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Table of Contents

Table of Contents.....	2
Foreword.....	7
Foreword by the Executive Mayor: Cllr L.L. Masina.....	7
Foreword by the Municipal Manager: Mr M.F. Mahlangu	8
1. Introduction.....	10
1.1 Background.....	10
1.2 Legal Framework	10
1.3 Mandate	11
1.3.1 ANC’s 2011 Local Government Manifesto	11
1.3.2 National Government’s Outcomes-Based Approach to Delivery.....	12
1.3.3 Department of Cooperative Governance and Traditional Affairs (CoGTA).....	12
1.3.4 The New Growth Path	13
1.3.5 Mpumalanga Provincial Growth and Development Strategy (PGDS)	13
1.3.6 Gert Sibande District Municipality	14
1.4 Process Plan and Institutional Arrangements	14
1.4.1 Implementation of the IDP.....	15
1.4.2 Key Performance Areas (KPA’s).....	16
2. Situational Analysis.....	18
2.1 Introduction.....	18
2.2 KPA1: Governance and Stakeholder Participation	19
2.2.1 KFA 1: Governance structures	19
2.2.2 KFA 2: Stakeholder participation.....	19
2.2.3 KFA 3: Risk management.....	21
2.2.4 KFA 4: Policies and by-laws	21
2.2.5 KFA 5: Monitoring and evaluation.....	23
2.2.6 KFA 6: Communications (Internal and External)	23
2.3 KPA 2: Physical Infrastructure and Energy Efficiency.....	23
2.3.1 KFA 1: Energy efficiency and electricity infrastructure	24

2.3.2	KFA 2: Roads and storm water infrastructure	24
2.3.3	KFA 3: Water and sanitation infrastructure	25
2.3.4	KFA 4: Waste infrastructure	25
2.3.5	KFA 5: City entrances.....	25
2.3.6	KFA 6: Government institutions	25
2.4	KPA 3: Services and Customer Care	26
2.4.1	KFAs 1, 2 and 3: Water and sanitation; Electricity; Waste	26
2.4.2	KFA 4: Customer relations	27
2.4.3	KFA 5: Public transport	27
2.4.4	KFA 6: Branding	28
2.5	KPA 4: Economic Growth and Development.....	28
2.5.1	KFA 1: Demand classification.....	28
2.5.2	KFA 2: Growth performance and diversification	28
2.5.3	KFA 3: Job creation and wages	30
2.5.4	KFA 4: Investment promotion	31
2.5.5	KFA 5: Productivity and innovation	33
2.5.6	KFA 6: Poverty and socio-economic status	34
2.5.7	KFA 7: Education and skills development.....	34
2.5.8	KFA 8: Trade and industry	35
2.5.9	KFA 9: Stability and sustainability.....	36
2.5.10	KFA 10: Urban renewal.....	36
2.5.11	KFA 11: Rural Development.....	36
2.6	KPA 5: Safety and environment.....	37
2.6.1	KFA 1: Crime, safety and security.....	37
2.6.2	KFA 2: Environmental management framework.....	37
2.6.3	KFA 3: Disaster management	38
2.6.4	KFA 4: Emergency services	38
2.6.5	KFA 5: Traffic services.....	39
2.7	KPA 6: Social and Community development:.....	39
2.7.1	KFA 1: Sustainable human settlements.....	39
2.7.2	KFA 2: Sports and recreation.....	40
2.7.3	KFA 3: Arts and culture.....	40
2.7.4	KFA 4: Libraries and community halls	40
2.8	KPA 7: Institutional Transformation.....	41

2.8.1	KFA 1: Organisational structure.....	41
2.8.2	KFA 2: Human capital	41
2.8.3	KFA3: Programme and Project Management.....	42
2.8.4	KFA 4: Performance management	42
2.8.5	KFA 5: Technology	43
	KFA6: Processes and procedures	44
	KFA7: Facilities.....	44
	KFA8: Equip-ment.....	44
2.9	KPA 8: Financial sustainability	44
2.9.1	KFA 1: Revenue.....	44
2.9.2	KFA 2: Expenditure	46
2.9.3	KFA 3: Asset management.....	48
2.9.4	KFA 4: Funding.....	48
2.9.5	KFA 5: Supply chain management	48
2.9.6	KFA 6: Cash management.....	48
2.9.7	KFA 7: Finance policies	48
3.	5 Year Development Strategies.....	51
3.1	Introduction.....	51
3.2	Vision	51
3.3	Mission	51
3.4	Values	51
3.5	Governance Structure	52
3.6	Organisational Structure	52
3.7	Spatial Development Framework.....	53
3.8	Key Performance Areas (KPA's), Strategic Objectives and Key Focus Areas (KFAs).....	55
3.8.1	KPA 1: Governance and Stakeholder Participation	56
	KPA 1: Governance and Stakeholder Participation	57
	Strategic Objective:	57
	Policies:.....	57
	Bylaws:.....	57
3.8.2	KPA 2: Physical Infrastructure and Energy Efficiency	62
	KPA 2: Physical Infrastructure and Energy Efficiency.....	63
	Strategic Objective:	63
	Policies:.....	63

Bylaws:.....	63
3.8.3 KPA 3: Services and Customer Care.....	72
KPA 3: Services and Customer Care	73
Strategic Objective:	73
Policies:.....	73
Bylaws:.....	73
3.8.4 KPA 4: Economic Growth and Development.....	79
KPA 4: Economic Growth and Development.....	80
Strategic Objective:	80
Policies:.....	80
Bylaws:.....	80
3.8.5 KPA 5: Safety and Environment.....	85
KPA 5: Safety and Environment.....	86
Strategic Objective:	86
Policies:.....	86
Bylaws:.....	86
3.8.6 KPA 6: Social and Community Development.....	90
KPA 6: Social and Community Development.....	91
Strategic Objective:	91
Policies:.....	91
Bylaws:.....	91
3.8.7 KPA 7: Institutional Transformation	94
KPA 7: Institutional Transformation.....	95
Strategic Objective:	95
Policies:.....	95
Bylaws:.....	95
2.8.8 KPA 8: Financial Sustainability.....	100
KPA 8: Financial Sustainability.....	101
Strategic Objective:	101
Policies:.....	101
Bylaws:.....	101
4. 5 Year Financial Plan.....	104
4.1 Introduction.....	104
4.2 Key Focus Areas.....	104

4.2.1 Revenue.....	104
4.2.2 Expenditure	106
4.2.3 Cost Containment.....	108
4.2.4 Assets.....	108
4.2.5 Funding.....	109
4.2.6 Supply Chain Management	111
4.2.7 Cash Management.....	111
4.2.8 Finance Policies	112
4.3 Conclusion	112
Annexures.....	115
A: Process Plan.....	115
B: Spatial Development Framework (SDF)	115
C: Disaster Management Plan	115
D: Revenue Enhancement Plan.....	115
E: Unfunded Prioritized Projects	115
F: Economic Growth and Development Plan	115
G: List of Ward Councillors/Ward Based Issues.....	115
H: Policies.....	115
I: By-laws	115
J: Service Delivery Asset Lists.....	Error! Bookmark not defined.
K: Risk Register	Error! Bookmark not defined.

Foreword



Foreword by the Executive Mayor: Cllr L.L. Masina

We have declared 2012 as the year of aggressive implementation of the IDP document in order to accelerate service delivery to our people. This declaration is informed by the spirit of the Dawn of the New Age which means that we must do things differently in an optimal and maximal manner to intensify service delivery.

The implementation of the IDP should ensure that the lives of the people do change for the better in line with the government focus on the following fundamentals:

- Enhance and promote job creation initiatives;
- Implement the local economic development strategy of the municipality through the revitalization of CBDs, Industrial Parks, and Industrial Zones;
- Embark on a massive S’hamba Sonke (walking together) Programme which will use Labour Intensive methods of roads construction and maintenance, including a massive pothole patching programme;
- Expand Public Works and Youth Development Programme;
- Support small enterprises, co-operatives and informal sector with non-financial and financial means;
- Provide a percentage of procurement for local co-operatives;
- Ensure that the climate change strategy is in place, including promoting local energy-saving campaigns;
- Ensure that the municipality’s funded vacant posts are filled;
- Expand home, community and institutional food gardens which will be supported as a means of promoting food production, food security and enhancing sustainable livelihoods;
- Ensure that the Local Jobs summit’s resolutions are implemented to build local economies.

Working together with our communities, these fundamentals will definitely be achieved and genuine change in the lives of our people will be seen in a tangible way.

I therefore call upon everyone to roll their sleeves and ensure that the IDP document is implemented despite the gigantic challenges that we continue to grapple with on a daily basis.

Thank you

Mrs L.L.Masina



Foreword by the Municipal Manager: Mr M.F. Mahlangu

The Executive Mayor of Govan Mbeki local Municipality has coined the current political term as the DAWN of the NEW AGE; meaning that we have to do things differently henceforth.

The local government diagnostic reveals deep seated challenges; and these are also captured in the Auditor-General report. In meeting the demand for a full basket of municipal services by our communities; the municipality's administration is the key stakeholder in turning the situation around. There should be a better alignment of policies and plans; procedure manuals to be updated; and performance targets and indicators set and approved, so as to improve oversight, inter alia, monitoring, evaluation and reporting about the set service delivery priorities.

All the above are possible to achieve only if we are to employ systems thinking approaches to problem-solving; wherein all stakeholders have a helicopter view of the municipality's strategic direction going forward. "In keeping with the above on-going commitment, we have collectively demonstrated and will continue to demonstrate the political will and administrative drive to improve services for all our communities" (Cllr. L.L Masina – Inaugural Speech).

The institution will further revitalise the following towns by repackaging them as nodal points: Secunda Heavy Industry node, Bethal Tourism node, Leandra-Storage/Warehouses node, Evander academic /Training and development node

Regards

Mr. M.F Mahlangu

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Introduction

1. Introduction

1.1 Background

The Municipal Systems Act (No.32) of 2000 requires that local government structures prepare Integrated Development Plans (IDPs). The IDP serves as a tool for the facilitation and management of development within the areas of jurisdiction. In conforming to the Act's requirements, the Govan Mbeki Local Municipality (GMLM) Council has delegated the authority to the Municipal Manager to prepare the IDP.

The GMLM's commitment to developing a "Model City and Centre of Excellence" has been the focal point of the 2012/16 IDP, with a specific emphasis to translate the Municipality's strategy into action.

The aim of the new 5-Year IDP for the GMLM is to present a coherent plan to improve the quality of life for people living in the area. The intention of this IDP is to link, integrate and co-ordinate development plans for the municipality which is compatible with national, provincial and district development plans and planning requirements binding on the municipality in terms of legislation.

1.2 Legal Framework

The Constitution of the Republic of South Africa of 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 objectives of local government are set out in Section 152 of the Constitution. They 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.

In order to realise the above, the Municipal Systems Act, 2000 (MSA) was enacted. Chapter 5 of the MSA states that a municipality must undertake developmentally oriented planning, in the form of integrated development planning, to ensure that it achieves the objects of local government as set out in the Constitution. It must further give effect to its developmental duties as required by Section 153 of the Constitution.

According to Section 25 of the MSA each municipal council must, after the start of its elected term, adopt a single, inclusive and strategic plan (IDP) for the development of the municipality which links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality and which aligns the resources and capacity of the municipality with the implementation of the said plan. The IDP should form the policy framework and general basis on which annual budgets will be based and should be compatible with national and provincial development plans and planning requirements.

The Constitution further states that the three spheres of government are distinctive, inter-dependent and inter-related. They are autonomous, but exist in a unitary South Africa and have to cooperate on decision-making and must co-ordinate budgets, policies and activities, particularly for those functions that cut across the spheres.

Cooperative governance means that national, provincial and local government should work together to provide citizens with a comprehensive package of services. They have to assist and support each other, share information and coordinate their efforts. Implementation of policies and government programmes particularly require close cooperation between the three spheres of government.

A number of policies, strategies and development indicators have been developed in line with the prescriptions of legislation to ensure that all government activities are aimed at meeting the developmental needs expressed at the local government level.

Section 1.3 outline the national, provincial and district policy directives, sector plans and legislation that set the strategic direction and with which the GMLM must align to ensure that government spending is directed at the pressing needs of the community and those that contribute towards economic growth.

1.3 Mandate

To ensure that the GMLM is a responsive, efficient, effective and accountable municipality, chapter 3 to 6 will outline in detail how the long term vision translates into an effective plan that aligns the municipal budget, monitoring and evaluating mechanisms as well as timeframes for delivery. The city will ensure closer alignment between the long term development objectives (in context of National, Provincial and District development policies) and the IDP. The mandate for the city is guided by – but not limited to – the following:

1.3.1 ANC's 2011 Local Government Manifesto

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

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

- Access for more and more of our people, especially the youth, to adequate education and training to enable them to participate productively in the economy and society;
- Better quality health care in a system that is accessible to more South Africans, including the introduction of national health insurance;
- More and more rural communities benefiting from investments in basic services (water, electricity, sanitation and roads) and empowered to end hunger by productively using the available or redistributed land. Through rural development we seek to modernise the countryside and bring dignity to rural dwellers; and
- Safer communities as serious and priority crimes are reduced, corruption defeated, and our criminal justice system is radically changed.

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

1.3.2 National Government's Outcomes-Based Approach to Delivery

National Government has agreed on 12 outcomes as a key focus of work between now and 2014. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers. Whilst all of the outcomes can to some extent be supported through the work of local government, Outcome 9 (A responsive, accountable, effective and efficient local government system) and its 7 outputs are specifically directed at local government:

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

1.3.3 Department of Cooperative Governance and Traditional Affairs (CoGTA) (Key Performance Areas for Municipalities)

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

- Municipal Transformation and Organisational Development;

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

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

1.3.4 The New Growth Path

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

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

1.3.5 Mpumalanga Provincial Growth and Development Strategy (PGDS)

The aim of the Mpumalanga PGDS is to articulate quantified targets for Provincial Growth and Development through a clear strategy framework. This strategy framework enables sector Departments, Municipalities and other social partners to prioritise and align their sectoral strategies, plans and programmes in line with the priorities of the PGDS. The PGDS provides the Province with the opportunity for medium to long term (10 year) strategic planning and to prioritise and address major structural deficiencies in the economy and the conditions of society.

The Provincial Government has identified six priority areas of intervention. These priority areas have been identified primarily based on the provincial social, economic and developmental, namely:

- Economic Development;
- Social Development Infrastructure;
- Social Development;

- Sustainable Environmental Development;
- Good Governance; and
- Human Resource Development.

1.3.6 Gert Sibande District Municipality

Following the Economic Growth Summit, held in Secunda in August 2006, the District Municipality formulated an Economic Growth and Development Strategy. The intension of the strategy is to guide the development of the District over the next five years, by consolidating and exploiting its natural resources and development opportunities, and to assist all role players in helping to growth the District's economy.

To this effect, and in line with the development priorities of the PGDS, the District has delineated five strategic focus areas. These are:

- Tourism Promotion;
- Spatial Development Initiatives;
- Local Economic Development and Growth;
- Agriculture, Forestry, Manufacturing and Mining; and
- Environmental Management.

1.4 Process Plan and Institutional Arrangements

Drafting an IDP requires a comprehensive planning process and the involvement of a wide range of internal and external role players. Such a process has to be properly organized and prepared. This preparation is the duty of the municipal manager and senior management. The preparation process will be referred to as the "Process Plan" and should contribute to the institutional readiness of the municipality to draft or review the IDP.

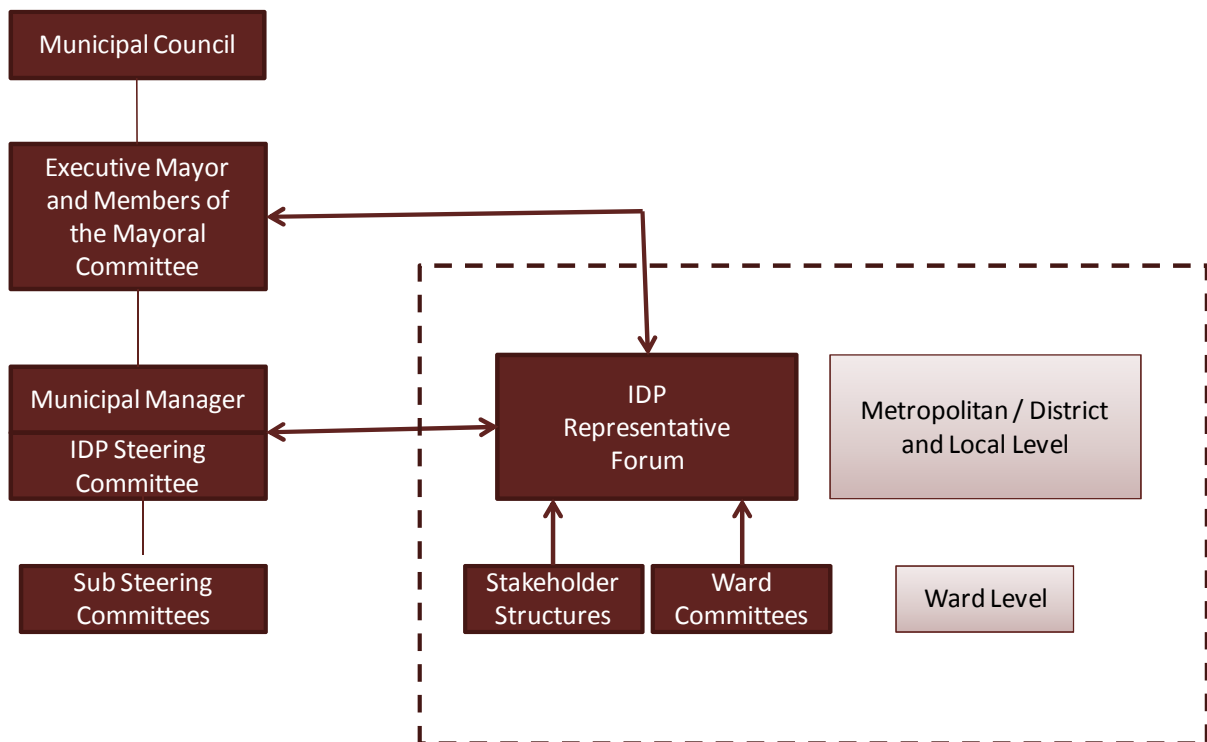
The elected council is the ultimate IDP decision-making authority. The role of participatory democracy is to inform, negotiate and comment on those decisions, in the course of the planning process. The following positions and structures will serve as a guide:

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

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

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

Institutional Arrangements - GMLM



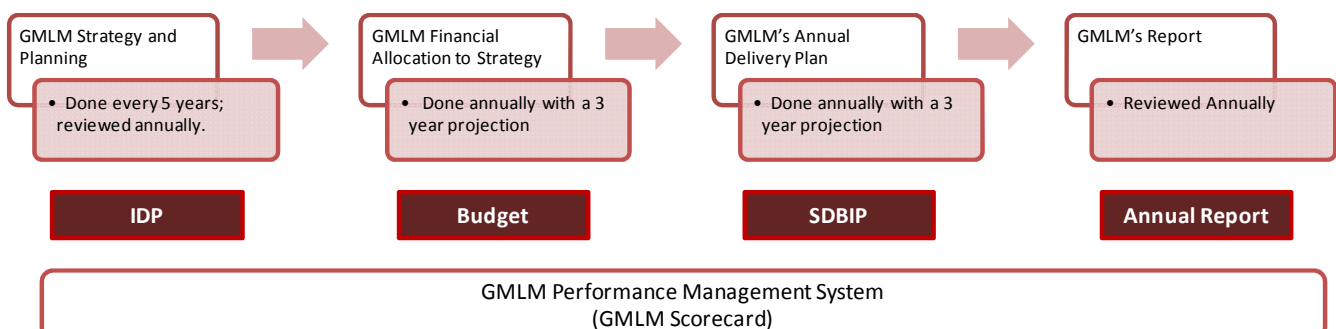
The GMLM IDP Steering Committee will meet weekly to assess progress and will thereafter recommend amendments to the IDP for consideration by Council.

In terms of the Council approved IDP and Budget process plan, Council should approve the final IDP before the start of the new financial year, that is, no later than 31 May 2012.

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

1.4.1 Implementation of the IDP

The IDP drives the strategic development of the GMLM. The municipality’s budget is influenced by the strategic objectives identified in the IDP. The Service Delivery Budget Implementation Plan (SDBIP) ensures that the municipality implements programs and projects based on the IDP targets and associated budgets. The performance of the municipality is reported in its Annual Report. There is a public participation and consultation process associated with each of the processes identified:



1.4.2 Key Performance Areas (KPA's)

Taking cognisance of the political, national, provincial and district policies and plans, the following KPA's were identified for the GMLM:

- Governance and Stakeholder Participation;
- Physical Infrastructure and Energy Efficiency;
- Services and Customer Care;
- Economic Growth and Development;
- Safety and Environment;
- Social and Community Development;
- Institutional Transformation;
- Financial Sustainability.

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Situational Analysis

2. Situational Analysis

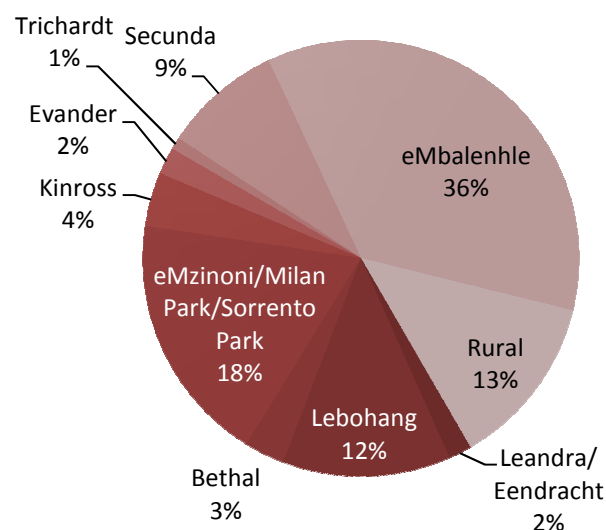
2.1 Introduction

This chapter provides a situational analysis of the existing trends¹ and conditions in the Govan Mbeki Local Municipality (GMLM), in accordance with the requirements of the Municipal Systems Act in developing an IDP.

