



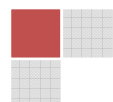
al Municipality

# Integrated Development Plan

Final Five-Year Integrated Development Plan 2012-2016

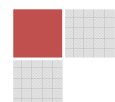
“To Be The Leading, People Centered Municipality Excelling In Economic Growth, Development  
And Governance”

[ Monday, May 21, 2012 ]



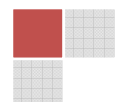
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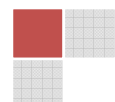




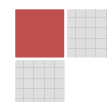
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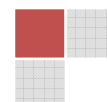
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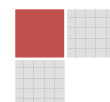
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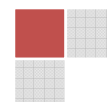
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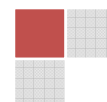
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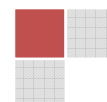
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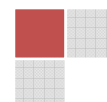


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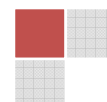




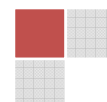
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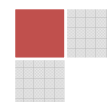
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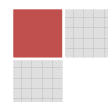
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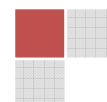
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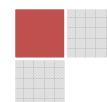
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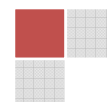
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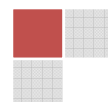


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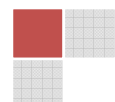




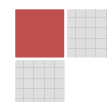
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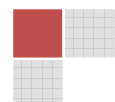
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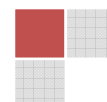
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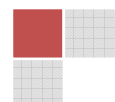
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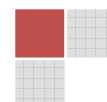


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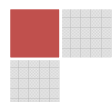


## 1. ACRONYMS

ABBREVIATION	DESCRIPTION
ABET	Adult Based Education and Training
AIDS	Acquired Immune Deficiency Syndrome
CBO's	Community Based Organizations
CETA	Construction Education and Training Authority
CHBC	Community Home Base Care
CMIP	Consolidated Municipal Infrastructure Programme
COGTA	Department of Cooperative Governance and Traditional Affairs
CPTR	Current Public Transport Record
DACE	Department of Agriculture, Conservation and Environment
DBSA	Development Bank of South Africa
DEAT	Department of Environmental Affairs and Tourism
DAC	District AIDS Council
DALA	Department of Agriculture and Land Administration
DLA	Department of Land Affairs
DLGH	Department of Local Government and Housing
DPLG	Department of Provincial and Local Government
DTI	Department of Trade and Industry
DM	District Municipality
DMA	District management Area
DME	Department of Minerals and Energy
DPW	Department of Public Works
DWAF	Department of Water Affairs and Forestry
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
EIP	Environmental Implementation Plan
EHS	Environmental Health Services
EMP	Environmental Management Plan
EMS	Environmental Management System
EPWP	Expanded Public Works Programme
FBS	Free basic Services
FBE	Free Basic Electricity
FPA	Fire Protection Association
GIS	Geographic Information System
GSDM	Gert Sibande District Municipality
HDI	Human Development Index
HOD	Head of Department
IDP	Integrated Development Planning
IGR	Inter-Governmental Relations
IEM	Integrated Environmental Management
IMEP	Integrated Municipal Environmental Programme
IWMP	Integrated Waste Management Plan
IS	Information System



ABBREVIATION	DESCRIPTION
IT	Information Technology
ITP	Integrated Transport Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
LDO	Land Development Objective
LED	Local Economic Development
LLM	Lekwa Local Municipality
LRAD	Land Redistribution for Agricultural Development
LUMS	Land Use Management System
MAM	Multi Agency Mechanism
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act
MHS	Municipal Health Services
MIG	Municipal Infrastructure Grant
MPCC	Multi-Purpose Community Centers
MSIG	Municipal Systems Improvement Grant
MSP	Master Systems Plan
NEMA	National Environmental Management Act
NEPAD	New Partnership for Africa's Development
NER	National Electricity Regulator
NGO	Non-Governmental Organization
NSDP	National Spatial Development Perspective
NWMS	National Waste Management Strategy
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PMS	Performance Management System
REDS	Regional Electricity Distribution System
SABS	South Africa Bureau of Standards
SACOB	South Africa Chamber of Business
SALGA	South Africa Local Government Association
SANAC	South African National AIDS Council
SANCO	South Africa National Civic Organization
SAPS	South African Police Service
SETA	Sector Education Training Authority
SDF	Spatial Development Framework
SLA	Service Level Agreement
SOER	State of the Environment Report
WSA	Water Services Authorities
IWSDP	Integrated Water Services Development Plan





## 2. FOREWORD BY THE EXECUTIVE MAYOR

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Lekwa Local Municipality have experienced both **HIGHLIGHTS** and **LOWLIGHTS** in terms of meeting our community's expectation and demand of service delivery entitlement and the introduction of incorporated municipal planning. The Lekwa Local Municipal Integrated Development Plan (IDP) and related PERFORMANCE MANAGEMENT SYSTEM (PMS), serve as the fundamental instrument in transforming service delivery within the Municipality.

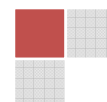
We are aware and conscious about immense challenges facing our municipality in fast-tracking service delivery and eradicating service delivery backlogs. The introduction of PERFORMANCE MANAGEMENT SYSTEM is seen as a hallmark to ensure visible and tangible service delivery mechanism aligned to all municipal and sectoral departmental processes of ensuring accurate planning, implementation, monitoring and reporting.

Centrally to achieving sizeable results is the effective and efficient synchronization and seamless assimilation of integrated development planning with all key municipal processes such as

- 2.1.** Sector Plans
- 2.2.** Performance Management System
- 2.3.** Service Delivery Budgeting Process
- 2.4.** Project Implementation, Reporting and Evaluation

The IDP is well crafted and aligned to focus on the FIVE KEY PERFORMANCE AREAS as reflected below:

- 2.5.** Municipal transformation and organizational development
- 2.6.** Basic service delivery
- 2.7.** Local economic development
- 2.8.** Municipal financial viability and management
- 2.9.** Good governance and public participation
- 2.10.** Cross-cutting interventions



### 3. FOREWORD BY THE MUNICIPAL MANAGER

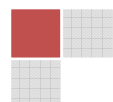
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**Lekwa Local Municipality** (LLM) remains hard at work to ensure that communities receive service delivery. Since the establishment of **Lekwa Local Municipality** this government entity has experienced good improvements in the administration. However, we need to also confirm and acknowledge that the issues of the **Audit Opinion** have been a thorn in the municipalities and **Lekwa Local Municipality** is no exception. We need to work hard and commit our efforts towards improving the latter aspect. With regards **Section 57 of Municipal System's Act** the envisage challenge is that, the Head of Department are seconded on an Acting Capacity and all efforts are being made to mitigate this challenge in due course.

On behalf of Lekwa Local Municipality, I acknowledge that both the **Administration** and **Council** faces challenges of achieving a credible IDP as stipulated in **Municipal System Act**, that is, presenting and adopting a budget that will live to fundamental service delivery in the IDP e.g. rollover projects are to be included in both IDP and Budget. The measurement of performance in relation to the IDP and Budget must be reflected in the Service Delivery Budget Implementation Plan. The annual report should speak to the attainment of all the above services delivery instruments.

The implementation of Performance Management System across the organisation is a living testimony to ensure optimum organisation performance and compliance to all relevant pieces of legislation governing the Local Government



## 4. CHAPTER 1

### 4.1. EXECUTIVE SUMMARY

This document is about the Integrated Development Plan, of which it's a 5 year Strategic Plan which gives direction for **all** development initiatives in the municipality. It integrates communities and co-ordinates **all** development and needs of the communities. It's a policy framework for preparation of budgets - national, provincial & municipal project budgeting. It's integrated and aligned with National & Provincial programmes. So it can be said that the IDP is the planning, budgeting & management instrument which guides a municipality to;

- Provide an instrument which guides what and where investment should occur in order to speed up delivery & secure the buy-in of all relevant role players for implementation
- Attract private investors and sector departments with a clear framework of the municipality's development direction
- Overcome apartheid legacy at local level by facilitating redistribution of resources in a consultative process
- Promote intergovernmental co-ordination by facilitating a system of communication & co-ordination between local, provincial & national spheres of government.

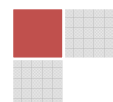
The document consists of ten sections. In expose it will start by the background on Review Process and National/Provincial Planning Framework affecting Municipalities, followed by an In-depth Situational Analysis of the Development within the Municipality that include; Demographic Profile, Development Profile Economic Profile, Development Objectives, Strategies and KPIs as Per 5 Strategic Agendas, High Level Spatial Development Framework (SDF), Implementation Plan: 3 Year, Annual Operational Plan – Business Plan, Financial Strategy, Organizational Performance Management and conclude by the Sector Plans.

Lekwa Municipality was established on the 5<sup>th</sup> of December 2000 after the amalgamation of 3 former Transitional Local Councils namely Standerton, Sakhile and Morgenzon. The Lekwa Municipality lies on large open plains of the Highveld region that is characterised by tall grass and it is transverse by the Vaal River which flows in a western direction. The municipality span over an area of 4 586 km<sup>2</sup> which equates to 15% of the overall Gert Sibande District. The Municipality is named after the Vaal River which is commonly known as Lekwa (a Sotho name for Vaal River); the demarcation code is MP 305.

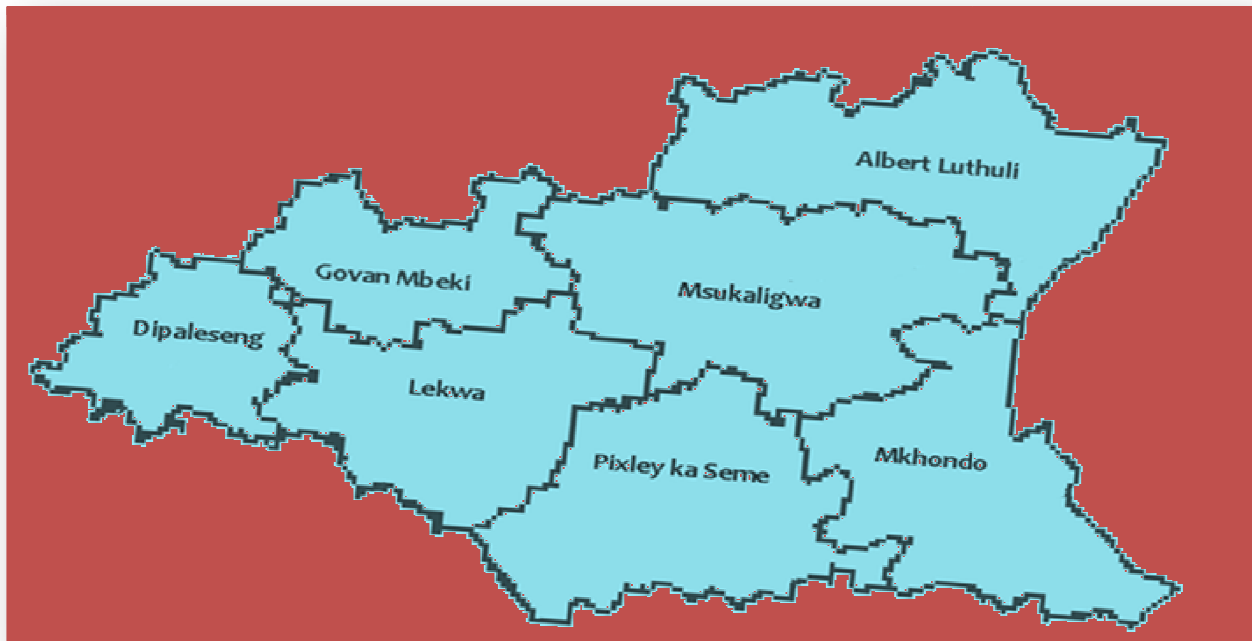
Lekwa Local Municipality is one of seven municipalities within the Gert Sibande District Municipality in Mpumalanga Province; it is located in the South West of the Gert Sibande District Municipality; with immediate entrances to Kwa-Zulu Natal, Gauteng and Free State provinces, Newcastle, Heidelberg and Vrede are respective immediate entrances.

