notice of meetings, minutes, attendance register	4 meetings per ward	Output	#	10 meetings per ward p.a.	32 x 10 Monthly ward meetings	30-Jun-15	96	64	64	96	320	320
<b>PLANNING AND DEVELOPMENT</b>	Dir P & D	KPA 4: Economic Growth and Development	LED Strategy aligned to the Provincial and National LED Strategy/Frame work	Compilation and approval of implementation plan for local economic development.	Terms of reference, copy of the LED strategy	new	Output	#	new	1 x implementation plan for economic development	30-Sep-14	0	1	0	0	0	0
<b>COMMUNITY SERVICES</b>	Dir CMS	KPA 4: Economic Growth and Development	Minimum EPWP and CWP performance standards met	Number of jobs created through EPWP and CWP including Capital projects (incl MIG)	Time sheet, programme	TBC	Outcome	#	new	TBC	30-Jun-15	TBC	TBC	TBC	TBC	TBC	TBC

<b>FINANCE</b>	CFO	KPA 4: Economic Growth and Development	Approved and updated indigent register	Annual Update of Indigent Register (FY2014/15)	Programme , Notice of meetings , Attendance Register, updated indigent register	Indigent registers	Activi ty	#	new	Annual update of Indigent registers	30-Jun-15	1	0	0	0	1	1
<b>FINANCE</b>	CFO	KPA 4: Economic Growth and Development	Approved and updated indigent register	Annual Update of Indigent Register (FY2015/16)	Programme , Notice of meetings , Attendance Register, updated indigent register	Indigent registers	Activi ty	#	new	Annual update of Indigent registers	30-Jun-15	0	0	0	1	1	1
<b>FINANCE</b>	CFO	KPA 4: Economic Growth and Development	Number of indigent households with access to free basic services	Number of indigent households with access to free basic services (based on the Equitable share received)	Systems report	19 000 Indigent households	Outco me	#	new	19 000 Indigent households	30-Jun-15	19 000	19 000	19 000	19 000	20000	25000
<b>TECHNICAL SERVICES</b>	Dir TS	KPA 4: Economic Growth and Development	Access to basic water & sanitation	Percentage (%) of informal households with access to basic water	Systems report	90%	Outco me	%	90%	92% Provision of water	30-Jun-15	92	92	92	92	95	95

<b>TECHNICAL SERVICES</b>	Dir TS	KPA 4: Economic Growth and Development	Access to basic sanitation	Percentage (%) of informal households with access to basic sanitation	Systems report	70%	Outcome	%	90%	80% Provision of sanitation	30-Jun-15	70	73	78	80	85	90
<b>TECHNICAL SERVICES</b>	Dir TS	KPA 4: Economic Growth and Development	Access to Electricity	Percentage (%) of informal households with access to basic electricity	Systems report	72%	Outcome	%	90%	85% Informal households with access to basic services electricity	30-Jun-15	72	78	80	85	90	90
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 1: Governance and Stakeholder Participation	Audit Plan approved by September 2014	Approved Annual Risk based Audit Plan	Annual Risk Based plan	1 x Audit Plan	Output	#	5 x Approved Audit Plan by 30 June	1X Audit plan by September 2014	30-Sep-14	1	0	0	0	1	1
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 1: Governance and Stakeholder Participation	Audit Plan approved by June 2015 (for FY2015/16)	Approved Annual Risk based Audit Plan	Annual Risk Based plan	1 x Audit Plan	Output	#	5 x Approved Audit Plan by 30 June	1X Audit plan by June 2015	30-Jun-15	0	0	0	1	1	1
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 1: Governance and Stakeholder Participation	Audit Plan	% implementation of Approved Annual Audit Plan	Implementation plan	100 % Implementation of planned activities of Audit Plan	Output	%	100 % Implementation of planned activities of Audit Plan	100 % Implementation of planned activities of Audit Plan	30-Jun-15	100%	100%	100%	100%	Implementation of planned activities of	Implementation of planned activities of
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 1: Governance and Stakeholder Participation	Risk Register	Approved Risk Register (FY2016/17)	Risk Register	Risk register	Output	#	1 X Approved Risk Register	1X Risk register	31-Mar	0	0	1	0	1	1

<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 1: Governance and Stakeholder Participation	Functional Internal audit unit	Functional performance audit committee measured by means of meetings where committee dealt with performance reports(Report on four audit committee meetings held)	Programme , Notice of meetings , Attendance Register	4 Meetings	Output	#	4	4x quarterly audit committee meetings	30-Jun-15	1	1	1	1	4	4
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 1: Governance and Stakeholder Participation	Functional Audit Committee	Number of Audit Committee reports submitted to Council	Reports, council resolution	4 Quarterly reports	Output	#	new	4xQuarterly report to council	30-Jun-15	1	1	1	1	4	4
<b>FINANCE</b>	CFO	KPA 1: Governance and Stakeholder Participation	Compliance with GRAP to ensure effective capital asset management (PPE; Intangible; Investment Property and Heritage Assets)	0 findings in the audit report on non-compliance with GRAP	Programme	0	Outcome	#	new	0 findings in the audit report on non-compliance with GRAP	30-Jun-15	0	0	0	0	0	0
<b>COMMUNITY SERVICES</b>	Dir CMS	KPA 5: Safety and Environment	Reduction in traffic violations	Percentage (%) reduction in traffic speeding violations		5%	Outcome	%	Reduction of 5% per annum	YTD reduction of Traffic violations 5% Year on year	30-Jun-15	0	0	0	5	5	5

<b>COMMUNITY SERVICES</b>	Dir CMS	KPA 5: Safety and Environment	Fire Fighting response time	% of fire fighting Response time in adherence to service standards	Incident/call out report	100%	Outcome	%	100%	100% Response to emergency services	30-Jun-15	100	100	100	100	100	100
<b>PLANNING AND DEVELOPMENT</b>	Dir P & D	KPA 6: Social and Community Development	Review of Human Settlement Sector Plan	Annual review of Human Settlement Sector Plan	Programme, copy of the sector plan, council resolution	2012 Housing Sector plan	Output	#	Annual review of Human Settlement Sector Plan	Reviewed Human Settlement plan by the end of December 2014	31-Dec-14	0	1	0	0	1	1
<b>CORPORATE SERVICES</b>	Dir CS	KPA 7: Institutional Transformation	Delegation of Powers and Functions	Annual review of Delegation of Powers and Functions	Council resolution	delegations of functions and powers	Output	#	1 X Annual reviewed Delegation of Powers and Functions Register	1X Delegation register (FY2014/15 31 Aug 2014)	31-Aug	1	0	0	0	0	0
<b>RM</b>	RM	KPA 7: Institutional Transformation		Development of Terms of Reference for the Joint Operations Committees (JOC)	Council resolution	New Indicator	Output	#			31-Aug	1	0	0	0	1	1
<b>CORPORATE SERVICES</b>	Dir CS	KPA 1: Governance and Stakeholder Participation	Policy and Procedure Planning	Approval of a schedule for reviewing policies and procedures	Programme, council resolution	Policy and Procedure Plan approved by June annually	Input	#	1 x Approved schedule for reviewing policies and procedures	1X Approved Schedule	30-Jun-15	0	0	0	1	1	1
<b>CORPORATE SERVICES</b>	Dir CS	KPA 1: Governance and Stakeholder Participation	By-Law Planning	No of By-Laws formally Gazetted	Programme, council resolution	None	Output	#		22x By laws	30-Jun-15	0	0	0	22	0	0