The GMLM is located in south-western Mpumalanga, approximately 100km east of Johannesburg and 300km west of Mbombela. The municipality is strategically located on the Gauteng/Richards Bay Corridor and is linked by freight railway lines and national roads, particularly the N17 highway. It covers an area of 2 958km² and includes the towns and townships of Secunda, Bethal, Leandra/Leslie, eMbalenhle, eMzinoni, Trichardt, Evander, Kinross, Charl Cilliers and Lebohang. The GMLM comprises 32 electoral wards, and is one of seven local municipalities that fall under Gert Sibande District Municipality, with head offices in Secunda.

The majority of available land is used for commercial agriculture, but the petrochemical industry is the main contributor to municipal output. Mining activity, particularly of coal, is also an important sector. Secunda is the most active business area in the municipality.

The population of the GMLM was estimated at 26 894 in 2007 (Statistics South Africa, Community Survey). The distribution of the GMLM population among towns in the area has been estimated by the Department of Technical and Engineering Services as below.



¹ The data and information used in this chapter are obtained from the following sources (a comprehensive discussion is available in the annexures): Census 2001, Community Survey 2007, Non-financial Census of Municipalities, Quantec research, Govan Mbeki Building Assessment, Govan Mbeki Economic Growth Priorities Report, South African Police Service crime statistics, and Govan Mbeki Disaster Management Plan 2006-2011.

The analysis in this chapter is conducted according to a rating system, as follows:

- 1 – good performance/implementation - 😊
- 2 – average performance OR policy in place with average implementation - 😐
- 3 – poor performance OR no policy in place OR policy in place but poor/no implementation - ☹️

2.2 KPA1: Governance and Stakeholder Participation

2.2.1 KFA 1: Governance structures

The broad governance and organisational structures of the GMLM are illustrated in chapters 3.5 and 3.6. The GMLM comprises six departments, all of which account to the Office of the Municipal Manager. These departments are: Corporate Services; Technical and Engineering Services; Finance; Public Safety; Environment and Tourism; and Health and Community Services.

2.2.2 KFA 2: Stakeholder participation

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

Stakeholder	Sector	Role played in the GMLM
Agricultural Union	Agriculture	Contribute towards LED strategy, economic development policies, ensures food security
Emerging Farmers Forum		Contribute towards LED strategy, economic development policies, ensures food security
Department of Agriculture, Rural Development and Land Administration		Funding of agricultural related projects
Land Affairs		Distribution/Restitution of land to claimants
Harmony Gold Mines	Mining	Development of the community by funding projects in line social and labour plans
Sasol Mining		Development of the community by funding projects in line social and labour plans
Sudor Coal		Development of the community by funding projects in line social and labour plans
Total Coal SA		Development of the community by funding projects in line social and labour plans
Anglo Coal		Development of the community by funding projects in line social and labour plans
SASOL	Manufacturing	Providing employment opportunities
Municipal Department of	Tourism	Promotion of the area as tourist destination of













Stakeholder	Sector	Role played in the GMLM
Environmental Affairs and Tourism		choice
Tourism council/Forum		Promotion of the area as tourist destination of choice
ESKOM	Electricity	Generation and distribution of electricity
Constructors' Forum	Construction	Construction of physical infrastructure
FABCOS	Trade	Contribute towards LED strategy, economic development policies
NAFCOC		Contribute towards LED strategy
SAKEKAMER		Contribute towards LED strategy
AHI		Contribute towards LED strategy
Alliance of cooperatives		Contribute towards LED strategy
Traders associations: Evander, Kinross		Contribute towards LED strategy
Vukanini Taxi Association	Transport	Provision of transport in the region
Bethal Taxi Association		Provision of transport in the region
Leandra Taxi Association		Provision of transport in the region
ABSA	Finance and Business	Provisions of Loans
FNB		Provisions of Loans
Standard Bank		Provisions of Loans
Capitec Bank		Provisions of Loans
Nedbank		Enterprise Development
Mpumalanga Economic Growth Agency (MEGA)	Community Services	Provision of business loans
Small business development agency		Provision of non financial business support
National Youth Development Agency		Provision of business loans
Department of Economic Development, Environment and Tourism		Provision of policy guidelines for business growth
Department of Co-operative Governance and Traditional Affairs		Policy guidelines

On 19 April 2012 a meeting was held in Secunda where local businesses and associations were invited to voice opinions and concerns about economic growth and development in the GMLM. The responses to a questionnaire disseminated at this stakeholder workshop are available in the annexures. Further to this, individual meetings with big businesses are imminent at the time of writing.

All activities related to Chapter 4 of the Municipal Systems Act (Act 32 of 2000) are executed by the Office of the Speaker, in conjunction with the relevant department, depending on what information is to be communicated.










2.2.3 KFA 3: Risk management

Summarised below.

Identified risks		
No performance management system		Excessive overtime expenditure
Long turnaround time in filling vacancies		Inability to review and promulgate by-laws
Insufficient or unsafe storage facilities, and non-compliance with procedures		Improper contract management
Non-compliance with EE targets		Unfavourable financial situation
No HIV/AIDS policy		Insufficient buy-in of new regulations (low risk)
Employee Assistance Programme not communicated to employees		Insufficient participation by stakeholders
Employment positions not provided for in organisational structure, or not in compliance with Municipal Systems Amendment Act		No written procedure manuals in place
Non-compliance with HR, asset management and finance policies		No reliable supply-chain management system
No personnel development or succession plans in place		Staff and skills shortages
Sewerage maintenance		Water supply interruptions
Lack of property, plant and equipment		Theft and vandalism; insufficient security at facilities
Non-compliance of effluent and water quality standards		No maintenance plan for facilities

2.2.4 KFA 4: Policies and by-laws

A list of policies and by-laws follows.

Policies	Status	Rating
Land Alienation Policy	Approved B51/10/2007	 1
Indigent Policy	Approved A19/05/2011	 1
Housing Charter Policy	Approved	 2
Housing Policy	Approved B362/11/2004	 2
Fraud and Corruption Policy	Approved B48/02/2004	 1
Whistle-blowing Policy	Approved A21/07/2007	 1
Transport and Equipment Policy	Approved A24/06/2008	 1
HR Development and Management Policies	Approved A47/08/2010	 3
Property Rates Policy	Approved A16/05/2009	 3
Credit Control Policy	Approved A19/05/2011	
Budget Policies	Approved A19/05/2011	
Cell phone and Reimbursement Policy	Approved CB07/06/2008	
Expanded Public Works Policy	Approved A19/06/2008	
Library Policies	Approved A25/05/2009	

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By-laws	Status	Rating
Public Participation by-laws	Draft A20/05/2012	Rating 2 ☹️
Promotion of access to Information by-laws	Draft A20/05/2012	Rating 2 ☹️
Public Libraries and auditoriums by-laws	Draft A20/05/2012	Rating 2 ☹️
Cemetery by-laws	Draft A20/05/2012	Rating 2 ☹️
Youth Development by-laws	Draft A20/05/2012	Rating 2 ☹️
Preparation of food at registered Kitchens by-laws	Draft A20/05/2012	Rating 2 ☹️
Child Care by-laws	Draft A20/05/2012	Rating 2 ☹️
Home for the Aged by-laws	Draft A20/05/2012	Rating 2 ☹️
Disposal of contaminated and/or Infectious Waste by-laws	Draft A20/05/2012	Rating 2 ☹️
Privately Owned Swimming Pools by-laws	Draft A20/05/2012	Rating 2 ☹️
Public Swimming Pools by-laws	Draft A20/05/2012	Rating 2 ☹️
Smoking by-laws	Draft A20/05/2012	Rating 2 ☹️
Nuisance by-laws	Draft A20/05/2012	Rating 2 ☹️
Informal Trading by-laws	Draft A20/05/2012	Rating 2 ☹️
Hair salon and Barber Shop by-laws	Draft A20/05/2012	Rating 2 ☹️
Keeping of Animals by-laws	Draft A20/05/2012	Rating 2 ☹️
Law Enforcement by-laws	Draft A20/05/2012	Rating 2 ☹️
Caravan Park by-laws	Draft A20/05/2012	Rating 2 ☹️
Emergency Services by-laws	Draft A20/05/2012	Rating 2 ☹️
Standard Electricity by-laws	Draft A20/05/2012	Rating 2 ☹️
Pauper Burial by-laws	Draft A20/05/2012	Rating 2 ☹️
Storm water Management by-laws	Draft A20/05/2012	Rating 2 ☹️
Public Roads, Electronic Communications Network Miscellaneous by-laws	Draft A20/05/2012	Rating 2 ☹️
Encroachment by-laws	Draft A20/05/2012	Rating 2 ☹️
Traffic by-laws	Draft A20/05/2012	Rating 2 ☹️
Petitions by-laws	Draft A20/05/2012	Rating 2 ☹️
Control of illegal Invasions by-laws	Draft A20/05/2012	Rating 2 ☹️
	Draft A20/05/2012	Rating 2 ☹️
Credit Control by-laws	Draft A20/05/2012	Rating 2 ☹️
Tariff by-laws	Draft A20/05/2012	Rating 2 ☹️
Street Trading by-laws	Draft A20/05/2012	Rating 2 ☹️

2.2.5 KFA 5: Monitoring and evaluation

There is currently no monitoring and evaluation system in place. The PMU conducts quarterly monitoring and evaluation on projects executed by external service providers. The IDP Manager presents reports on the status of executed projects in identified wards.

Rating 3



2.2.6 KFA 6: Communications (Internal and External)

Internal and external communication is gradually improving and it is monitored regularly. The GMLM are in the process of creating user friendly communication channels to promote regular dialogue between the Municipality, local communities and stakeholders. The Communication Unit has finalized the draft Communication Policy and Strategy. Communication channels used internally are e-mail system, internal telephone system, memorandums, municipal notice boards, sectional and management meetings, and external channels are the website, mayoral izimbizo, electronic and print media, newsletters, Thusong service centre, IDP representative forum, ward committees and ward meetings.

Rating 2



2.3 KPA 2: Physical Infrastructure and Energy Efficiency

The following infrastructure to provide services in terms of water, electricity, sewerage and sanitation, and solid waste management is in place throughout the municipality.

Between 2007 and 2010, the identified backlogs in basic infrastructure have declined for all basic services except refuse removal. However, some backlogs are extensive and require intervention.

Basic service infrastructure backlogs (GMLM)	Trend		Latest figure	Gert Sibande backlog	Rating
	2001	2007	2010		
Households without formal housing	26 967	34 611	29 478	70 579	3
Households without hygienic toilets	17 317	11 386	8 303	94 338	1
Households without piped water at or above RDP level	5 851	2 746	849	39 738	1
Households without electricity connections	16 628	10 668	9 833	52 271	2
Households without formal refuse removal	8 724	19 310	22 484	111 827	3

Source: Mpumalanga Department of Finance.

Capital investment projects, 1995-2006	R million				
	Roads	Water	Sewer	Electricity	Public works / buildings
Trichardt	2.06	0.23	1.41	0.11	0.17
Secunda	7.75	-	-	-	1.10
Leandra/Lebohang	2.41	2.00	6.27	-	6.73
Kinross	0.75	5.02	2.81	0.13	0.60
Evander	0.53	-	-	0.27	0.15
eMzinoni	4.84	1.82	4.53	7.69	0.14
eMbalenhle	40.79	37.93	51.81	148.09	43.74
Bethal	-	-	31.47	22.55	-
GMLM	36.99	20.47	4.60	34.53	0.08
Total	96.12	67.47	102.90	213.37	52.71





Source: The GMLM SDF, 2006

2.3.1 KFA 1: Energy efficiency and electricity infrastructure

Eskom is the primary bulk provider of electricity, and the Wildebees and Sol sub-stations supply the towns in the GMLM. Approximately 70 % of households have access to electricity. The power networks in Evander, Trichardt and Bethal are degraded and require upgrading. Additional bulk capacity is required in most areas. Recommendations² apart from expanding capacity include the moving of certain sub-stations, strengthening existing cables and installing new cables.



Rating 3


2.3.2 KFA 2: Roads and storm water infrastructure

	Notes and issues	Rating
National road: N17	Recently upgraded	 1
Provincial roads	Generally in fair condition, but upgrading required Freight transport contributes to road deterioration	 2
Municipal roads	Paved in most areas, but gravel in townships Rebuilding/Upgrading required in most areas Street markings are required in most areas	 3
Storm water	Storm water leaks into the sewer system Occasional blockages and flooding Storm water systems need upgrading	 3



² From the Electrical Network Assessment for eMbalenhle, Secunda, Kinross and Evander, September 2010.

2.3.3 KFA 3: Water and sanitation infrastructure


	Notes and issues	Rating
Water service infrastructure	Infrastructure is good, and bulk capacity exists. Additional infrastructure required in Bethal and Evander.	 2
Sanitation infrastructure	Connected flush toilets for 68 % of households Charl Cilliers serviced by regularly serviced conservancy tanks Capacity needed in most towns Storm water leaks into the sewerage systems, causing flooding Additional capacity is required in Secunda, Leandra/Lebohang, Kinross, eMzinoni, eMbalenhle, and Bethal.	 3
Sewer pumpstations and purification works	Facilities are in poor condition and require upgrading and maintenance	 3

2.3.4 KFA 4: Waste infrastructure

Refuse disposal services are available to about 81 % of the GMLM households. There are 6 landfill sites.

	Notes and issues	Mitigations	Rating
Landfill sites	Five landfill sites are not permitted (registered). Non-compliance with minimum standards set by the Department of Water Affairs. eMbalenhle and Evander sites are closed Secunda is over-capacity with a maximum life-span of 8 years.	Conducting of feasibility studies (environmental impact assessment, geo-technical and geo-hydrological investigations) to assess permit opportunities for the five unlicensed sites. Establishment of a regional landfill site in Charl Cilliers by the Gert Sibande DM. Establishment of a site in eMbalenhle	 2
Littering and illegal dumping	Prevalent in urban areas, particularly around informal settlements and undeveloped land.	A buy-back centre and drop-off facility in Kinross promotes recycling.	 3

2.3.5 KFA 5: City entrances

The Department of Environmental Affairs and Tourism is responsible for the cutting of grass and the cleaning of (plant) beds. Tasks are divided among three teams. The teams rotate in maintaining all municipal areas of Secunda, Bethal/eMzinoni, Evander/eMbalenhle/Kinross, and Leandra. The grass cutting and tree pruning programme is under way; however, limited resources constrain the timely achievement of its targets. Rating 3 

2.3.6 KFA 6: Government institutions







The following government departments and facilities are available in each of the towns within the GMLM.

Government Department	Bethal	eMzinoni	Secunda	eMbalenhle	Leandra	Lebohang	Evander	Kinross	Trichardt
SAPS	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health	Yes			Yes		Yes	Yes	Yes	
Education	Yes						Yes		
Agriculture	Yes								
Transport	Yes								
Home Affairs	Yes						Yes		
Justice	Yes		Yes				Yes		
Social services							Yes		
Labour	Yes		Yes	Yes					

2.4 KPA 3: Services and Customer Care

2.4.1 KFAs 1, 2 and 3: Water and sanitation; Electricity; Waste

Basic service infrastructure indicators suggest that the GMLM compare favourably with the district and province with respect to access to infrastructure. However, the share of households with formal housing lags considerably behind the provincial average. Access to formal refuse removal decreased between 2007 and 2010, indicating that this may require attention.

Basic service infrastructure indicators	2010	Gert Sibande DM	Mpumalanga	Rating
% of households with formal housing	65.9	74.5	82.0	 3
% of households with hygienic toilets	90.4	66.0	47.2	 1
% of households with piped water at or above RDP level	99.0	85.7	78.6	 1
% of households with electricity connections	88.6	81.1	82.3	 1
% of households with formal refuse removal	74.1	74.1	43.8	 2
Infrastructure index (0 worst to 1 best)	0.79	0.70	0.64	 1

Source: Mpumalanga Department of Finance.

Number of consumer units receiving services	2005	2006	2007	2008	2009	2010
Water	45922	57149	65849	65849	67419	69167
of which: free	41686	54435	65849	65849	65979	68319
Electricity	47199	57103	57103	57103	59467	61626
of which: free	45935	54372	53223	53223	53216	54983
Sewerage and sanitation	45922	47082	64807	66412	68907	88377
of which: free	35905	45032	15227	17041	17041	17270
Solid waste management	47168	70000	64260	64260	83195	83195
of which: free	9284	10490	15227	14041	17041	17270

Source: Statistics South Africa

All urban areas are fully reticulated in terms of potable water supply, except in informal settlements in the townships. According to Quantec estimates, approximately 40 % of households have piped water inside the dwelling, while another 40 % of households have piped water in the yard. Communities in the rural and peri-urban areas do not have access to piped potable water supply and use borehole water. Sasol supplies piped potable water to some farms, but would prefer to transfer this service to the GMLM. All formal stands in urban areas have access to waterborne sewerage. Eendracht is the exception as they use septic tanks. Sewage is outsourced to Sasol in Secunda.

Rating 2



Electricity for the area is purchased in bulk by the municipality from Eskom and reticulated throughout the towns, except in Charl Cilliers and Leandra/Lebohang, where the internal reticulation is provided directly by Eskom. Some backlogs exist in the township areas which will only be reticulated once they are formalised. Quantec estimated indicate that electricity as the main lighting source has increased from 80.9 % of households in 2005 to 88.5 % of households in 2010.

Rating 2



With the exception of certain informal settlements in eMbalenhle, refuse removal services are rendered in all urban areas in the GMLM. In general, there is a problem of illegal or unmanaged dumping throughout the municipality. The absence of any refuse removal services in agricultural and rural areas presents a significant environmental concern. Secunda, Leandra/Lebohang, Kinross, Evander, eMzinoni, and eMbalenhle have a solid waste disposal site within its vicinity. Notwithstanding, approximately 84 % of households have their refuse removed at least once a week.

Rating 3



2.4.2 KFA 4: Customer relations

There is a Customer Care Module (CCM) in MunAdmin with new interactive touch screen kiosks installed at local government offices and service centres. It registers customer complaints, compliments, comments, general survey interaction and acts as an information centre. The interface is supposed to be universal and easy to use regardless of language, education, socio-economic or cultural background. However, users are reluctant to use to this.

Rating 3



2.4.3 KFA 5: Public transport

Public transport in the area is road based and centres on bus and minibus taxi transport. Rail services are exclusively dedicated to freight. The Gert Sibande ITP

identified a total of 9 taxi ranks in the GMLM. Formal taxi ranks exist in Secunda, Lebohang, Evander, eMbalenhle and Bethal, however these taxi ranks do not have surfaced areas, shelters or ablutions. Informal taxi ranks are scattered around the towns. Bus transport is primarily rendered on a contract basis to Sasol Mines, while there is also a non-subsidised bus service to most schools in the area.

Rating 3



2.4.4 KFA 6: Branding

Issue	Mitigating strategies considered or implemented	Rating
No branding programme exists	The Deputy Director:Marketing and Communications is expected to roll out a programme in the 2012/13 financial year.	3
The website, www.govanmbeki.gov.za , is not well maintained	Constraints are expected to be overcome by June 2012	3
Batho Pele principles have been introduced through training and pamphlets, but no monitoring is in place.		3

2.5 KPA 4: Economic Growth and Development

2.5.1 KFA 1: Demand classification

The ratio of total expenditure to total output in the municipality is less than one, indicating that the GMLM is producing more than it is consuming – i.e. it is a net exporter. However, this ratio is rising, indicating that expenditure is growing faster than production.

	2000	2005	2010	Rating
GDE/GVA	0.78	0.75	0.881	2

2.5.2 KFA 2: Growth performance and diversification

Relative to other Mpumalanga municipalities, the GMLM has performed comparatively weakly, especially over the recession. Notwithstanding, it is the third largest municipality in the province in terms of its contribution to Mpumalanga value added.

GVA	Relative size (% of total)	Growth (%)			Forecast (%)
	Share 2010	2008	2009	2010	2010 – 2015
Mpumalanga		2.1	-1.6	3.4	3.6
Govan Mbeki LM	14.8	-3.2	-2.2	3.7	4.3
Emalahleni LM	21.0	2.2	-1.0	4.9	
Mbombela LM	16.0	4.4	-1.1	2.5	
All other MP municipalities	48.2	3.1	-1.8	3.0	

Source: Quantec Research, 2011

A breakdown of gross value added in the GMLM indicates the strong contribution by the mining industry and the petrochemical industry to the municipality's economy. However, the average growth in these industries between 2005 and 2010 has been negative mainly as a result of the domestic electricity crisis in 2008 and the global financial and economic crisis in 2008-2009. Because of the large role of the mining and petrochemical industries in the GMLM economy, total growth is sensitive to sharp changes in their output. Therefore, contracting output in 2008 and 2009 significantly weakened overall growth.

GVA	Relative size (% of total) Share 2010	Growth (%)		
		2008	2009	2010
Total		-3.2	-2.2	3.7
Agriculture, forestry and fishing	1.0	30.5	9.5	0.8
Mining and quarrying	28.9	-6.6	-1.2	7.5
Manufacturing	39.0	-8.1	-6.9	2.6
<i>of which, petroleum products, chemicals, rubber and plastic</i>	32.8	-8.4	-4.9	1.5
Electricity, gas and water	1.1	-5.6	-5.9	2.1
Construction	0.9	4.9	-1.8	1.2
Wholesale and retail trade, catering and accommodation	10.9	8.0	5.3	2.0
Transport, storage and communication	4.7	5.9	2.4	3.1
Finance, insurance, real estate and business services	6.5	-1.5	-6.5	1.4
Community, social and personal services	2.8	2.8	-0.4	0.4
General government services	4.9	1.9	2.6	3.5

Source: Quantec Research, 2011

Economic and sectoral indicators from Mpumalanga Department of Finance indicate that the GMLM has strong comparative advantage in mining and manufacturing, which is expected given the prominence of mining and petrochemical activity. Labour intensity is highest in the agriculture industry; however, it represents only 3.3 % of employment and has low comparative advantage. Given its labour intensity, initiatives to improve the competitiveness and output of the agriculture could result in meaningful increases in employment, relative to other sectors.

