



LEKWA LOCAL MUNICIPALITY FINAL IDP FOR 2014/2015

LEKWA LOCAL MUNICIPAL
BUILDING

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ACRONYMS

ABET Adult Based Education and Training
AIDS Acquired Immune Deficiency Syndrome
ARDF Agricultural Rural Development Funding
ASGISA Accelerated and Shared Growth Initiative for SA
BBBEE Broad Based Black Economic Empowerment
BCP Business Continuity Plan
BCP Biodiversity Conversation Plan
BNG Breaking New Ground
BPO Business Process Outsourcing
CASP Comprehensive Agricultural Support Programme
CBIS Contractor Based Individual Subsidy
CBOs Community Based Organisations
CDSM Chief Directorate for Surveys and Mapping
CDW Community Development Worker
CETA Construction Education and Training Authority
CHBC Community Home Base Care
CHRD Cultural Heritage Resource Database
CIF Capital Investment Framework
CLARA Communal Land Rights Act
CMIP Consolidated Municipal Infrastructure Programme
CPA Community Property Association
CPF Community Policing Forum
CPPP Community Public Private Partnership Programme
CPTR Current Public Transport Record
CSAR Central South Africa Railway
CSIR Council for Scientific and Industrial Research
DACE Department of Agriculture, Conservation and Environment
DALA Department of Agriculture and Land Administration
DBSA Development Bank of Southern Africa
DEAT Department of Environmental Affairs and Tourism
DEDP Department of Economic Development and Planning
DFA Development Facilitation Act
DHSS Department of Health and Social Services
DLA Department of Land Affairs
COGTA Department of Cooperative Government and Traditional Affairs
DORA Division of Revenue Act
DTI Department of Trade and Industry
DM District Municipality
DMA Management Area
DMC Disaster Management Centre
DME Department of Minerals and Energy
DMP Disaster Management Plan
DPW Department of Public Works
DRP Disaster Recovery Plan
DWAF Department of Water Affairs and Forestry
ECA Environmental Conservation Act
EDMS Electronic Document Management System
EIA Environmental Impact Assessment
EIP Environmental Implementation Plan
EHS Environmental Health Services
EMP Environmental Management Plan

Gross Geographical Product
 GIS Geographic Information System
 GVA Gross Value Added
 HDI Human Development Index
 HET Higher Education and Training
 HIV Human Immunodeficiency Virus
 HRDP Human Resource Development Plan
 HOD Head of Department
 IBBD Industrial and Big Business Development
 ICRMP Integrated Cultural Resources Management Plan
 ICT Information and Communication Technology
 IDP Integrated Development Plan
 IEDP Integrated Economic Development Plan
 IGR Intergovernmental Relations
 IEM Integrated Environmental Management
 IMEP Integrated Municipal Environmental Programme
 INEPBPU Integrated National Electrification Programme Business Planning Unit
 INTAC Integrated Nature-based Tourism and Conversation Management Project
 IS Information System
 ISF Integrated Spatial Framework
 ISRDP Integrated and Sustainable Rural Development Programme
 IT Information Technology
 ITP Integrated Transport Plan
 KPA Key Performance Area
 KPI Key Performance Indicator
 LAR Land Audit Report
 LDO Land Development Objective
 LDP Land Development Principles
 LED Local Economic Development
 LM Local Municipality
 LRAD Land Redistribution for Agricultural Development
 LUM Land Use Management
 LUMB Land Use Management Bill
 LUMS Land Use Management System
 MDGs Millennium Development Goals
 MDCSR Mpumalanga Department of Culture, Sports and Recreation
 MDHSS Mpumalanga Department of Health and Social Services
 MDE Mpumalanga Department of Education
 MEC Member of Executive Council
 MFMA Municipal Finance Management Act
 MHS Municipal Health Services
 MIG Municipal Infrastructure Grant
 MLL Minimum Living Level
 MPG Mpumalanga Provincial Government
 MPCC Multi- Purpose Community Centres
 MPRA Municipal Poverty Rates Act
 MRDP Mpumalanga Rural Development Programme
 MSA Municipal Systems Act, Act 32 of 2000
 MSIG Municipal Systems Improvement Grant
 MSP Master Systems Plan
 MTEF Medium Term Expenditure Framework
 MTGS Mpumalanga Tourism Growth Strategy

PA Protected Area
 PGDS Provincial Growth and Development Strategy
 PHC Primary Health Care
 PHP Peoples Housing Programme/Process
 PLAS Proactive Land Acquisition Strategy
 PMS Performance Management System
 PPP Public Performance Areas
 PRUDS Provincial Rural and Urban Development Strategy
 PSC Project Steering Committee
 RDP Reconstruction and Development Plan
 REDS Regional Electricity Distribution System
 REED Regional Economic Enterprise Development
 RIDS Regional Industry Development Strategy
 RSA Republic of South Africa
 RSC Regional Service Council
 SABS South Africa Bureau of Standards
 SACOB South Africa Chamber of Business
 SALGA South Africa Local Government and Administration
 SANAC South African National AIDS Council
 SANCO South Africa National Civic Organization
 SAPS South African Police Service
 SDA Spatial Development Areas
 SDLC System Development Life Cycle
 SDF Spatial Development Framework
 SEDA Small Enterprise Development Agency
 SETA Sector Education Training Authority
 SEMP Strategic Environmental Management Plan
 SLA Service Level Agreement
 SMART Specific - Measurable - Accurate - Realistic - Time-Based
 SMME Small Medium and Micro Enterprises
 SUPA Service Upgrading Priority Area
 SWOT Strength, Weaknesses, Opportunities and Threats Analysis
 URDP Urban and Rural Development Programme
 VIP Ventilated Improved Pit Latrine
 WMAs Water Management Areas
 WMP Waste Management Plan
 WSA Water Services Authority
 WSDP Water Services Development Plan

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1. CHAPTER 1- INTRODUCTION INTEGRATED DEVELOPMENT PLAN FOR 2014/2015 DOCUMENT

1.1. IDP STRUCTURE

CHAPTER 1 of the Local Municipality's IDP provides some background information pertaining to the concept of the structure of the IDP document, and the institutional structures and methodology followed in the formulation of Integrated Development Plan.

CHAPTER 2 a multi-sectoral situational analysis highlighting some of the most salient features and key challenges of the municipality and progress made in addressing the key challenges. It also provides a brief summary of the priority issues reported by communities in the various Wards of the municipality.

CHAPTER 3 describes Local Municipality in national, provincial and local context and those development paradigms that affect local municipality plans. It comprises a brief summary of national and provincial development policy guidelines which direct the Municipal Strategic Focus Areas

CHAPTER 4 reflects on a synopsis of various Development Strategies, the "Vision" and "Mission" aimed at addressing the priority issues identified in the municipal area.

CHAPTER 5 reflects the Municipal Spatial Development Framework.

CHAPTER 6 elucidate the nine (9) Strategic Focus Areas of development

CHAPTER 7 elucidate the financial plan of the municipality in terms of resources to fund the development programmes and projects as identified in the priority issues

CHAPTER 8 contains an executive summary of the Performance Management System (PMS) of the Municipality

CHAPTER 9 gives a high level summary of the Local Economic Development and Tourism strategy for the municipality regarding, where they should focus local economy

CHAPTER 10 Contains Good governance and Public participation

CHAPTER 11 includes municipal transformation and organizational development in relation to the human resource development strategy

CHAPTER 12 give a detailed high level summary of Integrated Human Settlement Chapter on Housing.

CHAPTER 13 inclinations of municipal sector plans that induce the implementation of the IDP

CHAPTER 13 Programmes and Projects

1.2. LEGISLATIVE CONTEXT

CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA,

The Constitution of the Republic of South Africa, 1996 stipulates that the local sphere of government consists of municipalities which were established for the whole of the territory of South Africa – the so-called wall-to-wall municipalities. The objects of local government are set out in Section 152 of the Constitution. Accordingly the objects are –

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

The Constitution commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security.

MUNICIPAL SYSTEMS ACT (ACT 32 OF 2000)

The compilation of Integrated Development Plans by municipalities is regulated in terms of the Municipal Systems Act (Act 32 of 2000). Section 25 of the Municipal Systems Act (Act 32 of 2000) stipulates that: “Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which –

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based;
- Complies with the provisions of this Chapter; and
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation”.

As far as the status of an Integrated Development Plan is concerned, Section 35 states that an Integrated Development Plan adopted by the Council of a Municipality –

“(a) is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;

(b) binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality’s integrated development plan and national or provincial legislation, in which case such legislation prevails; and

(c) Binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law”.

Section 36 furthermore stipulates that – “A municipality must give effect to its integrated development plan and conduct its affairs in a manner which is consistent with its Integrated Development Plan”. However, in terms of section 34 of the Municipal Systems Act, a municipal council “must review its Integrated Development Plan annually ..”, and based on the outcome of the review process it “may amend its Integrated Development Plan in accordance with a prescribed process”.

The MSA thus places a legislative duty on municipalities to adopt a single, inclusive and strategic plan (Integrated Development) for the development of the municipality which links; integrates an co-ordinates plans and takes into account proposals for the development of the municipality; aligns the resources and capacity of the municipality with the implementation of the plan; and forms the policy framework and general basis on which annual budgets must be based.

INTER-GOVERNMENTAL PLANNING

Section 41(1) of the Constitution contains the principles of co-operative government and inter-governmental relations. Accordingly Section 41(1) determines that:

- a) All spheres of government and all organs of state within each sphere must -
- b) preserves the peace, national unity and the indivisibility of the Republic;
- c) secures the well-being of the people of the Republic;
- d) provides effective, transparent, accountable and coherent government for the Republic as a whole;
- e) is loyal to the Constitution, the Republic and its people;
- f) respects the constitutional status, institutions, powers and functions of government in the other spheres;
- g) not assume any power or function except those conferred on them in terms of the Constitution;
- h) exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere; and
- i) co-operate with one another in mutual trust and good faith by –
 - fostering friendly relations;
 - Assisting and supporting one another;
 - Informing one another of, and consulting one another on, matters of common interest;
 - Coordinating their actions and legislation with one another;
 - adhering to agreed procedures; and
 - Avoiding legal proceedings against one another

„Inter-governmental relations“ means the relationship between national, provincial and local government. The Constitution states that the three spheres of government are distinctive, inter-dependent and inter-related co-operative governance means that national, provincial and local government should work together to provide citizens with a comprehensive package of services.

1.3. WHAT IS THE LEGAL FRAMEWORK UNDER WHICH PLANNING OPERATE IN SOUTH AFRICA?

There is a considerable array of legislation that controls planning within the geographic boundaries of the Republic of South Africa. Some of the most important are as follows: - **Constitution of RSA No 108 of 1996** – the primary role being the assigning of municipal planning responsibility to municipalities.

Municipal Systems Act No 32 of 2000 – setting out in Chapter 2 the requirement, amongst other, for newly elected municipal councils to prepare and adopt an integrated development plan (IDP) for their respective areas and to provide for annual revision thereof. The IDP is required in terms of the act to include a spatial development framework (SDF) which must include the provision of basic guidelines for a land use system for the municipality.

Development Facilitation Act No 67 of 1995 (DFA) – originally envisaged as interim legislation post the 1994 national elections to facilitate accelerated housing delivery by waving other legislation and giving decision making to provincial Development Tribunals (where established), but utilized to a large extent by the private sector for the development of amongst others, shopping centres, golf course estates, etc. Section of this legislation have since been declared unconstitutional by the Constitutional Court as it usurped the decision making powers of municipalities and is required to be repealed or amended by June 2012. Note: Despite sections of the Act being declared unconstitutional by the court, its General Principles for Land Development, as contained in Chapter 1, Section 3 of the act, are still deemed valid.

Less Formal Township Establishment Act No 113 of 1991 – this act provides for shortened procedures for the establishment of townships, for less formal forms of residential settlement and to regulate the use of land by tribal communities for communal forms of residential settlement. This act is administered by the provinces and it provides for the exclusion of certain laws and the suspension of servitudes and restrictive title deed conditions. Although not challenged as yet in the Constitutional Court, this law is also no doubt, like the DFA, unconstitutional as it shifts decision making from the municipalities to the provinces.

Planning Acts and Ordinances in the provinces - The majority of legislation directly controlling planning in the nine provinces is still pre-1994 legislation enacted by the original four provinces of South Africa and they are all also generally unconstitutional in some or other aspect. Only in KwaZulu-Natal and in the Northern Cape has new planning legislation been enacted and put into effect since 1994 and even here certain aspects (relating to appeals) are challengeable.

Some of the other provinces are in the process of drafting new planning legislation. As a result of the Constitutional Court ruling with respect to the DFA and the tardiness of the preparation of the new

legislation in some provinces, the Department of Rural Development and Land Affairs recently published the Spatial Planning and Land Use Management Bill for comment and which it hopes to have enacted by June 2012. The respective provincial legislation is listed below: -

OTHER LEGISLATION AFFECTING PLANNING

- Subdivision of Agricultural Land Act 70 of 1970
- National Building Regulation, Act 103 of 1977
- Physical Planning Act No 125 of 1991.
- Housing Act No 107 of 1997.
- National Environment Management Act No 107 of 1998 (NEMA) and its suite of associated Acts viz. NEM: Protected Areas Act, 2003; NEM: Biodiversity Act, 2004; NEM: Air Quality Act, 2004; NEM: Integrated Coastal Management Act, 2008; NEM: Waste Act, 2008.
- National Heritage Resources Act No 25 of 1999
- Promotion of Administrative Justice Act No 3 of 2000
- Planning Professions Act No 36 of 2002.
- Social Housing Act of No 16 of 2008
- National Land Transport Act 5 of 2009

OUTCOME-BASED APPROACH TO DELIVERY

To give effect to the above priorities, government has embarked on an outcomes -based approach to ensure the delivery / implementation of these priorities. In line with this approach, government has formulated and agreed on twelve key Outcomes. 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. While all of the Outcomes can to some extent be supported through the work of local government, Outcome 9 is specifically directed at local government:

1. Improved quality of basic education.
2. A long and healthy life for all South Africans.
3. All people in South Africa are and feel safe.
4. Decent employment through inclusive economic growth.
5. A skilled and capable workforce to support an inclusive growth path.
6. An efficient, competitive and responsive economic infrastructure network.
7. Vibrant, equitable and sustainable rural communities with food security for all.
8. Sustainable human settlements and improved quality of household life.
9. A responsive, accountable, effective and efficient local government system:
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

10. Environmental assets and natural resources that is well protected and continually enhanced.
11. Create a better South Africa and contribute to a better and safer Africa and World.
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

1.4. 2014/2015 IDP PROCESS PLAN

An Integrated Development Plan, Budget and Performance Management System require a planning process with the involvement of a wide range of roles players from inside the area of jurisdiction of the Lekwa municipality. Other role players are the Gert Sibande District Municipality, Provincial - and National Sector Departments. Such a process needs to be properly organized and prepared. The drafting of the 2014/2015 IDP was completed towards the end of March 2014. The process plan, which serves a business plan, as submitted to the provincial Department of Corporative Governance and Traditional Affairs and Gert Sibande District Municipality informed this process. It is necessary to briefly summarise the process followed for the 2014/2015 IDP process as prescribed in the IDP Process Plan. The components of the Process Plan are as follows:

- Institutional Arrangements and Public Participation;
- Progress reporting;
- Year Planner;
- Ward Analysis;
- Needs Collection;
- Updating of Projects;
- Final Document Compilation;

IDP's are formulated in terms of the Municipal Systems Act, 2000 (Act 32 of 2000) and need to be revised on an annual basis. It is of critical importance that the IDP process informs the Budget and therefore the IDP needs to be far advanced in the first quarter of 2014 in order to align the two processes. (Refer to following table: 1 for more details)

During the IDP process, Provincial and District Council Guidelines were also taken into account.

Table 1: IDP PROGRAMME 2014/2015 IDP & BUDGET YEAR PLANNER

Action/Project	Jul 13	Aug 13	Sept 13	Oct 13	Nov 13	Dec 13	Jan 14	Feb 14	March 14	Apr 14	May 14	June 14
Compilation and approval of Process Plan												
Status Quo & Analysis												
Compilation and Finalization of Ward IDP documents												
Ward Committee public meetings (IDP)												
IDP Representative forum meeting / meetings												
Draft IDP & Budget document completed												
Public meetings (Draft Budget)												
Draft IDP & Budget approved by Council												
Final Council approval												

1.5. IDP REVIEW PROCESS

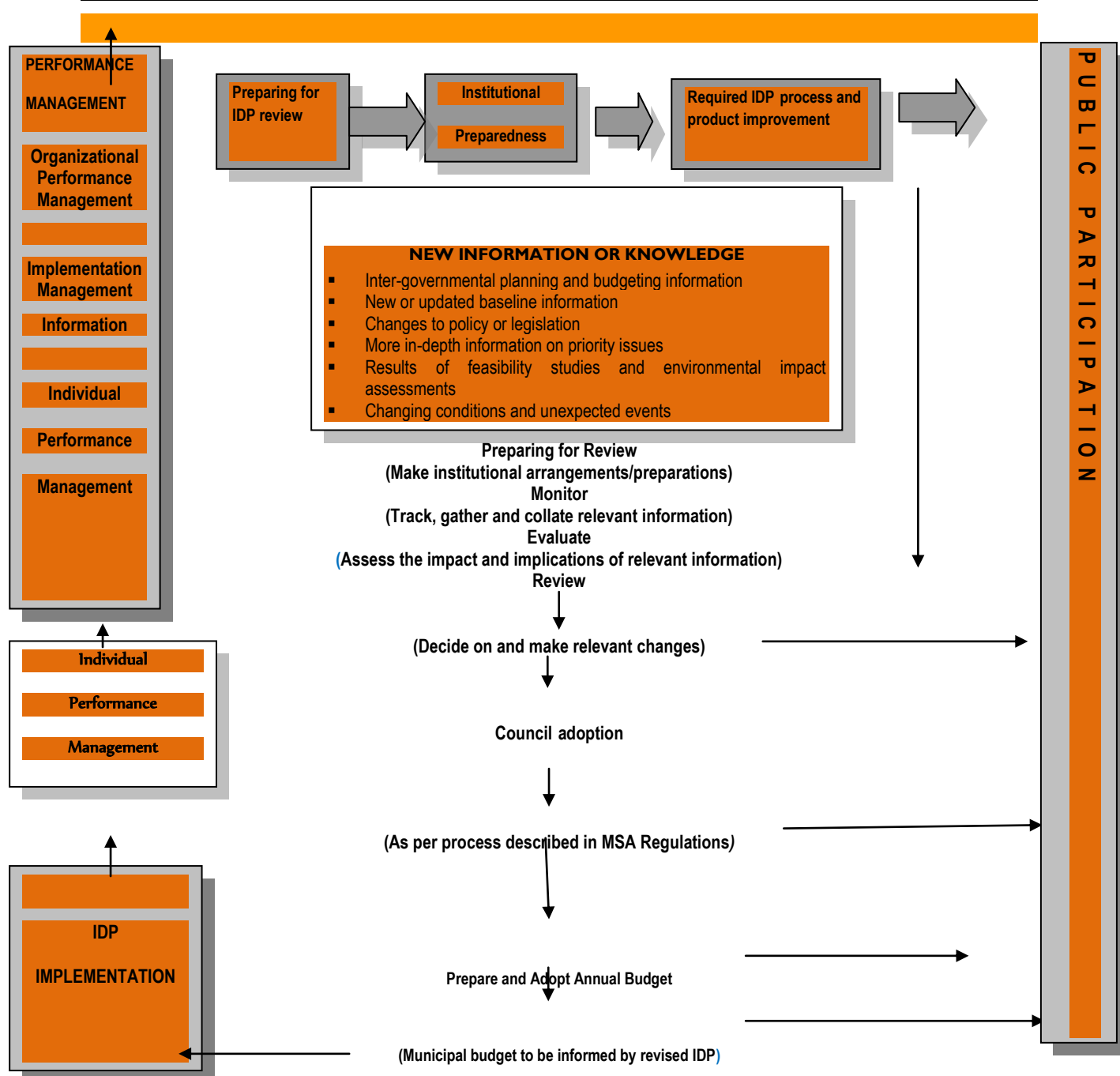
The preparation of a Five-year Integrated Development Plan (IDP) by municipalities is a legislative requirement according to the Municipal Systems Act (MSA) Act No. 32 of 2000. Lekwa Local Municipality has embarked completed on this process in line with Chapter 5, Section 25, of the MSA.

It will be noted that, in terms of section 34 of the Local Government: Municipal Systems Act, No. 32 of 2000, all municipalities are required to review their Integrated Development Plans (IDP's) on an five year basis (and to the extent that changing circumstances, needs and demands) - in accordance with a prescribed process.

The annual review process thus relates to the assessment of the Municipality's performance against organizational objectives as well as implementation delivery, and also takes into cognizance any new information or change in circumstances that might have arisen subsequent to the adoption of the previous IDP. The review and amendment process must also adhere to the requirements for public participation as articulated to Chapter 4 of the MSA (2000). In terms of the IDP Review Guidelines, IDPs are reviewed based on 4 primary areas of intervention, i.e. Annual IDP Review, the IDP Process, Amendments in Response to Changing Municipal Circumstances, and Comment from the MEC. The process described and outlined in the flow chart below represents a continuous cycle of planning, implementation and review. Implementation commences after the Municipal Council adopts the initial IDP whilst Public Participation remains pivotal throughout the process of the IDP.

In terms of the National Department of Provincial and Local Government's document entitled Guide VI: Implementing the IDP, the process to be followed when undertaking an annual IDP Review is as follows:

Figure 1: IDP Review Process



National Department of Provincial and Local Government's document entitled Source: IDP Format Guide VI:

In terms of section 28 of the Local Government: Municipal Systems Act, No. 32 of 2000, all municipalities are required to adopt an IDP Review Plan. The municipality has complied with this requirement, with Council having to adopt a Process Plan (entitled Integrated Development Plan [IDP]: Process Plan for the IDP Review 2014/2015).

Once again the focus of the review has been on fine-tuning programmes and projects to align with:

- New demands, most significantly the infrastructure maintenance expenditure demands;
- Updating of statistical information;
- Adjustment in targets as backlog figures is refined against the access modelling exercise;
- The revised needs of communities and be categorized per ward with clearly defined problem statement reflecting key service delivery challenges
- Clearly manifest as to how the community is consulted during the IDP process and measures taken by the Municipality in informing them to partake in the IDP process.
- Refining of the Local Economic Development strategy
- Reflect the availability of the SDF as the critical planning tool
- Reflect the alignment of the Provincial Growth Development Strategy
- National Spatial Development Perspective and Neighbourhood Development Partnership Grant (Urban Design Framework),

Table 2: ORGANIZATIONAL ARRANGEMENT FOR PUBLIC PARTICIPATION

Table below indicates the roles and responsibilities of the various internal stakeholders within the IDP Review process. The tables specifically focus on the IDP Review activities of the various role players.

NO.	ROLE PLAYERS	ROLES AND RESPONSIBILITIES
1.	Municipal Council	<ul style="list-style-type: none"> • The Council will approve the reviewed IDP. • Will consider the Framework/Process Plan which should set out the process for the new IDP cycle.
2.	Executive Mayor and Mayoral Committee	<p>The Mayoral Committee must:</p> <ul style="list-style-type: none"> • Decide on the Process Plan for IDP Review • Responsible for overall management, co-ordination and monitoring of the review process, and may assign responsibilities to the Municipal Manager • Submit reviewed IDP framework and draft IDP to Council • Develop terms and criteria for Representative Forum. • Give political direction
3.	Municipal Manager with delegated powers to the IDP Manager	<p>The Municipal Manager is responsible for the management and co-ordination of the preparation of the IDP process which include but not limited to the following:</p> <ul style="list-style-type: none"> • Responsible for the day to day management of the planning process plan and ensuring that timeframes are being adhere to and resources are and managed effectively and efficiently; • Co-ordinate the involvement of all different role players; • Ensuring the horizontal and vertical alignment in the planning process, including Sectors; • Ensure that the links between the processes of performance management, monitoring, evaluation and review are maintained; • Ensuring compliance with National and Provincial requirements and legislations; • Ensure appropriate participation of all the relevant Stakeholders; • Ensure proper documentation of outcomes; • Chairing the Steering Committee, Technical Committee; and • Management of Service Providers
4.	IDP Steering Committee	<ul style="list-style-type: none"> • Framework/Process Plan management structure; • Allocation of duties and monitoring; • Overall management including the appointment of technical consultants; • Decision on roles and responsibilities; • Commission research studies and recommend appointment of service providers; • Decide on matters to be referred to Technical Committee for alignment and integration purposes.
5.	IDP Representative Forum	<ul style="list-style-type: none"> • The Executive Mayor or Representative chairs the forum meetings. • Constituted of the Executive Mayor/IDP manager/CBO's/NGO's/Business Forum/ Community Forum/Youth /Woman/ Disabled Org./ Political parties /Traditional Leadership

		<ul style="list-style-type: none"> This Forum consist of community participation structure/stakeholders in their respective organized formations, to represent the interests of all stakeholders and ensure proper communication to guarantee representative and collaborative participation during the review process; Will provide an organizational mechanisms for discussion, negotiations and decision making between the stakeholders including municipalities and government departments during the Municipal process; Monitor the performance of the planning and implementation process. Make recommendations to the council on planning and development priorities.
6.	IDP Technical Committee	<ul style="list-style-type: none"> Will be chaired by the Municipal Manager or a designated Official. Consists of the Municipal Manager and Heads of Departments as well as Divisional Managers. Will deal with matters relevant and relating to District wide issues; Consider District wide programs and integration to PGDS; Consider and advise the IDP Representative Forum on the evaluation of sector plans; Attend to the alignment of the IDP to that of the GSDM Deliberate on inter-sectoral programmes and recommends to the Representative Forum; Give advice and foster sectoral alignment; and Will timeously report on progress which will then be forwarded to the Steering Committee

Table 3: DISTRIBUTION OF ROLES AND RESPONSIBILITIES (INTERNALLY & EXTERNALLY)(

NO.	IGR FORUMS	ROLES AND RESPONSIBILITIES
1.	Gert Sibande District Municipality (Inter-municipal planning)	<ul style="list-style-type: none"> Horizontal alignment of IDPs between local and district municipalities; Vertical alignment between district and local municipalities, National and Provincial Governments as well as the service providers; Facilitate vertical alignment of IDPs with other spheres of government and sector departments and the preparation of joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists; Formulate the District's Process Plan based on the Framework; Formulate, manage, and approve the District's IDP Monitor and evaluate the District IDP Process Plan; Ensure that draft process plans are compiled by local municipalities; Ensure that the process plans adhere to the Framework as agreed; Ensure that all municipalities under the district adhere to the timeframes in the Framework Plan as agreed; Co-ordinate the alignment of the district's budget process with the District IDP Process and local IDP Processes.
2.	IDP Managers Forum	<ul style="list-style-type: none"> Chairperson: District IDP Manager; Secretariat: PIMS Staff; Consist of the seven IDP Managers and representatives on the sector departments; The IDP Managers Forum will meet bi-monthly to attend to the following issues: To co-ordinate technical submission and the compilation of the respective IDP documentation; Ensure horizontal alignment between the district and local municipalities IDP's; and Ensure vertical alignment between municipalities, National and Provincial Government. Ensure that all reports of the Extended Technical Committees are taken up in the IDP process.
3.	Sector Departments	<ul style="list-style-type: none"> Identify an IDP co-ordinator in the Sector Department (knowledgeable persons consistent in the revision process and responsible for all IDP related issues in the District); Contribute knowledge and ideas about planning issues in the province and sectors; Contribute relevant information on the provincial sector departments' plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner; Ensure that their objectives, strategies and projects take various IDP into consideration and adjust their budgets as informed by the various IDPs; Contribute sector expertise and technical knowledge to the formulation of municipal strategies and projects; Engage in a process of alignment with district municipalities; and participate in the provincial management system and co-ordination; Ensure active participation in various Technical Sub-Committees and IDP Extended Technical Committees.
4.	Mayoral Outreach (Izimbizos)	Through road shows / Outreach programmes to get community inputs and to provide feedback
5.	Ward Committees	<ul style="list-style-type: none"> Consulted via the Executive Mayoral outreach. Link the planning process to their wards Assist in the organizing of public consultation and participation Ensure that the annual municipal budget and business plans are linked to and based on the IDP
6.	CBW's / NGO's / CDW's	To provide vital information and support during planning, evaluation, monitoring through the Representative Forum.
7.	Department of Corporate Governance and Traditional Affairs	<ul style="list-style-type: none"> A representative from the Department will serve as permanent member of the District IDP Extended Technical Committee. The department will finance to attendance of meetings of the various technical committee meetings by the relevant sector departments; Will guide provincial sector departments' participation in and their contribution to the municipal planning processes; Will guide municipalities in assessing draft IDPs and in aligning their sector programmes and budget with the IDP; Assist in accessing financial grants for IDP process; Monitor progress of the IDP processes through the district and more specifically the IDP Managers Forum;

		<ul style="list-style-type: none"> • Facilitate resolution of disputes related to the IDP; • Organize IDP related-training when required; • Co-ordinate and manage the MEC's assessment / comments of IDPs.
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1.6. CONCLUSION

The first fully-fledged IDP for Municipality was completed and approved by Mid-2005. This was a first attempt by the then newly established Municipality to compile an IDP. Although the 2002/2003 document had numerous shortcomings, it provided a base document for future revisions.

A second IDP for the Municipality was completed and approved by Mid-2008. This document was reviewed annually to ensure alignment with National and Provincial Key Performance Areas and changing priorities and circumstances within the municipality. The formulated 2012/2016 IDP guides and steers the overall development and growth of the Municipality's area and community for the next five years, up to Mid-2016. For the 2012/2016 IDP public participation process it initiated during October 2012 and concluded by the end of November 2012. The intended to further refining of this IDP in the annual review process has resulted in the 2014/2015 Draft IDP.

The way forward is for the Municipality, as required with all other municipalities, is to prepare a Process Plan, timeframes using the District Framework Plan. The success of the review process depends on the co-operation of all internal and external role players in order to achieve the developmental objectives in the spirit of co-operative governance as a single window of coordination.

2. CHAPTER 2 – SITUATIONAL ANALYSIS

2.1. SPATIAL STRUCTURE

The study area included the entire Lekwa Municipal Area (LMA). LMA is located in Mpumalanga Province on the border of the Free State province. It forms part of the Gert Sibande District Municipality (GSDM). The Lekwa Municipal Area is 4 586km² in extent and is mostly rural in character. Standerton is the most important urban settlement in the municipality.

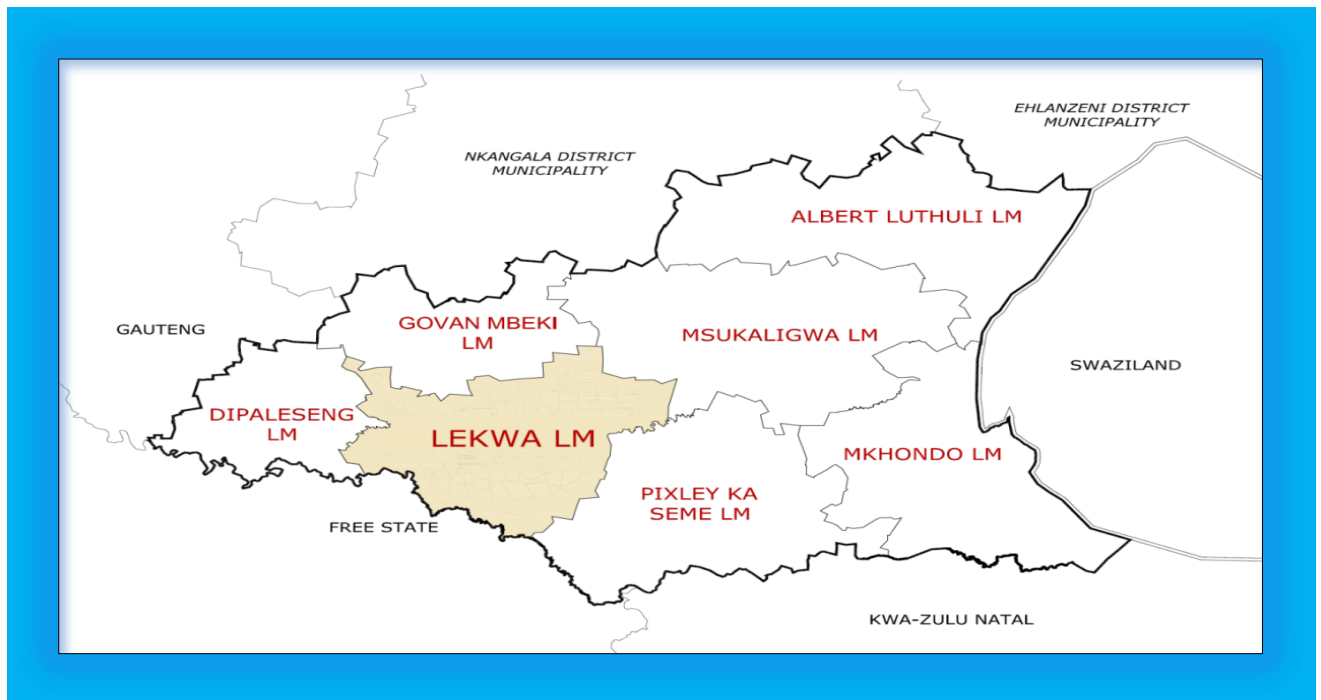


Figure 2: Locality

Lekwa Local Municipality is located in the Gert Sibande District Municipality, which is one of three District municipalities in Mpumalanga Province. It is in the south of Mpumalanga on the Free State border and is indirectly connected to Gauteng and Durban via the N3. It is located to the south of the TEKS area (Trichardt, Evander, Kinross, Secunda), which is the economic hub in the region.



Lekwa LM is one of seven Local Municipalities that make up the Gert Sibande District. It is located in the south-west of the Gert Sibande District and is bordered by Pixley ka Seme and Msukaligwa LM on the east, Dipaliseng LM to the west and Govan Mbeki LM in the north. In the south the municipality shares a boundary with Phumelela LM in the northern part of the Free State Province.

Lekwa LM covers an area of 4 586km² (14% of the total area of the District Municipal Area) and accommodates approximately 115 611 people (10% of the total population) which makes it one of the smaller Local Municipalities in the district. According to the Gert Sibande Spatial Development Framework, 2009, Standerton is one of four first order service centres within the district, together with Secunda, Ermelo and Piet Retief. These towns have the largest populations of all towns in the District, and also offer the widest spectrum of activities and services, including business, retail, industrial uses, social services and residential uses. The municipal area consists mostly of agriculture, and urban settlements make up only a small portion of the total municipal area, but play a critical role in the provision of services as it contains the bulk of trade, finance, construction, transport, manufacturing and community sectors making up 53% of total GVA and 79% of total employment.

A hierarchy of settlements Figure.3 is needed in order to ensure efficient and equitable access to services and opportunities as well as economies of scale. The Gert Sibande SDF identified Standerton as a first order node and Morgenzon and Thuthukani as third order nodes. No second order nodes were identified. Standerton is centrally located within the LLM and being the main urban settlement dominates industrial and manufacturing activities within the local municipal area. In terms of business activities, Standerton makes the largest contribution to both private sector services and retail activities, and public services and administration activities. It is also the focus of most of the main roads as well as the railway network, thus reinforcing its importance.

Morgenzon is located approximately 42km east of Standerton. This is historically a local service centre that provides in the basic needs of the surrounding commercial farms. It is located at the junction of the R35 and R39. Thuthukani is located approximately 16km north-east of Standerton. It developed essentially as a workers village for the Tutuka Power Station which is situated about 3km east of the village. There are several small hamlets / villages distributed through the area. Most consist of single facilities or uses. The most important are Holmdene, Platrand, Elmtree and Val, which are located in the vicinity of the R23.

The LLM thus has a dysfunctional and incomplete settlement hierarchy because of the lack of second order nodes and the large areas that are outside of the catchment of any node. Furthermore Thuthukani as a settlement is completely reliant on the Tutuka Power Station and does not have a Natural growth potential

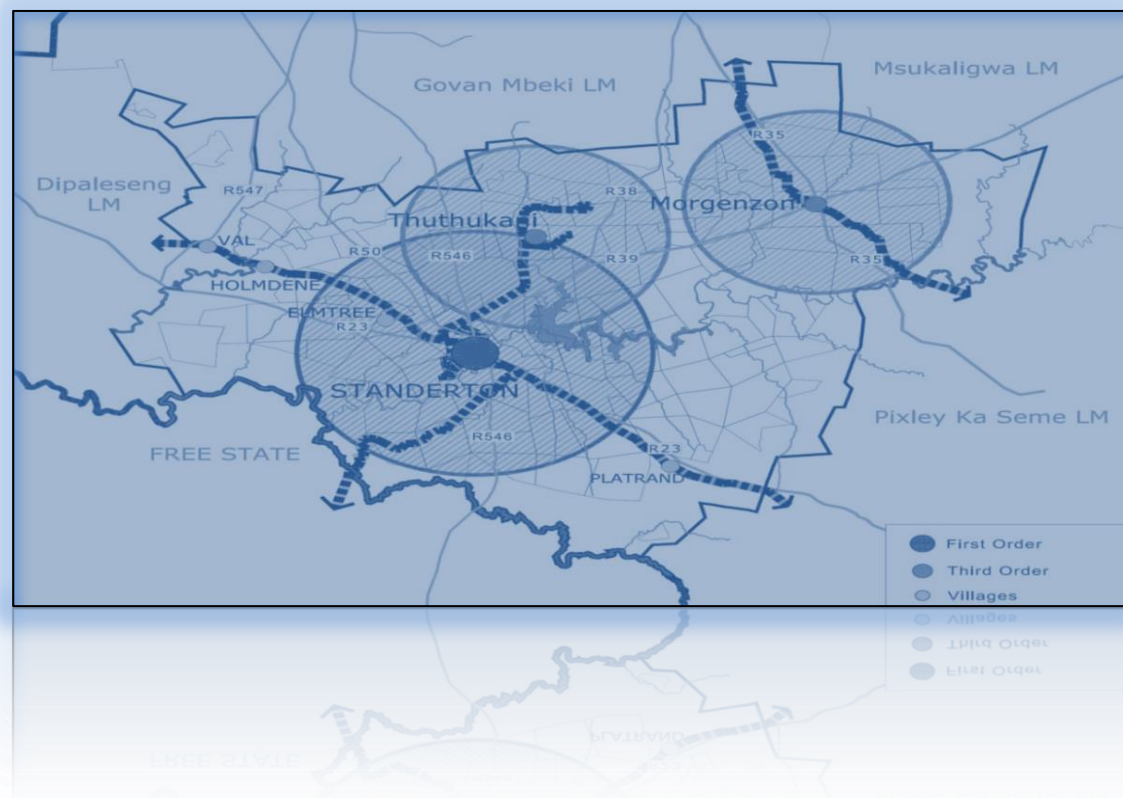


Figure 4: Distribution of Settlement Patterns

The population density for the entire LLM is 26people/km². The population density for the rural areas is markedly lower at 9people/km² and varies from 7people/km² for Ward 13, to 9people/km² for Ward 12 and 13people/km² for Ward 9. The density is thus the highest in the western portions and lowest in the eastern and southern portions of the LLM.¹

It does not identify any second order nodes for LLM and only two third order nodes: Morgenzon and Thuthukani. The highest concentration of service centres is located around Secunda, in Govan Mbeki LM to the north of Lekwa LM. This area is commonly known as the TEKS area (Trichardt, Evander, Kinross, and Secunda) and dominates the industrial / manufacturing activities in the district. In contrast, there is only one first order centre within the Lekwa LM (Standerton), no second order service centres and only two third order service centres (Morgenzon and Thuthukani).

The district is traversed by three national roads:

- **The N17/N2 Corridor** which is effectively the link between the Gauteng Province and the TEKS industrial node. To the north it links up with Swaziland and to the south it links to the KwaZulu Natal coast.
- **The N11 National Corridor** which is the main road link between the Limpopo Province through Mpumalanga and into KwaZulu-Natal.
- **The N3 Highway** which links Gauteng with the Durban area passes through the western edge of Gert Sibande District municipality.

Most of these roads focus on Ermelo in Msukaligwa LM north-east of Lekwa LM and all bypass Lekwa LM. LLM is thus not well connected to the national highway system.

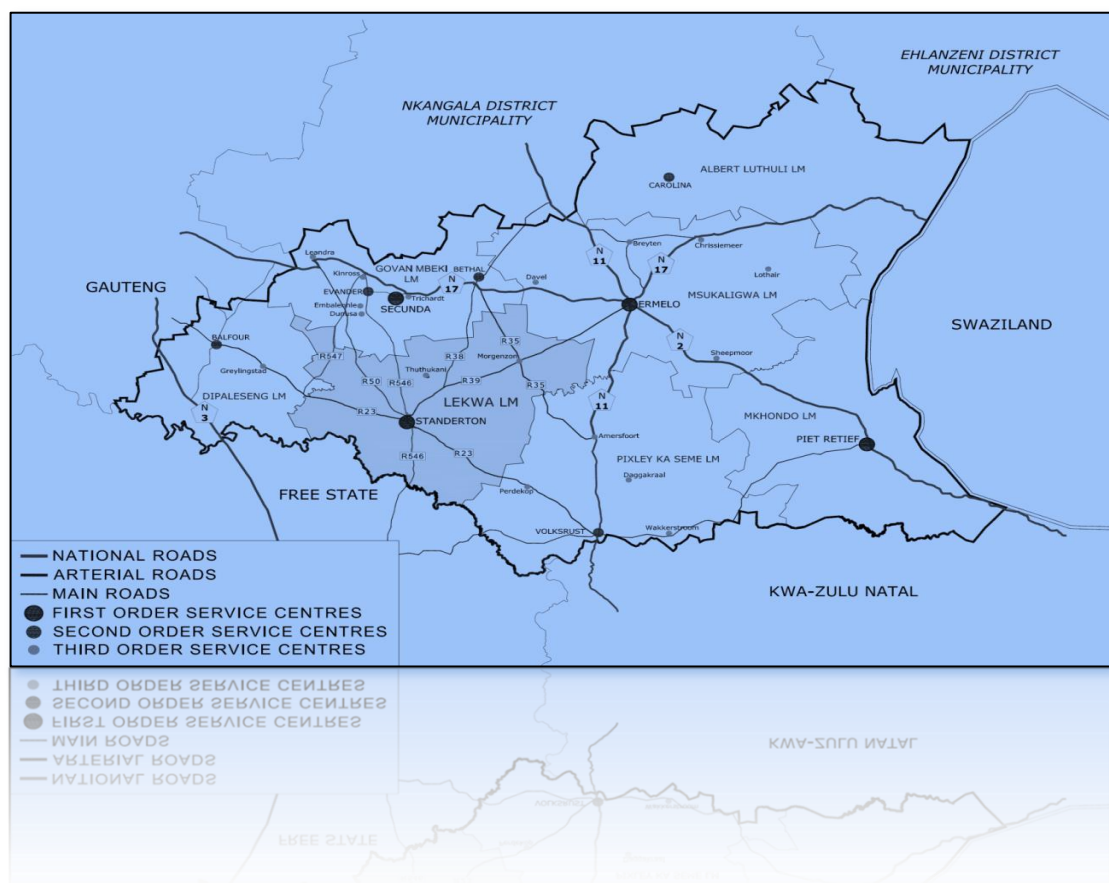


Figure 5: Roads Typology

2.2. SOCIO-ECONOMIC ANALYSIS

DEMOGRAPHIC INDICATORS

DEMOGRAPHIC INDICATORS	Stats SA Census	Stats SA Census	Share of Gert Sibande's figure	Share of Mpumalanga figure	Ranking: highest (1) – lowest (18)
	2001	2011	2011	2011	
Population number	103 262	115 662	11.1%	2.9%	12
Number of households	26 199	31 071	11.4%	2.9%	13
Area size (km) ²		4 586	14.4%	6.0%	10
Population per (km) ²		25			

Table 4: Stats' SA: 2011 Census

- According to StatsSA (2011 Census), 115 662 people were recorded in Lekwa – 11.1% of Gert Sibande's population.
- Population grew by 12.0% between 2001 & 2011 while annualised population growth rate was measured at 1.1%.
- Population in Community Survey 2007 was under-estimated at 91 130.
- 84.2% Africans, Whites 11.4%, Colored's 2.9%, Asians 1.2% and Others 0.3%.
- Males 49.8% and females 50.2%.
- Youth of up to 34 years, 65.2% of Lekwa's population.
- Number of households 31 071 (3.7 people per household) – 11.4% of Gert Sibande's households.
- Female headed households 35.7% and child headed (10-17 years) households 0.3 % in 2011

LABOUR INDICATORS

LABOUR INDICATORS	Census	Census	Share of Gert Sibande's figure	Ranking: best (1) – worst (18)
	2001	2011	2011	
Working age population (15-64)	66 210	76 784		
Economically Active Population (EAP)/Labour Force	41 871	46 013		
Number of employed	26 584	34 118	13.2%	
Number of unemployed	15 287	11 895	10.8%	
Unemployment rate (%)	36.5%	25.9%		3

Table 5: Stats' SA: 2011 Census

- Unemployment rate of 25.9% (strict definition) in 2011 – 11 895 unemployed as a percentage of the EAP of 46 013 – decreasing trend.
- Unemployment rate for females 33.9% and males 19.5% - youth unemployment rate at 35.2% in 2011.

- Highest unemployment rate in Ward 14 (39.5%) & lowest in Ward 10 (5.5%).
- Employment increased with 7 534 between 2001 & 2011.
- Employment number 13.2% of Gert Sibande's employed.
- Formal sector 71.4% & informal sector 16.8%.

LABOUR INDICATORS

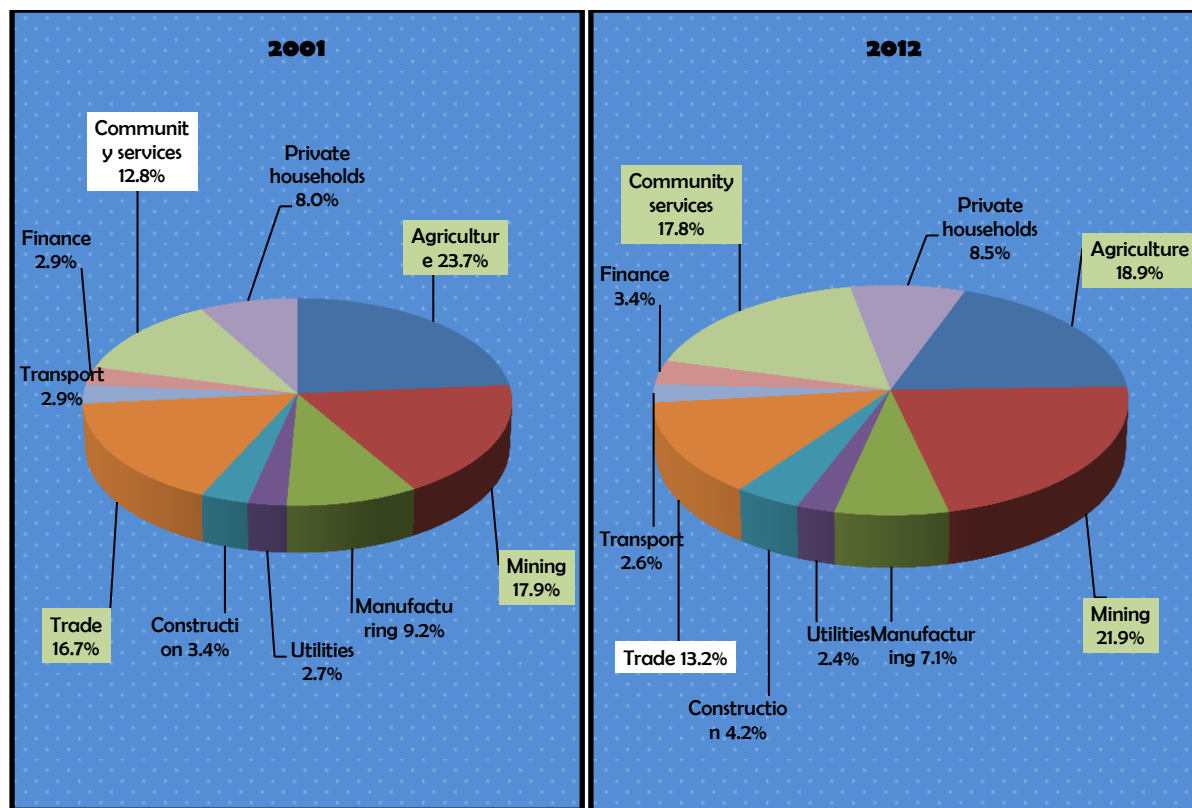


Fig: 6 Stats' SA: 2011 Census

- Leading industries – mining (21.9%), agriculture (18.9%) & community services (17.8%) .
- Increasing role/share of mining & community services and decreasing role/share of agriculture & trade as employer.

EDUCATION INDICATORS

EDUCATION INDICATORS	Trend	Latest figure	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2011			
Number of population 20+ with no schooling	11 157	7 836			6
Population 20+ with no schooling (%)	19.1%	11.2%	(+) (13.3%)	(+) (14.0%)	6
Population 20+ with matric & higher (%)	21.9%	35.8%	(-) (37.3%)	(-) (38.8%)	14
Functional literacy rate (%)	60.8%	76.5%	(=) (76.5%)	(-) (76.9%)	12

Table 6: Stats' SA: 2011 Census

- Citizens of 20+ and older with no schooling 11.2% - 7 836 people or 9.9% of Gert Sibande's figure of 79 538 in 2011.
- Population 20+ with matric & higher 35.8% - improving but lower than district and provincial levels.
- Functional literacy rate (15 years+ with grade 7 qualifications or higher) improving but lower than provincial and district levels.
- Matric pass rate at 78.5% in 2013 and improving.

HEALTH INDICATORS

HEALTH INDICATORS	2009	2010	2011	Ranking: best (1) – worst (18)
HIV prevalence rate - survey (pregnant women attending antenatal clinic 15-49 years old)	28.9%	50.0%	32.5%	5
HIV prevalence rate – DHIS (excluding pregnant women)	34.6%	22.8%	19.9%	6
	2010	2011	2012	Ranking: best (1) – worst (18)
TB cases	1 106	843	611	5
PUBLIC HEALTH FACILITIES			2012	
Number of clinics			7	
Number of community health centres (CHC)			1	
Number of hospitals			1	

Table 7: Stats' SA: 2011 Census

- HIV prevalence rate of pregnant women 32.5% - decreasing between 2010 & 2011.

- HIV prevalence rate excluding pregnant women 19.9% - decreasing trend.
- TB cases – decreasing between 2010 and 2012.
- Clinics – 7 of Gert Sibande's 62 clinics.
- Community health centres – 1 of Gert Sibande's 18 CHCs.
- Hospitals – 1 of Gert Sibande's 9 hospitals

BASIC SERVICE DELIVERY/ INFRASTRUCTURE INDICATORS

BASIC SERVICE INFRASTRUCTURE INDICATORS	Trend 2001	Latest figure 2011	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
% of households in informal dwellings	31.9%	23.9%	(-) (16.8%)	(-) (10.9%)	16
% of households with no toilets or with bucket system	26.9%	5.1%	(+) (5.8%)	(+) (7.2%)	8
% of households with connection to piped (tap) water: on site & off site	96.9%	97.6%	(+) (91.1%)	(+) (87.4%)	3
% of households with electricity for lighting	60.6%	88.6%	(+) (83.4%)	(+) (86.4%)	7
% of households with weekly municipal refuse removal	58.5%	82.2%	(+) (63.6%)	(+) (42.4%)	3

Table8: Stats' SA: 2011 Census

- All basic service indicators better than district and provincial levels with the exception of households with informal dwellings.
- All indicators improving & ranked third highest with respect to households with connection to piped water on site & off site and weekly municipal refuse removal.
- Blue Drop Report ranked 12th - needs attention.
- According to Green Drop Report waste water services ranked 4th in 2012.

HOUSING – 2011

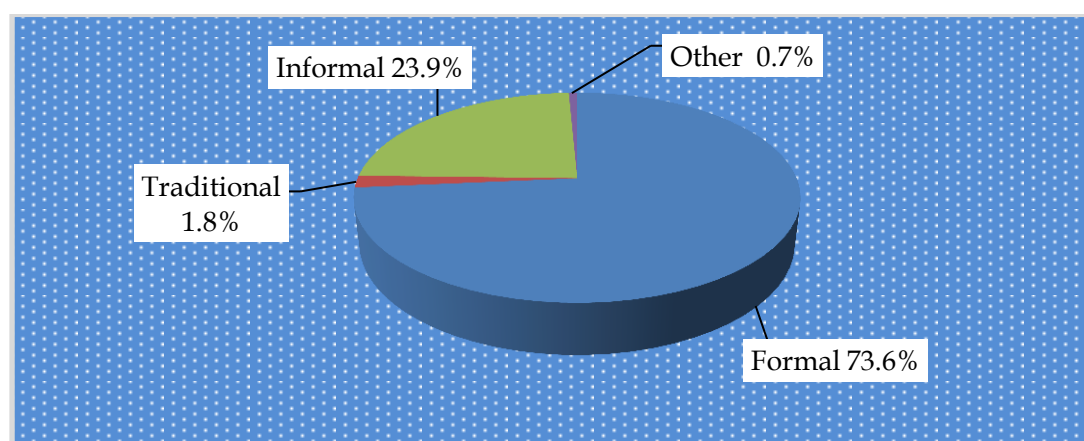


Table9: Stats' SA: 2011 Census

- Formal housing 73.6% - 22 858 households.

- Traditional housing 1.8% – 570 households.
- Informal housing 23.9% - 7 414 households.
- Informal housing – highest/worst in Ward 15 (42.8%) & lowest/best in Ward 10 (0.6%).

SANITATION - 2011

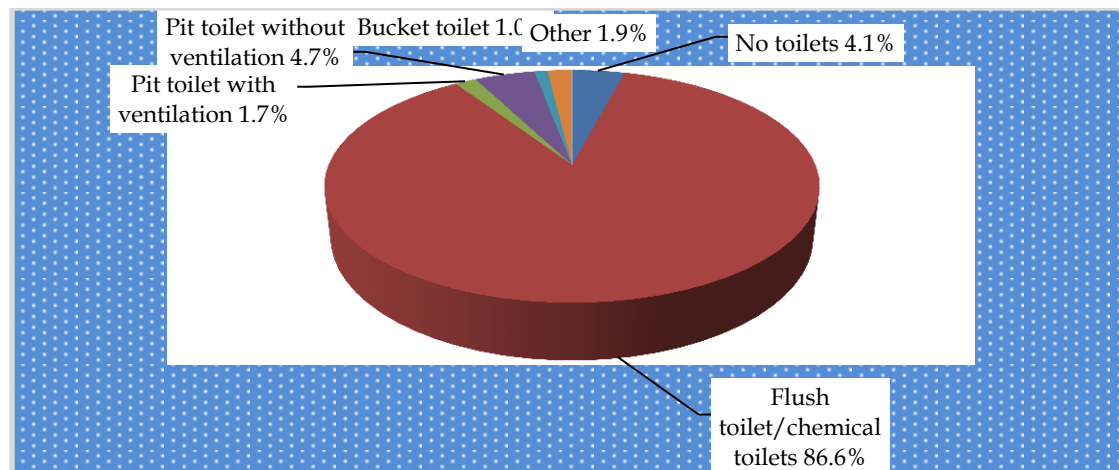


Table 10: Stats' SA: 2011 Census

- Flush/chemical toilets 86.6% - 26 899 households.
- Pit latrines (6.4%) 1 980 households – pit toilets with ventilation 1.7% - 516 households & pit latrines without ventilation 4.7% - 1 465 households.
- No toilets 4.1% - 1 280 households.
- No toilets – highest/worst in Ward 13 (21.0%) and lowest/best in Ward 10 (0.1%).

PIPED WATER - 2011

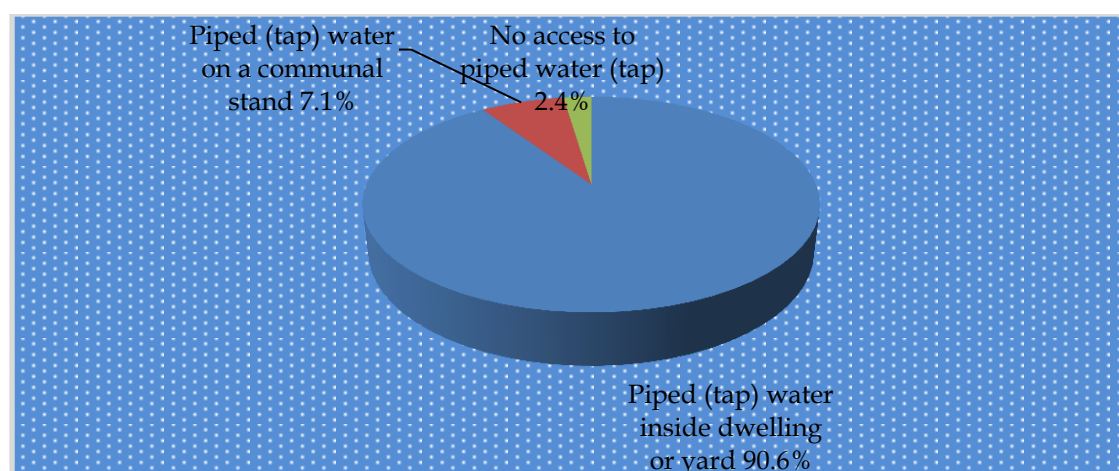


Table 11: Stats' SA: 2011 Census

- Piped water in a dwelling or yard 90.6% - 28 145 households.

- Piped water on a communal stand 7.1% – 2 195 households.
- No access to piped water 2.4% - 731 households.
- No access to piped water – highest/worst in Ward 13 (17.2%) & lowest/best in Ward 8 (0.2%).

BLUE DROP PERFORMANCE

MUNICIPAL AREA	2010	2011	2012	Ranking: best (1) – worst (18)
Steve Tshwete	92.2	96.5	97.5	1
Dr JS Moroka	95.7	84.4	92.4	2
Mbombela	80.9	74.9	87.6	3
Victor Khanye		18.2	80.0	4
Emakhazeni	71.2	83.7	79.8	5
Thembisile Hani	37.8	27.7	78.3	6
Govan Mbeki	78.9	77.5	77.5	7
Umjindi	52.5	60.5	75.5	8
Dr Pixley Ka Isaka Seme		46.9	40.4	9
Dipaleseng		6.8	40.4	10
Emalahleni	29.7	46.9	37.5	11
Lekwa	19.5	10.4	34.4	12
Bushbuckridge	8.4	29.8	30.8	13
Msukaligwa		10.5	21.2	14
Thaba Chweu	45.1	59.4	19.0	15
Chief Albert Luthuli	8.2	9.7	18.4	16
Nkomazi	17.5	59.4	17.2	17
Mkhondo	28.6	5.0	11.3	18

Table 12: Stats' SA: 2011 Census

GREEN DROP PERFORMANCE

MUNICIPAL AREA	2011	2012	Ranking: best (1) – worst (18)
Thaba Chweu	45.2%	23.9%	1
Steve Tshwete	54.9%	44.2%	2
Mbombela	48.5%	46.6%	3
Lekwa	88.9%	54.0%	4
Chief Albert Luthuli	87.0%	56.5%	5
Emakhazeni	68.9%	62.4%	6
Thembisile Hani	64.8%	62.8%	7
Dr JS Moroka	61.6%	70.2%	8
Umjindi	69.6%	72.7%	9
Dr Pixley Ka Isaka Seme	78.9%	72.9%	10
Msukaligwa	90.7%	73.1%	11
Bushbuckridge	83.3%	73.5%	12
Emalahleni	72.5%	78.4%	13
Govan Mbeki	68.4%	83.2%	14
Mkhondo	91.7%	88.2%	15
Dipaleseng	72.2%	92.7%	16
Victor Khanye	94.4%	94.0%	17
Nkomazi	74.4%	96.5%	18

Table 13: Stats' SA: 2011 Census

BASIC SERVICE DELIVERY

Household Services Index by Local municipal area, 2001 - 2011

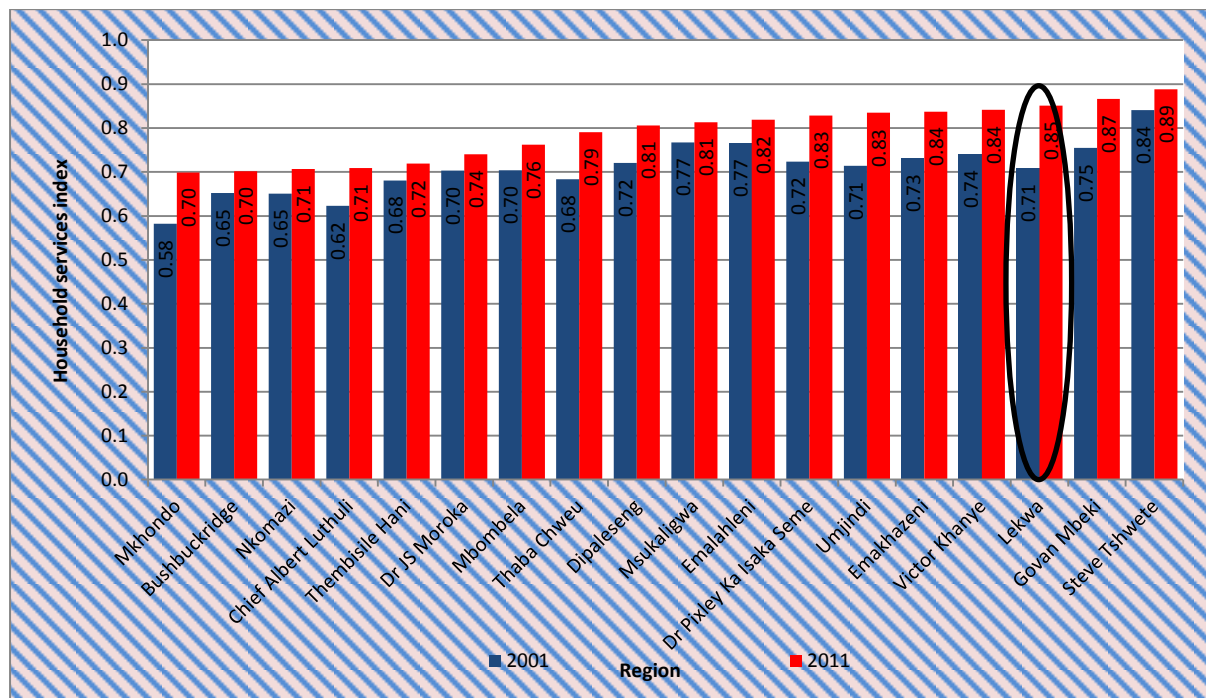


Table 14: Stats' SA: 2011 Census

HUMAN DEVELOPMENT INDEX

	2001	2004	2009	2012	Ranking: best (1) - worst (18)
Emalahleni	0.61	0.61	0.65	0.70	1
Steve Tshwete	0.62	0.61	0.65	0.70	2
Govan Mbeki	0.59	0.59	0.64	0.69	3
Thaba Chweu	0.52	0.53	0.59	0.66	4
Umjindi	0.53	0.54	0.59	0.66	5
Mbombela	0.51	0.52	0.59	0.65	6
Emakhazeni	0.53	0.54	0.58	0.65	7
Lekwa	0.51	0.52	0.58	0.65	8
Msukaligwa	0.52	0.53	0.58	0.65	9
Victor Khanye	0.52	0.53	0.58	0.65	10
Dr JS Moroka	0.46	0.47	0.54	0.62	11
Thembisile Hani	0.46	0.48	0.54	0.62	12
Dipaleseng	0.44	0.46	0.53	0.61	13
Dr Pixley Ka Isaka Seme	0.46	0.48	0.53	0.61	14
Bushbuckridge	0.46	0.47	0.53	0.60	15
Chief Albert Luthuli	0.43	0.45	0.52	0.60	16
Mkhondo	0.43	0.43	0.49	0.57	17
Nkomazi	0.39	0.40	0.47	0.56	18

Table 15: Stats' SA: 2011 Census

AVERAGE HOUSEHOLD INCOME

MUNICIPAL AREA	2001	2011	Ranking: highest (1) – lowest (18)
Steve Tshwete	R 55 369	R 134 026	1
Govan Mbeki	R 47 983	R 125 480	2
Emalahleni	R 51 130	R 120 492	3
Mbombela	R 37 779	R 92 663	4
Lekwa	R 38 113	R 88 440	5
Thaba Chweu	R 35 795	R 82 354	6
Msukaligwa	R 31 461	R 82 167	7
Umjindi	R 35 244	R 81 864	8
Victor Khanye	R 35 281	R 80 239	9
Emakhazeni	R 36 170	R 72 310	10
Dr Pixley Ka Isaka Seme	R 23 399	R 64 990	11
Dipaleseng	R 19 454	R 61 492	12
Mkhondo	R 26 935	R 53 398	13
Chief Albert Luthuli	R 22 832	R 48 790	14
Thembisile Hani	R 18 229	R 45 864	15
Nkomazi	R 19 195	R 45 731	16
Dr JS Moroka	R 17 328	R 40 421	17
Bushbuckridge	R 17 041	R 36 569	18

Table 16: Stats' SA: 2011 Census

HOUSEHOLD GOODS - 2011

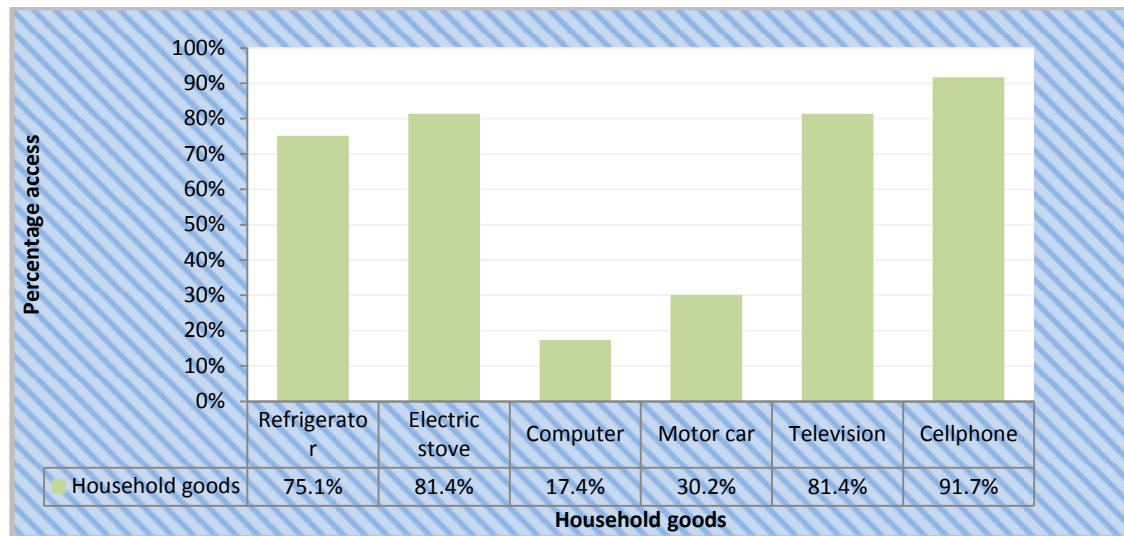


Table 17: Stats' SA: 2011 Census

HOUSEHOLD GOODS INDEX

Household Goods Index by Local municipal area, 2001 - 2011

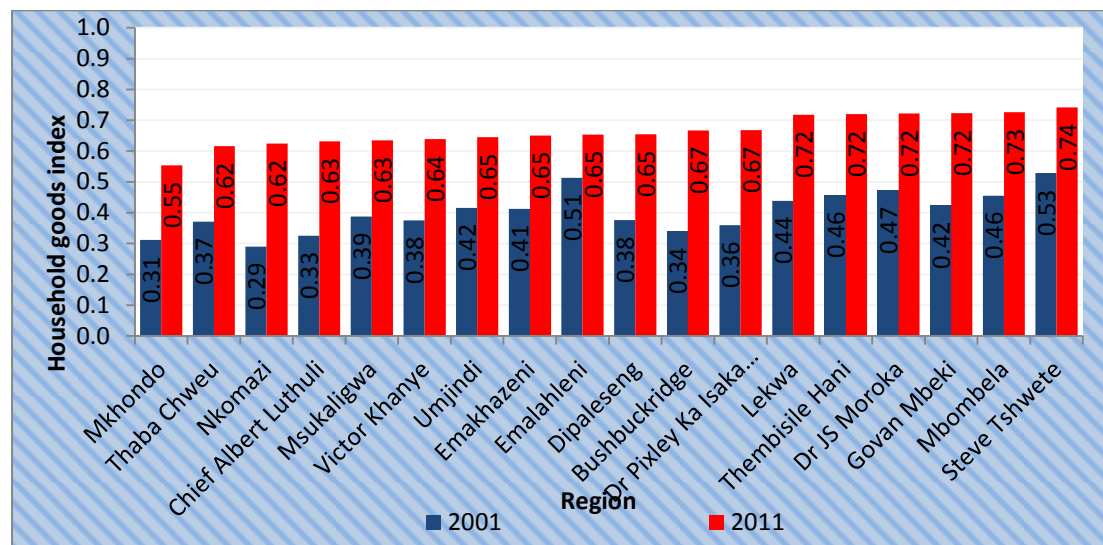


Table 18: Stats' SA: 2011 Census

INEQUALITY AND POVERTY

INDICATORS	Trend			Latest figure 2012	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2004	2009				
Gini-coefficient (0 best to 1 worst)	0.62	0.64	0.61	0.61	(+) (0.62)	(-) (0.60)	16
Poverty rate	42.9%	44.8%	38.8%	33.5%	(+) (37.9%)	(+) (36.9%)	6
Number of people in poverty	47 590	51 192	44 461	39 428			7
Poverty gap (R million)	R52	R70	R97	R98			6

Table 19: Stats' SA: 2011 Census

- Gini-coefficient of 0.61 in 2012 – improved slightly since 2001 but worse than provincial level.
- The bottom 40% of households share 8.7% of the total income in 2012 – an increasing trend.
- Poverty rate of 33.5% - 39 428 poor people (9.8% of Gert Sibande's 402 278 poor in 2012) – declining trend.
- The poverty gap was R98 million in 2012 – increasing trend.
- Proportion of income earned by the bottom/poorest 40% of Lekwa = 8.2% in 2012 – improved from 7.7% in 2001 (target in NDP/Vision 2030, 10%+).