<b>CORPORATE SERVICES</b>	Dir CS	KPA 7: Institutional Transformation	Employment Equity	Percentage (%) of Employees employed in the three highest levels of management in compliance with the equity plan	Equity report, council resolution		Outcome	%	20%	Implementation of employment equity to 3 highest levels by the end of June 2015	30-Jun-15	0	0	0	20	30	40
<b>CORPORATE SERVICES</b>	Dir CS	KPA 7: Institutional Transformation	Number of employees employed in accordance with the EEP targets	Preparation and submission of equity report for the municipality by 30 Sept annually	Equity report, council resolution		Output	#	new	No of reports submitted by Sept annually	30-Sep-14	1	0	0	0	1	1
<b>CORPORATE SERVICES</b>	Dir CS	KPA 7: Institutional Transformation	Number of officials capacitated in terms of the workplace Skills Plan	(NKPI -6)The percentage of a municipality's budget actually spent on implementing its workplace skills plan.	Programme, report	new	Output	%	1%	% of budget allocated on training	30-Jun-15	0	0	0	1	100	100
<b>COMMUNITY SERVICES</b>	Dir CMS	KPA 7: Institutional Transformation	Integrated Waste Management Plan implemented	% implementation of Approved, Integrated Waste Management Plan	Programme, council resolution	new	Input	%	new	100% implementation of approved waste management plan	30-Jun-15	25	50	75	100	100	100



<b>RM</b>	RM	KPA 7: Institutional Transformation		% Implementation of Regional Operational Plan (FY 2014/15)	Programme implementation plan	New Indicator	Output	%			30-Jun-15	0	0	100	100	100	100
<b>PLANNING AND DEVELOPMENT</b>	Dir P & D	KPA 7: Institutional Transformation	Quarterly and Annual Performance Assessments	Number of performance reports compiled within 30 days after each quarter	Council resolution	4 reports	Output	#	4 X performance reports per annum	Quarterly performance reports	30-Jun-15	1	1	1	1	4	4
<b>CORPORATE SERVICES</b>	Dir CS	KPA 7: Institutional Transformation	Effective functioning of Council Governance Committees	% of Mayco Councillors with signed off Performance Agreements	Performance agreements	New Indicator	Activity	%	new	100% of all Mayco Councillors	30-Jun-15	0%	100%	100%	100%	100%	100%
<b>FINANCE</b>	CFO	KPA 7: Institutional Transformation	Quarterly reports (sec 52) aligned to SDBIP with early warning on performance produced	Number of quarterly performance reviews conducted (sec 52 reports)	Assessment results, council resolution	new	Activity	#	new	Quarterly reports aligned to SDBIP with early warning on performance produced	30-Jun-15	1	1	1	1	4	4
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 7: Institutional Transformation	Performance agreements for existing S54 and S56 signed within 30 days in terms of section 57 of the MSA within prescribed timeframe	Number of Signed performance agreements (including the MM and Regional Managers)	Performance agreements		Output	#		No of signed performance agreements of section 57 managers by 31 July annually	31-Jul-14	9	0	0	0	9	9

<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 7: Institutional Transformation	Quarterly Performance assessments	Number of individual (section 54/56 managers) performance reviews conducted	Assessment results, council resolution	8	Activity	#	9	No of formal evaluations completed	30-Jun-15	9	9	9	9	9	9
<b>CORPORATE SERVICES</b>	Dir CS	KPA 7: Institutional Transformation	ICT Governance Framework	Conduct a IT maturity Assessment based on COBIT & King 3 (in order to obtain maturity baseline for Municipality)	Programme ,Systems report	New	Output	%	Level 3 IT Maturity	1 x Maturity assessment	31-Mar-15	0	0	1	0	0	0
<b>TECHNICAL SERVICES</b>	Dir TS	KPA 8: Financial Sustainability	Effective management of water provisioning systems to minimise water losses by implementing measures to reduce water losses	Average YTD % of water loss calculated as KL billed / KL Purchased	Systems report	20%	Outcome	#		15%	30-Jun-15	18%	16%	14%	12%	15%	15%
<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Maintain a YTD debtors payment percentage	Payment % of debtors over 12 months rolling period	Systems report	80%	Outcome	%	96%	YTD debtors payment percentage of 96%	30-Jun-15	83%	83%	83%	83%	88	96

<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Financial Viability measured in terms of debt coverage ratio	Operating Service Debtors to Revenue: (Total outstanding services debtors/ Annual service Revenue received for services x 100.	15	Outcome	%	% Debt coverage ratio calculated	84%	30-Jun-15	0	0	0	84%	84%	84%
<b>FINANCE &amp; PLANNING AND DEVELOPMENT</b>	CFO & Dir P & D	KPA 8: Financial Sustainability	Alignment of the IDP, Budget and SDBIP	% alignment of the Capital Expenditure as well as no. of KPI's in IDP, Budget and SDBIP	90% alignment	Outcome	%	100% Alignment of Capital Expenditure as well as no. of KPI's in IDP, Budget and SDBIP	100% Alignment of Capital Expenditure as well as no. of KPI's in IDP, Budget and SDBIP	30-Jun-15	0	0	0	100	100	100
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 8: Financial Sustainability	CAPEX: The percentage of a municipality's capital budget spent on capital projects identified in the IDP for the 2014/15 financial year	The % of the Municipality's capital budget spent on capital projects identified in the IDP, measured as Total Actual Capital Expenditure/ Approved Capital Budget x 100 (All Funding excl. MIG)	TBC	Output	%	TBC	TBC	30-Jun-15	TBC	TBC	TBC	TBC	TBC	TBC

<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 8: Financial Sustainability	CAPEX: The percentage of a municipality's capital budget spent on capital projects identified in the IDP for the 2014/15 financial year in terms of MIG Funds	Percentage (%) of approved capital budget spend (MIG)	Systems report	100%	Output	%	100%	100% implementation of the /spending on MIG	30-Jun-15	100	100	100	100	100	100
<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Provision for repairs and maintenance	% of operational budget spent on repairs and maintenance.		5%	Outcome	%	7% in year five	5% provision of operational budget spent on repairs and maintenance	30-Jun-15	100	100	100	100	6	7
<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Compilation Approval of Budget	Compilation and Approval of Budget (FY2015/16)		2014 Budget	Output	#	1 X Annual Compilation and Approval of Budget per annum	Approval of the budget by the end of May 2015	31 May 2015	0	0	0	1	1	1
<b>PLANNING AND DEVELOPMENT</b>	CFO	KPA 8: Financial Sustainability	Alienation of property as additional income for Council by annually	Value of identified land sold for development		new	Output	#	new	R100 Million	30-Jun-15	0	0	0	R100 Million	0	0
<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Savings on OPEX	Percentage (%) savings on operating budget		6%	Outcome	%	At least 6% per annum	6% savings on operating budget	30-Jun-15	0	0	0	6%	6	6

<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Revenue Enhancement	% Implementation of Revenue Enhancement Plan			Activity	%	100%	100% implementation of the plan	30-Jun-15	100	100	100	100	100	100
<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Financial Viability measured in terms of debt coverage ratio	% Debt coverage ratio calculated as follows: (Total revenue received - Total grants)/debt service payments due within the year x 100.	15		Outcome	%	% Debt coverage ratio calculated	8515%	30-Jun-15	0	0	0	8515%	8515%	8515%
<b>FINANCE</b>	CFO	KPA 8: Financial Sustainability	Financial Viability measured in terms of Cost coverage ratio	% Cost coverage ratio calculated as follows: (Available cash at particular time + investments) / Monthly fixed operating expenditure x 100.	New		Outcome	%	% Cost coverage ratio calculated	2.50%	30-Jun-15	0	0	0	2.50%	2.50%	2.50%