Sector (2010)	GMLM contribution to Gert Sibande (%)	GVA per sector (%)	Employment (excl. private households) (%)	Labour intensity	Comparative advantage	Rating
Agriculture	8.7	0.7	3.3	4.86	0.29	☹️ 3
Mining	69.1	17.9	23.8	1.33	2.72	😊 1
Primary sector		18.5				
Manufacturing	95.1	54.3	19.8	0.37	2.95	😊 1
Utilities	22.7	1.4	0.7	0.48	0.73	☹️ 2
Construction	53.7	1.8	5.7	3.15	0.59	☹️ 2
Secondary sector		57.5				
Trade	41.0	6.2	22.9	3.70	0.48	☹️ 2
Transport	34.0	4.1	4.7	1.13	0.41	☹️ 2
Finance	41.3	7.9	5.9	0.75	0.41	☹️ 2
Community services	27.7	5.7	13.2	2.30	0.29	☹️ 3
Tertiary sector		23.9				
Total	59.8					

Source: Mpumalanga Department of Finance.

The overwhelming reliance on mining and manufacturing in the GMLM raises the alarm of a potential form of “regional Dutch Disease”. The version of this economic concept in the GMLM would pertain to an increase in the exploitation of natural resources (in this case coal and its related Sasol and energy-production) that may lead to a decline in other sectors. The coal mining and energy boom in the GMLM may have two potential effects: “luring” production and labour away from other sectors in the economy; and more importantly increased revenues will redirect spending and labour to the services sector, which will likely increase prices in the region. Ultimately, the sectors other than manufacturing and mining would bear the brunt of this resource boom, as financial and labour resources are redirected away, while costs of production rise. Furthermore, it is likely that the hardest hit will be the agriculture sector, which has the highest labour intensity in the GMLM.




Due to the GMLM’s overwhelming comparative advantage in the mining and manufacturing industries, there are significant risks for future detriment. When coal reserves in the area expire, or should coal mining be deemed unprofitable (for potential reasons such as too-high labour or fuel costs), the lack of competitiveness in the remaining manufacturing sector will become evident. Poor technological growth in the services and mining industries (they will have “rested on their laurels” and relied on increased labour absorption and production due to the resource boom) will result in declining comparative advantage in these areas. Ultimately, however, the biggest technological “losers” will be “other” manufacturing – and investment in the area.

To minimise this, the GMLM needs to prepare for eventualities by stimulating the competitiveness of its manufacturing industry – largely through investment in education and infrastructure. The positive spill-over effects of this will also feed into improved comparative advantage in other sectors in the area.

Another issue related to this is the renewal and revival of land once coal reserves are depleted and mines leave the area. There is serious need for long-term strategic planning, to enable the smooth “handover” of land from mining to agricultural utilities. There need to be strict, sustainable plans in place regarding the rehabilitation of land – especially given the devastating effect that open-cast mining has on the environment.

2.5.3 KFA 3: Job creation and wages

The number of unemployed people has not decreased significantly between 2001 and 2007, so employment opportunities only grew in line with the growing labour force. Unemployment is high in previously disadvantaged urban areas such as eMbalenhle, eMzinoni, Lebohang, and informal settlements around towns. The 2008/09 recession severely impacted employment, and the unemployment rate in the municipality rose to 26.2 % in 2010. Unemployment is high in previously disadvantaged urban areas such as eMbalenhle, eMzinoni, Lebohang, and informal settlements around towns

Labour indicators	Trend		Latest figure 2010	Rating	
	2001	2007			
Economically active population (EAP) / Labour Force	108 635	124 163	126 004		1
Number of unemployed	30 959	29 751	33 017		3
Unemployment rate (%)	28.5	24.0	26.2		3

Source: Mpumalanga Department of Finance.

Unemployment is particularly high among females, youths aged 15 – 35, and people with disabilities. While broad-based interventions are encouraged, efforts to increase the employability of these vulnerable groups.




Sasol employs approximately 8 600 people in its non-coal mining operations and 6 800 people in coal mining, while sub-contractors providing services for Sasol employ a total of approximately 7 000 jobs. Commercial agriculture accounts for a large proportion of employment, but the sustainability of employment is threatened by increasing mechanisation. The employment shares of industries in the GMLM are summarised below.








	% of persons employed by industry	
	2001	2010
Agriculture, hunting, forestry and fishing	4.8	3.0
Mining and quarrying	21.5	21.8
Manufacturing	22.9	18.2
Electricity, gas and water supply	0.7	0.6
Construction	3.9	5.3
Wholesale and retail trade	20.9	21.0
Transport, storage and communication	3.8	4.3
Financial, insurance, real estate and business services	3.5	5.4
Community, social and personal services	10.2	12.2
Private households	7.7	8.1


Source: The GMLM and Mpumalanga Department of Finance.

2.5.4 KFA 4: Investment promotion

Domestic fixed investment in the electricity, water and transport services sector enjoyed considerable growth between 2005 and 2010. Fixed investment by general government increased strongly between 2005 and 2008 before declining in the following two years. Investments by the communication and community services sector declined on average.

Real Gross domestic fixed investment in selected sectors	2010 (R millions)	Average annual growth (2005-2010, %)	Rating	Notes
Agriculture, forestry and fishing	31.2	5.6		2 Strong but inconsistent growth, 2002-2008 Severely affected by recession and weak global demand
Mining and quarrying	2 388.1	17.4		1 Mildly affected by recession and weak global demand, but growth very strong between 2006 and 2008.
Food, beverages	23.9	-8.9		3 Investment growth weakening since 2006.

Real Gross domestic fixed investment in selected sectors and tobacco	2010 (R millions)	Average annual growth (2005-2010, %)	Rating	Notes
and tobacco				Investment contracting very strongly since 2009.
Textiles, clothing and leather goods	2.6	-19.4	 3	Very small industry. Investment contracting for a very long time now; is only about 25% of what it was 15 years ago.
Wood, paper, publishing and printing	11.0	-5.3	 2	Very small industry. Severely affected by recession and weak global demand, but growth strong between 2005 and 2008.
Petroleum products, chemicals, rubber and plastic	1 615.4	2.5	 2	Investment growth is inconsistent. Sharp decline in 2009, but returned to (almost) normal in the following year.
Other non-metal mineral products	14.3	2.3	 1	Very small industry. Severely affected by recession, but extremely strong growth, 2005-2007
Metals, metal products, machinery and equipment	36.7	-6.3	 3	Long-term decline. Aggravated by recession and global crisis.
Electrical machinery and apparatus	1.8	-0.5	 2	Very small industry. Encouraging growth since 2004, but negatively affected by recession and global crisis.
Radio, TV, instruments, watches and clocks	0.7	-14.7	 3	Very small industry. Declining since 2008, compounded by recession and crisis.
Transport equipment	9.5	-14.9	 3	Very small industry. Strong growth since the late 1990s, but declining since 2006.
Furniture and other manufacturing	8.8	-18.8	 3	Very small industry. Sharp declines since 2006.
Electricity	205.3	26.9	 1	Growing strongly since 2002. Sustainability could be an issue.
Water	26.2	20.9	 1	Growing strongly since 2001. Sustainability could be an issue.
Construction	20.1	3.9	 2	Very small industry. Generally growing well, but not as fast as other industries. Vulnerable to changes in demand and investment in other industries.
Wholesale and retail trade	199.3	10.1	 1	Strong growth since 2003.
Catering and accommodation services	9.0	12.2	 1	Very small industry. Strong growth since late 90s, but sustainability could be an issue. Great potential for growth, if tourism could be generated. Mildly affected by recession.
Transport and storage	213.9	12.4	 1	Strong growth since 2002. Municipal location in transport corridors can foster potential.
Communication	67.5	-0.5	 2	Strong long-term growth, but moderating.
Finance and insurance	53.2	-8.5	 3	Investment growth has been mild.
Business services	76.7	-1.5	 2	Growth has been mild.
Community, social and personal services	17.7	-2.4	 3	Very small industry. Investment declining since 2008.
General government	107.2	3.0	 2	Strong growth over the past eight years, but recession has negatively affected investment.























Real Gross domestic fixed investment in selected sectors	2010 (R millions)	Average annual growth (2005-2010, %)	Rating	Notes
Total	5 140.0	8.7	 1	In general, investment growth has been strong, but sensitive to 'external' (rest of SA and world) developments.

Source: Quantec Research, 2011

The council intends to attract investment by crafting and investment promotion policy which will be adopted during the 2012/2013 financial year.

2.5.5 KFA 5: Productivity and innovation

Indices for capital and labour productivity are provided below. Industries that are most efficient in the utilisation of capital in the creation of output include: agriculture (which is also efficient in terms of labour productivity); manufacturing (which has poor labour productivity); finance; and general government. The construction and community services industries are productive in terms of labour efficiency.

	Capital productivity (1995=100)				Labour productivity (1995=100)			
	2000	2005	2010	Rating	2000	2005	2010	Rating
All industries	135.8	157.4	171.8	 1	158.1	158.3	138.8	 3
Agriculture, forestry and fishing	128.0	154.0	194.6	 1	161.9	242.4	498.6	 1
Mining and quarrying	102.5	104.2	79.9	 3	195.9	219.0	99.8	 3
Manufacturing	161.6	191.5	237.3	 1	219.5	311.4	585.7	 1
Electricity, gas and water	132.8	152.2	102.1	 3	103.2	145.9	117.3	 2
Construction	96.9	82.7	82.6	 3	125.2	165.9	316.3	 1
Wholesale and retail trade, catering and accommodation	121.1	129.8	121.5	 2	101.9	106.0	111.8	 2
Transport, storage and communication	140.9	175.3	167.1	 2	192.9	206.7	199.6	 2
Finance, insurance, real estate and business services	140.8	191.2	214.7	 1	110.7	120.4	123.5	 2
Community, social and personal services	126.1	128.8	125.7	 2	112.0	132.0	150.0	 1
General government	100.6	116.8	133.7	 1	107.2	117.6	122.3	 2

2.5.6 KFA 6: Poverty and socio-economic status

Development indicators (2010)	GMLM	Gert Sibande	Mpumalanga	Rating
HDI (0 worst to 1 best)	0.59	0.52	0.52	☹️ 2
Gini-coefficient (0 best to 1 worst)	0.65	0.65	0.64	☹️ 3
Number of people in poverty	114 780			☹️ 3
Poverty rate	37.1%	49.2%	45.6%	☹️ 2
Per capita personal income per year (current prices)	R37 880	R25 769	R26 623	😊 1
% households below R42 000 per year (R3 500 p/m)	40.7%	49.9%	46.9%	😊 1

Source: Mpumalanga Department of Finance.

2.5.7 KFA 7: Education and skills development

The education profile of the GMLM population aged above 25 years is tabled below.

	Gender	GMLM		Rating	Notes
		2001	2007		
% with no schooling	Male	16.2	6.1	☹️ 2	Aim to phase out people without schooling
	Female	21.4	8.6	☹️ 2	
% with grade 0-7	Male	25.8	31.9	☹️ 3	Aim to increase primary school completion
	Female	24.0	30.7	☹️ 3	
% with grade 8-11	Male	28.7	29.6	☹️ 2	
	Female	28.9	29.7	☹️ 2	
% with grade 12	Male	20.3	16.8	☹️ 3	Falling share of matriculated people
	Female	18.1	15.2	☹️ 3	
% with certificate/diploma	Male	6.1	5.7	☹️ 2	Falling share of people with post-matric tertiary qualifications
	Female	5.5	4.8	☹️ 2	
% with bachelor's or higher degree	Male	2.9	1.9	☹️ 2	
	Female	2.1	1.4	☹️ 2	

Source: The GMLM

Education indicators (2010)	GMLM	Gert Sibande DM	Mpumalanga	Rating
Population 15+ with no schooling (%)	7.6	12.1	12.7	☹️ 3
Population 15+ with matric only; and matric & qualification	34.2	27.2	29.6	😊 1
Functional literacy rate (%)	77.2	64.9	66.1	😊 1

Source: Mpumalanga Department of Finance.

Higher literacy rates are encouraging; however, while the functional literacy rate presented above represents people aged 20 and older, it indicates significant distance from the 100 % envisioned for 15-24 year olds by the Millennium Development Goals (MDGs); and furthermore is well below the South African literacy rate of 91 % (Statistics South Africa). Similarly, the MDG targets a 100 % primary school completion rate for 18 year olds, but 7.6 % of the GMLM population aged 15 and older have not received any schooling.

The availability of education facilities in the GMLM is summarised below:

Area	Primary schools			Secondary schools			Combined schools	Tertiary institutions
	Existing	Indicative Shortfall	Rating	Existing	Indicative Shortfall	Rating	Existing	Existing
Leandra	1	1	☹️ 2	0	0	☹️ 2	0	0
Lebohang	4	10	☹️ 3	2	4	☹️ 3	1	0
Bethal	2	1	☹️ 2	2	0	😊 1	0	0
eMzinoni/Milan Park	9	15	☹️ 3	3	4	☹️ 3	1	0
Kinross	3	0	😊 1	2	0	😊 1	0	0
Evander	2	0	😊 1	1	0	😊 1	0	1
Trichardt	1	0	😊 1	0	0	☹️ 2	0	0
Secunda	5	5	☹️ 3	3	1	☹️ 2	0	1
eMbalenhle	12	30	☹️ 3	6	11	☹️ 3	1	0
Rural	20		☹️ 2	0		☹️ 2	1	0
GMLM	39	62	☹️ 3	20	20	☹️ 3	4	2

Source: The GMLM Department of Technical and Engineering Services

Shortfalls of schools are greater in low income areas such as Lebohang, eMzinoni and eMbalenhle. Average teacher/pupil ratios are 1:36 in primary schools and 1:34 in secondary schools. Schools in previously disadvantaged townships and rural areas are poorly equipped in comparison with those in previous white urban areas.

The two tertiary institutions are a satellite campus of Vaal Triangle Technicon, and the Evander Technical College.

2.5.8 KFA 8: Trade and industry

An analysis of business undertakings in the municipality shows that offices are overwhelmingly concentrated in Secunda. Commercial businesses are particularly prevalent in Trichardt, Secunda and Bethal/eMzinoni, and to a lesser extent, eMbalenhle. Business activity in Charl Cilliers, Leandra/Lebohang, Kinross, Evander, Bethal/eMzinoni is predominantly made up of retail trade, and the potential for other business types should be considered.

Business & industrial concerns	Offices	Retail trade	Commercial	Industrial	Total
GMLM	404	1059	235	132	1830
Bethal/eMzinoni	51	198	56	19	324
Secunda	182	313	54	23	572
Trichardt	57	137	59	27	280
Evander	29	111	16	27	183
Kinross	10	50	11	14	85
Charl Cilliers	1	16	0	1	18
eMbalenhle	59	143	20	3	225
Leandra/Lebohang	15	91	19	18	143

Source: The GMLM SDF

The GMLM has identified a number of growth priorities. A summary of those priorities and the affected regions are found in the annexures.

2.5.9 KFA 9: Stability and sustainability

The GMLM's operating balance shows considerable and unsustainable overspending.

		2006/07	2007/08	2008/09	2009/10	Rating
Operating revenue	R '000	607 603	660 947	747 237	960 390	😊 1
	Annual growth (%)		8.8%	13.1%	28.5%	
Operating expenditure	R '000	733 142	684 546	959 486	1 129 897	😞 3
	Annual growth (%)		-6.6%	40.2%	17.8%	
Operating balance	R '000	-125 539	-23 599	-212 249	-169 507	😞 3
	% of revenue	-20.7	-3.6	-28.4	-17.6	

Being a net exporter, the GMLM will benefit from weaker exchange rates and higher commodity prices, but heavy reliance on these issues will mean that instability in these variables will lead to instability in the region. Rating 2 😞

2.5.10 KFA 10: Urban renewal

The GMLM is not delivering enough to satisfy expectations about urban development in the area. Rating 3 😞

2.5.11 KFA 11: Rural Development

There is no Rural Development Plan in place. Rating 3 😞

2.6 KPA 5: Safety and environment

As of 1 April 2012, Gert Sibande District Municipality, not the GMLM, is responsible for the provision of health care in the municipality. White population groups have good basic health with low HIV/AIDS prevalence rates. A large percentage of families have access to medical aid and rely on private sector medical services. Previously disadvantaged rural dwellers have poor access to basic health care, and are heavily dependent on Government and employers to provide basic health needs. There are high HIV/AIDS prevalence rates among this group. Poor living conditions exist, and inaccessibility of basic health facilities contributes to the poor health profile. The HIV prevalence rate in the GMLM was estimated at 30.9 % in 2009.

2.6.1 KFA 1: Crime, safety and security

There are nine police stations and three magistrate's courts operating in the GMLM area. Crime statistics reported to each station are provided below (reported cases per 100 000). Police station and magisterial district boundaries do not correspond with local authority boundaries.

	Contact crime		Contact-related crime		Property related crime		Crime dependent heavily on police action for detection		Other serious crimes		Other crime categories	
	2005	2010	2005	2010	2005	2010	2005	2010	2005	2010	2005	2010
Bethal	238	189	63	61	309	279	34	68	429	366	40	42
Charl Cilliers	43	28	15	3	31	30	1	9	29	20	12	7
Embalenhle	1727	1219	241	173	733	907	94	137	322	529	73	52
Emzinoni	409	428	73	74	265	241	14	47	109	81	16	9
Evander	235	185	64	42	289	227	26	38	269	284	43	33
Kinross	213	132	44	19	165	164	25	62	120	73	24	16
Leslie	719	445	106	128	375	328	32	113	267	134	53	49
Secunda	559	58	189	137	1038	749	89	82	1071	1124	95	75
Trichardt	209	90	43	18	185	76	24	23	178	114	32	13
Total	1814	1244	349	253	1413	1158	141	223	1165	1051	163	114
GMLM	😊 rating 1		😐 rating 2		😐 rating 2		😞 rating 3		😐 rating 2		😐 rating 2	

Source: SA Police Service

2.6.2 KFA 2: Environmental management framework

There is no EMF in the GMLM, and a framework is in the process of development in Gert Sibande DM. There is no information on food security and on the implementation of COP17 principles in the municipality. Rating 3 😞

2.6.3 KFA 3: Disaster management

The municipality has 6 fire brigade offices in eMbalenhle, Bethal, eMzinoni, Secunda, Evander and Secunda. There are three traffic control services based in Trichardt, Eendracht and Bethal. Capacity is limited, however, and in case of a disaster, outside assistance will be required.

Rating 3



Identified types of disasters and the communities at risk include the following:

Type of disaster	Community at risk
Floods	Low lying areas in the GMLM
Heavy snowfalls	High lying areas
Runaway veld fires	Farming and industrial areas
Drought	Farming areas
Fires in built-up areas	Densely populated informal settlements
Transportation accidents	Areas along major transportation networks
Spillage of hazardous and toxic substances	The GMLM area along major transportation networks, Sasol and mines
Diseases	The GMLM and neighbouring areas
Unrest and mass events	The GMLM area

Source: The GMLM Disaster Plan 2006-2011

The municipality has a Disaster Management Centre based at the Secunda Fire Station. Disaster management plans and facilities are operational and comply with the Disaster Management Act. The Sasol synfuel plant at Secunda and FFS Refiners at Evander are classified as Major Hazard Installations (MHI), and off-site plans are covered in the reviewed disaster management plan.

Rating 1



Various accommodations are available in the case of disaster, including Sasol recreation centres, various community halls, schools and churches.

2.6.4 KFA 4: Emergency services

Ward	Existing facilities	Notes	Rating
Ward 1	Leandra Fire Station	To be rebuilt in the 2012/2013 financial year	2
Ward 11	eMbalenhle Fire Station	Has been upgraded and is in good standing	1
Ward 15	Bethal Fire Station	In good condition	1
Ward 16	Fire Brigade Mobile Office	Structure is dilapidated	3
Ward 18	Evander Fire Station	In good condition. Upgrading to begin in 2013/2014 financial year	1
Ward 21	Secunda Fire Station	In good condition. Fire fighters' quarters to be upgraded in the 2013/2014 financial year.	1
Ward 22	eMzinoni Fire Station	Newly built	1

Source: Building assessments

2.6.5 KFA 5: Traffic services

A two-shift system is fully operational in all regions within the municipality:

- Region 1: Office in Trichardt services Secunda, Kinross, Evander, Trichardt, Embalenhle and Charl Cilliers
- Region 2: Office in Eandracht services Leandra, Lebohang and Eandracht
- Region 3: Office in Bethal services Emzinoni and Bethal

The ratio of traffic officers to population and land area is low, indicating a shortage of personnel, which poses a significant challenge to enforcement. Traffic officers receive travelling allowances, as opposed to marked and equipped patrol vehicles. This seriously hinders visible policing and patrolling.

Rating 3



2.7 KPA 6: Social and Community development:

2.7.1 KFA 1: Sustainable human settlements

The following statistics on human settlements are available (note that vacant residential stands are not necessarily owned by council).

	Single Residential Units	Multiple Residential Units	Number of unserviced shacks	Vacant Residential Stands
Leslie and Eendracht	824	50	0	656
Lebohang	7994	0	500	10
Bethal	4087	76	0	594
eMzinoni/Milan Park	7029	40	3154	135
Kinross	2848	179	0	800
Evander	2003	70	0	340
Trichardt	520	400	0	25
Secunda	7048	850	0	370
eMbalenhle	19484	95	4000	250
GMLM	51834	1760	7654	

Source: The GMLM, Department of Technical and Engineering Services

The housing backlog is estimated at approximately 58 000 units, composed of 18 887 *in situ* developments (formal stands), and 34 000 backyard dwellers (over the age of 18). The GMLM is identifying for the purpose of acquisition 3800 Ha to be purchased by to accommodate growth in the GMLM for 2011-2017 (based on economic growth of 3%). The municipality is the main housing provider, which provides low cost housing schemes and human settlement related programmes funded by the national Department of Human Settlement. A number of low cost housing projects are under way, which will provide approximately 13 440 stands.

There are a number of priority programmes and projects relevant for housing, listed in the annexures.