The Municipality consists of Standerton which serves as an urban node, whilst Morgenzon which is 45km North East of Standerton which serves as a satellite node. It is landlocked by the following local municipalities, Pixley ka Seme and Msukaligwa on the east, Dipaliseng on the west and Govan Mbeki on the north. The south edge is abutted by Mpumelelo Local Municipality which is in the northern part of the Free State Province.

The Municipality is predominantly inhabited by Nguni speaking people, namely: Zulu, Siswati, Ndebele, Sotho and Xhosa and other race groups.

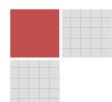


## 4.2. LOCALITY MAP: 1



Lekwa Local Municipality has Standerton as its major urban node, whilst Morgenzon which is 45km north east of Standerton serves as a satellite node. The municipality is surrounded by the following local municipalities, Pixley ka Seme and Msukaligwa on the east, Dipaleseng on the west and Govan Mbeki on the north. In the south the municipality shares the boundary with Phumelela Local Municipality which is in the northern part of the Free State Province.

- 4.2.1.1. The Municipality is predominantly inhabited by Nguni speaking people. The following racial groups are found in the municipality: Zulu, Swati, Ndebele, Xhosa and Sotho and others.
- 4.2.1.2. The major town within Lekwa Local Municipality is Standerton. The town provides services for the surrounding mines, agriculture, power stations and tourism industries.
- 4.2.1.3. Vaal River transverses the municipal area and runs through Standerton.
- 4.2.1.4. The R23 connects the municipal area to Johannesburg, Volksrust, Durban and Newcastle.
- 4.2.1.5. Standerton is served by the national rail network which mainly transports coal with one passenger service route between Standerton and Richards's bay.
- 4.2.1.6. Agriculture is the dominant land use in the municipality
- 4.2.1.7. Agriculture, mining and power generation are the key economic contributors towards the economy of the area



## 4.2.2. MAIN SEMI-URBAN AREAS

Most of the semi-urban areas within the municipality may be defined as hubs in terms of the current SDF definition which says that hubs are small urban centres which are located within the rural areas, often at the crossroads of two important roads or along one major road possibly in close proximity to a parallel running railway. They are fundamentally distribution centres for the rural areas providing a moderate range of services and economic activities. There are only two hubs in the municipal area, namely Thuthukani Village and Morgenzon . Each of these is now described in more detail below:

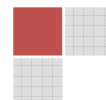
### 4.2.2.1. MORGENZON

The area is located at the intersection of the R35 and R39. The existence of the town is influenced by the transportation of coal from the Secunda complex to Majuba. The area shows limited diversification yet accommodates all basic social services.

Morgenzon and Sivukile form the last urban areas within the Lekwa local municipal area. Given the vast distance between this locality and the Standerton-Sakhile Urban node, Morgenzon and Sivukile form a completely self-contained economic sub-node with a slightly different character than the former. It is characterised by a spatial pattern which on the one hand shows a high concentration of people per km<sup>2</sup> (in the case of Sivukile Township) and a very low density part of town in Morgenzon. This pattern is a result of the historical legacy which led to the establishment of Sivukile as a worker town not intended for permanent settlement.

While this pattern may be viewed as a constraint in terms of the ability of Sivukile to develop into a viable residential area due to land availability and obvious limited infill land parcels, it provides huge opportunities for densification insofar as Morgenzon is concerned. The latter is particularly dominated by low density residential developments which may be sub-divided in future provided that the existing Engineering Infrastructure can support such sub-division. Such densification opportunities may practically only be implemented through the relaxation by Council of the minimum densities per hectare in Morgenzon where the majority of properties are in private hands. In order for voluntary infill-planning to take place in Morgenzon, it is proposed that similar guidelines like those proposed for Meyerville be adopted

Another area of some spatial importance to Lekwa Local Municipality is Morgenzon, some 45km north-east of Standerton. This is historically a local service centre that served (and still does) the surrounding commercial farming areas with basic needs. Despite its potential due to its location along a major route (R35) to Volkstrust via the N11 from Bethal, it is still largely under-developed as a service centre due possibly to the competition offered by the more attractive business centres of Ermelo, Bethal and even Standerton itself.



#### 4.2.2.2. THUTHUKANI.

Thuthukani is located some 18km North-East of Standerton and it began essentially as a workers village for the Thuthuka Power Station which is situated about 3km east of the Village. It is divided into two main sections namely, the eastern section belonging to Eskom and the western section owned by New Denmark Mining Company (part of Amcoal Group).

Recently the Lekwa local municipality approved about 500 low-cost housing units to be built on the southern section of the Eskom part of the village. This is the first phase of an eventual take-over of the Village by the local municipality as already most of the land here belongs to Lekwa local municipality. According to information obtained recently from Eskom, there are about 336 stands (118 serviced and 218 unserviced) which are still in Eskom's hands and the process of alienating these to the local municipality is currently underway.

The village presently has about 130 houses on free-standing stands and a further 60 cluster units. In terms of engineering infrastructure, the following summary is provided:

- Sewerage: Currently there is water-borne sewerage supplying the village as well as the planned 500 housing units.
- Potable water: Thuthuka Power Station currently supplies the village with drinking water. It appears that in the meantime Eskom will remain the supplier of the service to the community of Thuthukani.

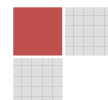
Future possibilities for Expansion: Given the location of the village in relation to other sub-regional economic activities, it appears the chances of the village expanding beyond its current form are quite slim. This is also indicated by the fact that there are currently about 118 serviced stands which cannot be developed due to lack of interest from the open market and this despite the relatively good living environment within the village itself.

#### 4.2.3. SATELLITES

The remaining settlements which are situated outside the urban areas and those classified as hubs, are categorized as satellites. There are only two satellites in the municipal area. These are:

- Holmdene and
- Platrand.

These places have no infrastructure and no residential formal component. Fundamentally they constitute silos located along a railway line and are more so a point on a map than an agglomeration of rural settlements. Each has however some social infrastructure services which, if developed, may become valuable service points for the surrounding farming communities. The current social infrastructure facilities include the following;



#### 4.2.3.1.HOLMDENE

This area is located about 15 km to the north-western side of the Standerton town, off the R23 to Standerton from Balfour. It has the following characteristics and social facilities:

Railway station;

- 4.2.3.1.1. Two(2) Primary schools;
- 4.2.3.1.2. One(1) Secondary school;
- 4.2.3.1.3. One(1) Combined School;
- 4.2.3.1.4. Two local shops;
- 4.2.3.1.5. One old Post office( vacant);
- 4.2.3.1.6. One Private Community Hall;

There is electricity and some boreholes supplying the area in terms of basic engineering services

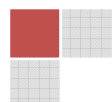
#### 4.2.3.2.PLATRAN

The rural area is located some 12km from the Standerton Town and is defined by the following:

Railway station( redundant);

- 4.2.3.2.1. Three(3) Primary Schools;
- 4.2.3.2.2. One(1) High School;
- 4.2.3.2.3. Two local shops;
- 4.2.3.2.4. One old Post office( Vacant);
- 4.2.3.2.5. Boreholes , windmills and hand pumps;
- 4.2.3.2.6. Electricity is also supplied.

With some capital investment, these rural nodes do have potential to serve as Rural Service Centres.



## 5. CHAPTER 2:

### 5.1. INTRODUCTION TO THE STRATEGIC FOCUS AREAS OF LLM

### 5.2. LEGISLATIVE FRAMEWORK

The newly elected Council that assumes office from May 2011, has, the previous one has provided an opportunity to understand the challenges and strengthen the achievements of government by working together with local communities, labour, business, religious, youth and other stakeholders.

The IDP serves as a single broad strategic guide of the broader community and residents of Lekwa Municipality priority issues that government should implement in this term of Council. It also assists administration to prepare a medium term finance framework and annual budget that seek to allocate resources to address all these needs. Its work cut-out, to set the tone for the 5 year IDP process. As a fourth generation of elected Council takes office

In developing the 5 year IDP plan, it is important to be mindful of alignment with all National, Provincial and Local Government imperatives. The IDP is not only a local government programme, but the delivery plan of entire government in a particular space. In this case, this 5 year IDP should be seen governments plan, not only of Lekwa.

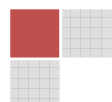
Government perspective of IDP is that of addressing all service delivery, with a particular interest in addressing and eradicating the inequalities of the past. The scale of the challenges are enormous in Lekwa, however, all efforts are focused on previously disadvantaged areas. The objectives is therefore of a developmental state and developmental local government where the state actively intervenes in raising the quality of life of citizens through creating environment and deployment of resources to realize objectives it sets for itself.

The legislation governing the development, implementation and review of the IDP has been conceived in the constitutional spirit of a developmental state. In terms of the provisions of Local Government: Municipal Systems Act of 2000, each council must, within the prescribed period after the start of its elected term, adopts a single, inclusive, strategic plan for the development of the municipality.

Section 25(3) (a) prescribes that a newly elected council, may adopt the IDP of the previous council.

In terms of Section 24, of the Local Government: Municipal Finance Management Act, (Act 56 of 2003) municipal council should at least 30 days before the start of the of a budget year consider approval of the annual budget.

Undoubtedly, the 2011 local government election would have a bearing on the IDP approval and adoption. In anticipation of disruption of the IDP process timeline the National Treasury, through its MFMA circular no. 54 guideline recommends that the outgoing council prepares the budget and IDP process and the newly elected council approves it.





The process proposed is that the Executive Mayor brings forward the IDP and Budget tabling to March 2011. The newly elected council should prioritize IDP as their strategic plan including the Budget after the election of the Mayor.

In light of changes to be brought by the elections, IDP/budget process plan has prepared for amendments to accommodate the proposed date change.

### 5.3. LLM VISION AND MISSION

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

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

### 5.4. VISION

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

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

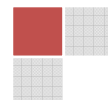
**“To be the leading, people centered municipality excelling in economic growth, development and governance”**

To realize this vision, we believe there are basic elements that all citizens, the business community and visitors must realize.

### 5.5. MISSION

They must be able to see:

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



## 5.6. CORE VALUES

- 5.6.1. Excellence
- 5.6.2. Trustworthiness
- 5.6.3. Timeous Responsiveness
- 5.6.4. Transparency
- 5.6.5. Batho-Pele Principles

Achieving the vision as interpreted, will also mean addressing the key development challenges by making key interventions with the objective described below.

## 5.7. KEY STRATEGIC OBJECTIVES

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

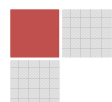
To address the identified challenges and work towards realization of the vision, the municipality has identified the following long- term strategic objective which will be known as **5 LLM's**:

- 5.7.1. LLM: 1 Build local economies to create more employment, decent work & sustainable livelihoods
- 5.7.2. LLM: 2 Improve service and broaden access to them
- 5.7.3. LLM: 3 Promote more active community participation in local government
- 5.7.4. LLM: 4 Ensure more effective, accountable and clean local government that works with
- 5.7.5. LLM: 5 Build more united, non-racial, integrated and safer communities

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

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

### 5.7.6. Municipal Transformation and Organizational Development



- 5.7.7. Infrastructure Development and Service Delivery
- 5.7.8. Local Economic Development (LED)
- 5.7.9. Municipal Financial Viability and Management
- 5.7.10. Good Governance and Public Participation

## **5.8. NINE (9) STRATEGIC FOCUS AREAS**

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

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

### **5.8.1. EQUITABLE PROVISION OF SERVICES**

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

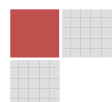
### **5.8.2. CREATION OF AN INTEGRATED AND SUSTAINABLE HUMAN SETTLEMENT**

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

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

### **5.8.3. CREATION OF A LINKED ECOLOGICAL OPEN SPACE**

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



#### **5.8.4. DELINEATION OF URBAN EDGE**

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

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

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

#### **5.8.5. ESTABLISHMENT OF AN EFFICIENT ACCESS AND INTEGRATED MOBILITY**

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

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

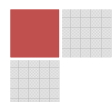
#### **5.8.6. CREATION OF A FUNCTION HIERARCHY OF NODES**

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

First Order Node: Standerton, Second Order Node: Morgenzon, Third Order Node: Thuthukani, Platrand and Holmdene and Fourth Order Node: Hartbeeskuil, the Folly, Val, Node 1, 2 and 3.