INCOME INEQUALITY

	2001	2007	2009	2012	Ranking: best (1) - worst (18)
Nkomazi	10.0%	8.9%	10.1%	11.2%	1
Thembisile Hani	8.5%	7.8%	8.9%	10.8%	2
Dr JS Moroka	8.2%	7.5%	8.7%	10.1%	3
Chief Albert Luthuli	7.9%	7.4%	8.6%	10.0%	4
Bushbuckridge	7.3%	6.7%	8.3%	9.8%	5
Mkhondo	8.3%	7.8%	8.7%	9.8%	6
Thaba Chweu	9.7%	8.6%	9.4%	9.5%	7
Dipaleseng	9.2%	8.6%	9.2%	9.5%	8
Emakhazeni	9.0%	8.5%	8.9%	9.2%	9
Umjindi	8.4%	8.0%	8.5%	9.2%	10
Mbombela	6.8%	6.7%	7.9%	8.7%	11
Victor Khanye	6.4%	6.4%	7.8%	8.3%	12
Msukaligwa	6.8%	6.7%	7.5%	8.2%	13
Lekwa	7.7%	7.2%	7.7%	8.2%	14
Dr Pixley Ka Isaka Seme	6.3%	6.0%	7.3%	8.0%	15
Emalahleni	6.6%	6.1%	6.8%	7.4%	16
Govan Mbeki	5.6%	5.5%	6.5%	7.1%	17
Steve Tshwete	5.0%	4.7%	6.4%	6.9%	18

Table 20: Stats' SA: 2011 Census

ECONOMIC INDICATORS

ECONOMIC INDICATORS	Trend 1996-2012	Forecast 2012-2017	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
GDP growth (%)	0.7%	3.3%	(-) (3.8%)	(-) (3.6%)	12
	Trend			Latest figure	Ranking: best (1) – worst (18)
	2001	2004	2009	2012	
Contribution to Mpumalanga GVA (%)	3.6%	3.8%	3.4%	3.2%	8

Table 21: Stats' SA: 2011 Census

- Expected to record 3.3% GDP growth per annum over the period 2012-2017 – lower than district and provincial figures – only 0.7% per annum historic growth for the period 1996-2012.
- Community services, mining & utilities should contribute the most to economic growth in the period 2012-2017.
- GVA in 2012 – R7.5 billion at current prices and R3.7 billion at constant 2005 prices.
- In 2012 Lekwa contributed 3.2% to Mpumalanga's GVA – decreasing contribution since 2001 – ranked no 8 of the 18 municipal areas.

ECONOMIC INDICATORS (2012)

Contribution by Local Municipal Areas to Gert Sibande's industries (GVA constant 2005 prices)

INDUSTRY	Chief Albert Luthuli	Msuka-ligwa	Mkhondo	Dr Pixley Ka Isaka Seme	Lekwa	Dipale-seng	Govan Mbeki	Gert Sibande
Agriculture	12.3%	14.4%	21.0%	12.9%	23.2%	7.6%	8.5%	100.0%
Mining	2.6%	10.8%	3.1%	0.3%	15.7%	0.7%	66.9%	100.0%
Manufacturing	0.4%	0.6%	1.0%	0.2%	1.8%	0.2%	95.9%	100.0%
Utilities	4.5%	8.4%	1.4%	10.6%	43.6%	6.7%	24.8%	100.0%
Construction	7.5%	6.9%	4.2%	11.3%	10.1%	1.9%	58.1%	100.0%
Trade	7.5%	18.9%	7.3%	6.0%	10.3%	4.8%	45.3%	100.0%
Transport	4.9%	28.3%	7.2%	6.6%	12.3%	1.4%	39.2%	100.0%
Finance	8.7%	25.1%	8.5%	3.8%	9.2%	2.0%	42.7%	100.0%
Community services	15.4%	21.2%	9.4%	6.4%	17.5%	3.0%	27.1%	100.0%
Total	5.2%	11.8%	5.1%	3.5%	10.4%	1.9%	62.0%	100.0%

Table 21: Stats' SA: 2011 Census

- Lekwa contributed 10.4% to the Gert Sibande economy in 2012.
- Utilities contributed 43.6% and agriculture 23.2% to the relevant district industries.

TOURISM INDICATORS

TOURISM INDICATORS	Trend		2009	Latest 2012	Percentage share of Gert Sibande	Percentage share of Mpumalanga	Ranking: best (1) – worst (18)
	2001	2004					
Number of tourist trips	34 290	51 458	61 771	50 189	8.4%	1.3%	16
Bed-nights	245 246	323 647	262 313	229 732	8.4%	1.3%	16
Total spent R million (current prices)	R86.9	R112.2	R145.1	R142.5	7.7%	1.1%	16
Total spent as a % of GDP (current prices)	3.0%	3.0%	2.3%	1.7%			18

Table 21: Stats' SA: 2011 Census

- Number of tourist trips increasing since 2001 – 8.4% of Gert Sibande's total and 1.3% per cent of the provincial total – ranked 16th.
- Total spent R142.3 million in 2012 – increasing trend since 2001.
- Total tourism spent equals only 1.7% of Lekwa's GDP – decreasing trend since 2001.

NATIONAL TREASURY ALLOCATIONS

TYPE OF ALLOCATION	2011/2012 (R million)	2012/2013 (R million)	2013/2014 (R million)	% of allocations to local municipalities in Gert Sibande	% of allocations to local municipalities in Mpumalanga	Ranking: highest (1) – lowest (18)
Infrastructure grant	R37.3	R45.8	R41.3	11.2%	5.2%	13
Total allocation	R111.2	R130.6	R128.8	9.9%	2.1%	12

Table 21: Stats' SA: 2011 Census

- Decreasing infrastructure grant the last year – 11.2% of infrastructure grants to local municipalities in Gert Sibande.
- Decreasing total allocation the last year – 2.1% of total allocations to local municipalities in Mpumalanga.

AUDIT OPINION 2012/13

- In 2012/13 financial year, Lekwa obtained a qualified – an improvement from disclaimer audit opinion received in 2011/12.

CHALLENGES & RECOMMENDATIONS

Challenge	Recommendation
1. High proportion of population aged 0-34 years (youth)	Resources channelled to youth development – importance of skills development & creation of jobs Importance of a job creation strategy targeting youth, women & people with disabilities
2. Concern about high percentage of informal dwellings	Faster roll-out of basic services and municipal infrastructure
3. Relatively high inequality	Importance of poverty strategy – emphasis on job creation - impact positively on reduction of poverty
4. Relatively low economic growth	Importance of attracting new businesses through an investment strategy & active Business/LED forum
5. High dependence/reliance on community services (government) - mining	Identification of key industries/sectors to drive the economy sustainably into the future – role of tourism, manufacturing, trade, agriculture etc
6. Reduce unemployment, poverty and inequality (MEGDP & NDP)	Effective and efficient government spending making an impact on the triple challenges
7. Budget must be in line with and respond to IDP & socio-economic challenges	Municipality must work closely with COGTA, Finance and other role-players

2.3. ENVIRONMENTAL FEATURES

The following section deals with the environmental issues that affect Lekwa LM. The following aspects are addressed:

- Hydrology;
- Biodiversity;
- Conservation areas;
- Topography; and
- Agricultural soil potential

Topography and Hydrology

The hydrological system of the Lekwa LM is of critical importance. Although it makes up only 1.5% of the total municipal area, it includes a number of important rivers and dams.

The most important river in the municipality, the Vaal River, flows in a westerly direction through Standerton. Other rivers include the Waterval River to the west of the Municipal Area and the Klip River, which forms part of the southern municipal boundary between Lekwa and the Free State before its confluence with the Vaal. The LLM also comprises of a number of smaller watercourses: Boesmanspruit, Rietspruit, Leeuspruit, Blesbokspruit, Osspruit, Geelklipspruit, Kafferspruit, Kaalspruit, Diepspruit, Leeuspruit, Katbospruit and Brakspruit. The rivers and watercourses within the municipality all flow into the Vaal River (Lekwa EMF, 2009). The Grootdraai Dam, situated upstream of Standerton is a major impoundment within the upper Vaal system, and is primarily used for flow attenuation and water supply. The Grootdraai Dam was completed in 1982 and is the tenth largest dam in South Africa. Both pans and palustrine (marsh/ vlei) wetlands occur in the municipality and several non-perennial and perennial pans are scattered throughout the municipal area due to its relatively flat topography

The wetlands in the municipality are under a threat because of agricultural land use, soil erosion, and the draining of wetlands which disturb the hydrological functioning of these wetlands (SDF, 2008).

There are several important koppies in the area, which should be kept free from development, as they represent important ecological habitats. The most important is Standerskop, situated in Standerton, and is also recognised as a conservation area. Other koppies that were identified during the status quo analysis include:

- Spioenkop – to the east of Thuthukani.
- Potberg – south west of Standerton.
- Joubertskop – south west of Standerton.

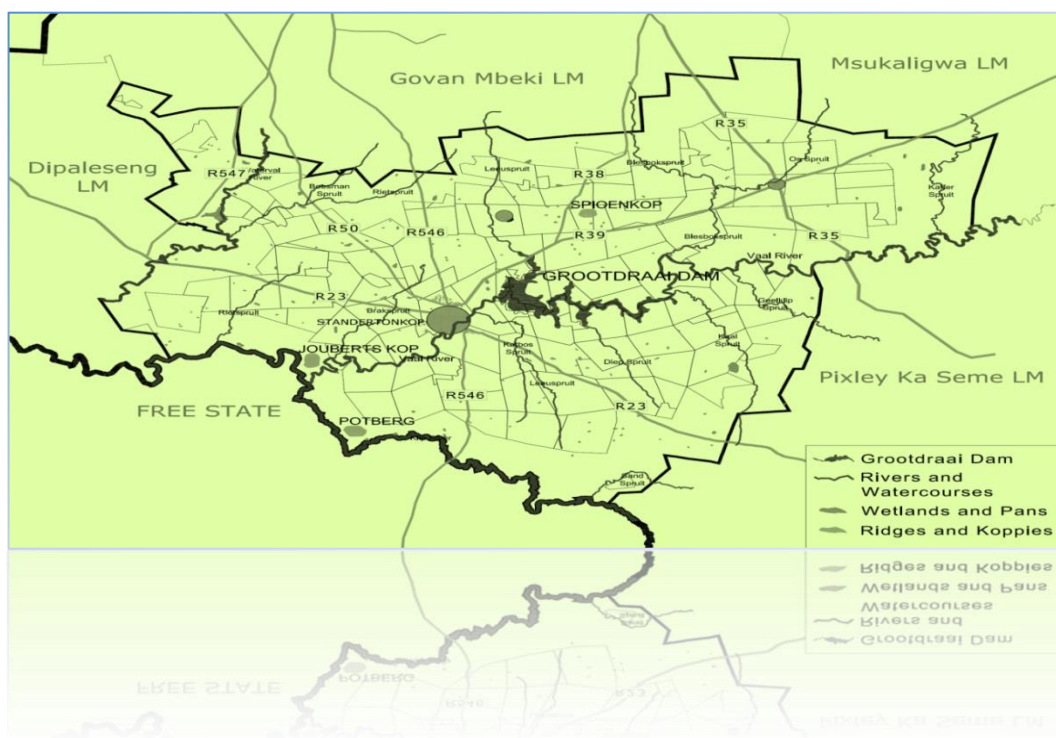


Figure 7: Hydrology & Topography

Biodiversity Sites and Conservation Areas

Lekwa is located in the WWF Highveld grassland eco-region.

The Mpumalanga Biodiversity Conservation Plan (MBCP) classifies, prioritises and identifies all natural areas in Mpumalanga. The natural areas of the Province were divided into six categories ranked according to ecological and biodiversity importance and their contribution to meeting the quantitative targets set for each biodiversity feature. The categories range from Protected and Irreplaceable Areas to Areas with no Natural Habitat Remaining.

According to the MBCP there are no 'Protected' or 'Irreplaceable areas' within the municipality. There are however 'Highly Significant Areas' and 'Important and Necessary Areas' present in the municipality. These are spread through the area, mostly on the borders of the Municipality and make up 20% of the total area of the municipality. There are also ecological corridors which are mainly around the Vaal River and Grootdraai Dam and make up 22% of the total area of the municipality.

The MBCP further identifies Conservation Areas that are formally protected. The formal conservation areas within Lekwa Local Municipality are:

- The Reitvaal Conservancy, which is **13 180ha** in extent; and
- Bloukop Nature Reserve is **6 764ha** in extent.

Both Conservation Areas are located on the eastern boundary of the LLM and fall partly within Pixley Ka Seme Local Municipality. Conservation Areas make up 4% of the total area of the municipality.

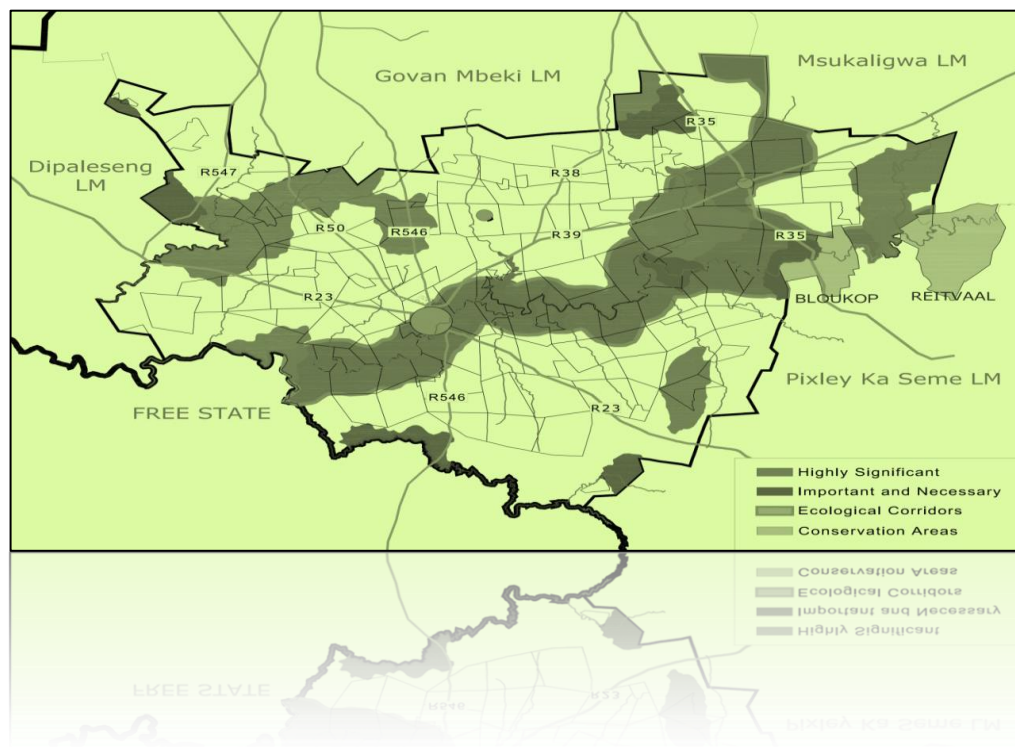


Figure 8: Biodiversity Sites

Valuable Agricultural Land

Soil potential indicates areas that are highly suitable for agricultural purposes. The categories range from 'Soils highly suited to arable agriculture where climate permits' to 'Soils not suitable for agriculture or commercial forestry'.

The largest portion of the north-eastern, north-western and central parts of the municipality is highly suitable for arable agriculture². Intermediate soil potential is distributed in smaller areas throughout the municipality. These areas make up 33% of the total area of the municipality. These areas are not necessarily currently used for agricultural purposes, but should be protected against development. Approximately 34% of highly suitable soil is currently not used for agricultural purposes.

Land excluded from Subdivision of Agricultural Land Act (no. 70 of 1970) is not protected against the subdivision of farming units into small unviable portions and can thus be used for non-agricultural purposes. These areas are mostly around Standerton, along some of the major routes, and around Grootdraai Dam and Morgenzon. In some instances these are in areas that are highly suitable for arable agriculture, most notably around Standerton, and indicate the pressure of urban development on agricultural land.

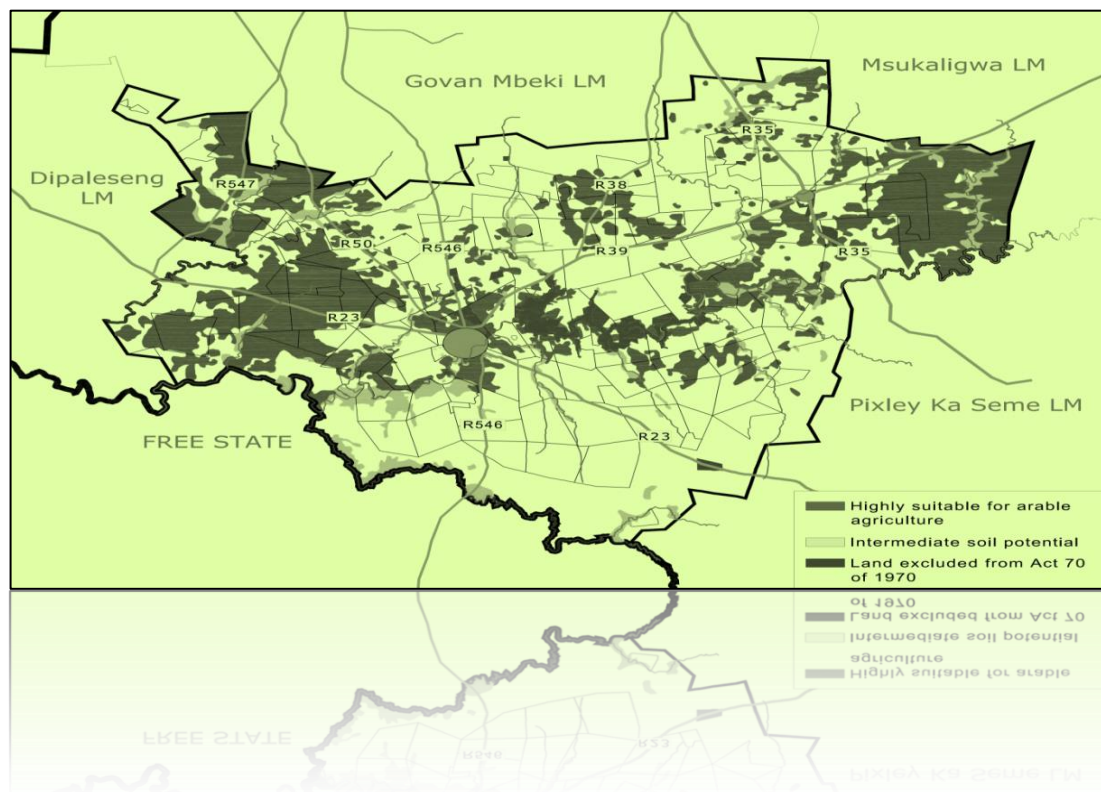


Figure 9: Soil Potential

Summary of the Environmental aspect

The analysis of the environmental aspects of the Lekwa LM reveals the following:

- The area is relatively flat, resulting in several pans and wetlands;
- There is an extensive river system, the most important of which is the Vaal River and Grootdraai Dam;
- A small percentage of the area is made up of important biodiversity sites and conservation areas, the most important of which centres around the Vaal River;
- A large portion of the municipal area is suitable for arable agriculture.
- Agriculturally valuable land is under threat from urban development;
- There is conflict between agricultural practices and the hydrological system as agriculture contributes to the pollution and destruction of water resources; Almost 60% of the total area of the LLM should be reserved for either agriculture or natural habitats

2.4. TOURISM

There are currently limited tourism facilities within the LLM and tourism does not make a meaningful contribution to employment or GVA in the area. Furthermore, the Mpumalanga Tourism Growth Strategy does not list any tourism attractions in LLM.

Existing tourism facilities, outside of Standerton, are limited to 5 guest farms/resorts. (Information is limited to available data).

Given the proximity of the area to Gauteng and other tourism attractions and routes e.g. the N4 and Chrissies-meer, as well as some of its resources, tourism can be developed for the area. Potential resources include:

- The Grootdraai Dam;
- The Vaal River;
- The Reitvaal Conservancy;
- Bloukop Conservancy, and
- The railway lines.

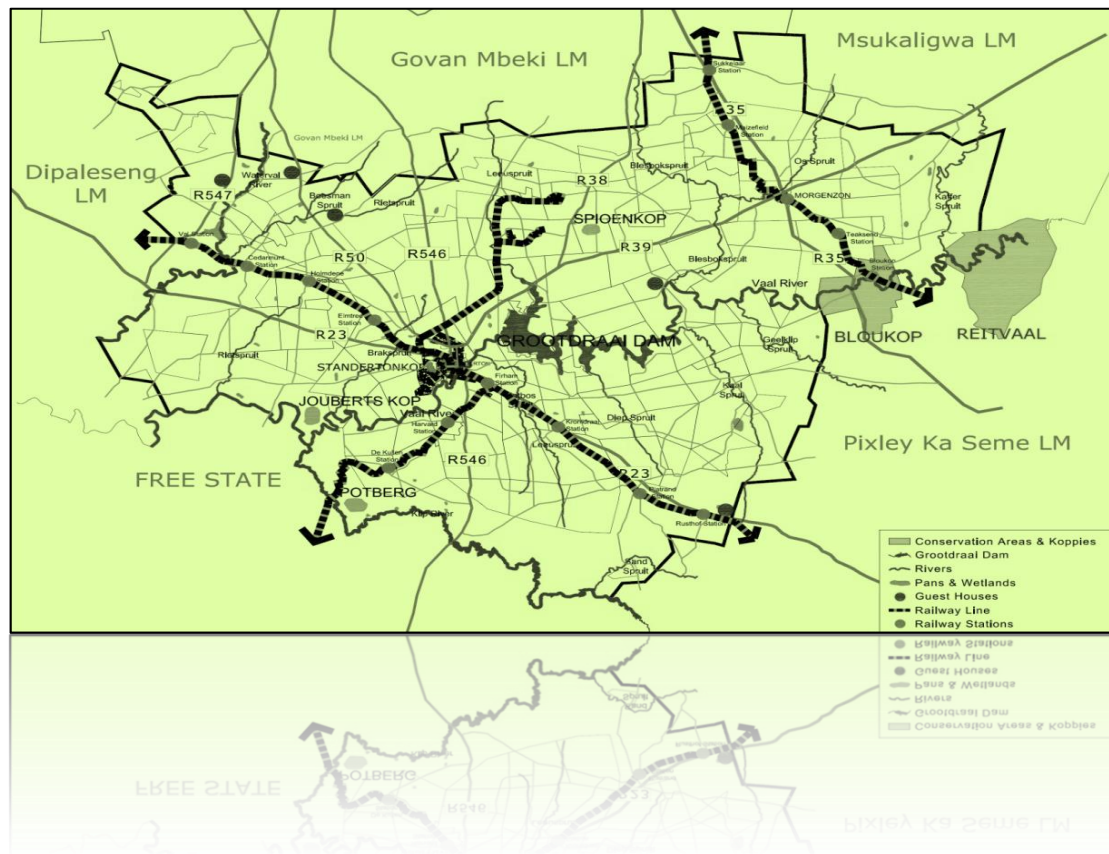


Figure 10: Potential Tourism Facilities

2.5. SOCIAL SERVICES

Social facilities were identified through data received from the Lekwa Spatial Development Framework, 2005 and the Lekwa LM IDP as well as analysis of other databases such as the demarcation board. Due to time and budget constraints detailed site visits could not be done in order to confirm the data received. The only areas where site visits were performed were Standerton, Morgenzon, Thuthukani and Holmdene. Therefore the accuracy and quality of these facilities are subjected to detailed assessments.

Access to social facilities is critical in order to address the high level of poverty within the municipality. Catchment circles were placed around each facility (5km for primary schools and 10km for secondary and combined schools) in order to distinguish between areas that have high accessibility to social facilities and those with no social facilities and hence limited access to facilities.

Education Facilities

There are 72 primary schools, 1 secondary school and 3 combined schools outside of Standerton. Primary education facilities are widely distributed through the entire municipal area and **there is one primary school per approximately 650 people** (excluding schools in Standerton). The eastern part of the municipal area is less well provided but also has a lower population density. Most residents are thus within 5km from a primary school. The schools are however small 'farm' schools with limited facilities.

Secondary schools are limited to Standerton and Thuthukani. There are no secondary schools in the rural areas. There is however a combined school in Morgenzon, one close to Platrand and one at Elmtree. **There is only one secondary school per approximately 11 500 people** (including combined schools excluding schools in Standerton).

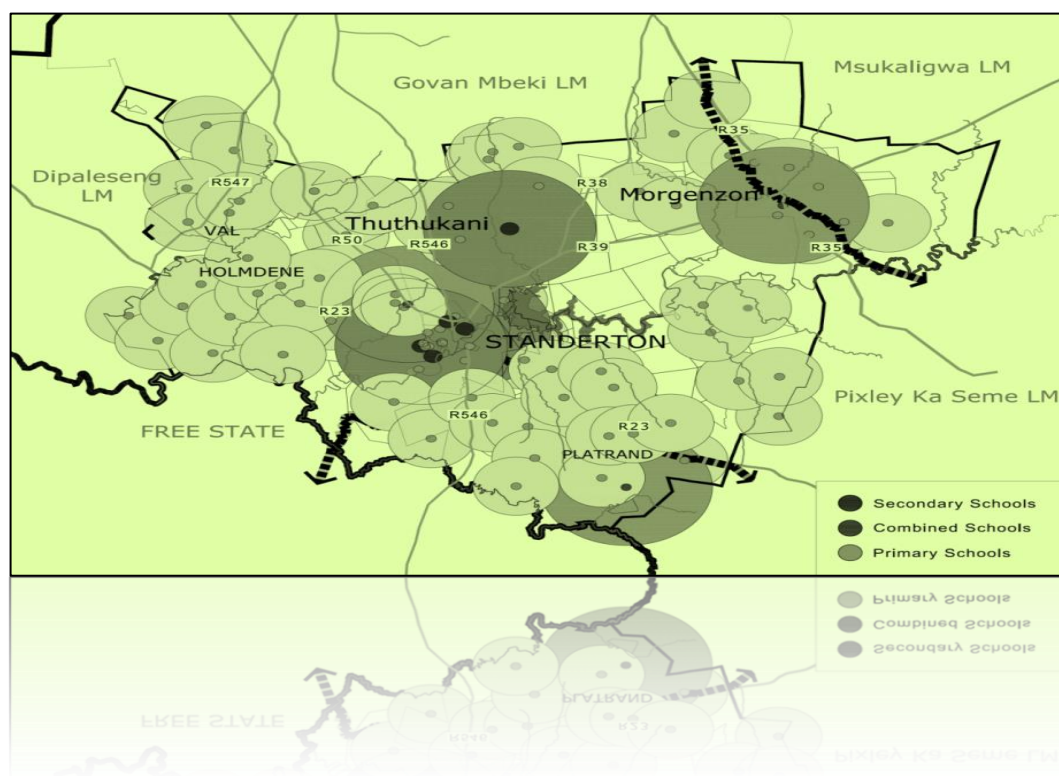


Figure 11: Distribution of Educational Facilities

Other Social Facilities

The following social facilities are located in the LLM (excluding Standerton):

- Three post offices: one at Morgenzon, one at Thuthukani and one at Holmdene (**1/16 000 people**);
- One clinic at Morgenzon (**1/47 000 people**); and
- Two police stations: one at Morgenzon and one at Val (**1/24 000 people**).

There is thus a serious under provision of all these facilities, but most problematic is the provision of clinics. A further worry is the distance that residents have to travel to access these facilities, up to 30km to access a clinic often on gravel roads. The clinics are supplemented by a mobile clinic service. This used to be a municipal function but it is now the responsibility of Mpumalanga Province. According to information received there are currently only 2 mobile clinics in the district although the actual need is 6 mobile clinics.

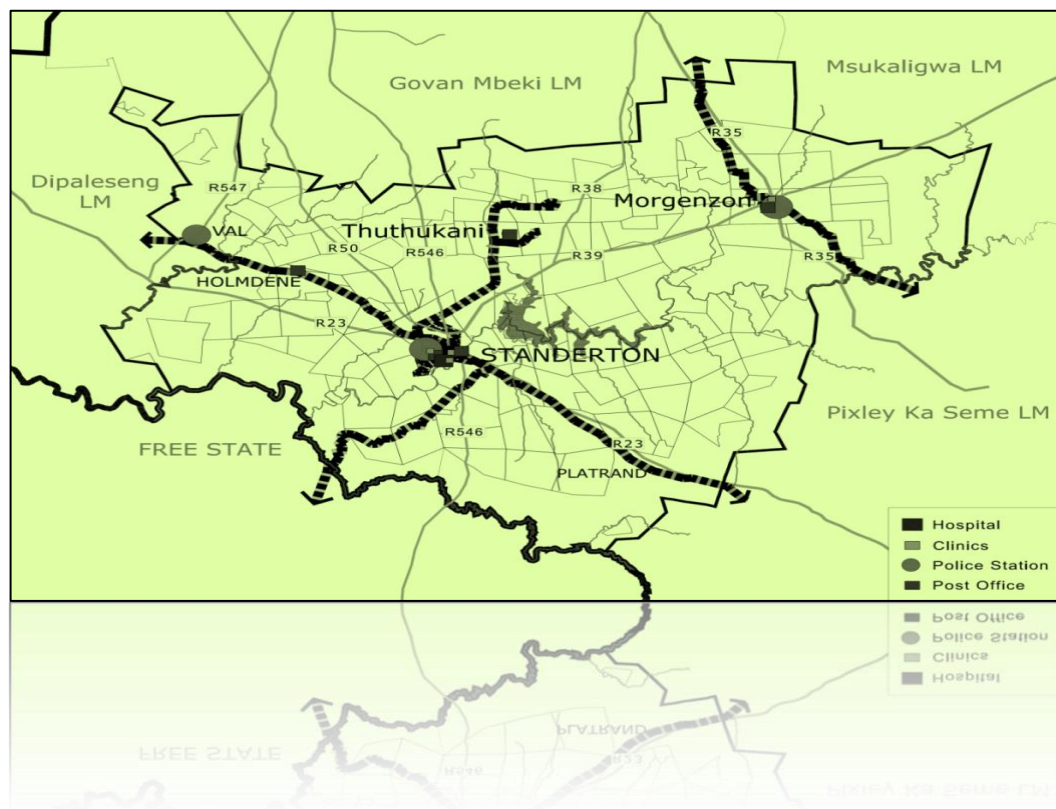


Figure 12: Distribution of Social Amenities

The analysis of the social facilities of the LLM reveals the following:

- There are sufficient primary schools in the LLM and most residents are within 5km of a primary school. The quality of the facilities is unknown.
- Limited higher order educational facilities exist.
- There is a critical under-provisioning of health services.

- The reality of the situation is that it would be impossible to provide social facilities throughout the entire municipal area. The challenge is thus to at least provide better access to the existing facilities in terms of public transport etc. as well as to improve / upgrade the existing facilities.

2.6. DISASTER MANAGEMENT PLAN (DMP)

The Disaster Management Act (No 57 of 2002) requires of local government to develop a disaster management policy and establish a disaster management centre in accordance to the national and provincial frameworks. The main responsibility for disaster management is assigned to District Municipalities in consultation with the local municipality to determine the level of the establishment of the Disaster Management Centre and its Disaster Management Plan. However, the Municipal Systems Act, No 32 of 2000 requires the compilation of a Disaster Management Plan as part of the IDP. In order to comply with the requirements of the Municipal Systems Act, a disaster management statement is prepared.

The purpose of a Disaster Management Plan is to enhance the capacity of the municipality to prevent and to deal with disasters and to avoid developments, which are subject to high risk of disasters. Disaster Management Framework, Plan and Centre are interrelated. The scope of disaster management as required by the Act broadly entails three domains as outlined hereunder: -

Disaster Planning

- Hazard identification
- Risk and Vulnerability assessment
- Prevention, mitigation, preparedness strategies
- Contingency planning
- The monitoring and evaluation of disaster planning Key Performance Indicators

Disaster Preparedness and Response

Monitoring of threats

- Activating contingency plans
- Informing National & Provincial centre
- Deploying response resources to the scene of incident
- Managing the resources
- Monitoring of disaster intervention activities
- Declaring of a "State of Disaster"

Disaster Recovery

- Planning for the recovery
- Disaster recovery activities
- Monitoring of disaster recovery activities
- Documentation of disaster occurrences and actions taken
- Post-mortem analysis to improve systems, plans and methodologies

Because the local municipality is not the responsible agency for disaster management, but form an integral part of disaster management within the district, a disaster management plan is produced. This plan addresses only the local municipal area of jurisdiction and will be aligned with the Disaster Management Plan of the GSDM and Mpumalanga Provincial Centre, once it is published.

POSSIBLE TYPES OF DISASTER, COMMUNITY AT RISK AND ITS EFFECTS

The following (Table 18 A& B) indicates likely types of disasters, the communities at risk and the effects associated with these disasters:

TYPE OF DISASTER	COMMUNITY AT RISK	EFFECTS
<ul style="list-style-type: none"> Floods 	<ul style="list-style-type: none"> Low laying areas in Lekwa Municipality. 	<ul style="list-style-type: none"> Loss of life Loss of property and livestock Damage to infrastructure Leaking of hazardous substances, sewage, etc. Disruption of economic and social activities Lack of potable water Spreading of diseases
<ul style="list-style-type: none"> Heavy snowfalls 	<ul style="list-style-type: none"> High lying areas, particularly along the borders and also along the R23 and other areas within Lekwa municipality 	<ul style="list-style-type: none"> Loss of life Loss of property and livestock Damage to infrastructure Disruption of economic and social activities Lack of food and warm clothing
<ul style="list-style-type: none"> Veld fires 	<ul style="list-style-type: none"> Farming areas and informal settlements 	<ul style="list-style-type: none"> Loss of life Loss of property and livestock Damage to infrastructure Spreading of diseases Disruption of economic and social activities
<ul style="list-style-type: none"> Drought 	<ul style="list-style-type: none"> Lekwa local but in particular farming areas 	<ul style="list-style-type: none"> Loss of life Loss of property and livestock Damage to infrastructure Spreading of diseases Lack of food, Lack of potable water
<ul style="list-style-type: none"> Fires in built-up areas 	<ul style="list-style-type: none"> Lekwa, particularly densely populated settlements and CBD 	<ul style="list-style-type: none"> Loss of life Loss of property and livestock Damage to infrastructure Spreading of diseases
<ul style="list-style-type: none"> Transportation Accidents: <ul style="list-style-type: none"> - Rail - Air - Road - Pipeline 	<ul style="list-style-type: none"> Lekwa along major transportation networks 	<ul style="list-style-type: none"> Loss of life Loss of property and livestock Damage to infrastructure Spillage of hazardous substances
<ul style="list-style-type: none"> Spillage of hazardous and toxic substances 	<ul style="list-style-type: none"> Lekwa along major transportation networks. 	<ul style="list-style-type: none"> Pollution Health risks Loss of biodiversity, Loss of life
<ul style="list-style-type: none"> Diseases 	<ul style="list-style-type: none"> Lekwa and the neighbouring community 	<ul style="list-style-type: none"> Health risks, Loss of life Loss of livestock
<ul style="list-style-type: none"> Unrest Mass Events 	<ul style="list-style-type: none"> Lekwa 	<ul style="list-style-type: none"> Loss of life Loss of property and livestock Damage to infrastructure

POSSIBLE PREVENTION AND MITIGATION MEASURES

The following table indicates likely types of disasters, the communities at risk and the possible mitigation measures to prevent disasters from happening:

Type of Disaster	Community at risk	Prevention and Mitigation Measures
Floods	Low laying areas, Standerton, Sakhile, Rooikoppen, TLC and Sivukile.	Prevent illegal occupation of land in low laying areas Ensure that townships are established outside 1:50 year flood line Plan open spaces along rivers and water courses
Heavy snowfalls	High lying areas, particularly along the border	Ensure that buildings are properly constructed to cope with weight of snow on roof structures Traffic accommodation Salt placement (National Road Agency) Early detection system Effective communication lines between service delivery agencies Information distribution Emergency shelter and meals Emergency patient treatment Emergency communication system Emergency rescue and extrication Emergency administration functions Emergency financial assistance
Veld fires	Farming areas and informal settlements	Awareness campaigns Pre-emptive burning Firebreaks
Drought	Lekwa but in particular farming areas	Improved farming practices Storage of potable water source Irrigation scheme
Fires in built-up areas	Lekwa particularly densely populated settlements and CBD area	Fire hydrants Density control measures Fire walls between buildings
Transportation Accidents: - Rail - Air - Road - Pipeline	Lekwa along major transportation networks	Improved road conditions Regular maintenance of transportation infrastructure
Spillage of hazardous and toxic substances	Along major transportation networks and workstations such as Engine and	Lower driving speed of hazardous substances

Type of Disaster	Community at risk	Prevention and Mitigation Measures
	Spoor net	Emergency response plan
Diseases	Lekwa and its neighbouring community	Awareness campaigns Emergency response plan
Unrest	Lekwa	Emergency response plan
Mass Events	Lekwa, auditorium, stadiums and public halls	Emergency response plan

PREPAREDNESS AND INSTITUTIONAL CAPACITY

The municipality has fire brigade and traffic control service based in Standerton and a satellite centre based in Sivukile which can be deployed as first responders to assist with disaster management. The institutional capacity is therefore limited and outside assistance will be required in cases of a disaster. It is also of utmost importance that the staff will attend further training in various aspects.

The Disaster Management Advisory Forum as outlined in the table below will constitute the Disaster Management Team in terms of the regulations of the Disaster Management Act.

Members need to comply with the following:

1. Apply on the official form
2. Authorization in terms of Section 8 of the Act.
3. Residing within the area of jurisdiction of the local authority.
 - The Chief Disaster Management declared him to be a member and fit, physically as well as mentally.
 - Be 14 years of age and above; (Commit him/her on the official application form to render services and to be trained)

Each agency or state organ will be responsible for its own disaster management contingency plan which will be submitted to the Disaster Management Centre for inclusion in the Municipal IDP.

These should focus mainly on the following aspects:-

- Planning and framework – the way in which the concept of disaster management is to be applied in its functional area, e.g. roles and responsibilities.
- Risk and vulnerability Assessment leading to needs analysis
- Evaluation and description of infrastructure
- Prevention through risk elimination – remove hazards/alternative processes.
- Mitigation through risk reduction – engineering solutions/legislative compliance/safety culture
- Preparedness planning for risks that cannot be eliminated (Risk Management) (a) contingency planning based on risk and vulnerability (b) emergency organisation, (c) response planning, (d) notification and activation, (e) recovery plans for business continuity.
- Contingency strategies and emergency procedures in the event of a disaster.
- Line of communication (Protocols) and liaison
- Awareness and education – (Before) prevention and mitigation: (During) notification and advisories: (After) Advisory, public information and education.
- Evaluation and maintenance

2.7. TRANSPORTATION

Public Transport

Public transport consists of rail, busses and taxis as stated above Standerton station plays an important role in long distance passenger transport. In terms of busses, there is no municipal bus service, but a private bus service runs on the R546 between Standerton, the TEKS area, Bethal and Leandra (GSDM ITP, 2008). In terms of taxis, there are several taxi services. These run mostly on the R546, but also on the R50, R23 and R39 (GSDM ITP, 2008). On a regional level, the taxis connect Standerton to:

- Zamokuhle;
- Thuthukani;
- Qwaqwa;
- The TEKS area;
- Umtata;
- Matatiele; and
- Ficksburg.

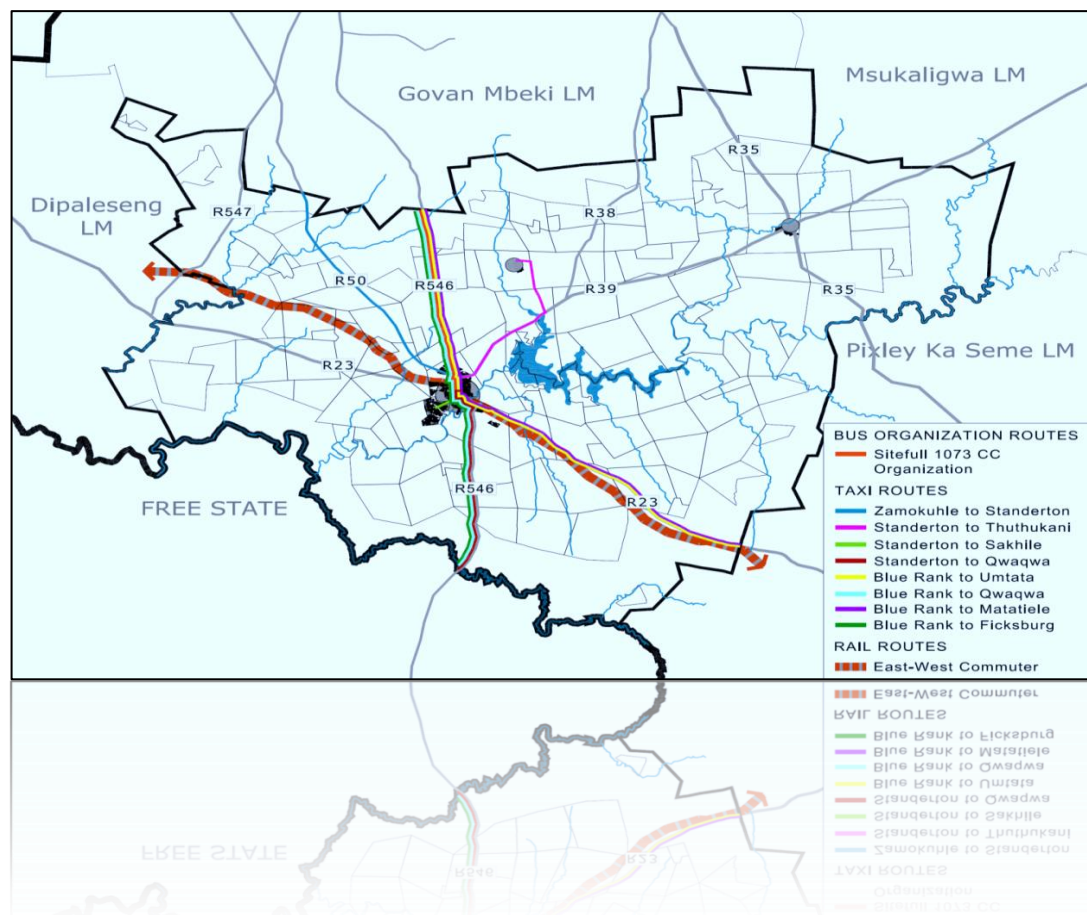


Figure 13: Public Transport Routes

According to the 2001 census data³, approximately 18% of the total population make use of public transport: 7% using busses and 11% taxis. In comparison, only 8% of the population travel by car as

a driver, and 9% as a passenger. This indicates the importance of public transport in the municipal area.

In order to understand the distribution of the different modes of transport throughout the municipal area a spatial analysis was done on ward level. The subsequent maps indicate the proportion of the ward population using a certain mode of transport and not absolute numbers. Darker colours indicate a higher proportion.

With regards to the use of busses, residents of Wards 11 and 12 make the most use of a bus service. These wards are located on the northern edge of Standerton and the rural area to the north of Standerton and have bus services.

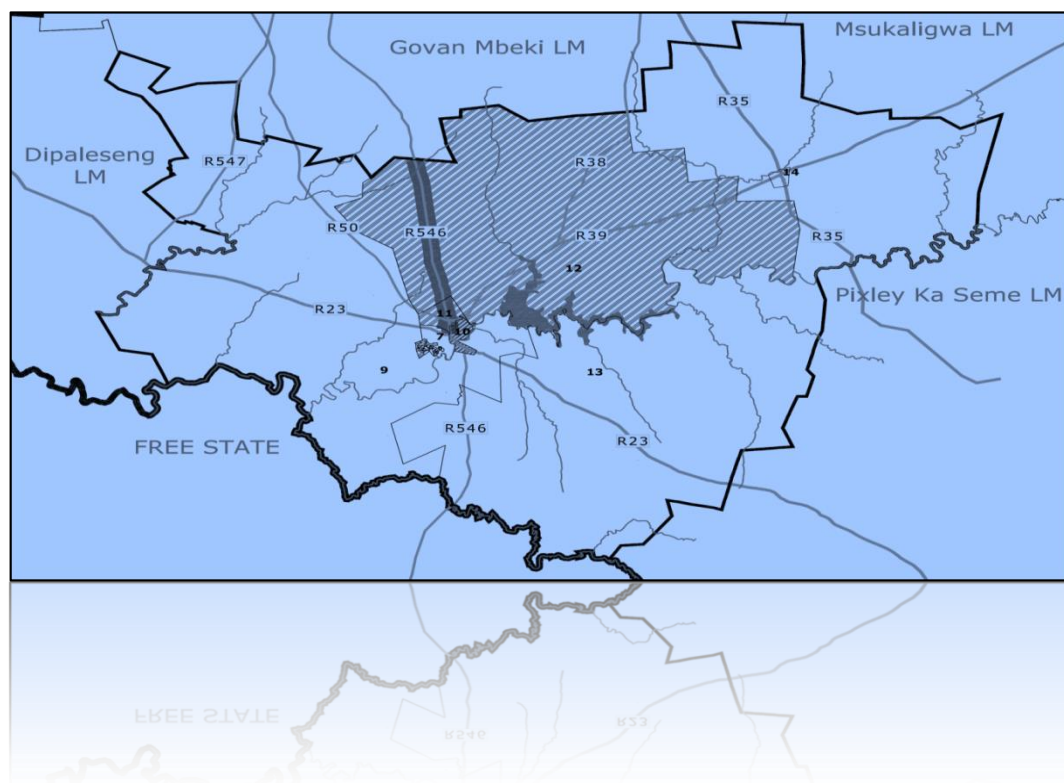


Figure 14: Public Transport Buses

In contrast residents in Wards 1, 2 and 3 mostly make use of taxis as a mode of transport. These wards include the lower income areas of Sakhile and its extensions, as well as the western part of the municipality. Although there are taxi services in Wards 12 and 13, limited residents make use of the service, and these are probably mostly long-distance taxi services, transporting commuters to other regions.

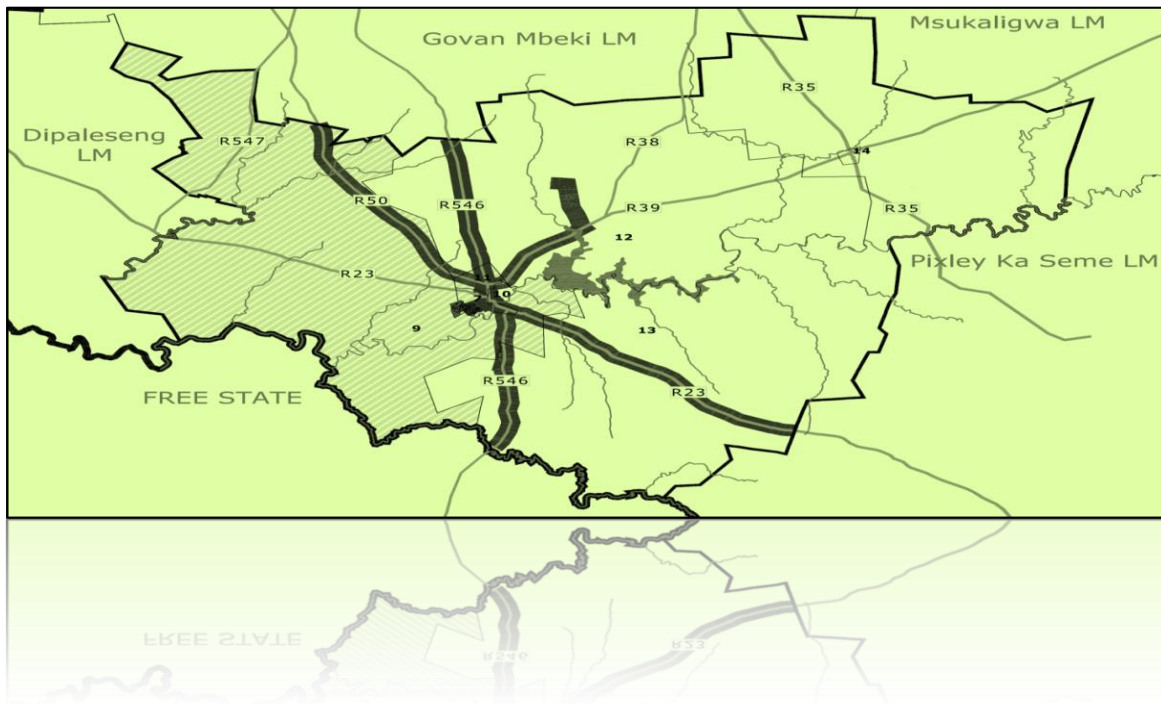


Figure 15: Non- Motorised Transport

The bulk of the population (65%) make use of non-motorised transport, making this the most important mode of transport. Of this the largest majority (63%) travel by foot and 2% by bicycle.

Most people in Wards 9 and 13 moves by foot followed by Wards 12 and 14 and bicycles are the main mode of transport in Wards 9, 12 and 13. These are almost exclusively rural wards, where facilities and services are widely dispersed and not easily accessed, thus limiting access to facilities and opportunities.

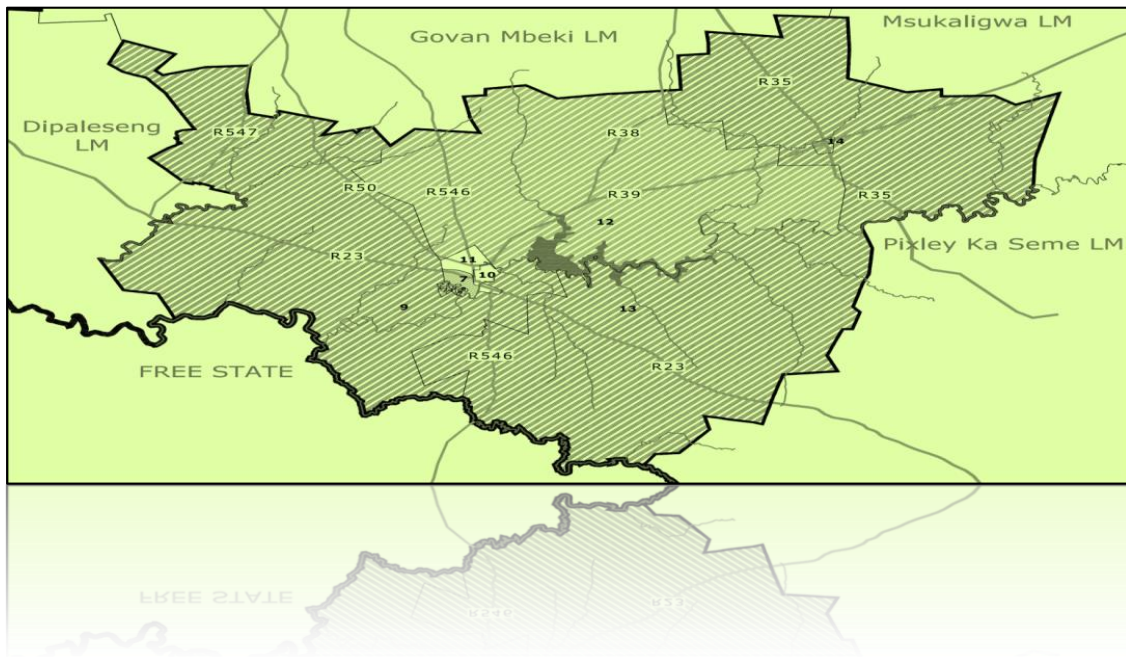


Figure 16: Non-Motorized Transport by Foot

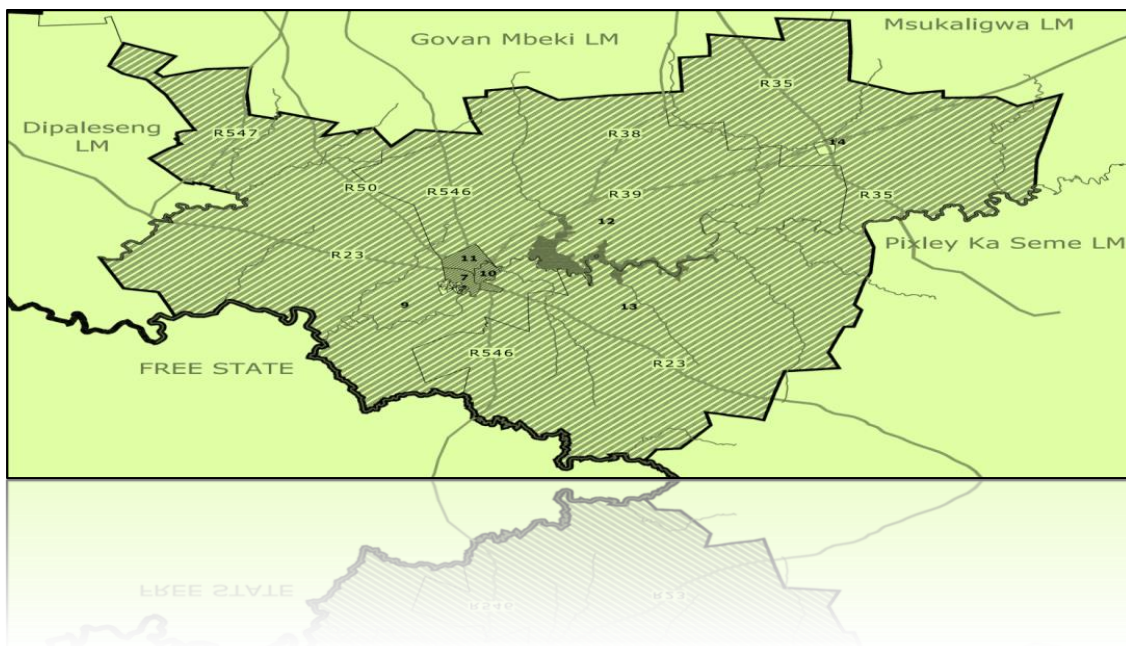


Figure 17: Road Network

As discussed earlier, the Lekwa Municipal Area is not directly linked to the national road system. The major routes are thus provincial roads and minor roads.

According to the Gert Sibande SDF (2009), the following roads play an important role in terms of regional accessibility and linkages:

- The R23 which runs in a southeast – northwest alignment represents the old route between the Gauteng Province and Durban/eThekweni in KwaZulu-Natal, linking prominent towns and settlements such as Balfour, Standerton and Volksrust to one another. This route virtually runs parallel and to the north of the N3 freeway, which is the main link between Gauteng and KwaZulu-Natal.
- The R546 serves as a prominent north – south linkage, linking the towns of Standerton and Vrede (in the Free State Province) to the TEKS industrial complex.
- The R547, which links the LLM to Witbank and Middelburg, situated along the N4 Maputo Development Corridor.
- Intra-regionally, the R38 links the District's four most prominent roads (R23, N17, N11 and R36), and the towns of Standerton, Thuthukani, Bethal, Carolina and Badplaas to one another. Inter-regionally, the R38 serves to link these towns to Vrede in the south, and the important economic activity areas of Barberton, Nelspruit and Malelane, towards the north-east of the District.
- The R35 basically traverses the District in a north – south alignment, linking the central and western parts of the Gert Sibande District (specifically the towns of Standerton and Bethal) to Middelburg/Steve Tshwete, and further northwards where it converges with the N11 corridor extending into the Limpopo Province. To the south it links to the N3 between Gauteng and KwaZulu-Natal via Vrede in the Free State.
- Intra-regionally, the R39 serves as the only direct link between the towns of Ermelo and Standerton.
- The R50 serves as a link road between Standerton and the industries located within the TEKS Area (Trichardt, Evander, Kinross and Secunda).

The **R23** and **R35** were identified as key economic corridors on district level and the **R546** between Standerton and the TEKS area as well as the **R39** between Morgenzon and Ermelo was identified on local level, due to the important economic nodes that they connect.

Apart from this main road network an expansive network of secondary gravel roads traverses the municipal area, providing accessibility at the most local level.

No new roads are being planned in the area.

There are several freight routes traversing the district. These are used to transport:

- Coal to power stations that are inadequately served by rail freight services;
- Fuel and chemicals from the large manufacturing plants in the Secunda area;
- Maize from farms to silos;
- Grain to mills and animal feed factories; and
- A wide range of products such as animal feeds, wholesale and retail goods, steel, building supplies and fertiliser.

The following roads were indicated by the GSDM ITP (2008) as important freight routes:

- The R35 between Bethal and Amersfoort via Morgenzon;
- The R23 between Standerton and Volksrust; and
- The R38 between Standerton and Bethal.
- The R50 between Leandra and Standerton.

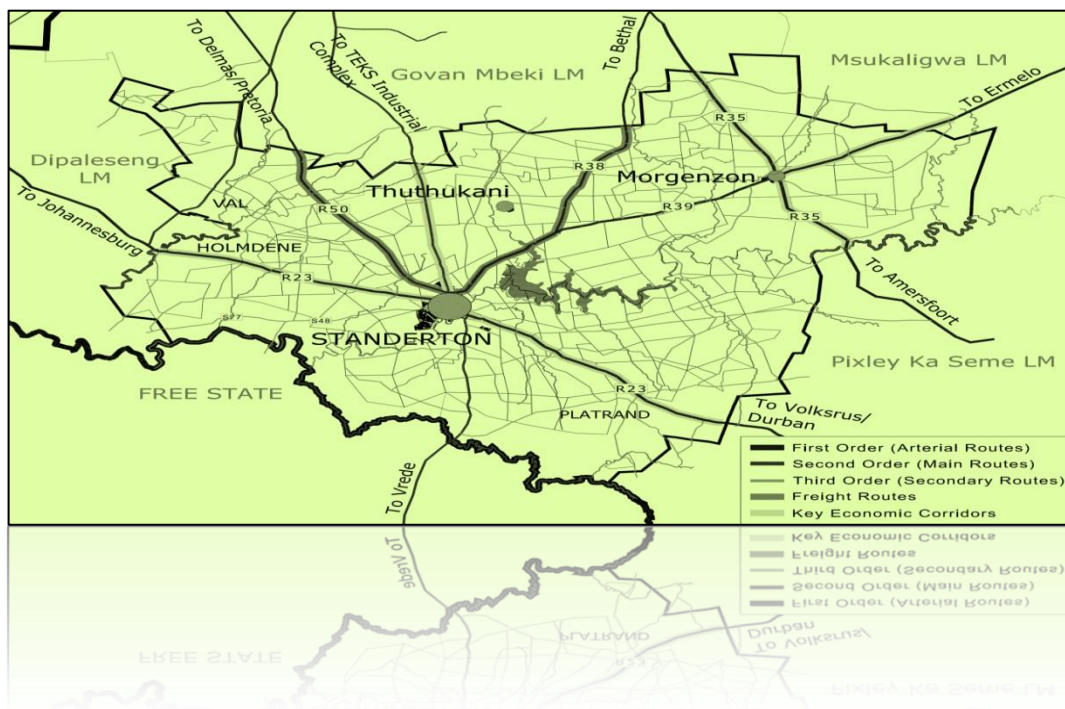


Figure 18: Road Networks

Several stretches of the road within the Municipality are either in a poor or very poor state. The following important roads within Lekwa have been identified as being in a poor state:

- Portions of the R23 west of Standerton;
- The 546 north of Standerton;
- The R50 north of Standerton;
- The R39 north-east of Morgenzon and The R547.

To maintain the critical coal haulage road network, the Mpumalanga Department of Roads and Transport (MDRT) has to spend virtually its entire budget on those stretches of road forming part of the coal network, most importantly the Carolina – Volksrust and the Bethal – Standerton corridors (being the overall busiest corridors). Consequently, tourism routes, public transport routes, and basic access roads in rural areas are being neglected.

Proper maintenance of the road network is of critical importance, as it provides economic linkages as well as access to different facilities. A poor quality road network negatively affects the economic and social development opportunities of an area. This is thus critical to address in order to development opportunities within the LLM.

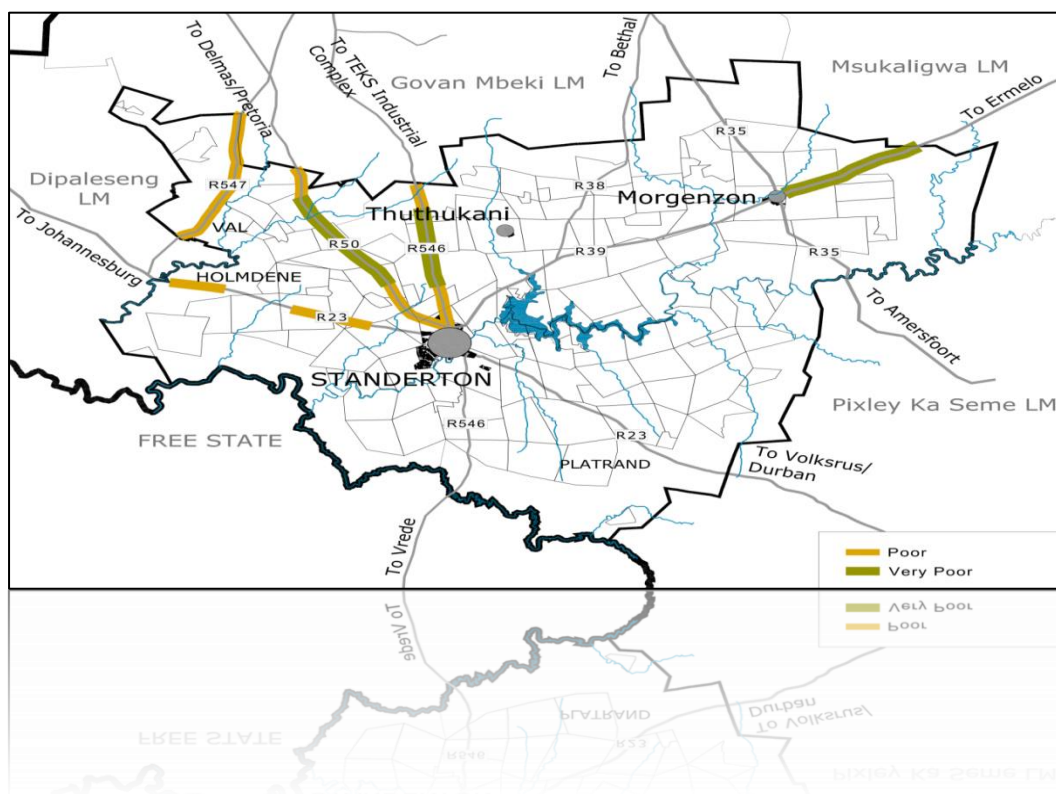


Figure 19: Road Conditions

Rail

The most important railway line is the Johannesburg – Durban passenger railway line (Shosholoz Meyl) which runs parallel to the R23. Standerton Station is one of only five stops between Johannesburg and Durban. Other stops are Germiston, Newcastle, Ladysmith and Pietermaritzburg. This is also a freight line.