<b>FINANCE</b>	CFO	KPA 1: Governance and Stakeholder Participation	Submission of annual financial statements within the prescribed timeframe	Draft Annual Report (S.46 Annual Performance Report) submitted to AG by 31st August	annual report, Council resolution	Draft Annual Report (S.46 Annual Performance Report) submitted to AG by 31st August	Output	#	1X Draft Annual Report (S.46 Annual Performance Report) submitted to AG by 31st August	1X Draft Annual Report (S.46 Annual Performance Report) submitted to AG by 31st August	31-Aug	1	0	0	0	1	1
<b>PLANNING AND DEVELOPMENT</b>	Dir P & D	KPA 1: Governance and Stakeholder Participation	Submission of Annual Report	Annual report submitted to council by 31 January (Section 121 of MFMA)	annual report, Council resolution	1x annual report	Output	#	1X Annual report submitted to council by 31 January	1X Annual report submitted to council by 31 January	31-Jan-15	0	0	1	0	1	1
<b>PLANNING AND DEVELOPMENT</b>	Dir P & D	KPA 1: Governance and Stakeholder Participation	SDBIP approved by mayor within 28 days after the budget approval	Approved SDBIP aligned to IDPs and budget	Copy of the IDP, Council resolution	new	Output	#	new	Top Layer SDBIP approved within 28 days after the Main Budget has been approved	30-Jun-15	0	0	0	1	1	1
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 1: Governance and Stakeholder Participation	Annual Review of Communication strategy by September	Annual Review of the Communication Strategy as per GCIS guidelines.	Programme, copy of the communication strategy, council resolution	Communication strategy approved	Activity	#	new	1x Communication strategy reviewed by September 2014	30-Sep-14	1	0	0	0	1	1
<b>OFFICE OF THE MUNICIPAL MANAGER</b>		KPA 2: Physical Infrastructure and Energy	Construction of new roads	Length of new roads constructed		11 km constructed	Output	#	new	Km of roads constructed (11 km)	30-Jun-15	0	0	0	11	11	11

<b>TECHNICAL SERVICES</b>	Dir TS	KPA 2: Physical Infrastructure and Energy	Maintenance of roads	Length of surfaced roads maintained		New Indicator	Output	#	new	Km of roads (30 km)	30-Jun-15	0	10	10	10	30	30
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## 9.4 RISK MANAGEMENT

The Risk Management Strategy (RMS) is one of various documents that form part of the Risk Management Framework of the municipality and therefore forms part of management's core responsibilities and is an integral part of the internal processes of the municipality.

The Risk Management Strategy guides the activities of Council, Municipal Manager, the Risk Management Committee (RMC), Risk Management Co-ordinating Committee (RMCC), Risk Management Unit as well as the risk owners and action owners.

The municipality acknowledges that there are different risk management models and frameworks that institutions can implement in order to manage their risks. The municipality utilized the Risk Management Framework as proposed by the National Treasury and also followed the guidelines as stipulated in ISO 31000/2009. The risk register is attached as **Annexure**

**CHAPTER 10: ALIGNMENT IDP / BUDGET  
CAPITAL PROGRAM AND SECTOR INVESTMENT IN MUNICIPAL SPACE**

**10.1. LINKAGE AND ALIGNMENT IDP**

MUNICIPAL LINKAGE				IDP LINKAGE		NATIONAL LINKAGE			
MUNICIPAL KPA		STRATEGIC OBJECTIVE	PRE DETERMINE OBJECTIVE	IDP LINK	IDP Strategy Number	NATIONAL KPA		NATIONAL OUTCOMES	
Governance and Stakeholder Participation;	KPA1	To ensure good governance and the participation of stakeholders.	SO1	Promote sound and sustainable governance	Govern. & Stake.Part.	GOV&SP1.1	Good Governance and Public Participation	GGPP5	A responsive and accountable, effective and efficient local government system
				Pro-actively manage and mitigate risks					
				Review and streamline policies and procedures					
				Review by-laws and enforce					
				Monitor and evaluate performance					
				Improve internal and external communication.					
Physical Infrastructure and Energy Efficiency;	KPA 2	To ensure appropriately serviced, well maintained physical infrastructure and the efficient use of energy.	SO2	Improve energy efficiency	Physic.Infra.&Energy. Effic.	PI&EE2.1	Basic Service Delivery	BSD2	An effective, competitive and responsive economic infrastructure network
				Plan, construct and maintain roads and stormwater					
				Plan, construct and maintain water and sanitation					
				Plan, construct and maintain waste infrastructure					
				Plan, construct and maintain public facilities					

Services and Customer Care;	KPA 3	To provide sustainable and affordable services and effective customer care.	S03	Provide sustainable, reliable, affordable water, sanitation services to all	Serv.&Custom.Care.	S&CC3.1	Basic Service Delivery	BSD2	An effective, competitive and responsive economic infrastructure network
				Provide sustainable, reliable, affordable electricity to all residents					
				Provide sustainable, reliable, affordable waste disposal to all residents					
				Develop, implement maintain sound relations with all customers					
				Ensure access to safe and affordable public transport					
				Develop, implement a branding plan					
				Develop effective efficient building plan development application					
Economic Growth and Development;	KPA 4	To facilitate economic growth and development.	S04	To plan, execute enterprise development	Econ.Grow.&Devel.	E&DEV4.1	Local Economic Development	LED3	An effective, competitive and responsive economic infrastructure network
				To plan, execute tourism enhancement					
				To plan execute green economy projects					
				To plan, execute skills development					
				To plan, execute rural and agricultural					
				To plan, execute urban renewal projects					
				To plan, execute rural agricultural development					

Safety and Environment;	KPA 5	To ensure safety within the community as well as a healthy and protected environment	S05	Ensure a safe secure environment	Safety&Env.	S&ENV5.1	Basic Service Delivery	BSD2	Protection and enhancement of environmental assets and natural resources
				Ensure a sustainable environment					
				Review, implement the disaster management					
				Provide reliable emergency services to all residents					
				Ensure effective efficient traffic control , law					
				Provide well-maintained parks, open spaces					
Social and Community Development;	KPA 6	To facilitate social and community development.	S06	Develop integrated, sustainable human settlements	Social.&Comm.Devel.	S&DEV6.1	Basic Service Delivery	BSD2	An effective, competitive and responsive economic infrastructure network
				Promote, develop sport, recreation					
				Develop, conserve protect craft culture					
				Ensure an effective and efficient library service					
				Plan, construct, and maintain cemeteries					
Institutional Transformation;	KPA 7	To ensure institutional transformation.	S07	Assess, review, and address the human capital and skills	Inst.Transform.	INST7.1	Municipal Transformation and Institutional Development	MTID1	A skilled and capable workforce to support inclusive growth
				Establish an effective, efficient PMU , develop PM skills					
				Develop, implement an effective, efficient PMS					
				Review processes procedures for effective IT service					
				Review processes procedures - effective service					
				Review, provide the required municipal facilities					

Vote number	IDP Link	IDP Strategy	Source of	Project description	Ward	2014-2015
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				Review, plan provide for the required equipment vehicle					
Financial Sustainability.	KPA 8	To ensure financial sustainability.	SO8	To protect and enhance revenue	Fin.Sustain.	FINS8.1	Municipal Financial Viability and Management	MFVM4	A responsive and accountable, effective and efficient local government system
				To reduce operational expenditure					
				Ensure sound asset management.					
				Ensure value-for-money capital expenditure					
				Review and streamline SCM processes					
				Develop and implement a funding model.					