2.7.2 KFA 2: Sports and recreation

Land for public open spaces has not been well maintained. There is a need for developed play parks in all towns. Sports fields are undersupplied, particularly in township areas, where vacant land is used as informal soccer fields. There is a large stadium in Secunda, and smaller stadia in eMbalenhle, Evander, eMzinoni and Lebohang. There are golf courses, in Bethal, Secunda, Evander and Kinross. The development of sports facilities are objectives of “Clean and Green” community campaigns. Leandra/ Lebohang intends to develop a regional recreation park.

Rating 2



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

Rating 2



2.7.3 KFA 3: Arts and culture

The Department of Environmental Affairs and tourism has a Zonal Arts and Culture Forum in Bethal eMzinoni, launched by the provincial Department of Culture, Sport and Recreation. Secunda has a theatre and a show ground complex which hosts various festivals.

Rating 1



The Arts and Culture policy is still being developed, and a draft will be available on 30 April.

Rating 3



Cemeteries are needed in Leandra and eMbalenhle. All cemeteries require routine maintenance and the cemetery in Ward 17 is in very poor condition. The fence is dilapidated and the caretaker’s house is vandalised. The municipality would like to build a crematorium.

Rating 3



2.7.4 KFA 4: Libraries and community halls

The following facilities exist in the municipality.

Area	Libraries			Community Halls		
	Existing	Indicative Shortfall	Rating	Existing	Indicative Shortfall	Rating
Eendracht	1	?	? ?	0	?	? ?
Leandra	0	0	☹️ 2	1	0	😊 1
Lebohang	1	1	☹️ 2	3	2	☹️ 2
Bethal	1	0	😊 1	3	0	😊 1
eMzinoni/Milan Park	1	2	☹️ 2	1	7	☹️ 3
Kinross	1	0	😊 1	1	1	☹️ 2
Evander	1	0	😊 1	0	1	☹️ 2
Trichardt	1	0	😊 1	0	0	☹️ 2

Area	Libraries			Community Halls		
	Existing	Indicative Shortfall	Rating	Existing	Indicative Shortfall	Rating
Secunda	1	0	😊 1	4	0	😊 1
eMbalenhle	1	4	😞 3	3	14	😞 3
GMLM	8	7	😞 3	12	28	😞 3

Source :The GMLM, Department of Technical and Engineering Services

Shortfalls of community facilities are greater in low income areas such as Lebohang, eMzinoni and eMbalenhle. Libraries and community halls are generally in good condition, but require routine maintenance and fencing.

2.8 KPA 7: Institutional Transformation

2.8.1 KFA 1: Organisational structure

The GMLM's organisational structures are illustrated in chapter 3.6 of this document. The 5 year Local Government Strategic Agenda identified municipal transformation and organisational development as a key performance indicator. However, some positions are not provided for in the organisational structure – a new organisational structure needs to be established and submitted for approval.

Rating 3
😞

There is Insufficient capacity to review and promulgate by-laws. Workshops for senior and middle managers are to be implemented.

2.8.2 KFA 2: Human capital

The following data was obtained from the Non-financial census of municipalities, relating to employment in the GMLM. In general, the number of vacancies has reduced and the number of personnel has increased, although this is due to the increased employment of part-time workers.

		2006	2007	2008	2009	2010	30 June 2011	At May 2012
By tenure:								
Full time		1237	1899	1358	1467	1445	1439	1338
Part time		336	592	95	83	108		
Vacancies		0	0	73	106	50	227	207
By sector:								
Community and social services	Full time and part time	28	417	101	179	190	64	51
	Vacancies	0	0	0	11	5	31	31
Financial and administration	Full time and part time	148	130	191	198	208	212	209
	Vacancies	0	0	0	21	7	36	37
Health	Full time and part time	364	307	41	52	51	32	0

		2006	2007	2008	2009	2010	30 June 2011	At May 2012
	Vacancies	0	0	0	8	5	7	0
Public safety	Full time and part time	228	276	144	149	152	173	166
	Vacancies	0	0	0	19	7	20	16
Sport and recreation	Full time and part time	0	0	161	143	156	54	62
	Vacancies	0	0	64	7	2	9	8
Electricity	Full time and part time	81	121	84	76	71	77	76
	Vacancies	0	0	0	10	4	17	10
Environmental protection	Full time and part time	272	357	52	9	9	152	136
	Vacancies	0	0	0	4	1	9	0
Road transport	Full time and part time	0	245	153	191	171	174	164
	Vacancies	0	0	0	1	1	38	34
Waste management	Full time and part time	165	230	218	221	211	219	208
	Vacancies	0	0	0	3	1	25	31
Waste water management	Full time and part time	143	276	206	219	191	177	136
	Vacancies	0	0	0	1	0	25	26
Water	Full time and part time	56	14	7	6	28	31	70
	Vacancies	0	0	0	0	2	1	1
Other	Full time and part time	48	81		75	75	75	62
	Vacancies	0	0		21	5	16	13

Source: Statistics South Africa



2.8.3 KFA3: Programme and Project Management




The PMU oversees the implementation of a number of capital projects, including the development of parks in Lebohang and Emzinoni.

Rating 3



2.8.4 KFA 4: Performance management

The Department of Corporate Services has implemented a Recruitment and Selection Policy. The IDP will be critical in determining key performance indicators and targets as required by the Municipal Systems Act.















Issue	Mitigating strategies considered or implemented	Rating
The White Paper on Local Government identifies tools for performance management and monitoring. Currently, no performance management system is in place in the GMLM, resulting in non-compliance with legislation and hindering organisational performance.	A PMS is expected to be put in place by May 2012, with the first phase operational by the end of 2012Q1, last phase to be operational by end-June 2012. The pre-design, research and planning phase has been finalised, and the Strategy Map and departmental SDBIP alignments have been finalised.	 2
The LED strategy has not been implemented, as has its Monitoring and Evaluation Framework.	An index to measure implementation and impact is proposed, which will be based on the number of projects successfully implemented, the number of actions successfully facilitated, and the number of direct and permanent employment opportunities created. The LED strategy is accompanied by a Monitoring and Evaluation Framework developed by the municipality in conjunction with Fumani Ma-Afrika.	 2

Issue	Mitigating strategies considered or implemented	Rating
The Charter for Urban and Rural Development identifies performance indicators; however, these are broad and do not have time frames attached.		 2
No performance management system is in place	One is expected to be completed by June 2012.	 3
There is no system in place for job descriptions and evaluation	An external service provider will be appointed to develop this.	 3

2.8.5 KFA 5: Technology

Expanding network access and connectivity is dependent on available funding, which is strained. *Rating 3* 

The rolling out of ICT systems in libraries has been taken over by the State Information Technology Agency.

	Issue	Mitigating strategies considered or implemented	Rating
KFA6: Processes and procedures	Codes of conduct and disciplinary procedures are not followed strictly	Workshops for supervisors and managers	 3
	Tender and procurement processes are slow and usually hindered by insufficient funding		 3
	Improving the municipal turnaround time is a focus area	Review of building control policies and procedures required	 2
	Delays in filling vacancies		 3
	Non-compliance with employment equity targets	The municipal Employment Equity Plan is to be revised	 3
	The Employee Assistance Programme is not being used because of insufficient communication		 2
	There is no medical testing on employees working in hazardous environments	Compliance with health and safety legislation is a target	 3
	Non-compliance with leave and other HR policies	Workshops with managers and supervisors	 3
	No personnel development or succession plans are in place		 3
	Excessive overtime		 3
	Inadequate vetting of candidates during recruitment		 2
	Cash flow results in a moratorium on new appointments		 3
	KFA7: Facilities	Storage facilities are currently too small	Offsite space is expected to be obtained by mid-2012
Maintenance projects of recreational, heritage, library and cemetery projects depend on available funding, service providers and key stakeholders			 3
KFA8: Equipment	Insufficient and outdated equipment, and there is inadequate funding		 3

2.9 KPA 8: Financial sustainability

2.9.1 KFA 1: Revenue

The operating revenue for the period ending 31 May 2012 is R937-million which includes government grants in terms of the DORA allocations. The main items contributing to revenue are property rates and service charges that include electricity, water, refuse and sewerage. The revenue categories are as follows:

Description	Adjusted Budget R'000	Quarter Ending 31 March 2012 R'000	Rating	
Property Rates – Monthly	168,281	125,509	☹	3
Water	177,302	163,126	☹	3
Electricity	334,836	238,848	☹	3
Refuse	62,859	48,881	☹	3
Sewer	54,249	36,369	☹	3
Rent of Facilities & Equipment	4,371	34,580	☹	3
Interest Earned – Ext Invest	1,150	1,115	😊	2
Interest Earned – Outs. Debtors	32,000	26,302	☹	3
Fines	4,200	6,535	😊	2
Licenses & Permits	12	10	☹	3
Income from Agency Services	14,000	47,970	😊	2
Grants & Subs. Rec. – Operate.	176,469	189,337	😊	2
Grants & Subs. Rec. – Capital	140,623	83,057	☹	3
Other Revenue	12,639	15,242	😊	2
Gain on Disposal of PPE	2,500	3,061	😊	2
Total Direct Revenue	1,185,490	1,019,950	☹	3
Less Income foregone	-32,000	-14,286	☹	3
Internal Recoveries	52,965	15,128	☹	3
Total Revenue	1,206,455	1,020,792	☹	3
Less Capital Grant Funding /CRR	-150,476	-83,132	☹	3
Total Revenue	1,055,979	937,982	☹	3

A plan was tabled to Council on areas that would enhance revenue, which were both short- and long-term in nature. The plan entails and can be summarised as follows:

Provision of Metered Services

The technical component is predominantly focussed on the efficient delivery of services to customers and meeting customer expectations. The benefits of managing this aspect of service delivery are: the reduction of wastage and pilferage of water and electricity through repairing, uplifting and replacing faulty meters.

Rating 3



Accurate Billing

In order to ensure accurate billing, a Data Cleansing Project is underway, and entails:

- Desk top cleansing
- Filed verification
- Data analysis

Rating 3



Revenue Collection (Debt and Credit Management)

The key revenue collection programs in the guide are as follows:

- Debt Collection and Credit Control
- Indigent Management
- Customer Care and Management

Rating 3



2.9.2 KFA 2: Expenditure

Operating expenditure for the period ending 31 March 2012 is R1.2-billion, which reflects a deficit of R357-million. The main expenditure drivers are staff costs, depreciation, debt impairments and bulk purchases of electricity and water. The details are as follows:

Description	Adjusted Budget R'000	Quarter Ending 31 March 2012 R'000	Rating	
Employee Related Costs	302,079	225,517		3
Remuneration of Counsellors	15,408	10,891		2
Bad Debts	74,423	0		3
Collection Costs	2,891	2,439		3
Depreciation	76,080	0		3
Repairs and Maintenance	45,823	23,624		3
Interest Expenses	9,448	9,608		3
Water	103,232	99,756		3
Electricity	270,522	217,224		3
Contracted Services	43,907	37,414		3
Grants and Subsidies Paid	207,967	109,026		3
General Expenses – Other	67,935	49,210		3
Direct Operating Expenses	1,219,717	784,709		3
Internal Charges	52,965	12,311		3
Total Operating Expenditure	1,272,682	797,020		3
Asset Financing Reserve	9,853	0		3
Less Depreciation Reserve	-76,080	-908		3
Total Expenditure	1,206,455	796,112		3
Less Capital Grant funding /CRR	-150,476	-49,242		3
Total Expenditure	1,055,979	746,870		3

In order to ensure financial stability and accountability a cost curtailment plan is in place and can be summarized as follows:

ITEM	OBJECTIVE	ACTION
Telephone, cellular phones and e-mails	To implement measures to save costs on telephone, cellular phones and e-mails	<ol style="list-style-type: none"> 1. Continuous implementation of the automated system to recover all expenses that are not work-related 2. Monitoring the usage of internet, email and cell-phones to prevent abuse. 3. Allocation and/or access to cellular phones and e-mails to adhere strictly to communication protocol
Subsistence and Travel costs	To manage and reduce expenditure on S & T	<ol style="list-style-type: none"> 1. To micro-manage attendance of meetings, seminars and conferences 2. To implement cost-effective travel and accommodation arrangements
Refreshments and entertainment	To manage and reduce expenditure on refreshments and entertainment	<ol style="list-style-type: none"> 1. To micro-manage expenditure on general costs such as printing, advertising and stationery, general purchases of material and stock items. 2. All non-essential items to be suspended for example replacement of furniture, outsourcing functions that may be done internally.
General Expenditure	To reduce expenditure on general purchases	<ol style="list-style-type: none"> 1. All departments should ensure that their allocated amounts are not exceeded. 2. Departments to look into alternative way of service delivery such as shift system, usage of SMME and etc.
Over time	To manage and reduce overtime expenditure to be within the norm and the budget.	<ol style="list-style-type: none"> 1. All HODs to send motivation to the Municipal Manager on critical position to be filled within this financial year. 2. The municipal manager to approve positions to fill within this financial year.
Vacant positions	To reduce staff costs on the current budget by freezing vacant positions	Procurement of fleet management system
Fleet Management	To reduce maintenance costs, fuel usage, monitor after-hours use of vehicles through implementation of a fleet management system.	<ol style="list-style-type: none"> 1. Dedicate a bank account for all conditional grants. 2. Compilation of cash flow per project.
Capital Expenditure	Ensure Compliance with grant condition.	

2.9.3 KFA 3: Asset management

Movable assets

Assets are verified and assessed annually in terms of Gaap standards, 19 300 assets movable with a carrying value of R70 million were verified during the previous financial year. The condition of these assets varies and the assessment resulted in some of the assets being auctioned.

Rating 3


Infrastructure assets

The municipality has infrastructure assets to the value of R6.3 billion, however due to a lack of continuous maintenance; high volumes of impairment are experienced to the amount of R143 million in the 2010/2011 financial year. A complete verification need to be done which will give an indication of the extent of maintenance required.

Rating 3


2.9.4 KFA 4: Funding

Secured funds do not cover the costs of all projects, programmes and activities identified. Funding sources are listed in chapter 4 of the IDP as part of the Financial Plan.

Rating
 3


2.9.5 KFA 5: Supply chain management

A Supply Chain Management Unit is in place but systems and procedures need to be reviewed.

Rating
 3


2.9.6 KFA 6: Cash management

Due to negative cash flow which is caused by various issues, cash management is crucial in order to sustain service delivery.

Rating 3


2.9.7 KFA 7: Finance policies

The following policies are in place:

- Virement
- Accounting
- Supply chain management
- Credit control and debt collection

Rating 3


- Investment
- Property rates
- Tariff
- Fixed asset management
- Rates
- Cash receipts and banking

3

5 Year Development Strategies

3. 5 Year Development Strategies

3.1 Introduction

This chapter outlines the GMLM’s development strategies and key performance areas for the next five years. It aims to respond to some of the key issues and challenges highlighted in Chapter 2, and National policy imperatives outlined in Chapter 1.

3.2 Vision

The GMLM’s vision is:

“A Model City and Centre of Excellence”

3.3 Mission

The GMLM will execute its vision through the following mission:

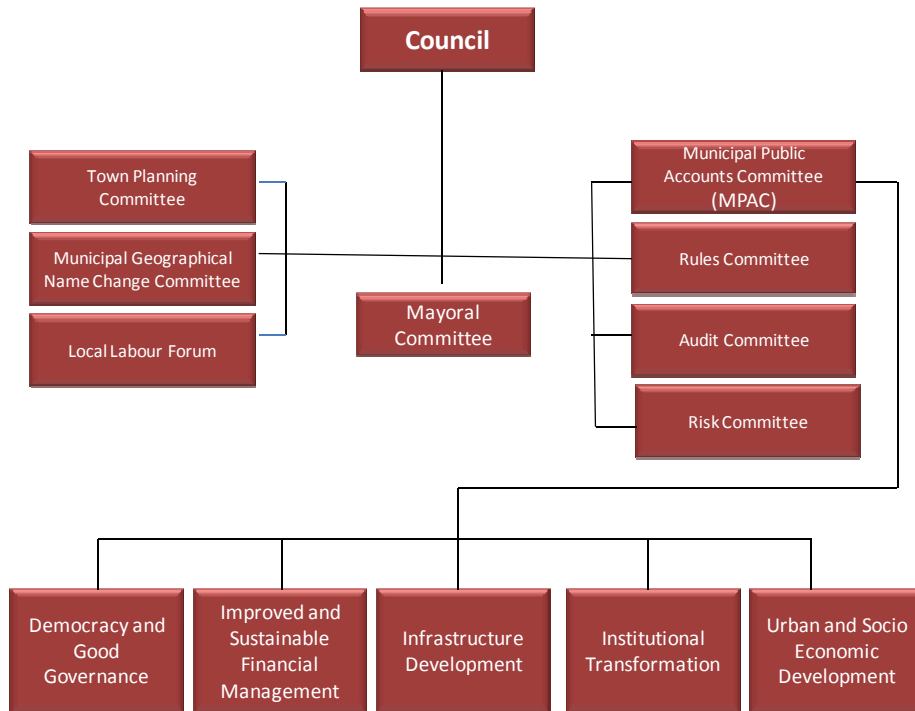
“Promote creativity, prosperity, learning, growth, vibrancy, cultural diversity and a bright future for all”

3.4 Values

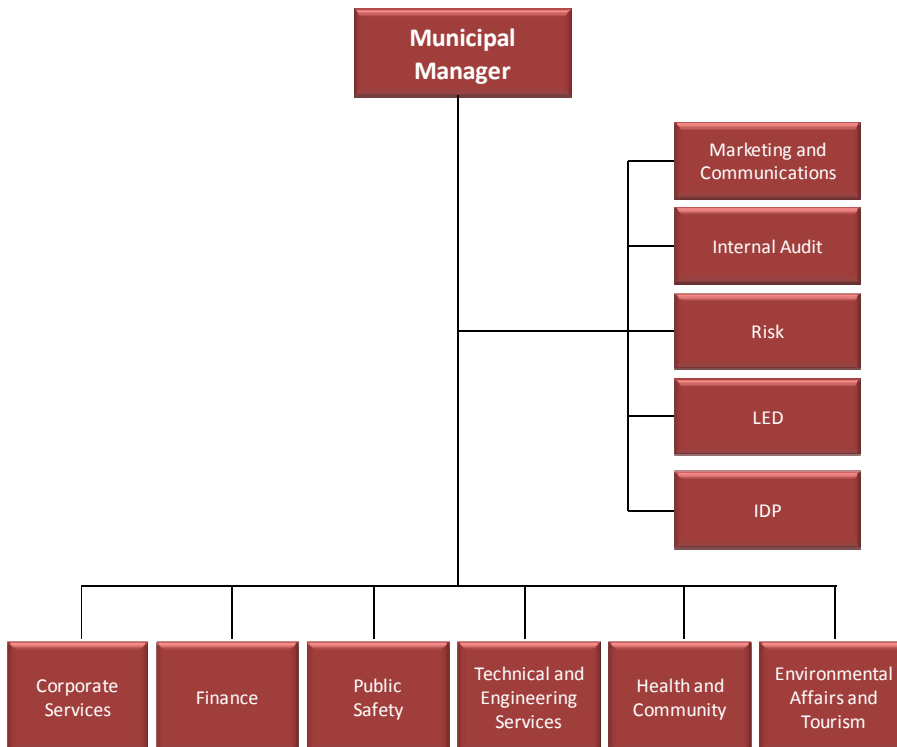
A customer-centric approach shapes the values of the GMLM. This defines the character of the city and how leadership and employees behave and make decisions. The GMLM will be governed by “TIARA”:

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

3.5 Governance Structure



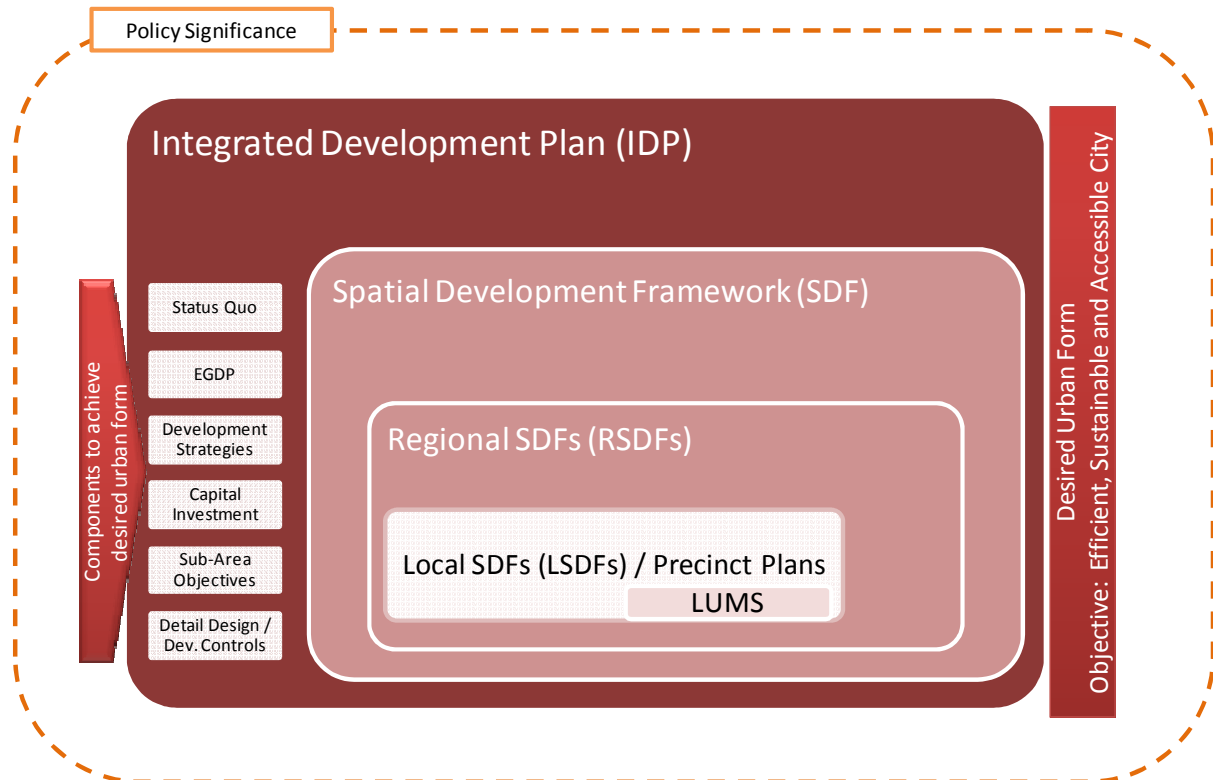
3.6 Organisational Structure



3.7 Spatial Development Framework

The Spatial Development Framework (SDF) is the legislated component of the City’s IDP that prescribes development strategies and policy guidelines to restructure and re-engineer the City’s urban and rural form. It is the City’s long-term vision of what it wishes to achieve, spatially, and within which IDP programmes and projects.