This line diverts in the region of Standerton with a branch line leading to Vrede in the south (freight line) as well as a line that leads to Tutuka Power station, this line however is not currently in use as it is not electrified. There is another railway line in the eastern part of the LLM. It links linking Bethal to Volksrust via Morgenzon, Amersfoort, Daggakraal and Wakkerstroom/Sizameleni. This line is not currently in use.

To address the coal haulage problem the GSDM ITP (2008) proposes the establishment of a new 68km heavy haul rail line from Ermelo to the Majuba Power Station. Once commissioned, the rail line will replace the road-trucking of coal to Majuba. The line is due for completion in 2011, and will be funded and operated by ESKOM. Although rail has become unpopular over the past three decades due to a decline in the service offered, road conditions and the cost of road-based transport is introducing a shift back to rail.

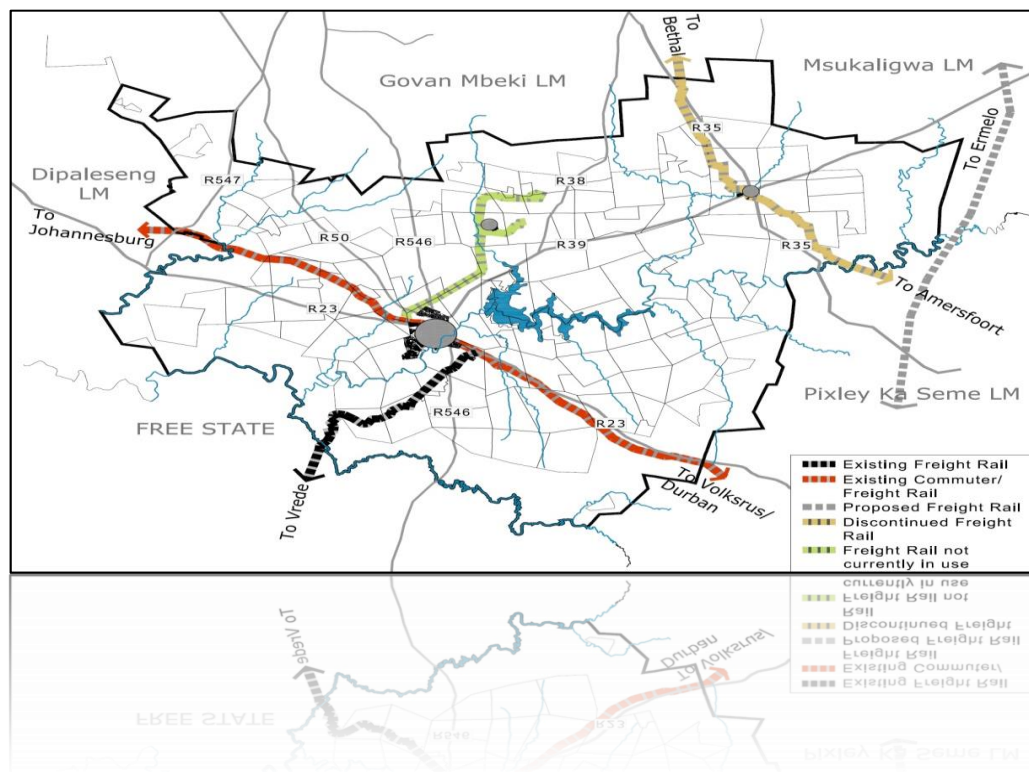


Figure 20: Rail Freight Networks

Summary of the Transportation

The analysis of the movement networks of the Lekwa LM reveals the following:

- The regional road network focuses on Standerton and Morgenzon.
- Most of these roads are important freight routes and economic corridors. However some of the main roads are in a poor condition and the secondary and tertiary networks suffer from the allocation of budgets to the main coal haulage routes. Bad quality roads have a negative impact on the economic and social development potential of the municipality.
- Although rail has become less important over the past couple of decades (trucks having become more popular), there is a movement back to greater rail usage and new railway lines are planned for the area. This will lessen the load on the road infrastructure.
- The Johannesburg-Durban passenger rail service stops at Standerton Station, one of only three stops along the route.
- A large percentage of the population make use of public transport. Public transport mostly connects Standerton with areas outside of the municipal area. The only two areas within the municipality that are connected via public transport are Standerton and Thuthukani.
- Most residents make use of non-motorised transport (mostly walking). The highest proportion of these residents resides in rural areas, where services and facilities are widely dispersed. This impact on their ability to access services and facilities.

2.8. INFRASTRUCTURAL SERVICES; WATER, SANITATION AND ELECTRICITY

This section is aimed to describe details of the bulk and connector infrastructure in each of the Municipal areas. The schematic layout of water and sanitation services for each of the municipalities is summarized in **Appendices B to G of the WSDP**, highlighting the point of abstraction and purification, bulk and secondary water distribution, the zone to which water is supplied and return flows to point of discharge.

The following sections briefly summarize all pertinent components in the water supply and sanitation infrastructure.

Brief functional description of existing main infrastructure components

The layout of the water and sanitation infrastructure in the different development centers is described in the diagramme in **Appendix E of the WSDP**. This Section is aimed in describing all pertinent water and sanitation infrastructure in the Lekwa municipal area.

Existing Groundwater Infrastructure

No information received from any ground water abstraction or water sources in the municipal area.

Existing Surface Water Infrastructure

General information	SW1	SW2	SW3
Component name (No ID)	Grootdraai Dam	Vaal River	Morgenzon Dam
Scheme name	(releases)	Direct abstraction	
Institutional status (Dam safety register no)	12/2/C114-02		
Current owner & operator	DWAF	DWAF	Lekwa
Future owner / WSA or WSP (If applicable)	DWAF	DWAF	Lekwa
Asset assessment			
Date constructed	1981		1930
Expected total lifespan	Usually 40 to 50 years from date of construction		
Estimated replacement value	No info	No info	No info
Annual operating cost	No info		In O&M budget
Annual maintenance cost	No info		
Type & capacity			
Catchment area (km ²)			
Full supply storage capacity (m ³)	364 million		0,81 million
Type of structure	Dam	River	Dam
Spillway capacity (m ³ /sec) / type	Ogee	N/a	
Total annual assured yield (m ³ /annum)	No info		No info
Can the dam capacity be increased? (Yes/No)	No info		No info
Capacity is available for development? (%)	Dam/river under stress		
Operation			
Dam safety registration (Yes/No)	Yes	N/a	No
% Allocation for domestic consumption	30 Ml/day		??

General information	SW1	SW2	SW3
% Of domestic allocation used	60%		
Is the abstraction registered with DWAF? (Yes/No)	Yes	Yes	Yes
When was the last dam safety inspection? (Date)	1989	N/a	No info
When was the last water restriction? (Date)	1985	1985	
How many water restrictions in the last 5 years?	None	None	
Functionality			
How well is the infrastructure maintained?	Regularly	Planned	
Are spare parts readily available? (Yes/No)	Yes	Yes	Yes
Number of breakages / failures per year	0	0	0
Describe the physical condition	Good		Good
What needs to be refurbished? (cost)	DWAF's resp		Uncertain
What needs to be replaced? (cost)	DWAF's resp		Uncertain

Existing Water Treatment (WTP) and Wastewater Treatment Works (WWTW) Infrastructure

Information on the WTPs and WWTP's at Standerton and Morgenzon are included in the following tables.

General information	WTP1	WTP2
Component name (No ID)	Standerton WTP	Morgenzon WTP
Scheme name	Water supply	Water supply
Institutional status		
Current owner & operator	Lekwa	
Future owner / WSA or WSP (If applicable)	Lekwa	
Asset assessment		
Date constructed	1908	1998
Expected total lifespan	20 yrs	50 yrs
Estimated replacement value	R20 million	R6 million
Annual operating cost	R3,4 million + 0,75 m electr	R 0,7 m
Annual maintenance cost	R188 000	R42 000
Type & capacity		
Type of plant (description)	Sand Filter	Sand Filter
Water source (purchased, ground, surface)	Surface	Surface
Physical water quality: Turbidity	11 – 280 NTU	11 – 280 NTU
Chemical causing quality problem (>10 mg/l)	See quality reports in Appendix E	
Design Capacity (MI)	27	1,8
Capacity is still available for development? (%)	35%	62%
Operation		
Total volume of water treated per year (MI)	6205	255
Operating hours per day	11 – 13	10
How often is water quality monitored?	Daily	Daily

What laboratory is used?	Waterlab and own facility	Waterlab and own facility
% Of the time that water is chlorinated	100%	100%
% Of water lost through process eg. Waste water	220 kl/day	50 kl/day
Functionality		
Describe the physical condition	Good	Good
How well is the infrastructure maintained?	Planned and demand	Planned and demand
Are spare parts readily available?	Yes	Yes
Number of breakages / failures per year	Never	Never
What needs to be refurbished? (cost)		
What needs to be replaced? (cost)	Pumps - R1,2 million Meters – R 120 000	

Waste Water Treatment Works

General information	WWTW1	WWTW2
Component name (No ID)	Standerton	Morgenzon
Scheme name	Standerton sewage	Morgenzon sewage
Institutional status		
Current owner & operator	Lekwa	Lekwa
Future owner / WSA or WSP (If applicable)	Lekwa	Lekwa
Asset assessment		
Date constructed	1904, 1952, 1988	1935 (oxidation ponds only)
Expected total lifespan	20 yrs	To be upgraded 2002/03
Estimated replacement value	R35 million	R2 million
Annual operating cost	R2 539 880	R557 110
Annual maintenance cost	R172 370	R8 330
Type & capacity		
Type of plant (description)	Activated sludge and bio-filter	Oxidation ponds
Water source	Effluent	Effluent
Physical water quality: Turbidity/chemical	See quality test results in Appendix E	
Design Capacity (MI)	12	0,5
Capacity is still available for development? (%)	42%	0%
Operation		
Total volume of water treated per year (MI)	2 555	182
Operating hours per day	24	24
How often is water quality monitored?	Daily and weekly	4 times a year
What laboratory is used?	Own and Waterlab	Waterlab
% Of the time that water is chlorinated	100%	0%
% water lost through process eg. Waste water	0%	100%
Functionality		
Describe the physical condition	Good	Poor
How well is the infrastructure maintained?	Planned & on demand	Infrequent

General information	WWTW1	WWTW2
Are spare parts readily available? (Yes/No)	Yes	Yes
Number of breakages / failures per year	Few	Few
What needs to be refurbished? (cost)	R50 000	R2 000 000 DM funds
What needs to be replaced? (cost)	Wornout equipment	New rotational biofilter TP

Existing Pump Stations Infrastructure – Water

General information	PS1	PS2	PS3	PS4	PS5	PS6	PS7	PS8
Component name (no ID)	Supply Pumps to Keiser Str. Reservoir	Keiser Str. Reservoir to Booster Pumps	Raw Water Pump Station	Concor Reservoir to Elevated Tower	Morgenzon Pump Station	Supply Pumps to Concor Reservoir	Supply Pumps to New Standerskop	Supply Pumps to Old Standerskop
Scheme name	Standerton water supply					Standerton water supply		
Institutional status								
Current owner & operator	Lekwa							
Future owner / WSA or WSP (If applicable)	Lekwa							
Asset assessment								
Date constructed	1983	1983	1983	1983	1998	1984	1981	1908
Expected total lifespan	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs
Estimated replacement value	R180 000	R180 000	R600 000	R80 000	R150 000	R350 000	R350 000	R400 000
Annual operating cost	Costs included in the annual water treatment budget							
Annual maintenance cost	Included in annual maintenance budget							
Type & capacity								
Number of pumps	2	2	3 + 3 + 2	2	2	3	3	2
Pumping head (m)	83	45	30	22	60	64	100	122
Discharge rate (MI/day)	1,3 MI/day	1,3 MI/day	17 MI/day	0,15 MI/day		2,441 MI/day	7,027 MI/day	2447 MI/day
Pump station Kilowatt	2 x 90	2 x 37	6 x 20 & 2 x ?			3 x 90	3 x 132	2 x 135
Motor speed	2 x 1460	2 x 1445	1450	1450	1470	3 x 1470	3 x 1474	2 x 1472
Type of power supply	Electricity							
Type of superstructure	Concrete and brick							
Capacity still available for development (%)	62%	66%	37,5%			64%	21%	48,5%
Operation								
Operating hours per day	16	24	24	16	10	16	16	16
Any standby pumps available? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Functionality								
Describe the physical condition	Good	Good	Submersible pumps poor	Good	Good	Good	Good	Good
How well is the infrastructure maintained?	Demand and planned							
Are spare parts readily available? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of breakages / failures per year	< 1	< 1	1 on each	< 1	< 1	< 1	< 1	< 1

General information	PS1	PS2	PS3	PS4	PS5	PS6	PS7	PS8
			submersible					
What needs to be refurbished? (cost)	Pumps	motors		Nothing				
What needs to be replaced? (cost)			Submersibles R1,2 million					

Existing Pump Stations Infrastructure - Sewage

There is from the schematic diagramme in (WSDP) one submersible sewer pump station in the Standerton sewage network. No information on this component was made available.

Existing Bulk Pipeline Infrastructure

General information	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10
Component name (no ID)	WTW to Concor Reservoir	WTW to New Standerskop Reservoir	WTW to Old Standerskop Reservoir	WTW to Kieser Street Reservoir	Standerskop Old Reservoir to Standfiled Hill Pressure Zone	Concor Reservoir to Kieser Street Reservoir	Schwickard Street to Kieser Street Reservoir	Kieser Street to Standfiled Hill Reservoir	WTP to Erdzak	Morgenzon WTP to network
Scheme name	Standerton water supply									Water suppl
Institutional status										
Current owner & operator	Lekwa									
Future owner / WSA or WSP	Lekwa									
Asset assessment										
Date constructed	1984	1981	1950	1940	2001	1983	1940	1987	2002	1998
Expected total lifespan										
Estimated replacement value	R5 million	R6,5 million	R6,3 million	R2,1 million	R2,6 million	R3,6 million	R1 million	R1,6 million	R6,4 million	
Annual operating cost	Included in the R 3,4 million for water treatment									
Annual maintenance cost										
Type & capacity										
Pipe material (Most common)	AC	AC	Steel	Steel	uPVC	AC	AC	AC	uPVC	AC + PVC
Avg. Diameter (mm)	300	450	300	300	400/300/200	400/300/200	200	200	355	200
Avg. Pipe Class	Class D	Class D				Class D	Class 18	Class D		Class D
Avg. Discharge rate (m³/sec)	0,056									
Total Length above ground (m)	0	0	No info							
Total Length below ground (m)	5500 m	6500 m	7000 m	30 km	3,4 km	4,8 km	1,5 km	2,4 km	7,1 km	5 km
Total Length of river crossings (m)	0	150								
Total Length of road crossings (m)	100	0								
Capacity available for development	50%	50%	No info							
Operation										
Is there any leakage control? (Pressure regulation) (Yes/No)	No	1 x PRV		No	NO	No	No	No	No	No
Illegal connections to date?	0	0		0	0	0	0	0	0	0
Have servitudes been registered?	none									

General information	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8	Zone 9	Zone 10
Functionality										
Describe the physical condition	Good	Good	Fair	Fair	Good	Good	Fair	Good	Good	Good
How well is the infrastructure maintained?	Demand and planned	Demand and planned		Demand and planned	Demand and planned	Demand and planned	Demand and planned	Demand and planned	Demand and planned	Demand and planned
Are spare parts readily available?	Yes	Yes		Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of breakages / failures /a	0,05	0,05								1
What needs to be refurbished? (cost)			Replace Steel with PVC							
What needs to be replaced? (cost)	R700 000	R400 000	R400 000							

Replacement and new installations include meters and PRV installations

Existing Reservoir Infrastructure

General information	RES 1	RES 2	RES 3	RES 4	RES 5	RES 6	RES 7	RES 8	RES 9
Component name (No ID)	Concor Reservoir	Concor Tower	New Standerskop 1	New Standerskop 2	Old Standerskop	Kieser Street Square	Kieser Street Round	Morgenzon Reservoir	Morgenzon Tower
Scheme name	Standerton water supply							Morgenzon water supply	
Institutional status									
Current owner & operator	Lekwa								
Future owner / WSA or WSP	Lekwa								
Asset assessment									
Date constructed	1984	1984	1978	1978	1950	1908	1940	1998	1950
Expected total lifespan	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	
Estimated replacement value	R6 million	R1,8 million	R6 million	R6 million	R6 million	R1,6 million	R1,6 million	R3 million	R1,8 million
Annual operating cost	Included in the water treatment costs								
Annual maintenance cost	Included in the annual maintenance costs								
Type & capacity									
Reservoir elevated or ground	Ground	Elevated	Ground	Ground	Ground	Ground	Ground	Ground	Elevated
Type of material	Concrete	Concrete	Concrete	Concrete	Concrete	Concrete	Concrete and steel		
Reservoir capacity (MI)	10	0,15	10	10l	9	1,46	1,55	5	1,5

General information	RES 1	RES 2	RES 3	RES 4	RES 5	RES 6	RES 7	RES 8	RES 9
Bulk or reticulation reservoir?	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation
Capacity available for development	53,7%	93%	29,72%	29,72%	45,62%	20,6%	25%		
Operation									
Storage factor (x daily use)	4634 m³/day	10 m³/day	7028 m³/day	7028 m³/day	4894 m³/day	1159 m³/day	1159 m³/day		
Functionality									
Describe the physical condition	Good	Good	Good	Good	Good	Good	Good	Good	Fair
How well is the infrastructure maintained?	Demand planned	Demand planned	Demand planned	Demand planned	Demand planned	Demand planned	Demand planned	Demand planned	Demand planned
Spare parts readily available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of breakages / failures / y	0	0	0	0	0	0	0	0	0
What needs to be refurbished? (cost)	Nothing with no costs								
What needs to be replaced? (cost)	No info received								

Existing Reticulation Infrastructure

No information was received on reticulation components, both water and sewer. Lekwa Municipality acts as owner and operator and are responsible to maintain their entire reticulation network.

Transfer Schemes

The local municipality is not dependent on their water supply from any transfer schemes operative in the area.

Schemes to be transferred

No record of any water or sanitation scheme to be transferred into the asset register of the Lekwa Municipality.

Schemes to be rehabilitated

The following schemes or components of schemes need to be rehabilitated:

Scheme Name	Component name	Refurbishment needs	Feasibility checked (Y/N)	Scheduled date	Estimated cost
WTP to Old Standerskop	Water supply	Pumping main to Old Standerskop Reservoir – replace steel with PVC class 18	Yes	2004	R7 280 000
Sakhile / Sewer Plant	Sewage system	Land rehabilitation	Yes	2003	R 800 000

Future Bulk Water Supply Infrastructure

Type of scheme	Developer	Short description	Feasibility checked (Y/N)	Scheduled date	Estimated cost
Farm Rooikoppen		Reticulation	Yes	Unknown	R4 625 00
Standerton Ext 6	Internal	Reticulation	Yes	Aug 2002	R1 500 000
Standerton Ext 6	Golden Nest	Reticulation	Yes	Aug 2002	R1 250 000 (3)
Informal Areas (1)	Internal	Reticulation	Yes	Mar 2003	R1 000 000
Siphon Sivukile	Internal	Reticulation	Yes	Nov 2002	R500 000
Erdzak	IT trust (2)	Reticulation	Yes	2004	R3 750 000
Erdzak		Bulk water main	Yes	2003	R1 700 000
Erdzak		Reservoir 5 MI	Yes	2003	R3 800 000
Erdzak		Elevated tower 0,3 MI	Yes	2003	R1 200 000
Erdzak		Pump station	Yes	2003	R1 500 000
Erdzak		Gravity main	Yes	2004	R800 000
Erdzak		Bulk water main	Yes	Mar 2003	R700 000
Rural Wards x3	Internal	Boreholes	Yes	2003	R1 450 000
Bulk metering	Internal	Bulk meter installation	Yes	2003	R1 300 000
WDM	Internal	PRV installation	Yes	2003 / 04	R800 000

- Note Metroplan is busy with planning on township developments
 - o IT Trust is a Chinese based developer
 - o Funding from the Provincial Department of Housing

Type of scheme	Component	Short description	Feasibility checked (Y/N)	Scheduled date	Estimated cost
Morgenzon		Sewer purification plant	Yes	Nov 2002	R2 000 000
Sivukile		Sewer reticulation	Yes	Nov 2002	R500 000
Farm Rooikoppen		Sewer reticulation	Yes	Unknown	R5 580 000
Informal settlements		Sewer reticulation	Yes	Unknown	R6 000 000
Erdzak	IT Trust	Bulk sewer	Yes	2004	R2 000 000
Rural Wards x3		School & communities	Not yet	2003	R 500 000

The Municipality is busy planning and investigating further funding options aimed at more efficient operation of their infrastructure and to uplift previously disadvantaged communities in their area

ELECTRICITY

The average age of electrical networks and substation equipment in Lekwa electrical distribution area is 40 years. Reliable and efficient life-time of these networks and substations, however is only 20 years.

During November and December 2013, an extremely high rate of network cable failure were experienced in Sakhile, as well as four (4) medium voltage isolators lost in Sub A, Sakhile. In Receiving sub, the main substation in Sakhile, only seven (7) of the nine (9) medium voltage circuit breakers is currently in working condition and operational, placing extreme stress on ring circuit networks.

The electrical section further had to deal with accumulated complaints regarding streetlight faults in Stanwest, Standerton and Meyerville, due to trees causing tripping of circuits as well as abnormal electrical outages on rural lines, especially the Rooikoppen farm line feeding some of the highest consumption rural consumers. Interventions done recently

- A new 70mm XLPE cable, with length of 105m was installed between Mini sub S4 and Mini sub D to remove old cabling with numerous joints,
- Installation of 60m ABC cables between Tutu mini and Mini sub Z and,
- A 20m jumper cable between Mini sub Q and Sakhile extension 4 overhead line was installed to assist in emergencies.

3 PROPOSED SHORT TERM INTERVENTION TO STABILIZE SAKHILE:

The following upgrades to Council owned electrical network and substations in Sakhile are recommended:

- Upgrading of both Receiving sub and Sub A, Sakhile to the estimated amount of R4, 000,000.00.
- The 40 year old XLPE medium voltage underground cables, with a reliable life-time of only 10 years, needs to be replaced as a matter of urgency, in preventing unplanned, forced

interruption leading to excessive overtime booked by electrical personnel. The replacement of the existing cable network can be done in phases, spanned over 5 phases and 3 years, with phase one (1) including the installation of additional supply cable and upgrading of existing cable to the estimated amount of R 6,000,000.00.

- Replacement of 1,8km of Old bundle conductor which has many joints, with a naked conductor with an estimated amount of R300,000.00
- Intensive maintenance and repair of high mast lights throughout greater Sakhile and Sivukile needing an estimated amount of R 300,000.00

OTHER MEDIUM TERM INTERVENTIONS

The following upgrades is recommended for Stanwest, Standerton and Meyerville :

- Due to resistance experienced from the community when attempting pruning of pavement trees and budget constrains limiting the pruning of said trees, it is suggested that the low voltage overhead network be replaced by insulated Air Bundle Conductor (ABC), to ensure compliance to the Occupational Health and Safety Act, regarding safe clearance distance to electrical wires. This exercise may also be done in phases, proposing the replacement of old and under capacity copper conductors with ABC, to be replaced first, making capacity available for new developments. Estimated cost – R 15,000,000.00 which can be broken down to R 3,000,000.00 per year over the next 5 years.

Urgent replacement of streetlight fitting on main route through town – replace existing 250 watt fittings with new 145 watt LED, energy efficient fittings which will result in a cost saving on energy consumption due to lower energy demand by LED lighting fittings. Estimated cost – R 600,000.00

Upgrading of medium voltage overhead lines to ensure efficient and reliable supply to rural consumers

- Upgrading of the rural network may also be done in phases over 5 years with an estimated cost of R25,000,000.00
- Upgrading of Rooikoppen rural line to the amount of R 2,000,000.00

The municipality is therefore requesting Gert Sibande District Municipality to provide an advanced funding of R10, 000,000.00 from the 2014/2015 allocation meant for assisting the municipality in dealing with current electricity.

.9. STATE OF THE NATION ADDRESS (SONA) THE LAST FIVE YEARS

Five years. That's how long President Jacob Zuma has called the Union Buildings home. He delivers his sixth state of the nation address this evening. We've spent some time tracking his previous five addresses for you.

2009	2010	2011	2012	2013
<ol style="list-style-type: none"> 1. Outlines 10 priority areas 2. Economy enters recession – never really recovers to growth levels of President Thabo Mbeki's administration. Business, labour and government establish a team to respond to global financial crisis. Announces R787-billion infrastructure drive 3. Promises to bring down cost of telecoms and expand broadband – this promise is consistent across the five years 4. Raises transformation of the judiciary 	<ol style="list-style-type: none"> 1. 10 priorities slimmed to five: 2. Education, health, rural development and land reform, decent work and fighting crime 3. State intervention in economy emerges as key theme 4. Ramps up social grants to children over 14 bringing grants to two million more young people Companies in distress fund grows to R6 billion – managed by IDC 5. Infrastructure budget grows to R846 billion 6. Announces hospitals programme 7. Announces Further Education and Training Programme Promises to increase broadband speed and lower communications costs 8. Local government is an Achilles' heel 	<ol style="list-style-type: none"> 1. Praises independent judiciary and media 2. Promises to ramp up social grants – consistent across addresses 3. Targets six areas of employment growth: infrastructure, development, agriculture, mining and beneficiation, manufacturing, green economy and tourism. Green economy, tourism and infrastructure respond but not the other three 4. Jobs Fund of R9 billion announced as well as an incentives suite – does not boost growth or employment meaningfully 5. Announces state-owned mining company 6. Announces digital migration – still far from achieved 7. Annual national assessments begin 8. Local government is an Achilles' heel 	<ol style="list-style-type: none"> 1. Says unemployment structural since seventies 2. National Development Plan makes first appearance » Jobs Fund disburses R1 billion 3. Mining highlighted – committed to favourable and globally competitive mining sector (this is read as the line that dismisses nationalisation rhetoric) Infrastructure raised as positive again – commission and summit announced 4. High electricity prices to be tackled 5. Promises to amend BEE laws – has been done 6. Promises to amend procurement processes – a chief procurement officer is announced 	<ol style="list-style-type: none"> 1. National Development Plan takes pole position in the speech 2. Address adopts the NDP goal of 11 million jobs by 2030 – just under half a million a year. We are way behind 3. Infrastructure budget grows to R860 billion – successes include solar water geysers and De Hoop dam 4. Train and bus production highlighted as new manufacturing industries – part of Transnet recapitalisation 5. Re-opening of land claims announced 6. Local government as a weakness is stripped out. Instead, the president announces that cases involving protest violence and vandalism will be fast-tracked across the criminal justice system. 7. A systemic response (fix local government) gives way to a law and order response 8. The president says mining has faced difficulties and spends only one line on Marikana

2.10. STATE OF THE PROVINCE ADDRESS FOR THE LAST FIVE YEARS (SOPA)

Creating decent work and sustainable livelihoods	Rural Development, Land and Agrarian Reform	Improving the quality of education	Improving the health profile for all	Fighting against Crime	Integrated Human Settlements	Expanding access to basic services	State of Local Government in the Province	Support to the Institution of Traditional Leadership	Building a capable, democratic, developmental state
<p>Approximately 70 000 to 80 000 jobs to be created annually.</p> <p>This increase in employment, was mainly driven by the Community services sector, which created approximately 52 000 jobs.</p> <p>The Finance sector added approximately 31 000 jobs, utilities added 14 000 and Mining generated an additional 23 000 jobs.</p> <p>Through the Expanded Public Works Programme, we also managed to create a total of 270 807 work opportunities between 2009 and 2013, particularly for the poor.</p>	<p>We prioritise agriculture as one of our key sectors, we should ensure that we:</p> <ul style="list-style-type: none"> • Provide comprehensive support to farmers for targeted commodities • Prioritise land reform farms to increase production • Invest in irrigation schemes for sustainable production • Provide comprehensive support to small scale farmers and cooperatives • Establish a fresh produce market for local and international markets • Implement targeted skills development programmes in the sector 	<p>To further improve the quality of Mpumalanga's education system by:</p> <ul style="list-style-type: none"> • Expanding access to ECD in centres that boast appropriate infrastructure and are staffed by competent, qualified and dedicated ECD practitioners; • Broadening and deepening our investment in teacher training – thereby ensuring that our learners engage with competent, qualified teachers, especially in the Maths Science and Technology subjects; • Ensuring that our future innovators, mathematicians, engineers and scientists are able to hone their skills and expertise in appropriately resourced classrooms, laboratories and computer centres; • Developing 	<p>The implementation of the National Health Insurance Programme it is critical that the Province continues to address the following crucial areas of our healthcare system. These include:</p> <ul style="list-style-type: none"> • Strengthening the quality of leadership at all levels, especially the management and leadership of hospitals; • Ensuring that all health facilities meet National Core Standards, • Providing quality infrastructure and equipment in line with prescribed standards, • Establishing dedicated maintenance teams in order to ensure the ongoing maintenance of health facilities, • Appointing and retaining suitably 	<p>The ANC –led government's initiatives have yielded the following results:</p> <ul style="list-style-type: none"> • Total contact crime cases reported in 2009/10 were 44 353 and this number has been reduced to 34 142 in 2012/13. This signifies a 23% reduction in contact crime. • Of the seven categories of contact crime, four have shown a consistent decrease during this period, that is, Attempted Murder, Assault, Grievous Bodily Harm and Robbery. • There is a general decrease in the other categories of crime including cases of Arson, Malicious damage to property, stock theft, shoplifting, car and truck hijacking. • This can be attributed, in part, to the social crime prevention 	<p>Integrated human settlements embody our national vision as premised on the Freedom Charter which states that: "There shall be Houses, Security and Comfort! All people shall have the right to live where they choose, be decently housed, and to bring up their families in comfort and security..."</p> <p>Despite these initial challenges, we can report that:</p> <ul style="list-style-type: none"> • We have constructed 29 488 housing units. This figure includes 6 388 incomplete units that were prioritised through the establishment of the Provincial Rapid Implementation Unit. • The Breaking New Ground (BNG) programme is progressing well at Klarinet. We are pleased to report that in Klarinet 2272 sites have been serviced, 1 	<p>We have succeeded in addressing the many challenges facing our province. Millions of our people now have basic services like water; sanitation; refuse removal; electricity; housing; education; health care and other services.</p> <p>Our recent municipal annual reports indicate that we have achieved:</p> <ul style="list-style-type: none"> • An increase of water provision from 77.1% to 94.9% (1 021 076) households; • An increase of access to sanitation services from 53.9% to 95.6% (1 028 606) households; • An increase of access to electricity from 81.7% to 89.8% households; and • An increase of access to refuse removal services from 41.5% to 54% (544 069) 	<p>The ANC led government firmly believes that we will turn local government around and change people's experience of services and governance. Let's all join hands and make local government everybody's business.</p> <p>Our journey continues:</p> <ul style="list-style-type: none"> • We will enhance the quality of leadership at political and administrative levels in local government, • We will ensure that households progressively gain access to sustainable and reliable basic services. • We will accelerate the current bulk water and sanitation interventions, • We will improve public trust in local government through active and deliberate citizen engagement. 	<p>The Province has committed itself to strengthening the role of the institutions of Traditional Leadership to be at the centre of development in their areas of jurisdiction. We have enjoyed good working relations with the Institution of Traditional Leadership and the communities in their areas of jurisdiction. We have seen improved participation in our education programmes, CRDP interventions and healthcare initiatives. Working together with Amakhosi, the ANC led government has increased the number of traditional</p>	<p>We believe that good governance is at the heart of a developmental state that has a responsibility to transform society for the better. In order to succeed, we require sound and consistent leadership and a cadre of competent public servants united in their efforts to mobilise, apply and coordinate "all available resources in the public, private and voluntary sectors in the most effective, efficient and democratic way."</p> <p>We have established effective governance structures to entrench a strong culture of performance and accountability.</p> <ul style="list-style-type: none"> • We have ensured that we strengthen systems of internal

		<p>infrastructure funding and delivery models and partnerships that eradicate the lingering backlog and pave the way for future centres of teaching and learning excellence;</p> <ul style="list-style-type: none"> • Intervening, mentoring and partnering where necessary to improve the systems and results at underperforming schools; and • Supporting school governance, leadership and functionality through dedicated, strategic partnerships with the broader institutions, communities and stakeholders that constitute a child's overall learning environment. 	<p>qualified professionals in critical areas of health care delivery, and</p> <ul style="list-style-type: none"> • Strengthening primary health care and improving the implementation of the referral system 	<p>programmes rolled out to priority stations and the community safety forums and policing forums that we have established and maintained</p>	<p>749 subsidised houses have been completed and we have managed to secure and transfer 170 ABSA bonded houses as part of the GAP market.</p> <ul style="list-style-type: none"> • We have increased access to social housing (PHP) to 14 436 as part of the comprehensive rural development programme. • We have completed beneficiary identification in all municipalities. • We have completed a provincial audit on housing infrastructure delivery challenges in the 18 local municipalities. • We have secured 1 893.5ha (28 portions) of well suited land for integrated human settlements; and • We have delivered 711 rental units for those people who are earning between R3 500 and R12 000 a month but cannot be granted a bond. <p>True to our ideals as espoused in the Freedom Charter our task to ensure decent living conditions and sustainable human settlements remains on course. The following key initiatives will be undertaken as we move forward:</p>	<p>households.</p>	<ul style="list-style-type: none"> • We will continue to appoint competent and committed staff and where necessary train and redeploy, • We will continue tackling corruption within local government, • We will continue to strengthen the work of the Institution of Traditional Leadership, especially its developmental role, as part of our governance system. 	<p>councils from 59 to 61.</p>	<p>financial controls for improved transparency and accountability;</p> <ul style="list-style-type: none"> • We have improved our financial and supply chain management processes to prevent the unnecessary delays and wastage that ultimately impact negatively on the very communities we aim to serve; • We have put systems in place to ensure that small businesses are paid within 30 days. Where this has not happened, we have followed up and acted against the relevant Departments; • We have provided targeted support to struggling departments and municipalities to ensure that all government institutions improve financial management systems and progressively achieve better audit outcomes; • The introduction of the Rapid Implementation Unit has provided the necessary impetus to our
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					<ul style="list-style-type: none"> • Accelerate the provisioning of housing opportunities for deserving households in rural and urban areas, • Implement the Human Settlements Master Plan, • Provide basic services and bulk infrastructure, • Increase access to affordable housing and • Implement the Breaking New Ground (BNG) model 				<p>accelerated delivery of key infrastructure projects, including the delivery of houses, the construction of health infrastructure, and the renovation of school infrastructure;</p> <ul style="list-style-type: none"> • We have institutionalised monitoring and evaluation systems to enhance accountability for performance and results; • We have taken steps to provincialise the key precepts of the National Development Plan, and in so doing we have established a foundation for institutionalised long term planning to guide the Province's growth and development trajectory over the next 20 years.
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2.11. WARD BASED ASSESSMENT IN TERMS COMMUNITY ISSUES

The IDP/Budget consultation and public participation process only began in November 2013 and were completed in the very same November 2013, the Executive Mayor, MMC's for different portfolios, together with the respective Ward Councillors concerned, PR Councillors who were available and Executive Managers as well as Divisional Managers visited all the 15 wards with the aim of emphasizing on the Government's programmes, the importance of meeting the Millennium Targets, improvement in service delivery and ensuring better life for all residents within Lekwa Local Municipality. Community members who attended the consultations highlighted the following development and infrastructural challenges confronting them per ward:

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
WARD ONE 1	ISSUES RAISED	PROGRESS MADE	CLLR. MS KHUMALO-RADEBE	LB TSHABALALA (MUNICIPAL MANAGER) (OFFICIALS)	YOUTH CENTRE 11/11/2013
	Access road to Razmataz	Not achieved yet	STAUS QUO	Progress	Plan of Action
	High-mast lights in Seboloka and Sebilane streets;	One high mast light installed and functional at Sebilane	<p>Water The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.</p> <p>The Standerton water Treatment works is under refurbishment and will be completed by end June 2014.</p> <p>Sanitation The Standerton Waste Treatment is currently being refurbished and will be functional by the end of June 2014.</p>	<p>Water The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.</p> <p>Sanitation The refurbishment of the Standerton Waste Water Treatment</p>	<p>Water To supply continuous uninterrupted water to the community.</p> <p>Sanitation. Completion of the Standerton Waste Water Treatment works by end of June 2014.</p>
	Paving of Gwembe street	Not achieved yet			
	Naming and renaming of streets;	Some streets has been successfully renamed and others has failed e.g. Bekezela and Weteza street			
	Construction of storm-water structures	Not achieved yet			
	Title deeds;	The municipality is looking at options to task a private company to do the job of title deeds			
	Gravelling of roads	Borrow pit still to be identified for roads gravelling			
	Toilets and water in Extension 2	Sanitation and water projects was completed			
	Community halls	Temporarily, the ward is expected to share this service			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
		with ward as the budget is prioritized for water and sanitation this financial year			
WARD TWO 2	ISSUES RAISED	PROGRESS MADE	CLLR.LBR DLAMINI (SPEAKER)	LB TSHABALALA (MUNICIPAL MANAGER) (OFFICIALS)	YOUTH CENTRE 12/11/2013
	Paving of roads leading to school such Thobelani and Janrell entrances and other streets	Not yet achieved	STAU QUO	Progress	Plan of Action
	Construction of storm-water structures	Two storm-water projects have been completed; One is under-construction in Sivunjatshe, Dladla and Sebiloane street	Water The current water quality is within acceptable standard and water supply is consistent as there are no water shortages. The Standerton water Treatment works is under refurbishment and will be completed by end June 2014. Sanitation The Standerton Waste Treatment is currently being refurbished and will be functional by the end of June 2014.	Water The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%. Sanitation The refurbishment of the Standerton Waste Water Treatment plant	Water To supply continuous uninterrupted water to the community. Sanitation. Completion of the Standerton Waste Water Treatment works by end of June 2014.
	Upgrading of electricity substations	Upgrading of Electricity Substation- A study has been concluded that require an amount of R140Million for the whole of Lekwa wards			
	Free application of title deeds	The municipality is looking at options to task a private company to do the job of title			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
		deeds			
	Naming of streets;	Some streets has been successfully renamed and others has failed e.g. Bekezela and Weteza street			
	Construction of speed humps	Speed humps were installed and Crime: Safety Committees has have been established			
	Provision of grazing fields	The municipality has successfully acquired portion 2 of farm Rooikoppen 408 IS for the development of an Agri-village for this purpose			
	RDP Houses	Pre-1994 Houses 25 has been built and completed			
	Recreational facilities (Swimming pool)	Swimming Pool- Project still not completed due to required additional funds			
WARD THREE 3	ISSUES RAISED	PROGRESS MADE	CLLR. M M NTULI	LB TSHABALALA (MUNICIPAL MANAGER)- (OFFICIALS)	STANWEST HALL-13/11/2013
	Upgrading of the Old Standerkop Reservoir	Still under construction as the new contractor has been appointed to complete the job	STAU QUO	Progress	Plan of Action
	Storm water at Mahala Park and Phalama	Construction and upgrading of storm-water network phase 2_ the project is completed	Water The current water quality is within acceptable standard	Water The Department of Water Affairs is currently assisting	Water To supply continuous uninterrupted water to the community.

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Gravelling of streets at Mahala Park	Borrow pit still to be identified for roads gravelling	and water supply is consistent as there are no water shortages.	Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.	Sanitation.
	Paving of roads	The link Road Gravelling of roads_ Roberts-drift link road is completed	The Standerton water Treatment works is under refurbishment and will be completed by end June 2014.	Sanitation	Completion of the Standerton Waste Water Treatment works by end of June 2014.
	RDP Houses	RDP Houses to be allocated the next financial year in terms of the successful applicants for Extension 8 and other areas, moreover 9. The municipality has the process of registration of beneficiaries for RDP houses for the 2014/2015 to 2016. The registration is per wards.	Sanitation The Standerton Waste Treatment is currently being refurbished and will be functional by the end of June 2014.	The refurbishment of the Standerton Waste Water Treatment plant	
	Highlight masts next to the Cemetery and Shovovo	2 High-mast lights were successfully installed in Mahala Park Ext 7			
	Sports, Recreational facilities and Multipurpose Centre	2 Combo courts were completed and a Soccer field completed			
	Title deeds	Municipality has transferred this function to Attorneys to try and produce Title Deeds			
WARD FOUR 4	ISSUES MADE	PROGRESS MADE	CLLR. L VAN RENSBURG	LB TSHABALALA (MUNICIPAL MANAGER)(OFFICIALS)	STANWEST HALL 14/11/2013
	Gravelling of roads;	Borrow pit still to be identified for roads gravelling	ST AUS QUO	Progress	Plan of Action

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Storm-water drainage in Azalea, Kosmos Street;		Water	Water	Water
	Gravelling and paving of roads in the new established area (Stan-west next to Osman Raydan);	Paving not prioritized for this financial year, but for gravelling Borrow pit still to be identified for roads gravelling	The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.	The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.	To supply continuous uninterrupted water to the community.
	Streetlights to be converted into High mast lights	Completed in the last financial year	The Standerton water Treatment works is under refurbishment and will be completed by end June 2014.	Sanitation	Sanitation.
	Building of RDP houses.	RDP Houses to be allocated the next financial year in terms of the successful applicants for Extension 8 and other areas, moreover 9. The municipality has the process of registration of beneficiaries for RDP houses for the 2014/2015 to 2016. The registration is per wards	Sanitation The Standerton Waste Treatment is currently being refurbished and will be functional by the end of June 2014.	The refurbishment of the Standerton Waste Water Treatment plant	Completion of the Standerton Waste Water Treatment works by end of June 2014.
	Construction of sidewalks and Storm water drainage systems	Not achieved yet			
WARD FIVE	ISSUES RAISED	PROGRESS MADE	CLLR. JB MOTHOPENG	LB TSHABALALA	YOUTH CENTRE
5				(MUNICIPAL MANAGER)(OFFICIALS)	15/11/2013
	Paving of Mfuphi ,Ngubeni and Selepe street	Not yet done; We are conducting a study on possible establishment of Borrow Pit in order to extract gravel for roads.	ST AUS QUO	Progress	Plan of Action

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Resolving of Phalama and Mandela Camp informal nature	The council took a resolution that basic services cannot be provided in informal settlements. We are looking at the possibility of resettling or removing these areas to other formally proclaimed areas like Ext 8.	Water The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.	Water The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.	Water To supply continuous uninterrupted water to the community. Sanitation. Completion of the Standerton Waste Water Treatment works by end of June 2014.
	Electricity and Toilets in Mandela Camp	The council took a resolution that basic services cannot be provided in informal settlements. We are looking at the possibility of resettling or removing these areas to other formally proclaimed areas like Ext 8.	The Standerton water Treatment works is under refurbishment and will be completed by end June 2014.	Sanitation The refurbishment of the Standerton Waste water treatment plant	
	Re-gravelling of Streets in Phalama	Not yet done; We are conducting a study on possible establishment of Borrow Pit in order to extract gravel for roads.			
	Youth development initiative	Skills development centre products in terms of Plumbers, Electricians. Fitters etc... As a result of MOU between Council and the Anglo-coal. <ul style="list-style-type: none"> • Job indaba • Youth summit • Bursary Budget approved • EPWP Budget approved • Council encourage the formation and 			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
		registration of Co-Operatives, SMME's etc... LED Forum.....			
	Request for RDP Houses	The municipality has the process of registration of beneficiaries for RDP houses for the 2014/2015 to 2016. The registration is per wards. Ward 3 is already been done and currently Ward 11 and 15 are being registered. In future the municipality will be conducting beneficiary registration quarterly with the purpose of registering all potential beneficiaries in			
	Request for storm-water drainage system	Not yet done			
WARD SIX 6	ISSUES RAISED	PROGRESS MADE	CLLR.ENK SHABANGU	LB TSHABALALA (MUNICIPAL MANAGER)(OFFICIALS)	SAKHILE HALL 18/11/2013
	Waste Management project	The following projects are in progress: Standerton Landfill Site, Waste Water Treatment plant, upgrading of storm-water networks and Standerton Sewer Treatment works;			
	Paving ring road Ext 1	Paving of roads for now has been stalled due to the reprioritisation process of basic services such as water,			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
		sanitation and electricity.			
	Available land for live stock	The issue of the grazing stock field has been referred to the Land Affairs, Till today an Agri-village has been established in portion 2 of Farm Rooikoppen 408IS and council has approved the village with 5000 square meter per stand. Only a letter is outstanding that will commit the municipality that it will provide bulk services to the village in order the ROD to be issued.			
	RDP houses shortage	<p>The municipality has the process of registration of beneficiaries for RDP houses for the 2014/2015 to 2016. The registration is per wards.</p> <p>Ward 3 is already been done and currently Ward 11 and 15 are being registered.</p> <p>In future the municipality will be conducting beneficiary registration quarterly with the purpose of registering all potential beneficiaries</p>	<p>Water</p> <p>The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.</p> <p>The Standerton water Treatment works is under refurbishment and will be completed by end June 2014</p>	<p>Water</p> <p>The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.</p> <p>Sanitation</p> <p>The refurbishment of the Standerton Waste water treatment plant</p>	<p>Water</p> <p>To supply continuous uninterrupted water to the community.</p> <p>Sanitation.</p> <p>Completion of the Standerton Waste Water Treatment works by end of June 2014.</p>
	Paving off all roads that goes through churches and schools	Paving of roads for now has been stalled due to the reprioritisation process of basic services such as water, sanitation and electricity.			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Storm water drainage at Kilarney	The following projects are in progress: Standerton Landfill Site, Waste Water Treatment plant, upgrading of stormwater networks and Standerton Sewer Treatment works			
	Fencing for Madi School	The issue of fencing of Madi Higher Primary School was referred to the Department of Education who promised to fence the school in their 2013/2014 budget;			
	Hostel project to be completed	Phase 2 of the Sakhile Hostels is completed			
	Paving of sidewalks at Palmer, Mncube, and Hlongwane Street	Sidewalks have been paved, Palmer Street and Hlongwane drive; Mncube drive is still outstanding			
	Highmast lights at Mtshali Street	High-mast light in Mtshali Street has been installed;			
	Sport and Recreational facilities next to Sakhile Hall and parking bays	Sport and Recreational facilities next to Sakhile Hall and parking bays were successfully constructed and completed.			
WARD SEVEN 7	ISSUES RAISED	PROGRESS MADE	CLLR.JP MASUKU	LB TSHABALALA (MUNICIPAL MANAGER)(OFFICIALS)	THUTHO-THEBE PRIMARY SCHOOL 19/11/2013
	Building of RDP houses including Ext 7	RDP houses were built however; The municipality has conducted beneficiary registration quarterly with the purpose of registering all potential beneficiaries in all wards.			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Available site for training Centre of senior citizen at Old Khunjuliwe	Not achieved yet	Status quo	Progress	Plan of Action
	Creation of sports facilities	Sports facilities were not achieved, but communities are requested to share with neighbouring wards for time being	<p>Water</p> <p>The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.</p> <p>Sanitation</p> <p>The Standerton water Treatment works is under refurbishment and will be completed by end June 2014</p>	<p>Water</p> <p>The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.</p> <p>Sanitation</p> <p>The refurbishment of the Standerton Waste water treatment plant</p>	<p>Water</p> <p>To supply continuous uninterrupted water to the community.</p> <p>Sanitation.</p> <p>Completion of the Standerton Waste Water Treatment works by end of June 2014</p>
	Requesting Free title deed	Municipality has transferred this function to Attorneys to try and produce Title Deeds			
	Building of a youth Centre with library	Library is not the municipal function but it has been referred to the relevant sector department Art, Sports and Culture Department			
	Creation of a passage to buffer zones	Not Achieved yet			
	Highlight mast	2 High-mast lights were successfully installed in Mahala park & Ext 7			
WARD EIGHT 8	ISSUES RAISED	PROGRESS MADE	CLLR. VAN DER WALT	LB TSHABALALA (MUNICIPAL MANAGER)(OFFICIALS	ESKOM HALL 20/11/2013
	Closing of open manholes;	Meeting did not take place as	Status quo	Progress	Plan of Action

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
		scheduled All of the listed issues raised are municipal operational issue and cannot be regarded as capital in nature			
	Security on playground (installation of Palisades);		Water	Water	Water
	Closing of escape routes (especially Secunda road);		The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.	The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.	To supply continuous uninterrupted water to the community.
	Landfill site that has become hazardous to the community;		Sanitation	Sanitation	Sanitation.
	Electricity cut-off, no proper notice issued to residence before electricity cuts-off;		The Standerton water Treatment works is under refurbishment and will be completed by end June 2014	The refurbishment of the Standerton Waste water treatment plant	Completion of the Standerton Waste Water Treatment works by end of June 2014
	Construction of a English medium school				
WARD NINE 9	ISSUES RAISED	PROGRESS MADE	CLLR MR TSHABALALA	LB TSHABALALA (MUNICIPAL MANAGER) (OFFICIALS)	KWABHOKORO 17/11/2013
	Water in Rural Areas	Council has provided Boreholes, VIP and electricity in ward nine			
	Electricity and High mast lights	electricity has been provided in ward nine			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Employment Opportunities: Bokoro Bricks project	Not achieved			
	Permanent Clinic in Ward 9	Not achieved			
	Gravelling of Roads in Rural Areas	Not achieved			
	RDP Houses in Rural Areas	Not achieved			
	Land for RDP Houses in Rural wards	Not achieved			
	Mobile Clinics to adhere to visiting schedule	Matter has been referred to the health department to attend to			
	VIP toilets	VIP toilets has been provided			
	Grazing land	The issue of the grazing stock field has been referred to the Land Affairs, till today an Agri-village has been established in portion 2 of Farm Rooikoppen 408IS and council has approved the village with 5000 square meter per stand. Only a letter is outstanding that will commit the municipality that it will provide bulk services to the village in order the ROD to be issued.			
WARD TEN 10	ISSUES RAISED	PROGRESS MADE	CLLR. PT SCHNETLER	LB TSHABALALA	TOWN HALL 22/11/2013

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
				(MUNICIPAL MANAGER) (OFFICIALS)	
	Infrastructure maintenance for water, sanitation, electricity and municipal roads	NB: Ward Consultation meeting did not take place as scheduled on the following date 22/11/2013	Status quo	Progress	Plan of Action
	Improving the capacity of sewer treatment plant or works		Water The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.	Water The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.	Water To supply continuous uninterrupted water to the community.
	Breaching of electricity and non-functionality of Street lights				Sanitation.
	Roads decaying Walter Sisulu ,Mandela drive and Borman and overall potholes in town		Sanitation The Standerton water Treatment works is under refurbishment and will be completed by end June 2014	Sanitation The refurbishment of the Standerton Waste Water Treatment Plant	Completion of the Standerton Waste Water Treatment works by end of June 2014.
	Education development and a high need for more medical practitioners in Standerton Hospital				
WARD ELEVEN 11	ISSUES RAISED	PROGRESS MADE	CLLR. AS NGWENYA	LB TSHABALALA(MUNICIPAL MANAGER)(OFFICIALS	SHUKUMA PRIMARY SCHOOL 25/11/2013
	Highlights mast	2 High mast lights installed	Status quo	Progress	Plan of Action
	Building of a clinic	Clinic is under construction. Progress at 80%.	Water The current water quality is	Water The Department of Water	Water To supply continuous uninterrupted water to the community.

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Building of a community hall	Construction of the community hall is complete, although the Contractor is busy with the paving around the Community.	within acceptable standard and water supply is consistent as there are no water shortages. Sanitation The Standerton water Treatment works is under refurbishment and will be completed by end June 2014	Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%. Sanitation The refurbishment of the Standerton Waste Water Treatment Plant	Sanitation. Completion of the Standerton Waste Water Treatment works by end of June 2014.
	Building of a police station or mobile SAPS at the taxi rank	The police station is part of the commercial development that is taking place in Rooikoppen Taxi Rank and is also allocated			
	Building of a bridge	A bridge was completed in the year 2009			
	Building of a Primary and High School	Shukuma primary is the only primary in the area and the matter has been referred to Department of education			
	Sports facilities	Shukuma primary houses most of the sport facilities			
	Upgrading of sub-station (transformer)	Not achieved due to financial constraints			
	Paving of roads	Bus/Taxi routes have been paved whilst 7 km have been gravelled recently			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Erection of speed humps	Some speed humps have been installed			
WARD TWELVE 12	ISSUES RAISED	PROGRESS MADE	CLLR. SS MOSIA	LB TSHABALALA(MUNICIPAL MANAGER)(OFFICIALS	THUTHUKANI AMALUNGLO 17/11/2013
	Storm-water drainage in rural areas;	Not achieved			
	Gravelling of roads in rural areas;	Not Achieved			
	RDP Houses in Bloukop	Not Achieved			
	High-mast Light;	High mast lights were installed but not in all areas of the RDP section			
	Paving of roads RDP, Ext1;				
	Re-opening of the filling station – Thuthukani;	It's a private property that belongs to Eskom, will depend on the handing over of Thuthukani to the municipality and the municipality has no authority whatsoever for now.			
	Selling of municipal sites (Ward 12);	The municipality to advertise sites for sale via section 14 of the MFMA and also awaiting land audit for entire Municipality			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Opening of cemeteries	Municipality to facilitate the opening of the cemetery once the handing over of Thuthukani to the municipality and the municipality has been done as this has costs implication.			
	Electricity in all rural areas	Municipality has no authority to electrify all the rural areas as most of these farms belong under Eskom.			
	LED projects	The municipality is busy reviving its LED Forum as the LED Unit has just began to function			
	Community Hall	There is a Multi-purpose hall in Thuthukani that belong to Eskom for now, but in future once the handing over of Thuthukani to the municipality and the municipality has been done it will belong to the municipality			
WARD THIRTEEN 13	ISSUES RAISED	PROGRESS MADE	CLLR. NZE SITSHONI	LB TSHABALALA (MUNICIPAL MANAGER) (OFFICIALS)	PLATRAN 17/11/2013
	Farm owner donated land and municipality failed to build houses (Kroomdraai)	Municipality through its Land and Planning unit to investigate the matter with DARDLA and give report back			
	Electrification of farms	Most of the farms in Ward 13 are under Eskom license.			

**IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27
NOVEMBER 2013 & 02-16 APRIL 2014**

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Farm purchased by Government and unknown person allocated by Department of Land Affairs (Ventmoet farm)	Municipality through its Land and Planning unit to investigate the matter with DARDLA and give report back			
	Transnet Houses to be re-allocated to members of community	Municipality to play a facilitation role with the Transnet with regards to the issue at hand			
	Scarcity of a Mobile clinic	Not a municipal function and is referred to Department of Health			
	Road access (road to be gravelled)	Not achieved yet			
	Request jojo tank (Brakfontein)	Municipality to provide JoJo Tanks in Brakfontein			
	Provision of resources for Crèche	Matter has been referred to the Department of education			
	Legalization of security of ownership, Erzak	Matter has been referred to DARDLA			
	Satellite Office	Not achieved yet			
	Stands for early-bird people, farms	It's a private property that belongs to Early bird farm and the municipality has no authority whatsoever			

**IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27
NOVEMBER 2013 & 02-16 APRIL 2014**

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Upgrading of sub-station in early-bird farm	It's a private property that belongs to Early bird farm and the municipality has no authority whatsoever.			
	Highlight mast (kwaBen and Tonker Farm	Not Achieved			
WARD FOURTEEN 14	ISSUES RAISED	PROGRESS MADE	CLLR. MG MAKHANYE	LB TSHABALALA (MUNICIPAL MANAGER) (OFFICIALS	SIVUKILE COMMUNITY HALL 26/11/2013
	Municipal sites for residential, business and church be sub-divided and allocated	The municipality to advertise sites for sale via section 14 of the MFMA and also awaiting land audit for entire Municipality			
	Erection of storm water	Construction of storm water is at 75% completion. On tender to complete storm water project.			
	Construction of a new community hall	Not achieved, due to financial constraints.			
	Extension and renovation of a clinic with 24 hours doctors service	Not a municipal function and is referred to Department of Health.			

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Paving of a ring-road	Completed in 2011/2012 financial year.			
	Building of schools for the disabled	Not a municipal function and is referred to Department of Education			
	Graveling and paving of roads	Not yet done; We are conducting a study on possible establishment of Borrow Pit in order to extract gravel for roads.			
	Ext 1 road to have access from entrance to exit	Completed			
	Refurbishment of a Comb court for Basketball and netball	Completed			
	Sports and recreational (PARKS) facilities in Sivukile				
	Cemeteries to be fenced and toilets to be erected	Not achieved due to financial constraints			
	Grazing Land for livestock	Still under investigation but referred to Department of Agriculture and Land Affairs			
	Available land for agricultural and resources				
WARD FIFTEEN 15	ISSUES RAISED	PROGRESS MADE	CLLR. N TSHABALALA	LB TSHABALALA (MUNICIPAL MANAGER) (OFFICIALS)	ISIFISOSETHU PRIMARY SCHOOL 27/11/2013

IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27 NOVEMBER 2013 & 02-16 APRIL 2014

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	The Multi-purpose community hall	Completed	Status quo	Progress	Plan of Action
	3.5km of all roads to be gravelled;	Not yet done; We are conducting a study on possible establishment of Borrow Pit in order to extract gravel for roads.	Water The current water quality is within acceptable standard and water supply is consistent as there are no water shortages.	Water The Department of Water Affairs is currently assisting Lekwa LM with the refurbishment of the Standerton Water Treatment Works. Currently at 60%.	Water To supply continuous uninterrupted water to the community.
	Request for the installation of at least two High-mast lights	One high-mast light was installed, one is still outstanding;	Sanitation The Standerton water Treatment works is under refurbishment and will be completed by end June 2014	Sanitation The refurbishment of the Standerton Waste Water Treatment Plant	Sanitation. Completion of the Standerton Waste Water Treatment works by end of June 2014.
	Paving at Vodacom Street	Not achieved			
	Request for RDP Houses	RDP houses were built however; The municipality has conducted beneficiary registration quarterly with the purpose of registering all potential beneficiaries in all wards.			
	V-drain /Storm-water in all Streets	Construction and upgrading of storm-water network phase 1-2_ the project is completed, benefit both ward 15 & 7.			
	Request for speed humps	Not achieved			
	Building of a youth Centre with library	Not the Municipal function and has been referred to Art, Sports and Culture Department			
	Incorrect billing systems for rates and taxes accounts				

**IDP/BUDGET COMMUNITY CONSULTATION AS PER WARD BASED ASSESSMENT IN TERMS OF COMMUNITY ISSUES CONDUCTED DURING 11 -27
NOVEMBER 2013 & 02-16 APRIL 2014**

	ISSUES RAISED	PROGRESS MADE	COUNCILLORS	OFFICIALS	DATE/VENUE
	Paving of the main road from Judy's place up to the end.	Not Achieved			
	Leakages of water meters	The municipality has attended to the problem by moving the meters out of the yards			
	Sport Facilities (Soccer-field)	Not achieved, Ward is able to share with ward 3 for Netball, Basketball, Tennis and Soccer facilities and also share with other neighbouring wards			

2.12. STRENGTH, WEAKNESSES, OPPORTUNITIES AND TREATHS (SWOT ANALYSIS)

Based on the above status quo analysis or in-depth situational assessment information of the Municipality, we can formulate a list of the Strengths, Weaknesses, Opportunities and Threats as follows;

EXTERNAL	FAVOURABLE	UNFAVOURABLE
	STRENGTH	WEAKNESSES
	<ul style="list-style-type: none"> • Close proximity to Johannesburg, Durban and Nelspruit • Natural environment & Scenery • Tourism growth potential • Large catchments area management for water supply • Community's hunger for development and growth • Anglo Coal operates a coal mine close to Standerton and this forms an important source of employment for the area • The GDP of the municipality 3.3% GDP growth per annum over the period 2012-2017 • The income from animal and animal products is dominated by the chicken industry. Beef cattle and milk products are also important contributors to the income from animal and animal products • The field crops, the majority of the income comes from maize production. Sorghum and sunflower seeds also play a role in providing income to farmers in the area. • Availability of underutilized municipal buildings • Household service delivery index 85% • Available workforce • Support from Gert Sibande DM • Rich cultural heritage and Hospitable culture • Partnership with private sector: Public Private Partnerships (PPPs) • Effective public participation structures • Energy generating power station 	<ul style="list-style-type: none"> • Negative perception of municipality • Deterioration of town i.e. waste and physical infrastructure • Recurring Water quality problems in Standerton • Non functionality of LED Forum • Poor maintenance of hard infrastructure and buildings • Poor road conditions due to the truck Haulage • High dependency ratio (11700 H/H living below poverty lines) • Low literacy and education levels • Poor industrial recruitment & Agricultural strategy. • Have a relatively high Gini -coefficients or high levels of income inequality. • The labour dependency ratio, which indicates the number of persons that each economically active person has to support, is 3.88 • Lack of industrial recruitment strategy • Lack of efficient revenue collection system • Scarcity of skilled labour • Poor CIDB grading of local contractors to participate in our supply chain • Lack of internal control measures in Housing unit • regarding selling of sites
INTERNAL	OPPORTUNITIES	THREATS
	<ul style="list-style-type: none"> • High influx of potential investors such as Noble group, Leap project etc. • SDF with the newly proposed Commercial nodes and Precincts • River Park • Gini-coefficient of 0.61 in 2012 – improved slightly since 2001 but worse 	<ul style="list-style-type: none"> • Formation of Public-Private-partnerships among Business and Public Sector • Environmental degradation by Coal Mines and Sasol • 3.3% GDP growth per annum over the period 2012-2017 – lower than district and provincial figures • Informal housing 23.9% - 7 414 households

	<p>than provincial level.</p> <ul style="list-style-type: none"> • Green Drop Report waste water services ranked 4th in 2012. • Events venues & Water sport activities • Fishing & Boating related activities • Neighbourhood Development Partnership Grant in Ext 4 (R 44 Million from National Treasury) • Urban Design Framework (+ R300 Million Capital projects estimates) • Tourism development: hotel, holiday resort • Tourism Links • Social and Agricultural development • Environmental Protection • Commercial node Development • Grootdraai Dam Development • Revitalization of show ground • Creation of Job opportunities to reduce consumer debts • Exists potential for the growth of manufacturing of food products, plastic products and metal products • Accelerated system of registration of emerging black farmers, agribusiness, micro-enterprises, tourism enterprises, traders and other businesses owned by young black people and women in BBBEE initiatives. • Culture of business ownership by young black people • Establishment of enterprise groupings (such as cooperatives), SMME business centres to facilitate skills development and support in small businesses, etc. • The provisions of the Mining Charter and localize this provision for the benefit of the local people • Existing agricultural activities, farming and agribusiness micro-enterprises taking place in the area • Crosscutting issues such as technological innovations, access to credit and infrastructure, human resources development, etc. • Culture of collectives with rural youth and young women coming together to work in developmental projects to increase their income and investments and subsequently gaining ownership of local businesses. 	<ul style="list-style-type: none"> • Blue Drop Report ranked 12th - needs attention • Cheap imports labour • Recurring water quality problem • Unreliable electricity (Load shedding) • Truck Haulage • Local industries relocating to other Municipalities that are seemingly more attractive • Political, Personal and cultural intolerance • Marginalization of integrating Urban – rural • High consumer debts • HIV and AIDS prevalence rate excluding pregnant women 19.9% - decreasing • Unemployment rate of 25.9%, for females 33.9% and males 19.5% - youth unemployment rate at 35.2% • Existing crime levels • Lengthy land claims process constrains development Poverty rate of 33.5% - 39 428 poor people (9.8% of Gert Sibande's 402 278 poor in 2012) – declining trend. • Eskom Account that has amounted to R94 Million
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2.13. ALIGNMENT OF THE SOPA, SONA AND (SOMA) WARD BASE ASSESSMENT

The Council endeavoured to, as part of the ward based public participation process, obtain inputs from SOPA, SONA AND (SOMA) and the community on key issues in the respective wards. A presentation comprising structured and open questions were handed out at the various IDP meetings. This section of the report is to analyse and confirm Municipality issues as listed in the 2014 the State of the Nation Address, State Of The Province Address and State of the Municipal Address respectively.