#### **5.8.7. FINANCIAL AND ENVIRONMENTAL SUSTAINABILITY**

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



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

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

#### **5.8.8. EFFECTIVE LEADERSHIP AND GOOD GOVERNANCE**

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

A well governed municipality means a clear and transparent agenda for long term strategic work is formulated in co-operation with all stakeholders and communicated to all parties affected by the development process. A well governed municipality is dependent on a reciprocal approach by other government spheres and agencies. Increased community feedback and engagement and improved customer reciprocity are other mitigating measures to apply in a democratic and well governed municipality. Going forward the municipality will strive to become a well governed municipality.

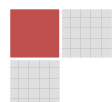
#### **5.8.9. BOOSTING THE LOCAL ECONOMY AND JOB CREATION**

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

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

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

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



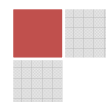
#### 5.8.10. IDP PROCESSES

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

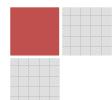
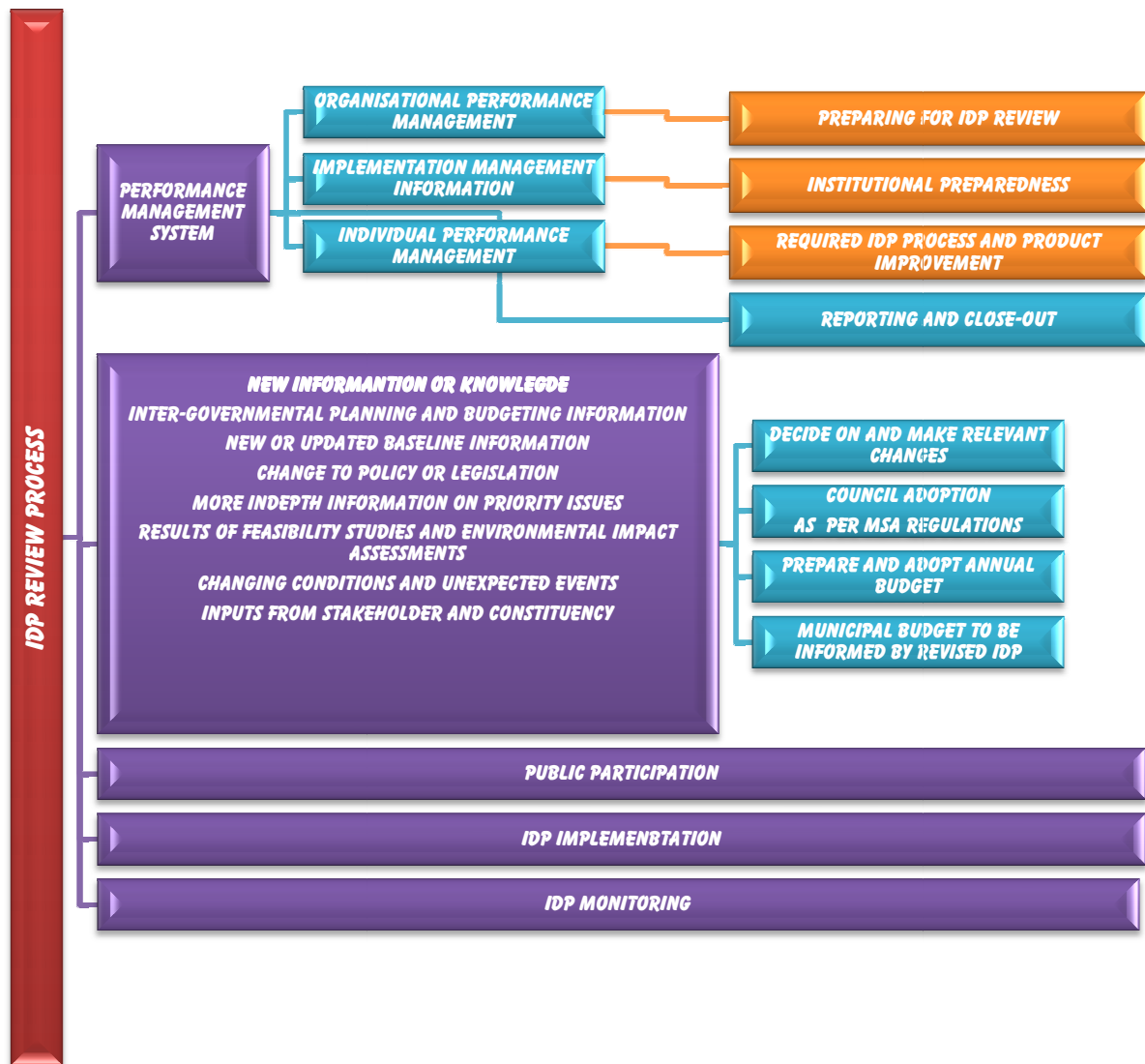
It will be noted that, in terms of section 34 of the Local Government: Municipal Systems Act, No. 32 of 2000, all municipalities are required to review their Integrated Development Plans (IDP's) on an five year basis (and to the extent that changing circumstances, needs and demands) - in accordance with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

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

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



### 5.8.11. IDP REVIEW PROCESSES MAPPING



In terms of section 28 of the Local Government: Municipal Systems Act, No. 32 of 2000, all municipalities are required to adopt an IDP Review Plan. The municipality has complied with this requirement, with Council having to adopt a Process Plan (entitled Integrated Development Plan [IDP]: Process Plan for the IDP Review 2011/2012).

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

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

## **5.8.12. THE 2012-2016 IDP REVIEW PROCESS CAN BE SUMMARIZED AS FOLLOWS**

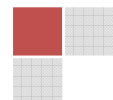
5.8.12.1. The commencement of the 2012/2016 IDP Review process was publicized following its approval by Council on November 2011.

### **5.8.12.2. PHASE 1 & 2: Implementation Monitoring, Review and confirmation of Development Priority Issues**

- 5.8.12.2.1. Assess 2006/11 IDP Process/ Content
- 5.8.12.2.2. Council Approval & Advertisement of the IDP & Budget Process
- 5.8.12.2.3. Constitution of the IDP Structures: 1st IDP RF
- 5.8.12.2.4. Analysis, amendment and confirmation of Development issues from the 2006/11 IDP
- 5.8.12.2.5. Review and Confirm objectives and Strategies

### **5.8.12.3. PHASE 3 & 4 : Review, Amend/Confirm Objectives, Strategies and Projects**

- 5.8.12.3.1. Prepare Draft IDP elements to include into the Draft Provincial 3 year MTEF's.
- 5.8.12.3.2. Provide project / priority inputs into the Provincial MTEF process (workshops / meetings/bi-laterals, etc.)
- 5.8.12.3.3. 2ND IDP RF to Review IDP documentation: Municipal identified aspects (i.e. Objectives, Strategies and Projects)
- 5.8.12.3.4. Input IDP Review Projects (alignment of IDP Review) to the Municipal budgeting process – ensure alignment.
- 5.8.12.3.5. Adoption of the 2012/16 Draft IDP:
- 5.8.12.3.6. 3rd IDP Representative Forum to Consider Draft IDP, and consolidated inputs from Provincial and National Departments
- 5.8.12.3.7. Convening of the Municipal Planning Alignment Summit
- 5.8.12.3.8. 21 Days advertisement for public comments
- 5.8.12.3.9. Public Participation
- 5.8.12.3.10. Ensure IDP, Budget and PMS alignment
- 5.8.12.3.11. Submit 2012/16 Draft IDP to Provincial COGTA for credibility assessments
- 5.8.12.3.12. Consider inputs from the 2011 IDP credibility assessments process
- 5.8.12.3.13. 4th IDP RF to Final confirmation and amendment of Sector Plans, programmes and projects
- 5.8.12.3.14. Executive Mayor table Final 2012/16 IDP before Council for approval



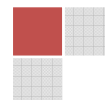


- 5.8.12.3.15. Submit a copy of the Finale 2012/16 IDP 10 days upon approval by Council to the MEC of Provincial COGTA.
- 5.8.12.3.16. Notify the Public of the approval of the Final 2011/12 IDP Budget by Council within 14 days upon approval

### 5.8.13. MEC'S COMMENTS

A copy of the Draft IDP 2011/2012 was submitted to the Mpumalanga MEC for Cooperative Governance and Traditional Affairs. The comments were made as follows:

- 5.8.13.1. Compliance in relation to Chapter 5 of the Municipal systems Act no 32 of 2000
- 5.8.13.2. Technical assessment in terms of the quality and presentation of information in the IDP are clear and user friendly.
- 5.8.13.3. The strength, weaknesses, opportunities and Threats of the municipality as reflected on pages 162,163 of the IDP.
- 5.8.13.4. IDP Planning process methods and standards. There are no indications in the document that the municipality followed A.S.P.I.A when reviewing the document.
- 5.8.13.5. Consultation with communities and stakeholders during the review process as identified per ward on pages 157-161.
- 5.8.13.6. The municipality's key performance areas, objectives, strategies and community development issues which are clearly covered on pages 157-180.
- 5.8.13.7. The department would like to commend the municipality for taking into consideration the 2009-2010 comments when reviewing the current IDP as evident on page 20 of the document.
- 5.8.13.8. It is also commendable that your adopted IDP meet most of the core components of an ideal IDP in terms of section 26 of the Municipal systems Act.
- 5.8.13.9. The municipality was able to clearly reflect the current status quo and backlogs of service delivery priorities and defined problem statement highlighting key service delivery challenges.
- 5.8.13.10. The IDP articulates the ideal process which was intended to be followed during the IDP process; it does not provide a true reflection of the state of affairs which impacted on the municipality not to follow the adopted process plan as planned especially on public participation.
- 5.8.13.11. Issues raised by the Auditor-General about the 2009-2010 IDP should be clearly reflected in the IDP and indicate how the municipality will respond to those issues.
- 5.8.13.12. It is also appreciated that some of your municipal Turnaround Strategy projects are aligned with the IDP as was collectively agreed in our Provincial Local Government Summit held on the 25-26 February 2010.



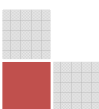
## 5.8.14. IDP PROCESS PLAN FOR 2012/2013

Table 1: Major Activity: First Quarter

	Activity	Responsibility	JULY				AUG				SEPT			
			1	2	3	4	1	2	3	4	1	2	3	4
Integrated Development Planning	PHASE 1 & 2: Implementation Monitoring, Review and confirmation of Development Priority Issues	MM												
	Assess 2011/12 IDP Process/ Content	MM												
	Council Approval & Advertisement of the IDP & Budget Process	MM												
	Constitution of the IDP Structures: 1 <sup>st</sup> IDP RF	MM												
	Analysis, amendment and confirmation of Development issues from the 2011/12 IDP	MM												
	Review and Confirm objectives and Strategies	MM												

## 5.8.14.2. Major Activity: Second Quarter

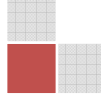
	Activity	Responsibility	OCT				NOV				DEC			
			1	2	3	4	1	2	3	4	1	2	3	4
Integrated Development Planning	PHASE 3 & 4 : Review, Amend/Confirm Objectives, Strategies and Projects	MM												
	Prepare Draft IDP elements to include into the Draft Provincial 3 year MTEF's.	MM												
	Provide project / priority inputs into the Provincial MTEF process (workshops / meetings/bi-laterals, etc.)	MM												
	2 <sup>ND</sup> IDP RF to Review IDP documentation: Municipal identified aspects (i.e. Objectives, Strategies and Projects)	MM												



Compile half yearly assessments of Municipality's performance against performance of objectives

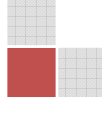
## Major Activity: Third Quarter

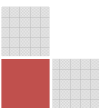
Activity
Input IDP Review Projects (alignment of IDP Review) to the Municipal budgeting process – ensure alignment.
Adoption of the 2012/16 Draft IDP.
3 <sup>rd</sup> IDP Representative Forum to Consider Draft IDP, and consolidated inputs from Provincial and National Departments
Convening of the Municipal Planning Alignment Summit
Public Participation (Community Participation)
21 Days advertisement for public comments



5.8.14.4. Major Activity: Fourth Quarter

	Activity	Responsibility	APRIL				MAY				JUNE			
			1	2	3	4	1	2	3	4	1	2	3	4
Integrated Development Planning	PHASE													
	Ensure IDP, Budget and PMS alignment	MM												
	Submit 2012/16 Draft IDP to COGTA for credibility assessments	MM												
	Consider inputs from the 2011 IDP credibility assessments process	MM												
	4 <sup>th</sup> IDP RF to Final confirmation and amendment of Sector Plans, programmes and projects	MM												
	Executive Mayor table Final 2012/16 IDP before Council for approval	MM												
	Submit a copy of the Finale 2012/16 IDP 10 days upon approval by Council to the MEC for COGTA.	MM												
	Notify the Public of the approval of the Final 2012/16 IDP Budget by Council within 14 days upon approval	MM												





### **5.8.15. KEY DEADLINES FOR COMPILATION OF IDP AND BUDGET PREPARATION PROCESS FOR 2012/2013 BUDGET YEAR.**

#### **6/1/1- (2011/2012)**

**Finance Portfolio Committee Meeting : 05 August 2011**

**Council : 26 August 2011**

#### **REPORT OF BUDGET AND TREASURY OFFICE**

##### **5.8.15.1. Purpose of the Report**

The purpose of this report is to provide guidance to the Municipality on the IDP process plan and the budget process for 2012/2013. And to submit as well the 2011/2012 budget process overview as contained in the budget evaluation checklist.