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



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

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

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

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

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

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

Table: Desired outcomes through the application of SDF principles

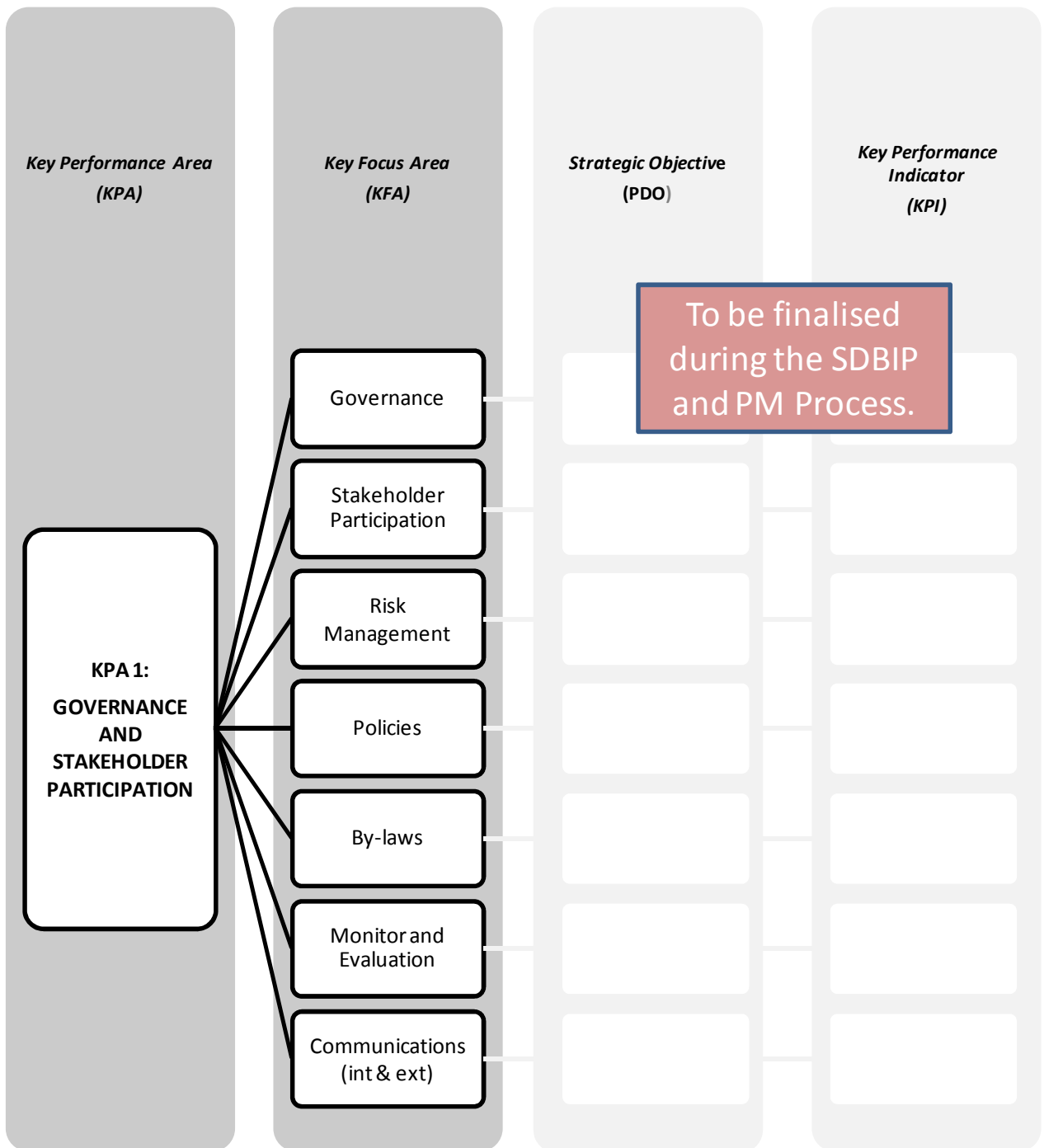
Principles	Outcomes	Key Implementation
Sustainability	<ul style="list-style-type: none"> • Responsible use of the City’s natural and heritage resources (water, open spaces, ridges, rivers etc.); • A sustainable rates base and financial model; • Safe and secure urban and local environments promoted through safety and design principles; • Affordable energy supply and consumption patterns; • Low emissions and pollution levels; • Promotion of food security within the city and province; • Protection and conservation of the City’s cultural heritage; and • Sustainable economic growth and job creation. 	<ul style="list-style-type: none"> • Demand management and resource protection; • Protection and management of environmental systems; • Quality of infrastructure and service delivery (engineering, social and the role technology can play in future delivery modes and management); and • Sustainable Human Settlements: affordable and sustainable housing solutions.
Efficiency	<p>An efficient and robust urban and local form and structure that facilitates:</p> <ul style="list-style-type: none"> • Appropriate and functional service delivery; • Affordability of business and living costs; • Managed growth 	<ul style="list-style-type: none"> • High density, compact, mixed used urban and local systems; • Efficient and affordable public transportation system; • Pedestrian friendly cities and neighbourhoods; and • Quality of

	<p>within the constraints or future plans relating to infrastructure provision; and</p> <ul style="list-style-type: none"> • A connected and effective movement system (in terms of time and cost) 	<p>infrastructure and service delivery.</p>
Accessibility	<ul style="list-style-type: none"> • Facilitating physical access to opportunities for all communities and Citizens; • An economy that caters for a full spectrum of skills and experience for job seekers; • Diversity of opportunities, e.g. economic, social and institutional, afforded by the City; • All modes of transport supporting good access to opportunities; and • A range of housing typologies and tenure models that allows residents to live with dignity and a quality of life. 	<ul style="list-style-type: none"> • Efficient and affordable public transportation system; • Pedestrian friendly cities and neighbourhoods; • Avoid large enclaves of poverty; and • Economic growth.

3.8 Key Performance Areas (KPA's), Strategic Objectives and Key Focus Areas (KFAs)

The GMLM's IDP is focussing on eight Key Performance Areas (KPA's) and Strategic Objectives which are interrelated. The Key Focus Areas (KFAs), activities, programmes and projects are supportive of each other, to ensure greater impact in delivery.

3.8.1 KPA 1: Governance and Stakeholder Participation



KPA 1: Governance and Stakeholder Participation

IDP/ Ref Nr.	Key Focus Area (KFA)	Activities, Programmes, Capital Projects	Dept	Wards	KPIs (Service Standards)	Targets					Delivery: Int / Ext	Funding Source	Budget Yes / No	
						Total Rand/Milli on	12/13	13/14	14/15	15/16				16/17
Strategic Objective: To ensure good governance and the participation of stakeholders.		Policies: <ul style="list-style-type: none"> • Ward committees and community participation; • Risk management; • Anti-corruption; • Communication; • Whistle blowing; • The acquisition and utilization of public facilities for ward meetings 												
		Bylaws: <ul style="list-style-type: none"> • Public Participation; • Promotion of access to information; • Petitions 												
Governance														
<i>Capital Projects</i>														
		None												
<i>Programmes</i>														
		Administrative support to Council and all its committees.	CS	All	Administrative support for Council provided.	800,000	800,000	800,000	6 Statutory Council meetings;	4 MPAC meetings (11 sub-committee meetings) ;	20 Exco meetings;	4 Audit Committee meetings;	4 Risk Committee	Yes

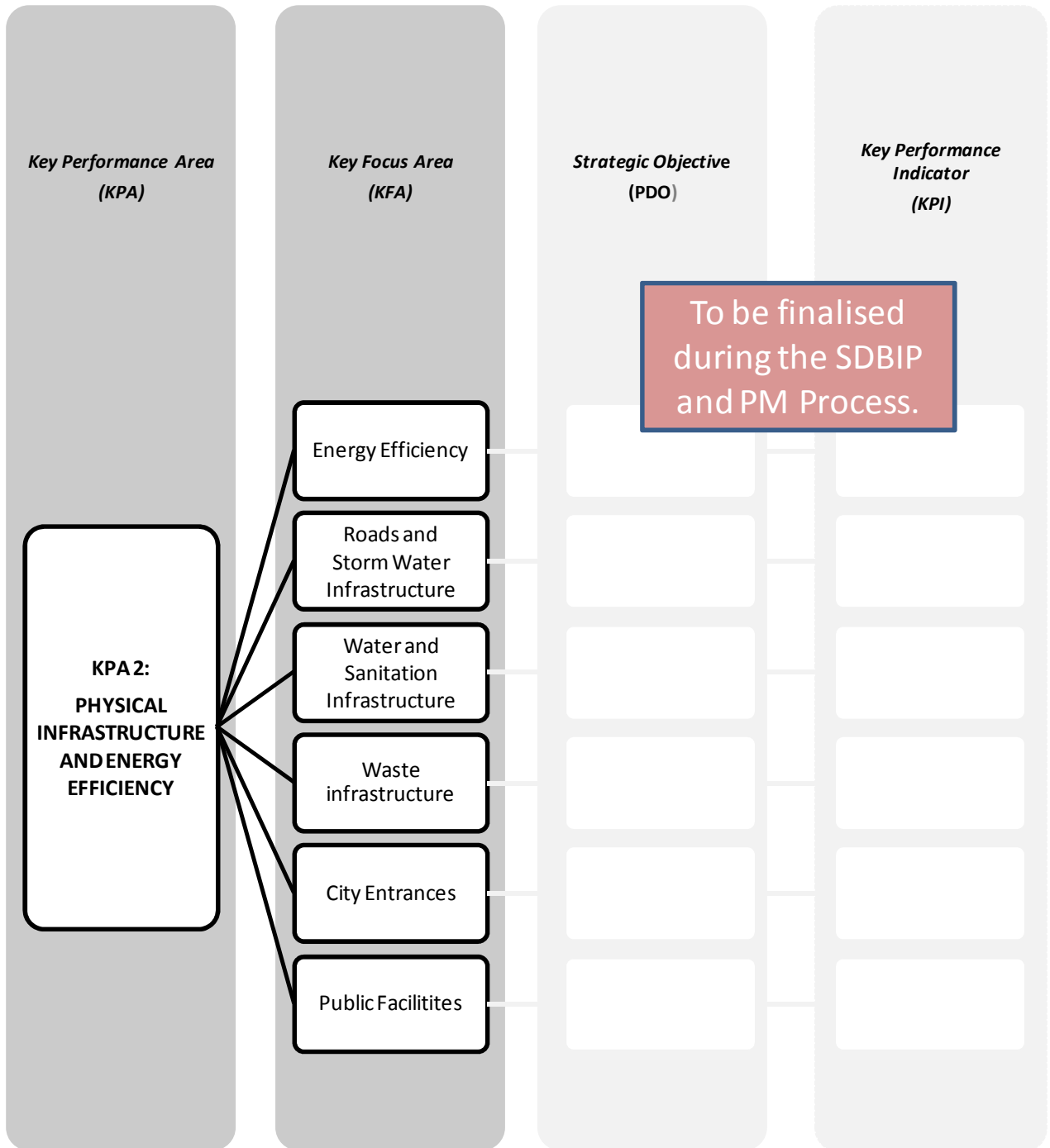
						meetings; 4 Rules Committee meetings																	
						600,000	600,000	A revised org structure	All	MM		Development of Organisational Structure										Yes	
						2.500,000	2.500,000	No of workshops held	All	MM		Ward Committee Support/Workshop										Yes	
						300,000	300,000	Developed Five year IDP	All	MM		Development of a five year IDP										Yes	
						200,000	200,000	Number of copies printed and distributed	All	MM		Printing and Distribution of the IDP										Yes	
						100,000	100,000	Number of Sector Plans Reviewed	All	MM		Annual Review of the Sector plans in line with the Systems Act 32 of 2000,Section 26-SDF,, Disaster Management Plan, Financial Plan										Yes	
						1,000,000	1 000,000					Telephony										Yes	
												Activities											
												None											
												Capital Projects											
												None											
												Programmes											
												Stakeholder Participation											

			Strengthen the functioning of the LEDF through capacity building	MM	All	Training and formation of sector based committees	300,000 50,000 3x trainings conducted and,	100,000 50,000 3x trainings conducted and,	50,000	50,000	50,000	50,000	50,000	Internal	GMLM	Yes
Activities																
			None													
Risk Management																
			Capital Projects													
			None													
Programmes																
	Audit Committee		Advise council and the Accounting Officer on matters prescribed in terms of MFMA section 166	MM	All	Conduct 4 meetings for financial and performance report	100,000	25,000 1 meeting per quarter	25,000 1 meeting per quarter	25,000 1 meeting per quarter	25,000 1 meeting per quarter	25,000 1 meeting per quarter	25,000 1 meeting per quarter	External	GMLM	Yes
	Internal Audit		Prepare the risk based audit plan for each financial year and advise the accounting officer and audit committee on matters prescribed by MFMA 165	MM	All	Conducted of the risk based internal audit as informed by the approved audit plan	489,000	489,000 Conduct internal audit in one department per month.	Conduct internal audit in one department per month.	Conduct internal audit in one department per month.	Conduct internal audit in one department per month.	Conduct internal audit in one department per month.	Conduct internal audit in one department per month.	Internal	GMLM	Yes

Risk Management	Conduct risk assessment workshop	MM	All	compiling the annual risk register	22,000	1 Annual Risk register compiled	1 Annual Risk register compiled	1 Annual Risk register compiled	1 Annual Risk register compiled	1 Annual Risk register compiled	1 Annual Risk register compiled	Yes
	Activities											
	None											
	Policies											
	Capital Projects											
	None											
	Programmes											
	None											
	Activities											
	None											
	Bylaws											
	Capital Projects											
	None											
	Programmes											
	None											
	Activities											
	None											
	Monitor and Evaluation											
	Capital Projects											
	None											
	Programmes											
	Operation clean Audit (Financial)	MM /Finance	All	Audit Opinion from Annual Audit conducted by the office of the Auditor General	4,000,000 Unqualified Audit Report	4,000,000 Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Unqualified Audit Report	Yes
	Activities											
	None											
	Communications (Internal and External)											
	Capital Projects											
	None											
	Programmes											
	Publication of newsletters	MM	All	Publication of 400 newsletters per quarter	293,000	48,000	53,000	58,000	64,000	70,000	GMLM	Yes

	Conduct Mayoral Imbizo	MM	All	1 Imbizo per Zone annually Conducted	1,106,000	4 Izimbizo	4 Izimbizo	4 Izimbizo	4 Izimbizo	4 Izimbizo	Internal	GMLM	Yes
	Adverts for IDP Consultation meetings	MM	All	Adverts placed on newspapers/w ebsite	20,000	20,000					Internal	GMLM	Yes
	Advert for Budget consultation meetings	MM	All	No. of adverts placed on newspapers/w ebsite	20,000	20,000					Internal	GMLM	Yes
	Activities												
	None												

3.8.2 KPA 2: Physical Infrastructure and Energy Efficiency



KPA 2: Physical Infrastructure and Energy Efficiency

Strategic Objective:		Policies:										Funding Source		Budget Yes / No	
		• Health facilities governance; • Public works													
IDP/ Ref Nr.	Key Focus Area (KFA)	To ensure appropriately serviced, well maintained physical infrastructure and the efficient use of energy.		Public roads, electronic communications network miscellaneous											
		Activities, Programmes, Capital Projects	Wards	KPIs (Service Standards)	Targets							Delivery: Int / Ext			
		Total	12/13	13/14	14/15	15/16	16/17								
Capital Projects															
	Upgrading of medium voltage network in Bethal / Emzinoni	TES	15, 22, 23,24, 26, 27, 28	medium voltage network in Bethal / Emzinoni upgraded	13,000,000	13,000,000 phase 2					External	GSDM/GMLM/Cogta	Yes		
	Installation of public lights/Street Lights in GMLM	TES	2,11, 10,12,24, 26,27,29	No of wards provided with access to public lighting	5,000,000	2,500,000 10 High Mast Lights?	2,500,000 16 High Mast Lights					MIG	Yes		
Programmes															
	Replace switch gears	All			3 000,000	3,000,000						GMLM	Yes		
	Replace old cables	All			8,000,000	8,000,000						GMLM	Yes		
	Refurbishment of mini substations	All			3,000,000	3,000,000						GMLM	Yes		
	Servicing of OCB's	All			1,000,000	1,000,000						GMLM	Yes		
	Replace of broken electrical structures	All			3,000,000	3,000,000						GMLM	Yes		
	Repair of street lights				4,000,000	4,000,000						GMLM	Yes		

	Repair of traffic lights						500,000	500,000										GMLM	Yes	
	Fencing of structures						100,000	100,000										GMLM	Yes	
	Purchase two way radios						300,000	300,000										GMLM	Yes	
	Master plan electrical						500,000	500,000										GMLM	Yes	
	Protective clothing						400,000	400,000										GMLM	Yes	
	Repairs and servicing of vehicles						3,000,000	3,000,000										GMLM	Yes	
	Activities																			
	None																			
	Roads and Storm Water Infrastructure																			
	Capital Projects																			
	Eradication of gravel roads in Bethal	TES	28				2,000,000	2,000,000										GSDM	Yes	
	Eradication of Gravel Roads in Emzimoni	TES	22,23				47,000,000	5,000,000 1,2KM	8,000,000 8KM				10,000,000 2,5KM	12,000,000 3KM	12,000,000 M 3KM			MIG	Yes	
	Standerton-Morgenon Link Road	TES	26,28				7,000,000	7,000,000										MIG	Yes	
	Various EPWP capital Projects? Park	TES					1,968,000											EPWP	Yes	
	Potholes in GMLM programme	TES					1,500,000	500,000 1200 m²	500,000 1200 m²				500,000 1200 m²					GSDM	Yes	
	Eradication of gravel roads in Kinross	TES	16				16,000,000	4,000,000 1 KM	4,000,000 1 KM				4,000,000 1 KM	4,000,000 1 KM	4,000,000 1 KM			MIG	Yes	
	New Kinross Roads	TES					500,000	R 500,000										GSDM	Yes	
	Eradication of gravel roads in Lebohang	TES	1,2,3,6				19,000,000	3,000,000 0,8KM	4,000,000 1 KM				4,000,000 1 KM	4,000,000 1 KM	4,000,000 1 KM			MIG	Yes	
	Eradication of gravel roads in Charl Cilliers	TES	10				8,000,000	4,000,000 1KM	4,000,000 1KM				4,000,000 1					MIG	Yes	
	Eradication of gravel roads in Embalenhle	TES	4,7,8,9,11,12,13,14,19,20,29,32				75,000,000	15,000,000 4 KM	15,000,000 4 KM				15,000,000 4 KM	15,000,000 4 KM	15,000,000 4 KM	15,000,000 4 KM			MIG	Yes

	Construction of phase 2 Lebohang storm water drainage	TES	3			3,000,000	3,000,000	3,000,000								Sasol	Yes
	Construction roads in eMzini	TES	27			4,000,000	2,000,000	2,000,000	2,000,000							GSDM	Yes
	Construction of speed humps in GMLM		8,9,10,11,19,24,26,29,30	Number of wards provided with speed humps		2,000,000	2,000,000	2,000,000	1,000,000	8 X speed humps	1,000,000	8 X speed humps	1,000,000	8 X speed humps		GMLM	Yes
	Purchase of Road Maintenance Fleet		All	Purchase of roads maintenance 2 X Rollers 3 X Water Tanker 2 X Front end Loaders 8 x Tipper Trucks 5 x LDV's		14,000,000	5,000,000	5,000,000	4,000,000							GMLM	Yes
	Programmes																
	Maintenance of paved roads	Tes	All	m ² paved roads		43,580,000 96,000 m	2,000,000 9200 m ²	8,640,000 19 200 m ²	8,640,000 19 200 m ²	8,640,000 19 200 m ²	8,640,000 19 200 m ²	8,640,000 19 200 m ²	8,640,000 19 200 m ²	8,640,000 19 200 m ²	8,640,000 19 200 m ²	GMLM	Yes
	Maintenance of unpaved roads	Tes	All	Km of unpaved roads		32,000,000 416km	4,000,000 240 km	7,000,000 240 km	7,000,000 240 km	7,000,000 240 km	7,000,000 240 km	7,000,000 240 km	7,000,000 240 km	7,000,000 240 km	7,000,000 240 km	GMLM	Yes
	Maintenance of storm water system	Tes	All	Km of storm water		26,000,000 836km	2,000,000 240km	6,000,000 240km	6,000,000 240km	6,000,000 240km	6,000,000 240km	6,000,000 240km	6,000,000 240km	6,000,000 240km	6,000,000 240km	GMLM	Yes
	Activities																
	None																
	Water and Sanitation Infrastructure																
	Capital Projects																
	Upgrading of Bethal WWTP-and Emzini sewer pump stations	TES	26	Six sewer pump stations and one WWTP upgraded		38,000,000	4,500,000 6 Pump Stations	10,000,000 Phase one upgrade of	10,000,000 Phase two upgrade of	14,300,000 Phase three	10,000,000	14,300,000	10,000,000	14,300,000	10,000,000	MIG	Yes