Following from the Situational Analysis and concluding SWOT Analysis as dealt with in this chapter, issues and concerns raised by the community during the community consultation process, the Priority IDP Challenges and Key Issues for the area can be stated as follows:

PRIORITY KEY ISSUES AS REFLECTED FROM SONA, SOPA.SOMA (COMMUNITY BASED ISSUES)

1. Service backlogs (water, sanitation, electricity, roads, storm-water, waste removal) needs to be addressed.
2. Local Economic Development and support
3. Dissemination of information
4. Skills Development
6. Optimise tourism potential
7. Rural Development
8. Poverty alleviation, particularly in rural areas
9. Public transportation should be improved. Bus and taxi ranks must be upgraded and the railway line should be better utilised. Public facilities should be provided at bus stops, taxi ranks and stations
10. Improve solid waste management
11. Broaden Revenue Base

12. Ensure high level of payment for Services

13. Access to land, housing and security of tenure

14. Access to social services and community centres

15. Building of new and upgrading of existing sport and recreation facilities

16. Safety, Security and crime prevention

17. Crime and Fraud prevention

3. CHAPTER 3 - NATIONAL, PROVINCIAL AND REGIONAL POLICY FRAMEWORK AFFECTING LOCAL GOVERNANCE PLANNING

There are strategies and policies that hold the three spheres of local government together. These strategies and policies guide and provide a framework for integrated service delivery. The Local Municipality of Lekwa has made efforts to align to the key National and Provincial Strategies;

3.1. NATIONAL DEVELOPMENT PLAN 2030

KEY AREAS	DESCRIPTION	TARGET GOALS
An economy that will create more jobs	In 2030, the economy should be close to full employment; equip people with the skills they need; ensure that ownership of production is less concentrated and more diverse	The national development plan proposes to create 11 million jobs by 2030 by: <ol style="list-style-type: none"> 1. Realizing an environment for sustainable employment and inclusive economic growth 2. Promoting employment in labour-absorbing industries 3. Raising exports and competitiveness 4. Strengthening government's capacity to give leadership to economic development 5. Mobilizing all sectors of society around a national vision.
Improving infrastructure	To grow faster and in a more inclusive manner, the country needs a higher level of capital spending in general and public investment in particular. Gross fixed capital formation needs to reach about 30 percent of GDP by 2030 to see a sustained impact on growth and household services. Public sector investment in economic infrastructure crowds in private investment. Private investment is a function of current and projected growth and profitability. Importantly, it is also a function of mutual trust and confidence in economic policies. In recent years, the public sector has favored consumption over investment. The government's 2011 Medium Term Budget Policy Statement acknowledges this and announces a shift in the composition of expenditure towards investment, which is absolutely necessary.	<ol style="list-style-type: none"> 1. The upgrading of informal settlements. 2. Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by station and facilities upgrades to enhance links with road-based services. 3. The development of the Durban-Gauteng freight corridor, including the development of a new dug-out port on the site of the old Durban airport. 4. The construction of a new coal line to unlock coal deposits in the Waterberg, extension of existing coal lines in the central basin and, through private partnership, the upgrading of the iron ore line to Saldanha. 5. The timely development of a number of key new water schemes to supply urban and industrial centers, new irrigation systems in the Umzimvubu river basin and Makatini 6. Flats and the establishment of a national water conservation programme with clear targets to improve water use and efficiency. 7. The construction of infrastructure to import liquefied natural gas and accelerated exploration activity to find sufficient domestic gas feedstock's (including exploration of shale and coal bed methane reserves) to diversify our energy mix and reduce our carbon emissions. 8. Procuring about 20 000 MW of renewable electricity by 2030, importing electricity from the region, decommissioning 11 000MW of aging coal-fired power stations and accelerated investments in demand-side savings, including technologies such as solar water heating.
Transition to a low-carbon economy	South Africa needs to move away from the unsustainable use of natural resources. As water	Key proposals to support the transition to a low-carbon economy include:

	<p>becomes scarcer, and global policy aims to price in the cost of carbon emissions, the country needs a coherent plan to use water more sustainably and to emit less carbon. Similar approaches apply to protecting the oceans, soil and wildlife, which are used unsustainably to the detriment of the country's future.</p> <p>All of this needs to be done in a way that increases the ability of the economy to employ more labour productively. The way forward is not obvious, nor is it likely to be smooth. Large-scale economic transitions are disruptive and costly. Changes to energy generation, water conservation and the uses of both are likely to be challenging and potentially disruptive for society</p>	<ol style="list-style-type: none"> 3. Support for a carbon budgeting approach, linking social and economic considerations to carbon reduction targets. 4. Introducing an economy-wide price for carbon complemented by a range of programmes and incentives to raise energy efficiency and manage waste better. 5. A target of 5 million solar water heaters by 2030. 6. Building standards that promote energy efficiency. 7. Simplifying the regulatory regime to encourage renewable energy, regional hydroelectric initiatives and independent power producers.
An inclusive and integrated rural economy	<p>By 2030, South Africa's rural communities should have greater opportunities to participate fully in the economic, social and political life of the country. These opportunities will need to be underpinned by good quality education, healthcare, transport and other basic services. Successful land reform, job creation and rising agricultural production will all contribute to the development of an inclusive rural economy.</p>	<p>To change this, we propose a multipronged approach;</p> <ol style="list-style-type: none"> 1. The first is to create a million jobs through agricultural development based on effective land reform, and the growth of irrigated agriculture and land production. 2. Second, basic services that enable people to develop the capabilities they need to take advantage of economic opportunities throughout the country and so contribute to the development of their communities through remittances and the transfer of skills. This includes ensuring food security and the empowerment of farm workers. 3. Last, industries such as agro-processing, tourism, fisheries and small enterprises should be developed where potential exists.
Reversing the spatial effects of apartheid	<p>Apartheid left a terrible spatial legacy. Housing policies since 1994, in some instances, have reinforced the spatial divide by placing low-income housing on the periphery of cities, far from economic activity. Reversing the country's spatial inheritance, even with sound and sensible policies, is likely to take decades.</p> <p>Settlement patterns should meet the needs and preferences of citizens, taking into account broader social, environmental and economic interests. Travel distances need to be shorter. This means ensuring that a larger proportion of workers live closer to their places of work, and that public transport is safe, reliable, affordable and energy efficient. It means building denser and more live able cities and towns. In rural areas, settlement patterns must balance the social, cultural and agricultural needs of families with the need to provide cost-effective services to households.</p>	<p>The commission proposes three complementary strategies:</p> <ul style="list-style-type: none"> • Increasing urban population density, while improving the live ability of cities by providing parks and other open spaces, and ensuring safety. • Providing more reliable and affordable public transport with better coordination across municipalities and between different modes. • Moving jobs and investment towards dense townships that are on the margins of cities. Building new settlements far from places of work should be discouraged, chiefly through planning and zoning regulations responsive to government policy.
Improving the quality of education, training and innovation	<p>The quality of education for the majority of black learners remains poor. Poor-quality education not only denies many learners access to employment - it also affects the earnings potential and career mobility of those who do get jobs, and reduces the dynamism of South African businesses.</p>	<p>By 2030, South Africa needs an education system with the following attributes:</p> <ul style="list-style-type: none"> • High-quality early childhood education, with access rates exceeding 90 percent. • Quality school education, with globally competitive literacy and numeracy standards. • Further and higher education and training that enables people to fulfill their potential. • An expanding higher education sector that is able to contribute towards rising incomes, higher productivity and the shift to a more knowledge-intensive economy. • A wider system of innovation that links key

		public institutions (universities and science councils) with areas of the economy consistent with our economic priorities.
Quality health care for all	By 2030, the health system should provide quality care to all, free at the point of service, or paid for by publicly provided or privately funded insurance. The primary and district health system should provide universal access, with a focus on prevention, education, disease management and treatment. Hospitals should be effective and efficient, providing quality secondary and tertiary care for those who need it. More health professionals should be on hand, especially in poorer communities.	Reform of the public health system should focus on: <ul style="list-style-type: none"> • Improved management, especially at institutional level • More and better-trained health professionals • Greater discretion over clinical and administrative matters at facility level, combined with effective accountability • Better patient information systems supporting more decentralized and home-based care models • A focus on maternal and infant health care.
Social protection	<p>Social protection plays several roles in a society. Firstly, it sets a floor through which, through social solidarity, we deem that no person should live below. At present, given South Africa's extremes of unemployment and working poverty, many people regularly experience hunger and find it difficult to meet the basic needs of their families. Progressively and through multiple avenues, we seek a society where everyone is lifted above this floor.</p> <p>Secondly, it plays an important role in helping households and families manage life's risks. Thirdly, it helps ease labor market transitions, thereby contributing towards a more flexible labor market and economic dynamism.</p> <p>Our vision is for a social security system that fulfils all these roles. Our vision is that by 2030, South Africa would have a comprehensive system of social protection that includes social security grants, mandatory retirement savings, risk benefits such as unemployment, death and disability benefits and voluntary retirement savings.</p> <p>Part of our approach to social protection is through a social wage, which includes no-fee schools, free basic services and subsidized public transport. In addition to creating more work opportunities in the private sector, a significant broadening of public employment programmes will also help to ensure that fewer households live below a determined floor.</p>	<p>To achieve the objectives of broader social security coverage, we propose the following reforms:</p> <ul style="list-style-type: none"> • An acceptable minimum standard of living must be defined as the social floor, including what is needed to enable people to develop their capabilities. • The retirement savings and risk benefit gap should be closed through reforms, including mandatory contributions, with consideration given to government subsidizing these contributions for low income or periodic workers. • Social welfare services must be expanded, with more education and training for social work practitioners and a review of funding for non-profit organizations. • Public employment should be expanded to provide work for the unemployed, with a specific focus on the youth and women. • The integration of a number of databases in the social security environment with information from public employment programmes will enable communities to conduct social audits of government services, leading to better and more effective targeting of government's social and employment programmes.
Building safer communities	By 2030, people living in South Africa should feel safe and have no fear of crime. Women and children and all vulnerable groups should feel protected. They should have confidence in the criminal justice system to effectively apprehend and prosecute criminals who violate individual and community safety. The South African Police Service and metro police should be a professional institution staffed by skilled, disciplined, ethical individuals who value their work and serve the community.	<p>Achieving this vision requires targeted action in five key areas:</p> <ul style="list-style-type: none"> • Strengthening the criminal justice system - This requires cooperation between all departments in the justice crime prevention and security cluster. We believe the correct implementation of the recommendations in the Review of the South African Criminal Justice System will go far in dealing with the system's current weaknesses. • Making the police service professional - We propose linking the police code of conduct and a code of professionalism to promotion and discipline in the service. Recruitment should attract competent, skilled professionals through a two-track system; one for commissioned officers and one for non-commissioned officers. • Demilitarizing the police service - The decision to demilitarize the police force,

		<p>moving away from its history of brutality, was a key goal of transformation after 1994. The remilitarization of the police in recent years has not garnered greater respect for police officers and higher conviction rates. If anything, it has boosted violence in the service. The commission believes that the police should be demilitarized to turn the force into a civilian, professional service.</p> <ul style="list-style-type: none"> • Building safety using an integrated approach - Achieving long-term, sustainable safety requires an integrated approach focused on tackling the fundamental causes of criminality. This requires mobilizing a wider range of state and community resources. • Building community participation in community safety - Civil society organizations and civic participation are critical elements of a safe and secure society. Local government legislation provides for establishing community safety centers to enable safe, healthy communities. Establishing these centers should be considered.
Reforming the public service	<p>The plan proposes radical reforms in several areas. Parliament's oversight role should be enhanced, the political/administrative interface stabilized, the public service professionalized, skills upgraded and coordination improved. A more pragmatic approach to the intergovernmental system is required, recognizing uneven capacity</p>	<p>A more pragmatic approach to the intergovernmental system is required, recognizing uneven capacity. To professionalize the public service, we propose that:</p> <ol style="list-style-type: none"> 1. Heads of departments should report to a head of the civil service on administrative matters. 2. A hybrid system of appointing heads of departments should be introduced, incorporating both political and administrative elements. 3. A graduate recruitment programme and a local government skills development strategy should be introduced to attract high-quality candidates. 4. The Public Service Commission should be given the power to develop and monitor norms and standards for appointments at each level.
Fighting corruption	<p>The fight against corruption has to be fought on three fronts: deterrence, prevention and education. Deterrence helps people understand that they are likely to get caught and punished. Prevention is about systems (information, audit and so on) that make it hard to engage in corrupt acts. The social dimensions of corruption can only be tackled by focusing on values, through education. South Africa has some, but not all, of these elements in place. Government's procurement policies blur the line in matters of corruption. Multiple and sometimes contradictory objectives lead to poor value for money and make corruption easier.</p>	<p>There are still gaps in the anti-corruption arsenal.</p> <ol style="list-style-type: none"> 1. First, despite their competence and skill, institutions like the Public Protector and Special Investigative Unit are underfunded, understaffed and subject to external interference. 2. Second, while thousands of cases are investigated, very few get to court. We propose the establishment of specialized teams of prosecutors and special courts to handle corruption cases. 3. Third, the state procurement system has become overly bureaucratized, with an emphasis on compliance by box-ticking, making the system costly, burdensome, ineffective and prone to fraud. We propose centralizing large and long-term tenders, making it illegal for public servants to operate certain types of businesses, and making individuals liable for losses in proven cases of corruption. 4. Finally, the country has barely begun to tackle the associated societal factors that contribute to corruption. Attitudes that justify breaking the law to help family members because they are poor, or

		because they suffered under apartheid, or just because they are family, must be tackled head on.
Transforming society and uniting the country	<p>A united people and a more cohesive society are not only national objectives; they are also means to eradicating poverty and inequality. Our strategy to enhance social cohesion is based on three themes:</p> <ol style="list-style-type: none"> 1. Reducing poverty and inequality by broadening opportunity through economic inclusion, education and skills, and specific redress measures. 2. Promoting mutual respect, inclusiveness and cohesion by acting on the constitutional imperative that South Africa belongs to all who live in it, and that all are equal before the law. 3. Deepening the national appreciation of the responsibilities and obligations that citizens have towards one another. 	<p>In addition to measures that promote social equity outlined elsewhere in the plan, we propose:</p> <ol style="list-style-type: none"> 1. The Bill of Responsibility, developed by the Department of Basic Education and others, should be popularized, encouraging all South Africans to live the values of the Constitution. 2. A pledge based on the Constitution's preamble should be developed and used in school assemblies. 3. All South Africans should be encouraged to learn an African language and government programmes should work to make this a reality. 4. The Commission on Gender Equality and the Ministry for Women, Children and People with Disabilities should jointly set clear targets for the advancement of women's rights and report on progress in achieving this in an annual publication each August. 5. Employment equity and other redress measures should be made more effective by focusing on the environment within which capabilities are developed. 6. A review of black economic empowerment. While this remains the correct approach to broaden ownership and control over productive parts of the economy, the present model is not achieving the desired objectives quickly enough. 7. Redress measures in the workplace should focus on enterprise development, access to training, career mobility and mentoring.
<p>The key ingredients for success are:</p> <ul style="list-style-type: none"> • The active efforts of all South Africans • Growth, investment and employment • Rising standards of education and a healthy population • An effective and capable government • Collaboration between the private and public sectors • Leadership from all sectors of society. <p>The country we seek to build by 2030 is just, fair, prosperous and equitable. Most of all, it is a country that each and every South African can proudly call home.</p>		

3.2. NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)

The National Spatial Development Perspective was initiated in 1999 with the aim of not only providing a strategic assessment of the spatial distribution and socio-economic characteristics of the South African population, but also gaining an understanding of the distribution of economic activity and potential across the South African landscape.

Based on the research conducted, and with key trends and issues identified, the NSDP currently delineates a number of guidelines for infrastructure investment in South Africa.

The rationale behind the guidelines is rooted in the argument of rather than investing in physical infrastructure to improve the quality of life of people living in low productivity areas, government

should rather invest in people. The logic of the latter argument is that investing in people is a more efficient use of government resources.

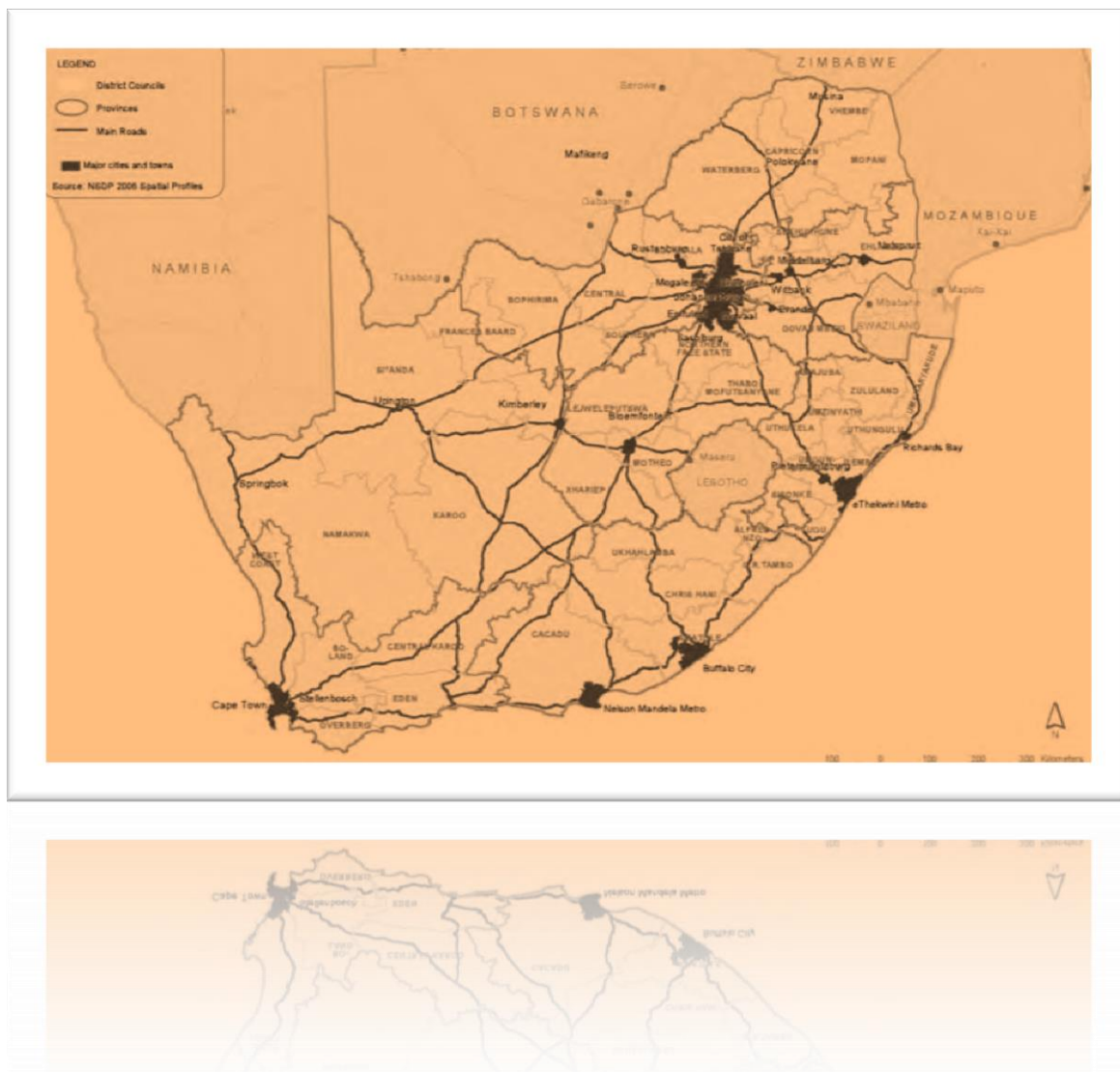
Investing in people potentially results in increased opportunity and choice to relocate to high growth areas. Investing in places can leave people trapped in low growth areas without any guarantee that this will attract new investment into the area.

Hence, in essence, the NSDP argues that government's social objectives will be best achieved through infrastructure investment in economically sustainable areas with proven development potential. Therefore, areas displaying little or no potential for growth should only be provided with the constitutionally mandated minimum levels of services, and the focus of government spending should rather be on the people, i.e. social development spending

Social development spending may involve developing labour market intelligence, human resource development, and health and social transfers. Crucially, this kind of "development spending" is specifically aimed at enabling the South

African youth located in areas in which they have no hope of finding employment, to gradually gravitate to areas with high economic potential.

Consistent with this philosophy, and given the need to reach and sustain an annual economic growth rate of 6% each year, the NSDP argues that resources and collaborative government action should be concentrated on maintaining and growing the economy in the 26 locations currently contributing 83% of the national GVA (see the NSDP document). This strategy is supported by the belief that through investing in these areas, the bulk of those living in poverty in South Africa will also be reached. As such, Lekwa and its surrounding area (which includes Morgenzon and Holmeden and Thuthukani) should be the primary focus area for infrastructure investment within the District. Consistent with the principles of the



NSDP, areas other than GSDM displaying both high levels of economic potential and poverty should also be the focus of more extensive infrastructure spending.

Furthermore, in line with the NSDP, government spending should primarily be focused on “social development spending,” and only providing the constitutionally mandated minimum levels of services to the numerous other settlements spread throughout the DM.

In this spirit the NSDP proposes four sets of actions that the various spheres of government should partake in to reach its key economic and social inclusion targets. These are:

- A set of generic actions such as more robust economic analysis, “proper” spatial development planning and improved monitoring and review;
- Actions aimed at diversifying, strengthening and sustaining the economy and improving the integration between spaces of need and economic activity in the areas of significant economic activity, high concentrations of people and high levels of poverty;
- Focused economic development actions in the areas with low levels of economic activity, high concentrations of people, and high levels of poverty; and

- Supportive actions to be undertaken by each of the spheres of government to give effect to the objectives of the State

Following from the broad philosophy and actions put forward by the NSDP, various principles to guide development decisions have also been formulated. A brief summary of these principles is given below.

Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.

Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), would therefore be focused on localities of economic growth and/or economic potential in order to attract private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.

Efforts to address past and current social inequalities should focus on people, not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities.

In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labour market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.

In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.

Infrastructure investment and development spending should primarily support localities that will become major growth nodes in South Africa and the Southern African Development Community region to create regional gateways to the global economy.

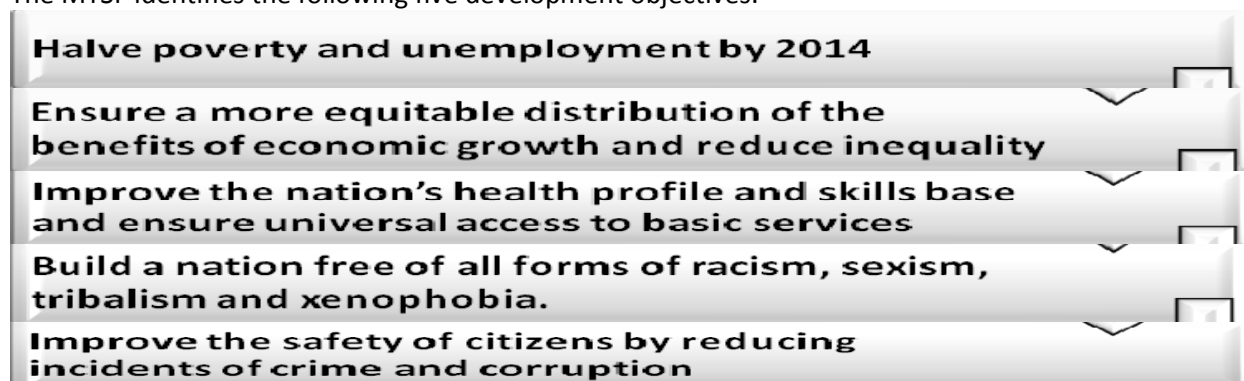
IMPLICATIONS FOR LEKWA

Lekwa Local Municipality forms part of the areas that were spatially designated and distorted, NSDP will assist in bringing investment and growth in the area. The Municipality can be seen as an area of unlimited potential growth as NSDP purports, where providing basic service and grants, human resource development, labour market intelligence is not enough. Municipality's economic and infrastructural development needs to be aligned within the LED strategy. Growing sectors in the Municipality such as the Agriculture and Tourism sectors need to be strengthened to ensure progressive economic development. Investment in these areas needs to be coordinated and integrated with the IDP of the Municipality and form part of the LED programmes identified as part of the LED Strategy.

3.3. MEDIUM TERM STRATEGIC FRAMEWORK (MTSF, 2009–2014)

The Medium Term Strategic Framework (MTSF, 2009–2014) is a statement of government intent. It identifies the development challenges facing South Africa and outlines the medium-term strategy for improving living conditions of South Africans. The MTSF base document is meant to guide planning and resource allocation across all spheres of government. National and provincial departments in particular need to develop their five-year strategic plans and budget requirements, taking into account the medium-term imperatives. Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their integrated development plans in line with the national medium-term priorities.

The MTSF identifies the following five development objectives:



Linked to the five over-arching objectives, the MTSF has outlined ten priority areas that are intended to give effect to these strategic objectives. Within this framework the overall objective is to develop and implement a comprehensive development strategy that will meet the development needs of all South Africans. The MTSF also commits government and its development partners to a programme of gender equality, in seeking to ensure that the 'conditions have been created for the full participation of women in all critical areas of human Endeavour'.

Domesticating the MDGs: The report has to be read in the context of these developments and thus additional indices and indicators have been included to elicit development endeavors the government committed to; thus the report articulates the extent to which the South African government through its priorities has owned the MDG agenda and through clear policies complied with the MDG imperatives.

3.4. MILLENNIUM DEVELOPMENT GOALS (MDG's)

Millennium Development Goals (MDGs) are eight international development goals that all 192 United Nations member states and at least 23 international organizations have agreed to achieve by the year 2015.

The goals relate to the following:

- Goal 1: Eradicate extreme poverty and hunger
- Goal 2: Achieve universal primary education
- Goal 3: Promote gender equality and empower women
- Goal 4: Reduce child mortality rate
- Goal 5: Improve maternal health
- Goal 6: Combat HIV/AIDS, malaria, and other diseases
- Goal 7: Ensure environmental sustainability
- Goal 8: Develop a global partnership for development

It is plausible to conclude then that the South African Constitution and its development mandate explicitly takes the MDGs into account, and as a consequence there remain a greater possibility that despite many a challenge, South Africa has a plan in place and a winning chance in the fight against

hunger, disease, ignorance, gender equality and making South Africa, Africa and the world a better place. The report below demonstrates how the MDGs have been domesticated into the current priority agenda of the government. Below is a schematic layout that maps the MDGs on the national priorities.

Linkage between South Africa's national development planning and the MDGs

STRATEGIES IN NDP	NATIONAL DEVELOPMENT PLANNING	MILLENNIUM DEVELOPMENT GOALS
Strategic Priority 1	Speeding up growth and transforming the economy to create decent work and sustainable livelihoods	MDG 1, MDG 2, MDG 3, MDG 8
Strategic Priority 2:	Massive programme to build economic and social infrastructure	MDG 1, MDG 3, MDG 8
Strategic Priority 3:	Comprehensive rural development strategy linked to land and agrarian reform and food security	MDG 1, MDG 2, MDG 7
Strategic Priority 4:	Strengthen the skills and human resource base	MDG 2
Strategic Priority 5:	Improve the health profile of all South Africans	MDG 4, MDG 5, MDG 6
Strategic Priority 6:	Intensify the fight against crime and corruption	MDG 2, MDG 3
Strategic Priority 7:	Build cohesive, caring and sustainable communities	MDG 2, MDG 3, MDG 7
Strategic Priority 8:	Pursuing African advancement and enhanced international cooperation	MDG 8
Strategic Priority 9:	Sustainable resource management and use	MDG 2, MDG 3, MDG 7
Strategic Priority 10:	Building a developmental state, including improvement of public services and strengthening democratic institutions	MDG 1, MDG 2, MDG 3, MDG 8

Having demonstrated at the strategy level how the eight MDGs are integral to the South African government's development priorities, it is important now to illustrate how, at the implementation level, these strategic policy intentions should or get to be translated into reality. In this regard for instance, in working towards a comprehensive rural development strategy, the government will take a comprehensive and integrated approach that will reflect a range of MDG-related targets and indicators, including those on poverty, food security, education, gender, health, access to services and environmental sustainability.

Yet another policy terrain on ensuring primary education, a cocktail of practical steps for attracting, retaining and teaching children, is of providing for no school fees for schools servicing poorer communities, providing feeding schemes for such and further allowing for free transport.



From the development focus of the MTSF the government has derived twelve outcome areas that set the guidelines for more results-driven performance. The *TWELVE KEY OUTCOMES* that have been identified and agreed to by cabinet are:

1. Improved quality of basic education;
2. A long and healthy life for all South Africans;
3. All people in South Africa are and feel safe;
4. Decent employment through inclusive economic growth;
5. A skilled and capable workforce to support and inclusive growth path;
6. An efficient, competitive and responsive economic infrastructure network;
7. Vibrant, equitable and sustainable rural communities with food security for all;
8. Sustainable human settlements and improved quality of household life;
9. A responsive, accountable, effective and efficient local government system;
10. Environmental assets and natural resources that is well protected and continually enhanced;
11. Create a better South Africa and contribute to a better and safer Africa and world;
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

These outcomes provide strategic focus and do not cover the whole of government work and activities. This does not mean that the other work of government that is not directly related to outcomes should be neglected.

3.5. ACCELERATED SHARED GROWTH INITIATIVE OF SOUTH AFRICA (ASGISA)

The mandate by the South African government in 2004 to half poverty and unemployment by 2014 resurrected commitment in the public sector delivery trajectory.

Dismal malfunction of the previous highly contentious GEAR to address economic Backlogs resulted in the formation of a new economic strategy today known as AsgiSA.

The South African government's AsgiSA aims to guide and improve on the country's remarkable economic recovery, raising economic growth to 6% and halving poverty and unemployment by 2014. AsgiSA is a micro-economic strategy that strives to accelerate growth. It is a national shared growth initiative that was informed by extensive consultation from all sectors. The two main objectives of AsgiSA include:

- To align its efforts by halving poverty by 50% in 2014; and
- To realize annual growth rates that averages 4.5% or higher between 2005 and 2009 and average growth rate of at least 6% of gross domestic product (GDP) between 2010 and 2014.
- AsgiSA is also informed by the following binding constraints that have been identified as major stumbling blocks to growth and require commitments based on uprooting them:
- Continuous instability and level of currency;
- The cost, efficiency and capacity of the national logistics system;
- Lack of suitably skilled labor amplified by the impact of apartheid spatial patterns on the cost of labor;
- Obstacles to entry, limits to competition and limited new investment opportunities;
- Regulatory environment and the burden on small and medium businesses; and
- Deficiencies on state organization, capacity and leadership.

Interventions responding to the binding constraints include:

- Infrastructure programmes: aimed at improving the availability and reliability of infrastructure services in response to rapidly growing demand through the municipal and provincial infrastructure grant programmes;
- Sector investment (or industrial) strategies: To promote private-sector investment, sector investment programmes that are identified include tourism, agriculture, manufacturing, mining and business process outsourcing programmes;
- Second economy interventions: Government has already initiated interventions to address deep-seated inequalities and target the marginalized poor, to bridge the gap with the Second Economy, and ultimately to eliminate the Second Economy. One key mechanism is to use the leverage of the First Economy to address the Second Economy. This includes leveraging the increased levels of public expenditure through promotion of small businesses, broad-based empowerment and development of Sector strategies;
- Macro-economic issues: The development of a new capital expenditure management information system by the National Treasury was recently introduced to address the issue of poor expenditure and budgeting at macro level;
- Public administration issues: The focus of this intervention is to realize a people's contract on economic matters, the effective implementation of agreed BEE Charters and leveraging

benefits from offsets. On local government and service delivery, focus is placed on addressing the skills problems through Project Consolidate; and

- Skills and education initiatives: Skill shortages have been an impediment on infrastructure programmes and private sector investment. The AsgiSA response ranges from medium-term educational interventions to raise the level of skill in areas needed by the economy, to immediate measures to acquire skills needed for the implementation of AsgiSA projects. Programmes identified by AsgiSA to address the skills and education backlog include the QUIDS-UP programme, the Maths and Science (Dinaledi) Programme and the Joint Initiative for Priority Skills Acquisition (JIPSA).
- JIPSA is tasked to identify urgent skills needed and to provide feasible, sound and effective remedies. Major remedies include special training programmes, attracting South Africans currently working abroad, bringing back retirees, mentoring and overseas placement of South African trainees to fast track their development and encouraging highly skilled emigrants back into the mainstream employment.

IMPLICATIONS FOR LEKWA

- The repercussions of AsgiSA for Lekwa Local Municipality is that the LED Strategy must strive to encourage existing larger and small businesses (micro-enterprises) to work collectively and share investments. Dormant and emerging businesses in the area should also be included in the major strategic interventions aimed at reviving the economy of the Municipality. Tourism businesses in the Municipality should seek consultation with domestic and international experts as they form a major economic sector in the area.
- Scarcity of skilled labor is also problematic for the Municipality. Efforts should therefore be directed towards placement of committed trainees from the Municipal area into strong corporations, allowing them to acquire skills and subsequently work within the Municipality. Skills development efforts also need to form part of every economic, social and environmental initiative. This will permit industries and small businesses to acquire skilled labor, while local communities are groomed in the appropriate skills to take up employment in the area. Intensive training should therefore be the cornerstone for uplifting the communities in the area.

3.6. INTEGRATED SUSTAINABLE RURAL DEVELOPMENT STRATEGY (ISRDS)

Countless efforts by the South African government to undertake joint ventures with an assortment of stakeholders had assumed multiple instruments. One of the recent instruments is the ISRDS aimed at enhancing opportunities and well-being of rural people.

ISRDS is defined as a federal policy designed to realize a vision that will “attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people, who are equipped to contribute to growth and development”. The ISRDP calls for the progressive coordination and integration of programmes by various government departments and stakeholders to maximize the development of rural communities. This vision is a radical one in that it envisages transformed rural economies, which move away from subsistence economic activities. Local government is the point of

delivery and the implementation of the ISRDP. Specifically, the implementation process aims to strengthen the quality of Integrated Delivery Plans (IDPs) and the delivery of these IDPs.

The vision of ISRDP is informed by four elements, which include:

- Rural development: going beyond just the poverty alleviation connotation, but focusing on changing rural environments to create enabling platforms for people to earn more and to invest in themselves and their communities. This emphasizes that rural people must be the masters of their own destiny and to survive and improve their own economic packages within their environments;
- Sustainability: sustainability evolves from increased local growth, with people enjoying own gains and maintaining available resources for future development;
- Integrated: this calls for coherent coordination across traditional sectors in all spheres of government. It requires the Municipal five year plan (IDP) to establish coordination and maintain integration at the municipal sphere; and Rural Safety net: in responding to the continuous crisis facing rural people, social assistance has been extended to all rural people and the ISRDP is also consolidating that effort.

IMPLICATIONS FOR LEKWA

It is of critical importance that the LED strategy for the Municipality be tailored towards creating an enabling environment for its people. The LED strategy must comprise a “culture of collectives” with rural youth and young women coming together to work in developmental projects to increase their income and investments and subsequently gaining ownership of local businesses. This will require coherent coordination and interaction among organizations in Lekwa Municipality.

3.7. LAND & REDISTRIBUTION FOR AGRICULTURAL DEVELOPMENT (LRAD)

Land reform encompasses three distinct components, namely the restitution, tenure reform and the redistribution programmes. The redistribution programme, in turn, has different components, or 'sub-programmes', which includes:

- Agricultural Development: to make land available to people for agricultural purposes;
- Settlement: to provide people land for settlement purposes; and
- Non-agricultural enterprises: to provide people land for non-agricultural enterprises, for example eco-tourism projects.

LRAD has two distinct parts.

- Firstly, LRAD deals with the transfer of agricultural land to specific individuals or groups.
- Secondly, LRAD deals with commonage projects, which aim to improve people with access to municipal and tribal land, primarily for grazing purposes.

The strategic objectives of the sub-programmes include:

- Contributing to the redistribution of 30% of the country's agricultural land over 15 years;
- Improving nutrition and incomes of the rural poor who want to farm on any scale;
- De-congesting over-crowded former homeland areas; and
- Expanding opportunities for women and young people who stay in rural areas.

IMPLICATIONS FOR LEKWA

The Agricultural sector in Lekwa Municipality is dominated by private land comprising commercial horticultural and livestock farming and large scale crop farming. In order to expand farming enterprises, land is required. Therefore, the Municipality's IDP and LED needs to advocate the increased availability of land. The lengthy land claims process constrains development in Lekwa Municipality, as up to certain percentage of land is subject to land claims, with land not being able to be developed until the claims have been settled. Land reform elements, therefore, have to materialize in this regard.

3.8. MPUMALANGA GROWTH AND DEVELOPMENT PATH (MGDP)

Two Scenarios were modelled to qualify what rate of Economic growth is desirable to significantly reduce unemployment in Mpumalanga in the foreseeable future

- SCENARIO 1: The 15% unemployment rate by 2020-Firstly through creating on average 69 400 net jobs annually for the next 10 years. Secondly, accelerated and sustained economic growth of approximately 5.3% annually.
- SCENARIO 2: The 15% unemployment rate by 2025-Firstly through creating 70 600 net jobs annually for the next 15 years. Secondly, through accelerated and sustained Economic growth of approximately 4.6% annually. This apparently the preferred Scenario.

PILLAR 1: Job Creation	PILLAR 2: Inclusive and shared Economic Growth	PILLAR 3: Spatial Distribution
<ul style="list-style-type: none"> ✓ Growth in Labour Absorbing Sectors; ✓ Green Jobs; ✓ EPWP 2; ✓ Youth Employment Initiatives; Value Chain Initiatives between small and large Enterprises; ✓ Industry Diversification; ✓ Increased Labour & regulatory efficiency; and ✓ Support to Co-ops and Informal Business; ✓ SMME Development & Support'; ✓ Labour/Skills Development; ✓ Infrastructure Development & Maintenance; ✓ Finance & Funding; ✓ Land & Water Resource Management; and ✓ Sustainable Human Settlements 	<ul style="list-style-type: none"> ✓ Cost and Ease of doing Business; ✓ Increased competitiveness; ✓ Beneficiation; ✓ Community led Local Economic Development; ✓ BBBEE; ✓ Municipal Land and Asset ownership; ✓ ICT Deployment; ✓ Innovation and the knowledge Economy; ✓ SMME Development & Support'; ✓ Labour/Skills Development; ✓ Infrastructure Development & Maintenance; ✓ Finance & Funding; ✓ Land & Water Resource Management; and ✓ Sustainable Human Settlements. 	<ul style="list-style-type: none"> ✓ Rural Nodal Development; ✓ Rural Land Tenure transformation; ✓ Food Security; ✓ Agricultural Development; ✓ Transport and Logistics; ✓ Social Economy; ✓ SMME Development & Support'; ✓ Labour/Skills Development; ✓ Infrastructure Development & Maintenance; ✓ Finance & Funding; ✓ Land & Water Resource Management; and ✓ Sustainable Human Settlements.
PILLAR 4: SUSTAINABLE HUMAN DEVELOPMENT	PILLAR 5: ENVIRONMENTAL SUSTAINABILITY	PILLAR 6: REGIONAL CO-ORDINATION
<ul style="list-style-type: none"> ✓ Quality Basic Education; ✓ Community/Heritage Education; ✓ Access to quality Healthcare; ✓ Social Assistance & Insurance; ✓ Social Infrastructure; ✓ Safe Communities 	<ul style="list-style-type: none"> ✓ Waste Management; ✓ Energy Efficiency; and ✓ Renewable Energy Source. 	<ul style="list-style-type: none"> ✓ Joint Initiatives between MP and Neighbours; and ✓ Sub-Corridor Development

3.9. GSDM SPATIAL DEVELOPMENT FRAMEWORK (GSSDF)

The Gert Sibande Spatial Development Framework, 2009 (GSSDF) drafted for the Gert Sibande District Municipality, is based on the following development principles:

- To actively protect, enhance and manage the natural environmental resources of the District, in order to ensure a sustainable equilibrium between biodiversity conservation, mining, manufacturing and industrial activities, agriculture, forestry, and tourism related activities within the District.
- To optimally capitalize on the strategic location of the District and its five key economic strips / corridors, and to functionally link all towns and settlements to one another through establishing and maintaining a strategic road and rail network comprising internal and external linkages.
- To utilize the existing natural environmental, cultural-historic and man-made activity areas within the District as Tourism Anchors and Nodes; and to develop and promote the eastern parts of the District (around route R33) as a Primary Tourism Corridor linking the Lowveld Tourism Precinct to the north (in Ehlanzeni), to the St Lucia Tourism Precinct located to the south of the District.
- To promote forestry within and along the identified Primary Tourism Corridor.
- To promote intensive and extensive commercial farming activities throughout the District, and to facilitate and concentrate subsistence farming activities within certain rural communities.
- To unlock the development potential of existing towns through developing industry specific Special Economic Zones / Economic Clusters throughout the District, in line with the MPISF and the provincial LED Strategy.
- To ensure that all communities have access to at least the minimum levels of service as enshrined in the Constitution.
- To establish a functional hierarchy of towns and settlements in the District, and to ensure equitable access to social infrastructure and the promotion of local economic development by way of Multi- Purpose Community Centres (MPCCs).
- To facilitate and accommodate mining in the District in a sustainable manner in order to support local electricity generation and industrial development.
- To consolidate the urban structure of the District around the highest order centres by way of infill development and densification in Strategic Development Areas (SDAs).

In order to ensure alignment between the Lekwa Local Municipality SDF and the District SDF these principles should be applied when drafting the Spatial Framework.

Specific development proposals with regard to Lekwa Local Municipality are as follows:

- The main urban areas are Standerton, Morgenzon and Thuthukani.
- These urban areas have also been identified as Thusong Service Centres.
- First Order Priority corridors are the R38 between Standerton and Bethal as well as the R35 between Morgenzon and Amersfoort.

- Third Order Priority corridor is the R39 between Morgenzon and Ermelo.

3.10. ALIGNMENT OF NATIONAL AND PROVINCIAL PLANS AFFECTING LEKWA

The national sphere of government develops and promulgates legislation, policies and strategies which all tiers have to implement. In developing their own plans and policies, other spheres of government, particularly the local government sphere has to ensure that there is alignment with both national and provincial plans.

The higher order plans provide the following guiding directives for the SDF for Lekwa LM:

- Lekwa Local Municipality forms part of the areas that were spatially designated and distorted, NSDP will assist in bringing investment and growth in the area. The Municipality can be seen as an area of unlimited potential growth as NSDP purports, where providing basic service and grants, human resource development, labour market intelligence is not enough. Municipality's economic and infrastructural development needs to be aligned within the LED strategy. Growing sectors in the Municipality such as the Agriculture and Tourism sectors need to be strengthened to ensure progressive economic development. Investment in these areas needs to be coordinated and integrated with the IDP of the Municipality and form part of the LED programmes identified as part of the LED Strategy.
- The Mpumalanga Provincial Growth and Development Strategy aims to address the key developmental and economic challenges in the province.
- Municipal's Intervention: In order to align the IDP to the PGDS, the Municipality has identified a number of interventions to support the implementation of the PGDS, evident in the Municipal's Local Economic Development and Spatial Development Framework sector plans.
- The repercussions of AsgiSA for Lekwa Local Municipality is that the LED Strategy must strive to encourage existing larger and small businesses (micro-enterprises) to work collectively and share investments. Dormant and emerging businesses in the area should also be included in the major strategic interventions aimed at reviving the economy of the Municipality. Tourism businesses in the Municipality should seek consultation with domestic and international experts as they form a major economic sector in the area.
- Scarcity of skilled labor is also problematic for the Municipality. Efforts should therefore be directed towards placement of committed trainees from the Municipal area into strong corporations, allowing them to acquire skills and subsequently work within the Municipality. Skills development efforts also need to form part of every economic, social and environmental initiative. This will permit industries and small businesses to acquire skilled labor, while local communities are groomed in the appropriate skills to take up employment in the area. Intensive training should therefore be the cornerstone for uplifting the communities in the area.
- It is of critical importance that the LED strategy for the Municipality be tailored towards creating an enabling environment for its people. The LED strategy must comprise a "culture of collectives" with rural youth and young women coming together to work in developmental projects to increase their income and investments and subsequently gaining ownership of local businesses. This will require coherent coordination and interaction among organizations in Lekwa Municipality.

- The Agricultural sector in Lekwa Municipality is dominated by private land comprising commercial horticultural and livestock farming and large scale crop farming. In order to expand farming enterprises, land is required.
- Therefore, the Municipality's IDP and LED needs to advocate the increased availability of land. The lengthy land claims process constrains development in Lekwa Municipality, as up to certain percentage of land is subject to land claims, with land not being able to be developed until the claims have been settled. Land reform elements, therefore, have to materialize in this regard.
- Protection and sustainable utilization of valuable natural resources;
- Improving road and rail infrastructure to stimulate socio-economic development, improve access to services and facilities and link all settlements;
- Promotion of small and micro-sized rural enterprises;
- Manufacturing of downstream products e.g. agri-processing;
- The backlog in the delivery of services, water supply and sanitation, especially in rural areas.
- Focusing on localities with greater economic potential.
- Broadening the range of housing products in appropriate localities (e.g. close to places of work) and the range of suitable localities within existing settlements for infill housing developments.
- Upgrading inadequate forms of housing – e.g. informal settlements and hostels.
- Promoting tourism, specifically eco-tourism activities.
- Improving access to comprehensive community facilities and services (school, clinics, etc.);
- Promoting intensive and extensive commercial farming activities; and
- Establishing a functional hierarchy of towns and settlements.

4. CHAPTER 4 - DEVELOPMENT STRATEGIES

4.1. INTRODUCTION

This section provides the strategic IDP Review Framework (Implementation Framework) for the 2011 – 2012 IDP Review process. The municipal vision provides an overarching guideline to the municipality, with the municipal objectives and strategies providing the detail implementation framework.

The Municipality implements its mandate in accordance with the powers and functions assigned to it by the Constitution; and continue to endeavour to do so. There are no agreements between the Municipality and other organs of government to implement its powers and functions.

4.2. LEKWA LOCAL MUNICIPALITY'S "VISION"

A vision is a statement of the desired long-term development of the municipality based on the identified strategic issues and related to the specific conditions in the municipal area.

The Municipality's Development Vision developed in 2006 remains unchanged reads as follows:

Vision "To be the leading, people centred municipality excelling in economic growth, development and governance"

To realize this vision,

We believe there are basic elements that all citizens, the business community and visitors must realize.

4.3. LEKWA LOCAL MUNICIPALITY'S "MISSION"

They must be able to see:

- Transparent and accountable governance
- Accelerated customer focused affordable service delivery
- Creation of conducive environment for economic development and growth
- Sustainable infrastructural development and maintenance
- Enhanced community participation in the affairs of the municipality
- To initiate ground breaking innovations in the way we conduct our business

CORE VALUES

- Excellence
- Trustworthiness
- Timeous Responsiveness
- Transparency
- Batho-Pele Principles

Achieving the vision as interpreted, will also mean addressing the key development challenges by making key interventions with the following goals:

4.4. STRATEGIC FOCUS AREA

Emanating from the situational analysis and the ANC manifesto of 2013-2016 undertaken towards the development of the IDP, the municipality identified a number of challenges and constraints which impact on the way the municipality functions and fulfils its mandate as per section 152 of the South African constitution. Challenges confronting the municipality include a declining revenue base and poor management of resources, inefficiencies that limit the manner in which the municipality interface with the communities, aging infrastructure due to truck haulage and deferred maintenance, structural inefficiencies that result in poor service delivery standards, low economic growth and high unemployment rate, vulnerable environmental assets and natural resources.

To address the identified challenges and work towards realization of the vision, the municipality has identified the following long- term strategic objective which will be known as 5 LLM's;

LLM: 1 Build local economies to create more employment, decent work & sustainable livelihoods

LLM: 2 Improve service and broaden access to them

LLM: 3 Promote more active community participation in local government

LLM: 4 Ensure more effective, accountable and clean local government that works with

LLM: 5 build more united, non-racial, integrated and safer communities

The municipality has aligned the key strategic objectives and will strive to attain them within the context of the five key local government performance areas:

The Key Development Objectives approach to Performance Management, However, the Municipal Systems Act no:32 of 2000 require that the Performance Management System represent the Municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement. In adopting this strategy, and in keeping with the Key Performance Areas indicated by the Department of Provincial and Local Government, the Key Development Objectives will be now be customized using the following five perspectives or Key Performance Areas:

- Infrastructure Development and Service Delivery
- Local Economic Development (LED)
- Municipal Financial Viability and Management
- Good Governance and Public Participation
- Municipal Transformation and Organizational Development

Taking into account the prevailing economic environment and global factors that impact on development, the municipality has made some significant strides or inroads to address key development challenges within the LLM. There is however more work to be done towards addressing the identified focal areas.

5. CHAPTER 5: LEKWA SPATIAL RATIONALE

The revised SDF will be used as a strategic tool to guide future development in the area and will form the basis of the Land Use Management System (LUMS) for Lekwa Local Municipality (LLM).

The revision was divided into three phases:

- **Phase 1: Analysis of the municipality and initial findings.**
- **Phase 2: Proposed Spatial Development Framework.**
- **Phase 3: Implementation Framework.**

Municipal Spatial Development Concept: Issues from the Status Quo

The following is a summary of the issues emanating from the Status Quo Analysis. These issues will form the basis for drafting the Spatial Development Framework as well as the Implementation Framework.

- Manufacturing of downstream products e.g. agri-processing;
- The backlog in the delivery of services, water supply and sanitation, especially in rural areas.
- Focusing on localities with greater economic potential.
- Broadening the range of housing products in appropriate localities (e.g. close to places of work) and the range of suitable localities within existing settlements for infill housing developments.
- Upgrading inadequate forms of housing – e.g. informal settlements and hostels.
- Promoting tourism, specifically eco-tourism activities.
- Promoting intensive and extensive commercial farming activities;
- Establishing a functional hierarchy of towns and settlements.
- Facilitating the establishment of business initiatives, rural and agro-industries, co-operatives, cultural initiatives and vibrant local markets;
- The revitalization of old and creation of new economic, social, and information and communication infrastructure, public amenities and facilities in villages and small rural towns, etc
- It is a relatively small municipality, both in terms of area and population.
- It does not contain a large number of higher order service centers and or large industrial/manufacturing complexes and it lacks second order service centers.
- It is bypassed by the national road network.
- It is thus relatively isolated and outside of the economic hubs of the country.
- The Vaal River together with numerous **watercourses, wetlands and pans** as well as the Grootdraai Dam forms part of the natural open space system of the municipality. These are valuable assets to the municipality and should be protected as it plays a very important hydrological function. The extensive river system also forms part of the ecological corridors as identified in the MBCP.
- The **Grootdraai Dam** is the tenth largest dam in South Africa and is ideal for water sports such as windsurfing and skiing. The dam can thus contribute significantly to tourism development in the municipality.
- The **formal conservation areas** although limited, adds to the open space network and include the Reitvaal Conservancy, Bloukop Nature Reserve and Standerskop. Additional koppies that should also be protected are Joubertskop and Potberg south west of Standerton as well as Spioenkop to the east of Thuthukani.
- **Provincially Lekwa LM is not well connected** in terms of National roads as it is excluded from important corridors such as the N17 / N2 and N11.

- **On municipal level the municipality is fairly well connected.** The problem however is that the main routes, that link the municipality with areas of economic importance, are of very poor quality, due to a high number of heavy vehicle movement through the area.
- Generally, the **maintenance of roads** remains a huge challenge due to the damage caused by the heavy vehicles used to transport coal to Eskom's power stations. To maintain the critical coal haulage road network, the Mpumalanga Department of Roads and Transport (MDRT) has to spend virtually its entire budget on those stretches of road forming part of the coal network. Consequently, tourism routes, public transport routes, and basic access roads in rural areas are being neglected.

From a planning point of view, all the major routes that link the municipality with the outside regions should be properly maintained, especially those used by trucking industry linked to mining and agriculture, in order to increase accessibility.

- **Standerton** is the only major urban settlement within Lekwa LM. The next order of settlements is Morgenzon and Thuthukani which are mainly rural service centres. Standerton has numerous development and expansion opportunities in terms of industries and manufacturing of products.
- The three largest **contributors to the economy** are Trade (21%), Agriculture 19% and Finance (17%). This highlights the importance of Standerton as urban centre and the importance of the agricultural sector within the municipality
- **Primary Schools** are the main facility provided within rural Lekwa.
- Very **limited** other facilities are provided in the rural areas.
- **Limited higher order** educational facilities exist.
- Standerton followed by Morgenzon has the highest concentration of social facilities.
- The central rural areas of the municipality lack in social facility provision as well as the eastern and south western parts.
- **Accessibility** to social facilities is problematic considering the long distances and lack of public transportation.
- The **population in Lekwa LM decreased** with 12% between 2001 and 2007 while the number of **households increased** with 6%. These indicate that the household size became smaller. It is thus apparent that there is a clear trend towards dedensification.
- The analysis of formal housing also showed a clear indication of **dedensification** between 2001 and 2007, as the percentage of population living in formal houses decreased with 0.4% whilst the percentage of households increased by 19.5%.
- The **population in Lekwa LM declined more rapidly than in Gert Sibande District**, whilst the population in Mpumalanga grew. The Status Quo Analysis indicates that the decline in population in Lekwa could be attributed to a number of factors:
 - HIV/Aids, as stated in the Gert Sibande SDF.
 - Migration patterns where residents move to larger urban areas in search of jobs and education.
 - Changing employment patterns e.g. growth of job opportunities in surrounding areas.
 - Large industries that closed down e.g. New Denmark Colliery which retrenched approximately 60% of their workforce between 1998 and 2001.
 - With regard to movement and **public transportation**, modal choice is largely limited to bus and taxi services, with the available bus transport services restricted to the urban settlements. Thus it was not surprising that the highest percentage of people move on foot, and these people are mainly located in the rural areas far removed from employment and social facilities. This analysis emphasizes the municipality's underdeveloped public transport system and limited accessibility to facilities and services.

- The fact that the largest number of people moves **on foot** is critical and has to be taken into consideration when planning.
- In terms of National legislation emphasis has been placed on **rail** as an important mode of transport and the option of introducing a more efficient passenger rail service has to be considered.

5.1. MUNICIPAL SPATIAL DEVELOPMENT CONCEPT: SPATIAL PRINCIPLES

The proposed spatial development concept for the entire municipal area is based on three principles:

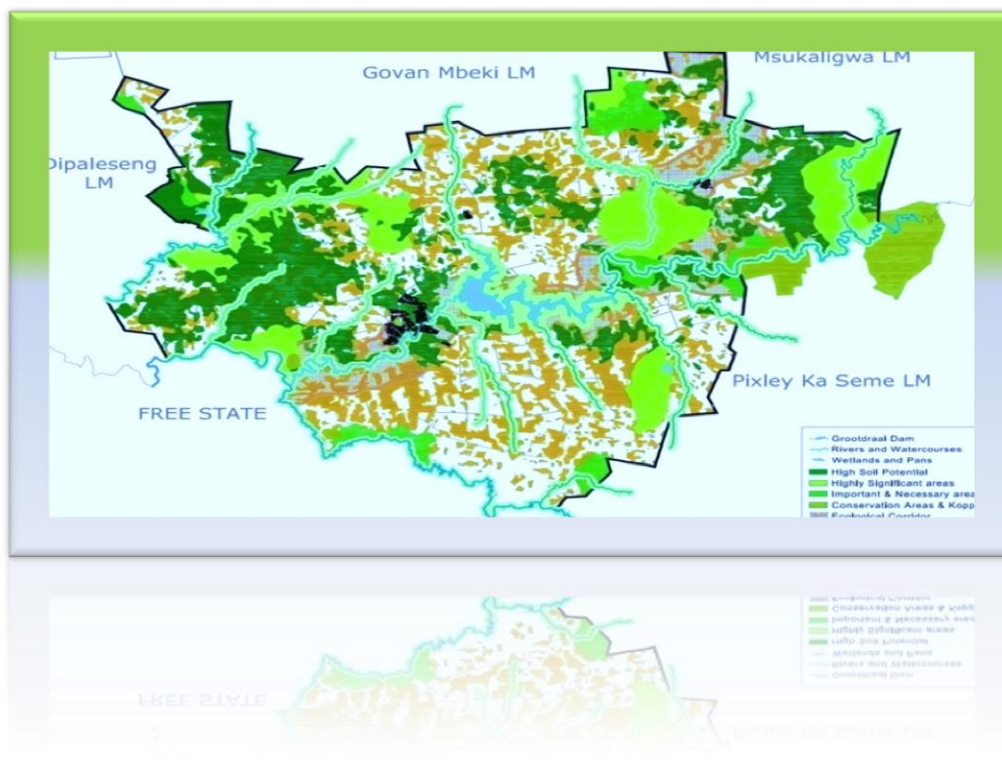
- Protection of environmentally sensitive areas and areas with high soil potential for agriculture;
- Establishment of an effective and integrated movement network; and
- Establishment of a functional hierarchy of nodes.

Development Principle 1: Protection of environmentally sensitive areas and areas with high soil potential for agriculture;

The ecologically sensitive land that has to be protected from urban development was identified. Environmentally sensitive areas that should be protected include:

- Dams, wetlands and rivers;
- Conservancies;
- Koppies
- Environmentally Important Areas as per the MBCP; and
- Ecological corridors as per MBCP.

Secondly, land that has high agricultural potential and land that is currently used for agriculture was identified to be protected from urban development. As agriculture is one of the most important economic sectors in the LLM and is stressed as of critical importance in all the higher order plans, every effort has to be made to protect and expand agricultural activities.



**Figure 23: Environmentally sensitive areas and areas with high soil potential for agriculture;
Development Principle 2: Establishment of an effective and integrated movement network;**

The second structuring element is the movement network, as this provides channels for the flow of goods and people and is thus paramount for economic growth. It also provides access for the inhabitants to services and facilities, which is critical for education, health and job opportunities amongst others. A weak or biased movement network will result weak and biased development of the area.

The following critical linkages have been identified as first order roads (arterials) and thus key economic corridors:

ROAD	IMPORTANCE	DESCRIPTION	ROAD CONDITION
R39	Identified by Lekwa LM as an important economic corridor.	Only direct link between Standerton and Ermelo via Morgenzon.	Good: Between Standerton and Morgenzon. Very Poor: Between Morgenzon and Ermelo.
R35	Identified by Gert Sibande District as key economic corridor.	Link between the central and western parts of Gert Sibande DM linking Morgenzon with Amersfoort to the south and Bethal / Middelburg to the north.	Good: Entire stretch within Lekwa LM.
R38	Identified by Lekwa LM as an important economic corridor as well as on district level as an important freight route.	Link the towns of Standerton and Thuthukani with towns outside the municipal area such as Bethal, Carolina and Badplaas.	Good: Entire stretch within Lekwa LM.
R23	Identified by Gert Sibande District as key economic corridor.	Served as the old route between Gauteng and Durban in KwaZulu-Natal linking Standerton to Balfour and Volksrust.	Good: Between Standerton and Volksrust. Poor: Stretches of the road between Standerton and Johannesburg.
R50	Identified by Lekwa LM as an important economic corridor as well as on district level as an important freight route.	Only direct link between Pretoria and Standerton via Delmas and Leandra.	Poor: First few kilometres when entering the municipality and last few kilometres before entering Standerton. Very Poor: The stretch of road in between the above mentioned.
ROAD	IMPORTANCE	DESCRIPTION	ROAD CONDITION
R546	Identified by Lekwa LM as an important economic corridor.	Links Standerton to Vrede in the south and to the TEKS Industrial Complex in the north.	Good: Between Standerton and Vrede. Poor: A few kilometres to the north of Standerton. Very Poor: Stretch of the road north of Standerton closer to Evander.
R547	Not an economic corridor.	Links the R50 and the R23 in the western parts of the municipality.	Poor: Entire stretch within municipal area.

The myriad of third order routes provide local access and should be maintained and upgraded.

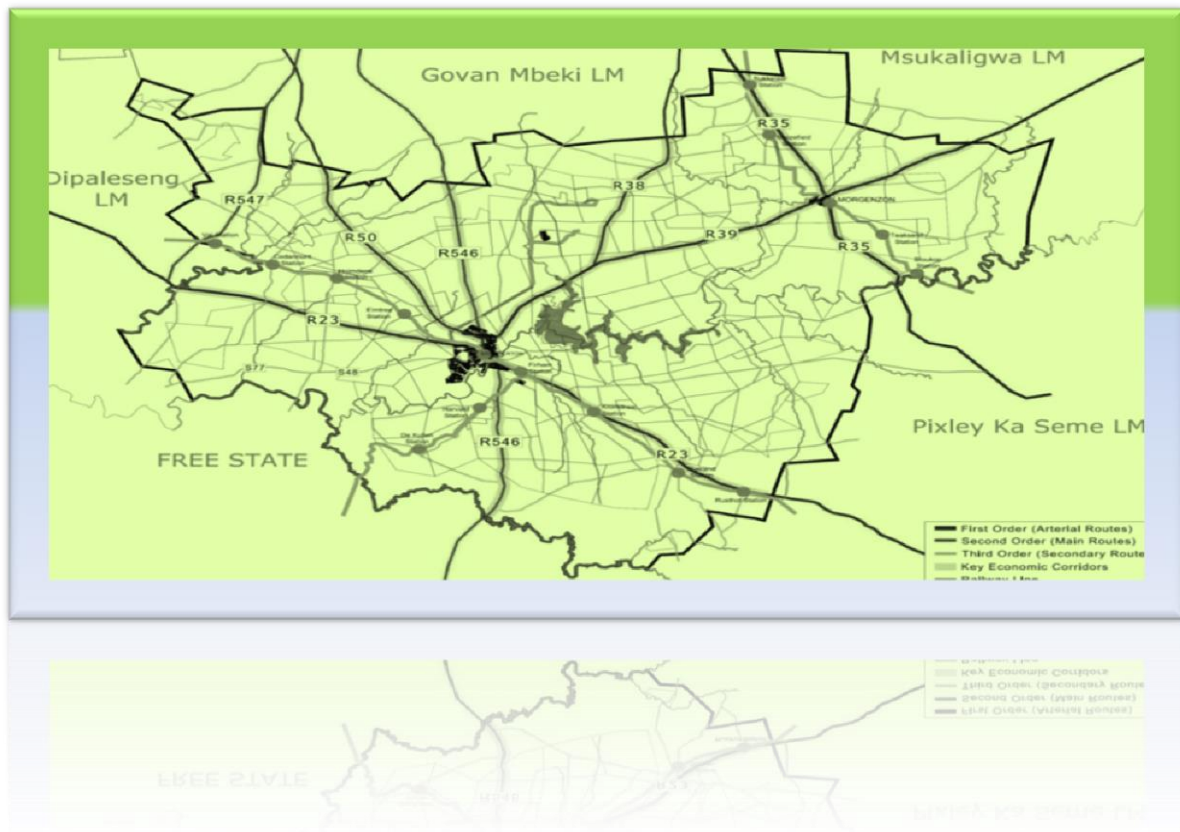


Figure 24: first order roads (arterials)

Development Principle 3: Establishment of a functional hierarchy of nodes

A hierarchy of nodes is important in order to ensure a functional clustering of facilities and services as well as economic viability based on economies of scale. This will ensure sustainable provision of social and commercial facilities, equality of access to all and shorter travelling distances

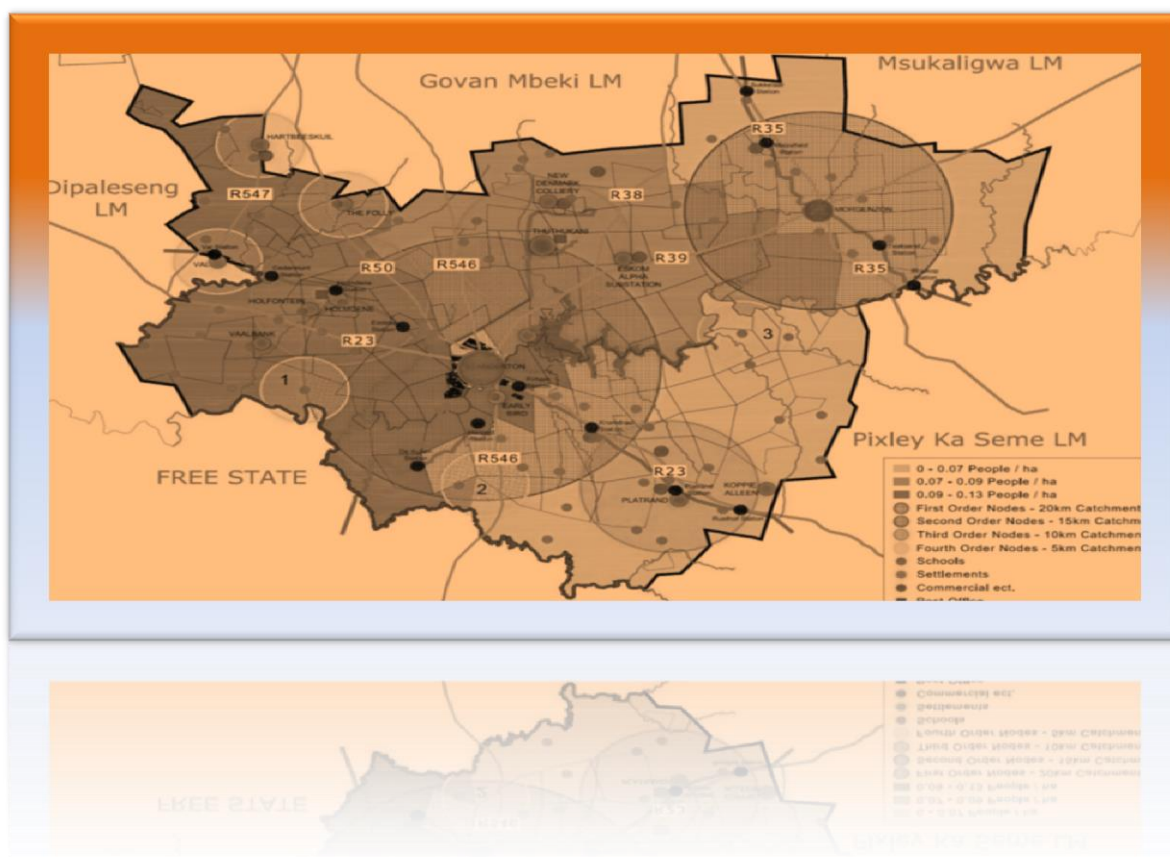


Figure 25: hierarchy of nodes

First order nodes

Accommodate the highest level of services and facilities as well as the widest spectrum and serve a large population over a large area. It would thus accommodate tertiary education facilities, high order health facilities etc.

Second order nodes

Smaller than first order nodes, have fewer facilities and serve a smaller number of people over a smaller area. They should typically include secondary education facilities and the full spectrum of social facilities.

Morgenzon and Thuthukani were identified as third order nodes in the GS SDF. Morgenzon can however be upgraded to a second order node due to its locality on the intersection of two first order roads (the R39 and R35), its distance from Standerton and its existing facilities. It currently functions as a service centre to the farms and rural population in the area and this function should be expanded. It can serve a catchment of 15km.

Third Order nodes







Two additional third order nodes were thus identified: Platrand and Holmdene.

Holmdene is located in the western part of the LLM, which has the highest density rural population. It is located between the R50 and the R23 at the Holmdene railway Station on the Johannesburg–Durban railway line. It has an existing village, silos, a post office and a school. Platrand is located in

southern part of the LLM on the R23. It is adjacent to the Platrand station on the Johannesburg-Durban railway line. There is an existing village, two primary schools, and some commercial facilities

Fourth order nodes

Fourth order nodes were identified. Social facility provision in the rural areas, e.g. schools and health facilities should be clustered within third order nodes rather than being placed randomly. This will increase their accessibility (as residents only have to visit one node to access a variety of facilities), ensure that they are equally distributed, allow for the sharing of facilities and start to create a critical mass that can lead to the attraction of other services and facilities.

NODE	LOCALITY	ACCE SS	FACILITIES	CHARACTER	ILLUSTRATION
HARTBEE S KUIL	North-western municipal boundary.	R547	Existing settlement, 2 schools and some commercial activity.	Existing agricultural practices and high soil potential.	
THE FOLLY	North-western municipal boundary.	R50	Existing settlement and a school.	Existing agricultural practices, highly significant environmental areas and high soil potential.	
VAL	Western municipal boundary.	R547 and railway line.	Existing settlement, a school and Val railway station.	Existing agricultural practices, highly significant environmental areas and high soil potential.	
NR 1	South-west	R23 and S48.	School.	Highly significant environmental areas and high soil potential.	
NR 2	South	R546	2 schools.	Existing agricultural practices and highly significant environmental areas.	
NR 3	East	Third order road name unavail able	3 schools	Existing agricultural practices, highly significant environmental areas and high soil potential. Next to Grootdraai dam and the Vaal river.	