##### **5.8.15.2. Background**

- 5.8.15.2.1. National Treasury issued MFMA Circular no. 10 & 19 to guide Municipalities with the tabling and adoption of budgets. All provisions of the MFMA relating to the budget process should apply for the 2012/2013 budget. The Mayor, as the political head of the municipality, provides political guidance of the budget preparation process through a coordinated cycle events that begins 10 months before the start of each financial year. The financial management cycle is integrated into two key areas of the financial reforms: budget implementation and financial reporting. It is important for the Mayor to maintain close oversight of the budget preparation process, from the initial planning, through to implementation.
- 5.8.15.2.2. The Local Government: Municipal System Act 32 of 2000, section 34 requires Municipalities to annually review their IDP. The definition of the "Review" in terms of the Municipal System Act and Regulations, 2000, means a process whereby the IDP is assessed / evaluated in terms of municipality's performance as well as changed circumstances that impact on the priority issues, objectives, strategies, projects and programmes of IDP. And Section 21 of the MFMA requires that:
  - i) Mayor should coordinate the processes for preparing the annual budget and for reviewing the Municipality's Integrated Development Plan and budget related policies to ensure that the tabled budget and any revisions of the IDP and budget-related policies are mutually consistent and credible;
  - ii) table in council by no later than 31 August each year a Schedule of key deadlines for various budget related activities as spelled out in section 21 of the MFMA.

**5.8.15.3. Discussion**

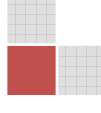
- 5.8.15.3.1. The purpose of reviewing Integrated Development Plan is to look at improving the IDP process by assessing the following aspects:
- 5.8.15.3.1.1. Institutional Preparedness changes -refining in terms of reference of forums and committees.
  - 5.8.15.3.1.2. Process Change- Improving logistics and ensuring that all target groups and stakeholders are adequately represented.
  - 5.8.15.3.1.3. Content Change- Improving the content of the existing IDP and affecting appropriate changes that includes,
    - (i) a refined understanding of the situation around priority issues
    - (ii) refine/amend/additional objectives
    - (iii) revised or new strategies, including strategies to improve implementation
    - (iv) revised or new projects
    - (v) Reviewing the activities of the integrated programmes (e.g. Spatial Development Framework, Financial Plans, LED programme, etc.)
- 5.8.15.3.1.4. The schedule of key deadlines on page 4-5 for the preparation of 2012/13 budget hereto tabled has been compiled in terms of MFMA and contains the following provisions of section 21(1)(b), namely:
- 5.8.15.3.1.4.1. key deadlines for the preparation, tabling and approval of the budget;
  - 5.8.15.3.1.4.2. the annual review of the IDP and policies; and
  - 5.8.15.3.1.4.3. Tabling of related amendments and consultative processes with communities, government departments and key stakeholders.
- 5.8.15.3.2. All activities outlined within this document have been prepared in close interrelation with the 2012/2013 IDP Framework Plan of Gert Sibande District Municipality which has been used in order to ensure that the local processes are aligned with those of the district in the compilation. Lekwa Local Municipality's detailed IDP Review Process Plan which is aligned to the schedule of key deadlines referred to above.
- 5.8.15.3.3. It is important to note that the cycle for the budget process and financial management run continuously and overlap over more than one year. At any particular time in a financial year, municipalities will effectively be involved in activities dealing with three different budgets, namely:
- 5.8.15.3.3.1.1. past financial year (2010/11) of which the Council will be preparing the annual report containing financial statements and service delivery performance analysis;
  - 5.8.15.3.3.1.2. financial year (2011/12) of which the Council will be busy implementing the budget focusing on monthly reviews and internal management reporting, taking action on variations from plans, and major quarterly reviews; and
  - 5.8.15.3.3.1.3. Next financial year of which the Council will be preparing the next Medium Term Budget, for 2012/13 to 2014/15. The activities regarding the preparation of the next financial year budget are undertaken during a large part of the current financial year hence this timetable has to be compiled and get adopted so that it provides guidance for the process. The Executive Mayor must continuously assess the progress with regard to the implementation of the schedule of key deadlines and revise or affect changes to the timeframes when and where necessary.





## 5.8.16. 2012/2013 IDP AND BUDGET SCHEDULE OF KEY DEADLINES

MONTH	ACTION TO BE TAKEN ADMINISTRATIVELY – MUNICIPALITY
August 2011	The Accounting Officer and Senior Managers of Lekwa Local Municipality begin planning for the next three-year budget. <b>MFMA s 68, 77</b> The Accounting Officer and Senior Managers of Municipality review options and contracts for service delivery. <b>MSA s 76-81</b>
September 2011	The Budget & Treasury office of Lekwa Local Municipality determines revenue projections and proposed rates and service charges and drafts initial allocations to functions and departments for the next financial year after taking into account strategic objectives. The Accounting Officer and Senior Managers engage with Provincial and National Sector Departments on sector specific programmes for alignment with Municipality plans (Water, Electricity, Roads, Governance and Financial Management etc.)
October 2011	The Accounting Officer does initial review of National policies and budget plans and potential price increases of bulk electricity & water purchases with function and department officials. <b>MFMA s 35, 36, 42; MTBPS</b>
November 2011	The Accounting Officer reviews and drafts initial changes to IDP. <b>MSA s 34</b>
December 2011	The Accounting Officer and Senior Managers consolidate and prepare proposed budget and plans for next financial year taking into account previous year's performance as per audited financial statements.
January 2012	The Accounting Officer reviews proposed National and Provincial allocations to municipality for incorporation into the draft budget for tabling. <b>MFMA s 36</b> The Accounting Officer must by 25 January assess the performance of the municipality for the first six months of the 2011/2012 financial year and submits a report on such assessment to the Mayor, National Treasury and Provincial Treasury. <b>MFMA s 72</b>
February 2012	The Accounting Officer finalises and submits to Mayor proposed budgets and plans for next three-year budgets taking into account the recent mid-year review and any corrective measures proposed as part of the oversight report for the previous year's audited financial statements and annual report. The Accounting Officer of Lekwa Local Municipality must liaise with the Accounting Officer of Gert Sibande District Municipality 120 days prior to the start of the budget year to obtain projected allocations for 2012/2013, 2013/2014 & 2014/2015. <b>MFMA s 37(2)</b>
March 2012	The Accounting Officer must publish the tabled budget, plans, and proposed revisions to IDP, invites local community comment and submits to National Treasury, Provincial Treasury and others as prescribed. <b>MFMA s 22 &amp; 37; MSA Ch 4 as amended</b> The Accounting Officer must review any changes in prices for bulk electricity & water purchases as communicated by NERSA & DWA as well as submit proposal of increasing prices of sale of electricity & water to the executive authority & the regulator for approval if national legislation requires such approval. <b>MFMA s 42</b>
April 2012	The Accounting Officer must assist the Mayor in revising budget documentation in accordance with consultative processes and taking into account the results from the third quarterly review of the current year.
May 2012	The Accounting Officer must assist the Mayor in preparing the final budget documentation for consideration for approval for at least 30 days before the start of the budget year taking into account



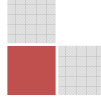
MONTH	ACTION TO BE TAKEN ADMINISTRATIVELY – MUNICIPALITY
June 2012	<p>The Accounting Officer must submit to the mayor no later than 14 days after approval of the budget a draft SDBIP and annual performance agreements as required by s 57(1)(b) consultative processes and any other new information of a material nature</p> <p>Accounting Officer must publish the adopted budget and all budget-related documents on the municipal website.</p> <p><b>MFMA s 69; MSA s 57</b> <b>MFMA s 22 and 75</b></p>

### 5.8.17. ORGANIZATIONAL ARRANGEMENTS FOR ORGANIZED PUBLIC PARTICIPATION

Table 2: below indicates the roles and responsibilities of the various internal stakeholders within the IDP Review process. The tables specifically focus on the IDP Review activities of the various role players.

NO.	ROLE PLAYERS	ROLES AND RESPONSIBILITIES
5.8.1.7.1.	Municipal Council	<p>The Council will approve the reviewed IDP.</p> <p>Will consider the Framework/Process Plan which should set out the process for the new IDP cycle.</p> <p>The Mayoral Committee must:</p> <p>Decide on the Process Plan for IDP Review</p>
5.8.1.7.2.	Executive Mayor and Mayoral Committee	<p>Responsible for overall management, co-ordination and monitoring of the review process, and may assign responsibilities to the Municipal Manager</p> <p>Submit reviewed IDP framework and draft IDP to Council</p> <p>Develop terms and criteria for Representative Forum.</p> <p>Give political direction</p>
5.8.1.7.3.	Municipal Manager with delegated powers to the IDP Manager	<p>The Municipal Manager is responsible for the management and co-ordination of the preparation of the IDP process which include but not limited to the following:</p> <p>Responsible for the day to day management of the planning process plan and ensuring that timeframes are being adhere to and resources are and managed effectively and efficiently;</p> <p>Co-ordinate the involvement of all different role players;</p>

NO.	ROLE PLAYERS	ROLES AND RESPONSIBILITIES
5.8.1.7.4.	IDP Steering Committee	Ensuring the horizontal and vertical alignment in the planning process, including Sectors;
		Ensure that the links between the processes of performance management, monitoring, evaluation and review are maintained;
		Ensuring compliance with National and Provincial requirements and legislations;
		Ensure appropriate participation of all the relevant Stakeholders;
		Ensure proper documentation of outcomes;
		Chairing the Steering Committee, Technical Committee; and
		Management of Service Providers
		Framework/Process Plan management structure;
		Allocation of duties and monitoring;
		Overall management including the appointment of technical consultants;
5.8.1.7.5.	IDP Representative Forum	Decision on roles and responsibilities;
		Commission research studies and recommend appointment of service providers;
		Decide on matters to be referred to Technical Committee for alignment and integration purposes.
		The Executive Mayor or Representative chairs the forum meetings.
		Constituted of the Executive Mayor/IDP manager/CBO's/NGO's/Business Forum/ Community Forum/Youth /Woman/ Disabled Org./ Political parties /Traditional Leadership
		This Forum consist of community participation structure/stakeholders in their respective organized formations, to represent the interests of all stakeholders and ensure proper communication to guarantee representative and collaborative participation during the review process;
		Will provide an organizational mechanisms for discussion, negotiations and decision making between the stakeholders including municipalities and government departments during the Municipal process;
		Monitor the performance of the planning and implementation process.
		Make recommendations to the council on planning and development priorities.
		Will be chaired by the Municipal Manager or a designated Official. Consists of the Municipal Manager and Heads of Departments as well as Divisional Managers.
5.8.1.7.6.	IDP Technical Committee	Will deal with matters relevant and relating to District wide issues;
		Consider District wide programmes and integration to PGDS;

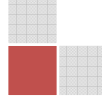


NO.	ROLE PLAYERS	ROLES AND RESPONSIBILITIES
		Consider and advise the IDP Representative Forum on the evaluation of sector plans;
		Attend to the alignment of the IDP to that of the GSDM
		Deliberate on inter-sectoral programmes and recommends to the Representative Forum;
		Give advice and foster sectoral alignment; and
		Will timeously report on progress which will then be forwarded to the Steering Committee