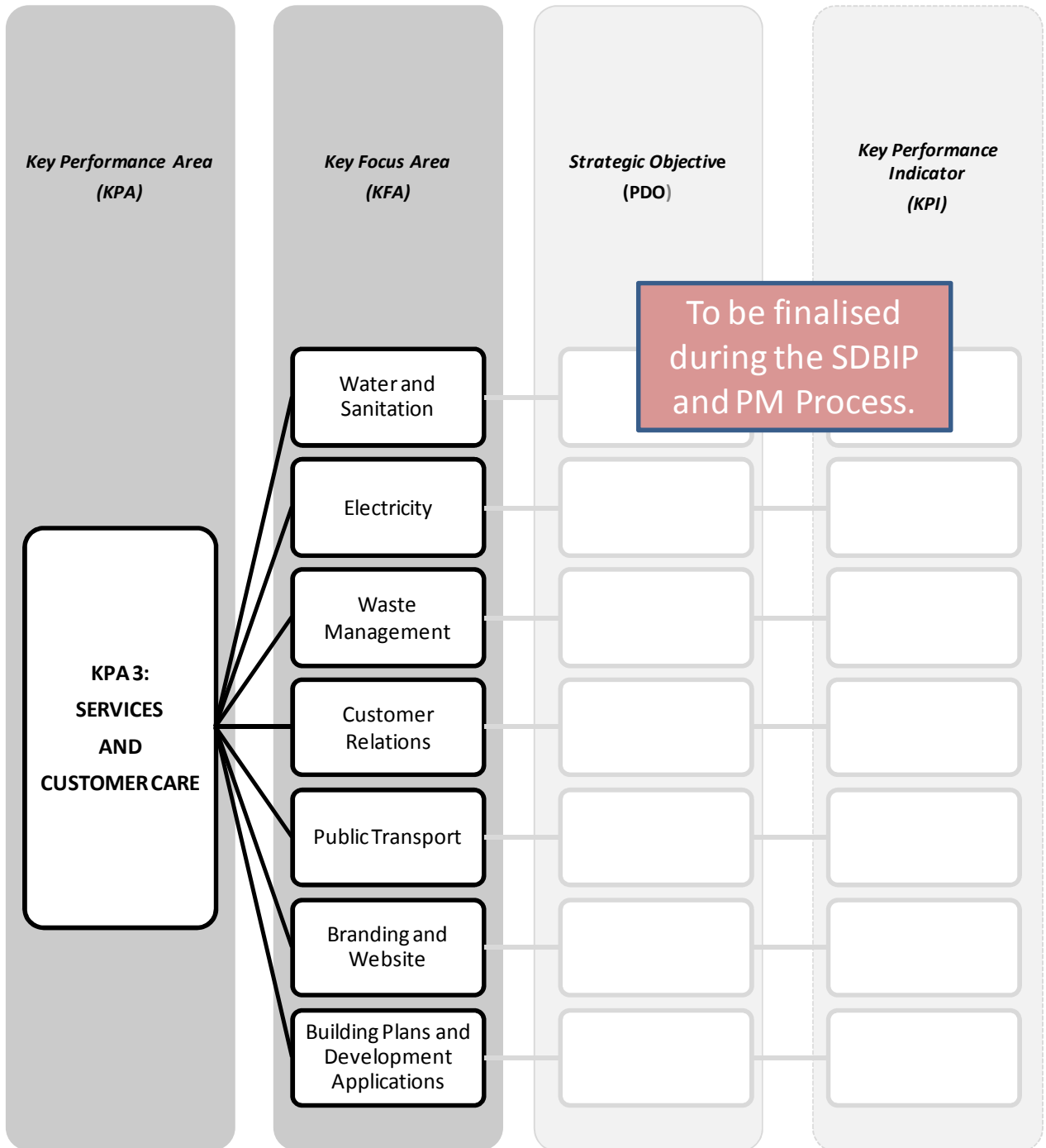
										upgrade of WWTP					Yes
		Installation of new VIP TOILETS IN FARMS	TES	All Farms			2,000,000	1,000,000	1,000,000						Yes
		Installation of zonal metering; control valves & telemetry systems (reservoirs & water network in GMLM)	TES	All	Zonal metering; control valves & telemetry systems (reservoirs & water network in GMLM) Procured and Installed	500,000	500,000	500,000	500,000	5 Controlled Valves Installed			Internal / External	GMLM/ GSDM	Yes
		Install new steel pressure tower at ext 4 Emzimoni	TES	22;23	Reduce water loss, minimize contamination of drinking water	1,500,000	1,500,000	1,500,000	1,500,000	1 X new steel pressure tower replaced 570kl			Internal	GMLM	Yes
		Reseal 5.3ML ext 25 Kinross reservoir and install overflow pipeline at ext 25 Kinross	TES	16	Resealed 5.3ML ext 25 Kinross reservoir and installed overflow pipeline at ext 25 Kinross reservoir	2,000,000	2,000,000	2,000,000	2,000,000	1 x reservoir 1 x overflow Kinross overflow pipe			External	Sasol	Yes
		Construct Wastewater Treatment Plant and sewer network-Charl	TES	10	WWTP and sewer network	15,000,000	15,000,000	5,000,000	5,000,000		5,000,000		External	MIG	Yes

	Develop and Implement Water Conservation and Demand Management Plan in GMM	TES	All	Water Conservation and Demand Management Plan developed and implementation	3,000,000	2,000,000	1,000,000					Internal / External	GMLM / Sasol / Rand Water	Yes
	Borehole Maintenance	TES	1;10;15; 17;19	125 boreholes maintained	500,000	500,000	50 x boreholes	50 x boreholes				External	GSDM	Yes
	Installation of new boreholes	TES			1,250,000								GSDM	Yes
	Blue and Green Drop	TES			600,000	600,000							GSDM	Yes
	Activities													
	None													
Waste Infrastructure														
	Capital Projects													
	None													
	Programmes													
	Activities													
	None													

City Entrances	Capital Projects	DEAT/Market Marketing	1,32,,21, 25,2,8,17 ,3,28,27	No of town entrances upgraded with landscaping and decoration	4,000,000	1,000,000 Ward 8,32,10	1,000,000 Ward28,27	1,000,000 Ward 1,2,3	500,000 Ward 17	500,000 Ward 21,25	Internal	GMLM	Yes
	Programmes												
	None												
	Activities												
	None												
	Public Facilities												
	Capital Projects												
	Building a new Primary Health Care Clinic in Lebohang Parking Bay	TES	2	No. Of wards provided with Health Care Clinic Services	9,500,000	9,500,000					External	Anglo Coal	Yes
	Development of the Evander Precinct (Construction of Evander Lapa) DEAT / TES to revise	TES / DEAT	18	Evander Precinct developed (New Lapa constructed in ward)	400,000	400,000	Phase One Feasibility study	Phase Two Constructi on			Internal	GMLM / PPP	Yes
	Extension of Embalenhle Administrative Office	TES	9	Council Building extended	5,000,000	5,000,000						GMLM	Yes
	Upgrade of Bethal Dam/Replacement of the supertube and play park(put-put)				400,000	400,000						GMLM	Yes
	Upgrade of the Duck pond Secunda	TES			100,000	100,000							Yes
	Construction of Leandra Fire Station and Procurements of Equipments	PS	2	New fully equipped and operational fire station	8,000,000	8,000,000					External	Sasol	Yes

	Upgrading of Eendracht, Evander, Secunda and Bethal testing station	PS	1, 17, 28 and 21	Upgraded – Eendracht, , Evander, Secunda and Bethal testing stations	500,000	500,000	500,000 upgraded Secunda, Bethal and Eendracht testing stations - installation of wheelmass brakes tester)	Upgraded Evander testing station and replaced testing machines in Eendracht			Internal	GMM unfunded	Yes
	Upgrading of Bethal Technical and Administrative offices					5,000,000	5,000,000					GMLM	Yes
	Building Community Hall in Bethal (verify with TES – multi-purpose centre)	DEAT/ TES	23	No of community halls built	30,000,00	30,000,00	30,000,000				External	MIG	Yes
	Community Hall	TES	26	Community Hall Constructed	5,000,000	5,000,000	5,000,000					SLP	Yes
	Programmes												
	Maintenance and upgrading of Council Properties	TES	All	No of buildings ungraded	500,000	34 Buildings)	500,000 (6 Buildings)	(7 Buildings)	(6 Buildings)	(8 Buildings)	Internal	GMM	Yes
	Maintenance of electricity on Council Buildings (energy efficiency compliance)	TES	All	No of Buildings	10,200,00	0	200,000	2,500,000	2,500,000		External	DoE and Eskom / unfunded	Yes
	Construction of a bakery facility	MM	8	Constructed bakery and confectionery facility	2,000,000		2,000,000				External	Harmony	Yes
	Construction of a manufacturing Hive (Small Business Development Centre)	MM	16	Constructed manufacturing hive	3,000,000		3,000,000				External	AEFC	Yes

3.8.3 KPA 3: Services and Customer Care



KPA 3: Services and Customer Care

IDP/ Ref Nr.	Key Focus Area (KFA)	Strategic Objective:	Activities, Programmes, Capital Projects	Dept	Wards	KPIs (Service Standards)	Targets					Delivery: Int / Ext	Funding Source	Budget Yes / No										
							12/13																	
							Total	13/14	14/15	15/16	16/17													
Capital Projects																								
	Water and Sanitation	To provide sustainable and affordable services and effective customer care.	Construct internal water reticulation network at (yard connections) ext 3;6;8; 9 Parama; ext 23 Emzihoni	TES	23;26;27	460 stands x Internal water reticulation network constructed	5,000,000	5,000,000	460 stands	5,000,000	Internal	SLP	Yes											
														Rectification of Sewer network at Emba Ext 22	TES	13; 19	Sewer network rectified at ext 22 Embalenhle	18,000,000	5,000,000	8,000,000	5,000,000	External	GSDM / COGTA / MIG (partially funded)	Yes
	Maintenance sewer pump stations buildings electrical	TES			406,000	406,000						Yes												

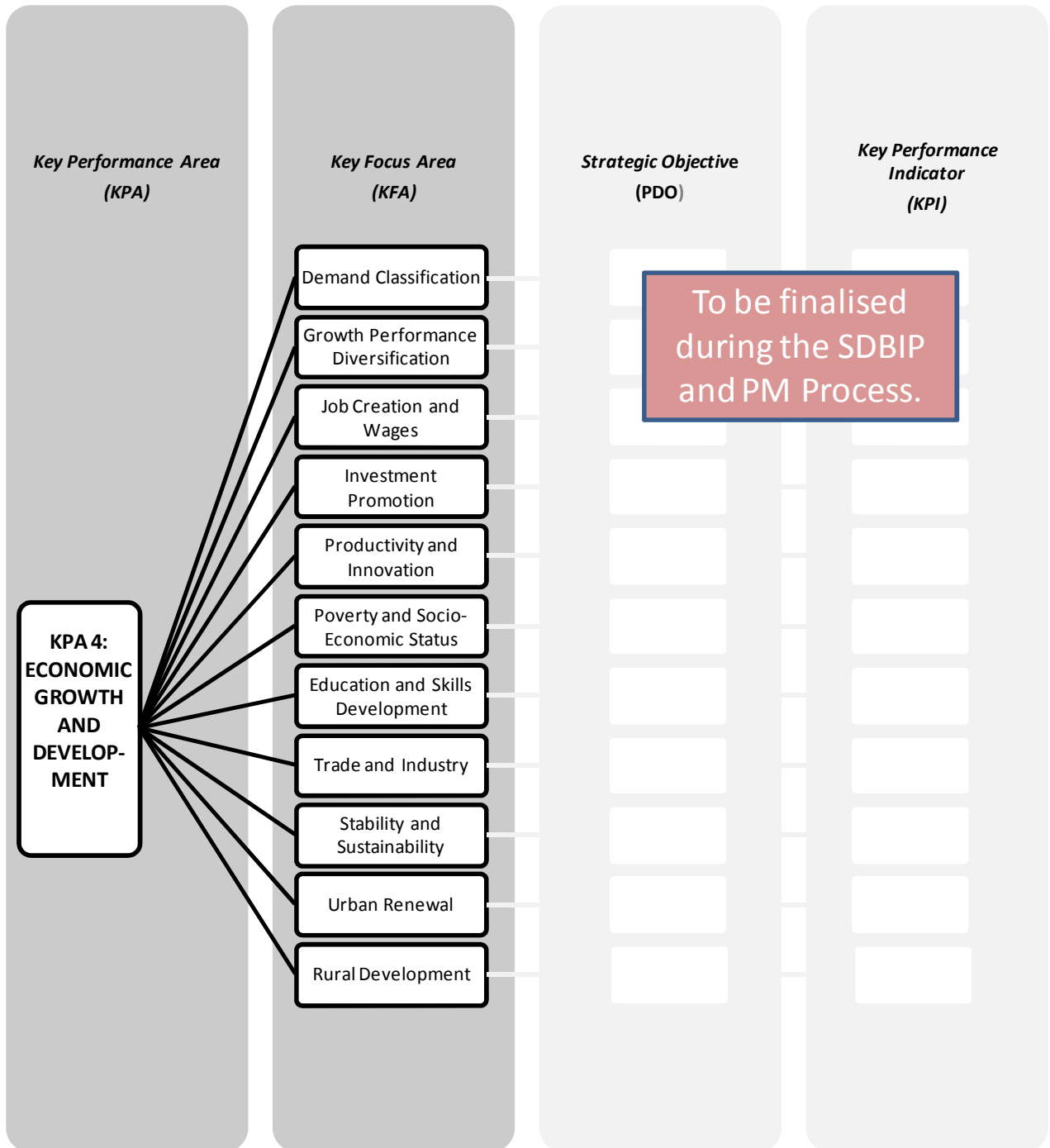
	Maintenance water metres																						
	Repairs and Maintenance structures and Maintenance-sewer							200,000	200,000														Yes
	Repairs and Maintenance structures and Maintenance-water treatment							458,000	458,000														Yes
	Repairs and Maintenance structures and Maintenance-reservoirs	TES						252,000	252,000														Yes
	Hiring of equipments	TES						1,000,000	1,000,000														Yes
	Programmes																						
	Rental of machinery Equipments	TES						1,100,000	1,100,000														Yes
	Activities																						
	None																						
Electricity																							
	Capital Projects																						
	None																						
	Programmes																						
	None																						
	Activities																						
	None																						

Waste Management												
Capital Projects												
None												
Programmes												
None												
Activities												
None												
Customer Relations												
Capital Projects												
Upgrading of municipal offices into Thusong service centre	HCS	Ward 27 and Ward 11	Thusong centres constructed (eMzinoni/eMbalenhle)	5,900,000	5,900,000 eMzinoni Thusong Constructed	R 0	R 0	R 0	R 0	R 0	R 0	Yes
Programmes												
Promote Stakeholder relations	MM	All	No of Stakeholder interventions conducted (Local Communication forums)	4 per annum	4 per annum	4 per annum	4 per annum	4 per annum	4 per annum	4 per annum	4 per annum	Yes
Marketing and awareness campaigns.	HCS	All	Marketing Thusong Services	Awareness campaign per quarter	Awareness campaign per quarter	Awareness campaign per quarter	Awareness campaign per quarter	Awareness campaign per quarter	Awareness campaign per quarter	Awareness campaign per quarter	Awareness campaign per quarter	Yes
Activities												
None												
Public Transport												
Capital Projects												
None												
Programmes												
Monitoring of compliance by taxi associations at taxi ranks	PS	all	3 taxi associations Monitored for compliance	weekly	1x per week	1x per week	1x per week	1x per week	1x per week	1x per week	1x per week	Yes
Activities												
None												

Branding and Website	Capital Projects												
											External	GMLM	Yes
		Branding of the municipality's image in line with the new vision and mission.	MM	All	Rebranded of the Municipality's Image in line with the new vision and mission	1,000,000	1,000,000	1,000,000	Production of one corporate video	Double sided pylons in designated entrances			
		Programmes											
		None											
		Activities											
	None												
Building Plans and Development Applications	Capital Projects												
		Rectification of Property Pegs	TES	All	100 properties to be re-pegged	500,000	500,000	500,000			Internal	GMLM	Yes
		Rectification of Property Pegs for Embalenhle Ext 10 (425 x 1000 = 425,000)	TES	20	425 properties to be re-pegged	5000,000	500,000	500,000			Internal / Internal	GMM / Human Settlements	Yes
		Programmes											
		Municipal Geographical Information System (GIS)	TES	All	Development of an GIS strategy and implementation	3,000,000	500,000	1,000,000	1,000,000	500,000	Internal	GMLM	Yes
Municipal Information System		Maintenance of GIS	TES	All	Updated GIS	1,000,000	200,000	200,000	200,000	200,000	Internal	GMLM	Yes
		Orthophoto Mapping	TES	All	Orthophoto for change detection	2,000,000	2,000,000				Internal	GMLM	Yes
		Activities											
	Update GMLM land										Internal	GMLM	
		TES	All	Update Land	1,000,000	200,000	200,000	200,000	200,000	200,000	Internal	GMLM	

	use scheme																		
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3.8.4 KPA 4: Economic Growth and Development



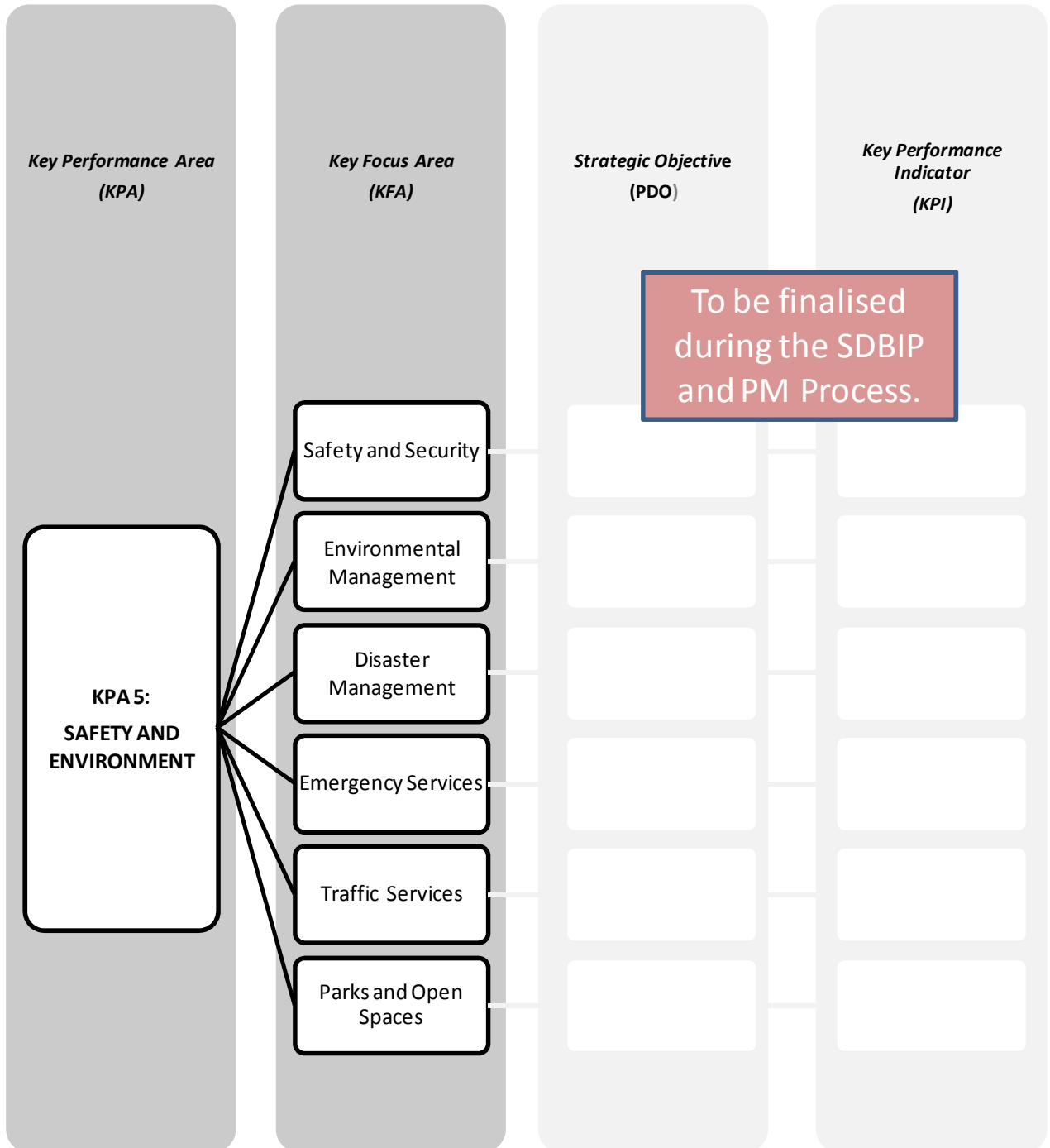
KPA 4: Economic Growth and Development

IDP/ Ref Nr.	Key Focus Area (KFA)	Strategic Objective:	To facilitate economic growth and development.										Policies:	Budget Yes / No	
			Activities, Programmes, Capital Projects	Dept	Wards	KPIs (Service Standards)	Targets					Delivery: Int / Ext			Funding Source
							Total	12/13	13/14	14/15	15/16				
			<ul style="list-style-type: none"> • Street trading; • Informal trading 												
Capital Projects															
		None													
Programmes															
		Enrolment of people to be trained in agriculture(Ithemba Agricultural centre of excellence)	MM	15,22, 23,24,26, 27,28	30 people trained in agriculture annually	9,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	External	TCSA	Yes	
		Capacity building for SMME's in business practises i.e financial and marketing as per LED plan	MM	All	12x Trainings conducted		2x interventions per annum	2x interventions per annum	2x interventions per annum	2x interventions per annum	2x interventions per annum	External	SEDA/NYDA /GMLM	Yes	
		Mentoring of 30 small business owners on business management	MM	All	30 SMME'S equipped with business management		30 SMME'S equipped with business skills					External	Ned bank	Yes	

	centres			established				information centre (Wards 27) 100,000	information centre (Wards 11) 100,000	information centre (Wards 1) 100,000			
	Programmes												
	None												
	Activities												
	None												
	Job Creation												
	Capital Projects												
	None												
	Programmes												
	Community Works	MM	2.6.9.10 .19.22.24. 27	250 people employed per site per annum		468,000 people per site per annum	per site per annum	per site per annum	per site per annum	per site per annum	External	COGTA	Yes
	(250 people per site @ R65)(16250)												
	Activities												
	None												
	Urban Renewal												
	Capital Projects												
	Finalisation of outstanding Township Establishments	TES	1.2.3.4.9, 11,14,19, 23, 24, ...	No of Townships proclaimed	6,500,000	2,500,000 (Embalenhle ext. 22, Emzinoni 11 & Secunda ext. 47;ptn 4 & 10	4,000,000 (Kinross ext. 09 & Lebohang 12, 14 & 17)Which Townships	10,000,000 Secunda west phase 2, Emzinoni and Charl Cilliers?	10,000,000 Secunda west phase 3: integration of Embalenhle and	10,000,000 Lebohang/Eendracht: integration of the towns	Internal / External	GMLM Partially funded	Yes
	Greenfield Township Establishment	TES	1.5,17,18, 26	11 000 new properties proclaimed	32,100,000	2,100,000 Evander, eMbalenhle west phase1 and Lebohang					Internal / external	GMLM / COGTA/DA RLA unfunded	Yes