Fourth order nodes were determined according to the same methodology as for third order nodes, so as to work with existing development patterns and energies. Thus localities that were connected to the main road network and the railway line and had some form of existing development as well as development potential were selected. The distribution of fourth order nodes was dictated by population density, access to higher order nodes and the presence of environmentally sensitive areas. Areas with high agricultural soil potential were favored in order to address the need for agricultural villages.

Six fourth order nodes have been identified. Four of these are located in the western area as this area has the higher population density and potential for growth. Two fourth order nodes are located in the lower density areas to the south and the east. Fourth order nodes include Hartbeeskuil, The Folly and Val.

5.2. MUNICIPAL SPATIAL DEVELOPMENT CONCEPT

The Spatial Development Concept is based on the three objectives as stated above. It thus indicates:

- Areas that should be protected from development because of environmental sensitivity or agricultural potential;
- Areas where agricultural activities should be promoted;
- The main road network that should be maintained and upgraded; and
- The hierarchy of nodes that should be established.

Specific actions that are needed for the realization of the Spatial Development Concept are dealt with in the Implementation Framework.

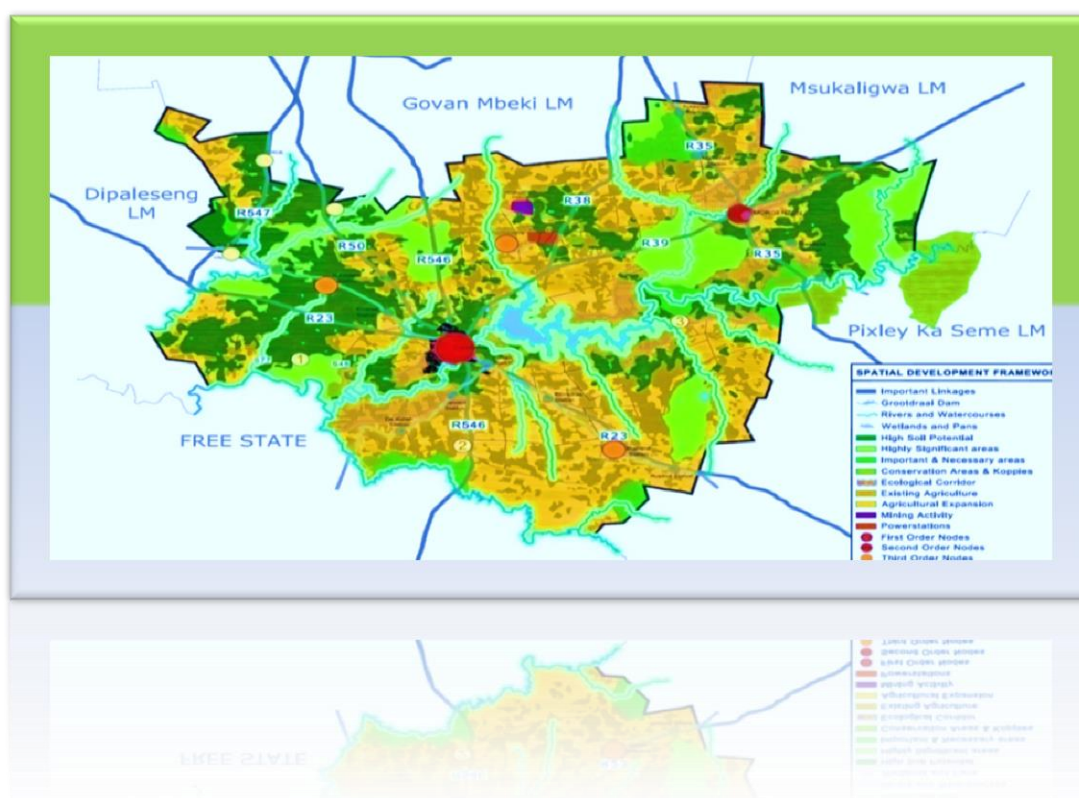


Figure 26: Protected Areas

5.3. STANDERTON SPATIAL DEVELOPMENT CONCEPT: DEVELOPMENT PRINCIPLES

The development concept for Standerton is based on the following spatial structuring elements:

- **Open Space Network;**
- **Movement Network & Linkages;**
- **Densification and Infill Development;**
- **Commercial & Industrial Development; and**
- **Urban Edge.**

Open Space Network;

Standerton consist of natural and local open space. Natural open space includes areas that have a primarily ecological function and should be protected from any form of human intrusion in order to safeguard the ecological integrity of these areas. The natural open space system consists of the following elements;

- The Vaal River
- Other streams that flow into the Vaal River
- Standerkop; and
- Steep slopes Southeast of Sakhile

Local Open Space consists mostly of parks and serves the recreational needs of locals.

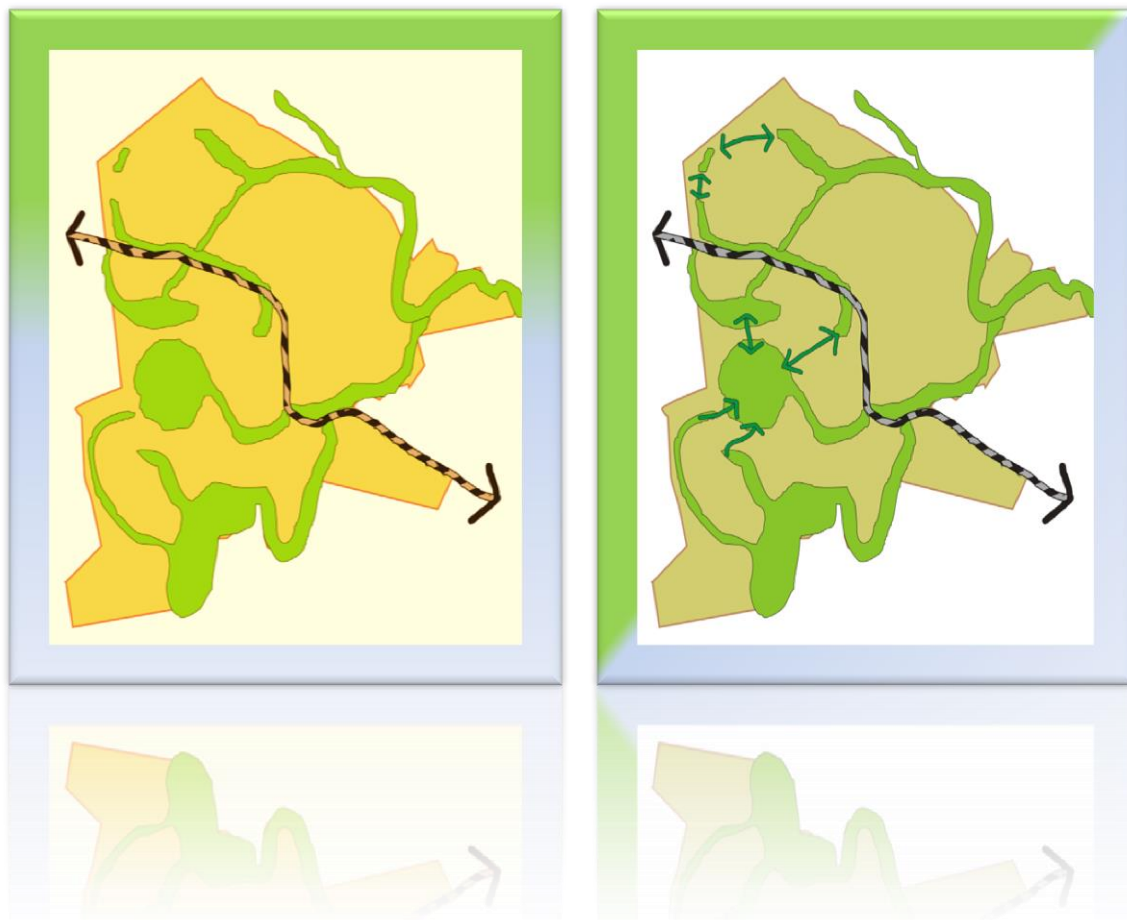


Figure 27/8: OPEN SPACE (left)

PROPOSED OPEN SPACE LINKAGES (right)

With regards to the **quality of life function** of the open space network, the following should be noted:

- Walkways and cycle ways should ideally be established next to the open space network in order to provide optimal access to the open spaces and for leisure purposes.
- As some Functional Areas are underprovided with local parks, the natural open spaces can be used as local parks. Care should however be taken not to impede the ecological functioning of these spaces and invader species should be avoided (including invader grasses), activities should be placed on the edge of the open space and polluting or hazardous uses should be avoided.
- Where possible social facilities, especially recreational and sports facilities should be located adjacent to the open space network.

Establishment of functional integrated movement network

Mobility and access routes are the main entrance routes which links the Town with its surroundings.

- ✓ No or limited access is typically allowed on these routes in order to protect their mobility function.
- ✓ Thus no activities can be allowed on mobility/ access routes.
- ✓ These routes are the point of entry and thus play an important role in the image of the town, thus it should be extensively landscaped to continue the 'green feel' created by the natural open spaces.
- ✓ Entrance markers should be placed at all the important entrances.

Activity spines: the following guidelines are applicable;

- ✓ Mixed land uses should be allowed along activity spines
- ✓ Care should be taken with the interface between buildings and the street
- ✓ Care should also be taken with the interface between the building and development to the back, which will in most instances be residential.
- ✓ As these routes are also the most important public transport routes, facilities such as taxi stops and commuter shelters should be provided.
- ✓ Sidewalks should be continuous, of sufficient width, landscaped and provided with the full complement of street furniture.

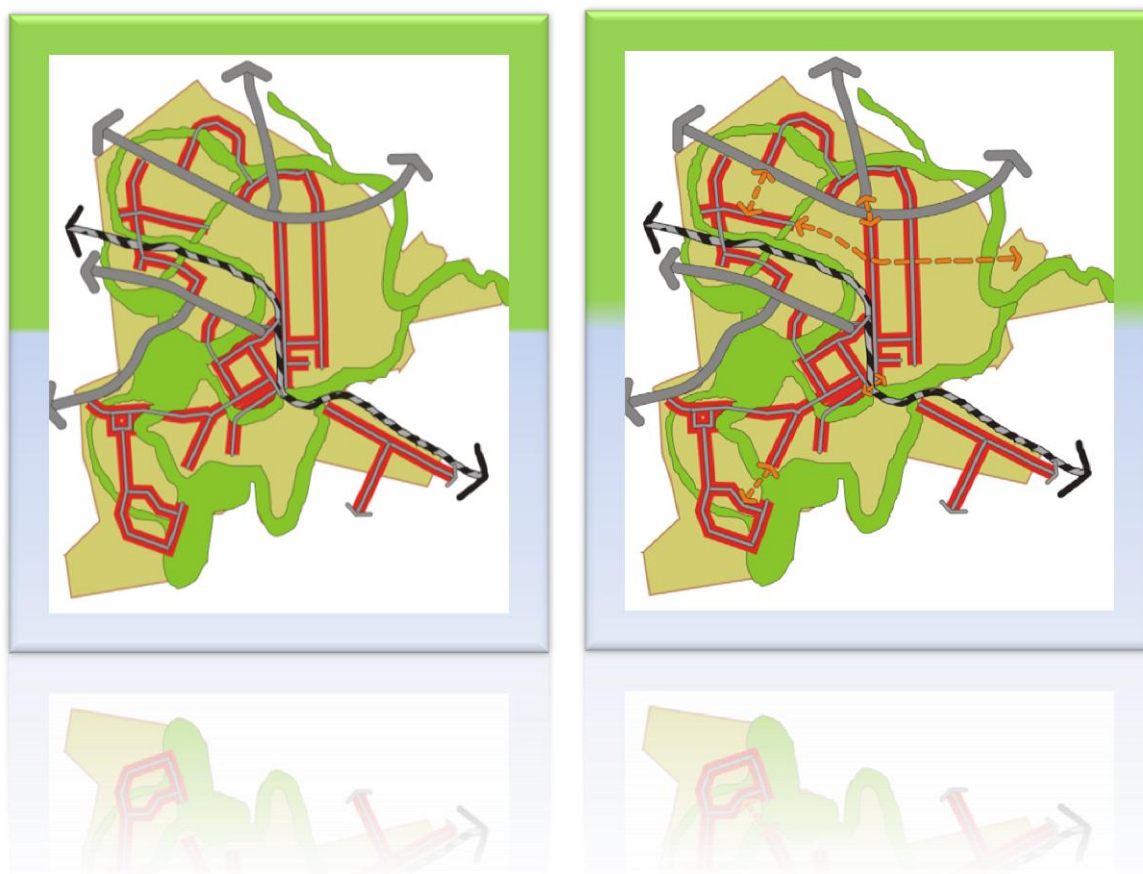


Figure 29/10 PROPOSED ACTIVITY SPINES

PROPOSED LINKAGES

Establishment of hierarchy of Nodes

The first order node is the CBD. It serves the entire town and will have the highest concentration and the highest order facilities and services. Second order nodes were identified. These serve large parts of the town and have sizeable commercial facilities as well as higher order social and recreational facilities.

NAME	DESCRIPTION
Junxion Shopping Centre	<ul style="list-style-type: none"> Already existing commercial activities. On two main routes (R50 and Dr Beyers Naudé Drive)
New commercial node in Standerton Extension 8 (west of Stanfield Hill)	Large proposed commercial area next to the R50.
Oriental Plaza	<ul style="list-style-type: none"> Existing commercial activity. Only commercial node of its size in the Sakhile area.
At Sakhile hostels and the previous local council offices.	<ul style="list-style-type: none"> Located on an important intersection of Hlongwane Street and Palmer Avenue.
In Meyerville on the intersection of Nelson Mandela Road and George Street.	<ul style="list-style-type: none"> Existing School On the intersection of the only two entrance roads in Meyerville.
Sakhile Sport Stadium	<ul style="list-style-type: none"> Existing sport stadium although dilapidated. Existing commercial and social facilities surrounding the stadium.
Sakhile Extension 4 at the new taxi rank which is currently under construction	<ul style="list-style-type: none"> Existing taxi rank which is a magnet for new developments.

Third order nodes will serve only as small mixed use community nodes that are easily accessible to the surrounding community and should typically contain the following facilities clinic, crèche, community hall, pay point and small scale commercial

NAME	DESCRIPTION
Node in Standerton Extension 3	Existing clinic and sports facilities
Standerton Extension 6	Informal public transport facility already existing. On a public transport route.
At the intersection of the R23 (west) and the S48.	At the intersection of two main entrance roads.
Standerton Extension 7.	Existing Primary School.
Standerton Proper (west) next to Minnaar Street.	Existing facilities such as a clinic and a school.
On either side of Tsotetsi Street in Sakhile Proper.	Existing schools.
South-west of the new taxi rank in Sakhile Extension 4.	Proposed school site.

Controlled Industrial Development

Industrial development should be allowed as follows

- Illegal and noxious industrial land uses should be removed from Stanfield Hill (1) and relocated outside the urban edge or to the southern parts of the industrial area of Standerton Ext 1.
- The Stanfield Hill industrial area should be utilized as a mixed use area and light industries can be allowed.
- The industrial area next to Standerton West Ext 3 does not negatively impact the surrounding land uses and can therefore remain as is.

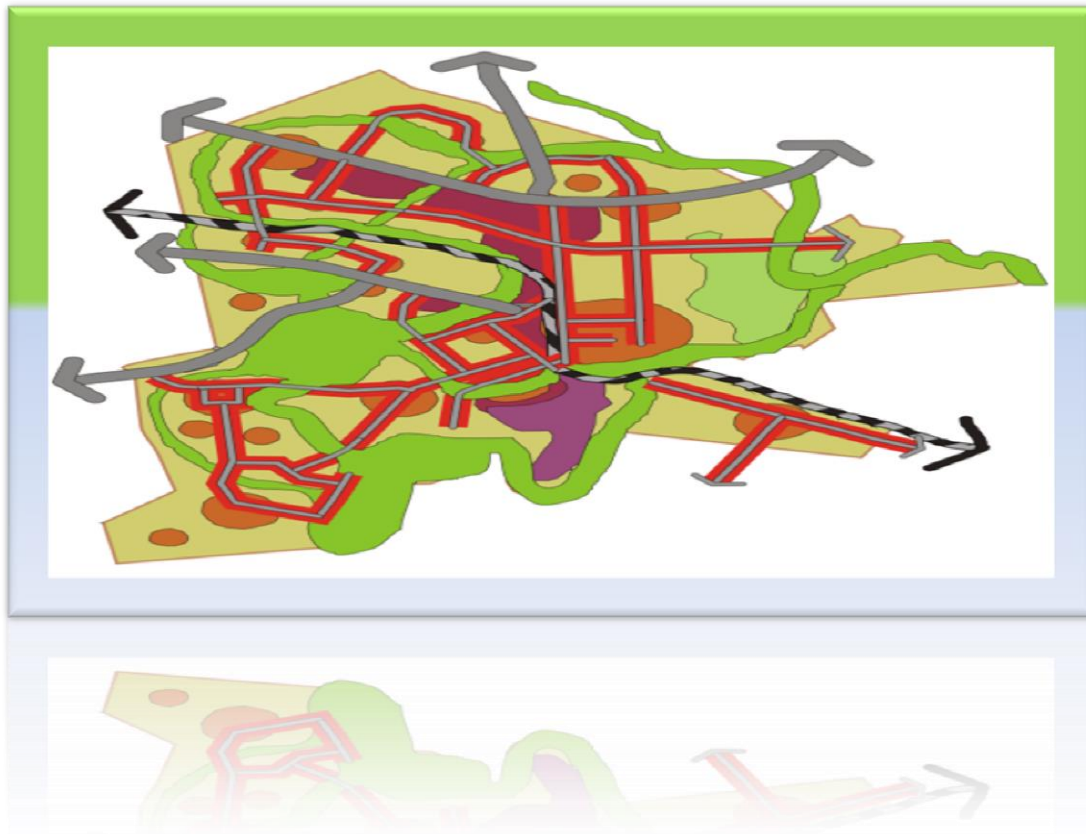


Figure 30: Mixed use infill development

There are large portions of strategically vacant located land within the town. This land is mostly in government ownership and is ideally located to integrate the different parts of the town and to density and diversify the central parts of the town.

The following areas have been identified for mixed use infill developments:

NAME	DESCRIPTION
Along the R50 –	<ul style="list-style-type: none"> ▪ The area of Stanfield Hill where some industries are already located. ▪ The area surrounding Junxion Shopping Centre.
The station area.	Vacant Transnet land to the east of Walter Sisulu up to the Fire Department and Licensing Offices.
South of Oriental Plaza.	The area between the industrial area of Standerton Extension 1 and Oriental Plaza.

The following guidelines are applicable to mixed use infill development areas:

- Land uses as listed under Mixed Use.
- Special attention should be given to a wide variety of residential types and delivery options. Higher density residential will be favored.
- Special attention should be given to pedestrian linkages and facilities.

- Urban design frameworks should be drafted for each area as part of the development process to ensure that aspects such as quality of the public environment and urban form are attended to.

Development Principle 6: Prioritized Residential infill and densification

In order to address the need for densification and housing residential infill and densification should be prioritized.

Densification will be allowed in:

- Standerton Proper (east and west); and
- Meyerville.

A density of 20 du/ha should be allowed.

Infill development should be allowed in:

- Standerton Extension 5 to the east of Standerton Proper.
- Vacant RSA owned land to the east of Standerton Extension 8.

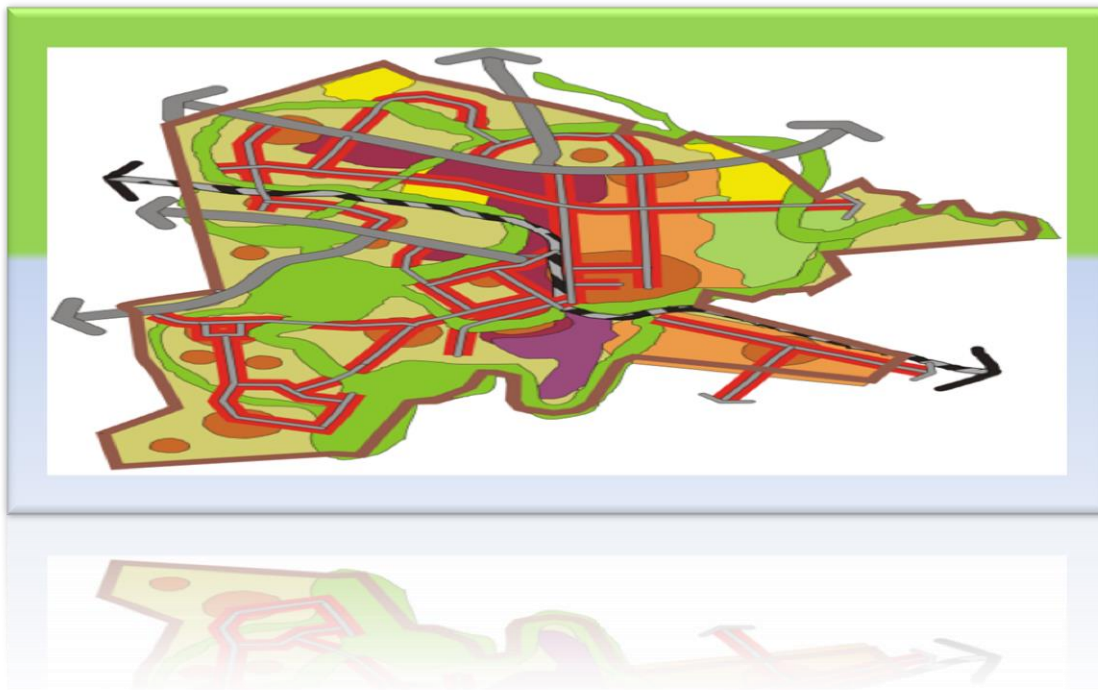


Figure 31: MIXED USE INFILL DEVELOPMENT

Delineation of the urban edge

An urban edge is proposed around Standerton as existing densities is low and there is ample vacant land within the town itself. The urban edge will prevent sprawl of the town into the adjacent agricultural and natural areas, will increase the effective use of existing infrastructure and increase the efficiency of public transport. The urban edge can be reviewed once at least 50% of the vacant land has been developed.

5.4. STANDERTON SPATIAL DEVELOPMENT CONCEPT: LANDUSE DESCRIPTION

Mixed use: 1

LAND USE	PERMITTED USES	USES PERMITTED ONLY WITH THE CONSENT OF THE LOCAL MUNICIPALITY	PROHIBITED USES
Residential	Residential Buildings	Places of public worship, places of instruction, social halls, sport and recreational purposes, institutions, medical suites, freight containers, freestanding prefabricated structures	Uses not under column (2) or (3)
Business	Shops, taverns, business purposes, residential buildings, places of public worship, places of instruction, social halls, sports and recreation purposes, institutions	Uses not under column (2) or (4) including freight containers, freestanding prefabricated structures	Noxious industries
Community Facility	Places of public worship, places of instruction, social halls, sports and recreational purposes, institutions	Residential buildings, special purposes	Uses not under column (2) or (3)

Mixed use: 2

LAND USE	PERMITTED USES	USES PERMITTED ONLY WITH THE CONSENT OF THE LOCAL MUNICIPALITY	PROHIBITED USES
Residential	Residential Buildings	Places of public worship, places of instruction, social halls, sport and recreational purposes, institutions, medical suites, freight containers, freestanding prefabricated structures	Uses not under column (2) or (3)
Business	Shops, taverns, business purposes, residential buildings, places of public worship, places of instruction, social halls, sports and recreation purposes, institutions	Uses not under column (2) or (4) including freight containers, freestanding prefabricated structures	Noxious industries
Community Facility	Places of public worship, places of instruction, social halls, sports and recreational purposes, institutions	Residential buildings, special purposes	Uses not under column (2) or (3)
Industrial 1	Industry (excluding noxious industries), scrap-yards (excluding incineration), public garage, places of refreshment for own employees only and warehouses	Buildings not in Columns (3) and (5)	Noxious industries, dwelling units, residential buildings, hotels, business buildings and retail trade

5.5. STANDERTON SPATIAL DEVELOPMENT CONCEPT: PRIORITY PRECINCTS

Six priority precincts have been identified in and around Standerton. These are areas that need special attention or are of strategic importance. For the purposes of this revision a description of existing land use activity has been done for the precincts as well as general design guidelines. Detailed precinct plans should be developed for these areas.

PRENCIPT	DESCRIPTION OF EXISTING LAND
Station Precincts	Station Precinct should ideally be developed as a Mixed Use Commercial and High Density Residential Area which would link the eastern and western parts of town.
Sports and Recreational Precincts	The precinct should be developed as a Sport, Recreational and Tourism Precinct which will take advantage of the potential of the Vaal River
Standerton CBD & Beyers Naude Drive	The precinct should be enhanced and maintained as a strong Commercial Core.
Sakhile Tsotetsi Road	The precinct should be developed as a mixed use activity spine and second and third order social nodes.
Nelson Mandela Drive Meyerville	The precinct should be developed as an Activity Spine and second order node.
Sakhile Hostel	The precinct should be developed as a Mixed Use Second Order Node.

Morgenzon is the service centre for the surrounding commercial farmers and it is located at the intersection of two main routes within the municipality. It has however over time not developed as anticipated: large portions of land are currently vacant and many of the buildings and facilities are run down.

Morgenzon thus needs to be regenerated. This can be done by firstly upgrading the facilities and services within the town. As Morgenzon has been identified as the only second order node in the overall Spatial Framework it should accommodate a variety of higher order services and facilities. Higher order services and facilities will attract more people to the area. It can also serve an important function with regards to farm worker housing and agricultural villages, which will strengthen its current role. Accommodating people living in the rural areas is problematic. Commercial farmers have however offered several portions of farmland to Lekwa LM for development of some sort of agricultural residential settlement. If these offers are accepted it will lead to scattered settlements all over the municipal area which will add to the pressure of providing services and the current lack of a functional settlement hierarchy.

The spatial development concept for Morgenzon should focus on infill development, integration of the different areas, and upgrade of open spaces and consolidation of commercial and social facilities.

The following interventions are proposed in order to ensure the functional development of Morgenzon and the provision of higher order facilities:

- The Open Space Network consisting of parks, flood lines, the railway servitude and the golf course should be protected against development.
- Mixed Use development should be allowed and limited along the R39 and R35.
- Additional mixed use nodes are proposed. These are located on main roads and are easily accessible. It is also located within areas where some form of social facilities already exists. The intention is that social / community facilities be developed within these nodes to form a cluster of facilities. This will control ad hoc development and also improve accessibility and maintenance of these facilities. The following nodes area proposed:
 - Sivukile Proper to the west of the railway line.
 - Sivukile Extension 4 on the main entrance road.

- Sivukile Extension 2 and 3 on the main road linking these extensions to Morgenzon Proper.
- Infill development on vacant land within the town is suggested as opposed to new Greenfield development.
- Residential densification should be supported in Morgenzon Proper.
 - The area to the west of the railway line (next to the higher residential areas of Sivukile Ext 2 and 3) can be densified to erven no smaller than 250m².
 - The area to the east of the railway line can be densified to erven no smaller than 500m².
- Industrial development should be limited to Morgenzon Ext 1. Thus industrial uses within town should be located in this area.

With regards to the urban agricultural residential village:⁴, it is proposed that Morgenzon be used as a “pilot project” for an “Urban Agricultural Residential Settlement”. The principles behind this proposal are as follows:

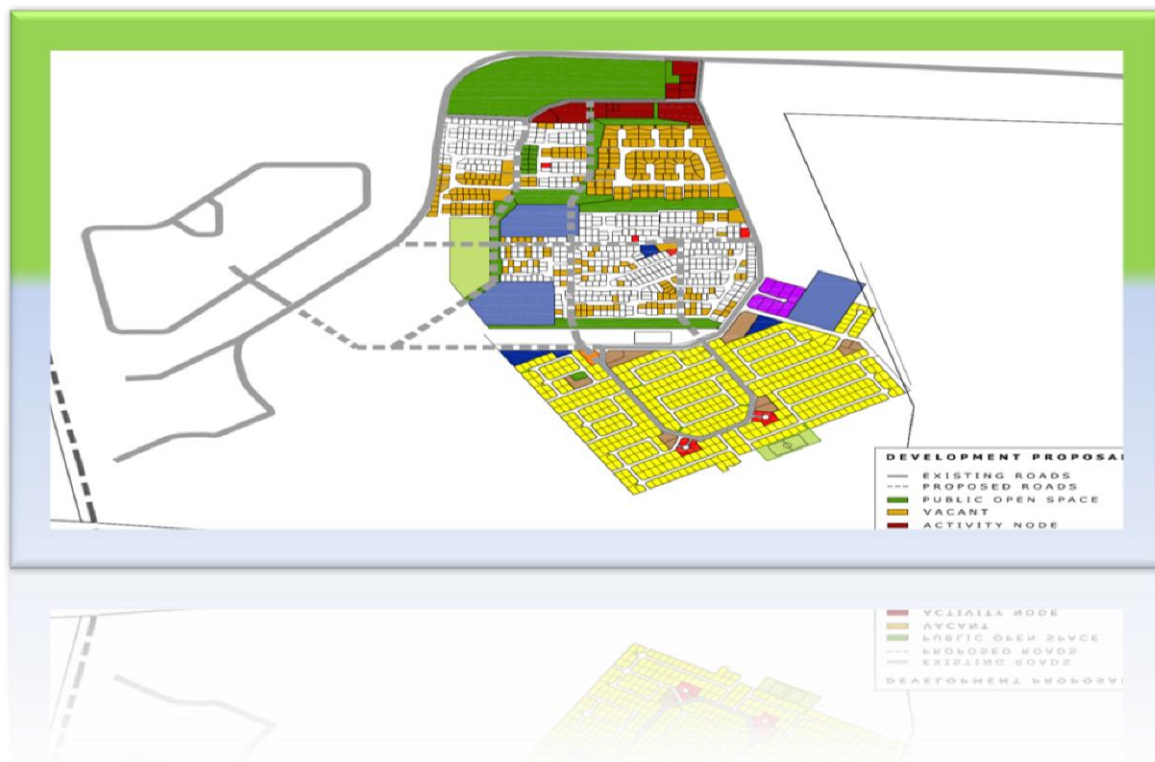
- The ability of the municipality to provide services to the beneficiaries is increased in areas where the municipalities are already providing services and where there is a high density of people.
- The higher the concentration of people are the better is the chances of obtaining and improving other services such as police, education, health etc.
- It has been proven throughout history that the “centralization” of settlements instead of the decentralization of settlement leads to an increase in economic activity and increase in sustainability.



5.6. THUTHUKANI SPATIAL DEVELOPMENT CONCEPT

The Spatial Development Concept for Thuthukani should focus on infill development, provision of social facilities, and integration of the disparate portions and the upgrade of the environment. The following proposals are made:

- The **open space network** should be protected.
- The following **road linkages** are proposed:
 - North south linkages are proposed to improve movement through town.
 - Links between Thuthukani Proper and Thuthukani Extension 1.
 - East west linkages to integrate the Eskom Hostels with Thuthukani Extension 1.
- An **activity node** should be established to the north of town next to the entrance road. This activity node should consist of cluster of commercial and social facilities.
- **Infill development** on vacant council owned land.



5.7. IMPLEMENTATION FRAMEWORK OF THE SDF

The Implementation Framework is necessary to give effect to the proposals contained in the SDF.

The Implementation Framework consists of the following actions:

- ACTION 1: ADOPTION / APPROVAL OF SDF
- ACTION 2: ALIGNMENT AND HARMONIZATION OF PLANS
- ACTION 3: UPDATE AND CORRECTION OF BASELINE INFORMATION AND PLANS
- ACTION 4: ADDITIONAL PLANS REQUIRED IN TERMS OF LEGISLATION
- ACTION 5: STRATEGIES, PLANS, FRAMEWORKS REQUIRED BY SDF PROPOSALS

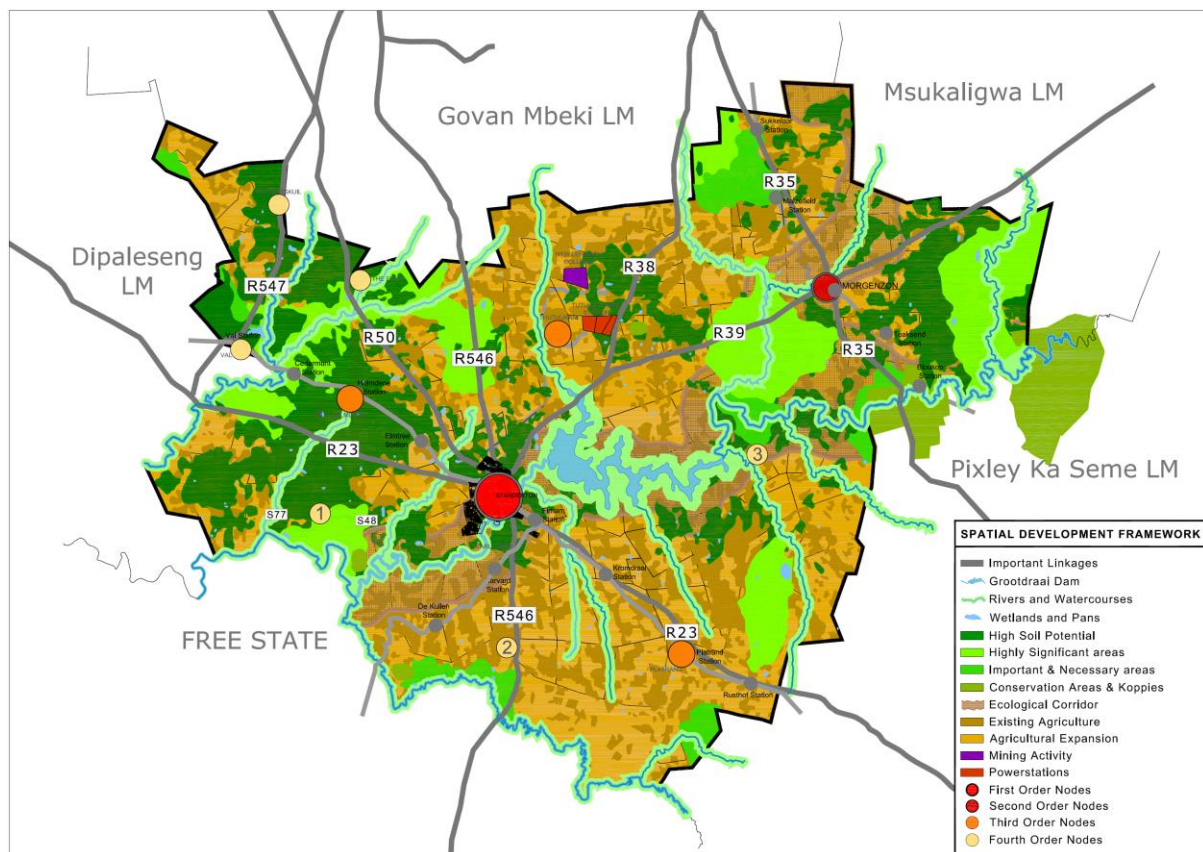
The following table outlines a summary of the actions that need to be taken. The responsible department has to be determined, cost has to be verified and the projects have to be prioritized

ACTION	LOCATION	ESTIMATED COST	REASON / OBJECTIVE
STRATEGIES / PLANS / FRAMEWORKS			
Approval of SDF	Municipal wide	N/A	To give effect to the proposals contained in the SDF and to commence with the drafting of the Land Use Management System.
Alignment and Harmonization of Plans	Municipal and District wide	R120 000	To ensure that local, district and national plans are aimed on one common development goal.
Correction of Baseline information (should form part of the LUMS)	Municipal wide	See LUMS	<ul style="list-style-type: none"> ▪ To establish a sound base for the development of the LUMS. ▪ To ensure that correct and updated information are being used when planning is being done.
Integrated Transport Plan	Municipal wide	R300 000	An ITP serves as a guide for transportation planning. It sets out a collaborative, consistent and sustainable approach to transport planning.
Land Use Management System	Municipal wide	R1 200 000	The objective is to formulate, develop and implement appropriate planning instruments to effectively guide and control land use and development, which will protect and enhance property ownership and value, and which will establish a balanced living environment.
Local Economic Development Strategy	Municipal wide	R300 000	<p>The main focus of the LED should be on the following:</p> <ul style="list-style-type: none"> • Promote and support sustainability of existing businesses. • Promote small and micro sized rural enterprises. • Tourism growth and promotion: conferencing, casino, motels game farms, natural sites ect. • Creation of job opportunities. • Industries to support SMME activities. • Improve skills development. • Increase the revenue potential of the Municipality. • Develop the business potential of the area. • Establish the municipality as one of preference for national and international visitors.

ACTION	LOCATION	ESTIMATED COST	REASON / OBJECTIVE
STRATEGIES / PLANS / FRAMEWORKS			
Performance Management System	Municipal Wide	Lekwa LM to verify	<p>A Performance management System has the following benefits:</p> <ul style="list-style-type: none"> • Inform executive decision making processes; • Provide an early warning signal of problematic areas where the municipality is likely to under-perform; and • Create a culture of organisational performance measurement.
Infrastructure Investment Plan	Municipal wide	R250 000	<p>Will assist the Municipality to:</p> <ul style="list-style-type: none"> • Determine the extent of infrastructure to be provided, • Determine the capital expenditure required to provide this infrastructure, • Methods of financing the capital expenditure, • Determining the operational expenditure to operate and maintain the service delivery, • Methods of raising revenue to cover the operating expenditure, and • Develop monitoring and management systems.
Social Needs Assessment	Municipal wide	R250 000	<p>This project is linked to the "District wide Community Facility Audit", which is a listed project in the Gert Sibande SDF</p> <p>Through the needs assessment, a clearer picture of the current situation i.t.o social facility provision can be obtained, which in turn will simplify the process of evaluation, planning and implementation of programmes and projects. This will also indicate the quality of facilities.</p> <p>A separate needs assessments should be done for:</p> <ul style="list-style-type: none"> • Education • Health • Sport, recreation and culture
Local Open Space Plan	Standerton	R350 000	<p>The aim of an Open Space Plan is to establish a thorough understanding on the intrinsic value of Open Space and to then develop a visionary roadmap towards the creation of an exceptional Open Space network for the town and its people.</p>
<p>Development of Precinct Plans:</p> <ul style="list-style-type: none"> • CBD and Beyers Naudé Drive. • Sport and Recreation Precinct. • Station Area. • Nelson Mandela Drive in Meyerville • Sakhile Hostels. • Sport Stadium and Sakhile Taxi Rank precinct. 	Standerton	R250 000 (per Precinct Plan)	<p>As identified in the SDF review, development needs to be concentrated and directed to specific nodes and that higher densities should be encouraged. Although the SDF, from a larger strategic spatial perspective, aims to guide and direct such future development it is still necessary to develop specific development strategies and guidelines to control and direct such development. This implies that more detailed spatial plans will have to be drafted for those priority areas.</p>

ACTION	LOCATION	ESTIMATED COST	REASON / OBJECTIVE
STRATEGIES / PLANS / FRAMEWORKS			
Grootdraai Dam LED Strategy.	Grootdraai Dam	Lekwa LM to verify	To guide future development around the dam and to ensure that controlled, environmentally sensitive development takes place.
Morgenzon Regeneration Strategy.	Morgenzon	Lekwa LM to verify	To stimulate the economic, social and spatial upgrading of the area so that it becomes a vibrant second order node.
Preliminary investigation of PTN 12 of the farm Morgenzon 466 IS as a proposed locality for a "pilot project" to establish an Urban Agricultural Residential Settlement.	Morgenzon	Lekwa LM to verify	To investigate the possibility of developing the town of Morgenzon as a "pilot project for an "Urban Agricultural Residential Settlement" to accommodate farm workers from surrounding commercial farms.
Contravention of Town Planning Scheme	Standerton Morgenzon Thuthukani	Lekwa LM to verify	The aim is to counter illegal commercial and industrial developments
Investigation of a regional cemetery.	Standerton	Lekwa LM to verify	In view of the current problems that Standerton is experiencing in terms of cemeteries the need for a regional cemetery or the expansion of the existing cemetery should be investigated.
Urban Edge Policy	Standerton Morgenzon Thuthukani	R150 000	<p>The delineation of an urban edge in order to:</p> <ul style="list-style-type: none"> • Control sprawl. • Direct development in appropriate areas and • Assist in countering the outward pressure for urban expansion. <p>This policy should also contain guidelines for the development inside and outside the urban edge.</p>

NB: See the following Map for all the above listed projects for spatially reference or linkages to wards in round RED shapes denoting the nodes.



6. CHAPTER 6 –NINE (9) STRATEGIC FOCUS AREAS

Over the next five year term municipality will concentrate on the Nine (9) strategic focal areas outlined below

6.1. STRATEGIC FOCUS AREA 1: EQUITABLE PROVISION OF SERVICES SUCH AS WATER, SANITATION, ELECTRICITY, WASTE REMOVAL ETC.

In the next five years the municipality will ensure that residents have equal access to services they are entitled to. Some areas like Platrand, Holmdene, Hartbeeskuil and Folly, by virtue of their location do not receive certain services. For example most of these areas are not provided with a refuse removal service and do not benefit from free basic electricity, water, sanitation services. Disparities also exist within the urban areas wherein standards of service vary.

6.2. STRATEGIC FOCUS AREA 2: CREATION OF AN INTEGRATED AND SUSTAINABLE HUMAN SETTLEMENT

The focus over the past has been on delivering basic needs and housing. In spite of the remaining backlogs major strides have been in this regard. However there still remains a huge challenge in terms of ensuring that we do not just deliver houses but create integrated and sustainable settlements. The challenge is about building sustainable human settlement where residents have access to social and community facilities, economic opportunities, a healthy and sustainable environment where opportunities can be accessed through convenient public transport and safe roads network.

Integral to the creation of sustainable human settlement is, integrated planning and implementation. The municipality has developed its Integrated Human Settlement Plan (Housing Chapter), which will guide future development and investment.

6.3. STRATEGIC FOCUS AREA 3: CREATION OF A LINKED ECOLOGICAL OPEN SPACE

The aim of an Open Space is to establish a thorough understanding on the intrinsic value of Open Space and to then develop a visionary roadmap towards the creation of an exceptional Open Space network for the town and its people

6.4. STRATEGIC FOCUS AREA 4: DELINEATION OF AN URBAN EDGE

The delineation of an urban edge is envisaged in order to:

- Control sprawl.
- Direct development in appropriate areas and
- Assist in countering the outward pressure for urban expansion.

This policy should also contain guidelines for the development inside and outside the urban edge

6.5. STRATEGIC FOCUS AREA 5: ESTABLISHMENT OF AN EFFICIENT ACCESS AND INTEGRATED MOBILITY

It is common knowledge that within the municipality access to basic households and community services are less optimal. Mobility to access services is further constrained by the fragmented spatial form which is largely attributable to flawed apartheid spatial planning patterns. There are also disparities in how rural and urban communities' access services, with provision of services biased in favour of urban services. The disparities will have to be addressed in a manner that makes no distinction between rural and urban areas.

To improve mobility within LLM will also require expediting the implementation of the Integrated Transport Plan including connecting the urban nodes

6.6. STRATEGIC FOCUS AREA 6: CREATION OF A FUNCTIONAL HIERACHY

Development needs to be concentrated and directed to specific nodes and that higher densities should be encouraged. Although the SDF, from a larger strategic spatial perspective, aims to guide and direct such future development it is still necessary to develop specific development strategies and guidelines to control and direct such development. This implies that nodes are very important in a sense that the upliftment of rural areas as residents are mostly reliant on non-motorized transport and have to travel long distances to access basic facilities.

First Order Node: Standerton, Second Order Node: Morgenzon, Third Order Node: Thuthukani, Platrand and Holmdene and Fourth Order Node: Hartbeeskuil, the Folly, Val, Node1, 2 and 3.

6.7. STRATEGIC FOCUS AREA 7: FINANCIAL AND ENVIRONMENTAL SUSTAINABILITY

In order for the municipality to fulfil its mandate as stipulated in the constitution of the country, there is a need to maintain financial viability and expand its revenue base in relation to expenditure. This requires robust strategies to turn around the current predicament and ensure that the municipality is in a financial sound position over the next five years and beyond.

With regard to environmental sustainability, the municipality has ecologically sensitive land that has to be protected from urban development and those areas include areas such as Firstly; Grootdraai Dam, Wetlands and Pans, Rivers and Water courses, Conservative areas and Koppies, Important and Necessary Areas and highly significant Areas and Ecological Corridors.

Secondly; land that has high agricultural potential and land that is currently used for agriculture was identified to be protected from urban development.

6.8. STRATEGIC FOCUS AREA 8: EFFECTIVE LEADERSHIP AND GOOD GOVERNANCE

Corruption and poor service delivery undermines the credibility of the state. Poor state credibility leads to a democratic deficit undermining democracy and investment confidence. A weak local government leads to low investor confidence for both the state and private sector decision. Poor governance leads to poor economic performance.

A well governed municipality means a clear and transparent agenda for long term strategic work is formulated in co-operation with all stakeholders and communicated to all parties affected by the development process. A well governed municipality is dependent on a reciprocal approach by other

government spheres and agencies. Increased community feedback and engagement and improved customer reciprocity are other mitigating measures to apply in a democratic and well governed municipality. Going forward the municipality will strive to become a well governed municipality.

6.9. STRATEGIC FOCUS AREA 9: BOOSTING THE LOCAL ECONOMY AND JOB CREATION

The municipality acknowledges that low economic growth and high unemployment rate are still prevalent and present a major challenge. These further translate to relatively high levels of poverty which is widespread within the LLM.

High dependency ratio (11700 H/H living below poverty lines), Low literacy and education levels, a relatively high Gini coefficients or high levels of income inequality, labor dependency ratio, which indicates the number of persons that each economically active person has to support, is 3.88 prove some serious treats to the future development of the local economy.

The main focus of the municipality is placed mainly on the following:

- Promote and support sustainability of existing businesses.
- Promote small and micro sized rural enterprises.
- Tourism growth and promotion: conferencing, casino, motels game farms, natural sites ect.
- Creation of job opportunities.
- Industries to support SMME activities.
- Improve skills development.
- Increase the revenue potential of the Municipality.
- Develop the business potential of the area.
- Establish the municipality as one of preference for national and international visitors.

7. CHAPTER 7: – FINANCIAL VIABILITY

7.1. INTRODUCTION

The goal of the Lekwa finance department is to be accountable, responsible and transparent budget and treasury department, whilst ensuring compliance with legislations and regulations.

In order to achieve the above goal the finance department has committed itself to do the following;

- To implement council's financial policies and resolutions
- To properly administer credit and debt management system
- To have an effective accounting management system
- To provide legislated reports timeously
- To assist the Accounting Officer to compile and administer the budget
- To ensure proper management of the municipal assets and liabilities.
- To advice the Accounting Officer and Heads of Departments on financial matters

By;

- Develop, workshop and review financial policies in line with relevant legislation/regulations
- Ensure proper communication of council's resolutions within the department.
- Ensure accurate and reliable consumer data in municipal system
- Monitor the accuracy of the monthly billing of consumers and monitor the debtors
- To administer the effective revenue collection and credit control management system
- To establish an effective customer care system for consumers
- Establish and promote effective and efficient implementation of Supply Chain Management system.
- Manage the integrity of financial data into the financial system
- Ensure adherence to the budget processes, implementation and monitoring thereof.
- Establish asset management unit that will implement and monitor the asset management system.

7.2. BUDGET RELATED POLICIES

The financial management policy of our Municipality is to provide a sound financial base and the resources necessary to sustain a satisfactory level of municipal services for the people of Lekwa. The following are some of the more significant that has been identified in order to achieve the above objectives and strategies;

The Supply Chain Management Policy

The policy ensures that all employees of Lekwa Local Municipality has proper guidelines to follow when involved in procurement processes.

Property Rates Policy

This policy guides the annual setting (or revision) of property rates. Details pertaining to the applications of the various property rates are published in the Provincial Gazette and the municipality's schedule of tariffs, which must be read in conjunction with this policy.

In imposing the rate in the rand for each annual operating budget component, the municipality shall grant exemptions, rebates and reductions to the respective categories of properties and owners as allowed for in this policy. The policy also guides the valuation of properties within the jurisdiction of the Municipality.

Asset Management Policy

The purpose of the policy should promote efficient and effective monitoring and control of assets according to the MFMA. The changes have been made in term of Generally Recognised Accounting Practice (GRAP)

Indigent Support Policy

The key purpose of an indigent subsidy policy is to ensure that households with no or lower income are not denied a reasonable service, and on the contrary the Municipality is not financially burdened with non-payment of services. Provided that grants are received and funds are available, the indigent subsidy policy should remain intact. To achieve the purpose it is important to set a fair threshold level, and then to provide a fair subsidy of tariffs. The consumer, in order to qualify as an indigent, needs to complete the necessary documentation as required and agree to regulations and restrictions stipulated by Lekwa-Temane Municipality.

Bad Debt Provision & Write-off Policy

The key purpose of this policy is to provide criteria for the provision of working capital as a result of non-payment and for the write-off of debt under certain circumstances.

Council acknowledges that in order to deliver services in a sustainable manner, that revenue collection be managed in terms of Councils Debt Collection and Credit Control Policy having due regard of its limited financial resources and the need to manage cash flows. Council therefore accepts its duty to prepare financial statements that truly reflects the financial position of the Municipality.

Petty Cash Policy

The policy is established to ensure that the management of expenditure of a municipality is effective and controlled manner.

Credit Control and Debt Collection Policy

The purpose of this policy is to use innovative, cost effective, efficient and appropriate methods to manage credit control and debt collection of the municipality

Tariff Policy

This policy cover, among other things, the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

Budget Policy

The main importance of budget policy is to address allocation of resources, and how to efficiently use resources and attaining economic stability and growth, and redistribution of income. It includes the Virement Policy that is designed to provide a framework whereby transfers between line items within votes of the operating budget may be performed with the approval of certain officials.

S & T Policy

The purpose of this policy is to lay down general rules for the payment of subsistence and traveling allowances or costs for the attendance of approved events outside the municipal area of Lekwa-Teemane Local Municipality.

REVENUE RAISING STRATEGY

The aim of the Revenue Raising Strategy is to seek for alternative sources of funding by:

- Compilation and implementation of a valuation roll and raised assessment rates for the entire municipal area.
- Extension of consumer services to areas where it can be developed on an economic basis.
- Application for more government grants funding.
- Explore and utilize external funding of finance to its maximum.
- Increase the cost effectiveness of services through improved cost control measures and standardization.
- Tightening credit control measures to reduce the debt of the municipality by: strictly implementing approved credit control measures.
- Develop further proactive credit control measures.
- Maintain revenue systems to ensure timely, regular and accurate billing of accounts.
- Effective revenue collection systems.
- Improve customer relations through ongoing customer, Communications to promote awareness and foster financial responsibilities and promote a culture of payment

OPERATIONAL FINANCIAL STRATEGY

The objectives are:

- To maintain an effective system of expenditure control, including procedures for the approval, and authorization, withdrawal and payment of funds.
- To maintain a management accounting system which recognizes expenditure when it incurs, accounts for creditors and payments made by the municipality.
- To implement the Supply Chain Management Policy in a way that it is fair, equitable, transparent, competitive and cost effective.
- To ensure that the spending of funds is in accordance with the approved budget and that revenue and expenditure are properly maintained

COST EFFECTIVE STRATEGY

The objectives are:

- I. To invest all surplus cash not immediately required.
- II. To as far as possible adhere to the following budget norms:

- Salaries, wages and allowances	35 %
- Repairs and Maintenance	5 %
- Capital Costs	18 %
- Capital from Revenue	2 %
- Bulk Purchases	20 %
- General Expenditure	20 %

(iii) To restrict capital and operating expenditure increases to the macro economic growth limited guideline.

(iv) To monitor the investment in projects through a well-designed cost control system.

Financial Supervisory Authority

As part of its responsibility in monitoring macroeconomic and physical stability, the National Treasury prescribes the format of the municipality's annual budget and determines growth limits guidelines for self-generated revenue services. This ensures:

- Compliance with legal requirements for an approved budget;
- Strengthened oversight by Council and improved performance by officials;
- Readability of and linkages within the budget documentation;
- Satisfaction of stakeholders information needs (councillors, community, etc) and;
- Facilitation of comparability between municipalities.

7.3. APPROVED ANNUAL BUDGET FOR FINANCIAL YEAR 2014/2015

BUDGET RESOLUTIONS

1. That in terms of section 24 of the Municipal Finance Management Act, 56 of 2003, the annual budget of the municipality for the financial year 2014/15; and indicative allocations for the two projected outer years 2015/16 and 2016/17; and the multi-year capital appropriations **BE APPROVED**;
2. That the principles and budget assumptions upon which both the Operating Budget and Capital Budget have been based **BE NOTED**;
3. That it **BE NOTED** that the new general valuation roll will be implemented with effect from 1 July 2014;
4. That in terms of section 24(2)(c)(i) of the Municipal Finance Management Act, 56 of 2003, and sections 74 and 75A of the Local Government Municipal Systems Act, 32 of 2000 as amended, the tariffs for the supply of water, cleansing services, sanitation services property rates and sundry tariffs **BE APPROVED** for accounts rendered with effect from 1 July 2014;
5. That, pending approval by NERSA, the 7.39% the proposed increase on electricity tariffs, for the supply of electricity accounts rendered with effect from 1 July 2014, **BE APPROVED**;
6. That the annual salary increase of 6.8% **BE NOTED**, as per the multi years collective salary agreement between SALGA and labour unions;
7. That the tariffs increase as indicated in “**Annexure B**” **BE MADE PUBLIC**;
8. That provision **BE MADE** for a 8.0% estimate increase in the salaries of councillors, of which final approval is still to be announced in terms of Public Office Bearers Act;
9. That Heads of Department Ensure that the revenue and expenditure of their relevant department/section is monitored regularly, and, should it be found that the estimate revenue would not be realised, the Budget and Treasury Office **BE ADVISED** accordingly in order for the revenue budget to be adjusted during the budget adjustment process;
10. That Capital expenditure to be financed from grants and other external mechanisms **BE IMPLEMENTED** after the funds secured have been confirmed in writing and/ or received;
11. That the proposed capital budget **BE ENTIRELY BASED** on the IDP priorities in order to achieve National targets on service provision;
12. That in terms of the Indigent Policy, the monthly gross household earnings for the approval as an indigent household application **BE CAPPED** at R3 600;
13. That it **BE APPROVED** that only indigent customers will be provided with the free basic services;

14. That the level of subsidisation of indigent customers in terms of the Indigent Policy **BE DETERMINED** as follows:

- a. Water - 6 kl per month
- b. Electricity - 50 kwh per month
- c. Basic Electricity
- d. Basic Water
- e. Basic Sewerage
- f. Refuse Removal

15. That the security deposits payable by customers be increased as follows:

- a) Water – R300
- b) Electricity (Conventional Meter Residential) – R700
- c) Business – Minimum R3500
- d) Administration Fee (First Time Connection Fee – Excl Indigent Households) – R100

16. That the following Budget Related Policies **BE APPROVED AND IMPLEMENTED** with effect from 01 July 2014:

- a) Credit Control & Debt Collection Policy
- b) Supply Chain Management Policy.
- c) Property Rates Policy
- d) Tariff Policy
- e) Bad Debt Provision & Write-off Policy
- f) Budget Policy (& Virement Policy)
- g) Asset Management Policy
- h) Petty Cash Policy
- i) Indigent Policy
- j) S & T Policy
- k) Banking & Cash Policy

1. EXECUTIVE SUMMARY – SALIENT FEATURES

The operating income and expenditure is indicated in the budget tables A1 to A4 in section 4 of this report. Total expenditure budgeted for the 2014/15 financial year increased by R68.610 million (10.82%) to R683.050 million compared to the 2013/14 budget in the amount of R 614.440 million.

One of the main contributing factors to this increase is the increase in staff expenditure and councillor remuneration that increased by R23.584 million from 113.987million to R137.571 million. This represents an increase of 20.69%.

Other increases in the main cost drivers included the following:

- ✓ Bulk purchases of electricity increased by R 15.06 million due to the recommended 8.06% increase and an allowance of R9.67 million for growth as it was indicated that two major consumers would increase their operations to \pm 60%-75% of full capacity during the 2014/15 financial year.
- ✓ Debt impairment was budgeted to be at \pm 74% which is 8% less than the budget assumption for 2013/14. Accordingly the provision for non-payment increased by R33.685 million to R94.708 million.

Revenue increased from R457.091 million to R490.216 million. This is an increase of R33.125million or 7.60%. The main sources of revenue that increased were as follows:

- ✓ Assessment Rates – R5.279 million. Due to the implementation of the new general valuation roll the tariff is a new tariff and it cannot be compared to the 2013/14 tariff.
- ✓ Electricity – R18.782 million due to the recommended 7.39% tariff increase and allowance for growth as it was indicated that two major consumers would increase their operations to \pm 60%-75% of full capacity during the 2014/15 financial year.
- ✓ Water – R3.858 million which is due to the understatement of the 2013/14 budget that was adjusted upwards during the 2013/14 adjustment budget.

The budget is structured into different cost centres with the costs and revenue streams associated with each service indicated separately. The cost recovery for the trading and economic services is indicated in the table “2014/15 – LLM Cost Recovery of Trading & Economic Services” below.

2014/15 – LLM COST RECOVERY OF TRADING & ECONOMIC SERVICES			
SERVICE	REVENUE	EXPENDITURE	(SURPLUS)/DEFICIT
ELECTRICITY	(228,293,820)	244,096,260	15,802,440
WATER	(41,115,140)	46,683,720	5,568,580
REFUSE REMOVAL	(13,869,280)	21,215,240	7,345,960
SEWERAGE	(24,730,680)	21,045,610	(3,685,070)

It should be noted that both trading services, Water and Electricity, are operated at a deficit of \pm R5.568 million and R15.802 million respectively. The is not sustainable and the Municipality needs to introduce measures to properly fund the Water and Electricity Services as the operating deficits are indicative that full cost recovery are not taking place and it is contributing to the financial predicament that Council finds itself in. The Cleansing Service is also operated at a deficit of R7.345 million. This is also not sustainable as the Refuse Removal Service is an economic service that needs to be operated at breakeven or a small surplus. Sewerage is operated at a R3.685 million surplus that is at an acceptable level given the fact that this is an economic service that needs to be operated at break even or a small surplus.

It will be note from Schedule A1 & A4 in section 4 of this report that the MTREF has been prepared to phase out operating deficits (excluding depreciation) by 2016/17.

2014/15 – 2016/17 Proposed tariff increases are as follows:

	2014/15	2015/16	2016/17
Rates	New Tariff	9.50%	8.75%
Cleansing	7.5%	9.50%	8.75%
Sewer	7.5%	9.50%	8.75%
Water Consumption	7.5%	9.50%	8.75%
Water Basic	7.5%	9.50%	8.75%
Electricity	7.39%	9.50%	8.75%

REVENUE**Property Rates Revenue**

The rates revenue is based on the new general valuation roll to be implemented with effect from 1 July 2014. The valuation of the Tutuka Power Station is in dispute and the 2009 objection is currently in the process to be addressed. Pending the finalisation of this objection the revenue based on the new valuation has not been included in the 2014/15 budget. Should this matter be resolved in Councils favour it would add substantial additional revenue.

The 2014/15 budgeted revenue in the amount of R 52.6 million represents an increase of R5.279 million from the 2013/14 base. Rebates as the result of phasing in of rates to farming properties will be reduced from 50% to 25% during 2014/15. Income forgone as a result of this rebate amounts to R2.428 million

Electricity Revenue

Based on year to date sales at 28 February 2014 anticipated revenues were increased by the NERSA recommended increase of 7.39%. In addition an amount of 18.56 million as an allowance for growth has been included as it was indicated by two major consumers that they would increase their operations to \pm 60%-75% of full capacity during the 2014/15 financial year. The basic charge to farming customers is recommended to increase by R87.52 from R197.48 per month to R285.00 per month. The additional annual revenue in the amount of R280 800 has been ring fenced for increased maintenance on the rural electricity network that is in desperate need of increased maintenance. Total revenue is estimated at R227.984 million in the 2014/15 financial year.

Past budgets did not provide sufficient revenue to cover the bulk purchases of electricity. As a result of this and no provision for operational expenditure and repairs and maintenance the Electricity Service operated at substantial deficits. The 2014/15 to 2016/17 MTREF has been prepared to phase out the operating deficit during the next two financial years and the provision of a small operating surplus of R4.3 million in 2016/17

Water Revenue

Based on year to date sales at 28 February 2014 anticipated revenues were increased during the 2013/14 adjustments budget as it appears that the 2013/14 budget for water sales were under stated. Tariffs are to be increased by 7.5% that results in an increase of R3.858 million

(10.12%) from the understated base in 2013/14. The water service is budget to operate at a loss of R5.568 million. This deficit is phased out during the next two financial years with an operating surplus of R4.267 million budgeted for 2016/17. In terms of National Treasury Budget Circular 70 cost reflective tariffs for Water & Sewerage are to be implemented in 2014/15.

Cleansing Services

Expenditure from this service amounted to R21.215 million with revenue amounting to R13 869 million for the 2014/15 financial year. This represents an operating deficit in the amount of R7 345 million that is estimated to be reduced to R4.435 million over the next three financial years. The service is under severe pressure and in need of new refuse compactors. Substantial tariff increases well above inflation will be required to operate this service at break even as required of an economic service. In terms of National Treasury Budget Circular 70 cost reflective tariffs for Solid Waste are to be implemented in 2015/16.

Sewerage Services

Revenue from this service amounted to R24.730 million with a budgeted surplus of R3.685 million for the 2014/15 financial year. This surplus should be utilised towards increased maintenance and renewal of infrastructure and vehicles once the cash flow problems have been addressed.

Government & Other Grants

Total operating grants for the 2014/15 financial year are summarised in the table below:

EQUITABLE SHARE	85.036 m
FINANCE MANAGEMENT GRANT	1.600 m
GOVERNMENT GRANTS (EPWP) (DPLLG)	-
GRANTS (MIG) 5% OPERATING	1.699 m
MUNICIPAL SYSTEMS IMPROV.GRANT (MSIG)	0.934 m
TOTAL OPERATING GRANTS	89.269 m

EXPENDITURE

Employee Related Cost

Staff expenditure and councillor remuneration increased by R23.584 million from 113.987million to R137.571 million. This represents an increase of 20.69%. This increase in remuneration can be attributed to:

Annual increase of 6.8% and establishment of section 79 committees (Staff & Councillors R9.699 million)

Inclusion of an amount of R2.0 million for the filling of critical vacant positions (R2.0 million)

Appoint of Sec 57 Managers above the 2013/14 budget provision (R1.317 million)

Overtime (R6.575 million)

New appointments during 2013/14 not budgeted and Risk Officer (3.991 million).

Electricity Bulk Purchases

Bulk purchases of electricity increased by R 15.06 million due to the recommended 8.06% increase and an allowance of R9.67 million for growth as it was indicated that two major consumers would increase their operations to \pm 60%-75% of full capacity during the 2014/15 financial year. No provision was made for the interest on arrear Eskom accounts as the provision for fruitless and wasteful expenditure in the budget cannot be motivated.

Water Bulk Purchases

Provision for the bulk purchases of water is problematic due to the following:

- No metering at the extraction point from the Vaal river
- Uncertainty regarding the tariff applied by DWA.

Accordingly the budget was retained at the 2013/14 budget plus an inflation related increase. The accuracy of the account needs to be finalised with DWA as soon as possible.

Debt Impairment

This item was budget for as indicated under the budget assumptions in paragraph 9 below.

Contracted Services

The budget increase from R20.322 million in 2013/14 to R26.340 million in 2014/15. This represents an increase of 19.45% and is indicative of the reliance on consultants. Contracts need to be reviewed for value for money and where found lacking contracts need to be terminated or advertised to appoint new service providers. In general Municipalities are required to phase out consultants as far as possible.

Other Expenditure

Other expenditure amounts to R58.793 million out of a total of 543.854 million for the 2014/15 financial year. This amounts to 10.81% of total budgeted operational expenditure that is slightly above the norm of 10% as prescribed by National Treasury.

Overtime

Overtime as a percentage of total staff expenditure amounts to 7.79% that is well above the norm of 4.5% as prescribed in NT circular 70. Overtime is often required due to the unavailability of equipment and vehicles being in poor repair requiring the staff to work beyond the normal working hours to complete their work. It is also affected due to insufficient staff especially where shifts are worked at extended hours due to unavailability of staff to form the required number of shifts.

Repairs and Maintenance

In terms of NT circular 66 and 70 repairs and maintenance as a percentage of PPE (carrying value) should be at 8%. The percentage for the 2014/15 budget is 0.62% that is well below the prescribed norm. The main reason for this non-compliance is the current cash flow problem at the Municipality in terms of which expenditure inclusive of repairs and maintenance has been reduced in line with realistically expected revenue streams. This is not sustainable in the medium to long term and the Municipality needs to address this as matter of urgency.

Capital Expenditure

Capital Expenditure is reflected in schedule A5 in section 4 of this report.

Surplus/Deficit

The 2014/15 operational budget is not fully funded by an amount of R192.834 million. If depreciation is deducted it leaves a cash deficit of R53.638 million. The Municipality will need to find means to fund this deficit by further reducing expenditure as well as through the collection of outstanding debtors from previous financial years through the debt collection process. The MTREF has been prepared to phase out operating deficits (excluding depreciation) by 2016/17.