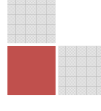
#### 5.8.18. DISTRIBUTION OF ROLES AND RESPONSIBILITIES (INTERNALLY AND EXTERNALLY)

NO.	IGR FORUMS	ROLES AND RESPONSIBILITIES
	Gert Sibande District Municipality	Horizontal alignment of IDPs between local and district municipalities;
	(Inter-municipal planning)	Vertical alignment between district and local municipalities, National and Provincial Governments as well as the service providers;
		Facilitate vertical alignment of IDPs with other spheres of government and sector departments and the preparation of joint strategy workshops with local municipalities, provincial and national role players and other subject matter specialists;
		Formulate the District's Process Plan based on the Framework;
		Formulate, manage, and approve the District's IDP
		Monitor and evaluate the District IDP Process Plan;
		Ensure that draft process plans are compiled by local municipalities;
		Ensure that the process plans adhere to the Framework as agreed;
		Ensure that all municipalities under the district adhere to the timeframes in the Framework Plan as agreed;

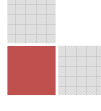
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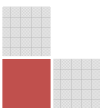


NO.	IGR FORUMS	ROLES AND RESPONSIBILITIES
		Co-ordinate the alignment of the district's budget process with the District IDP Process and local IDP Processes.
		Chairperson: District IDP Manager;
		Secretariat: PIMS Staff;
		Consist of the seven IDP Managers and representatives on the sector departments;
		The IDP Managers Forum will meet bi-monthly to attend to the following issues:
		To co-ordinate technical submission and the compilation of the respective IDP documentation;
		Ensure horizontal alignment between the district and local municipalities IDP's; and
		Ensure vertical alignment between municipalities, National and Provincial Government.
		Ensure that all reports of the Extended Technical Committees are taken up in the IDP process.
		Identify an IDP co-coordinator in the Sector Department (knowledgeable persons consistent in the revision process and responsible for all IDP related issues in the District);
		Contribute knowledge and ideas about planning issues in the province and sectors;
		Contribute relevant information on the provincial sector departments' plans, programmes, budgets, objectives, strategies and projects in a concise and accessible manner;
		Ensure that their objectives, strategies and projects take various IDP into consideration and adjust their budgets as informed by the various IDPs;
		Contribute sector expertise and technical knowledge to the formulation of municipal strategies and projects;
		Engage in a process of alignment with district municipalities; and participate in the provincial management system and co-ordination;
		Ensure active participation in various Technical Sub-Committees and IDP Extended Technical Committees.
5.8.18.4.	Mayoral Outreach (Izimbizos)	Through road shows / Outreach programmes to get community inputs and to provide feedback
5.8.18.5.	Ward Committees	Consulted via the Executive Mayoral outreach.



NO.	IGR FORUMS	ROLES AND RESPONSIBILITIES
		Link the planning process to their wards
		Assist in the organizing of public consultation and participation
		Ensure that the annual municipal budget and business plans are linked to and based on the IDP
5.8.18.6.	CBW's / NGO's / CDW's	To provide vital information and support during planning, evaluation, monitoring through the Representative Forum.
		A representative from the Department will serve as permanent member of the District IDP Extended Technical Committee.
		The department will finance to attendance of meetings of the various technical committee meetings by the relevant sector departments;
		Will guide provincial sector departments' participation in and their contribution to the municipal planning processes;
		Will guide municipalities in assessing draft IDPs and in aligning their sector programmes and budget with the IDP;
5.8.18.7.	Department of Corporate Governance and Traditional Affairs	Assist in accessing financial grants for IDP process;
		Monitor progress of the IDP processes through the district and more specifically the IDP Managers Forum;
		Facilitate resolution of disputes related to the IDP;
		Organize IDP related-training when required;
		Co-ordinate and manage the MEC's assessment / comments of IDPs.



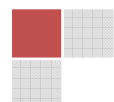


## 6. CHAPTER 3

### 6.1. REGIONAL, NATIONAL AND PROVINCIAL PLANNING FRAMEWORKS

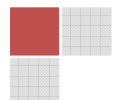
There are strategies and policies that hold the three spheres of local government together. These strategies and policies guide and provide a framework for integrated service delivery. The Local Municipality of Lekwa has made efforts to align to the key National and Provincial Strategies;

NO	ROLE PLAYERS	ROLES AND RESPONSIBILITIES
6.1.1.1.	Municipal Council	The Council will approve the reviewed IDP.
		Will consider the Framework/Process Plan which should set out the process for the new IDP cycle.
6.1.1.2.	Executive Mayor and Mayoral Committee	The Mayoral Committee must:
		Decide on the Process Plan for IDP Review
		Responsible for overall management, co-ordination and monitoring of the review process, and may assign responsibilities to the Municipal Manager
		Submit reviewed IDP framework and draft IDP to Council
		Develop terms and criteria for Representative Forum.
		Give political direction
6.1.1.3.	Municipal Manager with delegated powers to the IDP Manager	The Municipal Manager is responsible for the management and co-ordination of the preparation of the IDP process which include but not limited to the following:
		Responsible for the day to day management of the planning process plan and ensuring that timeframes are being adhere to and resources are and managed effectively and efficiently;
		Co-ordinate the involvement of all different role players;
		Ensuring the horizontal and vertical alignment in the planning process, including Sectors;
		Ensure that the links between the processes of performance management, monitoring, evaluation and review are maintained;
		Ensuring compliance with National and Provincial requirements and legislations;
		Ensure appropriate participation of all the relevant Stakeholders;
		Ensure proper documentation of outcomes;
		Chairing the Steering Committee, Technical Committee; and
		Management of Service Providers
6.1.1.4.	IDP Steering Committee	Framework/Process Plan management structure;
		Allocation of duties and monitoring;
		Overall management including the appointment of technical consultants;
		Decision on roles and responsibilities;
		Commission research studies and recommend appointment of service providers;
		Decide on matters to be referred to Technical Committee for alignment and integration purposes.
6.1.1.5.	IDP Representative	The Executive Mayor or Representative chairs the forum meetings.





NO	ROLE PLAYERS	ROLES AND RESPONSIBILITIES
6.1.1.6.	Forum	Constituted of the Executive Mayor/IDP manager//CBO's/NGO's/Business Forum/Community Forum/Youth /Woman/ Disabled Org./ Political parties /Traditional Leadership
		This Forum consist of community participation structure/stakeholders in their respective organized formations, to represent the interests of all stakeholders and ensure proper communication to guarantee representative and collaborative participation during the review process;
		Will provide an organizational mechanisms for discussion, negotiations and decision making between the stakeholders including municipalities and government departments during the Municipal process;
		Monitor the performance of the planning and implementation process.
		Make recommendations to the council on planning and development priorities.
	IDP Technical Committee	Will be chaired by the Municipal Manager or a designated Official. Consists of the Municipal Manager and Heads of Departments as well as Divisional Managers.
		Will deal with matters relevant and relating to District wide issues;
		Consider District wide programmes and integration to PGDS;
		Consider and advise the IDP Representative Forum on the evaluation of sector plans;
		Attend to the alignment of the IDP to that of the GSDM
		Deliberate on inter-sectoral programmes and recommends to the Representative Forum;
		Give advice and foster sectoral alignment; and
		Will timeously report on progress which will then be forwarded to the Steering Committee

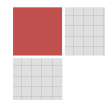


## 6.2. NATIONAL DEVELOPMENT PLANNING

KEY AREAS	DESCRIPTION	TARGET GOALS
An economy that will create more jobs	South Africa needs an economy that is more inclusive, more dynamic and in which the fruits of growth are shared more equitably. The plan envisages an economy that serves the needs of all South Africans - rich and poor, black and white, skilled and unskilled, those with capital and those without, urban and rural, women and men. In 2030, the economy should be close to full employment; equip people with the skills they need; ensure that ownership of production is less concentrated and more diverse	The national development plan proposes to create 11 million jobs by 2030 by: Realizing an environment for sustainable employment and inclusive economic growth Promoting employment in labour-absorbing industries Raising exports and competitiveness Strengthening government's capacity to give leadership to economic development Mobilizing all sectors of society around a national vision.
Improving infrastructure	<p>To grow faster and in a more inclusive manner, the country needs a higher level of capital spending in general and public investment in particular. Gross fixed capital formation needs to reach about 30 percent of GDP by 2030 to see a sustained impact on growth and household services.</p> <p>Public sector investment in economic infrastructure crowds in private investment. Private investment is a function of current and projected growth and profitability. Importantly, it is also a function of mutual trust and confidence in economic policies. In recent years, the public sector has favoured consumption over investment. The government's 2011 Medium Term Budget Policy Statement acknowledges this and announces a shift in the composition of expenditure towards investment, which is absolutely necessary.</p>	<p>The upgrading of informal settlements.</p> <p>Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by station and facilities upgrades to enhance links with road-based services.</p> <p>The development of the Durban-Gauteng freight corridor, including the development of a new dug-out port on the site of the old Durban airport.</p> <p>The construction of a new coal line to unlock coal deposits in the Waterberg, extension of existing coal lines in the central basin and, through private partnership, the upgrading of the iron ore line to Saldanha.</p> <p>The timely development of a number of key new water schemes to supply urban and industrial Centers, new irrigation systems in the Umzimvubu river basin and Makatini Flats and the establishment of a national water conservation programme with clear targets to improve water use and efficiency.</p> <p>The construction of infrastructure to import liquefied natural gas and accelerated exploration activity to find sufficient domestic gas feedstock's (including exploration of shale and coal bed methane reserves) to diversify our energy mix and reduce our carbon emissions.</p> <p>Procuring about 20 000 MW of renewable electricity by 2030, importing electricity from the region, decommissioning 11 000MW of aging coal-fired power stations and accelerated investments in demand-side savings, including technologies such as solar water heating.</p>
Transition to a low-carbon economy	South Africa needs to move away from the unsustainable use of natural resources. As water becomes scarcer, and global policy aims to price in the cost of carbon emissions, the country needs a coherent plan to use water more sustainably and to emit less carbon. Similar	Key proposals to support the transition to a low-carbon economy include: Support for a carbon budgeting approach, linking social and economic considerations to carbon reduction



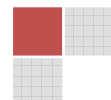
KEY AREAS	DESCRIPTION	TARGET GOALS
	<p>approaches apply to protecting the oceans, soil and wildlife, which are used unsustainably to the detriment of the country's future.</p> <p>All of this needs to be done in a way that increases the ability of the economy to employ more labour productively. The way forward is not obvious, nor is it likely to be smooth. Large-scale economic transitions are disruptive and costly. Changes to energy generation, water conservation and the uses of both are likely to be challenging and potentially disruptive for society.</p> <p>Managing this transition in a way that reduces costs - especially for the poor - will require competent institutions, innovative economic instruments, clear and consistent policies, and an educated and understanding electorate</p>	<p>targets.</p> <p>Introducing an economy-wide price for carbon complemented by a range of programmes and incentives to raise energy efficiency and manage waste better.</p> <p>A target of 5 million solar water heaters by 2030.</p> <p>Building standards that promote energy efficiency.</p> <p>Simplifying the regulatory regime to encourage renewable energy, regional hydroelectric initiatives and independent power producers.</p>
An inclusive and integrated rural economy	<p>By 2030, South Africa's rural communities should have greater opportunities to participate fully in the economic, social and political life of the country. These opportunities will need to be underpinned by good quality education, healthcare, transport and other basic services. Successful land reform, job creation and rising agricultural production will all contribute to the development of an inclusive rural economy.</p> <p>The economic and social legacy of colonialism and apartheid mean South Africa's rural areas are characterized by unusually high levels of poverty and joblessness, with very limited employment in agriculture. The apartheid system forced much of the African population into rural reserves. The result was an advanced and diversified commercial farming sector relying on poorly paid farm labour, and impoverished, densely populated communities with limited economic opportunities and minimal government services.</p>	<p>To change this, we propose a multipronged approach;</p> <p>The first is to create a million jobs through agricultural development based on effective land reform, and the growth of irrigated agriculture and land production.</p> <p>Second, basic services that enable people to develop the capabilities they need to take advantage of economic opportunities throughout the country and so contribute to the development of their communities through remittances and the transfer of skills. This includes ensuring food security and the empowerment of farm workers. Last, industries such as agro-processing, tourism, fisheries and small enterprises should be developed where potential exists.</p>
Reversing the spatial effects of apartheid	<p>Apartheid left a terrible spatial legacy. Housing policies since 1994, in some instances, have reinforced the spatial divide by placing low-income housing on the periphery of cities, far from economic activity. Reversing the country's spatial inheritance, even with sound and sensible policies, is likely to take decades.</p> <p>Settlement patterns should meet the needs and preferences of citizens, taking into account broader social, environmental and economic interests. Travel distances need to be shorter. This means ensuring that a larger proportion of workers live closer to their places of work, and that public transport is safe, reliable, affordable and energy efficient. It means building denser and more live able cities and towns. In rural areas, settlement patterns must balance the social, cultural and agricultural needs of families with the need to provide cost-effective services to households.</p>	<p>The commission proposes three complementary strategies:</p> <p>Increasing urban population density, while improving the live ability of cities by providing parks and other open spaces, and ensuring safety.</p> <p>Providing more reliable and affordable public transport with better coordination across municipalities and between different modes.</p> <p>Moving jobs and investment towards dense townships that are on the margins of cities. Building new settlements far from places of work should be discouraged, chiefly through planning and zoning regulations responsive to government policy.</p>
Improving the quality of education, training and innovation	<p>The quality of education for the majority of black learners remains poor. Poor-quality education not only denies many learners access to employment - it also affects the earnings potential and career mobility of those who do get jobs, and reduces the dynamism of South African</p>	<p>By 2030, South Africa needs an education system with the following attributes:</p> <p>High-quality early childhood education, with access rates exceeding</p>