	Rural Development Strategy and Implementation plan	TES / LED	All	Strategy approved and implemented	1,200,00	200,000	Secunda 400,000	400,000	Internal / External	GMLM / CSIR unfunded	Yes
	Programmes										
	Develop new Spatial Development Framework (SDF) in terms of Section 26 of the Municipal Systems Act.	TES	All	Spatial Development Framework Approved and implemented	2,000,000	2,000,000			Internal	GMLM Partially funded	Yes
	Activities										
	None										
	Rural development										
	Capital Projects										
	None										
	Programmes										
	None										
	Activities										
	None										
	Trade and Industry										
	Capital Projects										
	None										
	Programmes										
	None										
	Activities										
	None										
	Productivity										
	Capital Projects										
	None										
	Programmes										
	None										
	Activities										
	None										

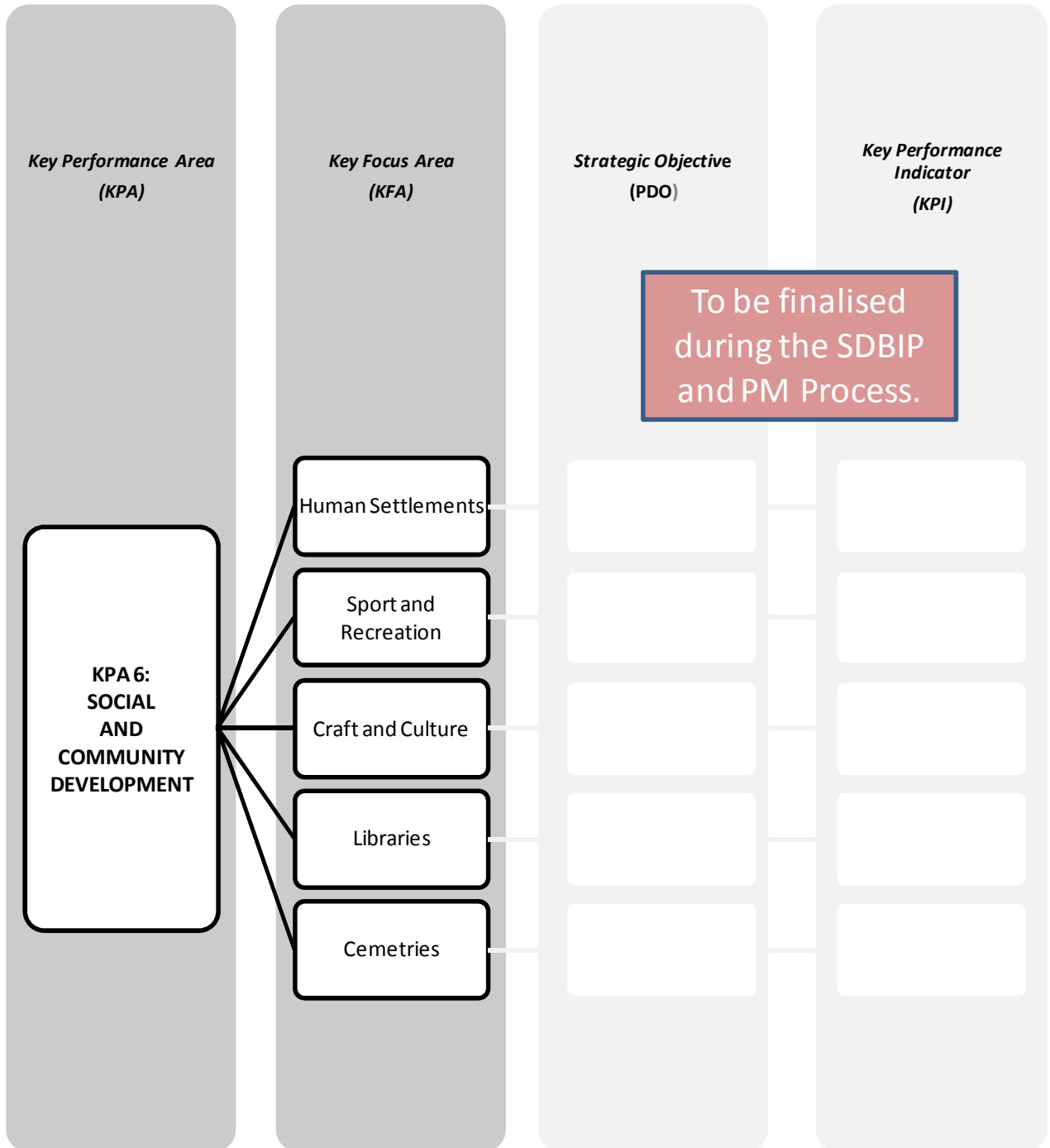
3.8.5 KPA 5: Safety and Environment



KPA 5: Safety and Environment

IDP/ Ref Nr.	Key Focus Area (KFA)	Activities, Programmes, Capital Projects	Dept	Wards	KPIs (Service Standards)	Targets					Delivery: Int / Ext	Funding Source	Budget Yes / No	
						Total	12/13	13/14	14/15	15/16				16/17
Strategic Objective: To ensure safety within the community as well as a healthy and protected environment.		Policies: <ul style="list-style-type: none"> Safety, health and environment; The provision of refuse bins to residents of the Highveld East Municipality 												
		Bylaws: <ul style="list-style-type: none"> Smoking ; Nuisance; Traffic; Control of illegal invasions; Emergency services; Law enforcement; Encroachment; Traffic fines by council employees; 												
Capital Projects														
		Installation of alarm beams and CCTV Cameras at Bethal Museum parking bay	DEAT / PS	28	CCTV Cameras and Alarm beams installed.	1,600,000			800,000	800,000	800,000	Internal	GMLM unfunded	Yes
		Installation of automated access control systems Parking bay	P/S	Secunda Head Office -21 Bethal Municipal Offices – 28 Embalenhle Municipal Offices - 9	3 Automated access control systems installed	2,000,000	1,000,000 Secunda	500,000 Bethal	500,000 Emba			Internal	GMLM unfunded	Yes
Programme														
		Procurement of appointment / access cards/photographs	PS	All	Appointment/ access cards for all employees	300,000	300,000							Yes
		Promote safety and Security to the community	PS	All	No. Of Social Crime prevention campaigns	80,000	4x per annum	4 x per annum						Yes

3.8.6 KPA 6: Social and Community Development



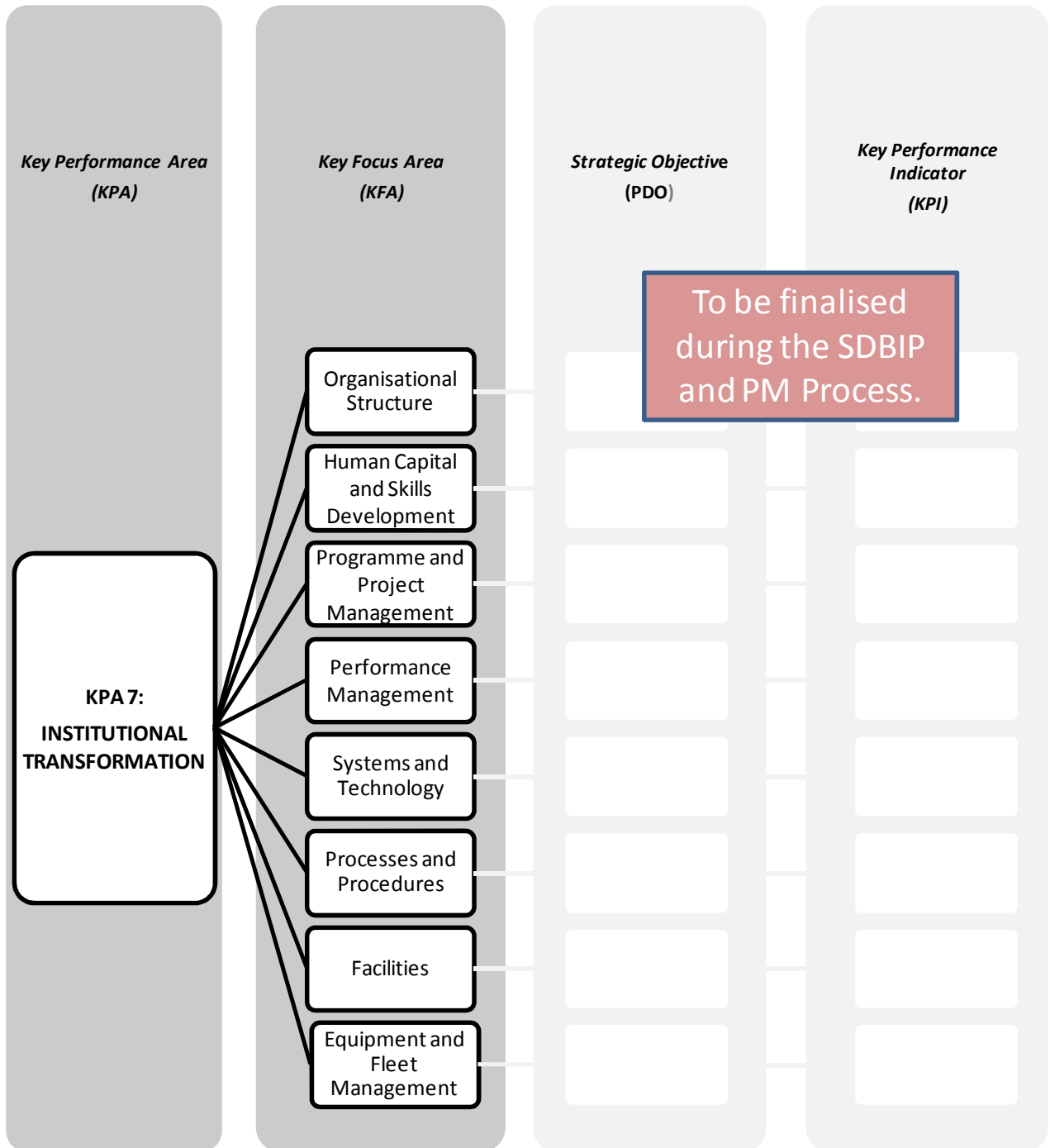
KPA 6: Social and Community Development

IDP/ Ref Nr.	Key Focus Area (KFA)	Activities, Programmes, Capital Projects	Dept	Wards	KPIs (Service Standards)	Targets					Delivery: Int / Ext	Funding Source	Budget Yes / No	
						12/13	13/14	14/15	15/16	16/17				
<p>Strategic Objective:</p> <p>To facilitate social and community development.</p>		<p>Policies:</p> <ul style="list-style-type: none"> • Library Policy: Notice boards and exhibitions in libraries; • Library Policy: Public computer use in libraries; • Library Policy: Closure of libraries over long weekends and Christmas / new year holidays; • Library Policy: Media collection, development and management; • Library Policy: Working time arrangement; <p>Bylaws:</p> <ul style="list-style-type: none"> • Public Libraries and Auditoriums; • Cemetery; • Privately owned swimming pools; • Public swimming pools; • Caravan park; • Preparation of food at registered kitchens; • Youth development; • Child care; • Home for the aged; • Pauper burial; • Hair salon and barber shop; • Keeping of animals; • Housing policy for Govan Mbeki; 												
Total						1.500,000	1.500,000							
Capital Projects														
Human Settlements		Establishment of sustainable Human Settlements	HCS	16	Established integrated human settlement (Kinross x9)	1.500,000	1.500,000					Internal/ External	GMLM/ Dept. Of Human Settlement	Yes
		Construction of 40 Low Cost Houses	HCS	26	40 Low Costs Houses Constructed	11,000,000	11,000,000		R 0	R 0	R 0	External	Sudor Coal	Yes
Programmes														

	Land invasion control	HCS	Monitored pieces of land (municipal and privately owned)	R 1 M	R 1 M Functional squatter control unit	R 0	R 0	R 0	R 0	R 0	Internal	GMLM	Yes
	Activities												
	Sport and Recreation												
	Capital Projects												
	Upgrading of existing sports stadiums	DEAT	11,27,3,17	R 16.4 M (2 stadiums)	R 5.7 M Ward 27	R 5.7 M Ward 11	R 3 M Ward 17	R 2 M Ward 3	R 0	R 0	External	Sasol	Yes
	Embalenhle WWTP - Upgrading				R 9 M	R 11 M	R 10 M					MIG	Yes
	Replace Water slide Bethal dam (super tube)	DEAT	Ward 28	R 1.5 M	R 0	R 1.5 M	R 0	R 0	R 0	R 0	Internal / External	GMLM / SLP	Yes
	Programmes												
	None												
	Activities												
	None												
	Craft and Culture												
	Capital Projects												
	None												
	Programmes												
	Maintenance of Simelane Statue/			239,000	239,000								
	Activities												
	None												
	Libraries												
	Capital Projects												
	None												
	Programmes												
	Maintenance of Air Conditioner	DEAT		1,000,000	1,000,000								
	Activities												
	None												
	Cemeteries												
	Capital Projects												
	None												
	Programmes												
	None												

		Activities																	
Special Projects / Programmes		Capital Projects / Programmes																	
		None																	
		Activities																	
		None																	

3.8.7 KPA 7: Institutional Transformation



KPA 7: Institutional Transformation

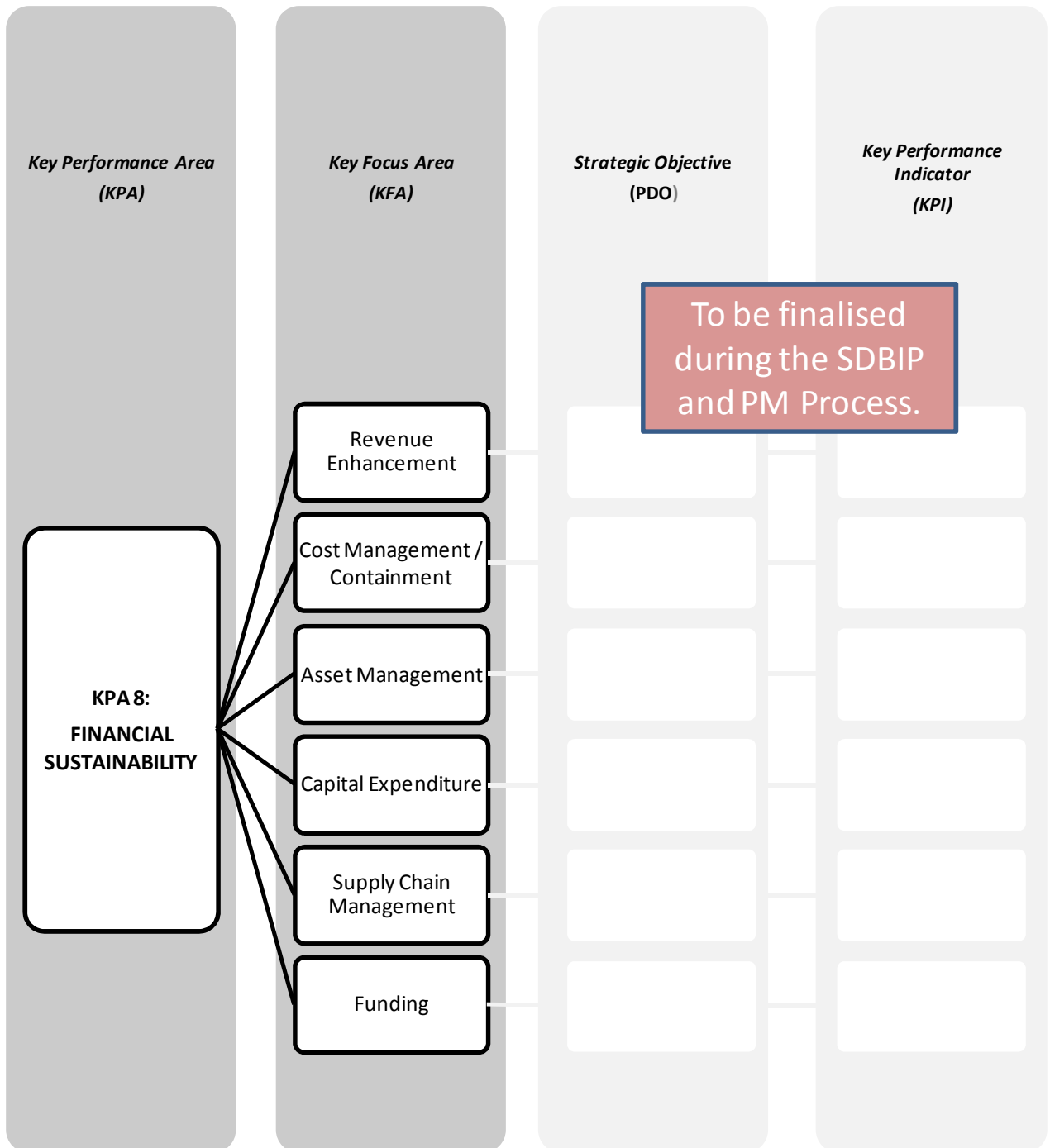
Strategic Objective:	To ensure institutional transformation.	Policies:	<ul style="list-style-type: none"> Smoking policy; Training and development; Employee assistance programme; Sexual harassment; Dress code; Funeral assistance; Telephone policy; File plan (Archiving); Reprographic; Records management; Overtime; Correspondence; Incoming and internet post; Agenda; Internet and e-mail; Use of notice boards; ICT training; Experiential training and the work ethics; Transformation: Uniform personnel working time arrangements; Legal representations of employees and councillors; Acting policy; Cell phone and reimbursement; Recruitment and selection; Employment equity; Leave; Drug and substance abuse; Interim funeral arrangement; Transport and equipment 											
		By/laws:												
IDP/ Ref Nr.	Key Focus Area (KFA)	Activities, Programmes, Capital Projects	Wards	KPIs (Service Standards)	Dept	Targets	Delivery: Int / Ext	Funding Source	Budget Yes / No					
						12/13	13/14	14/15	15/16	16/17				

Capital Projects													
None													
Organisational Structure													
75													

Programmes															
None															
Activities															
None															
Capital Projects															
None															
Programmes															
76	Develop organisational skills plan	CS	All	Developed and Approved Organisational skills plan	664,000	664,000	1% of staff budget Technical interventions On job plans	1% of staff budget Technical interventions On job plans	1% of staff budget Technical interventions On job plans	1% of staff budget Technical interventions On job plans	664,000	1% of staff budget Technical interventions On job plans	Internal	GMLM	Yes
	Recruitment	CS	All		150,000	150,000					150,000				Yes
	Employee Assistance Programme				100,000	100,000					100,000				Yes
	Workshops				53,000	53,000					53,000				Yes
	Printing of the Agenda				800,000	800,000					800,000				Yes
	Valuation Roll				6,000,000	6,000,000					6,000,000				Yes

Facilities		Capital Projects									
		None									
		Programmes									
		None									
		Activities									
		None									
		Capital Projects									
		Procurement of new vehicles	PS	All	Number of vehicles procured	250,000	250,000	Internal	GMM	Yes	
					9 compactor trucks						
					6 skip loaders						
					61 bakkies						
					5 tractors						
					3 fire engines						
					3 cherry pickers						
					4 land cruisers – fire						
					9 TLB						
					20 sedans						
					Low bed truck						
					4 dozers						
					3 Rollers						
					4 Graders						
					4 Water Carts						
					7 Front end loaders						
					4 Excavators						
					25 x 3 ton						

2.8.8 KPA 8: Financial Sustainability



KPA 8: Financial Sustainability

IDP/ Ref Nr.	Key Focus Area (KFA)	Strategic Objective:	Activities, Programmes, Capital Projects	Dept	Wards	KPIs (Service Standards)	Targets							Delivery: Int / Ext	Funding Source	Budget Yes / No						
							Policies:										Total	12/13	13/14	14/15	15/16	16/17
							Bylaws:															
		To ensure financial sustainability.																				
Revenue Enhancement																						
			None																			
			Programmes																			
			Data Cleansing	Finance					5,000,000								Yes					
			Development and maintenance of the Valuation and supplementary rolls	CS	All	1 X Valuation Roll and 4 X Supplementary			5,000,000	5,000,000	1,000,000	2,000,000	2,000,000	2,000,000	External	GMLM	Yes					
			Activities																			
			None																			
			Capital Projects																			
			Cost																			

	Management / Containment	None <i>Programmes</i> None <i>Activities</i> None																			
	Asset Management	<i>Capital Projects</i> None <i>Programmes</i> None <i>Activities</i> Development of Asset Register						1.500,000			1.500,000										Yes
	Capital Expenditure	<i>Capital Projects</i> None <i>Programmes</i> None <i>Activities</i> None																			
	Supply Chain Management	<i>Capital Projects</i> None <i>Programmes</i> None <i>Activities</i> None																			
	Funding	<i>Capital Projects</i> None <i>Programmes</i> None <i>Activities</i> None																			
	Cash Management	<i>Capital Projects</i> None <i>Programmes</i> None <i>Activities</i> None																	Internal	GMLM	Yes

4 5 Year Financial Plan

4. 5 Year Financial Plan

4.1 Introduction

The purpose of this chapter is to outline the comprehensive multi-year financial plan that will ensure long term financial sustainability of The Govan Mbeki Local Municipality (GMLM). The plan is essential to ensure that the municipality continues to implement its mandate effectively without impairing its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

The multi-year financial plan is prepared for a period of five years, paying particular attention to infrastructure requirements which is an important component of the IDP. This plan will also ensure that the municipality has greater financial health and sustainability making it easier to collaborate on projects with other levels of government and various public- and private stakeholders. This will further enhance the ability of the GMLM to have access to more financing, funding and grants.