		number	funding		number	
<b>CAPITAL BUDGET 2014/15</b>						
R003/R306/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 100,000.00
R001/R001/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 200,000.00
R001/R105/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 100,000.00
R002/R201/C000	Inst.Transform.	INST7.1	Revenue	Upgrade of records management system	All	R 1,000,000.00
R002/R205/C000	Inst.Transform.	INST7.1	Revenue	Purchase of computer software	All	R 150,000.00
R002/R205/C001	Inst.Transform.	INST7.1	Revenue	Upgrade of ICT Connection	All	R 1,000,000.00
R002/R205/C002	Inst.Transform.	INST7.1	Revenue	ICT Security	All	R 1,000,000.00
R003/R301/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 125,000.00
R003/R302/C000	Inst.Transform.	INST7.1	Revenue	SPLUMA By-Law (Regarding Control)	All	R 500,000.00
R003/R302/C001	Inst.Transform.	INST7.1	Revenue	Alignment of the Urban Edge	All	R 400,000.00
R003/R302/C002	Inst.Transform.	INST7.1	Revenue	Integrated Transport and Land Use Macro Plan	All	R 1,000,000.00
R003/R302/C003	Inst.Transform.	INST7.1	Revenue	Environmental Management Framework (EMF)	All	R 850,000.00
R003/R302/C004	Inst.Transform.	INST7.1	Revenue	Greenfield township establishment	All	R 2,500,000.00

R003/R302/C005	Inst.Transform.	INST7.1	Revenue	Rural Development Framework	All	R 200,000.00
R003/R302/C006	Inst.Transform.	INST7.1	Revenue	Handhelds (LUM-data collection project)	All	R 100,000.00
R003/R302/C007	Inst.Transform.	INST7.1	Revenue	Street name and numbering	All	R 400,000.00
R003/R302/C008	Inst.Transform.	INST7.1	Revenue	Special Economic Zone Contribution	All	R 600,000.00
R003/R302/C009	Inst.Transform.	INST7.1	Revenue	Bethal Urban Regeneration and Renewal Plan	All	R 300,000.00
R003/R302/C010	Inst.Transform.	INST7.1	Revenue	Leslie Urban Regeneration and Renewal Plan	All	R 300,000.00
R003/R302/C011	Inst.Transform.	INST7.1	Revenue	Greater Secunda: Detailed Development Plan	All	R 300,000.00
R003/R302/C012	Inst.Transform.	INST7.1	Revenue	Server and Mirror backup	All	R 100,000.00
R003/R302/C013	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 50,000.00
R003/R302/C014	Inst.Transform.	INST7.1	Revenue	System development	All	R 130,000.00
R003/R304/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 100,000.00
R004/R401/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 230,000.00
R004/R403/C001	Inst.Transform.	INST7.1	Revenue	JSC Theatre Stage lights	All	R 400,000.00
R004/R407/C001	Inst.Transform.	INST7.1	Revenue	Cemetery system	All	R 400,000.00

R004/R407/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 100,000.00
R004/R403/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 30,000.00
R004/R403/C002	Inst.Transform.	INST7.1	Revenue	Industrial generators	All	R 200,000.00
R004/R406/C000	Inst.Transform.	INST7.1	Revenue	Licensing queuing system	All	R 400,000.00
R004/R409/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 200,000.00
R006/R601/C001	Inst.Transform.	INST7.1	Revenue	TOC establishment	All	R 3,000,000.00
R006/R601/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 300,000.00
R006/R603/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 45,000.00
R006/R602/C001	Inst.Transform.	INST7.1	Revenue	Fencing of Evander offices	All	R 4,000,000.00
R006/R608/C001	Inst.Transform.	INST7.1	Revenue	Renewal of Bethal Bridges	All	R 5,000,000.00
R006/R608/C002	Inst.Transform.	INST7.1	Revenue	Upgrading of Mphafa road	All	R 10,000,000.00
R006/R609/C001	Inst.Transform.	INST7.1	Revenue	Bethal Electricity Network strengthening	All	R5,500,000.00
R006/R609/C002	Inst.Transform.	INST7.1	Revenue	Electricity split meters	All	R 5,000,000.00
R006/R609/C003	Inst.Transform.	INST7.1	Revenue	Embalehle Electricity Network strengthening	All	R 7,000,000.00
R001/R002/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 50,000.00
R003/R302/C005	Inst.Transform.	INST7.1	Revenue	Purchase of GIS Software	All	R 167,000.00



R003/R302/C005	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 240,000.00
R003/R302/C005	Inst.Transform.	INST7.1	Revenue	GIS Interface development and structuring	All	R 500,000.00
R003/R302/C005	Inst.Transform.	INST7.1	Revenue	GIS Login, security and user restrictions	All	R 100,000.00
R003/R302/C005	Inst.Transform.	INST7.1	Revenue	Survey equipment	All	R 100,000.00
R003/R302/C005	Inst.Transform.	INST7.1	Revenue	Mirror server	All	R 100,000.00
R003/R303/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 70,000.00
R003/R305/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 160,000.00
R003/R305/C000	Inst.Transform.	INST7.1	Revenue	Furniture and equipment	All	R 615,000.00
R003/R305/C000	Inst.Transform.	INST7.1	Revenue	Dashboard interfacing	All	R 1,500,000.00
R003/R305/C000	Inst.Transform.	INST7.1	Revenue	Mirror server	All	R 200,000.00
R006/R606/C000	Inst.Transform.	INST7.1	Revenue	Vehicles	All	R 7,800,000.00
M001/M105/C001	Physic.Infra.&Energy.Effic.	PI&EE2.1	MIG	Embalenhle internal tarred roads (Albert Luthuli phase 1)	13,14	R 3,000,000.00
M001/M103/C001	Physic.Infra.&Energy.Effic.	PI&EE2.1	MIG	Embalenhle internal tarred roads (Albert Luthuli phase 2)	8	R 4,000,000.00
M001/M103/C002	Physic.Infra.&Energy.Effic.	PI&EE2.1	MIG	Embalenhle internal tarred roads (Albert Luthuli phase 3)	12,31	R 5,000,000.00

M001/M078/C002	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Embalenhle internal paved road (Velabahleke str phase 2)	4	R 5,909,760.00
M001/M107/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Embalenhle internal tarred roads (Joe Makhubu phase 3)	10	R 7,000,000.00
M001/M059/C002	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Emzinoni internal tarred roads (Morgeson link road)	26	R 9,000,000.00
M001/M034/C002	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Lebohang internal paved roads (Hlolanvula drive)	3	R 7,000,000.00
M001/M101/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Construction of Emzinoni Sport and Recreation Centre	22	R 8,000,000.00
M001/M089/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Emzinoni Regional Park	27	R 1,871,240.00
M001/M028/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Embalenhle WWTW Refurbishment	All	R 15,000,000.00
M001/M059/C003	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Conversion of VIP toilets and water connections in Emzinoni	23,24,27	R 5,000,000.00
GOO1/G023/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	GSDM	Upgrading of Sport Facilities	17	R 2,000,000.00
GOO1/G020/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	GSDM	Quality Testing-Blue and Green Drop	All	R 300,000.00
GOO1/G018/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	GSDM	Sewer network reticulation upgrade	All	R 2,000,000.00

GOO1/G021/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	GSDM	New boreholes	All farms	R 1,000,000.00
M001/M034/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	MIG	Lebohang Bulk Water Supply	All	R 1,000,000.00
E001/E001/C001	Physic.Infra.&Energy. Effic.	PI&EE2.1	DME	Electrification of houses	15/19	-

### 10.3 STAKEHOLDER INVESTMENTS IN MUNICIPAL SPACE FOR 2013/2014 BUDGET YEAR

SOCIAL AND LABOUR PROJECTS				
Project Name	Ward	Funding Source	Amounts	Progress Status
Kinross Water Reservoir	16	Sasol	R 2, 800. 000	Completed
Construction of Storm Water in Leandra (Phase 1)	3	Sasol	R 1, 200. 000	Completed