KEY AREAS	DESCRIPTION	TARGET GOALS
	businesses.	<p>90 percent.</p> <p>Quality school education, with globally competitive literacy and numeracy standards.</p> <p>Further and higher education and training that enables people to fulfill their potential.</p> <p>An expanding higher education sector that is able to contribute towards rising incomes, higher productivity and the shift to a more knowledge-intensive economy.</p> <p>A wider system of innovation that links key public institutions (universities and science councils) with areas of the economy consistent with our economic priorities.</p>
Quality health care for all	<p>Good health is essential for a productive and fulfilling life. The Diagnostic Report demonstrates the starkly interrelated challenges posed by a crumbling health system and a rising disease burden. The public health system must be fixed. While greater use of private care, paid for either by users or health insurance, is part of the solution, it is no substitute for improvement of the public health system. Given the systemic weaknesses in that system today, a root-and-branch effort to improve the quality of care is needed, especially at primary level.</p> <p>By 2030, the health system should provide quality care to all, free at the point of service, or paid for by publicly provided or privately funded insurance. The primary and district health system should provide universal access, with a focus on prevention, education, disease management and treatment. Hospitals should be effective and efficient, providing quality secondary and tertiary care for those who need it. More health professionals should be on hand, especially in poorer communities.</p>	<p>Reform of the public health system should focus on:</p> <p>Improved management, especially at institutional level</p> <p>More and better-trained health professionals</p> <p>Greater discretion over clinical and administrative matters at facility level, combined with effective accountability</p> <p>Better patient information systems supporting more decentralized and home-based care models</p> <p>A focus on maternal and infant health care.</p>
Social protection	<p>Social protection plays several roles in a society. Firstly, it sets a floor through which, through social solidarity, we deem that no person should live below. At present, given South Africa's extremes of unemployment and working poverty, many people regularly experience hunger and find it difficult to meet the basic needs of their families. Progressively and through multiple avenues, we seek a society where everyone is lifted above this floor.</p> <p>Secondly, it plays an important role in helping households and families manage life's risks. Thirdly, it helps ease labor market transitions, thereby contributing towards a more flexible labor market and economic dynamism.</p> <p>Our vision is for a social security system that fulfils all these roles. Our vision is that by 2030, South Africa would have a comprehensive system of social protection that includes social security grants, mandatory retirement savings, risk benefits such as unemployment, death and disability benefits and voluntary retirement savings.</p> <p>Part of our approach to social protection is through a social wage, which includes no-fee schools, free basic services and subsidized public transport. In addition to creating more work opportunities in the private sector, a</p>	<p>To achieve the objectives of broader social security coverage, we propose the following reforms:</p> <p>An acceptable minimum standard of living must be defined as the social floor, including what is needed to enable people to develop their capabilities.</p> <p>The retirement savings and risk benefit gap should be closed through reforms, including mandatory contributions, with consideration given to government subsidizing these contributions for low income or periodic workers.</p> <p>Social welfare services must be expanded, with more education and training for social work practitioners and a review of funding for non-profit organizations.</p> <p>Public employment should be expanded to provide work for the unemployed, with a specific focus on the youth and women.</p> <p>The integration of a number of databases in the social security environment with information from public employment programmes will enable communities to conduct social audits of government services, leading</p>



KEY AREAS	DESCRIPTION	TARGET GOALS
	significant broadening of public employment programmes will also help to ensure that fewer households live below a determined floor.	to better and more effective targeting of government's social and employment programmes.
Building safer communities	<p>When people feel unsafe it makes it harder for them to develop their capabilities, pursue their personal goals and to take part in social and economic activity. To achieve the goals set out in this plan, South Africans need to feel safe everywhere and have confidence in the criminal justice system to protect them and to act speedily and effectively when required to do so.</p> <p>By 2030, people living in South Africa should feel safe and have no fear of crime. Women and children and all vulnerable groups should feel protected. They should have confidence in the criminal justice system to effectively apprehend and prosecute criminals who violate individual and community safety. The South African Police Service and metro police should be a professional institution staffed by skilled, disciplined, ethical individuals who value their work and serve the community.</p>	<p>Achieving this vision requires targeted action in five key areas:</p> <p>Strengthening the criminal justice system - This requires cooperation between all departments in the justice crime prevention and security cluster. We believe the correct implementation of the recommendations in the Review of the South African Criminal Justice System will go far in dealing with the system's current weaknesses.</p> <p>Making the police service professional - We propose linking the police code of conduct and a code of professionalism to promotion and discipline in the service. Recruitment should attract competent, skilled professionals through a two-track system; one for commissioned officers and one for non-commissioners officers.</p> <p>Demilitarizing the police service - The decision to demilitarize the police force, moving away from its history of brutality, was a key goal of transformation after 1994. The remilitarization of the police in recent years has not garnered greater respect for police officers and higher conviction rates. If anything, it has boosted violence in the service. The commission believes that the police should be demilitarized to turn the force into a civilian, professional service.</p> <p>Building safety using an integrated approach - Achieving long-term, sustainable safety requires an integrated approach focused on tackling the fundamental causes of criminality. This requires mobilizing a wider range of state and community resources.</p> <p>Building community participation in community safety - Civil society organizations and civic participation are critical elements of a safe and secure society. Local government legislation provides for establishing community safety Centers to enable safe, healthy communities. Establishing these Centers should be considered.</p>
Reforming the public service	In many countries, plans fail either because they are not implemented or because implementation is uneven. There needs to be a uniformity of effort and competence across the entire public service. There is a real risk that South Africa's national plan could fail because the state is incapable of implementation. The commission makes far-reaching proposals to remedy the uneven and often poor performance of the public service.	<p>A more pragmatic approach to the intergovernmental system is required, recognizing uneven capacity.</p> <p>To professionalize the public service, we propose that:</p> <p>Heads of departments should report to a head of the civil service on administrative matters.</p> <p>A hybrid system of appointing heads of departments should be introduced, incorporating both political and</p>



KEY AREAS	DESCRIPTION	TARGET GOALS
	There are often blurred and inconsistent lines of overlap. The plan proposes radical reforms in several areas. Parliament's oversight role should be enhanced, the political/administrative interface stabilized, the public service professionalized, skills upgraded and coordination improved. A more pragmatic approach to the intergovernmental system is required, recognizing uneven capacity	administrative elements. A graduate recruitment programme and a local government skills development strategy should be introduced to attract high-quality candidates. The Public Service Commission should be given the power to develop and monitor norms and standards for appointments at each level.
Fighting corruption	<p>The fight against corruption has to be fought on three fronts: deterrence, prevention and education. Deterrence helps people understand that they are likely to get caught and punished. Prevention is about systems (information, audit and so on) that make it hard to engage in corrupt acts. The social dimensions of corruption can only be tackled by focusing on values, through education. South Africa has some, but not all, of these elements in place.</p> <p>Government's procurement policies blur the line in matters of corruption. Multiple and sometimes contradictory objectives lead to poor value for money and make corruption easier.</p>	<p>There are still gaps in the anti-corruption arsenal. First, despite their competence and skill, institutions like the Public Protector and Special Investigative Unit are underfunded, understaffed and subject to external interference. Second, while thousands of cases are investigated, very few get to court. We propose the establishment of specialized teams of prosecutors and special courts to handle corruption cases.</p> <p>Third, the state procurement system has become overly bureaucratized, with an emphasis on compliance by box-ticking, making the system costly, burdensome, ineffective and prone to fraud. We propose centralizing large and long-term tenders, making it illegal for public servants to operate certain types of businesses, and making individuals liable for losses in proven cases of corruption.</p> <p>Finally, the country has barely begun to tackle the associated societal factors that contribute to corruption. Attitudes that justify breaking the law to help family members because they are poor, or because they suffered under apartheid, or just because they are family, must be tackled head on.</p>
Transforming society and uniting the country	<p>A united people and a more cohesive society are not only national objectives; they are also means to eradicating poverty and inequality. Our strategy to enhance social cohesion is based on three themes:</p> <ul style="list-style-type: none"> <li>Reducing poverty and inequality by broadening opportunity through economic inclusion, education and skills, and specific redress measures.</li> <li>Promoting mutual respect, inclusiveness and cohesion by acting on the constitutional imperative that South Africa belongs to all who live in it, and that all are equal before the law.</li> <li>Deepening the national appreciation of the responsibilities and obligations that citizens have towards one another.</li> </ul>	<p>In addition to measures that promote social equity outlined elsewhere in the plan, we propose:</p> <p>The Bill of Responsibility, developed by the Department of Basic Education and others, should be popularised, encouraging all South Africans to live the values of the Constitution. A pledge based on the Constitution's preamble should be developed and used in school assemblies.</p> <p>All South Africans should be encouraged to learn an African language and government programmes should work to make this a reality. The Commission on Gender Equality and the Ministry for Women, Children and People with Disabilities should jointly set clear targets for the advancement of women's rights and report on progress in achieving this in an annual publication each August.</p> <p>Employment equity and other redress measures should be made more effective by focusing on the environment within which capabilities</p>

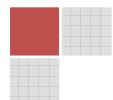


KEY AREAS	DESCRIPTION	TARGET GOALS
		<p>are developed.</p> <p>A review of black economic empowerment. While this remains the correct approach to broaden ownership and control over productive parts of the economy, the present model is not achieving the desired objectives quickly enough.</p> <p>Redress measures in the workplace should focus on enterprise development, access to training, career mobility and mentoring.</p>

**The key ingredients for success are:**

- The active efforts of all South Africans
- Growth, investment and employment
- Rising standards of education and a healthy population
- An effective and capable government
- Collaboration between the private and public sectors
- Leadership from all sectors of society.