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

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

4.2 Key Focus Areas

4.2.1 Revenue

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

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

- Economic growth and development;
- An expanded revenue base;
- An above 90% annualized collection rate for consumer revenue;

- A full cost recovery – per department;
- A tariff escalation rate aligned to the revenue requirement; and
- The extension of new services and the recovering of costs thereof.

A detailed revenue enhancement plan will be attached as an Annexure.

Projected Revenue per source

The South African economy is slowly recovering from the economic downturn and it will still take some time for municipal revenues to increase through local economic growth. Consequently cash flows are expected to remain under pressure for the 2012/2013 financial year and therefore a conservative approach is followed to project expected revenues and cash receipts.

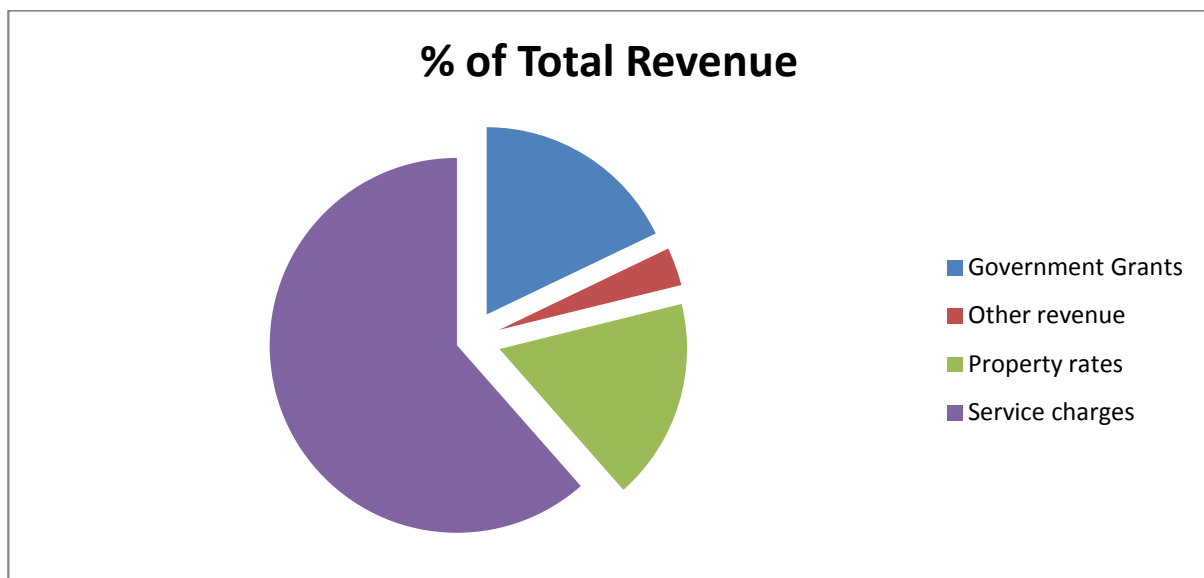
The following table is a high level summary of the projected revenue for the GMLM over the medium term:

Revenue	Adjusted	Actuals	Indicative 2012-2013	Indicative 2013-2014	Indicative 2014-2015	Indicative 2015-2016	Indicative 2016-2017
Property Rates – Monthly	-168,280,565	-111,528,683	-174,940,721	-185,437,164	-196,563,394	-206,391,564	-216,711,142
Service Charges	-629,245,946	-435,021,300	-726,873,339	-770,485,739	-816,714,884	-857,550,628	-900,428,159
Rent of Facilities & Equipment	-4,370,547	-2,786,682	-4,627,796	-4,905,464	-5,199,791	-5,459,781	-5,732,770
Interest Earned – Ext Invest	-1,150,000	-978,311	-1,219,000	-1,292,140	-1,369,668	-1,438,152	-1,510,059
Interest Earned – Outs. Debtors	-32,000,000	-23,369,575	-33,920,000	-35,955,200	-38,112,512	-40,018,138	-42,019,044
Fines	-4,200,000	-5,774,989	-9,246,071	-9,800,835	-10,388,886	-10,908,329	-11,453,746
Licenses & Permits	-12,500	-9,654	-13,250	-14,045	-14,888	-15,632	-16,414
Income from Agency Services	-14,000,000	-42,985,939	-30,514,254	-32,345,109	-34,285,815	-36,000,106	-37,800,111
Grants & Subs. Rec. – Operate	-176,469,000	-132,977,000	-193,237,000	-205,921,000	-221,545,000	-232,622,250	-244,253,363
Grants & Subs. Rec. – Capital	-140,622,842	-70,192,958	-180,746,882	-161,191,000	-178,512,000	-188,201,100	-195,377,675
Public Contr. & Donations	-	-	-	-	-	-	-
Other Revenue	-12,864,246	-12,375,217	-13,608,107	-14,424,594	-15,290,069	-16,054,573	-16,857,302
Gain on Disposal of PPE	-2,500,000	-3,060,146	-49,865,632	-2,809,000	-2,977,540	-3,126,417	-3,282,738
Total Direct Revenue	-1,185,715,646	-841,060,453	-1,418,812,052	-1,424,581,289	-1,520,974,447	-1,597,786,669	-1,675,442,523
Less Income foregone	32,000,000	12,698,668	34,080,000	36,124,800	38,292,288	40,206,902	42,217,248
Internal Recoveries	-52,965,461	-13,684,445	-56,090,728	-59,456,172	-63,023,541	-66,174,719	-69,483,454
Total Revenue	-1,206,681,107	-842,046,230	-1,440,822,779	-1,447,912,661	-1,545,705,701	-623,754,486	-1,702,708,730
Total Excluding Grant funding capital	140,622,842	70,192,958	180,746,882	161,191,000	178,512,000	188,201,100	195,377,675
Transfer AFF	9,853,583	-	81,062,296	46,335,034	49,115,136	51,570,893	54,149,437
Total Operating Revenue	-1,056,204,682	-771,853,272	-1,179,013,601	-1,240,386,627	-1,318,078,565	-1,383,982,493	-1,453,181,618

Analysis of projected revenue

- Total revenue forecasted for the 2012/2013 financial year reflects an increase of 16% from the 2011/2012 financial year.
- On average service charges jointly comprise 50.48% of the total revenue, property rates 12.14% and government grants 25.95%, whilst other revenues constitute 11.46.
- Allocations from National and Provincial government in terms of the Division of Revenue Act are factored as follows over the medium term:
 - Government grants 2011/2012 financial year include transfer projects
 - Government grants forecasted over the medium term reflects an increase from 6% for the multi-year ;
 - The Equitable share allocation to the local sphere of government is an important supplement to existing municipal revenue and takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities;
 - It is an unconditional grant and allocations are contained in the Division of Revenue Act (DORA)

% of Total Revenue Grouped per Source for the 2012/2013



4.2.2 Expenditure

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

- Asset renewal (infrastructure repairs and maintenance a priority);
- Balanced budgeting (expenditure cannot exceed revenue);
- Capital programme alignment to asset renewal;

- Operational gains and efficiencies (resulting in additional funding capacity on the capital programme; as well as redirection of funding to other critical areas);
- Solid project / business plans; and
- Strict principles around not allowing expenses if there is no budget allocation.

Projected Expenditure per Source

The following table is a high level summary of the projected expenditure for the municipality over the medium term period and aligned to the IDP.

OPERATING EXPENDITURE	Adjusted	Actuals	Indicative 2012-2013	Indicative 2013-2014	Indicative 2014-2015	Indicative 2015-2016	Indicative 2016-2017
Employee Related Costs	302,079,373	200,579,857	316,448,424	335,435,330	355,561,449	373,339,522	392,006,498
Remuneration of Councilors	15,408,510	9,702,417	16,333,021	17,313,002	18,351,782	19,269,371	20,232,840
Bad Debts	74,422,950	-	91,043,078	94,157,093	99,806,519	104,796,845	110,036,687
Collection Costs	2,891,004	2,118,486	3,064,464	3,248,332	3,443,232	3,615,394	3,796,163
Depreciation	76,080,390	-	80,477,858	85,306,530	90,424,922	94,946,168	99,693,476
Repairs and Maintenance	44,448,959	21,736,125	60,416,995	65,317,284	68,936,321	72,383,137	76,002,294
Interest Expenses	9,448,351	8,273,372	10,015,252	10,616,167	11,253,137	11,815,794	12,406,584
Bulk Purchases	373,753,755	293,660,194	432,972,607	452,969,841	480,129,458	504,287,387	533,664,733
Water Purchases	103,231,531	88,205,180	117,683,945	124,744,982	132,229,681	138,841,165	145,783,223
Electricity Purchases	270,522,224	205,455,014	315,288,661	328,224,859	347,899,777	365,446,222	387,881,509
Contracted Services	43,907,021	34,881,299	57,447,120	65,941,180	73,217,244	76,868,650	80,702,626
Grants and Subsidies Paid	207,966,664	44,196,728	235,098,829	214,104,064	234,867,568	247,232,446	253,207,069
General Expenses – Other	69,535,448	43,264,016	80,829,967	83,019,165	88,000,315	92,400,331	97,020,348
Direct Operating Expenses	1,219,942,424	658,412,494	1,384,147,616	1,427,427,988	1,523,991,947	1,600,955,045	1,678,769,317
Internal Charges	52,965,461	10,475,153	56,090,728	59,456,172	63,023,542	66,174,719	69,483,455
Total Operating Expenditure	1,272,907,885	668,887,646	1,440,238,344	1,486,884,160	1,587,015,489	1,667,129,764	1,748,252,772
Asset Financing Reserve	9,853,583	-	81,062,296	46,335,034	49,115,136	51,570,893	54,149,437
Depreciation Reserve	-76,080,392	-	-80,477,861	-85,306,532	-90,424,924	-94,946,170	-99,693,479
Total Expenditure	1,206,681,076	668,887,646	1,440,822,779	1,447,912,661	1,545,705,701	1,623,754,486	1,702,708,730
Less Capital Grant funding & AFF	-150,476,425		-261,809,178	-207,526,034	-227,627,136	-239,771,993	-249,527,112
Surplus/deficit							
Total Expenditure	1,056,204,651	668,887,646	1,179,013,601	1,240,386,627	1,318,078,565	1,383,982,493	1,453,181,618

Analysis of projected Expenditure

- The medium term projections reflect an average growth of 6% over the next five years.
- The operating expenditure has increased by 11% against the 2010/11 full year forecast.
- Employee related cost are amongst the major cost drivers which need to be micro managed to ensure that resources are used optimally
- The cost associated with the remuneration of councillors is determined and informed directly by way of the Remuneration of Public Office Bearers Act 1998 (Act No. 20 of 1998)

- Aligned to the best practice methodology of preserving and maintaining current infrastructure, the expenditure framework has essentially catered for infrastructure maintenance.
- Bulk electricity and water purchases remain the main increasing factor on operating expenditure with increases of 59 million, R19 million , 27 million , 24 million and R29 million respectively over the multi years
- General expenses reflect an average increase of 6% the multi-year plan

4.2.3 Cost Containment

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

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

4.2.4 Assets

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

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

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

Resources will be deployed to support and assist in addressing issues raised in audit reports and to ensure GRAP compliance. The update and preparation of the Asset Register (movable and immovable) takes priority in the coming year with a specific focus on the following physical verification of movable and immovable assets and the reconciliation of the project register with the AUC; the reconciliation of the valuation rolls to the Asset Register; and disposal- and addition reconciliations.

4.2.5 Funding

The following are the anticipated funding sources:

- **Grant Funding.** Allocations from National and Provincial government in terms of the Division of Revenue Act and Infrastructure Development grant from the District.
- **Private Sector Funding.** Funding from the mining housed within the jurisdiction of the municipality in terms of their Social Labour Plans
- **Public Private Partnerships.** The GMLM must constantly investigate alternatives of providing services whether it's by the municipality or through a public private partnership.
- **Implementation of a plan to access donor funding.** This plan will create a framework for accessing funds from local and overseas donors. It will detail the type of projects for which funding will be sought, procedures to be used, donor conditions that are acceptable or unacceptable.

Internal- and external capital funding amounts to R205 million and will be utilised to execute Development Strategy projects, programmes and activities detailed in Chapter 3 of the IDP as follows:

SOURCE	Project Description	Department	Indicative 2012-2013	Indicative 2013-2014	Indicative 2014-2015	Indicative 2015-2016	Indicative 2016-2017
ANGLO	Upgrading Lebohang Community Health Care Clinic (Ward 3)	Community and Social	5,545,431	-	-	-	-
ANGLO	Building new Primary Health Care Clinic in Lebohang (Ward23)	Community and Social	9,959,451	-	-	-	-
ANGLO	Building Community Hall in Bethal	Community and Social	5,000,000	-	-	-	-
AEFC	Manufacturing Hive (Ward 16)	Planning and Develop.	-	1,000,000	1,000,000	1,000,000	-
AEFC	Municipal Infrastructure Upgrade	Planning and Develop.	1,970,000	1,970,000	1,970,000	3,940,000	-
DoE	Electrification in GMM	Electricity	-	10,000,000	10,000,000	10,500,000	11,025,000
DTI	Feedlot Plant		24,000,000	24,000,000	24,000,000	24,000,000	24,000,000
EPWP	Various projects in GMM	Road Transport	1,959,000	-	-	-	-
GSDM	Potholes in GMM	Road Transport	500,000	500,000	500,000	525,000	551,250
GSDM	Upgrading of Sport Facilities in GMM	Sport & Recreation	-	1,000,000	-	-	-
GSDM	Water & Sanitation Maintenance in GMM	Water	500,000	1,000,000	1,000,000	1,050,000	1,102,500
GSDM	Borehole Maintenance GMM	Water	500,000	1,000,000	1,200,000	1,260,000	1,323,000
GSDM	New Boreholes in GMM	Water	1,250,000	1,000,000	1,000,000	1,050,000	1,102,500
GSDM	Water quality testing -blue & green drop in GMM	Water	600,000	650,000	700,000	735,000	771,750
GSDM	(VIPs) Sanitation VIP in GMM	Waste Water Manage.	1,000,000	1,200,000	1,200,000	1,260,000	1,323,000
GSDM	Upgrading of Medium Voltage Network in Bethal/Emzinoni	Electricity	3,000,000	7,000,000	8,000,000	8,400,000	8,820,000
GSDM	Roads in Bethal	Road Transport	2,000,000	-	-	-	-
GSDM	Sewer Network Rectification Emba Ext 22	Waste Water Manage.	5,000,000	-	-	-	-
GSDM	Kinross Roads	Road Transport	500,000	-	-	-	-
HARMONY	Internship Programme	Corporate Services	600,000	-	-	-	-
HARMONY	Enterprise Development	Executive and Council	2,000,000	-	-	-	-
HARMONY	Sustainable Human Settlement	Planning and Develop.	2,400,000	-	-	-	-
MIG	Lebohang Bulk Water Supply	water	3,000,000	3,000,000	7,357,923	7,725,819	8,112,110
MIG	Eradication of Gravel Roads in Lebohang	Road Transport	3,000,000	4,000,000	4,000,000	4,200,000	4,410,000
MIG	Construction of regional park in Lebohang/Emba & Emzinoni	Community and Social	11,483,734	15,000,000	21,470,903	22,544,448	23,671,671
MIG	Fencing of Reservoirs in GMM	Water	5,098,384	2,284,616	-	-	-

MIG	Upgrading of WWTP in Emzinoni pump station	Waste Water Manage.	4,500,224	10,000,000	24,288,879	25,503,323	26,778,489
MIG	Sports and Recreation Community Centre in Emzinoni	Waste Water Manage.	9,197,235	12,691,396	3,848,074	4,040,478	4,242,502
MIG	Provision of Full Waterborne Sewer in Emzinoni Ext 5	Community and Social	8,624,464	6,110,076	-	-	-
MIG	Eradication of Gravel Roads in Emzinoni	Road Transport	5,000,000	8,000,000	10,000,000	10,500,000	11,025,000
MIG	Renovate Emzinoni THUSONG	Housing	5,979,224	-	-	-	-
MIG	Embalenhle WWTP - Upgrading	Sport & Recreation	8,956,029	11,000,000	10,078,221	10,582,132	11,111,239
MIG	Eradication of Gravel Roads in Embalenhle	Road Transport	15,000,000	15,000,000	15,000,000	15,750,000	16,537,500
MIG	Eradication of Gravel Road in Charl Cilliers	Road Transport	3,000,000	4,146,071	4,000,000	4,200,000	4,410,000
MIG	PMU Cost component	Planning and Develop.	3,039,663	3,206,841	-	-	-
MIG	Full Water Borne in Kinross	Waste Water Manage.	3,517,043	-	-	-	-
MIG	Installation of public lights in GMM	Electricity	2,500,000	2,500,000	2,500,000	2,650,000	2,782,500
AFF	Furniture and Equipment 0001	Executive and Council	150,000	-	-	-	-
AFF	Furniture and Equipment 0201	Corporate Services	1,600,000	1,696,000	1,797,760	1,887,648	1,982,030
AFF	Furniture and Equipment 0213	Corporate Services	300,000	318,000	337,080	353,934	371,631
AFF	Furniture and Equipment 0304	Health	1,000,000	1,060,000	1,123,600	1,179,780	1,238,769
AFF	Furniture and Equipment 0404	Public Safety	2,000,000	2,120,000	2,247,200	2,359,560	2,477,538
AFF	Furniture and Equipment 0407	Public Safety	40,000	42,400	44,944	47,191	49,551
AFF	Furniture and Equipment 0410	Public Safety	500,000	530,000	561,800	589,890	619,385
AFF	Furniture and Equipment 0413	Public Safety	800,000	848,000	898,880	943,824	991,015
AFF	Acquisition of New Vehicles/Equipment 0416	Public Safety	50,000,000	5,300,000	5,618,000	5,898,900	6,193,845
AFF	Furniture and Equipment 0513	Financial Services	300,000	318,000	337,080	353,934	371,631
AFF	Furniture and Equipment 0604	Planning and Develop.	200,000	212,000	224,720	235,956	247,754
AFF	Furniture and Equipment 0610	Planning and Develop.	5,000,000	5,300,000	5,618,000	5,898,900	6,193,845
AFF	Furniture and Equipment 0613	Planning and Develop.	150,000	159,000	168,540	176,967	185,815
AFF	Furniture and Equipment 0616	Planning and Develop.	8,000,000	13,780,000	14,606,800	15,337,140	16,103,997
AFF	Furniture and Equipment 0620	Waste Water Manage.	8,000,000	8,480,000	8,988,800	9,438,240	9,910,152
AFF	Furniture and Equipment 0623	Waste Water Manage.	5,000,000	5,300,000	5,618,000	5,898,900	6,193,845
AFF	Furniture and Equipment 0704	Community and Social	500,000	530,000	561,800	589,890	619,385
AFF	Furniture and Equipment 0710	Sport & Recreation	10,000	10,600	11,236	11,798	12,388
AFF	Furniture and Equipment 0730	Community and Social	300,000	318,000	337,080	353,934	371,631
SUDOR	Low Costs Housing	Community and Social	11,000,000	-	-	-	-
SASOL	Upgrading of Emzinoni Stadium	Community and Social	-	-	6,000,000	6,360,000	6,678,000
SASOL	Constructing a Multipurpose Centre in Charl Cilliers	Community and Social	-	4,000,000	-	-	-
SASOL	Renovating Embalenhle Stadium	Community and Social	-	-	1,000,000	1,000,000	2,000,000
SASOL	Kinross Water Connection	Water	1,500,000	-	-	-	-
SASOL	Constructing leandra fire station	Public Safety	2,000,000	2,000,000	4,000,000	4,200,000	4,410,000
SASOL	Purchasing of two sewer trucks for Charl Cilliers	Waste Water Manage.	1,500,000	-	-	-	-
SASOL	Constructing Phase two Lebohang storm water drainage	Waste Water Manage.	-	3,000,000	-	-	-
SASOL	Upgrading of sewer in Emba Ext 25	Waste Water Manage.	-	-	8,000,000	8,507,000	9,123,270
SASOL	Installation of emba public lights	Electricity	-	-	-	-	3,000,000
SASOL	Construction of Emba foot bridges	Road Transport	-	-	1,200,000	1,260,000	1,335,600
Roads	EPWP	Road Transport	4,567,000	4,932,000	5,198,000	5,457,900	5,730,795
			261,809,178	207,562,034	227,627,136	239,771,993	249,527,112

Additional un-funded initiatives (capital and operational) have been identified. These stem from the key development priorities identified during the IDP process and are listed in Annexure E. Application for funds will be based on a capital prioritisation model. The purpose of this model is to ensure that the GMLM's five year capital program is based on the following principles:

- Affordability and other relevant cost factors;
- Community needs and service delivery;
- Local economic and social development;
- Job creation;
- Income potential; and/or
- Urgency.

4.2.6 Supply Chain Management

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

The details of SCM are captured in the SCM policy.

4.2.7 Cash Management

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

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

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

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

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

4.2.8 Finance Policies

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

- Keep the municipality in a fiscally sound position in both long-term and short-term;
- Maintain sufficient financial liquidity through regular reviews and adjustments to meet operating and contingent obligations;
- Apply credit control procedures that will maximise revenue collection, whilst providing relief to the indigent;
- Operate council utilities in a responsible and fiscally sound manner; and
- Maintain existing infrastructure and capital assets and direct financial resources toward meeting the goals of the Integrated Development Plan.

The following policies are in place:

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

4.3 Conclusion

The continued improvement and development of an effective financial planning process aids the actualization of fulfilling its facilitating role to capacitate the community to build a prosperous future for all.

The Financial planning imperatives contribute to ensuring that the GMLM remains financially viable and that the municipal services are provided economically to the community.

The Multi-year Financial Plan contains realistic and credible revenue and expenditure forecasts which should provide a sound basis for improved financial management and institutional development as well as service delivery improvements and implementation.

The strategy towards cash backing will certainly ensure the sustainability of the GMLM over the medium- to long-term

Annexures

Annexures

A: Process Plan

B: Spatial Development Framework (SDF)

C: Disaster Management Plan

D: Unfunded Prioritized Projects

E: List of Ward Councillors

F: List of Ward Issues

G: Policies

H: By-laws