7.4. DRAFT BUDGET TABLES AND RELATED CHARTS A1 SCHEDULES – ANNEXURE A

MP305 Lekwa - Table A1 Budget Summary

MP-305 Lekwa - Table A1 Budget Summary										
Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	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
Financial Performance										
Property rates	37,944	37,301	66,365	47,321	49,952	-	-	52,600	55,230	57,992
Service charges	169,899	198,599	246,422	282,263	262,392	-	-	307,553	341,411	371,284
Investment revenue	767	726	837	606	237	-	-	255	279	304
Transfers recognised - operational	64,309	73,251	81,942	86,670	86,425	-	-	90,235	93,305	98,201
Other own revenue	21,586	33,238	35,606	40,231	37,059	-	-	39,573	43,333	47,124
Total Revenue (excluding capital transfers and contributions)	294,505	343,115	431,172	457,091	436,065	-	-	490,216	533,557	574,904
Employee costs	97,027	94,593	119,665	105,433	108,808	-	-	127,068	131,819	138,350
Remuneration of councillors	6,641	8,031	-	8,554	9,162	-	-	10,503	11,343	12,251
Depreciation & asset impairment	352	60,891	121,508	135,296	134,582	-	-	139,196	144,416	150,444
Finance charges	437	1,176	14,219	1,111	831	-	-	764	795	838
Materials and bulk purchases	128,912	171,845	189,514	200,936	191,871	-	-	218,175	237,637	256,422
Transfers and grants	16,381	20,898	41,647	27,950	12,944	-	-	11,393	8,322	9,880
Other expenditure	69,827	107,499	141,711	135,160	176,053	-	-	175,950	169,369	156,092
Total Expenditure	319,576	464,933	628,264	614,440	634,252	-	-	683,050	703,702	724,277
Surplus/(Deficit)	(25,071)	(121,818)	(197,092)	(157,348)	(198,187)	-	-	(192,834)	(170,144)	(149,372)
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed as	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	(25,071)	(121,818)	(197,092)	(157,348)	(198,187)	-	-	(192,834)	(170,144)	(149,372)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	(25,071)	(121,818)	(197,092)	(157,348)	(198,187)	-	-	(192,834)	(170,144)	(149,372)
Capital expenditure & funds sources										
Capital expenditure	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	16,829	40,950	-	42,508	64,699	-	-	33,484	26,806	27,870
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	1,300	-	-
Internally generated funds	2,895	3,165	-	800	2,820	-	-	-	-	-
Total sources of capital funds	19,724	44,115	-	43,308	67,519	-	-	34,784	26,806	27,870
Financial position										
Total current assets	53,101	76,384	78,726	97,193	97,193	-	-	130,670	718,654	455,216
Total non current assets	1,440,370	1,992,218	1,906,016	1,885,866	1,885,866	-	-	1,808,527	1,845,023	1,834,487
Total current liabilities	66,348	181,422	278,322	164,782	164,782	-	-	321,639	347,924	374,230
Total non current liabilities	35,765	89,260	92,289	32,309	32,309	-	-	94,269	97,968	102,419
Community wealth/Equity	1,391,358	1,797,920	1,614,132	1,785,968	1,785,968	-	-	1,523,288	2,117,785	1,813,054
Cash flows										
Net cash from (used) operating	8,237	43,310	33,360	23,135	(20,583)	-	-	(54,138)	(26,248)	524
Net cash from (used) investing	(14,518)	(35,331)	(31,048)	(43,308)	(77,920)	-	-	-	-	-
Net cash from (used) financing	(459)	(1,647)	(1,285)	(1,000)	(1,000)	-	-	-	-	-
Cash/cash equivalents at the year end	8,941	15,273	16,300	15,535	(99,503)	-	-	(54,138)	(80,386)	(79,861)
Cash backing/surplus reconciliation										
Cash and investments available	8,941	15,273	16,300	52,409	52,409	-	-	34,922	3,491	2,897
Application of cash and investments	14,005	117,965	215,891	75,982	79,673	-	-	248,892	(219,776)	(7,183)
Balance - surplus (shortfall)	(5,064)	(102,692)	(199,592)	(23,572)	(27,263)	-	-	(213,970)	223,267	10,079
Asset management										
Asset register summary (WDV)	-	10,250	9,881	-	-	-	10,869	10,869	11,412	12,097
Depreciation & asset impairment	352	60,891	121,508	135,296	134,582	-	139,196	139,196	144,416	150,444
Renewal of Existing Assets	-	-	-	21,052	28,310	-	-	5,000	4,000	4,000
Repairs and Maintenance	17,445	15,754	13,857	13,149	14,271	-	17,408	17,408	19,165	21,084
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

MP305 Lekwa - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		120,069	131,091	164,097	148,953	152,150	-	160,255	168,031	177,443
Executive and council		64,126	70,044	79,570	81,454	81,336	-	85,053	88,255	93,022
Budget and treasury office		55,262	60,296	84,118	66,229	69,802	-	73,794	78,280	82,829
Corporate services		682	751	409	1,270	1,012	-	1,409	1,496	1,592
<i>Community and public safety</i>		716	431	535	2,998	2,870	-	3,093	3,387	3,683
Community and social services		371	(779)	357	361	278	-	306	335	365
Sport and recreation		28	54	18	53	11	-	12	13	14
Public safety		318	1,157	160	2,584	2,582	-	2,775	3,039	3,305
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		3,392	12,460	19,554	22,399	18,082	-	18,565	19,908	21,602
Planning and development		10	10	33	2,115	2,079	-	1,715	1,457	1,536
Road transport		3,382	12,450	19,521	20,284	16,003	-	16,850	18,451	20,066
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		170,327	199,134	246,986	282,741	262,962	-	308,302	342,231	372,176
Electricity		122,046	137,214	175,388	209,646	188,935	-	228,587	254,943	277,251
Water		21,150	30,875	37,705	37,127	38,120	-	41,115	45,021	48,960
Waste water management		18,042	21,248	21,718	22,924	23,005	-	24,731	27,080	29,450
Waste management		9,089	9,798	12,176	13,044	12,902	-	13,869	15,187	16,516
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	294,505	343,115	431,172	457,091	436,065	-	490,216	533,557	574,904
Expenditure - Standard										
<i>Governance and administration</i>		68,532	176,573	290,555	301,811	315,043	-	274,329	270,827	276,245
Executive and council		34,651	44,385	45,588	194,216	169,384	-	184,347	183,013	191,286
Budget and treasury office		20,372	116,236	229,040	92,232	130,793	-	74,827	70,814	66,938
Corporate services		13,509	15,951	15,927	15,362	14,867	-	15,155	17,001	18,020
<i>Community and public safety</i>		30,311	37,091	38,333	30,467	34,954	-	37,491	43,503	45,771
Community and social services		10,339	13,599	14,662	10,111	13,799	-	14,019	15,869	16,746
Sport and recreation		6,641	6,982	7,334	5,580	6,898	-	7,967	8,456	8,933
Public safety		13,142	15,712	15,804	12,006	13,938	-	12,632	16,122	16,842
Housing		10	6	7	2,769	31	-	2,872	3,056	3,251
Health		179	792	527	-	289	-	-	-	-
<i>Economic and environmental services</i>		22,348	21,039	21,416	35,579	33,799	-	36,699	40,403	43,267
Planning and development		88	332	179	2,709	182	-	5,449	5,795	6,165
Road transport		22,260	20,707	21,237	32,870	33,617	-	31,250	34,608	37,101
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		198,386	230,230	277,960	246,583	250,455	-	334,531	348,968	358,994
Electricity		140,747	180,683	201,554	204,587	200,908	-	244,286	260,092	272,797
Water		36,738	26,846	32,002	21,847	26,165	-	46,684	45,919	44,693
Waste water management		8,879	9,651	9,481	7,481	9,469	-	21,046	20,307	19,128
Waste management		12,022	13,051	34,923	12,668	13,913	-	22,515	22,650	22,377
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	319,576	464,933	628,264	614,440	634,252	-	683,050	703,702	724,277
Surplus/(Deficit) for the year		(25,071)	(121,818)	(197,092)	(157,348)	(198,187)	-	(192,834)	(170,144)	(149,372)

MP305 Lekwa - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote	1									
Vote 1 - Council & Executive		64,126	70,044	79,570	81,454	81,336	–	85,053	88,255	93,022
Vote 2 - Budget & Treasury		55,262	60,296	84,118	66,229	69,802	–	73,794	78,280	82,829
Vote 3 - Corporate		682	751	409	1,270	1,012	–	1,409	1,496	1,592
Vote 4 - Community Services		716	431	535	2,998	2,870	–	3,093	3,387	3,683
Vote 5 - Roads		3,382	12,450	19,521	20,284	16,003	–	16,850	18,451	20,066
Vote 6 - Planning & Development		10	10	33	2,115	2,079	–	1,715	1,457	1,536
Vote 7 - Electricity		122,046	137,214	175,388	209,646	188,935	–	228,587	254,943	277,251
Vote 8 - Water		21,150	30,875	37,705	37,127	38,120	–	41,115	45,021	48,960
Vote 9 - Waste Water Management		18,042	21,248	21,718	22,924	23,005	–	24,731	27,080	29,450
Vote 10 - Waste Management		9,089	9,798	12,176	13,044	12,902	–	13,869	15,187	16,516
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	294,505	343,115	431,172	457,091	436,065	–	490,216	533,557	574,904
Expenditure by Vote to be appropriated	1									
Vote 1 - Council & Executive		34,651	44,385	45,588	194,216	169,384	–	184,347	183,013	191,286
Vote 2 - Budget & Treasury		20,372	116,236	229,040	92,232	130,793	–	74,827	70,814	66,938
Vote 3 - Corporate		13,509	15,951	15,927	15,362	14,867	–	15,155	17,001	18,020
Vote 4 - Community Services		30,311	37,091	38,333	30,467	34,954	–	37,491	43,503	45,771
Vote 5 - Roads		22,260	20,707	21,237	32,870	33,617	–	31,250	34,608	37,101
Vote 6 - Planning & Development		88	332	179	2,709	182	–	5,449	5,795	6,165
Vote 7 - Electricity		140,747	180,683	201,554	204,587	200,908	–	244,286	260,092	272,797
Vote 8 - Water		36,738	26,846	32,002	21,847	26,165	–	46,684	45,919	44,693
Vote 9 - Waste Water Management		8,879	9,651	9,481	7,481	9,469	–	21,046	20,307	19,128
Vote 10 - Waste Management		12,022	13,051	34,923	12,668	13,913	–	22,515	22,650	22,377
Vote 11 - [NAME OF VOTE 11]		–	–	–	–	–	–	–	–	–
Vote 12 - [NAME OF VOTE 12]		–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
Total Expenditure by Vote	2	319,576	464,933	628,264	614,440	634,252	–	683,050	703,702	724,277
Surplus/(Deficit) for the year	2	(25,071)	(121,818)	(197,092)	(157,348)	(198,187)	–	(192,834)	(170,144)	(149,372)

MP305 Lekwa - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited	Audited	Audited	Original	Adjusted	Full Year	Pre-audit	Budget Year	Budget Year	Budget Year

MP305 Lekwa - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	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
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Council & Executive		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		-	-	-	-	-	-	-	1,300	-	-
Vote 3 - Corporate		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community Services		-	-	-	-	-	-	-	-	-	-
Vote 5 - Roads		-	-	-	-	-	-	-	-	-	-
Vote 6 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 7 - Electricity		-	-	-	-	-	-	-	-	-	-
Vote 8 - Water		-	-	-	-	-	-	-	16,500	13,500	14,870
Vote 9 - Waste Water Management		-	-	-	-	-	-	-	16,984	13,306	13,000
Vote 10 - Waste Management		-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	34,784	26,806	27,870
Single-year expenditure to be appropriated	2										
Vote 1 - Council & Executive		-	13	-	-	-	-	-	-	-	-
Vote 2 - Budget & Treasury		23	74	4,226	-	2,020	-	-	-	-	-
Vote 3 - Corporate		-	2,544	-	-	-	-	-	-	-	-
Vote 4 - Community Services		724	6,587	5,486	10,056	19,424	-	-	-	-	-
Vote 5 - Roads		14,848	29,896	10,276	2,000	10,095	-	-	-	-	-
Vote 6 - Planning & Development		-	-	-	-	-	-	-	-	-	-
Vote 7 - Electricity		1,236	2,102	2,032	2,200	2,688	-	-	-	-	-
Vote 8 - Water		2,646	832	661	10,052	15,009	-	-	-	-	-
Vote 9 - Waste Water Management		-	1,973	5,121	19,000	26,435	-	-	-	-	-
Vote 10 - Waste Management		245	93	7,637	-	2,250	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11]		-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12]		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		19,724	44,115	35,437	43,388	77,920	-	-	-	-	-
Surp Total Capital Expenditure - Vote		19,724	44,115	35,437	43,388	77,920	-	-	34,784	26,806	27,870
Capital Expenditure - Standard											
Governance and administration		-	-	-	-	-	-	-	-	-	-
Executive and council											
Budget and treasury office											
Corporate services											
Community and public safety		-	-	-	-	-	-	-	-	-	-
Community and social services											
Sport and recreation											
Public safety											
Housing											
Health											
Economic and environmental services		-	-	-	-	-	-	-	-	-	-
Planning and development											
Road transport											
Environmental protection											
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity											
Water											
Waste water management											
Waste management											
Other											
Total Capital Expenditure - Standard	3	-	-	-	-	-	-	-	-	-	-
Funded by:											
National Government		16,829	40,950	31,212	42,508	64,699			33,484	26,806	27,870
Provincial Government											
District Municipality											
Other transfers and grants											
Transfers recognised - capital	4	16,829	40,950	31,212	42,508	64,699	-	-	33,484	26,806	27,870
Public contributions & donations	5										
Borrowing	6								1,300		
Internally generated funds		2,895	3,165	4,226	800	2,820					
Total Capital Funding	7	19,724	44,115	35,437	43,388	67,519	-	-	34,784	26,806	27,870

MP305 Lekwa - Table A7 Budgeted Cash Flows

MP3	Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	R thousand		Audited Outcome	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
R the	CASH FLOW FROM OPERATING ACTIVITIES											
ASSE	Receipts											
Currn	Ratepayers and other		165,849	223,451	263,117	284,207	237,764			298,584	348,677	400,500
Ca	Government - operating	1	84,896	73,978	92,441	86,670	86,425			89,270	92,294	96,170
Ca	Government - capital	1		37,158	35,897	42,508	42,508					
Cc	Interest		16,815	19,176	14,947	11,983	17,168			4,856	7,211	9,792
Of	Dividends											
Ca	Payments											
Inv	Suppliers and employees		(258,854)	(306,303)	(354,808)	(398,232)	(400,447)			(446,083)	(473,634)	(505,100)
Total	Finance charges		(469)	(4,149)	(18,233)	(1,711)	(1,711)			(764)	(795)	(838)
	Transfers and Grants	1				(2,290)	(2,290)					
Non	NET CASH FROM/(USED) OPERATING ACTIVITIES		8,237	43,310	33,360	23,135	(20,583)	-	-	(54,138)	(26,248)	524
Lo	CASH FLOWS FROM INVESTING ACTIVITIES											
Inv	Receipts											
Inv	Proceeds on disposal of PPE											
Prn	Decrease (Increase) in non-current debtors											
Ag	Decrease (increase) other non-current receivables											
Bk	Decrease (increase) in non-current investments											
Int	Payments											
Of	Capital assets		(14,518)	(35,331)	(31,048)	(43,308)	(77,920)					
Total	NET CASH FROM/(USED) INVESTING ACTIVITIES		(14,518)	(35,331)	(31,048)	(43,308)	(77,920)	-	-	-	-	-
TOTA	CASH FLOWS FROM FINANCING ACTIVITIES											
LIAB	Receipts											
Currn	Short term loans											
Ba	Borrowing long term/refinancing											
Bo	Increase (decrease) in consumer deposits											
Cc	Payments											
Trn	Repayment of borrowing		(459)	(1,647)	(1,285)	(1,000)	(1,000)					
Ph	NET CASH FROM/(USED) FINANCING ACTIVITIES		(459)	(1,647)	(1,285)	(1,000)	(1,000)	-	-	-	-	-
Total	NET INCREASE/ (DECREASE) IN CASH HELD		(6,740)	6,331	1,027	(21,173)	(99,503)	-	-	(54,138)	(26,248)	524
Non	Cash/cash equivalents at the year begin:	2	15,682	8,941	15,273	36,708					(54,138)	(80,386)
Bo	Cash/cash equivalents at the year end:	2	8,941	15,273	16,300	15,535	(99,503)	-	-	(54,138)	(80,386)	(79,861)
	Provisions		32,014	88,222	92,289	32,309	32,309	-	-	94,269	97,968	102,419
	Total non current liabilities		35,765	89,260	92,289	32,309	32,309	-	-	94,269	97,968	102,419
	TOTAL LIABILITIES		102,113	270,682	370,611	197,091	197,091	-	-	415,908	445,892	476,649
	NET ASSETS	5	1,391,358	1,797,920	1,614,132	1,785,968	1,785,968	-	-	1,523,288	2,117,785	1,813,054
	COMMUNITY WEALTH/EQUITY											
	Accumulated Surplus/(Deficit)		1,391,358	1,797,920	1,614,132	1,785,968	1,785,968			1,523,288	2,117,785	1,813,054
	Reserves	4	-	-	-	-	-	-	-	-	-	-
	Minorities' interests											
	TOTAL COMMUNITY WEALTH/EQUITY	5	1,391,358	1,797,920	1,614,132	1,785,968	1,785,968	-	-	1,523,288	2,117,785	1,813,054

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	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
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	8,941	15,273	16,300	15,535	(99,503)	-	-	(54,138)	(80,386)	(79,861)
Other current investments > 90 days		-	-	(0)	36,874	151,912	-	-	89,059	83,877	82,758
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		8,941	15,273	16,300	52,409	52,409	-	-	34,922	3,491	2,897
Application of cash and investments											
Unspent conditional transfers		13,760	10,994	21,940	15,000	15,000	-	-	27,936	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	245	106,971	193,951	60,982	64,673	-	-	220,956	(219,776)	(7,183)
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		14,005	117,965	215,891	75,982	79,673	-	-	248,892	(219,776)	(7,183)
Surplus(shortfall)		(5,064)	(102,692)	(199,592)	(23,572)	(27,263)	-	-	(213,970)	223,267	10,079

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

Debtors	30,407	48,809	39,636	32,232	28,541	-	-	69,958	564,827	378,482
Creditors due	30,652	155,780	233,587	93,214	93,214	-	-	290,914	345,051	371,299
Total	(245)	(106,971)	(193,951)	(60,982)	(64,673)	-	-	(220,956)	219,776	7,183

Balance outstanding - debtors	42,063	58,789	52,482	41,941	41,941	-	-	93,656	712,720	450,209
Estimate of debtors collection rate	72%	83%	76%	77%	68%	0%	0%	75%	79%	84%

[illegible]

MP305 Lekwa - Table A9 Asset Management

Description		Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
CAPITAL EXPENDITURE											
Total New Assets		1	19,724	44,115	–	22,256	49,610	–	29,784	22,806	23,870
Infrastructure - Road transport			14,587	29,570	–	2,000	10,095	–	–	–	–
Infrastructure - Electricity			1,193	2,102	–	2,200	2,688	–	–	–	–
Infrastructure - Water			2,646	832	–	3,800	8,757	–	11,500	9,500	10,870
Infrastructure - Sanitation			–	1,973	–	4,200	4,377	–	16,984	13,306	13,000
Infrastructure - Other			–	93	–	–	2,250	–	–	–	–
Infrastructure			18,427	34,570	–	12,200	28,166	–	28,484	22,806	23,870
Community			–	6,557	–	10,056	19,424	–	–	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	1,297	2,988	–	–	2,020	–	1,300	–	–
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	–	–	–	–	–
Total Renewal of Existing Assets		2	–	–	–	21,052	28,310	–	5,000	4,000	4,000
Infrastructure - Road transport			–	–	–	–	–	–	–	–	–
Infrastructure - Electricity			–	–	–	–	–	–	–	–	–
Infrastructure - Water			–	–	–	6,252	6,252	–	5,000	4,000	4,000
Infrastructure - Sanitation			–	–	–	14,800	22,058	–	–	–	–
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			–	–	–	21,052	28,310	–	5,000	4,000	4,000
Community			–	–	–	–	–	–	–	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	–	–	–	–	–	–	–	–	–
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	–	–	–	–	–
Total Capital Expenditure		4	14,587	29,570	–	2,000	10,095	–	–	–	–
Infrastructure - Road transport			1,193	2,102	–	2,200	2,688	–	–	–	–
Infrastructure - Electricity			2,646	832	–	10,052	15,009	–	16,500	13,500	14,870
Infrastructure - Water			–	1,973	–	19,000	26,435	–	16,984	13,306	13,000
Infrastructure - Sanitation			–	93	–	–	2,250	–	–	–	–
Infrastructure - Other			18,427	34,570	–	33,252	56,476	–	33,484	26,806	27,870
Infrastructure			–	6,557	–	10,056	19,424	–	–	–	–
Community			–	–	–	–	–	–	–	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6	1,297	2,988	–	–	2,020	–	1,300	–	–
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		2	19,724	44,115	–	43,308	77,920	–	34,784	26,806	27,870
ASSET REGISTER SUMMARY - PPE (WDV)											
Infrastructure - Road transport		5									
Infrastructure - Electricity											
Infrastructure - Water											
Infrastructure - Sanitation											
Infrastructure - Other											
Infrastructure			–	–	–	–	–	–	–	–	–
Community											
Heritage assets											
Investment properties			–	10,250	9,881	–	–	–	10,869	11,412	12,097
Other assets											
Agricultural Assets			–	–	–	–	–	–	–	–	–
Biological assets			–	–	–	–	–	–	–	–	–
Intangibles			–	–	–	–	–	–	–	–	–
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	–	10,250	9,881	–	–	–	10,869	11,412	12,097
EXPENDITURE OTHER ITEMS											
Depreciation & asset impairment			352	60,891	121,508	135,296	134,582	–	139,196	144,416	150,444
Repairs and Maintenance by Asset Class		3	17,445	15,754	13,857	13,149	14,271	–	17,408	19,165	21,084
Infrastructure - Road transport			1,774	1,380	557	945	590	–	1,386	1,545	1,715
Infrastructure - Electricity			3,669	3,798	3,413	3,622	5,004	–	5,360	5,976	6,633
Infrastructure - Water			2,065	1,836	2,209	1,709	2,100	–	2,250	2,509	2,785
Infrastructure - Sanitation			662	1,132	740	900	814	–	850	948	1,052
Infrastructure - Other			–	–	–	–	–	–	–	–	–
Infrastructure			8,171	8,147	6,919	7,176	8,508	–	9,845	10,977	12,185
Community			–	–	–	–	–	–	–	–	–
Heritage assets			–	–	–	–	–	–	–	–	–
Investment properties			–	–	–	–	–	–	–	–	–
Other assets		6, 7	9,274	7,607	6,939	5,973	5,762	–	7,563	8,188	8,899
TOTAL EXPENDITURE OTHER ITEMS			17,797	76,645	135,365	148,445	148,852	–	156,604	163,581	171,528
Renewal of Existing Assets as % of total capex			0.0%	0.0%	0.0%	48.6%	36.3%	0.0%	14.4%	14.9%	14.4%
Renewal of Existing Assets as % of deprecn"			0.0%	0.0%	0.0%	15.0%	21.0%	0.0%	3.6%	2.8%	2.7%
R&M as a % of PPE			1.2%	0.8%	0.7%	0.7%	0.8%	0.0%	1.0%	1.0%	1.2%
Renewal and R&M as a % of PPE			0.0%	154.0%	140.0%	0.0%	0.0%	0.0%	206.0%	203.0%	207.0%

8. OVERVIEW OF BUDGET PROCESS

Political Oversight of Budget Process

The concept of political oversight over the budget process is an important one and it is the key to ensuring that strategy informs the budget.

The political oversight role of the Mayor is contained in Section 53 (1)(a) and (b) of the Municipal Finance Management Act (MFMA). It requires that the Mayor must provide political guidance over the budget process and the priorities that guide the preparation of the budget. It further requires that the Mayor co-ordinate the revision of the IDP and the preparation of the annual budget and to determine how the IDP is to be taken into account for the purpose of the budget.

The demands on the Municipality to address service delivery backlogs and to improve service delivery to all of its citizens, within current financial resources, are challenging. Political oversight of the budget process is therefore essential to ensure that the priorities of the municipality are addressed through budget allocations.

Schedule of Key Deadlines Relating of Budget Process

One of the objectives of the budget timetable is to ensure the development/review of the IDP and the budget and also to ensure that a funded budget is tabled for consideration and approval. The timetable schedule for the compilation of the 2014/15 budget cycle was approved by Council during August 2013 in compliance with the MFMA.

Process for Consultations with Stakeholder Groups and Outcomes [MFMA 21(1)(b)]

Section 22 of the MFMA requires that after tabling of the annual budget in Council, the municipality must make public the draft budget and also invite the local communities to submit representations thereon. Accordingly the tabling of the draft budget in the Council on 28 March 2014 will be followed by the following activities:

- The Draft budgeted document to be published on the website generally to be distributed to libraries and other municipal offices to allow the wide invitation of comments and representations to the draft budget
- Submission of the Draft budget to Provincial and National Treasuries as well as Department of Provincial and Local Government
- Public meetings to be held in various wards during April and May 2014

9. OVERVIEW OF ALIGNMENT OF ANNUAL BUDGET WITH IDP

This Integrated Development Plan (IDP) is prepared in compliance with the requirements of Chapter 5, particularly Section 25 of Local Government Municipal Systems Act (32 of 2000), which obliges a municipal council to adopt a single, all inclusive and strategic plan for the development of the municipality, within a prescribed period after the start of its elected term. It outlines a development agenda for the municipality for the next five years. The Lekwa Local Municipality has undertaken its IDP process for the 2014/5 financial year.

Council's Integrated Development Plan (IDP) to inform the 2014/15 financial year's budget is also tabled to Council today. The budget is aligned to the revised IDP. Due to the current financial situation of Lekwa Local Municipality we can only fund capital projects through the Municipal Infrastructure Grant which amounts to R 33.484 million. A few smaller projects

will be funded from internally generated funds. Detail of the capital projects are contained in the table A5 2014/15 (Capital Budget) in section 4 above.

10. OVERVIEW OF BUDGET ASSUMPTIONS

Inflation Forecast and National Treasury guidelines

Inflation is forecast to remain within the target range of 5.6% to 5.4%, edging downward towards 2017. This was taken into account when the budget was compiled. Municipalities must take into account the multi-year Salary and Wage Collective Agreement for the period 1 July 2012 to 30 June 2015. Municipalities were advised by National Treasury to provide for increases related to salaries and wages as follows

- 2014/15 – 6.8% (5.8% +1%)

- 2015/16 – 6.4% (5.4% + 1%)

- 2016/17 – 6.4% (5.4%+1%)

An additional amount of 2.0 million was included to fill critical vacant positions in the 2014/15 financial year.

Electricity - Tariff increase of 7.39 % is allowed

- Increase in bulk purchases from Eskom is 8.06%

Water & Sanitation - cost reflective tariffs are to be implemented in 2014.

Solid Waste - cost reflective tariffs are to be implemented in 2015.

Free basic services to be provided to indigent households only

Renewal & Repairs & Maintenance of Existing assets:

- 40% of the 2014/15 capital budget should be for renewal of assets – if not the Municipality needs to motivate.

- If the amount budgeted for repairs & maintenance is less than 8% of asset value (write down value) the Municipality needs to motivate.

Payment factor

The following assumptions were incorporated into the draft budget:

REVENUE SOURCE	Bad Debt Provision %	Bad Debt 2013/14	2014/15 Bad Debt %	2014/15 Bad Debt	2015/16 Bad Debt %	2015/16 Bad Debt	2016/17 Bad Debt %	2016/17 Bad Debt
ASSESSMENT RATES	52.97%	25,831,551	41.97%	19,457,640	32.47%	16,759,820	23.47%	12,412,230
INTEREST ACCOUNTS IN ARREARS	85.72%		74.72%	13,183,490	65.22%	12,574,580	56.22%	11,736,840
CLEANSING SERVICES	61.56%	7,937,700	50.56%	6,691,580	41.06%	5,909,690	32.06%	4,950,800
SEWERAGE CHARGES	62.72%	14,428,284	51.72%	12,225,120	42.22%	10,857,430	33.22%	9,174,190
ELECTRICITY	20.15%	-	15.15%	0	10.65%	0	6.15%	0
ELECTRICITY SAKHILE	20.15%	-	15.15%	0	10.65%	0	6.15%	0
PRE-PAID ELECTRICITY	20.15%	-	15.15%	0	10.65%	0	6.15%	0
SHOPS: PRE-PAID ELECTRICITY	20.15%	-	15.15%	0	10.65%	0	6.15%	0
SALE OF ELECTRICITY	20.15%	28,726,761	15.15%	18,776,900	10.65%	14,079,860	6.15%	7,366,440
SALE OF ELECTRICITY BULK(Noble/Astral)	20.15%	-	15.15%	0	10.65%	0	6.15%	0
SALE OF WATER	63.27%	24,117,872	52.27%	20,482,870	42.77%	18,237,960	33.77%	15,470,370
		101,042,169		90,817,600		78,419,340		61,110,870
OVERALL PAYMENT RATE		67.53%		73.98%		81.17%		86.45%
BAD DEBT PROVISION		94,708,039		90,817,600		78,419,340		61,110,870
LESS/ADD INDIGENT SUPPORT SUBSIDY		6,334,130		6,688,840		6,956,390		7,332,040
TOTAL DEBT IMPAIRMENT		101,042,169		97,506,440		85,375,730		68,442,910

11. OVERVIEW OF BUDGET FUNDING

The main sources of revenue/funding are indicated in the table below:

OVERVIEW OF BUDGET FUNDING					
Exp Type Description		Sum of 0+ 2014/15 Budget	Sum of 1+ 2015/16 Budget	Sum of 1+ 2016/17 Budget	
Item Name					
Assessment Rates	ASSESSMENT RATES	-52,600,000	-55,230,000	-57,991,500	
Dept Services	DEPARTEMENTAL SERVICES	0	0	0	
Fines		-4,594,360	-5,030,820	-5,471,000	
Interest earned - bank	INTEREST-BANK ACCOUNT	-254,890	-279,100	-303,520	
Interest earned - outstanding debtors	INTEREST ACCOUNTS IN ARREARS	-18,200,400	-19,929,440	-21,673,270	
Other Income	OTHER INCOME	0	0	0	
Rental of facilities and equipment		-634,140	-694,400	-755,160	
Service charges & other		-413,932,000	-452,393,440	-488,710,010	
		-490,215,790	-533,557,200	-574,904,460	
		-490,215,790	-533,557,200	-574,904,460	

12. EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

Grants and subsidies from National and Provincial governments, as reported in the 2014 Division of Revenue Act and reflected in SA 19, have been included the 2014/15 budget and each allocation will utilised for the purpose as described below.

TYPE OF GRANT	2014/15 R000	2015/16 R000	2016/17 R000
EQUITABLE SHARE	85.036	88.237	89.898
FINANCE MANAGEMENT GRANT	1.600	1.650	1.700
MSIG	0.934	0.967	1.019
EPWP	1.190	-	-
MIG	33.994	28.217	29.337
INEP	1.500	3.000	5.000

National Grant Allocations

Equitable Share

The equitable share is an unconditional grant and as such can be regarded as general revenue, however, it is a matter of co-operative governance that municipalities should prioritise its expenditure budget towards poor households and national priorities like free basic services.

Municipal Infrastructural Grant (MIG)

The Municipal Infrastructural Grant (MIG) is entering its tenth year of implementation in the 2014/15 financial year. It resulted from the consolidation of various capital grants for municipal infrastructure (CMIP, Water Services Projects, CBPWP, LEDF, BSRP and the Urban Transport Fund) into a new funding arrangement.

The Municipal Infrastructural Grant is a conditional grant which gives effect to national objectives to:

- Expand the delivery of basic services to all households, including the delivery of free basic services to poor households and other poverty alleviating objectives.
- Stimulate local economic development and job creation over the medium term.

The MIG funding will be utilised for the paving of internal roads, sporting facilities and high mast projects in areas falling within Lekwa-Teemane Municipality.

Finance Management Grant

The Finance Management Grant is a capacity building grant provided by National Treasury to assist municipalities in building management planning, technical and financial management skills and capacity for effective service delivery.

It will be utilised for the upgrading of skills and capacity of the Finance officials for workshops and training programmes, funding financial programmes with a view to capacitate financial systems, as well as for the remuneration of the interns currently employed by the municipality and cover costs of their training and its facilities. There are currently seven interns employed.

Municipal Systems Improvement Grant

This grant is provided by the Department of Cooperative Governance and Traditional Affairs to assist municipalities to build in-house capacity to perform their functions and stabilise institutional and governance systems as required in the Local Government Systems Act, 2000 and other related legislation.

The grant may be apportioned for, depending on the submitted and approved activity plan, the engagement of ward committees, IDP review processes, implementation of Municipal Property Rates Act and GRAP conversion requirements

13. ALLOCATIONS AND GRANTS MADE BY LEKWA MUNICIPALITY

None

14. COUNCILLOR AND EMPLOYEE BENEFITS

Information will be available in May 2014 when the Executive table the final budget for approval.

15. MONTHLY TARGET FOR REVENUE & EXPENDITURE & CSAH FLOW

Refer to table A7 in section 4 above.

16. ANNUAL SDBIP – INTERNAL DEPARTMENTS

The Annual SDBIP gives effect to the implementation of the IDP and Budget of the Municipality. The IDP Objectives, Key Performance Indicators and Targets aligned to the Budget within each Key Performance Area in the Multi-year Municipal Performance Plan informs the SDBIP for the 2014/15 financial year and breaks it up into quarterly targets.

The Budget should ensure the implementation of the strategic priorities of the Municipality through the allocation of financial resources. The Budget is not an implementation or management plan. The SDBIP therefore serves as a “contract” between the administration, council and the communities expressing the IDP Objectives (within each KPA) set by Council as quantifiable outputs that can be implemented by the administration in a specific financial year. This provides the basis for measuring performance in service delivery against end-of-year targets and implementing the budget.

The SDBIP is a layered plan with the top layer dealing with consolidated service delivery targets and in-year deadlines and linking such targets to the top management of the Municipality. Once the top-layer targets are set, the top management must then develop the next (lower) layer of detail of the SDBIP, by providing more detail on each output for which they are responsible for, and breaking up such outputs into smaller outputs and linking these to each junior manager.

“Top layer” SDBIP is used as a framework for the organisational Performance Management System. In terms of the individual performance management, the contracts for the Municipal Manager and section 56 managers have been implemented and the evaluation is done on a quarterly basis. As part of good governance the PMS will be introduced and cascaded down to the operational level in terms of operational KPI’s and performance agreements for Section 56 managers. The implementation of the IDP and Budget is monitored, evaluated, reported and measured through the integrated

Performance Management System (PMS) is designed to ensure that the resources available to the Municipality are directed at the delivery of prioritised projects, programmes and

operations that meet the agreed IDP Objectives. Monitoring, evaluating, measuring and reporting performance will also assist the Municipality:

- To make immediate and appropriate changes in the prioritized delivery process and to adjust resources accordingly;
- Identify and overcome major or systemic blockages in the delivery process and Guide future planning on development objectives and resource use

NB SDBIP – will be available in May 2014 when the Executive table the final budget for approval.

17. ANNUAL BUDGETS AND SERVICE DELIVERY AGREEMENTS – MUNICIPAL ENTITIES

None

18. CONTRACT HAVING FUTURE BUDGETARY IMPLICATIONS

None in terms of section 33 (1) that exceeds 3 years

19. CAPITAL EXPENDITURE DETAIL

Refer to schedule A 5 - CAPEX in section 4 above.

20. LEGISLATION COMPLIANCE STATUS

Municipal Finance Management Act

The Municipal Finance Management Act, No. 56 of 2003 came into effect on 1 July 2004. The Lekwa Local Municipality was identified as a High Level Municipality, and as such had the responsibility of implementing the Act with few exemptions/delays allowed. The following main processes have been implemented in terms of the Municipal Finance Management Act:

- The budget process.
- Supply Chain Management. (Establishment of unit in progress)
- Conversion of Financial Statements to GRAP.
- Financial in-year reporting.
- Adjustment budgeting
- Annual reporting.
- Compilation and implementation of various policies.
- Compilation of procedural notes for main financial accounting processes.
- The budget and Treasury office has been established in accordance with the requirements (Implementation of new organogram for BTO in progress)
- Service Delivery and Budget Implementation plans are applied as monitoring tools
- Audit Committee has been established

Municipal Property Rates Act

The 2011/12 was a challenging budget year for Lekwa-Teemane Municipality, with 01 July 2011 being the compulsory date of first implementation of the Act and drafting of the rates policy. To this end, the municipality is currently implementing the approved policy. The objection process has not been finalised to date and the Municipality is busy to finalise the section 53 notices to the objectors. The levying of agricultural land has not been implemented and the process to finalise the implementation thereof is also in progress.

Compliance with Circular 51: Municipal Budget and Reporting Regulations

The 2014/15 budget has been prepared to comply with the requirements of the enacted Municipal Budget and Reporting Regulations. It for this reason that Council is urged to acquaint itself with the format, since Council will be expected to scrutinize and approved the budget prepared in terms of Gazette 32141.

Other Legislation

Lekwa Local Municipality has complied with a number of other legislation, including the Local Government Municipal Systems Act, gazettes and circulars issued by National Treasuries on a continuous basis.

21. OTHER SUPPORTING DOCUMENTS

The other supporting documents will be available in May 2014 when the Executive table the final budget for approval.

22. ANNUAL BUDGETS OF MUNICIPAL ENTITIES ATTACHED TO THE MUNICIPALITY'S ANNUAL BUDGET

None

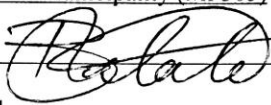
Municipal Manager's quality certificate

I Linda Bernard Tshabalala, municipal manager of Lekwa Local Municipality, hereby certify that the adjustment budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name Linda Bernard Tshabalala

Municipal Manager of Lekwa Local Municipality (MP305)

Signature

A handwritten signature in black ink, appearing to read 'Linda Bernard Tshabalala', is written over a horizontal line.

Date 26 March 2014

8. CHAPTER 8 – PERFORMANCE MANAGEMENT

8.1 INTRODUCTION

The main objective of the IDP, being for the Municipality to address service delivery, in particular addressing and eradicating the inequalities of the past, it is focused primarily on previously disadvantaged areas.

The key objective of the Municipality's IDP is therefore to create a developmental state and to realise a developmental local government where the Municipality actively intervenes in raising the quality of life of its citizens through creating a sustainable environment and ensuring the deployment of resources to realize the objectives it sets for itself.

The objectives to be set are adapted from the MSA which requires that the Performance Management System as adopted by the Municipality, represent the cycle and process of performance planning, monitoring, measurement, review, reporting and improvement. The objective of institutionalising a performance management system beyond legislative compliance requirements is to:

- Facilitate increased accountability
- Facilitate learning and improvement
- Provide early warning signals
- Facilitate decision-making processes

8.2 POLICY AND LEGISLATIVE FRAMEWORK

The Performance Management System is located within a legislative and policy framework and is influenced by the following:

- The White Paper on Local Government (1998)
- The Municipal Systems Act (2000)
- The Municipal Planning and Performance Management Regulations (2001)

White Paper on Local Government 1988

The White Paper on Local Government (1998) nationally introduced performance management in local government as a tool towards developmental local government. The White Paper indicates that involving communities in developing municipal key performance indicators increases the accountability of the municipality. Some communities may prioritize the amount of time it takes a municipality to answer a query, others will prioritize the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased and public trust in local government system is enhanced.

BATHO PELE (1998)

The word Batho Pele is a Sotho word, which means people first. The White Paper on transforming public service delivery put forward eight (8) principles, which has been extended to 12, for good public service whose priority is putting people first, i.e. Batho Pele. The Batho Pele principles are:

- Consultation
- Service standards
- Access
- Courtesy
- Access
- Information
- Openness and transparency
- Redress

- Value for Money
- Encourage innovation and rewarding excellence
- Service delivery impact
- Leadership and strategic direction

THE MUNICIPAL SYSTEMS ACT (2000)

This Act requires of all municipalities to:

- Develop a performance management system
- Set targets, monitor and review performance based on indicators linked to their Integrated Development Plan
- Publish an annual report on performance for councillors, staff, the public and other spheres of government.
- Incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government.
- Conduct an internal audit on performance before tabling the report.
- Involve the community in setting indicators and targets and reviewing municipal performance.
- Have their annual report on performance audited by the Auditor-General.

MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS (2001)

The Municipal Planning and Performance Regulations (2001) is a set of regulations which clarifies the process of how the Performance Management System and Integrated Development Plan processes should be conducted.

8.3 PRINCIPLES GOVERNING PERFORMANCE MANAGEMENT

In developing a performance management system, the Municipality is guided by the following principles:

- I. Both development and implementation of the system must be driven by Council and the executive management
- II. The system must be owned by all relevant stakeholders within the municipality and be supported
- III. Communication must occur at all levels on an on-going basis
- IV. The value of PMS must be understood by all role-players and stakeholders
- V. The system must place the community at the centre of local government processes
- VI. The system must be developmental and not punitive
- VII. The system must be developed and implemented within the available capacity and resources of the municipality
- VIII. The system should align to other municipal initiatives, systems and processes
- IX. The system must provide learning and growth opportunities through coaching and review processes.

PMS must be implemented in such a manner that it:

- A. Is developmental and not punitive in nature as employees will be provided with career opportunities and be allowed space to be creative and innovative in performing and improving their work;
- B. Provides a clear and detailed framework for:
 - (i) reaching agreement on performance contracts
 - (ii) clear KPIs, targets and standards that are agreed upon
 - (iii) a balance between organisational needs and employee rights
- C. Allows for joint responsibility and accountability based on mutual trust and respect
- D. Is cost-effective and practical while enhancing improvement on quality

- E. Is applied consistently and documents and records both formal and informal feedback
- F. Is applied equitably and fairly
- G. Allows for honesty and transparency in its application
- H. Provides clear linkages between performance, recognition and reward
- I. Provides a clear guide on dealing with poor or non-performance
- J. Focuses on critical work activities

8.4. LEKWA'S PERFORMANCE MANAGEMENT SYSTEM PROCESS: HOW IT WILL HAPPEN

Lekwa's Performance Management System has a detailed process plan in respect of specific responsibilities and time frames as determined in line with the Regulations. Lekwa's process of managing performance will involve the following core basic components:

1. PLANNING

This will involve the annual drafting and adoption of the Performance Management System Framework by Council as part of the Integrated Development Plan.

2. IMPLEMENTATION

This means putting the performance plan into action, to implement the targets agreed upon.

3. MEASURING

This is the quarterly evaluation of reports and progress achieved on specific projects/targets.

4. MONITORING

This is about constant submission, if possible, at least quarterly, reports and evaluation during and after every phase.

5. REPORTING

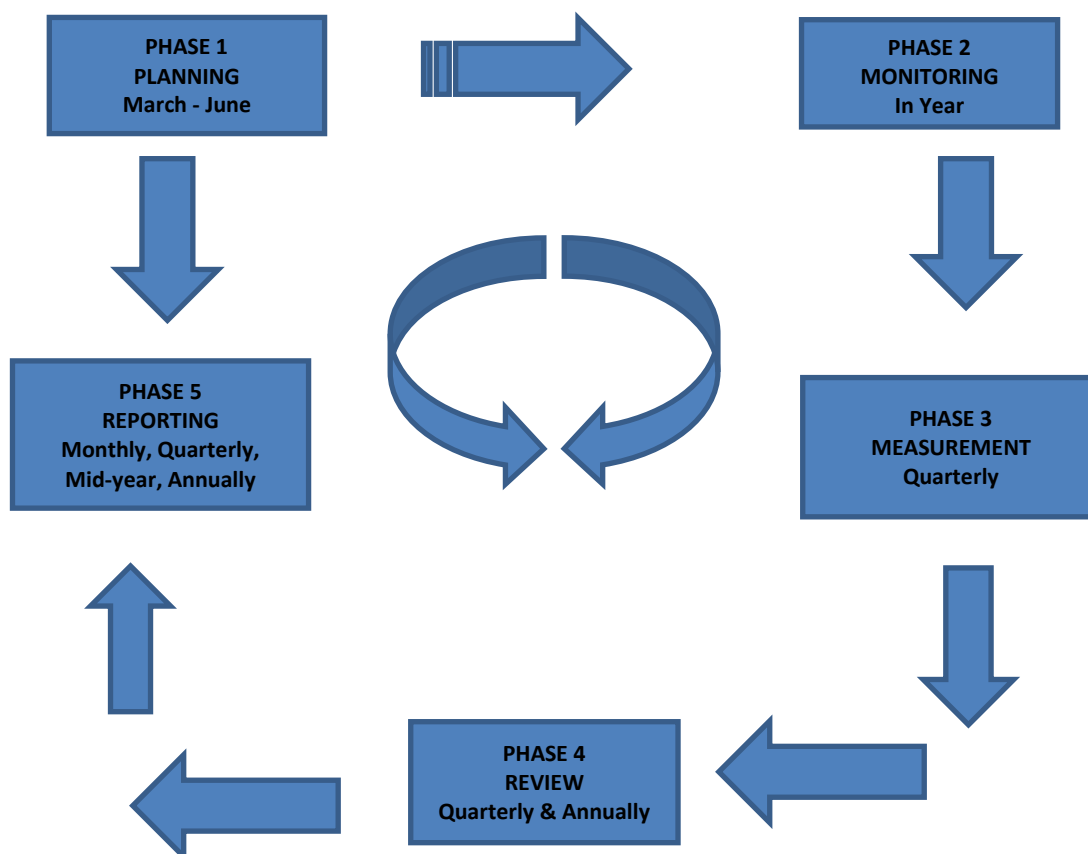
This involves giving the report about the outcomes of performance in trying to achieve the set objectives and targets as set out in the Municipality's Integrated Development Plan via the Ward Committees.

6. STAKEHOLDERS

These are responsible bodies or parties that will see to the driving of the Performance Management Process within Lekwa.

The following diagram outlines the process flow in respect of how planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed and also the roles of different stakeholders.

The Performance Management Cycle



STAKEHOLDERS AND THE ROLE THEY WILL PLAY IN PERFORMANCE MANAGEMENT SYSTEM

COUNCIL	MAYORAL COMMITTEE PORTFOLIO HEADS	MUNICIPAL MANAGER & HEADS OF DEPARTMENT	PERFORMANCE & AUDIT COMMITTEE	CITIZENS AND COMMUNITIES
Facilitate the development of a long term vision Develop strategies to achieve vision Identify priorities Adopt indicators and set targets	Manage the development of an IDP Approve & adopt indicators and set targets Communicate the plan to other stakeholders	Assist the Mayoral Committee in: Providing strategic direction and developing strategies and policies for the organization Manage the development of the IDP Ensure that the plan is integrated and implemented	Audit the result	Be consulted on needs Develop the long term vision for the area Influence the identification of priorities Influence the choice of indicators and setting of targets

8.5. KEY PERFORMANCE INDICATORS (KPI'S)

A municipality must set Key Performance Indicators including input, output and outcome indicators in respect of each of the development priorities and objectives as set out in its Integrated Development Plan.

These KPI's serve as a yardstick for measuring performance, including outcomes and impact, with regard to the Municipality's development priorities and objectives set out in its Integrated Development Plan. Such indicators must be made known internally and to the general public.

KPIs can be defined as measurements that tell us whether progress is being made in achieving the goals. They essentially describe the performance aspect that is considered key in measuring performance. The character of performance management as implemented in local government and as captured in the White Paper on Local Government and the Municipal Systems Act rely centrally on the use of KPIs. The values of KPIs are to:

- Provide a common framework for gathering data for measurements and reporting;
- Translate complex concepts into simple operational measurable variables;
- Enable the review of goals and objectives;
- Assist in policy review processes;
- Help focus the organisation on strategic areas; and
- Help provide feedback to the organisation and staff.

KPIs are developed and should conform to the SMART principle which can be translated into being:

- Specific
- Measurable
- Achievable
- Realistic
- Time-bound

The following are the National Key Performance Indicators in line with Regulation 10 of the Municipal Planning and Performance Regulations of 2001 which will reflect and be incorporated into Lekwa Municipality's own organisational SDBIP as part of its own indicators:

- I. The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal.
- II. The percentage of households earning less than R1 100 per month with access to free basic services.
- III. The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's Integrated Development Plan.
- IV. The number of jobs created through municipality's local economic development: initiatives including capital projects.
- V. The number of people from employment equity target groups employed in three highest levels of Management in compliance with a Municipality approved employment equity plan.
- VI. The percentage of a municipality's budget actually spent on implementing workplace skills plan.
- VII. Financial viability as expressed as debt coverage, outstanding service debtors to revenue, cost coverage

8.6 KEY PERFORMANCE AREAS (KPA'S)

The 2001 Performance Regulations provides for the development of priorities and objectives as formulated by the Municipality in its Integrated Development Plan. The Regulations further provides for the clustering of these objectives into Key Performance Areas (KPA's). In line with the 5 year (2012-2016) IDP, the following KPAs are reflected as the key performance drivers of the Municipality:

- KPA 1 Basic Service Delivery
- KPA 2 Municipal Transformation and Organizational Development
- KPA 3 Local Economic Development
- KPA 4 Financial Development and Management
- KPA 5 Good Governance and Public Participation
- KPA 6 Spatial Rational

The 6th KPA has been included to give effect to the spatial rational perspective.

The Municipality LLM has identified 5 (five) long-term strategic objectives, namely:

- LLM: 1 Build local economics to create more employment, decent work and sustainable livelihoods
- LLM: 2 Improve service and broaden access to them
- LLM: 3 Promote more active community participation in local government
- LLM: 4 Ensure more effective, accountable and clean local government
- LLM: 5 Build more united, non-racial, integrated and safer communities

The following 9 Strategic Focus Areas has also been included in the five (5) year IDP:

- SA: 1 Equitable Provision of Services
- SA: 2 Creation of an Integrated and Sustainable Human Settlement
- SA: 3 Creation of Linked Ecological Open Space
- SA: 4 Delineation of Urban Edge
- SA: 5 Establishment of an Efficient Access and Integrated Mobility
- SA: 6 Creation of a Function Hierarchy of Nodes
- SA: 7 Financial and Environmental Sustainability
- SA: 8 Effective Leadership and Good Governance
- SA: 9 Boosting the Local Economy and Job Creation

8.7 AUDITING OF PERFORMANCE

The Municipality deals with the auditing of performance information in compliance with section 14 of the Municipal Planning and Performance Management Regulations (2001) that inter alia provides for the following:

- a. A municipality must develop and implement mechanisms, systems, and processes for auditing the results of performance measurements as part of its internal auditing processes.
- b. Any auditing in terms of paragraph (a) must include assessments of the following:
 - I. The functionality of the municipality's performance management system;
 - II. Whether the municipality's performance management system complies with the Act; and

- III. The extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on indicators referred to in regulation 9 and 10.
- c. municipality's internal auditors must -
 - I. On a continuous basis audit the performance measurements of the municipality; and
 - II. Submit quarterly reports on their audits to the Municipal Manager and the Performance Audit Committee.
- d. A municipality must annually appoint and budget for a performance audit committee/audit committee consisting of at least three members, the majority of which may not be involved in the municipality as a councillor or employee.
- e. A performance audit committee must meet at least twice during the financial year period.
- f. A performance audit committee must –
 - I. Review the quarterly reports submitted to it.
 - II. Review the municipality's performance management system and make recommendation in this regard to the council of that municipality; and
 - III. At least twice during a financial year submit an audit report to the municipality concerned.

Such auditing must include assessments of the following:

- The functionality of Performance Management Systems.
- Whether the Performance Management System complies with the Act
- The extent to which the performance measurements are reliable in measuring performance on its indicators.

The following are the KPIs for the 2014/2015 financial year which will be translated into the Municipality's organisational SDBIP. The SDBIP should be aligned with the IDP and should furthermore align the IDP to the Budget and Performance Management System. Thus the IDP is monitored by the SDBIP.

8.9. STRATEGIC KPI, MINIMUM STANDARDS AND TARGERTS AIMED AT ADDRESSING PRIORITY ISSUES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
KPA 1 BASIC SERVICE DELIVERY						
BASIC SERVICE DELIVERY	Provision of access to basic water in rural areas.	Number of boreholes installed to provide access to basic water in rural areas.	Constitution.	18 boreholes installed in rural areas to provide access to basic water.	21 boreholes installed in rural areas to provide access to basic water.	TECHNICAL SERVICES
	Improved blue drop status.	10% improvement on blue drop status.	Department of water affairs, water quality standard.	34.4% on blue drop status Blue Drop Report ranked 12th - needs attention.	45% on blue drop status.	TECHNICAL SERVICES
	Extension of basic services (i.e. water, electricity and sanitation) in formalised areas.	Attend to application for basic services (i.e. water, electricity, sanitation) effectively and efficiently.	Constitution.	All applications for extension of basic services (i.e. water, electricity, sanitation) attended to.	Number of applications for basic services (i.e. water, electricity, sanitation) attended to within 7 days.	TECHNICAL SERVICES
	Improvement in Green drop status.	% improvement in Green drop status.	Department of water affairs, water quality standards.	54.0% on Green drop status as at 2011. Green Drop Report ranked 4 th .	6% improved on Green drop status.	TECHNICAL SERVICES
	Extension of basic services (i.e. refuse removal) in formalised areas.	Number of households with basic waste collection.	Constitution.	5263 households not being serviced.	Extension of refuse removal services to 5263 households.	COMMUNITY SERVICES
	Effective waste	Approved and	Waste	Draft Integrated	An implementable,	COMMUNITY

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
	management.	implemented Integrated Waste Management.	management system.	Waste Management Plan.	credible and approved Integrated Waste Management Plan.	SERVICES
	Access to public amenities in already established areas.	Accessible, clean and functional public amenities.	Constitution.	4 quarterly reports on maintenance of public amenities submitted.	4 quarterly reports on maintenance of public amenities submitted.	TECHNICAL SERVICES AND COMMUNITY SERVICES
	Improved road conditions.	Km of roads maintained in accordance to Lekwa Pavement Management System.	Lekwa Pavement Management System.	Maintenance of roads in accordance to Lekwa Pavement Management System.	60km of roads maintained in accordance to Lekwa Pavement Management System.	TECHNICAL SERVICES
	Provide efficient and effective disaster management services.	Disaster management plan implemented.	Disaster management act 57 of 2002.	Adopted disaster management plan.	Implementation and quarterly reporting on Disaster Management Plan.	COMMUNITY SERVICES
	Provide effective and efficient Fire and rescue Services.	Incidents attended to and all incidents reported on.	SANS 10090 of 2003.	4 Quarterly reports submitted.	Four (4) quarterly reports on fire and rescue incidents.	COMMUNITY SERVICES
	Provide road safety through law enforcement operational plan.	Implementing law enforcement operational plan and reports produced.	National Road Traffic Act 93 of 1996. Municipal by-laws.	12 monthly plans implemented and reported on.	12 monthly plans implemented and reported on.	COMMUNITY SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
	Provide effective and efficient licencing service.	Valid and reliable licenses issued and reported on.	National Road Traffic Act 93 of 1996. SABS standards.	12 monthly reports submitted.	12 monthly reports submitted.	COMMUNITY SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
KPA 2 MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION						
MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	Filling of all posts in line with the approved Organogram and Budget for 2014/2015 financial year.	514 of funded posts filled as per the approved staff establishment whilst remaining in the 35% target of the salary budget allocation.	Approved and funded Organisational structure aligned with the IDP and Budget Vacancy rate should be less than 10% of the entire staff establishment Posts filled in terms of the regulated MFMA and MSA Minimum Competency Requirements.	Posts not budgeted filled and not in line with approved Organogram Total staff establishment is 514. Current number of vacancies within the Municipality is 178. Vacancy rate is at 25.72%.	Filling of all funded posts in line with the approved Organogram and Budget for 2014/2015 financial year whilst remaining in the 35% target of the salary budget allocation.	CORPORATE SERVICES
	Filling of all critical posts as per approved Organogram and Budget for 2014/2015 financial year.	Two (2) critical posts filled.	Critical posts (MM, CFO, Tech Manager, Corporate Services Man, Communication Man, Development Planning) meeting minimum competency requirements.	All critical posts filled but only Two (2) critical posts not filled i.e. Executive Manager: Community Services, and that of a Risk Manager.	Filling of two (2) critical posts in line with the approved Organogram and Budget for 2014/2015 financial year.	CORPORATE SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
			Section 54A & 56 post to be filled 3 months after post has been vacated in terms of the MSA.			
	Ensure qualitative implementation of the Employment Equity Plan.	% of employees employed in accordance with the EEP targets.	(2% disabled versus the total staff complement, at least 50% female employees, % target set by province, At least 20% of employees are aged 35 or younger 50% of females employed in the first 3 levels of management).	<p>EEP targets not met:</p> <ul style="list-style-type: none"> - Disabilities account for only 0.61% of the total workforce as against the 2 % established. - Black Males account for 73.27% against Black Females of only 20.41%. - Females at 42.20% against the 50% established. - 20.4% of employees are aged 35 and younger (74 	<ul style="list-style-type: none"> - 2% disabled versus the total staff complement, - Bring down Black Males to 49.5%, - 50% female employees, - 20% of employees are aged 35 or younger 	CORPORATE SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
				employees) - 28% Females in first 3 levels of management i.e. post levels 0-2.	- 50% of females employed in the first 3 top levels of management i.e. post levels 0-2.	
	Ensure implementation of the Workplace Skills Plan.	Growth of 30% in terms of officials trained in terms of the Workplace Skills Plan above the current 50%. Growth of 30% in terms of councillors trained above the current 50%.	Approved Workplace Skills Plan informed by the skills audit Officials capacitated against staff establishment Capacity building informed by Workplace Skills Plan (WSP).	Workplace Skills Plan implemented at 50% of planned.	80% implementation of the Workplace Skills Plan of planned training.	CORPORATE SERVICES
	To create opportunities for internships (excluding financial), learner ships programmes, apprentices, and bursary student opportunities and Skills programmes.	Number of internships (excluding financial), learner ships (employed and unemployed), apprentices opportunities, bursary opportunities and	Municipality must have at least 2 as per MSIG descriptions.	- 0 interns currently at 2013/2014 (excluding financial) - Learner ship at 38 in 2013/2014 employed	- 7 internships (excluding financial) created. - 104 learner ship opportunities created employed;	CORPORATE SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
		skills programmes created.		<ul style="list-style-type: none"> - Learner ships at 12 in 2013/2014 unemployed - Apprentices at 11 in 2013/2014. - One (1) bursary student external in 2013/2014, as well as four (4) new bursary students approved. - 29 Employees attended skills programmes. 	<ul style="list-style-type: none"> - 145 learner ship opportunities created unemployed - 27 apprentices opportunities created - 13 bursary (external) student opportunities. - 67 Employees attend Skills programmes. 	
	Continuous recruitment of financial interns.	Number of Finance interns appointed.	In accordance with FMG standards.	Only three (3) interns appointed/ one absorbed.	Five (5) interns' positions filled in terms of FMG standards.	CORPORATE SERVICES
	Reporting on the workplace skills	Report on the workplace skills	Workplace skills plan submitted to	Consolidated Annual Training	Consolidated Annual Training	CORPORATE SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
	plan submitted to LGSETA annually.	plan submitted to LGSETA annually.	LGSETA by 30 June annually.	Report / Pivotal Report on workplace skills plan submitted to LGSETA on 30 April 2014.	Report / Pivotal Report on workplace skills plan submitted to LGSETA by 30 April 2015.	
	Labour Forum meetings held as prescribed by the Main Collective Agreement of the South African Local Government Bargaining Council.	Number of Local Labour Forum meetings held.	Agenda should be in line with the organizational rights agreement.	6 Labour Forum meetings held.	12 Labour Forums meetings held annually.	CORPORATE SERVICES
	Develop Employee Assistance Programme policy.	Adopted Employee Assistance Programme policy (EAP).	Approved Employee Assistance Programme policy.	No Employee Assistance programme policy in place.	Approved Employee Assistance Programme policy.	CORPORATE SERVICES
	Implement Employee Assistance Programme policy.	Number of employees assisted in terms of the EAP.	Assistance offered to Employees in terms of EAP.	No current Employees assisted in terms of EAP	50 Employees assisted in terms of the EAP.	CORPORATE SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
KPA 3 LOCAL ECONOMIC DEVELOPMENT						
LOCAL ECONOMIC DEVELOPMENT	Review and implementation of the LED Strategy.	LED Strategy implementation Plan developed and resourced.	<p>Implementation plan lined to municipal budget LED unit capacitated – minimum LED Directorate and 1 LED manager.</p> <p>Annual review of the implementation plan.</p> <p>External resource mobilization plan implemented to augment municipal resources.</p> <p>Sector specification implementation plans aligned to provincial and national plans.</p>	LED Strategy approved by council.	LED Strategy implemented and reviewed and reported on.	DEVELOPMENT AND PLANNING
	Job creation.	Number of work opportunities	Minimum EPWP and CWP	250 work opportunities	200 jobs created.	DEVELOPMENT AND PLANNING

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
		created.	performance standards met. LED units actively planning, monitoring and reporting on job creation in municipalities.	created.		

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
KPA 4 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT						
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Annual provision of indigent support.	Number of indigent households registered.	Indigent policies.	3600 indigent supported.	6000 indigent households supported.	BUDGET AND TREASURY OFFICE
	Review of and compliance with the SCM Policy.	Reviewed SCM Policy and implementation compliance.	SCM policy.	SCM policy reviewed. 50% compliance of the SCM Policy.	Review of and compliance with the SCM policy.	BUDGET AND TREASURY OFFICE
	Implementation of revenue enhancement strategy.	Increased revenue.	Revenue enhancement strategy and MFMA.	Decreased revenue	5% increase in revenue.	BUDGET AND TREASURY OFFICE.
	100% expenditure of Municipal Grants.	Full expenditure of all municipal grants.	MFMA and DoRA.	Grant expenditure 80%.	100% of Municipal grants spent.	BUDGET AND TREASURY OFFICE TECHNICAL SERVICES MUNICIPAL MANAGER
	Prudent and efficient financial management.	Clean Audit on annual financial statements.	MFMA, Constitution.	Qualified opinion.	Clean audit.	BUDGET AND TREASURY OFFICE, ALL HOD'S

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
KPA 5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	To provide timely and accurate legal administrative support to the Municipality.	Council complies with legislation.	All applicable legislations.	Compliance with legislation.	No adverse finding by the A.G.	CORPORATE SERVICES
	Implement Performance Management framework.	Overall improvement within the Municipality and reported on.	Chapter 6 of the MSA	Quarterly performance reports submitted.	Quarterly performance reports submitted.	MUNICIPAL MANAGER
	Performance agreements with all existing and new section 56 employees in terms of section 57.	Number of Signed performance agreements.	MSA MFMA	5 performance agreements signed.	All six Performance agreements for existing S56 and newly appointed signed within 30 days in terms of section 57 of the MSA.	MUNICIPAL MANAGER
	Develop SDBIP aligned to the IDP and the budget.	Approved SDBIP aligned to IDP and budget.	MSA	Non-aligned SDBIP to the IDP and the budget.	SDBIP aligned to IDP and budget.	MUNICIPAL MANAGER
	Development of responsive and credible IDP.	IDP responsive to community needs and adopted by council.	Constitution MSA MFMA	IDP not aligned and responsive.	A credible and responsive IDP approved by May 2014.	DEVELOPMENT AND PLANNING

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
	Attainment of a clean Audit outcome.	Clean audit Outcome.	In terms of MFMA.	Qualified audit opinion.	A clean Audit outcome.	BUDGET AND TREASURY OFFICE
	Timely submission annual report.	Annual report submitted for 2013/2014 financial year by 31 August 2014.	In terms of MFMA.	Annual report submitted on the 28 th /29 th of August 2013.	Annual report submitted by 29 th of August 2014.	MUNICIPAL MANAGER ALL HOD'S
	Provide legislated reports timely.	All legislated reports submitted timeously.	In terms of MSA and MFMA.	All legislated reports submitted as prescribed.	All legislated reports submitted as prescribed.	ALL HOD'S
	Council meets as per adopted schedule.	Number of Council meetings held.	Council Standing Orders.	Adherence to the Council schedule of Council meetings. 4 Council meetings held.	At least four (4) Council meetings, once per quarter.	OFFICE OF THE SPEAKER
	Implement Council resolutions.	Number of reports submitted on the implementation of council resolutions.	Council Standing Orders.	4 reports submitted on the implementation of council resolutions.	4 reports submitted on the implementation of council resolutions.	CORPORATE SERVICES
	Timely secretariat support to council.	Agendas issued in terms of standing orders.	Agenda management, Minute administration, Internal and external communication,	Agendas distributed 7 days before ordinary council; Agendas distributed 3 days before special	7 days for ordinary council; 3 days for special council.	CORPORATE SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
			Standard format for reporting.	council.		
	Implement effective and efficient record management system.	Safe, well-kept and accessible recorded archives and documents.	Effective and efficient record management system 100% compliance to National Archives Act no: 43 of 1996.	Insufficient control measures in terms of the record management system.	Effective control measures implemented and reported on.	CORPORATE SERVICES
	Established audit committee.	Four (4) quarterly Audit Committee reports.	MFMA Approved Audit Committee Chapter	Established and functional Audit Committee submitting quarterly reports to Council.	Competent Audit Committee submitting quarterly reports to Council.	MUNICIPAL MANAGER
	Enhance and strengthen public participation and involvement.	Number of functional Ward committees.	Ward operational plans implemented. Issues raised by ward committee addressed.	15 Ward based operational plans and reports.	15 functional Ward committees.	CORPORATE SERVICES
	Promote and improve IGR forum through sector collaborations.	Number of Community Development Workers deployed at ward level.	Intergovernmental Relations Framework.	11 CDW's.	15 functional CDW's.	CORPORATE SERVICES
	Promote and improve IGR forum through sector	IGR framework developed and implemented.	Guidelines on the functionality of IGR forums.	Draft IGR framework produced.	IGR framework approved and implemented.	CORPORATE SERVICES

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
	collaborations.					
	Holding of two Mayoral Izimbizo's annually.	Number of Mayoral Izimbizo's held and issues raised.	Council outreach programme Tracking tool.	Fully functional Mayoral Izimbizo's.	15 Mayoral Izimbizo's to be held and issues raised.	CORPORATE SERVICES
	Mainstreaming of transversal issues.	Number of programmes conducted in line with youth, children, gender, disabled, HIV and aids and aged.	Intergovernmental Relations Framework.	16 Transversal programmes conducted.	16 Transversal programmes conducted.	CORPORATE SERVICES
	Effective and efficient communication.	Communication plans approved and implemented.	Communication Strategy developed as per GCIS guidelines. Strategy guided by CoGTA Communication Framework.	Communication Strategy developed and adopted.	Implementation of Communication Strategy through communication plans.	CORPORATE SERVICES
	Meaningful and effective by-laws.	Orderly and effectively run municipality.	Constitution MSA	Outdated by-laws.	Assess meaningfulness and effectiveness of all by-laws.	ALL HOD'S
	To effectively manage risks.	All risks - Mitigated - Avoided	MFMA	Risk register produced. No reporting on risk	Risk assessment report submitted, risk management	MUNICIPAL MANAGER

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
		<ul style="list-style-type: none"> - Transferred - Accepted. 		management.	plans implemented, all risk reported on quarterly.	