The country we seek to build by 2030 is just, fair, prosperous and equitable. Most of all, it is a country that each and every South African can proudly call home

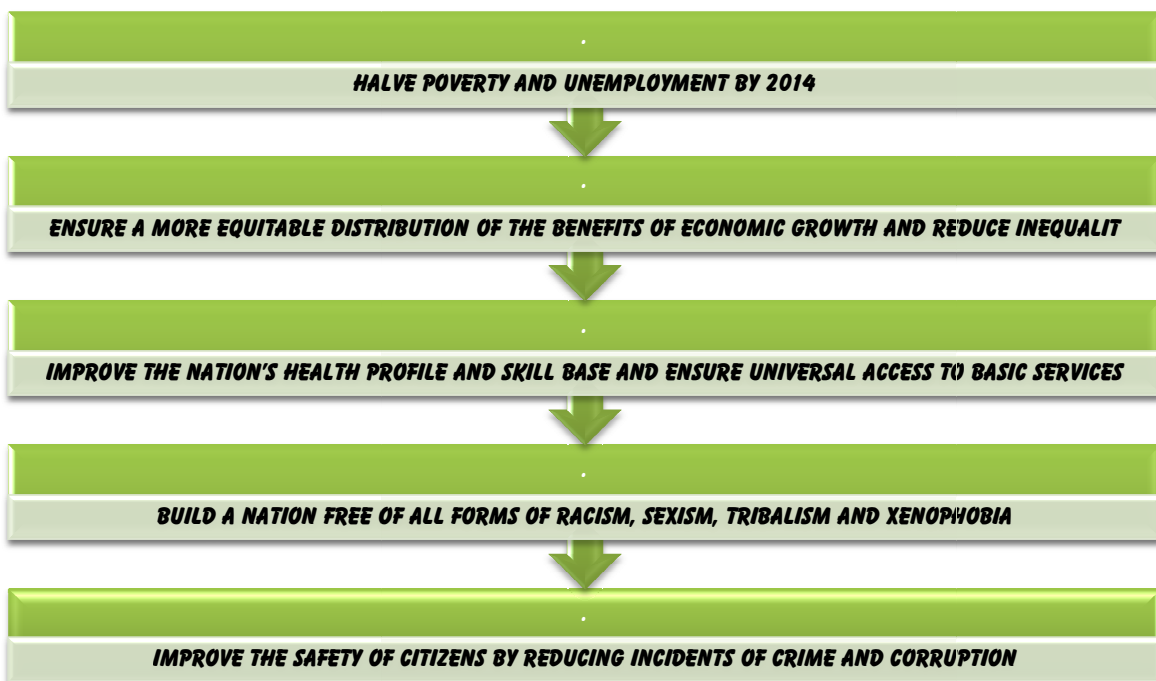




### 6.3. MEDIUM TERM STRATEGIC FRAMEWORK (MTSF, 2009-2014)

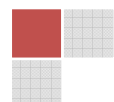
The Medium Term Strategic Framework (MTSF, 2009–2014) is a statement of government intent. It identifies the development challenges facing South Africa and outlines the medium-term strategy for improving living conditions of South Africans. The MTSF base document is meant to guide planning and resource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

The MTSF identifies the following five development objectives:



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

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





## 6.4. MILLENIUM DEVELOPMENT GOALS (MDGs)

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

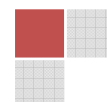
The goals relate to the following:

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

It is plausible to conclude then that the South African Constitution and its development mandate explicitly takes the MDGs into account, and as a consequence there remain a greater possibility that despite many a challenge, South Africa has a plan in place and a winning chance in the fight against hunger, disease, ignorance, gender equality and making South Africa, Africa and the world a better place. The report below demonstrates how the MDGs have been domesticated into the current priority agenda of the government. Below is a schematic layout that maps the MDGs on the national priorities.

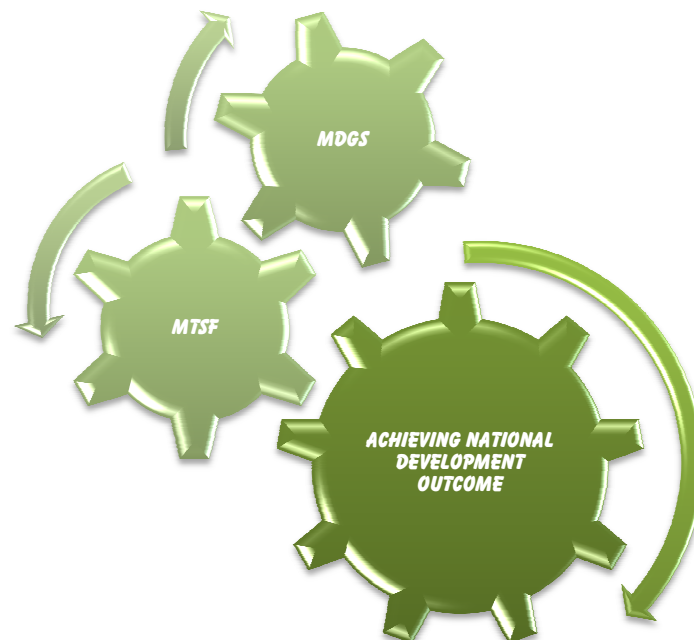
Linkage between South Africa's national development planning and the MDGs

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



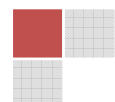
Having demonstrated at the strategy level how the eight MDGs are integral to the South African government's development priorities, it is important now to illustrate how, at the implementation level, these strategic policy intentions should or get to be translated into reality. In this regard for instance,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

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



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

- 6.4.9. Improved quality of basic education;
- 6.4.10. A long and healthy life for all South Africans;
- 6.4.11. All people in South Africa are and feel safe;
- 6.4.12. Decent employment through inclusive economic growth;
- 6.4.13. A skilled and capable workforce to support and inclusive growth path;
- 6.4.14. An efficient, competitive and responsive economic infrastructure network;
- 6.4.15. Vibrant, equitable and sustainable rural communities with food security for all;
- 6.4.16. Sustainable human settlements and improved quality of household life;
- 6.4.17. A responsive, accountable, effective and efficient local government system;
- 6.4.18. Environmental assets and natural resources that is well protected and continually enhanced;
- 6.4.19. Create a better South Africa and contribute to a better and safer Africa and world;



- 6.4.20. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

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

## 6.5. NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

In endeavouring to achieve the national development vision of a truly united, non-racial, non-sexist and democratic society and in giving effect to the national growth and development objectives, it is inevitable that, due to resource constraints, government will have to make hard choices regarding the allocation of resources between different localities, programmes, spheres and sectors. Policies and principles are some of the tools available to government to provide guidance and direction to those having to make these kinds of difficult decisions in such a way that they do not contradict each other.

A number of initiatives have been launched over the past couple of years, one of which, the National Spatial Development Perspective (NSDP), was launched by the Presidency in May 2003. The NSDP describes the national spatial development vision of government and the normative principles that underpin this vision. The vision and principles serve as a guide for meeting government's objectives of economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities including spatial distortions. In essence the principles are intended to improve the functioning of the state principally to assist government in dealing with the challenges arising from the need to grow the economy and halving unemployment and the social transition (increase in number of households, growth in economically active population, massive migration, social consequences of social changes & social exclusion). The NSDP principles should play an important role in the respective development plans of local and provincial government, namely; Integrated Development Plans (IDP) and Provincial Growth and Development Strategies (PGDS).

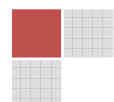
### **Government's national spatial development vision is as follows:**

South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives:

- 6.5.1. By focusing economic growth and employment creation in areas where this is most effective and sustainable;
- 6.5.2. Supporting restructuring where feasible to ensure greater competitiveness;
- 6.5.3. Fostering development on the basis of local potential; and
- 6.5.4. Ensuring that development institutions are able to provide basic needs throughout
- 6.5.5. the country

### **The basic principles of the NSDP underpinning this vision are:**

- 6.5.6. Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- 6.5.7. Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), should therefore be focused on localities of economic growth and/or economic potential in order to attract Private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.



- 6.5.8. Efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labor market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.
- 6.5.9. In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or link the main growth centers.

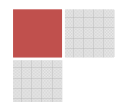
The NSDP therefore uses the two crucial notions of need and potential to describe the space economy and thereby frame the parameters within which infrastructure investment and development spending are to be planned. In this sense the NSDP provides a concrete mechanism in terms of which integrated development planning in the local sphere, provincial planning and national spatial guidance can be formally linked in support of national priorities and objectives. The coordinated achievement of national objectives guided by the vision and principles of the NSDP as set out above however is dependent on:

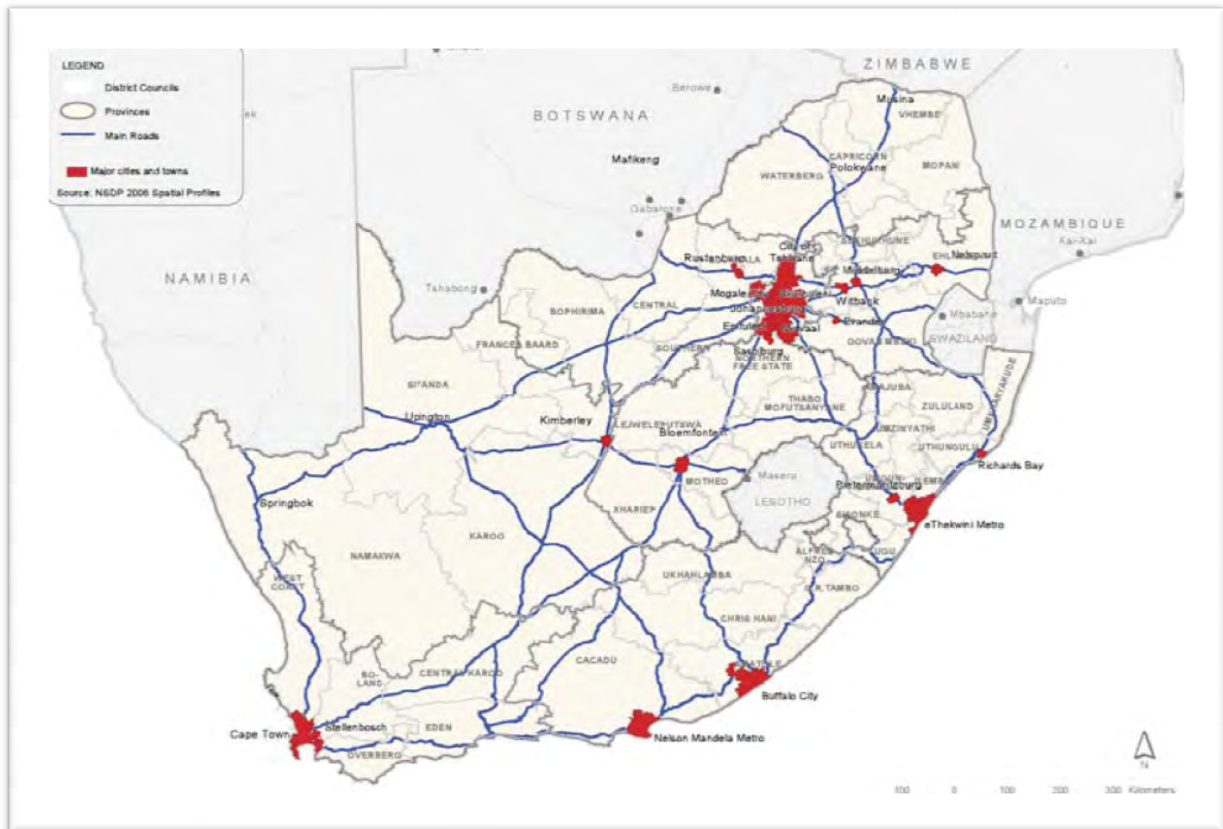
- 6.5.10. Awareness of and buy-in to the NSDP vision and its principles by all organs of government;
- 6.5.11. The linkage and alignment of the PGDS, IDPs, as well as sectoral, departmental and financial planning in all spheres of government;
- 6.5.12. The extent to which the NSDP and its principles find practical manifestation in the PGDS, IDPs and sector department plans;
- 6.5.13. Dialogue between spheres and between departments and institutions within spheres on development potential and poverty/need within particular localities;
- 6.5.14. Annual comments and reports by organs of government on how their strategies are informed by the NSDP principles and their comments on the spatial narrative and maps in the NSDP.

The NSDP is not a plan but a perspective that acts as a policy co-ordination and indicative planning tool for all spheres of government. It is therefore characterized by an on-going process of elaboration, refinement and revision that requires input from all three spheres of government. In this regard project teams are currently reviewing and updating the NSDP in three parallel projects:

- 6.5.15. Key interventions for the harmonization and alignment of IDPs, PGDSs and the NSDP
- 6.5.16. Updating Development Potential and
- 6.5.17. Monitoring the Space Economy

The following are the National spatial depiction of the National Spatial Development Perspective and Built environment for NSDP. Map:





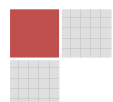
## 6.6. THE MPUMALANGA RURAL DEVELOPMENT PROGRAMME

The Mpumalanga Rural Development Programme (MRDP), 2001, was drafted by the German Federal Ministry for Economic Cooperation and Development (BMZ) for the Office of the Premier: Mpumalanga Province.