Sewer Reticulation	19	Sasol	R 8,000 .000	Completed
Sustainable Human Settlement 26 Houses	26	Sudor Coal	R 11,000 .000	Completed
Sewer Reticulation	1	Anglo Coal	R 18,304 .882	Completed
Resealing of Kinross Reservoir	16	Sasol	R 5,000.000	Completed
Sewer Reticulation	28,27,15	Anglo Coal	R 5,000. 000	Completed

<b>MUNICIPAL INFRASTRUCTURE GRANT MIG 2013/14</b>			
<b>Municipal Infrastructure Grant</b>	<b>Funding Source</b>	<b>Amount</b>	<b>Status</b>
Albert Luthuli Road	MIG	R 4,000.000	Completed
Cemetery Link Road Embalenhle Ext 22	MIG	R 6,000.000	Completed
Renovation of the Thusong Centre Emzinoni	MIG	R 3,000.000	Completed
Construction of Bekker Street Charl Cilliers	MIG	R 5,018.257	Completed
Construction of internal Road Mbana Masilela	MIG	R 4,145.156	Completed
Regravelling of Roads in Embalenhle Ext 16	MIG	R 2,500.000	Completed
Construction of Albert Luthuli Road and Joe	MIG	R 9,118.124	Completed

Makhubu Road Embalenhle			
Refurbishment of the Kinross Waste Water Treatment Works	MIG	R 1,000.000	Completed
Lebohang Bulk Water Supply Upgrade	MIG	R 1,000.000	Completed

<b>LABOUR INTENSIVE PROGRAMME NUMBER OF PEOPLE ON THE EMPLOYED</b>	
Community Works Programme	1638
Phezukomkhono	50
Expanded Public Works Programme	280

<b>ROADS AND STORM WATER PROJECTS</b>
Construction of Speed Humps in GMM Maintenance Road Patchworks Cleaning of Storm Water System Regravelling and Grading of Roads Assessment and Maintenance of Air conditioners in GMM Maintenance of Facilities

<b>DONATIONS</b>	
<b>VEHICLES</b>	<b>COST</b>
White Toyota Hino 714 LWB AY3	R 645, 179
White Toyota Hino 714 LWB AY3	R 645, 179
White Toyota Hino 714N 3 TON	R 307, 639
White Toyota Hilux 2000 4 x 2	R 144, 000
White Volkswagen Crafter	R 491, 000

Red Mahindra	R 124, 882.97
Toyota Etios	R 124,882.97
One Back Actor	R 114,000
Single Cab Vehicles With Roof Rack	R 903, 5000
Single Cab Vehicles With Roof Rack	R 182, 178
Compactor Truck	R 1,635.481
Compactor Truck	R 1,635. 481

#### 10.4 LISTED PROJECTS 2014/2015 FOR INTEGRATION IN MUNICIPAL SPACE BY VARIOUS SECTORS/STAKEHOLDER

##### ESKOM ELECTRIFICATION PROJECTS

Local Municipality	WARD	Project Name	Project Type	Connections	Estimated Cost ( Incl VAT)
	15	Naude'sfontein	Household	76	R1,216,000.00

MP307 Govan Mbeki	19	Leeupan Farm	Household	29	R 464,000.00
	15	Eestegeluk Farm	Household	9	R 144,000.00
	15	Palmentfontein Farm	Household	9	R 144,000.00
	15	Witransd 1&2 Farm	Household	40	R 640,000.00
	15	Faith Hill Estate Farm	Household	11	R 176,000.00
	15	Kalabasfontein Farm	Household	27	R 432,000.00
	15	Blinkwater Farm	Household	20	R 320,000.00
	15	Kaalaste Farm	Household	15	R 240,000.00
	All	Govan Mbeki In-fills	In-fills	50	R 200,000.00
	<b>TOTAL</b>		<b>286</b>	<b>R3,976,000.00</b>	

**GERT SIBANDE BUDGET ALLOCATION - GOVAN MBEKI 2014/15**

<b>Project Description</b>	<b>Ward</b>	<b>Amount</b>	<b>Funding Source</b>
Upgrading of Sports Facilities	All	R 2,000.000	GSDM
Water Quality Testing-Blue & Green Drop	All	R 300,000	GSDM
Sewer Reticulation Upgrade- Ext 16,18,19,20	Embalenhle	R 2,000.000	GSDM
New Boreholes	All	R 1,000.000	GSDM
Job Creation Phezukomkhono	All	R 650,000	GSDM
<b>Total</b>		<b>R 5,950.000</b>	<b>GDSM</b>



**LED PROJECTS IDP 2014**

<b>PROJECT NAME</b>	<b>AMOUNT</b>	<b>FUNDER</b>
Feedlot Plant	R 131, 898	Dept. Of Trade and Industry
Business Hive Embalenhle	R 5,000 .000	Sasol Mining
Community Work Programme	R 6, 800.000	COGTA
Phezukomkhono Programme	R 930, 000	Gert Sibande District Municipality

## SLP PROJECTS 2014/17

No	Project	Ward	Funding Source	Amount	Financial Year
1.	Construction of a Multi-Purpose Centre at Charl Cilliers	10	Sasol	R 4, 000. 000	2014-2015
2.	Sewer Reticulation at Embalenhle Ext. 26	19	Sasol	R 8, 000 .000	2014-2015
3.	Construction of phase 2 Foot bridges Embalenhle	10, 12,14,31,20,32	Sasol	R 1, 200. 000	2014-2015
4.	Internship Programme	All	Pan African Resources	R 300, 000	2014-2015
5.	Enterprise Development (Bakery and Confectionery)	12	Pan African Resources	R 2, 000. 000	2014-2015
6.	Upgrade Storm Water Channels Ext. 10 Embalenhle	10	Total Coal South Africa	R 4, 000. 000	2014-2015
7.	Construction of a Fire Station at Leandra	1	Sasol	R 8, 000. 000	2014-2015

8.	Upgrade Sewer Reticulation Network at Leandra	1	Anglo- Coal	R 18,304.882	2014-2015
9..	Upgrade Sewer Reticulation Network at Bethal	28,27,15	Anglo -Coal	R 5,000.000	2014-2015
10.	Build Houses at Ext. 13 Emzinoni	26	Sudor- Coal	R 4,400.000	2014-2015
11.	Construction of a Community Hall Emzinoni	26	Shanduka- Coal	R 2,000.000	2014-2015
12.	Building- Sakhisizwe Bridge	17	Sasol	R 4 000 000	2014-2015

**DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION:**

<b>DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT AND LAND ADMINISTRATION ( DARDLA)</b>		
<b>Name &amp; Brief Description of Project</b>	<b>Project Period</b>	<b>Budget</b>
Masibuyele Esibayeni: Provision of Nguni cattle (1 bull & 30 pregnant heifers)	2014/15	R 500,000
Provision of sheep (1 ram & 25 ewe)	2014/15	R 70, 000
Pig production (1 boar & 25 sows)	2014/15	R 89, 000
Provision of beef cattle (1 bull & 25 pregnant heifers)	2014/15	R 380, 000
Masibuyele Emasimini : Plough and plant 2000Ha on small holder and Commercial farmers	2014/15	Operational

**DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT**

<b>Project Name</b>	<b>Municipality</b>	<b>Project Beneficiary/Ward</b>	<b>Project Objective</b>	<b>Annual Budget 2014/15 R'000</b>
Construction of Bethal Traffic Control Centre (Weighbridge)	Govan Mbeki	(Bethal)	Construction of Weighbridge	R 3, 123
New Bridge M6535 ("Bridge 1") on D622 (Eskom designed) (at km 21.4)	Govan Mbeki	Wards: 3, 10 & 15	Construction of new bridge	R 21, 556
Rehabilitation of Coal Haul Roads	Govan Mbeki	Municipality & Community	Rehabilitation of roads	R 94, 775
Design: Rehabilitation of Coal Haul Roads	Govan Mbeki	Municipality & Community	Rehabilitation of roads	R 15,000