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
KPA 6 SPATIAL RATIONALE						
SPATIAL RATIONALE	Review and implement SDF and Land Use Management System.	SDF implemented and reported on. LUMS developed, implemented and reported on.	SPLUMA Spatial Planning and Land Use Management Act implemented Municipal tribunal established.	Approved SDF No LUMS in place.	Implementation of the SDF and annual reporting thereon. Development and implantation of LUMS and annual reporting thereon.	DEVELOPMENT AND PLANNING
	Availability of land for housing development.	Number of stands made available for housing development.	National Upgrading Support Programme. National Housing Code of 2009. Five year housing plan – Housing chapter.	289 stands made available for housing development.	730 stands made available for housing development.	DEVELOPMENT AND PLANNING
	Upgrading of informal	Number of informal	National Upgrading Support	17 informal settlements not	17 informal settlements	DEVELOPMENT AND PLANNING

LEKWA KPA	OBJECTIVE	Municipal Indicators	Minimum Performance Standards	Baseline	Targets	DEPARTMENT
	settlements.	settlements with upgrading plans.	Programme.	upgrade.	upgraded per plan.	

9. CHAPTER 9 – LOCAL ECONOMIC DEVELOPMENT

9.1 INTRODUCTION

This strategy is also supported by the Spatial Development Framework to give effect to the following SDF principle i.e. to investigate and exploit the opportunities of the municipal resources such as agriculture, tourism, mining and power generations.

The strategy should cover inter alia the following:

- Mining and Industry Framework.
- Agricultural Development and Management Strategy.
- Tourism Development Strategy

Lekwa LM: Development and Planning Department; LED Unit

The LED strategy should focus on aspects such as the branding and image of the Municipality (and the urban settlements), its economic (re)positioning in terms of the global economy, tourism and all aspects related to the urban space economy. The main focus of the LED should be on the following:

- Promote and support sustainability of existing businesses.
- Promote small and micro sized rural enterprises.
- Tourism growth and promotion: conferencing, casino, motels game farms, natural sites etc.
- Creation of job opportunities.
- Industries to support SMME activities.
- Improve skills development.
- Increase the revenue potential of the Municipality.
- Develop the business potential of the area.
- Establish the municipality as one of preference for national and international visitors.

9.2. LOCAL ECONOMIC DEVELOPMENT GOALS & OBJECTIVES

GOAL:

“To be the link that creates an environment that will facilitate Local Economic Development as well as an environment that maximizes sustainable growth and self-reliance”

For each of the following Goals and Objectives there is an outcome that it wants to achieve and relate to the SWOT analysis and the VISION.

Pillar One: To become the tourism and recreational hub of Mpumalanga through the development and promotion of water sport related activities to attract both local and foreign tourists to the area thereby stimulating the development of SMMEs by 2016.

- Objective 1: Encourage water craft related industries (e.g. ski boats, canoes and fishing boats) in the Municipality by 2015
- Objective 2: To investigate viable economic linkages by 2015 in order to promote tourism and SMME development
- Objective 3: To provide world class services (for the community and tourists) by 2016

- Objective 4: To develop institutional arrangements and stakeholder support for the development and implementation of water tourism by 2015
- Objective 5: To establish academy centers to boost skills related to water sporting activities by 2014

Pillar Two: Promote and support Community Economic Development

- Objective 1: Employment brokering by January 2014
- Objective 2: Helping women to access employment and self-employment programs on an ongoing basis

Pillar Three: Attract inward investment in Lekwa

- Objective 1: Investment promotion & marketing by December 2016
- Objective 2: Existing business retention and expansion by June 2015
- Objective 3: Targeted investment incentives strategy January 2014

Pillar Four: Encouragement of Local Business Growth and development

- Objective 1: Business retention visits and surveys every quarter
- Objective 2: Technical assistance to business every year
- Objective 3: Financial advice and assistance every year
- Objective 4: Public procurement policies and 'buy local' campaigns on yearly basis

Pillar Five: Promote and support Investment in Soft Infrastructure

- Objective 1: Enabling or providing skills training on an ongoing basis
- Objective 2: Continuously providing increased business focused education and access to education
- Objective 3: Supporting research and development on an ongoing basis

Pillar Six: Promote and Support Agricultural development

- Objective 1: Promotion of urban agriculture
- Objective 1: Promotion of small-scale and intensive farming
- Objective 1: Organic products cultivation
- Objective 1: Promotion of Agro-processing industries.

Pillar Seven: Sector (Business Cluster) Development

- Objective 1: Development of Agricultural sector through encouragement of Agro-processing industries
- Objective 2: Development of the Mining related activities
- Objective3: Development of SMME's/Co-Ops specializing in sub-sectors of manufacturing sector

9.3. LOCAL ECONOMIC DEVELOPMENT STRATEGY PILLARS

Seven (7) Key Strategic Pillars were identified as those that require specific attention and programmes of the municipality in order to realize the above objectives and meet the municipal 2010 -2015 targets. These Strategic pillars are;

- 1. To become the tourism and recreational hub of Mpumalanga through the development and promotion of water sport related activities to attract both local and foreign tourists to the area thereby stimulating the development of SMMEs by 2016.**
- 2. Promote and support Community Economic Development**
- 3. Attract inward investment in Lekwa**
- 4. Encouragement of Local Business Growth and development**
- 5. Promote and support Investment in Soft Infrastructure**
- 6. Promote and Support Agricultural development**
- 7. Sector (Business cluster) Development**

These strategic pillars represent the building blocks on which the new economy of the local area will be based. It is evident that the pillars are grouped into specific sectoral and cross cutting categories. The approach that was followed to develop details regarding each of the strategic pillars is that of economic reconstruction within the parameters and resource opportunities within the local area. Practical consideration in terms of local economic development would, however, differ for each specific area according its characteristics and elements, which can include elements such as population densities, income potential, existing and future LED opportunities, social needs, etc. The framework consists of Seven (7) strategic pillars, where each pillar is divided into programmes that are further divided into projects or action plans.

9.4. STRATEGY IMPLEMENTATION FRAMEWORK

The fourth step is the implementation of the strategic plan. This implies the formulation of activities/projects that will address the goals and objectives as identified in the strategic plan. The projects should be focused around implementing the objectives. For example, if the objective is to reduce unemployment by developing local small businesses one project might be to develop a brick-making cooperative. It is important that all projects flow from the objectives in the strategic plan and that all of the activities can be undertaken, each objective should be backed up with a project set up to achieve it.

Pillar one: To become the tourism and recreational hub of Mpumalanga through the development and promotion of water sport related activities to attract both local and foreign tourists to the area thereby stimulating the development of SMMEs by 2016.

Objectives	Strategy	Project	Indicator	Outcome	Risks	Target	
Encourage water craft related industries (e.g. ski boats, canoes and fishing boats) in the Municipality by 2015	Water tourism Development programme	Business Development Incubator	Number of Boating, Fishing, Yachting, surfing, Super tube, Swimming, Kayaking industries on Vaal River,	Empowered number of water craft industries	Lack of buy-in politically Lack of buy-in from key stakeholders Lack of Funding Inefficient M&E	SMME's and Co-operatives	
To investigate viable economic linkages by 2016 in order to promote tourism and SMME development	Economic Research and Planning Program	Develop a Responsible Tourism Strategy SMME/Co-ops Strategy	Built access roads	Improved key economic linkages	Lack of Funding Inefficient M&E	Access roads	
To provide world class services (for the community and tourists) by 2015	Infrastructure Development Programme Waste Management Program	Maintenance and Upgrade of road network Upgrade of bulk infrastructure Upgrading existing reticulation IWMP	Improved key access roads. Increased availability of industrial and potable water and sewerage disposal system by 2014	Improved bulk infrastructure, accessibility and safe roads between areas	Lack of buy-in from key stakeholders	Dilapidated infrastructure	
To develop institutional arrangements and stakeholder support for the development and implementation of water tourism by 2015	Institutional development programme	Appoint LED Officer and administrator Establish functional LED Forum PMS Framework	Fully functional LED Unit	Improved development and implementation of water tourism	Lack of buy-in politically Lack of Funding	LED Unit within the Municipality	

	Develop Eco-Tourism and cultural villages along the Vaal River by June 2014	Upgrading to a Golf Estate Restoration of River Park include privatization, construction of a new entrance, improvement of security, erection of water based activities such as a super tube and swimming pool, and setting up an administration office for entrance fees and customer services. Accommodation facilities be renovated and marketed. Designated fishing areas can be allocated to cater for the fishing market	Camping sites, ablution facility, information centre, chalets. Fishery building and infrastructure services. Storage or processing building	River Park to provide locals and tourists with a tranquil setting for leisure activities	Lack of funding Limited participation of HDI Groups due to financial resources Lack of interest in black majority	River Park and the Vaal River along	
	Provide Residential and Tourism Accommodation Zones	Develop Eco Estate at the Dam, Safe environment for children to Play, Family activities, Play ground activities, cycling and jogging Golf Estate, River Cottages, Dam Resort, Kiting, Horse trails, Mountain bike trails, Hiking trails, 4x4 routes, Motorbike & quad bike routes.	Residential and Tourism Accommodation Zones developed	Promotion of Residential and Tourism Accommodation Zones	Lack of buy-in politically Lack of Funding Vandalism High jacking and Rape Hotspot	River park, Golf Estate Vaal river	
	Provision of Dry land activity Zones and Water Activity Zones	Develop the Golf course, Picnic areas, Playground at River Park, Kayaking on Vaal River, Boating & Fishing in the River and Dam, Yachting and surfing at the Dam. Super tube at River Park Swimming pool at River Park Kayaking on Vaal River, Boating & Fishing in the River and Dam, Yachting and surfing at the Dam	Dry land activity Zones and Water Activity Zones developed	Promotion of Dry land activity Zones and Water Activity Zones	Lack of buy-in politically Lack of Funding Vandalism High jacking and Rape Hotspot	A limited number of women to access employment and self-employment programs	

Pillar Two: Promote and support Community Economic Development							
Objectives	Strategy	Project	Indicator	Outcome	Risks	Target	Estimated Budget
Support and grow tourism related industries by 2015	Support and grow tourism related industries	Eco-tourism Sports tourism Business tourism Events tourism Tourism branding Customer care	No of Tourism initiatives. No of sustainable livelihood projects. No of Services. Camping sites, ablution facility, information centre, chalets. Fishery building and infrastructure services	Increased number of tourism related industries	Lack of funding Limited participation of HDI Groups due to financial resources Lack of interest in black majority	Encouraging/ Supporting a significant number of Tourism industries	
Employment brokering by January 2014	Connecting people who need jobs with available opportunities	EPWP initiatives, Neighborhood Development Project, Housing projects	Increasing number of BBBEE Ratio Increasing number of people connected with available jobs	Improved quality of life among the people of Lekwa	Marginalization of the unemployed.	Creation of job opportunities e.g. EPWP	
Helping women to access employment and self-employment programs on an ongoing basis	Skills development, Confidence building programs	Crèches and after-school clubs	Number of women accessing employment	Self-reliance among women	Traditional Sexism in the household	A limited number of women to access employment and self-employment programs	

Pillar Three: Attract inward investment in Lekwa							
Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
Investment promotion & marketing by December 2015	Develop promote investment and marketing strategies	Market positioning Targeting/Segmentation Prospect profiling Marketing Mix Promotion	No of investment attracted to the area No of sector industries locating into the area	Improved Tax base and investment	Ineffective & Inefficient marketing strategies Lack of a website	Potential investors Sector industries	
Existing business retention and expansion by June 2016	Business retention visits and surveys every quarter	Establish the Business Retention and Expansion (BR&E) Visitation Programme Cost reduction Capital Improvement Market Expansion	Number of Business Retention and Expansion (BR&E) Visitation Programme conducted per Quarter/year Expanded market Improve investment Number of Industries retained	% Reduction in unemployment rate	Inability to convince existing business to stay Low rate of returns Better offers from other neighboring municipalities	Existing businesses	
Targeted investment incentives strategy January 2014	Provide investment incentives	Tax incentive Research and Development incentives Enterprise Development Incentives	Employee Housing allowance Depreciation Urban development allowance Infrastructure allowance Support programme for industrial Innovation Partnership in Industrial Innovation	Increased number of newly developed residential areas and Agglomeration	Lack of political-buy-in Loss of revenue by the municipality Lack of willingness to pay for rates and taxes	New residential areas and industrial sites	

Pillar Four: Encouragement of Local Business Growth and development							
Objectives	Strategy	Projects	Indicator	Outcome	Risk	Target	Estimated Budget
Technical assistance to business every year	Provide more specialized export training or research and development support	Broad-based management and marketing programs, quality and environmental standards training and advice	Every business receiving technical assistance.	Sustainable businesses	Closure of businesses due to mismanagement	SMME's and Co-operatives	
Financial advice and assistance every year	Encourage Investment in modern technology	Small grant or loan programs t	Grants and loans secured to invest in modern technology	Financial Autonomy of businesses	Inability to service loans	SMME's and Co-operatives	
Public procurement policies and 'buy local' campaigns on yearly basis	Induce the procurement policies to encourage participation by small contractors in accessing contracts	Implement a sustainable BEE programme Broad based BEE facilitation	SMME's and Co-operatives procuring contracts with bigger businesses such as Anglo-coal etc.	Profitable returns on employees, Business, Industries, Municipality	Corruption and irregularities in tender processes	SMME's and Co-operatives	

Goal Five: Promote and support Investment in Soft Infrastructure							
Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
Enabling or providing skills training on an ongoing basis	Implementation of needs driven Learner ships	Adult Basic Education for community members Facilitate the implementation of co-operative education programmes	ICT Skills Portal Consolidated Workplace Skills Plan (WSP) for the Municipality quarterly Implementation Reports Annual skills training schedule in line with the WSP.	Redistribution of wealth, Poverty alleviation Improved quality of life and standard of living	Mismatching of skills versus jobs	Illiterate groups	
Continuously providing increased business focused education and access to education	Identify additional ways of enhancing Maths and science provision in selected schools and implement where possible	Maths/Science/Technology careers awareness raising workshops for teachers and pupils	Increased number of Maths and Science students Increased number of schools specializing in Maths and Science	Enhanced job opportunities	Supply versus Demand	Teachers and pupils	
Work experience and teacher/pupil placement schemes by September 2014	Teachers and Students working for short periods of time	Teachers and Students working for short periods of time in businesses to gain work experience and a work ethic skills	Number of people retrained and placed to jobs	Redistribution of wealth, Poverty alleviation Improved quality of life and stan	Ageing Teachers ad abuse of drugs and alcohol	Teachers and pupils	

Goal Six: Promote and Support Agricultural development							
Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
		Commercial Hydroponics Farming	400 Ton production facility and live fish processing facility	128 new full time jobs created	Animal Diseases Health hazards	Export market to Japan	
		Commercial Pig Farming	500 Pig production facility 90 Ton feed plant facility	32 new full time jobs created	Animal Diseases Health hazards	Escort (local market)	
		Vegetable garden and Technical production package (seeds, fertilizers, basic gardening tools. etc	Improved water supply through borehole and irrigation scheme. Improved production through technical production support	8 Families sustained, if land is used productively.	Availability of land Water pollution	Local families	
		Technical production and market linkages support.	On Farm management, Administrative, marketing and production training support	Producers meeting the required production, quantities and production consistently.	Political buy-in	Local Farmers	

Pillar Seven: Sector (Business cluster) Development						
Objectives	Strategy	Projects	Indicator	Outcome	Risk	Target
Development of the Mining related activities	Developing cluster-focused public procurement	Sub-contracting SMME's to participate in mining industries supply chain	Number of SMME's/Co-Ops accessing mining contracts or tenders.	Increased BBBEE Ratio Redistribution of wealth Poverty alleviation Improved skills and business focused levels	Lack of buy-in politically Lack of buy-in from key stakeholders Lack of Funding	SMME's and Co-operatives
		Provision of products to the mines for consumption – protective clothing, soap and polishes, boots and shoe, vegetables, cleaning equipments, protective jackets, buckets and cans).	Number of SMME's/Co-Ops participating in the supply chain of mining industries	Increased BBBEE Ratio Redistribution of wealth Poverty alleviation Improved skills and business focused levels	Lack of buy-in politically Lack of buy-in from key stakeholders Lack of Funding	SMME's and Co-operatives
Development of SMME's/Co-Ops specializing in sub-sectors of manufacturing sector	Identification of SMME's/Co-Ops focusing on growth sector in the manufacturing sector	Focusing on Food, Plastic and Metal products	Number of SMME's/Co-Ops of manufacturing different types of Food, Plastic and Metal products	Increased BBBEE Ratio Redistribution of wealth Poverty alleviation Improved skills and business focused levels	Lack of buy-in politically Lack of buy-in from key stakeholders Lack of Funding	SMME's and Co-operatives

9.5. STRATEGY REVIEW AND MONITORING

EXPECTED IMPACT	EXPECTED RESULTS	TARGET	POSSIBLE STAKEHOLDERS	POSSIBLE CONTRIBUTIONS TO LED PROGRAMMES	PRE-REQUISITES	RISKS FACTORS	ESTIMATED COSTS
Higher rate of investment relative to the size of the Local economy Competitiveness of firms Investment attraction and place marketing Retention and expansion of existing business. Industrial sites provided with potable water and appropriate sewer system Retained 100% of industries within the local area Number of Industrial sites & buildings developed and improved Agglomeration of Industries Good relations between municipality and business Municipality to value local business presence ,interested in their needs and concerns	Employee Housing allowance Depreciation Infrastructure allowance Number of industries retained and expanding Empowered number of water craft industries Improved key economic linkages Improved bulk infrastructure, accessibility and safe roads between areas Increased number of tourism related industries Improved quality of life among the people of Lekwa Self-reliance among women Improved Tax base and investment % Reduction in unemployment rate Increased number of newly developed residential areas and Agglomeration Sustainable businesses Enhanced job opportunities Redistribution of	Potential Investors, Unemployed, Women, Disabled and Youth SMME's and Co-operatives, Students and Graduates Foreigners, Elderly, Ethnic minority groups, redundant workers, the long-term unemployed, Specific schools, Communities Local industries, Business Industrial sites and Buildings, Rural Communities, Rural Youth, Farmers and Potential farmers.	Popular Civil (Public) National, Provincial & Local Governments Departments Private Sector Public Private Partnership	Co-ordination and Monitoring Funding and implementation Evaluation of Technical report Connected to jobs provided and oversee on the project Administer business permits and delivery service efficiently. Encourage private service delivery. Avail municipal services in the Industrial sites Conduct the Annual BR&E Surveys or Visitations Who can seek out the necessary financial and institutional support ad bring the major stakeholders together to prepare the LED plan Help SMME'S to identify business sites and buildings Provision of integrated support and monitoring framework for sustainable local government, human settlement and traditional leadership towards a better life for all. Co-funding of the project. Improve competitiveness of firms	Budget DTI Incentives Fully fledged LED Unit Potential Investors Science Parks and Networks LED Champions CDW's Fully functional LED Forum Co-operatives & SMME's Fully functional IGR Unit	Political buy-in Lack of willingness to pay for rates and taxes Availability of land for Agriculture Ineffective & Inefficient marketing strategies Lack of a website Lack of funding Limited participation of HDI Groups due to financial resources Lack of interest in black majority Water pollution Incentives may be waste of public money with little impact, may destroy existing business, my deprive municipality of revenue which could have been invested in another project with greater benefits and are zero-sum game Non-response to the needs of Industries and Business Business likely to leave for seemingly more attractive locations Buildings becoming white elephants Insufficient supply of water and sanitation in industrial sites Water quality related problems	R41,119,363 Million Tourism (R10, 000,000) Community Economic Development (R5,000,000) Local Business Growth (R5,000,000) Soft Infrastructure Investment (R5, 000,000) Agricultural Development (R16, 119, 363,20)

	wealth, Poverty alleviation Improved quality of life and standard of living Agricultural jobs created			Improve profitability through greater and more efficient penetration of both export and domestic markets Provide funding to municipalities in projects that impact on job creation and poverty alleviation		De-linking of jobs with people Animal Diseases Health hazards Mismatching of skills versus jobs Closure of businesses due to mismanagement Corruption and irregularities in tender processes	
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10. CHAPTER 10 - GOOD GOVERNANCE AND PUBLIC PARTICIPATION

10.1. GENDER DEVELOPMENT

Lekwa Municipality is taking the issue of gender seriously. Gender refers to the socially determined and evaluated identities and roles of men and women, and is usually distinguished from their biological or sex differences. Gender equality, gender and women's empowerment are thus the outcomes of effective gender mainstreaming and interventions.

Gender Equity: means affording women and men the equal opportunities and benefits to develop their full human potential and meet development needs. This implies that everyone in Lekwa is equal before the law and may not be discriminated against on the basis of gender, sex, disability, age and marital status. The Constitution espouses substantive equality for women and men in social political and economic life. Human Rights: Women's rights are human rights as enshrined in the Bill of Rights. Customary, cultural and religious practices are subject to the right to equality:

All persons have the right to enjoy and practice religious and cultural beliefs. However, these practices should not discriminate on the basis of gender. Empowerment of women refers to the capacity of women to access and control economic resources and makes decision for improving their quality of life Entitlement to the right of integrity and security of person. Consideration in Lekwa is given to selection and recruitment policy targets for ensuring equal participation of decision making.

10.2. OLDER PERSONS

The municipality is in support of programmes aimed at older persons such as:

- Promote active ageing -programmes in collaboration with DCSR
- Promote care and protection of older persons
- Conduct community and Intergenerational dialogues

10.3. PERSONS WITH DISABILITIES

The municipality is in support of programmes aimed at persons with disabilities such as:

- Promote and protect rights of persons with disabilities with special focus on children
- Increase capacity in protective workshops to ensure sustainability and economic participation in partnership with other stakeholders

10.4. YOUTH DEVELOPMENT

The municipality is in support of programmes aimed at Youth development;

- Facilitation of social change and activation of youth through a basket of service in youth centres - linking them with relevant stakeholders
- Facilitation of sustainable economic activities for the youth in CRDP sites in collaboration with NYDA , NDA , DRDLR, DARDLA and DEDET

10.5. SUSTAINABLE LIVELIHOOD

The municipality is in support of programmes aimed sustainable livelihood;

- Household Profiling , referral and monitoring of interventions
- Development of community profiles
- Facilitate food security initiatives in collaboration with DARDLA , SASSA and NDA

10.6. EARLY CHILDHOOD DEVELOPMENT (ECD)

The municipality is in support of programmes aimed at ECD;

- Special allocation to increase subsidy from R12.00 per child per day to R15.00
- Implementation of non-centre based ECD programme
- Training of parents and child minders on parenting programme
- Provision of infrastructure to ECDs which is a joint venture of DSD and NDA, DHS and some municipalities.

10.7. CHILD CARE AND PROTECTION

The municipality is in support of programmes aimed at Child care and Protection;

- Provision of Life Skills and Parenting Programmes to teenagers (with specific focus to 9 – 18 years old) – SASSA Information indicates high number of children on CSG in some municipalities
- Develop plans for children in foster care before they reach 18 years of age (exit plan informed by individual development plans)
- Group work for foster parents and foster children
- Implementation of ISIBINDI model (focus on child headed households)

10.8. MORAL REGENERATION

Lekwa Municipality has set aside a budget for Moral Regeneration Movement. The MRM is primarily a movement and not an organization. It does not seek to replace or duplicate any of the existing initiatives and processes aimed at combating moral degeneration. Its mandate is to be a networking platform for all these various processes and initiatives. Therefore structures put in place to facilitate the work of MRM aim primarily at facilitating the envisaged networks and partnerships. They also seek to promote local action and commitment from within the various communities of the country at their various levels of existence and operation.

The ultimate objective of the moral regeneration movement is to assist in the development of a caring society through the revival of the spirit of Botho / Ubuntu and the actualization and realization of the values and ideals enshrined in our constitution, using all available resources and harnessing all initiatives in government, business and civil society. In the words of the state president Thabo Mbeki “The MRM will address the issue of the responsibility that each of us should take for our lives, moving from the understanding that, as we were our own liberators in resistance against apartheid so too should we today act as our own liberators in dealing with its legacy”

How do they operate in Lekwa Municipality?

Networking forums, known as working committees, comprising provincial and local government, faith based organizations, non-governmental organizations, business, labour, traditional leaders, political parties have been established in Lekwa. These structures are charged with the responsibility of facilitating the work of MRM within the municipality.

Focus areas of the Movement's work

Development of Ethical Leadership

Any process of transformation process requires able leaders to take it forward. Leaders at all levels and in all sectors of society are perceived as role models and should therefore be persons on integrity, and good examples, who themselves continually aspire to set the standard for 'morality'.

Moral Regeneration must aim at developing and nurturing such leadership!

Youth

The youth are the ones who bear most of the brunt of moral decay. They are often perceived as the agents of immoral behavior or helpless victims who need some external intervention. They themselves decry the lack of role models and opportunities for right living.

Moral Regeneration must aim at harnessing and supporting the energy and creative spirit of youth towards moral renewal!

Education

As the Chairperson of MRM cautions: "It little profits a nation to boast about thousands of teachers, doctors, engineers, accountants, lawyers, priests, scientists and all kinds of skilled personal personnel if these are devoid of moral values. Did Nazi Germany or Apartheid South Africa not boast of similarly skilled citizenry? Yet it was the same professional and skilled persons that were turned into monsters that sent helpless persons to the gas chambers, conducted experiments on human bodies without their consent and mercilessly killed people for being different from them. Equally, in our times, it is skilled people who steal government funds and thus prevent the delivery of social services to the needy".

Moral Regeneration must aim at making our education system foreground moral formation as one of its core functions both in theory and in practice!

The Family

The family in all its cultural and religious manifestations is an important agent of socialisation and a major instrument for nurturing values, attitudes and behaviour.

Moral Regeneration must aim at strengthening the family unit!

Riches and Poverty

Unquestionably, poverty is seen as a serious threat to moral regeneration. This does not mean that the poor are immoral; often the poorest people display deep moral integrity. It is the growing gap between the rich and the poor and worsening levels of poverty that are immoral. These create conditions within which moral decay in communities and neighbourhoods flourishes.

Moral Regeneration must aim at combating poverty and reducing the inequality gap!

Crime and Corruption

The prevalence of crime and high levels of corruption manifests a deep loss of respect for human life, a profound lack of patriotism and care for others and sickening degree of greed and selfishness.

Moral Regeneration must aim at combating the root causes of crime and corruption in all their manifestations!

Religion

Religious belief and practices is another key agent of moral formation. Given the diversity of religious belief systems in our communities and the propensity of formal religion to proselytize, the power of religion as an agent of moral renewal is weakened.

The Media

The media is generally negative when reporting about moral issues. Media economics are seen to dictate that good news do not sell, whilst negative news does. Therefore, in pursuit of commercial imperatives, the media is likely to concentrate on news that sells (which are often negative) at the expense of good news (news that do not sell). This fuels perception that the country is generally immoral!

Moral Regeneration must aim at ensuring that the media does also carry positive stories of moral courage and renewal

10.9. OVERSIGHT COMMITTEES

The oversight role of Council is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between Council, the Executive (Mayor and Executive Committee) and administration. Good governance, effective accountability and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.

Non-executive Councillors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the (Mayor). In other words, in exchange for the powers in which Council have delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the municipality. The Municipal Finance Management Act (MFMA) vests in Council specific powers of approval and oversight.

- Approval of budgets
- Approval of Budget related Policies
- Review of the Annual Report and adoption of the Oversight Report

Function of Oversight Committee

- Undertake a review and analysis of the Annual Report
- Invite, receive and consider inputs from Councillors and Portfolio Committees, on the Annual Report.
- Consider written comments received on the Annual Report from the public consultation process
- Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report
- Receive and consider Councils' Audit Committee views and comments on the annual financial statements and the performance report.

- Preparation of the draft Oversight Report, taking into consideration, the views and inputs of the public, representative(s) of the Auditor General, organ of states, Councils' audit committee and Councillors.

Composition of Oversight Committee

Membership

The Oversight Committee is a committee of Council established under section 79 of the Municipal Structures Act 1998. Section 79, allows for the co-option of advisory members to a committee of Council, who are not members of the Council. Due to the separation of roles and responsibilities, between Council and the Executive (Mayor and Executive Committee) it is not appropriate that members of the Executive Committee be members of the Oversight Committee.

The Oversight Committee is composed of the following members;

- Four PR Councillors :
- Two members from local community

Authority & Power

The Oversight Committee is delegated the responsibility to conduct meetings and to hold public hearings to receive and hear public submissions on the Annual Report, on behalf of Council. Timely notice of all meetings should be given and all meetings held by the Oversight Committee must be open to the public and minutes of the meetings must be submitted to Council meetings.

Meeting Schedule

The Annual Report must be tabled to Council by the 31st January and the Oversight Report must be adopted within two months from the date in which the Annual Report was tabled to Council. Within the two month period, the Oversight Committee will be required to meet as required to fulfil the functions of the committee

10.10. MUNICIPAL PUBLIC ACCOUNT COMMITTEE (MPAC)

Lekwa Municipality has a fully functional and established Municipal Public Accounts Committee, referred to as the Municipal SCOPA.

Considering there is a need for enhanced financial management oversight capacity, it is therefore recommended that an oversight committee is established with functions similar to a MPAC within municipality. The MPAC report directly to Council through the Speaker as any other form of reporting line will compromise the committee's independence, authority and integrity.

Functions

The MPAC performs an oversight function on behalf of Council and is not a duplication of, and should not be confused with the Audit Committee or the finance portfolio committee.

The Audit Committee is an independent advisory body that advises Council and the executive on financial and risk matters and can act as an advisory body to the MPAC.

The finance portfolio committee deals with financial management issues such as budgetary, revenue and expenditure management and supply chain management.

The primary function of the MPAC is to assist Council to hold the executive and the municipal administration to account and to ensure the effective and efficient use of municipal resources. It will execute this function by reviewing public accounts and exercising oversight on behalf of the Council.

It is however important that good working relationships are developed between the MPAC and the other committees. Whilst guarding its independence, the MPAC should have the right to refer or receive matters from the other committees.

It is recommended that the committee examines the following:

- Financial statements of all executive organs of Council
- Any audit reports issued on those statements
- Any reports issued by the Auditor General on the affairs of any municipal entity
- Any other financial statements referred to the committee by Council
- The annual report on behalf of Council and make recommendations to Council thereafter

The committee may also:

- Report on any financial statements or reports to Council
- Initiate and develop the annual oversight report based on the annual report
- Initiate any investigation in its area of competence
- Perform any other function assigned to it by resolution of Council

When examining financial statements and audit reports, the committee must consider improvements from previous statements and must monitor the extent to which the committee's and the Auditor General's recommendations are implemented. The outcomes and the resolutions taken by this committee must be reported to Council and made public.

Structure and Membership

- A MPAC, similar to other Council committees, should comprise solely of Councillors appointed by a full Council meeting. It is imperative that members represent a wide range of experience and expertise available in Council and political representative should also be taken into consideration.
- The size should be determined according to the size of Council. It should range between a minimum of 5 to a maximum of 12 members.
- The Mayor and members of the Executive Committee are not allowed to be members of the MPAC.
- The committee may invite members of the public or experts in relevant fields to assist and advise in its deliberations when the need arises.

Chairing the Committee

This framework recommends that the appointment of the chairperson of the Municipal SCOPA must take into account the requirements of transparency, ethics and general good governance prescripts as well as local government legislature.

In keeping with the general tradition of oversight, the Council may consider whether a member of an opposition party may chair the committee. However ultimately this is a policy decision to be made by Council

10.11. WARD COMMITTEES

Ward Committees are fully functional. There are 10 members in each Ward Committee in Lekwa with 150 Ward Committee members.

- They consult via the Executive Mayoral outreach programme.
- They link the Integrated planning process to their wards
- Assist in the organizing of public consultation and participation
- Ensure that the annual municipal budget and business plans are linked to and based on the IDP

10.12. TRADITIONAL LEADERS

The objectives of the Traditional Leaders are to work closely with Council and other grassroots structures to identify all the important priority issues and facilitate community consultation in such communities in collaboration with ward councillors. The Municipality does not have any traditional authorities in its area of jurisdiction.

10.13. AUDIT COMMITTEE

The Municipality has a fully functional Audit Committee, and no longer sharing audit services concept with other three local municipalities and the GSDM. The Audit Committee is functioning effectively as envisaged. A 3-year rolling Audit Plan in terms of MFMA will be produced by Internal Audit and these would be reviewed annually. The risk based plan should be in terms of the MFMA legislation. Further risk plans also allows the municipality to prioritize its risks into high, medium and low. The high risks are attended to immediately and subsequently the internal controls are strengthened.

Pertaining to Performance Audit committee function, the current Audit Committee will be utilized instead of establishing an additional Committee to focus specifically on overall Organizational Performance Audit.

10.14. INTERGOVERNMENTAL RELATIONS

The municipality has an IGR unit which is focusing on Overseeing all the IGR matters, Promoting, Fostering Intergovernmental Relations and sector collaborations, Facilitating and Supporting Sports, Arts and Culture and Facilitate and coordinate Gender, Disability and HIV/AIDS function.

The Municipality is still having a challenge when it comes to integrated planning especially integration of programs and projects from some sector departments from Mpumalanga Provincial Government. The manner in which the private sector is participating in the local municipality planning process also needs to be improved through engagement as prescribed in the Municipal Systems Act.

The objectives of the IGR Unit in Lekwa are to;

- Contribute knowledge and ideas about planning issues in the province and sectors;
- Contribute relevant information on the provincial sector departments plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner;
- Ensure that their objectives and strategies and projects take the local IDP into consideration and adjust their budgets as informed by the local IDP into consideration;
- Engage in a process of alignment with the GSDM and other local municipalities, and participate in the provincial management system and co-ordination;

10.15. COMMUNITY PARTICIPATION

One of the main features about integrated development planning process is the involvement of community and stakeholder organizations in the process. Participation of affected and interested parties ensures that the IDP addresses the real issues that are experienced by the citizen of Lekwa Municipality. As part of its public participation process, the municipality has established the following structures to promote community participation;

- IDP Steering Committee
- IDP Technical Committee
- IDP Representative Forum
- Traditional Leaders
- Intergovernmental Relations (IGR)
- HIV & AIDS Council
- Transport forum

It should however be mentioned that due to the vastness of the Municipal area additional efforts should be made to ensure that public participation is meaningful.

The democratically elected stakeholders will be involved in the public participation process. However, to improve the effectiveness of the process, it is intended to split the participation in two ways.

- Identifying of stakeholders, experts or professional bodies in communities.
- Identifying of local representatives on grass-roots level through ward councillors.

The process could follow the following route:

- To identify all relevant participants per sector and per ward to inform them of the IDP processes.
- To nominate councillors responsible for the IDP as well as responsible committees.
- To advertise broadly through the local press for any stakeholders to identify themselves.
- To initiate general consultative meetings of each critical step for the process of the IDP in order to gain fair consensus on the finding.
- To workshop sectoral plans at each critical step, with all relevant local stakeholders per ward through the ward councillors.

The participation strategy will address the following issues:

- Available resources for participation
- Roles of different role-players during the participation process (e.g. councillors, the IDP Steering Committee, the IDP Representative Forum, other officials, consultants, etc.)
- Appropriate participation tools
- Means of information dissemination
- Means of eliciting and collecting community needs (including documentation of participation inputs)
- Time frames to allow responses, comments, inputs
- Means of encouraging representation of unorganized groups
- Frequency of meetings / workshops
- Appropriate venue for the meetings / workshops
- All efforts will be made to comply with the legal requirements of Public Participation

10.16. COMMUNICATION STRATEGY

The Municipality has a communication strategy that articulates, explains and promotes a vision and a set of well-defined goals. It creates a consistent, unified “voice” that links diverse activities and goals in a way that appeals to partners or stakeholders. It differs from tactics, or the concrete steps and techniques used in implementation of communication goals. Tactics chosen are based on a pre-existing strategy.

Five Management Decisions
AUDIENCE
Who needs to be reached?
BEHAVIOR
What change in behaviour is required?
MESSAGES
What messages will be appropriate?
CHANNELS
Which channels of communication will be most effective in reaching your audiences?
EVALUATION
How will the success/failure of the communication strategy be measured?

10.17. RISK MANAGEMENT COMMITTEE

The Risk Management Committee (“Risk Committee”) is proposed but not yet established by the Municipality (Municipality) to assist the Municipal Manager to fulfil her/his Enterprise Risk Management (ERM) and control responsibilities in accordance with the requirements of the Municipal Finance Management Act (MFMA), 2003 and to assist Council with regard to matters set out in this document.

Purpose of Risk Management

- The Risk Committee will provide oversight of the risk management process.
- The Risk Committee will monitor the management of significant risks which may prevent the Municipality from meeting its objectives
- The Risk Committee will facilitate communication between all parties engaged in risk management activities.
- The Risk Committee will report to the Municipal Manager on the risk management work undertaken and the extent of any action taken by management to address areas identified for improvement.

Terms of Reference

The Municipal Manager is responsible for the total process of risk management, including ensuring that operating units under her/his controls have effective, efficient and transparent systems of financial management, risk management and internal control.

The Risk Committee shall:

- Review and assess the integrity of the risk control systems and ensure that the risk policy and strategies are effectively managed;
- Set out the nature, role, responsibility and authority of the Risk Management function within the Municipality and outline the scope of risk management work;
- Monitor the management of significant risks to the Municipality, including emerging and prospective risks;
- Together with the Municipality's Senior Manager Legal Services, the Risk Committee will review any legal and regulatory matters that may have a significant impact on risk including any related compliance policies, programmes and reports received from government;
- Review management and internal audit reports detailing the adequacy and overall effectiveness of the Municipality's risk management process (including scope and depth) and its implementation by management;
- Reviewing any findings and recommendations of the external auditors, internal auditors or other parties in relation to risk management and internal control, confirm that appropriate action has been taken;
- To review and approve the risk policy, strategy and implementation plans. The Risk Committee will ensure compliance with such policies, and with the overall risk profile of the Municipality;
- Review risk identification and assessment methodologies;
- Review and approve the risk tolerance limits of the Municipality;
- To have due regard for the principles of governance and codes of best practice;
- Establishing the risk management framework/ guidelines (including the process and reporting requirements) to be used in managing and reporting on risk;
- Monitoring the reporting of risk by management with particular emphasis on significant risks or exposures and the appropriateness of the steps management has taken to reduce the risk to an acceptable level;
- Monitoring progress on action plans developed as part of the risk management process;
- Reviewing the impact of any changes in the Municipality on the risk management process and the response to these changes including the update of the risk profile;
- Developing and subsequently reviewing policy on fraud prevention, detection and investigation;

Evaluating the effectiveness of the Fraud and Corruption Policy;

- Reviewing reports of significant incidents and major frauds (both potential and actual) including the evaluation of the effectiveness of the response in investigating any loss and preventing future occurrences;
- Significant incidents are defined as any event which results in, or has the potential to result in serious personal injury (to the public, staff or third parties) or serious physical damage to property, plant, equipment, fixtures or stocks.
- Providing feedback to the audit committee on the effectiveness of internal control having evaluated and managed.
- Considering the key risks and assessing how which they have been identified, evaluated and managed.

- Assessing the effectiveness of the related system of internal control having particular regard to the impact of weaknesses that have been reported.
- Considering whether necessary actions are being taken promptly to remedy weaknesses.
- Considering whether the findings indicate a need for more extensive monitoring of the system on internal control.
- Ensuring that, in accordance with an appropriate cycle, the reports, taken together, cover all aspects of internal control.
- Considering other risk management issues referred to it by the Municipal Manager.
- Develop goals, objectives and key performance indicators to measure the effectiveness of the Risk Management Committee

10.18. CORRUPTION AND FRAUD PREVENTION STRATEGY

Lekwa's adopted policy on Fraud and Anti-Corruption provides guidelines within the existing legal framework, for dealing with fraud and corruption within the Municipality. The policy endeavours to assist in the creation of an environment where fraud and other crimes of dishonesty are efficiently, economically and effectively prevented, detected, investigated and reported, and the consequent recovery of losses and action against guilty perpetrators.

As part of the process to raise awareness around the policy, workshops were run in the Licensing, Traffic, and Supply Chain and Morgenzon units on the matter. This is an on-going drive to make employees aware of the implications of getting involved in such acts and activities


10.19 SECTION 79 AND 80 COMMITTEES

Rules and Ethics Committee	CIlr LBR DLAMINI, ENK SHABANGU, MY MAHLANGU, SM KHUMALO, JL JANSE VAN RENSBURG.
Audit Committee	MR AC KEYSER, MR B DLAMINI, MR DW PRENZLER
Municipal Public Accounts Committee	CLLR SM ZACHARIAS, SS MOSIA, NZE SISHONI, SM KHUMALO, PT SNCHNETLER.
Local Geographical Names Committee	CLLR SS MOSIA, LL NKOSI, N TSHABALALA, P MPHUTHI, NZE SISHONI.
By- laws and policies Committee	CLLR ML MLABA, BS ZWANE, JP MASUKU, JR DE VILLE

11. CHAPTER 11 - MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

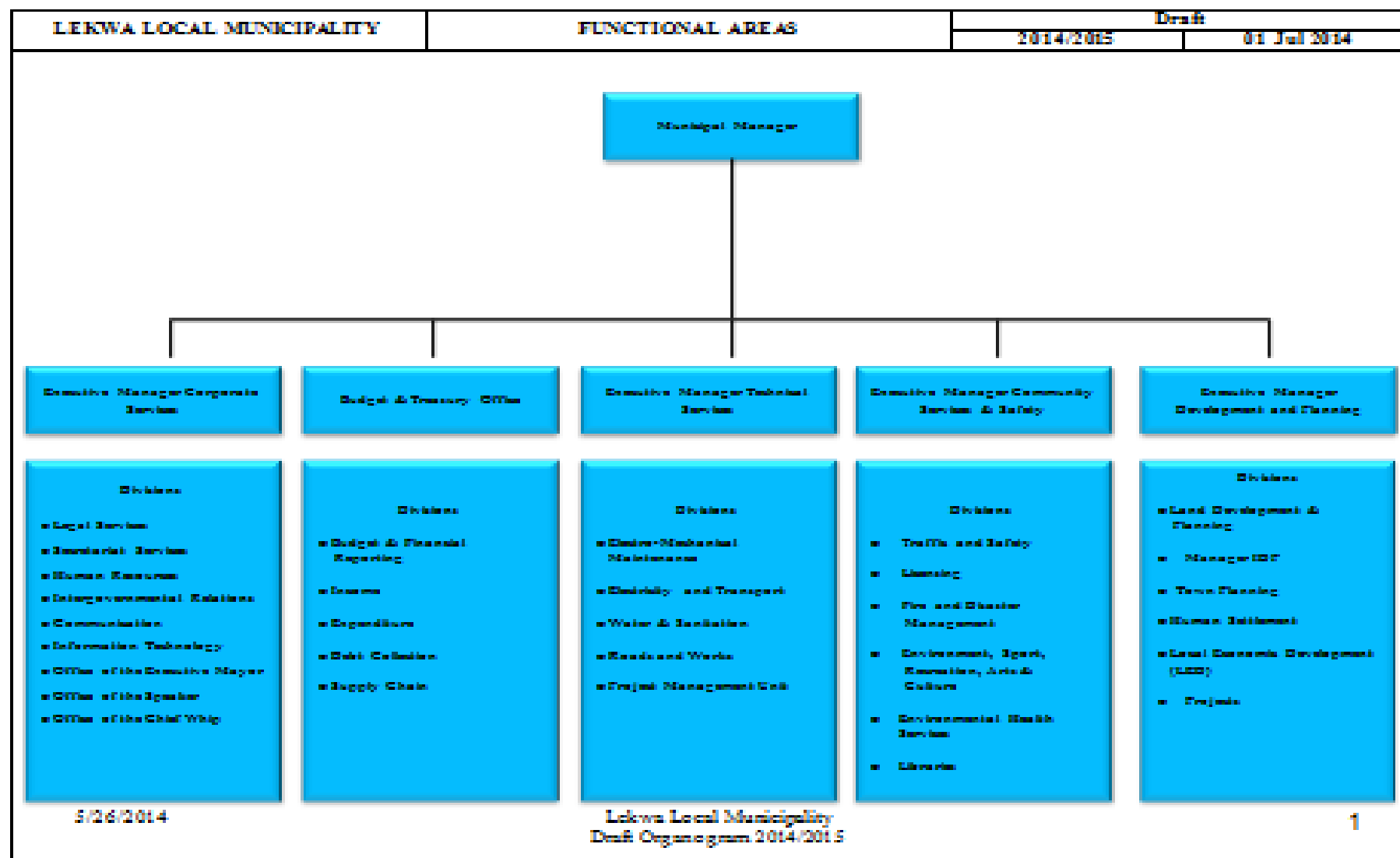
11.1. MUNICIPAL COUNCIL

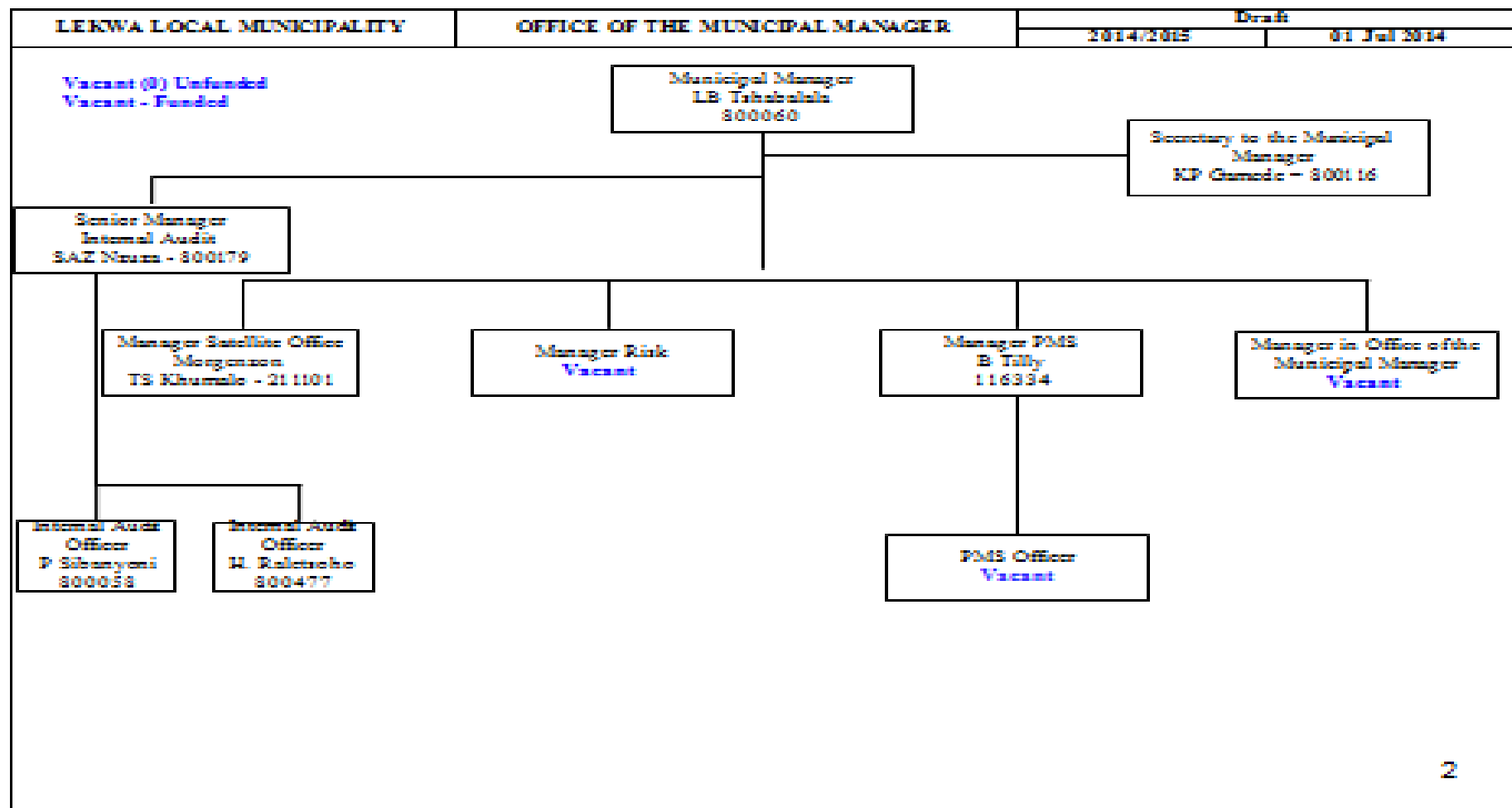
The Lekwa Council consists of 30 Councillors, made up of 15 ward councillors and 13 proportional representative councillors. The African National Congress has 23 councillors, the Democratic Alliance with 6 councillors, the PAC with 1 councillor.

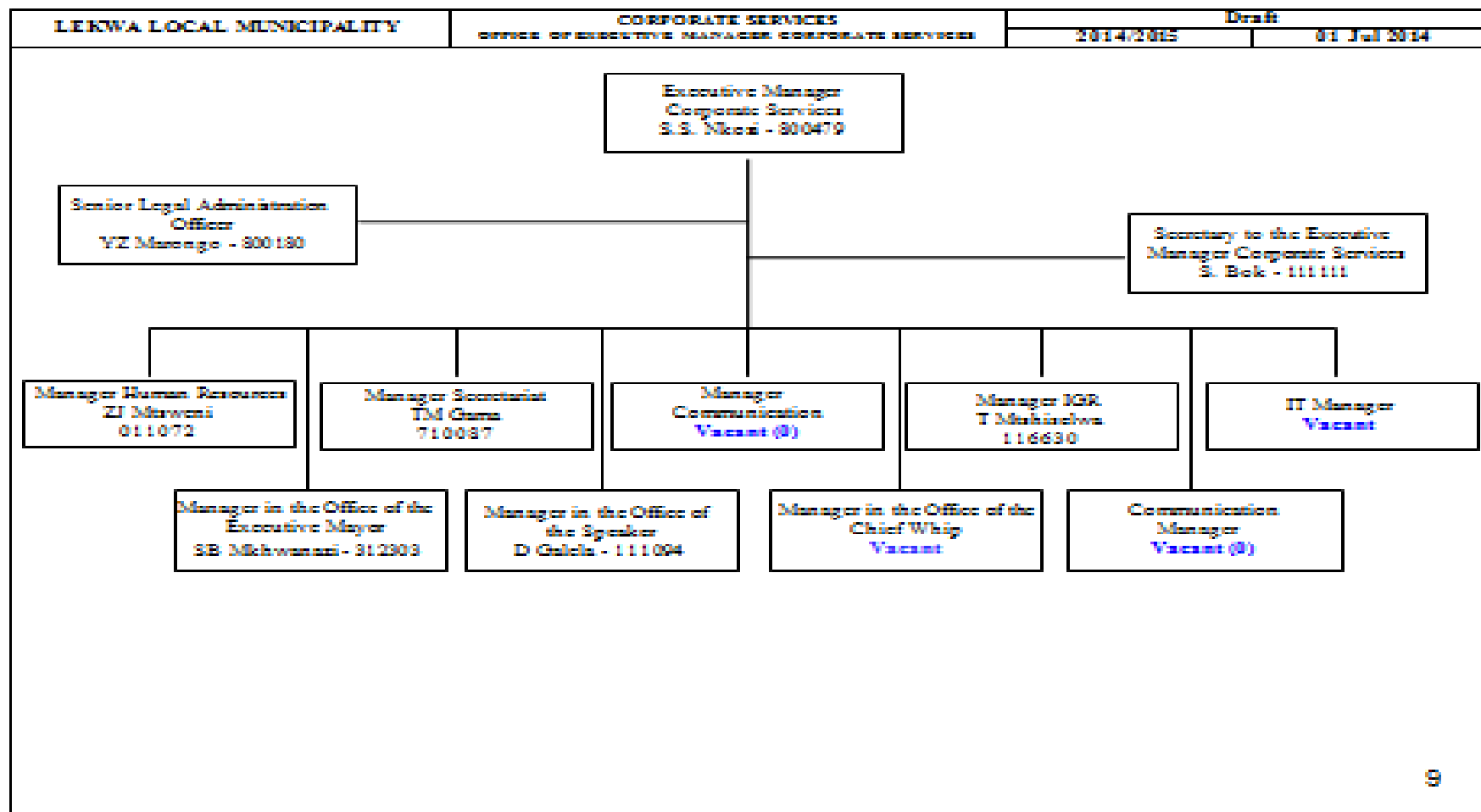
	POLITICAL STRUCTURE  MAYOR: CLLR CAROLINE M MORAJANE	
	SPEAKER CLLR LINDOKUHE BLESSING ROBERT DLAMINI	
	CHIEF WHIP CLLR SANDY GOODNESS MSIBI	
<i>Photos (optional)</i>	MAYORAL COMMITTEE MEMBERS MAYOR: CLLR CAROLINE M MORAJANE MMC: TECHNICAL AND DEVELOPMENT & PLANNING: CLLR MM NTULI MMC: COMMUNITY AND CORPORATE SERVICES: CLLR B SIKHONDE	

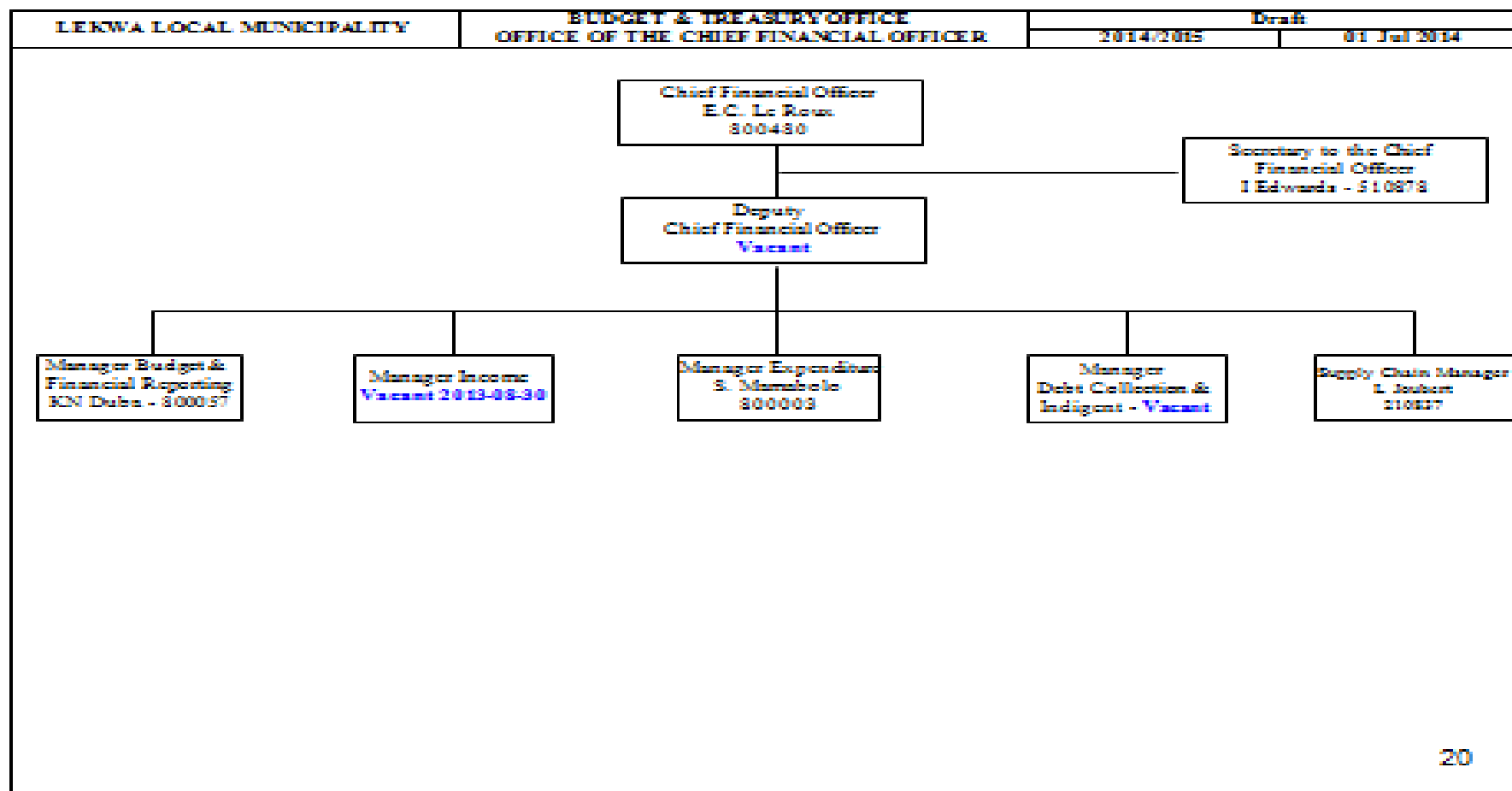
11.2. ORGANIZATIONAL DESIGN

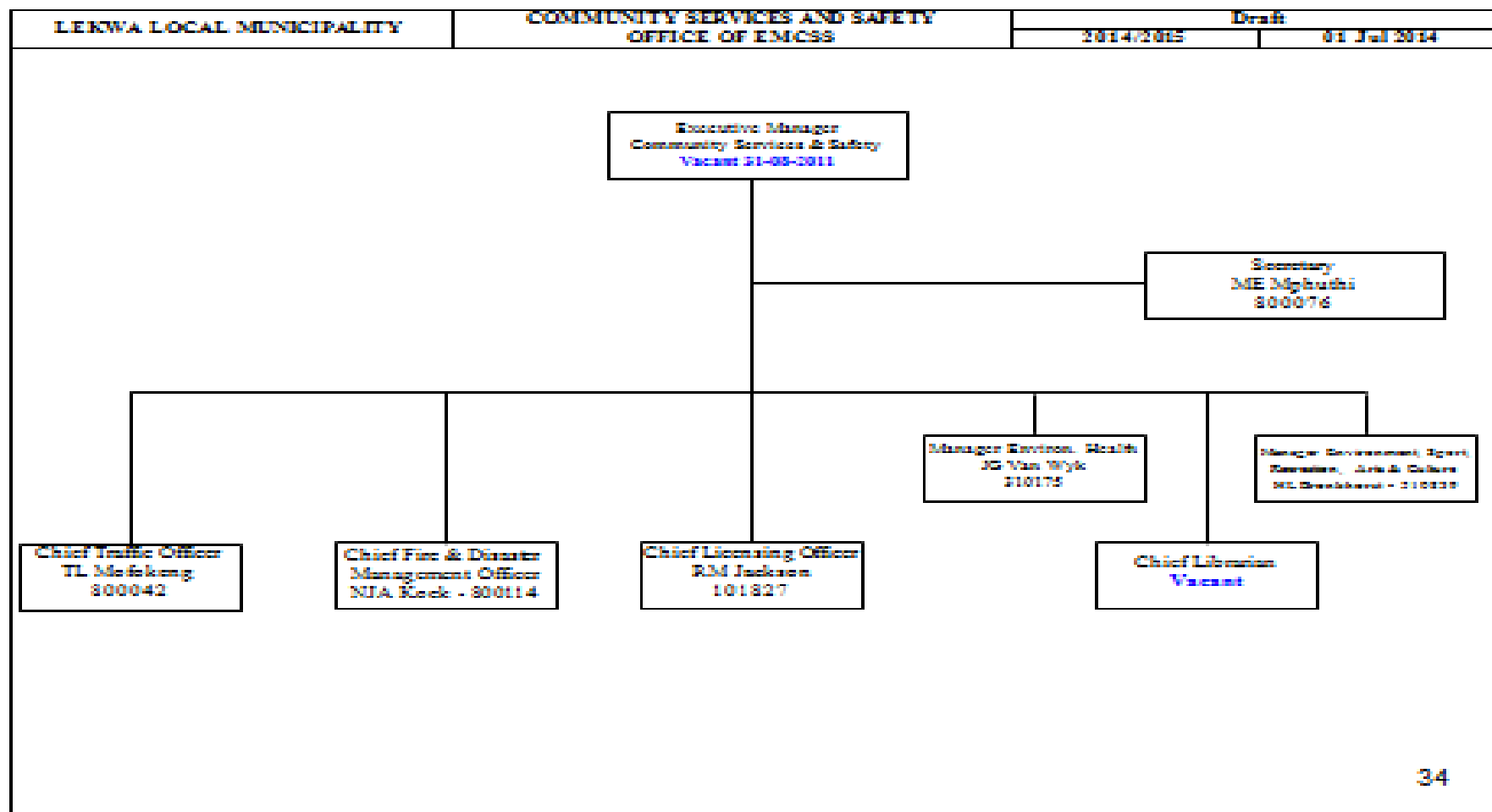
The top administrative structure for Lekwa consist of five departments; Corporate, Technical, Finance, Community Services and Development and Planning. Only Four Departments i.e., Corporate, Technical, Finance and Development and Planning were filled with section 57 managers, while Community Services is still vacant till to date. The third tier level consists of two managers that are on a fixed term contracts i.e. Senior Manager Legal and Senior Manager Internal Audit.

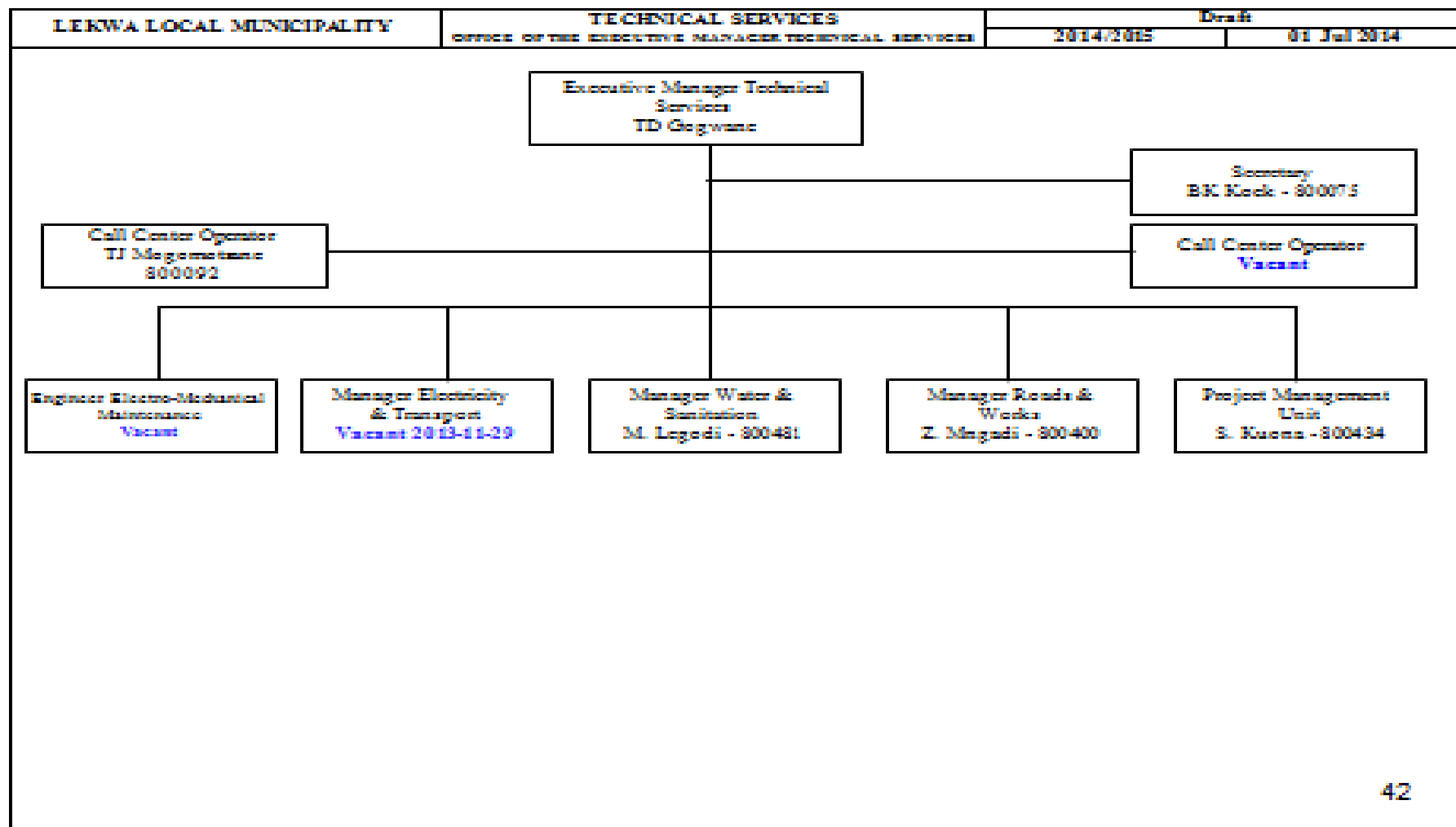


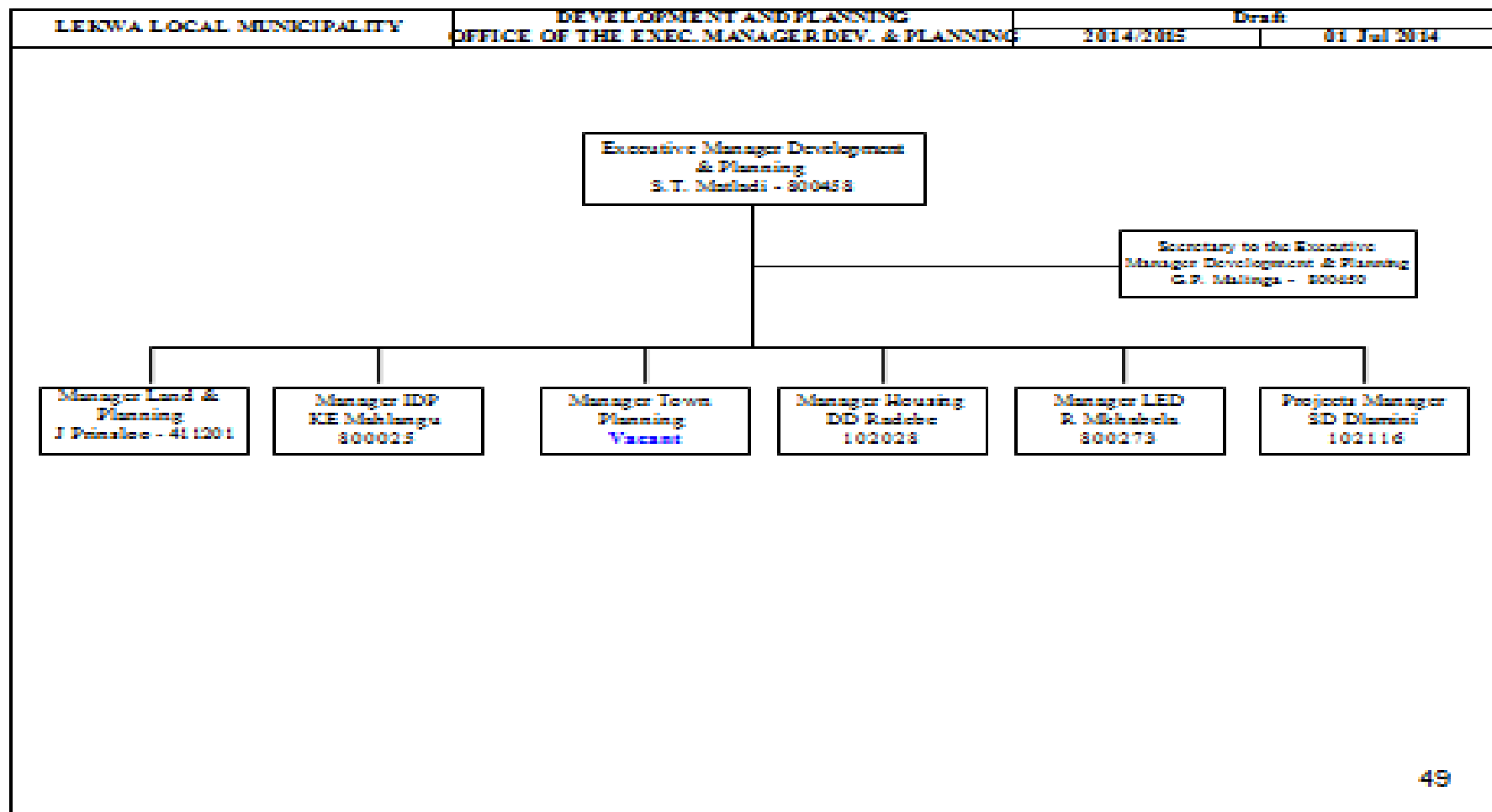












11.3. HUMAN RESOURCE DEVELOPMENT STRATEGY

11.3.1. OVERVIEW

The Human Resource strategy responds to the long-term development plans of the municipality as reflected in the Integrated Development Plan of the municipality. The HR profile of the municipality is reflective of the local community and the country. It includes all activities relating to the rendering of a comprehensive human resource management function to Council by ensuring an efficient personnel administration system, recruitment and selection, sound labor relations, human resources development, employment equity, occupational health and safety of employees and compliance with all relevant labor legislation.