Design: Rehabilitation of Coal Haul Roads	Govan Mbeki	Municipality & Community	Rehabilitation of roads	R 8,000
Patching	Govan Mbeki	Municipality & Community	Maintenance and repairs	R 55,000
Culvert Maintenance	Govan Mbeki	Municipality & Community	Maintenance and repairs	R 5,000
Side drain Maintenance	Govan Mbeki	Municipality & Community	Maintenance and repairs	R 3,000
Shoulder Maintenance	Govan Mbeki	Municipality & Community	Maintenance and repairs	R 8,000
Road Design	Govan Mbeki	Municipality & Community	Maintenance and repairs	R 12,000
Road Marking & Road Studs	Govan Mbeki	Municipality & Community	Maintenance and repairs	R 11,000

Guardrails	Govan Mbeki	Municipality & Community	Maintenance and repairs	R 4,000
Distance Markers	Govan Mbeki	Municipality & Community	Maintenance	R 1,200
Grass Cutting	Govan Mbeki	Municipality & Community	Maintenance	R 4,000
Weed Control	Govan Mbeki	Municipality & Community	Maintenance	R 3,000
Grading	Govan Mbeki	Municipality & Community	Maintenance	R 30,000
Fencing	Govan Mbeki	Municipality & Community	Maintenance	R 2,500
Gabions	Govan Mbeki	Municipality & Community	Maintenance	R 2,500

Cleaning of road reserves	Govan Mbeki	Municipality & Community	Maintenance	R 3,000
Fire Breaks	Govan Mbeki	Municipality & Community	Maintenance	R 4,000
Municipal Support	Govan Mbeki	Municipality & Community	Municipal support	R 35,000
Road Sign -Technical support	Govan Mbeki	Municipality & Community	Maintenance	R 1,800
Develop and implement Maintenance Management System	Govan Mbeki	Municipality & Community	Govan Mbeki	R 6,000



## DEPARTMENT OF HUMAN SETTLEMENTS

Programme	Project Location/Area	Quantity /Subsidies	Budget
IRDP Phase 1 Sites Planning & Services	Secunda	250	R 10,750
Planning & Services	Ekuthuleni Township farm Leandra	250	R 10,750
Informal Settlements	Embalenhle Ext 14,15,16,17,22	150	R 15,450
Informal Settlements	Kinross Ext 21,25	100	R 10,300
Informal Settlements	Bethal Ext 2,4,7	100	R 10,300
Informal Settlements	Leandra Ext 11	100	R 10,300
Informal Settlements	Bethal Ext 5 & 6	100	R 10,300
Military Veterans	All	15	Operational
Institutional Subsidies	Secunda Portion 6,11	70	Operational

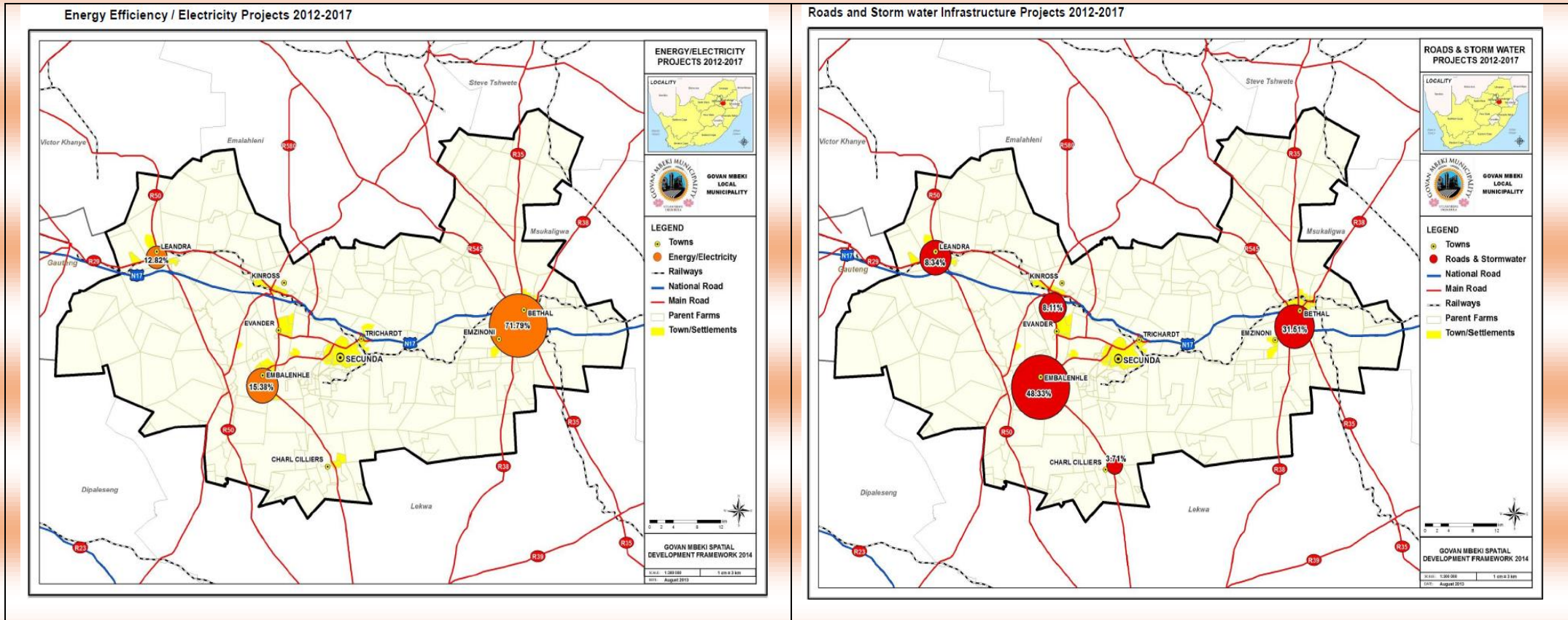
**DEPARTMENT OF COMMUNITY SAFETY, SECURITY AND LIASON**

Project Name	Area	Beneficiary	Budget
Civilian Oversight	Municipal Wide	All Police Stations	Operational
Community Policing Structures	All municipalities	(CPF's 7) Community	R 600,000
Tourism Safety Monitors	All the municipalities	All the municipalities	R 13, 122.537.00
Law Enforcement	All the municipalities	All the municipalities	Operational
Road Safety Education	All the municipalities	All the municipalities & road users	Operational
Road Safety	All the municipalities	All the municipalities &	R 2,160.000

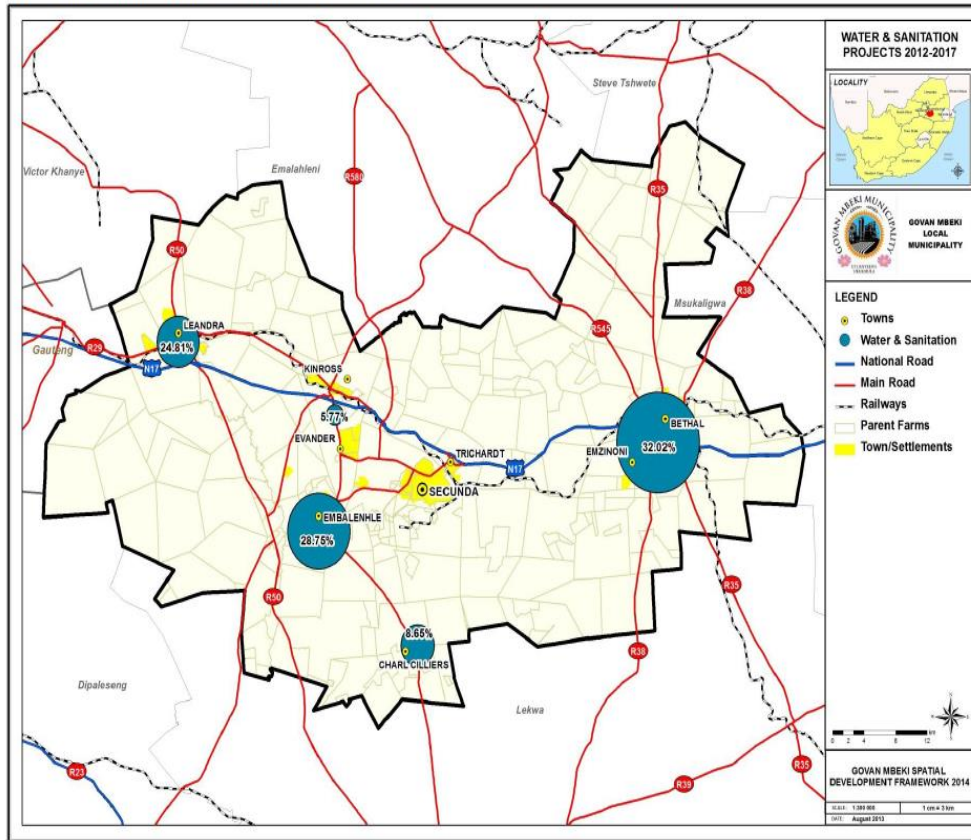
Councillors		road users	
Traffic Law administration and licensing	All the municipalities	All the municipalities & road users	Operational
Overload Control	All the municipalities	All the municipalities & road users	Operational

## 10.5 SPATIAL REFERENCING OF INTENDED PROJECTS

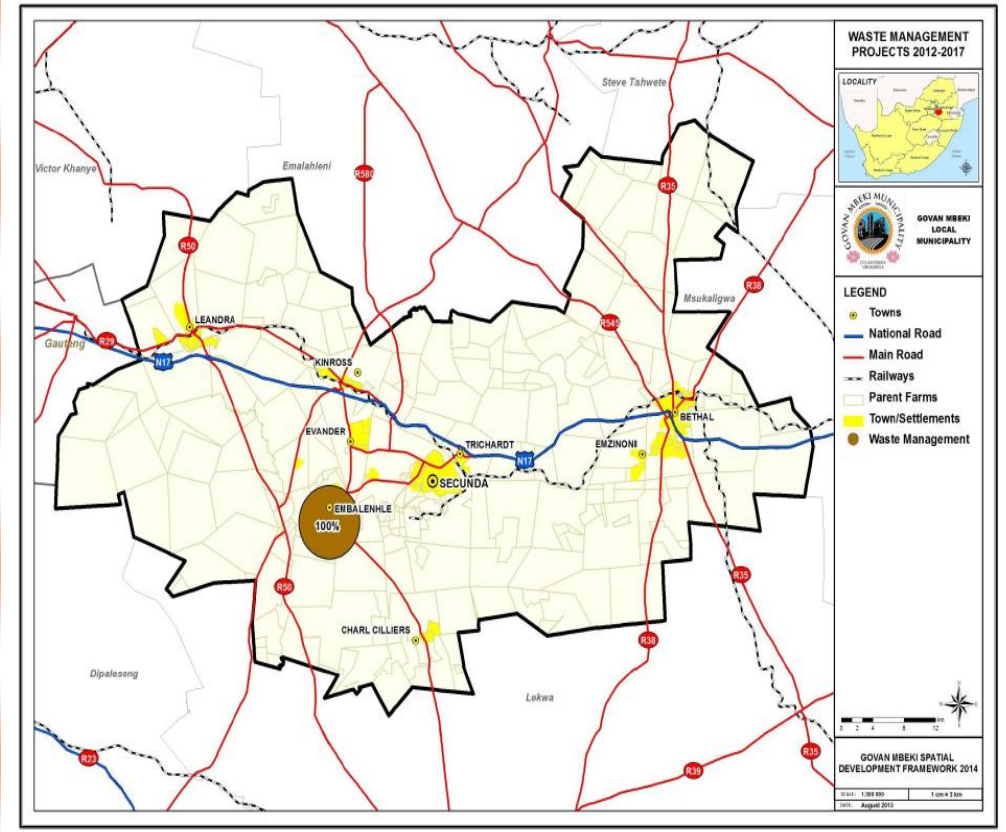
The intended projects as per the Govan Mbeki Integrated Development Plan 2014 – 2016 per Key Focus Area is indicated in the Tables hereunder:



Water and Sanitation Infrastructure Projects 2012-2017

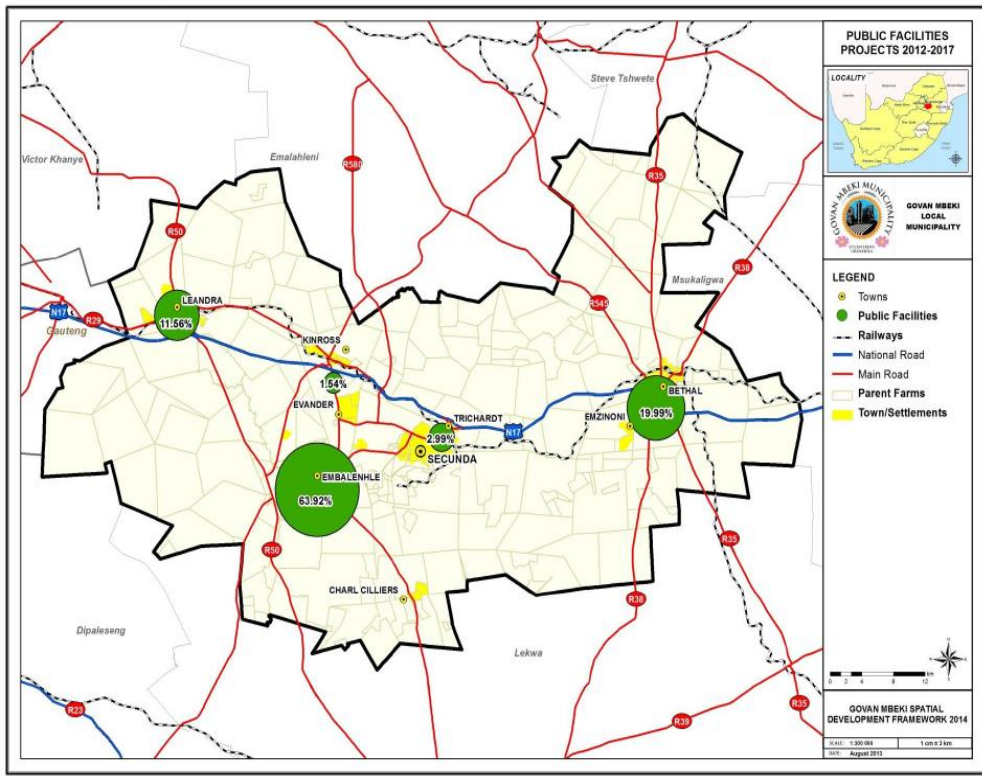


Waste Infrastructure Projects 2012-2017

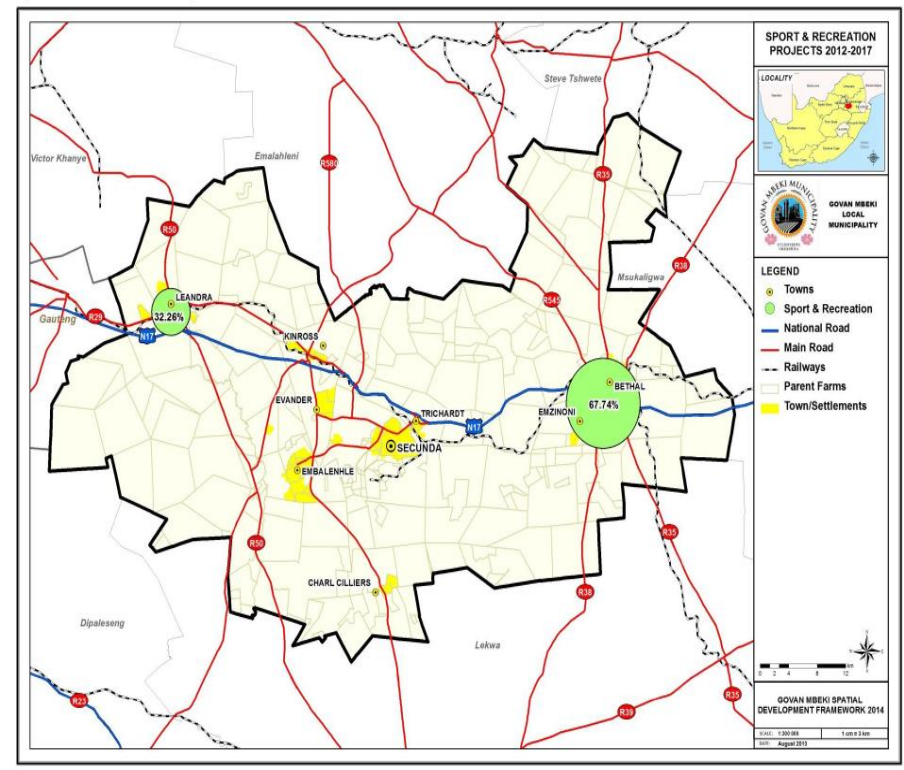




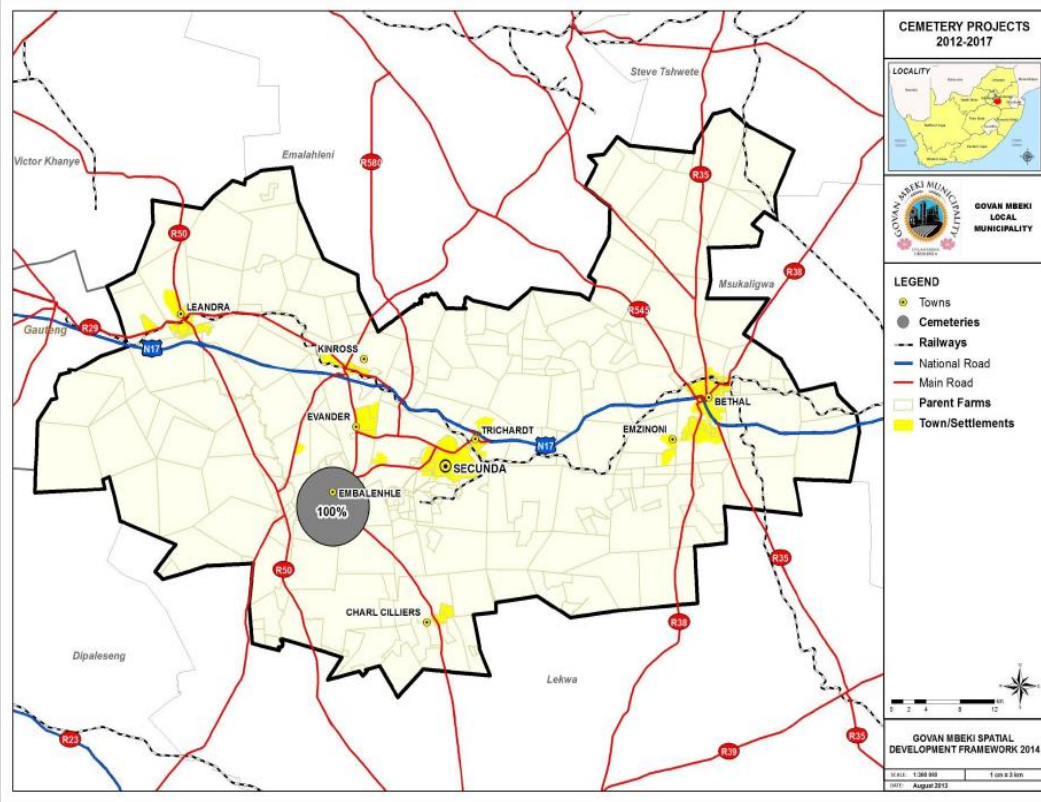
Public Facilities Projects 2012-2017



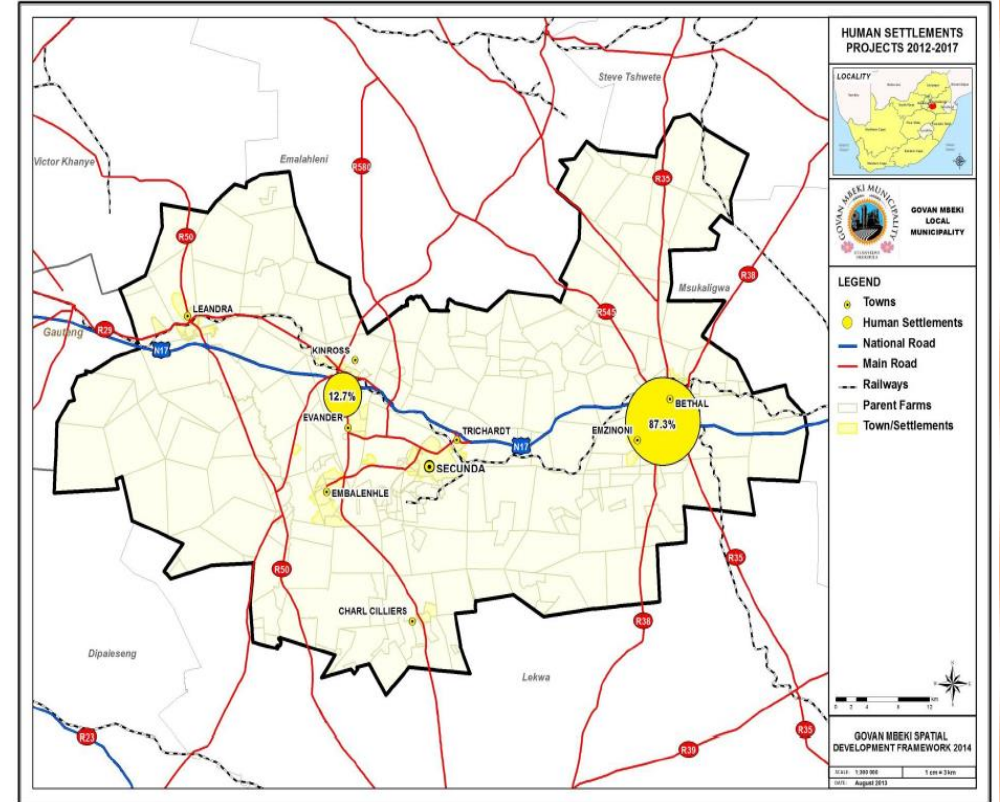
Sport and Recreation Projects



### Cemetery Projects 2012-2017



### Human Settlements



## CONCLUSION

“IDP brings together various economic, social, environmental, legal, infrastructural and spatial aspects of a problem or plan. This should take place in a way that enhances development and provides sustainable empowerment, growth and equity for the short, medium and long term.”

With the tabling of this document we want to re-assures all our stakeholders that Govan Mbeki Municipality is serious about growing its area, whilst we are exploiting our strengths and reduce the impact of the weaknesses identified.