Our staff is informed and supportive of municipality vision and mission and strategic direction and has knowledge of vacancy rates in the municipality.

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	3	0	0	0	0	0	0	0	0	0	3
Senior management	7	0	0	7	3	0	0	0	1	0	18
Professionally qualified and experienced specialists and mid-management	4	1	1	0	2	0	0	0	0	0	8
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	67	4	0	15	55	6	0	5	0	0	152
Semi-skilled and discretionary decision making	50	0	0	3	3	0	0	0	0	0	56
Unskilled and defined decision making	221	1	0	0	29	2	0	0	0	0	253
TOTAL PERMANENT	352	6	1	25	92	8	0	5	1	0	490
Temporary employees	29	0	0	0	20	0	0	0	0	0	49
GRAND TOTAL	381	6	1	25	112	8	0	5	1	0	539

Employees with disabilities only in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0

Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1	0	0	0	0	0	0	1	0	0	2
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	1	0	0	0	0	0	0	0	0	0	1
TOTAL PERMANENT	2	0	0	0	0	0	0	1	0	0	3
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	2	0	0	0	0	0	0	2	0	0	3

Organizational review

An analysis of the workforce profile of the Lekwa Local Municipality (see table above) reveals the following:

Gender representation/composition in the total workforce: Black Males account for 73.27% against Black Females of only 20.41% when the Economically Active Population figures indicate 49.50% and 42.20% respectively. Black Males must be brought down to 49.50% and Black Females more than doubled to 42.20% of the workplace profile in line with the EAP figures. One of the priorities must therefore be to increase Black Female representation across all occupational categories and levels from the current 20.41% to 42.20%.

People with disabilities in the total workforce: People with disabilities account for only 0.61% of the total workforce as against the 2 % of the government undertaking to reach as target by 2010.

People with disabilities generally still continue to hover below the 1% mark. Government initially made an undertaking that the representation of people with disabilities should have constituted 2% of the Public Service by the end of 2005. However, this was not reached and government moved the achievement of the 2% target to 2010. We are now in 2012 and the representation of people with disabilities both in government and in the private sector is still well below the 1% mark.

The municipal main goals/objectives of the institution are to achieve equity in the workplace through the promotion of equal opportunities and fair treatment for all its employees, as well as applicants for employment by:

- Eliminating unfair discrimination that may exist in policies, practices, procedures and the work environment.
- Implementing affirmative action measures to redress the disadvantages experienced by designated groups in the past.
- Promoting diversity and respect for all employees.
- Achieving equitable representation of all demographic groups at all levels and in all categories of the workforce as ultimate tangible objective.

11.3.2. EMPLOYMENT PRACTICE POLICY

This policy is intended to create a framework for decision-making in respect of employment practice/s in the Lekwa Local Municipality. As such it attempts to establish a set of rules for the consistent interpretation and application of collective agreements and legislation governing the acquisition of staff by the Lekwa Local Municipality.

11.3.3. TRAINING AND DEVELOPMENT POLICY

The Lekwa Local Municipality believes that its employees form the cornerstone of service delivery to the communities within the Municipality. It therefore adopts a policy of giving priority to the training and development of its staff, within the parameters at what is feasible and sensible in the context of the municipality's resource deployment requirements. It will identify and assess the training needs and potential of staff, match it with the requirements of the Municipality and afford all employees the opportunity to develop their potential, improve their performance and advance their career prospects within the municipality. Special attention will be paid to training and development opportunities for employees belonging to designated groups.

11.3.4. STAFF RETENTION POLICY

The objective of this policy is to establish an environment which will best ensure the retention of employees within the municipality, especially employees with valued or needed skills or experience in critical fields, so as to enable the Municipality to fulfill its functions, including that of service delivery.

11.3.5. PERFORMANCE MANAGEMENT POLICY

The objectives of implementing a performance management system include:

- Facilitates strategy (IDP) deployment throughout the municipality and align the Organization in executing its strategic objectives;
- Facilitate increased accountability;
- Continues and sustainable service delivery improvement;
- Create an organizational performance culture;
- Provide early warning signals;
- Develop open and constructive relationship between customers, leadership and employees;
- Encourage reward for good performance;
- Manage and improve poor performance;
- Link performance to skills development and career planning, therefore encourage learning and growth; and Comply with legislative framework.

11.3.6. HEALTH AND SAFETY POLICY

The Lekwa Local Municipality and its staff believe that the prevention of injuries and exposure to disease of all the employees is of paramount importance to the organisation in its quest to be a leader in health and safety. Furthermore, management acknowledges its responsibility and moral obligation to provide a safe and healthy workplace. We will strive to be proactive in the recognition of risks with the objective of reducing exposure to injury and disease. Involvement will be at all levels and the responsibility will be shared by everyone, in order to reach the objectives.

11.3.7. EMPLOYMENT EQUITY POLICY

The purpose of this policy is to state the broad principles of employment equity to which the Municipality is committed and to describe in general how the Municipality seeks to realise these principles. This policy document does not constitute the Employment Equity Plan of the Lekwa Local Municipality, but simply sets out the framework and guiding philosophy that will govern an Employment Equity Plan.

HUMAN RESOURCE PLAN

The Human Resource Plan will focus mainly on three levels: entry level, internal environment management level and exit level.

ENTRY OF PEOPLE (Recruitment, selection, induction and orientation, remuneration and benefits)				
	PRIORITY PROJECTS	OUTPUT	DUE DATE	BUDGET
ENTRY LEVEL	Review of the organizational structure	Revised organizational structure	Dec 2016	R0
	Develop a Human Resource Recruitment and Retention Strategy	Human Resource Recruitment and Retention Strategy	Dec 2014	R0
	Ensure qualitative implementation of the Employment Equity Plan	Realization of set employment equity targets with regard to gender and people with disabilities in Employment Equity Plan	Jun 2016	R0
	Management of all leave types	Leave Management Module	Dec 2014	R0
DEVELOPMENT OF PEOPLE (Training, Promotion and Progression, Performance and Talent Management, Culture, Leadership etc)				
	PRIORITY PROJECTS	OUTPUT	DUE DATE	BUDGET
INTERNAL ENVIRONMENT MANAGEMENT LEVEL	Develop and update Job Descriptions	Job Descriptions	Dec 2014	R0
	Develop Human Resource Development Strategy	Human Resource Development Strategy	Jun 2014	R0
	Ensure implementation of the Workplace Skills Plan to at least 80% of planned training	Workplace Skills Plan and Training Report	Jun 2014	R0
	Publicize all newly developed and adopted HR policies	Register of inducted employees	Dec 2014	R0
	Conduct employees satisfaction survey	Report on the survey	Dec 2015	R100 000

EXIT OF PEOPLE (Death, Injury on Duty, Terminal illness, Retirement Resignation and Dismissal)				
	PRIORITY PROJECTS	OUTPUT	DUE DATE	BUDGET
EXIT LEVEL	Determination of future (five years) human resource requirements – Human Resource Planning	Human Resource Requirements (five years)	Sep 2014	R0
	Ensure compliance with the Occupational Health and Safety Act	Implementation of the Occupational Health and Safety Policy	Dec 2014	R0
	Introduce medical surveillance programmes	Periodical medical surveillance report	Jun 2015	R100 000

HRM OPERATIONAL PLAN (in order of priority)								
STRATEGIC GOAL	NAME OF HR PROJECT	KEY MILESTONE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	CURRENT STATUS
Ensure alignment of organogram to the Integrated Development Plan (IDP).	Review the organizational structure	Organizational structure aligned to IDP	Expert advice obtained on the current structure, reviewed and consultation undertaken	Necessary approval obtained and new organizational structure implemented				Current structure not properly aligned to IDP
Recruitment of competent staff.	Develop Human Resource Recruitment Strategy	Human Resource Recruitment Strategy	Draft strategy developed and consultation undertaken	Strategy approved and implemented				No Human Resource Recruitment Strategy in place
Redress gender imbalances.	Ensure qualitative implementation of the Employment Equity Plan	Employment Equity Plan	Seventy five percent (75%) of employment equity targets for 2014/2015 with regard to gender and disability realized	Eighty percent (80%) of employment equity targets for 2015/2016 with regard to gender and disability realized	Ninety percent (90%) Employment equity targets for 2016/2017 with regard to gender and disability realized			Employment Equity targets currently not realised
Promote culture of performance in the municipality.	Management of all leave types	Leave managed to in line with the conditions of service (SALGBC agreements)	Re-introduce the leave Schedule in all departments and improve monitoring and reporting on the different leave types	Monitor and control absenteeism				Some adverse findings by Auditor General
Promote culture	Development and	Job Descriptions for	Officials trained	New Job				Certain jobs

of performance in the municipality.	update of Job Descriptions	all jobs in the municipality and updated periodically	in the writing of Job Description and JD developed	Descriptions implemented				without Job Descriptions and most not up-dated
Training and development to ensure responsiveness.	Develop Human Resource Development Strategy	Human Resource Development Strategy	Draft Strategy and consultations	Strategy approved and staff inducted	Strategy merged in municipal processes			No Human Resource Development Strategy in place
Training and development to ensure responsiveness.	Ensure implementation of Workplace Skills Plan to at least 80% of planned training	Eighty percent (80%) implementation of the Workplace Skills Plan	Seventy percent (70%) implementation of the Workplace Skills Plan	Eighty percent (80%) implementation of the Workplace Skills Plan				Workplace Skills Plan implemented at 50% of planned
STRATEGIC GOAL	NAME OF HR PROJECT	KEY MILESTONE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	CURRENT STATUS
Promote culture of performance in the municipality.	Publicize all newly developed and adopted Human Resource Policies	All employees inducted on the newly developed Human Resources Policies	Inducted all employees on the newly developed HR Policies					Draft Human Resources Policies
Promote culture of performance in the municipality.	Conduct employee satisfaction survey	Employee satisfaction survey report	Survey conducted and results interpreted	Implementation of recommendations of the survey and measurement of progress				Employee morale low.
Promote culture of performance in the municipality.	Determination of future (five years) human resource requirements –	Human Resources requirements (five years)	Database of vacancies (projections) in the next five	Human Resource Policy developed,				No projections on future human resource requirements

	Human Resource Planning		years created	consultation undertaken and approval obtained				
Ensure safety and healthy environment.	Ensure compliance with the Occupational Health and Safety Act	Compliance with the Occupational Health and Safety Act	Occupational Health and Safety Committee re-established, members trained and monthly meetings held	Occupational Health and Safety meetings held quarterly				Some compliance with Health and Safety Act
Ensure safety and healthy environment.	Introduce medical surveillance programmes in line with the Occupational Health and Safety Policy							No medical surveillance programmes

12. CHAPTER 12: INTEGRATED HUMAN SETTLEMENT CHAPTER

12.1. INTEGRATED HUMAN SETTLEMENT CHAPTER

The municipality assess the extent of their housing for two critical reasons, firstly to establish the extent of the problem for the Municipality to institutionally gear resources to meet the housing challenge and secondly to appropriately plan for housing delivery in areas of greatest need to maximise impact. Housing demand/need in a municipal area can be determined in two main ways that is through the **census statistics** and the municipality housing demand database:

Census Statistics

The housing backlog estimates based on census data takes into account both the population residing in informal settlements, and the creation of housing opportunities for those in inadequate formal shelter, such as outhouses, shaky mud structures or under conditions of over-crowding. There are two main limitations to this method, first the census data is now considered outdated. The Community Survey 2007 has been used to determine some trends, but to a great extent it is not as rigorous as the full census. Second, this approach does not specifically address the housing need in tribal areas and farming settlements. In such cases where the majority of the population resides in tribal areas, household incomes, housing lists and the conditions of their housing structures will inform the extent of backlog.

Analysis of the Waiting List

It is through the analysis of the housing waiting lists. The common shortcomings associated with the housing list include amongst others applicants putting their names down in more than one municipal housing waiting list, while other potential beneficiaries do not place their names on these lists.

In this instance a hybrid of the census data and proposed housing projects has been used to determine the housing need regardless of the fact that the census data is fairly outdated. The utilisation of this approach to determine the housing need has as its major shortcoming the inability to link the approved subsidy to a beneficiary at the project inception phase. Second, beneficiaries cannot be classified according to income category and differentiated according to gender.

While this approach takes into account the limitations of both the census data and the proposed project to increase the probability of accuracy for the following reasons:

The housing need statistics should be considered as an interim measure that will provide indicative demand as the municipality needs to institute an administrative process of compiling a housing list. The housing list would be an outcome of a detailed process that will analyse the socio-economic status of individual households to justify the choice of beneficiaries per subsidy instrument.

The number of beneficiaries identified through project identification should be treated as an interim measure while the municipality prepares a housing list. The data derived from the housing list will complement this data.

NUMERIC EXTENT AND SPATIAL LOCATION OF HOUSING NEEDS

The municipality is also faced with a huge responsibility for housing delivery. The housing backlog in the municipality is 18 207. A total of 12 000 is for low cost housing units and 6 207 are for rural backlog.

There are additional 11 496 inadequate types of households (refer to table 4: housing profile):

- i. Informal households: 8 398
- ii. Traditional/ mud structure: 2 840
- iii. Hostel units: 258

The Housing Development Department

The Breaking New Ground Policy puts a new emphasis and orientation on the extent to which the housing sector has been viewed in South Africa. Principal emphasis is placed on the fact that housing is not a shelter issue alone but also an important economic asset. Therefore, in order to deal with the value chain of all housing related processes, it is important that the municipality looks at creative ways of profiling and elevating the importance of this sector.

Land Availability and Packaging

The Municipality has secured a number of stands serviced with water, sanitation and electricity in the following areas:

Stands Serviced with Water, Sanitation and Electricity

Area	Number of Erven
Standerton Extension 6	1 200
Sivukile Extension 4	282
Azalea Extension 1	443
Sakhile Extension 3	235
Sakhile Extension 1	224
Sakhile Extension 4	3 256
TLC Camp	174
Total	5 814

Informal settlements

The municipality is faced with a challenge of informal settlement on the basis that there are 8 398 inadequate households in the informal settlements which is higher figures than the traditional housing amounting to 2 840 and 258 hostel units.

Housing Needs for Lekwa Local Municipality

Settlement	Households	Land Ownership	Services	Geo-tech	Environmental Impact assessment	Township Establishment
Sakhile Ext. 1	224	Municipal land	Sewer, water, roads, toilet, and electricity	Not done	Not done	Done
Sakhile Ext 2	600	Residents owned	Sewer, water, roads, toilet and electricity	Done	Not done	Done
Sakhile Ext 3	235	Municipal land	Sewer, water, roads, toilet, and electricity	Not done	Not done	Done
Sakhile Ext 4 (known as Roolkoppen)	3276	Municipal land	Sewer, water, and 75% roads	Not done	Not done	Done
Sakhile Ext. 5 (TLC)	179	Municipal land	Sewer, water, roads, toilet, and electricity	Not done	Not done	Done
Standerton Ext 6	1800	Municipal land	Sewer, water, roads, toilet and electricity	Not done	Not done	Done
Azalea Ext 1 (H-Camp & Mahala Park)	454	Municipal land	Water	Not done	Not done	Done
Sakhile Ext 4	282	Municipal land	Sewer, water, and 30% roads	Not done	Not done	Done
H-camp	189	Municipal land	Sewer, water, and	Not done	Not done	Done

Settlement	Households	Land Ownership	Services	Geo-tech	Environmental Impact assessment	Township Establishment
			roads			

However there is a budget of R38, 000,000 from the department of local government and housing for 270 household units for the financial year 2008/2009. It is evident that more funds must be sourced towards the eradication of informal settlement in Municipality.

Rural Households

The rural housing programme seeks to tackle the shelter needs of rural dwellers. This also enables female beneficiaries to access housing on their own rights. The IDP has identified 2 840 inadequate households from traditional housing.

Farming worker housing

Last year the Mpumalanga Department of Housing had planned to build 444 units under the farm worker housing programme. It had not, however, anticipated the number of challenges that would be encountered. Farm worker housing development has proven to be a lengthy process largely regarding land and environmental impact assessment issues.

The Municipality has a target objective of 44 farming worker housing. The Department of Local Government and Housing has allocated R1, 425,630 which will address the 44 farming workers housing in the 2008/2009 financial year.

According to the Informal Settlement Report dated 29 October 2009 the status of the informal settlements in Standerton are outlined in the table below. This differs from the figures in the LLM Housing Chapter. The figures below have however been verified on recent aerial photographs and appear more accurate than the Housing Chapter.

KEY	INFORMAL SETTLEMENT	NR OF HOUSEHOLDS	WARD	LEVEL OF SERVICES
1	Mandela	73	3	2 water taps
2	Tambo	5	5	No Services
3	Sisulu	12	2	No Services
4	Welamlambo	75	9	No Services
5	Shivovo	10	3	No Services
6	Taxi Rank Camp (Standerton Ext. 6)	50	7	No Services
7	Slovo	140	6	77 households with electricity; 63 without
8	3273/R & 3324/R Camp (Sakhile)	48	3	No Services
9	3995 Camp (Standerton Ext. 6)	40	7	No Services
	X-Camp (Sakhile Ext. 2)	65	1	No Services
	Mahala Park	24	4	No Services
	TLC Camp	79	6	No Services
	TOTAL	621		



Distribution of Informal Settlements

The municipality received approximately R150 million from National Treasury to upgrade informal settlements. A total of 2 165 housing units were constructed: 1 750 units in Sakhile Ext 4, 170 units in Sakhile Ext 1 and 280 units in Sakhile Ext 3. The recently approved Standerton X8 will contribute another 553 erven of 300m² and 1 510 erven of 500m² to address the housing demand. It also includes 22 erven of 200du/ha for rental units.

Projects completed in Lekwa Municipality

The information from the municipality indicates that there were 4089 houses being approved for implementation and 3 094 have been complemented. It implies that there are about 995 houses that are being built. There are no specifics with regards to the types of houses that have been built. It would mean that the municipality confirm the types of houses needed and the ones that exist.

Housing projects from Municipal Information

Year	Ward	Units Approved	Units completed
1995	1, 2, 3, 5	70	70
1996	14	500	500
1997	4	88	66
2000	7	1000	942
2000	14	9	5
2001	14	499	435
L92002	1, 2, 3, 5	50	47
2003	7	500	500
2004	1, 2, 3, 5, 14	50	50
2003	1, 2, 3, 5, 7	200	107
2006	1, 2, 3, 5, 7	97	63
2000	12	55	47
2008	14	180	0
2008	7	245	120
2008	4	100	22
2008	4	75	0
2008	4	75	0
2008	7	248	120
2008	7	48	0
		4 089	3 094

Source: Municipal data

Housing Projects from the IDP

The below housing projects were derived from the 2008/2009 IDP. However there are no specifications in terms the budget or the period. Therefore, a deductive reasoning could not be made with regard to the pace of delivery or the challenges. It is recommended that the challenges experienced in the delivery of the projects be avoided in the planned projects.

Housing projects from IDP

Area	Units required	Units completed	Units under Construction
Sivukile and Sakhile	100	22	29
87 Project link at Sivukile	87		6
Sakhile			50
Sakhile Hostel redevelopment project phase 1			Civil infrastructure is underway
Ward 12	500		34

From the above information it is derived that there are 500 houses required, 22 have been completed and 119 are under construction. It implies that from a total of 18 207 backlogs of houses (This includes the 500 in Table 9(2)) there are 3 116 houses completed and (3094 plus 22) and there are 995 houses which have been approved but have not being built and 119 are being been built. . It means in total there is still a backlog of 15 091. Assuming that a total of 119 houses will be completed in 200/9 financial year, it implies that there is a total of 14 972 backlogs of houses.

Institutional Arrangements in Municipality

A note needs to be made here that housing is a concurrent function in which the national Department of Housing, the Provincial Department of Housing and the municipality have a role to play in the delivery of houses. Yet another key set of role players include financial institutions such as government owned development finance institutions such as National Housing Finance Corporation (NHFC) and NURCHA; as well as commercial banks such as ABSA, FNB and others. All these players have to play their respective role in housing development in housing delivery.

The National Department of Housing makes financial transfers to the Provinces as part of the equitable share of the national budget. In addition, the policy formulating sphere of government—the BNG is being the case in point in the current housing delivery environment.

The Provincial Department of Housing is also a key player as the recipient of national funds transferred to the Province for housing development. The allocation to municipalities of housing budget based on request for allocation by municipalities themselves.

The Municipality is certainly at the coalface of housing development as it has to keep an up-to-date waiting list for households requesting government provided housing. In this regard, the Municipality has to identify housing needs and capture housing projects in its IDP. The Municipality also play a key role in engaging the Province for the budgetary allocation to meet housing needs in its area of jurisdiction.

Currently, the Housing Unit in municipality falls under the Corporate Services. The Lekwa Municipality strengths which are key to household delivery programme, amongst others as reflected in the SWOT Analysis are:

- a) Competent and committed management and staff.
- b) Financial viability.
- c) Adequate basic infrastructure.

It should also be noted that one of the main for the municipality's threat is high turn-over of staff. It would be helpful if the District municipality, Gert Sibande and the private sector could assist in building the capacity of the housing component of the Municipality. The structure for Housing Unit is shown below:

Housing Priority Issues

The following Table catalogues some of the key housing issues that need to be addressed in efforts to delivery houses in the context of creating sustainable human settlements in the Lekwa Local Municipality:

Key Housing Issues

Issues	Comment
ISSUE 1: Rural/farm housing	<ul style="list-style-type: none"> There is urgent need to quantify housing needs and develop a beneficiary list for farm workers Need to address farm worker housing needs.
ISSUE 2: Urban land availability	<ul style="list-style-type: none"> Has limited own land that can be used for housing development, especially around urban areas. Lekwa Local Municipality to drive well located land identification and release in order to better manage urban development and creation of integrated, sustainable human settlements.
ISSUE 3: Informal settlements	<ul style="list-style-type: none"> There is great expansion of informal settlements around urban and major rural centres. It is noted that the municipality owns the land on which most informal settlements are located and the process of township establishment is done Need to finalise the geo-tech and EIA in these informal settlements to begin the Informal Settlement Upgrading Programme in the Municipality and link to economic and social services.
ISSUE 4: Replacement of hostels with family Units	<ul style="list-style-type: none"> There are people occupying hostels (258) which need to be upgraded into Community Residential Units
ISSUE 5: Upgrading of inadequate structures	<ul style="list-style-type: none"> Lekwa has 11 238 inadequate structures that should be upgraded to sustainable houses.
ISSUE 6: Housing Policy	<ul style="list-style-type: none"> There is a need to drive the process of ensuring that communities in the Lekwa Local Municipality understand housing policy—especially government subsidy programmes. The Municipality needs to implement a housing Consumer Education Programme for housing beneficiaries so that they understand their obligations as well as need for asset creation. There is also a need to develop proper by-laws to control the increase of informal settlements
ISSUE 7: Gaps between houses	<ul style="list-style-type: none"> A note is made of low density-density development in centrally located areas. Open space leads to development of informal housing as people move in these areas in order to be close to employment and social facilities. Municipality needs to carry out land audit on vacant pieces of land in centrally located areas with a view of taking over vacant sites to build houses for the needy.
ISSUE 8: Emerging Contractor Development & Job Creation	<ul style="list-style-type: none"> There is a need to promote locally based emerging contractors in housing delivery as a mechanism for promoting local economic development and quality housing development Facilitate access to bridging finance by emerging contractors Job creation is an integral component of the BNG in order to address levels of unemployment.
ISSUE 9: Housing Staff Retention	<ul style="list-style-type: none"> There is a need to retain the housing staff through a programme with the related incentive programme.

Housing Strategy and Projects

In this section, housing strategies and projects are developed based on the information provided in the analysis phase. The housing needs derived from the statistical analysis and information obtained from the municipal housing, are to a great extent determined strategies and projects that will be developed for the municipality.

The objectives and strategies that seek to address the needs of the vulnerable groups in the municipality should be given attention whilst at the same time care should be taken to ensure that the institutional arrangements are geared towards accelerating housing delivery and creation of sustainable human settlements in line with the Breaking New Ground Policy.

12.2. DEVELOPING THE HOUSING STRATEGIES

The housing strategies are actually meant to give effect to the objectives as formulated. In developing the strategies, various factors were taken into consideration. The following are, amongst other factors that influenced the strategies that were developed:-

- The role of the Department of Housing in subsidy allocations to municipalities
- The criteria used for allocation of housing subsidies to individuals.
- The ability of the municipality to manage and ensure construction of good quality houses located closer to employment opportunities and social amenities—the crux of sustainable settlements
- The role of private sector developers in creating new affordable housing stock as well as high income housing where markets exists.
- Upgrading historically neglected residential areas and providing new housing opportunities in better-located areas for those in the greatest need
- The speed with which municipality eradicates informal settlements.
- The need to achieve densification of settlements where appropriate.
- Improving housing conditions of the rural communities, including communities residing on farm lands.
- The need to build capacity of understanding housing policy and programmes among beneficiaries.
- Many other important aspects and considerations also served to guide this process.

The following Table outlines the objectives and key activities underpinning each strategy pillar of the Housing Programme of the Lekwa Local Municipality

Table : Housing Strategies

Pillar 1: Rural and Farm Housing Development

Objective:	Key Activities
To ensure that people living in the rural areas and farms have access to good quality houses	<ul style="list-style-type: none">• Negotiating with land owners for possible land release• Source funding to acquire land for housing and township establishment where appropriate• Undertake town planning where feasible• Implement Rural Housing Development utilizing rural subsidy instrument.

Pillar 2: Promoting urban housing development

Objective:	Key Activities
To promote quality and sustainable human settlements around urban centres	<ul style="list-style-type: none">• Provide planned land for housing development in urban areas• Identification of well-located land in relation to economic opportunities• Developing a business plan to secure funding for planning and surveying of sites for town planning and establishment• Implement housing development projects that are inclusionary in order to promote integrated residential development

Pillar 3: Informal settlements upgrading and eradication

Objective:	Key Activities

To eradicate informal settlements and build quality houses and sustainable human settlements	<ul style="list-style-type: none"> • Undertake an audit of informal settlements to get deeper understating and key pull factors to these settlements • Ensure that housing need is updated based on the findings of the audit • Implement in situ upgrading where feasible in order to minimise relocation • Implement new housing projects to house informal settlements dwellers.
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Pillar 4: Replacement of Hostels with Family Units

Objective:	Key Activities
To replace hostels with family units	<ul style="list-style-type: none"> • Confirm the number of hostel (258) units in line with the IDP figures • Implement the Community Residential Units Policy by upgrading hostels units and replace them by housing units

Pillar 5: Upgrade Inadequate Structures to Adequate Housing

Objective:	Key Activities
To upgrade inadequate structures to adequate housing.	<ul style="list-style-type: none"> • Confirm the spatial location of the 11 238 inadequate structures • Upgrade the inadequate structures into adequate housing structures.

Pillar 6: Promoting Development of Affordable Housing and High Income Housing

Objective:	Key Activities
To promote secondary residential property market and upward mobility in the housing ladder	<ul style="list-style-type: none"> • Facilitate development of new housing stock catering for affordable and high income housing markets • Improve turnaround in dealing with re-zoning needs and approval processes for private sector driven housing developments • Promote the Municipality to professionals to locate in the Municipality using quality housing developments as a key lever

Pillar 7: Lack of understanding of the Housing policy & programmes

Objective:	Key Activities
To ensure that the community understands all housing related matters and available housing options	<ul style="list-style-type: none"> • Implement Housing Consumer Education throughout the Municipality • Partner with the Province and private sector players in ensuring that housing consumer education is comprehensive in order to cater for all housing consumer needs

Pillar 8: Contractor Development & Job Creation

Objective:	Key Activities
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To promote SMME development and local economic by supporting development of emerging contractors and promotion of local employment in housing projects	<ul style="list-style-type: none"> Facilitate training programme for local emerging contractors in order to support their participation in developing quality houses and sustainability—thereby contributing to local economic development Encourage employment of local labour in housing projects as a mechanism to address local unemployment and promote local economic development
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Pillar 9: Housing Staff Retention

Objective:	Key Activities
To promote housing unit staff retention through the development of a retention strategy with a related incentive programme	<ul style="list-style-type: none"> Develop the housing unit staff retention strategy and align with the housing line function Facilitate the implementation of the incentive programme to retain housing staff so as to ensure sustainable housing delivery.

12.3. FORMULATION OF HOUSING PROJECTS

The analysis phase largely informs the type of projects that are needed to address housing backlog in the Municipality's area of jurisdiction. Analysis phase concludes with a highlight of key housing priority issues, which must inform projects that are critical in addressing the housing needs of the citizens of this Municipality.

The income levels of the individuals in this Municipality points to the fact that the majority of the population qualify for the government subsidy housing. Accordingly, government subsidy instruments largely feature in conceptualising housing delivery projects in this Municipality.

The Municipality has limited suitable own land that can be used for housing development projects especially upgrading of informal settlements. Under these circumstances, housing delivery to remove informal settlements for the Municipality has to be prioritised.

The Municipality has a sizeable number of emerging contractors who need to be assisted in building their capacity to deliver housing projects. It is to the Municipality's benefit to conceive and implement project intended to build capacity of these emerging contractors.

Although there are limited opportunities for the residents to afford privately owned land, some individuals who are emerging from the indigence status as a benefit of being employed should be encouraged to fund housing themselves through other mechanisms such as private investors.

Another key consideration is to consider prioritising the vulnerable groups in the housing delivery projects and these groups include groups such as the women, youth, disabled and the aged headed households, and the HIV/AIDS affected and infected households.

Housing Projects

The list that follows below is a compilation of a number of projects that the municipality will need to facilitate their implementation as a means of elevating the importance of the housing sector in general and reducing the housing backlog in particular.

The household backlog according to the IDP is 18 207. The houses delivered from 1995 to date is 3 116 based on the information from the IDP and the one in the Housing Department of the Municipality. Therefore the remaining backlog is 15 091. Houses planned for 2008/2009 is 3 374. In order to achieve the objective of Sustainable Integrated Human Settlements, community facilities have to be considered. The facilities have to be extended in some instances so as to cater for the increased number of population/ households.

Proposed Housing Projects: A Five Year Plan

Descr	No. of Units	2008/9	2009/2010	2010/2011	2011/2012	2012/2013	Total
Sakhile Ext. 1	224	Undertake Geo-Tech, Conduct EIA	56	56	56	56	224
Sakhile Ext 2	600	Undertake Geo-Tech, Conduct EIA	150	150	150	150	600
Sakhile Ext 3	235	Undertake Geo-Tech, Conduct EIA	59	58	58	60	235
Sakhile Ext 4 (known as Roolkoppen)	3276	Undertake Geo-Tech, Conduct EIA	819	819	819	819	3 276
Sakhile Ext. 5 (TLC)	179	Undertake Geo-Tech, Conduct EIA	44	44	44	47	179
Standerton Ext 6	1800	Undertake Geo-Tech, Conduct EIA	450	450	450	450	1 800
Azalea Ext 1 (H-Camp & Mahala Park)	454	Undertake Geo-Tech, Conduct EIA	113	113	114	114	454
Sakhile Ext 4	282	Undertake Geo-Tech, Conduct EIA	70	70	71	71	282
Sivukile	910	165	275	75	250	145	910
H-camp	189	Undertake Geo-Tech, Conduct EIA	47	47	47	48	189
TLC Camp	684	Undertake Geo-Tech, Conduct EIA	153	143	143	245	684
Sakhile Hostel Redevelopment (Ward 4)	258	51	51	51	51	54	258
Ward 4	228	45	45	45	45	48	228
Ward 5	60	12	12	12	12	12	60
Ward 6	180	Confirm the inadequate structures	45	45	45	45	180
Ward 6	1200	240	240	240	240	240	1200
Ward 7	301	60	60	60	60	61	301
Ward 12	500	100	100	100	100	100	500
Ward 14	692	91	100	100	200	201	692
Rural Housing	2 840	568	568	568	568	568	2 840
TOTAL	1 332	3 457	3 246	3 523	3 534	15 092	

Source: Factual Status Report on Mushrooming of Unplanned Informal Settlements, Dept of Housing and Lekwa Municipality

Estimated Housing Budget

Mpumalanga Department of Housing has committed the budget for Lekwa Municipality in the 2008/2009 implementation plan. The total budget committed is R76, 604, 579 and the number of units to be constructed is 3 374.

Projections for Housing Delivery per Annum in Relation to Budget

Year(s) of Delivery	Estimated No of Backlogs	Estimated Minimum Budget @ R54 640/Unit
2008-2009	1 332	72 780 480.00
2009- 2010	3 457	188 890 480.00
2010-2011	3 246	177 361 440.00
2011-2012	3 523	192 496 720.00
2012-2013	3 534	193 097 760.00
TOTAL	15 092	824 626 880.00

It is estimated that an amount of R824 626 880.00 is required to eradicate the housing backlogs in Lekwa Municipality. A unit cost is estimated at R54 640.

All houses are to be funded from grants. There are no private sector investors for now except that it is anticipated that the economic development that should be facilitated in the municipality should be able to uplift people so that in future they should be able to afford housing for on their own.

The estimations above exclude budget estimations for other social amenities which would ensure that the integrated sustainable settlements are achieved. The funding for these facilities will be derived from the National and Provincial Treasury on Neighbourhood grant, Departments of Education, Health and Public Works

13.CHAPTER 13: SECTOR PLANS OF THE MUNICIPALITY

The following are some of the significant sector plans or programmes that are available in the Municipality in order to ensure the effectiveness and efficient implementation of the IDP.

13.1. LAND-USE MANAGEMENT SYSTEM (To be developed for Council adoption)

The objective of this plan is to formulate, develop and implement appropriate planning instruments to effectively guide and control land use and development, which will protect and enhance property ownership and value, and which will establish a balanced living environment.

The LUMS is a single and flexible system used to manage land within a municipal area. Land Use Management is a combination of all the tools and mechanisms used by a municipality to manage the way land is used and developed. These tools include inter alia: land use schemes; by-laws; licensing; rates and general property information. Municipalities are required to undertake land use planning in terms of the Municipal Systems Act No. 32 of 2000. A Land Use Management System is aimed at co-ordinating all land uses and their relationship to each other - ensuring certainty, order and compatibility of land uses - in order to:

- Create safe, healthy and liveable environments through appropriate design standard; promoting sustainable development and resource protection (e.g. protection of land assets);
- Promote viable services provision.
- There are several steps necessary to produce a LUMS:
- The translation of the existing TPS(s) zones into LUMS terminology.
- The introduction of appropriate new zones facilitated by the LUMS system (e.g. a series of mixed use and interface/buffer zones).
- The translation of the land use areas implicit in the General Plans of areas currently not in a TPS into LUMS terms.
- The extension of the LUMS into areas without any other form of control using the existing zones available or introducing new/additional zones (e.g. traditional settlement areas, agriculture, etc.).

13.2. WATER SERVICE DEVELOPMENT PLAN (Outdated need to be reviewed)

This is a business plan which sets out the way in which the water services authority plans and delivers water services to individuals and businesses in its area of jurisdiction. It should be done as part of the IDP process and the summary of the housing planning undertaken becomes a chapter in the IDP. Therefore it is not a comprehensive, stand-alone plan resulting from a separate planning process.

With the publication of the Water Services Act 108 of 1997, all water services authorities are required to prepare a Water Services Development Plan (WSDP). This is a business plan which sets out the way in which the water services authority plans and delivers water services to individuals and businesses in its area of jurisdiction

It must also describe the current and future consumer profile, the type of services that are provided, the infrastructure requirements, a water balance, organizational and financial arrangements to be used, an assessment of the viability of the approach, and an overview of environmental issues.

Following these analyses, important issues that may impact on the provision of effective and sustainable water and sanitation services need to be identified and strategies must be formulated to improve service provision.

13.3. INTEGRATED HUMAN SETTLEMENT CHAPTER PLAN (Outdated need to be reviewed)

The Housing Sector Plan/ Housing Chapter are a summary of the housing planning undertaken by a municipality and should be used together with the IDP. The Housing Chapter is a 5 year plan which is reviewed annually. It should be done as part of the IDP process and the summary of the housing planning undertaken becomes a chapter in the IDP. Therefore it is not a comprehensive, stand-alone plan resulting from a separate planning process. The Housing Sector Plan/ Housing Chapter, and its contents, in the context of sustainable human settlements, would consist of:

- An analysis of the housing demand;
- A strategy for the supply of housing;
- A set of designed and prioritized housing projects;
- The integration of the housing strategies and projects with the other sectors to achieve sustainable human settlements; and
- An adopted IDP with a Housing Chapter.

The main purposes of the Housing Sector Plan are:

- To ensure the effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
- To provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.
- To ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.
- To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground.
- To ensure that there is a definite housing focus for the IDP.
- To provide a critical link between integrated developments planning and the practical reality of delivering housing projects on the ground.
- To ensure effective subsidy budgeting and cash flows both at the local municipal and provincial levels.

The main expected outputs from the Housing Sector Plan are:

- A priority implementation list of the relevant housing projects in the municipal area.
- Preliminary assessment of the technical and social feasibility of all projects in the municipal area.
- Confirmation of IDP linkages for all prioritized projects.
- Coordination of MIG and other funding for projects.
- Confirmation of stakeholder involvement in the development process.
- Cash flows and broad project programmes.
- Transfer of skills to Local Municipalities.

In the case of Lekwa the Housing Sector Plan should include a Rural Housing Strategy. The general aim of the strategy is the eradication of rural housing backlog and the enhancement of the quality of housing. The strategy should address the following:

- Lack of reliable data on the nature and extent of the housing backlog.
- Identification of need of rural communities.
- The need to create new or adjust existing subsidy mechanisms to accommodate the challenges of farm worker accommodation.
- Identification of well-located and suitable land for housing development.
- The provision of basic services could prove a challenge if houses are to be built on private property.

- The ability of farm workers and occupiers to sustain the cost of housing and associated rates and service charges that will arise in most off-farm settlement options.
- Identification of different housing typologies.
- The capacity of the municipality, within rural contexts, to manage planning of service provision.
- The strategy will contribute to poverty alleviation, infrastructure development, job creation and the absence of basic services.

In the case of Lekwa a Compaction and Densification Strategy should be developed for Standerton and Sakhile. It should deal with new densities, mixed use nodal forming, infill development and redevelopment of lower density areas. The strategy's more specific objective is to:

- Ensure optimal and efficient use of infrastructure, services, facilities and land.
- Support the development of a viable public transport system and improve levels of access, especially by the poor, to the City's resources and amenities.
- Provide a framework and guidelines for the assessment of development proposals that promote densification.
- Provide homeowners and property investors with certainty regarding the areas that will be targeted for various types of densification.
- Protect, manage and enhance the natural and built environment and significant cultural landscapes.
- Ensure that the scale and character (in terms of bulk, height, and architectural styling if necessary) of the higher density areas is appropriate to the immediate context.
- Support the development of mixed land uses providing for vitality, opportunities and integrated living environments.
- Contribute to place-making and the development of attractive and safe urban environments

13.4. LOCAL ECONOMIC DEVELOPMENT AND TOURISM STRATEGY (Outdated need to be reviewed)

The Lekwa LED and Tourism Strategy focus on aspects such as the branding and image of the Municipality (and the urban settlements), it's economic (re)positioning in terms of the global economy, tourism and all aspects related to the urban space economy. The main focus of the LED should be on the following:

The main focus of the LED and Tourism is on the on the following aspect as envisaged in the SDF:

- Promote and support sustainability of existing businesses.
- Promote small and micro sized rural enterprises.
- Tourism growth and promotion: conferencing, casino, motels game farms, natural sites etc.
- Creation of job opportunities.
- Industries to support SMME activities.
- Improve skills development.
- Increase the revenue potential of the Municipality.
- Develop the business potential of the area.
- Establish the municipality as one of preference for national and international visitors.

Examples of LED initiatives are:

- Supporting micro enterprises;
- Supporting small business development;
- Providing skill training;

- Encouraging domestic or foreign investment by providing infrastructure like roads or the reduction of crime;
- Providing municipal services such as transport, education or regulations which support local economic development.

There is no single solution to LED that will work in every local area. Each local area has a unique set of opportunities and problems, and must develop an approach to LED that is specific to that area. For example, some local areas have physical features (such as a beautiful coastline, or a harbour like Durban) that can be used to help economic development through tourism or as a freight distribution hub. Other local areas may draw on different resources for LED, such as the presence of coal and gold, infrastructure like mines, or a well-educated and skilled workforce.

In the case of Lekwa LM, it has the following strengths to build on in order to achieve local economic development and these are the priority areas that should be addressed:

- Tourism: Natural features such as the Vaal River and Grootdraai Dam.
- Local Businesses and industries: Standerton which has a strong business sector and is home to a number of industries.
- Mining and Power stations: New Denmark Colliery and Tutuka Power Station as well as its locality within coal fields and proximity to industrial hubs such as the TEKS area.

As part of the LED the following strategies should be drafted.

Mining and Industry Framework: This framework would be vital to assist the municipality in future planning as it will give an indication whether these industries could contribute towards development of the municipality. What is lacking at this stage is information pertaining to the growth and development of mining sectors, specifically mining exploration data. The framework should ideally address the following:

- Current and future plans of mines in and around Lekwa LM.
- Mining exploration data.
- Opportunities of the petrochemical industries, wood processing and the development of industry specific development nodes.
- Explore and facilitate the beneficiation of down streaming of products within the petro chemical mining, agriculture and mining, and forestry industries.
- Agricultural Development and Management Strategy: This strategy should deal with the future development and management of the various agricultural sectors, the related Agro-economies and downstream products as well as commercial farming.

13.5. INFRASTRUCTURE INVESTMENT PLAN (To be developed for Council adoption)

The Municipal Infrastructure Investment Plan sets out a basis whereby Municipalities can plan programme and budget for meeting the infrastructure service needs in their areas. The Infrastructure Investment Plan seeks to provide a strategic direction in ensuring provision of sound, safe, environmentally friendly and sustainable infrastructure services to all residents. It also outlines the infrastructure investment plan for the next five years and the resources required meeting the plan objectives and National or Provincial policy guidelines.

The plan covers the maintenance, upgrading, refurbishment and provision of new electricity, water, sanitation, housing, buildings and road infrastructure within the Municipality's area of jurisdiction. This plan will assist the Municipality to:

- Determine the extent of infrastructure to be provided,

- Determine the capital expenditure required to provide this infrastructure,
- Methods of financing the capital expenditure,
- Determining the operational expenditure to operate and maintain the service delivery,
- Methods of raising revenue to cover the operating expenditure, and
- Develop monitoring and management systems.

13.6. INTEGRATED TRANSPORT PLAN (To be developed for Council adoption)

An ITP serves as a guide for transportation planning. It sets out a collaborative, consistent and sustainable approach to transport planning.

13.7. PERFORMANCE MANAGEMENT PLAN (Need to be reviewed)

The Municipal System Act (2000) requires municipalities to develop a performance management system that is commensurate with its resources. The development and implementation of a performance management framework has the following benefits:

- Inform executive decision making processes;
- provide an early warning signal of problematic areas where the municipality is likely to under-perform; and
- Create a culture of organizational performance measurement.

An organization's strategic plan is its foundation, and it is the foundation for an effective performance measurement system. The Municipality will take into consideration the need to continuously ensure the alignment of its performance management system with its IDP. This will be realized by always ensuring that whenever the IDP is reviewed, the performance targets and performance indicators of the revised programmes and projects also reviewed to cover new changes.

13.8. SOCIAL NEEDS ASSESSMENT PLAN (To be developed for Council adoption)

A separate needs assessments should be done for:

- Education
- Health
- Sport, recreation and culture

It should include development of a plan and implementation to establish detailed status quo of all infrastructure, including mapping and establishing of current infrastructure.

Through the needs assessment, a clearer picture of the current situation, as well as existing gaps, can be obtained, which in turn will simplify the process of evaluation, planning and implementation of programmes and projects.

13.9. OPEN SPACE PLAN (To be developed for Council adoption)

The aim of an Open Space Plan is to establish a thorough understanding on the intrinsic value of Open Space and to then develop a visionary roadmap towards the creation of an exceptional Open Space network for the city and its people.

The objectives for such a framework are:

- To create a detailed data and information base on all Open Spaces within the municipal area, including conservation areas and strategically important Open Space resources;

- To establish the status of the open space resources as a vital and valuable physical and economic resource within the municipal area;
- To develop an Open Space network based on a defined vision, goals, principles, typologies and categories on municipal and regional scale;
- To develop Principles and Policy Statements as a basis for consistent and integrated decision making by the local authority regarding issues affecting Open Space resources;
- To provide Principles and Policy Statements as a basis for informing all scales of land use and infrastructure planning and development;
- To provide an Institutional and Management Framework to ensure the effective and collaborative planning, implementation and administration of the Open Space network;
- To inform the acquisition and disposal of Open Space; and
- To provide a Framework within which development activities within the city comply with the National Environmental Management Amendment Act, 2004 (Act 8 of 2004).

13.10. URBAN EDGE POLICY (To be developed for Council adoption)

The delineation of an urban edge in order to:

- Control sprawl.
- Direct development in appropriate areas and
- Assist in countering the outward pressure for urban expansion.

This policy should also contain guidelines for the development inside and outside the urban edge.

13.11. ENCROACHMENT ON PROPERTY POLICY (In draft form)

Lekwa Local Municipality hereby, in terms of Section 13(a) of the Local government: Municipal Systems Act, 2000 (Act No 32 of 2000), publishes the Encroachment on Property By-laws for the Lekwa Local Municipality, as approved by its Council, as set out hereunder. The content of this policy entail the following components;

- Council permission required
- Rules for the construction of projections
- Columns
- Balconies and bay windows
- Plinths, pilasters, corbels and cornices
- Verandas around corners
- Pavement openings
- Maintenance, removal and tenancy of projections
- Paving of footways or pavements under or in front of encroachment
- Projections
- Offences and penalties
- Repeal of by-laws
- Short title

13.12. INVESTMENT AND INCENTIVES STRATEGY (In draft form)

The aim of the Lekwa Investment promotion and incentive policy is to provide a framework for the uniform development of incentives in Lekwa Municipality that will assist to:

- Attract major national and international investors to Lekwa.
- Retain and boost existing investment in Lekwa.
- Support investment into projects identified in the IDP and the Lekwa SDF

An **investment** can be defined as “the warehousing of capital or assets in the open market for a defined period with the intention of declaring a yield at the end of the defined period.” (Gildenhuys,1997).In the complex world of risk, change, and different tax regimes, investment managers tend to rely more on the “satisfying behaviour” than the systematic evaluation of investment outcomes, when it comes to a decision to invest. The open market system comprises mainly the Western hemisphere countries and Asia where the amount of capital inflows in these economic hubs determines the size and profitability of investments made. The rate of these capital flows is used as an indicator of confidence to invest. It is therefore not surprising that the dominant markets are found in Europe, United States and Asia as compared to the developing economies, of which South Africa is one. This phenomenon explains the importance of direct foreign investment for any developing economy.

An **incentive** can be defined as:

- Stimulus
- Motivating influence
- Serving to incite to action
- Something that arouses to effort or action
- In economics, additional payment offered to workers to boost production

In order for the policy to function in a proper manner the following principles are underlying the policy

Affordability

The introduction of an incentive should not create a cost to the municipality and the income forgone should not have a severe effect on the revenue stream of the municipality.

Transparency and Uniformity

The granting of an investment incentive will be done according to a set of predetermined criteria and information on the actual granted incentive will be open for public knowledge.

Targeted sectors

The investment incentive will only be applicable in specific areas, i.e. areas identified for incentivised economic growth in the IDP.

Simplicity and continuity

The structure and administration of the investment incentive have to be easily understandable and should not require a complex administration so as to minimise staff and financial impacts. This will ensure quick turnaround times for applications (urgency and speed is essential to attract and retain investment).

Co-operative governance

The incentive is intentionally modest so as to avoid an incentive and relocation war with other investment locations in South Africa.

Continuous Review

The investment incentive policy will be regularly reviewed to ensure relevance and effectiveness.

Investors are interested to invest in a framework that respects **economic fundamentals**. The city or country that satisfies the considerations of profitability will influence the “satisficing behaviour” of the investor. The Municipality must ensure that the following economic fundamentals are in place or are being improved in order to position itself as a possible investment destination:

- Trade and investment regime
- Good infrastructure
- Clear property rights
- Political stability
- Mature financial system
- Macroeconomic stability
- Skilled workforce

Municipal regions are competing for international investment in their areas. Some have travelled the extra mile to introduce incentives and cities must first ensure that they have competitive economies before deciding on introducing incentives. The Municipality's focus will be on putting the economic fundamentals in place.

13.13. DISASTER MANAGEMENT PLAN (Outdated need to be reviewed)

The purpose of a Disaster Management Plan is to enhance the capacity of the municipality to prevent and to deal with disasters and to avoid developments, which are subject to high risk of disasters. Disaster Management Framework, Plan and Centre are interrelated. The scope of disaster management as required by the Act broadly entails three domains as outlined hereunder: -

Disaster Planning

- Hazard identification
- Risk and Vulnerability assessment
- Prevention, mitigation, preparedness strategies
- Contingency planning
- The monitoring and evaluation of disaster planning Key Performance Indicators.

Disaster Preparedness and Response

- Monitoring of threats
- Activating contingency plans
- Informing National & Provincial centre
- Deploying response resources to the scene of incident
- Managing the resources
- Monitoring of disaster intervention activities
- Declaring of a "State of Disaster"

Disaster Recovery

- Planning for the recovery
- Disaster recovery activities
- Monitoring of disaster recovery activities
- Documentation of disaster occurrences and actions taken
- Post-mortem analysis to improve systems, plans and methodologies

Because the local municipality is not the responsible agency for disaster management, but form an integral part of disaster management within the district, a disaster management plan is produced. This plan addresses only the local municipal area of jurisdiction and will be aligned with the Disaster Management Plan of the Gert Sibande District and Mpumalanga Provincial Centre, once it is published.

13.14. INTEGRATED ENVIRONMENTAL MANAGEMENT PLAN (Shared service at GSDM)

An EMP is a document created by Gert Sibande District Municipality to provide a framework for dealing with the pollution risks associated with the local municipal activities. In many cases, it simply formalizes practices already undertaken on projects sites by municipalities.

Integrated Environmental Management (IEM) is designed to ensure that the environmental consequences of development proposals are understood and adequately considered in the planning process. The term environmental is used in its broad sense, encompassing biophysical and socio-economic components.

The purpose of the IEM is to resolve or mitigate any negative impacts and to enhance positive aspects of development proposals.

The **definition** of IEM according to the Department of Environmental Affairs and Tourism, (1998) is: A philosophy which prescribes a code of practice for ensuring that environmental considerations are fully integrated into all stages of the development process in order to achieve a desirable balance between conservation and development.

The **vision** for IEM, according to the Department of Environmental Affairs and Tourism, (1998), is to lay the foundation for environmentally sustainable development based on integrated and holistic environmental management practices and processes.

Gert Sibande District's IEM include the following basic principles of IEM

The basic principles underpinning IEM are that there be:

- informed decision-making;
- accountability for information on which decisions are taken;
- accountability for decisions taken;
- a broad meaning given to the term *environment* (i.e. one that includes physical, biological, social, economic, cultural, historical and political components); GSDM Integrated Environmental Plan
- an open, participatory approach in the planning of proposals;
- consultation with interested and affected parties;
- due consideration of alternative options;
- an attempt to mitigate negative impacts and enhance positive aspects of proposals;
- an attempt to ensure that the 'social costs' of development proposals (those borne by society, rather than the developers) be outweighed by the 'social benefits' (benefits to society as a result of the actions of the developers);
- democratic regard for individual rights and obligations;
- compliance with these principles during all stages of the planning, implementation and decommissioning of proposals (i.e. from "cradle to grave"), and
- The opportunity for public and specialist input in the decision-making process. (Department of Environmental Affairs, 1992).
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13.15. PAVEMENT MANAGEMENT SYSTEM (Outdated need to be reviewed)

The Pavement Management System is a subset of the Road Infrastructure Management System. The use of a Pavement Management System is generally accepted as being essential for determining the maintenance needs of road networks in a scientific manner. Implemented in a sequence of phases, it first identifies maintenance projects from a visual assessment of the pavement condition within the

road network. It then determines the most economical alternative maintenance treatment. A Pavement Management System enables road authorities to establish their budget requirements objectively, as well as maintaining control over the pavement performance.

The system deals with the first phase: visual assessment of the pavements in the network. Maintenance projects are given in order of priority that places special emphasis on the advantages of preventative maintenance. Possible project types range from routine maintenance (e.g. patching), special maintenance including various forms of surface treatment, through to heavy rehabilitation (e.g. heavy overlays and reconstruction). The system, inter alia, provides answers to the following questions:

- What is the present condition of the pavements from a surfacing, structural and functional point of view?
- Which sections should be scheduled as rehabilitation projects in a 2 to 5 year program?
- Which sections should be resurfaced this year and the next in order to forestall incipient structural deterioration?
- What type of maintenance will be most cost effective in each case?
- What funds are required to carry out the suggested maintenance program, so as to bring the network to an acceptable level of service and to alleviate unnecessarily expensive maintenance in the future

13.16. STORM-WATER MANAGEMENT SYSTEM (Outdated need to be reviewed)

The objectives of this study are:

- Define existing system and status quo.
- To identify, analyse and quantify identified storm water problems in the areas of Lekwa Municipality
- To give preliminary remedial measures and cost calculations for identified problems.
- To give guidelines regarding storm water drainage through developing areas within the identified areas.

The Lekwa Municipality appointed Africon Engineering to compile a hydrological model for the Lekwa area with specific mention of Morgenzon, Sakhile Ext:4 and Standerton Ext: 6 & 7 to provide storm water infrastructure where flooding may occur.

The scope of works is based on the proposal document which must be read in conjunction with this report. The scope included the following:

- Data collection by means of on-site inspection of the existing system.
- To compile a master plan for the Morgenzon, Sakhile Ext:4 and Standerton Ext: 6 & 7 area.
- To identify problem areas.
- To provide preliminary remedial measures
- To quantify the solutions by means of a basic cost estimate.

All cadastral information was received from the Lekwa Local Municipality in AutoCAD format in .dwg format. No as-built information was provided by LLM. As-built information was obtained by on-site verification of Morgenzon, Sakhile Ext:4 and Standerton Ext: 6 & 7 existing system. No information is available for Sakhile as the area is considered as being newly developed with no infrastructure in place.

Development of new infrastructure should be according to the standards set out in this report. It is suggested that the proposed storm water layouts, as proposed in this study, be followed. All

drainage structures, including streets, should be designed to accommodate the run-off for 2-year and 20-year storm events as used in these models.

13.17. COMPREHENSIVE INFRASTRUCTURE INVESTMENT PLAN (To be developed for Council adoption)

This plan serves to clarify the approach to be followed in assessing the infrastructure investment needs for this municipality. The following applies:

- The sheets for demography and housing have been completed
- The sheets for water have been completed
- The sheets for sanitation will be finalized in exactly the same basis as for water
- Summative roads requirements will be included as it is included in the MTEF
- Summative institutional capacity details will be collected per municipality - details will be submitted at the workshop
- Summary budget data have been proposed - this will be summarized once discussed with NT
- A list of MIG projects will be compiled on the basis of the project lists per discipline

14. CHAPTER 14: LEKWA CAPITAL PROGRAMMES AND PROJECTS AS PER SECTOR

14.1. MIG FUNDED PROJECTS

14.2. GSDM FUNDED PROJECTS

14.3. DEPARTMENT OF COMMUNITY SAFETY, SECURITY AND LIAISON FUNDED PROJECTS

14.4. DEPARTMENT OF SOCIAL DEVELOPMENT FUNDED PROJECTS

14.5. DEPARTMENT OF HEALTH FUNDED PROJECTS

14.6. LEKWA SDF PROPOSED PROJECTS

14.7. SUSTAINABLE INTEGRATED HUMAN SETTLEMENT PROJECTS FUNDED PROJECTS

PROJECT CODE	PROJECT DESCR	WARD	2014/2015 BUDGET	2015/2016 BUDGET	2016/2017	TOTAL
MIG/001	Upgrade of Standerton Water Treatment Works	10	10 000 000.00	8 000 000.00	9 370 150.00	27 370 150
MIG/002	Standerton Waste Water Treatment Works Upgrade	10	15 794 300.00	12 000 000.00	12 000 000.00	39 794 300
MIG/003	Replacement of AC pipes with PVC Pipes	All urban wards	5 000 000.00	4 000 000.00	4 000 000.00	13 000 000
MIG/004	Installation of Boreholes in Rural Areas	9,12,13 & 14	1 500 000.00		1 500 000.00	4 500 000
MIG/005	Installation of VIPs in Rural areas	9,12,13 & 14	1 190 000.00			1 190 000
MIG/006	Installation of VIPs in Rural areas	9,12,13 & 14		1 306 150.00	1 000 000.00	2 306 150
MIG/007	Project Management Unit		1 699 700.00	1 410 850.00	1 466 850.00	4 577 400
TOTALS						
GERT SIBANDE DISTRICT MUNICIPALITY						

GSDM/001	Rising main between WTW & Old Standerdskop Reservoir - Ph 2	Standerton/Sakhile	1 000 000			
GSDM/001	Construction of 10 ML Reservoir	Standerdskop				
GSDM/002	Refurbishment of Bulk Infrastructure	Eersgevonden, Thuthuka, Alfa, Racebult, Morgenzon	500 000			
GSDM/003	Regional Bulk Infrastructure	Standerton, Sakhile, Meyerville, Standerdskop				
GSDM/004	Operations & Maintenance Support	All Wards	1 000 000	4 000 000		
GSDM/005	Water Quality Testing - Blue & Green Drop	All Wards	300 000	450 000		
GSDM/006	Sanitation (VIPs)	All Wards	1 000 000	2 500 000		
GSDM/007	New Boreholes	All Wards	1 000 000	1 500 000		
GSDM/008	Replacement of Sewer Pipes	Sakhile				
TOTALS			4 800 000	8 450 000		
GSDM/001	Replacement and Upgrading of Ageing Bulk Electricity Infrastructure	Various	4 500 000.00			
DEPARTMENT OF COMMUNITY SAFETY, SECURITY AND LIAISON						

DCSSL/001	Civilian Oversight (To Monitor and evaluate police stations)	All police station in the province				
DCSSL/002	Best performing police stations and components		600 000			
DCSSL/003	Social crime awareness campaigns	Selected locations with a high prevalence of crime	1 ,800 000			
DCSSL/004	Integrated crime prevention programmes	Identified areas with a high prevalence of crime	6 ,000 000			
DCSSL/005	Resourcing of CPFS	12 CPFs (4 per region)	600 000			
DCSSL/006	TSMs (Tourism Safety Monitors)	Lekwa LM	13 ,122 537			
TOTALS						
DEPARTMENT OF SOCIAL DEVELOPMENT						
SD/001	Substance Abuse Prevention, Treatment and Rehabilitation	All LM's in GSDM	3 612 000			
SD/002	Care and service to older persons	All LM's in GSDM	11 873 064			
SD/003	Crime prevention and support	All LM's in GSDM	1 468 646			

SD/004	Service to persons with disabilities	All LM's in GSDM	6 573 236			
SD/005	Child care and protection services: ECD	All LM's in GSDM	43 018 160			
SD/006	Care and protection of the rights of children.	All LM's in GSDM	11 571 213			
SD/007	Victim empowerment programme	All LM's in GSDM	623 000			
SD/008	HIV AND AIDS	All LM's in GSDM	7 332 350			
SD/009	Promoting functional families and to prevent vulnerability in families.	All LM's in GSDM	594 730			
SD/0010	Promoting social inclusion of youth, youth empowerment and development.	All LM's in GSDM	5 835 200			
DEPARTMENT OF HEALTH						
DH/000	STANDERTON HOSPITAL: Completion of new structure	Ward 10	9,826			
LEKWA SDF PROPOSED PROJECTS						
SDF/001	Integrated Transport Plan	All wards	R300 000			
SDF/002	Land Use Management System	All wards	R1 200 000			

SDF/003	Local Economic Development Strategy	All wards	R300 000			
SDF/004	Infrastructure Investment Plan	All wards	R300 000			
SDF/005	Social Needs Assessment	All wards	R300 000			
SDF/006	Local Open Space Plan	Ward 1,2,3,4,5,6,7,8,10,11	R350 000			
SDF/007	Development of Precinct Plans: CBD and Beyers Naudé Drive. Sport and Recreation Precinct. Station Area. Nelson Mandela Drive in Meyerville Sakhile Hostels. Sport Stadium and Sakhile Taxi Rank precinct.	Ward 1,2,3,4,5,6,7,8,10,11	R250 000 (per Precinct Plan)			
SDF/008	Morgenzon Regeneration Strategy	Ward 14	R1 200 000			
SDF/009	Preliminary investigation of PTN 12 of the farm	Ward 14	R1 200 000			

	Morgenzon 466 IS as a proposed locality for a “pilot project” to establish an Urban Agricultural Residential Settlement.					
SDF/0010	Contravention of Town Planning Scheme	All Wards	R150 000			
SDF/0011	Investigation of a regional cemetery.	Ward 1,2,3,4,5,6,7,8,11				
SDF/0012	Urban Edge Policy	All Wards	R150 000			
SUSTAINABLE INTEGRATED HUMAN SETTLEMENT PROJECTS						
SHS/001	Development of Standerton Extension 8 which consists of 3 761 erven of various typologies, an estimated amount of R300 million is required to the full development of services which include the following township infrastructure:	Ward 9	R1,2 Billion			

	<p>Bulk services (water, sewer and electricity);</p> <p>Internal reticulation services (water, sewer and electricity) ;</p> <p>Roads and storm-water infrastructure; and</p> <p>Bus routes</p>					
SHS/002	Construction of 230 Government subsidized low cost houses in various wards	Various wards in Sakhile and Sivukile	R14 873 180			
SHS/003	Implementation of National support Programme on all informal settlements within the jurisdiction of Lekwa	Ward 1	R87 000 000 to be shared among 45 municipalities			
SHS/004	Construction of 500 Government subsidized low cost houses and installation of services at Standerton X8	Ward 9	R58 000 000			

SHS/005	Development of a Agri-village Sakhile Ext 4 purchasing of the reminder of Rooikoppen farm 408 IS	Ward 11				
LEKWA THREE YEAR CAPITAL PLAN						
LLM 001	Develop Electricity Master Plan	All				500 000.00
LLM 002	Develop Waste Water Risk Abatement Plan	All				500 000.00
LLM 003	Review of the Water Services Development Plan	All				500 000.00
LLM 004	Review of The Storm Water Master Plan	All				500 000.00
LLM 005	Review of the Pavement Management System.	All				500 000.00
LLM 006	Installation of telemetry system.	All				500 000.00

LLM 007	Upgrading of Morgenzon Bulk Water Infrastructures					13 000 000.00
TOTALS						416 000 000.00
Anglo-American CSI Recommended Projects Costing 2014 - 2018						
ANGLO/001	1. Waste Management Services 4 x Gravity Compactor Refuse Vehicles 4 x Rear Load Compactor Vehicles 1 x landfill site compactor unit 4 x Tipper Trucks 2 x Front – End Loaders 1 x Personnel Bus	All Wards	Estimated @R16,954,636 ATC Provision @R4,574,413 - 2 x Gravity CRV - 2 x Rear LCV Completion @R5,374,413			

ANGLO/002	Storm Water Drain System	Ward 8 (Extension 5 development)	Estimated @R2,000,000 ATC-Provision @ R1,000,000			
ANGLO/003	Maths & Science Investment Smart Boards for 9 schools Training of educators	Ward 12,1,2,3,4,5,6,9,7 and 15 Thuthukani, Sakhile, Azalea, Stanwest, Town	R2,902,991			
ANGLO/004	Vegetables & Hydroponics Farming 20 Tunnels 10 x 10.5 x 30m 8 x 4 Production Facility Pack House Office 49 new full time jobs	Ward 1,2,3,4,5,6,9,7 and 15	R9,162,438			
ANGLO/005	HIV/AIDS	All Wards	R500,000			

ANGLO/006	Trucks – Stop Control of heavy duty vehicles Fund raising for road repairs Fight against HIV/AIDS	Ward 10 CBD	R5,213,404			
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