The programme aims at improving efficiency of provincial economic development programmes of the Mpumalanga province in order to improve the economic and social situation of the citizens of Mpumalanga through attracting private capital investment. The programme focuses on the creation of income and employment in rural areas and on pro-poor economic development that protects and sustains the natural environment and its resources by ensuring that these resources are effectively utilized to create viable business opportunities and jobs.

The key concepts of the programme include:

- 6.6.1. Self-reliance/empowerment: strengthen the self-help capabilities of the communities and emphasize development planning;
- 6.6.2. Economic growth: encourage local economic development, employment and income generation through the promotion of small and micro-sized rural enterprises and the participation of the private sector;
- 6.6.3. Sustainability: improve viable and sustainable natural resource utilization;
- 6.6.4. Outreach: upgrade and broaden the facilitation of government services to the impoverished;
- 6.6.5. Capacity building: strengthen advice and train service providers;



- 6.6.6. Innovation: develop innovative concepts for public service delivery; Mainstream: get innovations on track; Coping with HIV/Aids: plan, design and implement relevant strategies in order to cope with HIV/Aids; and
- 6.6.7. Stakeholder participation: ensuring participation by all concerned.

## 6.7. THE MPUMALANGA PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

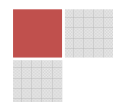
The Mpumalanga Provincial Growth and Development Strategy (MPDGS), 2004 – 2014 was drafted for the Mpumalanga Provincial Government. The PGDS is the overall strategic framework for the Provincial Government. It is the embodiment of the broad strategic policy goals and objectives of the Province for the ten year period of 2004-2014. As a policy framework it sets the tone and pace for growth and development in the Province. The PGDS aims to promote integrated planning. It is considered a strategic document in as far as it ties in with National, Provincial and Local level policies, while it spells out broad strategies on a sectoral level, which should serve as a guideline to all sectors and their initiatives.

According to the MPGDS, the growth and development challenges in the Province can be summarized in a few distinct, but interrelated categories, namely:

- 6.7.1. Poverty (unemployment and lack of access to opportunities)
- 6.7.2. High levels of HIV and AIDS (the Province has one of the highest infection rates in the country with 30%)
- 6.7.3. The negative growth rate in the Agricultural and mining sectors.
- 6.7.4. Manufacturing of downstream products
- 6.7.5. The socio-economic development potential of the Province is constrained by the insufficient road/rail infrastructure.
- 6.7.6. The backlog in the delivery of services, water supply and sanitation, especially in rural areas.
- 6.7.7. Lack of appropriate skills which is enhanced by the rural nature of the province.
- 6.7.8. Corruption limits the effects of good governance measures and service delivery.
- 6.7.9. Environmental degradation - pressures on environmental resources are not comprehensively monitored.
- 6.7.10. Through consideration of these challenges the Province has identified six priority areas of intervention. These priority areas have been identified primarily based on the social, economic and developmental needs of the Province:
- 6.7.11. Economic Development (i.e. investment, job creation, business and tourism development and SMME development);
- 6.7.12. Infrastructure Development (i.e. urban/rural infrastructure, housing and land reform);
- 6.7.13. Human Resource Development (i.e. adequate education opportunities for all);
- 6.7.14. Social Development (i.e. access to full social infrastructure);
- 6.7.15. Sustainable Environmental Development (i.e. protection of the environment and sustainable Development); and
- 6.7.16. Good Governance (i.e. effective and efficient public sector management and service delivery).

It identifies the following key opportunities:

- 6.7.17. Agri-processing
- 6.7.18. Agri-products
- 6.7.19. Manufacturing of downstream stainless steel products
- 6.7.20. Chemical and chemical products
- 6.7.21. Wood processing
- 6.7.22. Tourism



- 6.7.23. Service sector
- 6.7.24. Infrastructure investment and Maputo corridor opportunities.

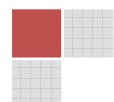
## 6.8. THE MPUMALANGA PROVINCIAL INTEGRATED SPATIAL FRAMEWORK

The Mpumalanga Integrated Spatial Framework Update (MPISF), 2005 was drafted by the Office of the Premier, Mpumalanga Provincial Government by the CSIR. The MPISF does not provide a concrete spatial framework to which all District and Local Municipalities must align their respective Development Frameworks. It does however provide:

- 6.8.1. A provincial-wide perspective on social, environmental, economic, transport, settlement and land-use factors, and other development trends and impacts in Mpumalanga; and
- 6.8.2. Strives to develop a spatial rationale of the scope and location of areas with economic (e.g. tourism, agriculture, petro-chemical) development potential, as well as the areas with the major challenges in terms of addressing poverty, service backlogs, etc. in the Province and for the various district municipal areas.

Based on the National Spatial Development Perspective, the MPISF puts forward the following directives:

- 6.8.3. Focusing on localities with greater economic potential.
- 6.8.4. Focusing on localities that will facilitate the creation of more sustainable human settlements through the provision of more than just houses and basic infrastructure.
- 6.8.5. Focusing on the development of people through skills development and the creation of social opportunities; thus facilitating choice and ability to move between settlements.
- 6.8.6. Broadening the range of housing products in appropriate localities to address an extended and diverse need of a range of people, including the elderly, people with disabilities, children headed households, single headed households and migrant families.
- 6.8.7. Broadening the range of suitable localities within existing settlements for infill housing developments, for example, appropriate brown field sites in close proximity to the inner cities.
- 6.8.8. Upgrading inadequate forms of housing – e.g. informal settlements and hostels.





## 6.9. ACCELERATED SHARED GROWTH DEVELOPMENT STRATEGY (ASGISA)

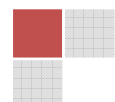
The mandate by the South African government in 2004 to half poverty and unemployment by 2014 resurrected commitment in the public sector delivery trajectory. Dismal malfunction of the previous highly contentious GEAR to address economic Backlogs resulted in the formation of a new economic strategy today known as AsgiSA. The South African government's AsgiSA aims to guide and improve on the country's remarkable economic recovery, raising economic growth to 6% and halving poverty and unemployment by 2014. AsgiSA is a micro-economic strategy that strives to accelerate growth. It is a national shared growth initiative that was informed by extensive consultation from all sectors.

The two main objectives of AsgiSA include:

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

Interventions responding to the binding constraints include:

- 6.9.10. **Infrastructure programmes:** aimed at improving the availability and reliability of infrastructure services in response to rapidly growing demand through the municipal and provincial infrastructure grant programmes;
- 6.9.11. **Sector investment (or industrial) strategies:** To promote private-sector investment, sector investment programmes that are identified include tourism, agriculture, manufacturing, mining and business process outsourcing programmes;
- 6.9.12. **Second economy interventions:** Government has already initiated interventions to address deep-seated inequalities and target the marginalized poor, to bridge the gap with the Second Economy, and ultimately to eliminate the Second Economy. One key mechanism is to use the leverage of the First Economy to address the Second Economy. This includes leveraging the increased levels of public expenditure through promotion of small businesses, broad-based empowerment and development of Sector strategies;
- 6.9.13. **Macro-economic issues:** The development of a new capital expenditure management information system by the National Treasury was recently introduced to address the issue of poor expenditure and budgeting at macro level;
- 6.9.14. **Public administration issues:** The focus of this intervention is to realize a people's contract on economic matters, the effective implementation of agreed BEE Charters and leveraging benefits from offsets. On local government and service delivery, focus is placed on addressing the skills problems through Project Consolidate; and
- 6.9.15. **Skills and education initiatives:** Skill shortages have been an impediment on infrastructure programmes and private sector investment. The AsgiSA response ranges from medium-term educational interventions to raise the level of skill in areas needed by the economy, to immediate measures to acquire skills needed for the implementation of AsgiSA projects. Programmes identified by AsgiSA to address the skills and education backlog include the QUIDS-UP Programme, the Math's and Science (Dinaledi) Programme and the Joint Initiative for Priority Skills Acquisition (JIPSA).





JIPSA is tasked to identify urgent skills needed and to provide feasible, sound and effective remedies. Major remedies include special training programmes, attracting South Africans currently working abroad, bringing back retirees, mentoring and overseas placement of South African trainees to fast track their development and encouraging highly skilled emigrants back into the mainstream employment.

## 6.10. THE MPUMALANGA TOURISM GROWTH STRATEGY

The Mpumalanga Tourism Growth Strategy (MTGS), 2007, was drafted by CHL Consulting for the Mpumalanga Tourism and Parks Agency. It has established tourism as a priority sector as the Province has the natural and cultural resource base upon which to develop a sustainable industry on the one hand and on the other, take advantage of the expanding markets for international and domestic travel.

However, the Provincial Government is aware that the realization of the Province's tourism potential will not just simply happen. Tourism development will require stimulation and change. The figure below illustrates the Mpumalanga Vision 2016 for tourism. Tourism development is mostly clustered in the northern and north-western parts of the province.

According to the strategy, there are no significant tourism opportunities within Lekwa Local Municipality.

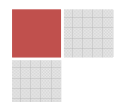
## 6.11. INTEGRATED SUSTAINABLE RURAL DEVELOPMENT STRATEGY (ISRDS)

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

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

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

- 6.11.1. **Rural development:** going beyond just the poverty alleviation connotation, but focusing on changing rural environments to create enabling platforms for people to earn more and to invest in themselves and their communities. This emphasizes that rural people must be the masters of their own destiny and to survive and improve their own economic packages within their environments;



- 6.11.2. **Sustainability:** sustainability evolves from increased local growth, with people enjoying own gains and maintaining available resources for future development;
- 6.11.3. **Integrated:** this calls for coherent coordination across traditional sectors in all spheres of government. It requires the Municipal five year plan (IDP) to establish coordination and maintain integration at the municipal sphere; and
- 6.11.4. **Rural Safety net:** in responding to the continuous crisis facing rural people, social assistance has been extended to all rural people and the ISRDP is also consolidating that effort.

## 6.12. LAND REDISTRIBUTION FOR AGRICULTURAL DEVELOPMENT

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

**Agricultural Development:** to make land available to people for agricultural purposes;

**Settlement:** to provide people land for settlement purposes; and

**Non-agricultural enterprises:** to provide people land for non-agricultural enterprises, for example eco-tourism projects.

LRAD has two distinct parts.

Firstly, LRAD deals with the transfer of agricultural land to specific individuals or groups.

Secondly, LRAD deals with commonage projects, which aim to improve people with access to municipal and tribal land, primarily for grazing purposes.

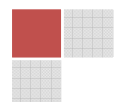
The strategic objectives of the sub-programmes include:

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

## 6.13. MPUMALANGA ECONOMIC GROWTH DEVELOPMENT PATH

The development of the proposed Mpumalanga Economic Growth and Development Path (MEGDP) is therefore a response to the ruling party's call for government to focus on identifying areas where employment creation is possible on a large scale, in order to mitigate the impact of the recent global economic meltdown. Our challenge over the next ten (10) years, is to reduce unemployment, poverty and inequality, hence our province needs to facilitate the creation of at least 719 000 new jobs by 2020. Our target is to reduce the current unemployment rate which is just over 30 percent to at least 15 percent by 2020.

The Mpumalanga Government is thus been charged with this mammoth task of leading economic recovery of the province, which will be done through the implementation of the MEGDP.



In fulfilling our mandate as per our strategic plan and annual performance plan submitted to the Mpumalanga

Provincial Legislature, Mpumalanga Government has announced that through the leadership of the Accounting Officer of the Department, we continued to, amongst others:

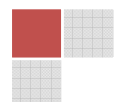
- 6.13.1. Empower and grow SMMEs and co-operatives;
- 6.13.2. Regulate businesses in terms of the applicable laws and prescripts;
- 6.13.3. Regulate the gambling and betting industry;
- 6.13.4. Protect consumers from unscrupulous business practices;
- 6.13.5. Regulate the tourism industry and bio-diversity management;
- 6.13.6. Promote sustainable environmental management;
- 6.13.7. Promote trade and investment opportunities in the province;

## 6.14. THE GERT SIBANDE GROWTH AND DEVELOPMENT STRATEGY (GSGDS)

The Gert Sibande Growth and Development Strategy (GSGDS) aims 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 grow the District's economy. To this effect, and in line with the development priorities of the PGDS, the District has delineated five "District Strategic Focus Area".

These are:

- 6.14.1. Tourism Promotion: Traditionally, this sector has not received much attention within the District, yet this sector possesses incredible potential within the District because of the availability of tourist attraction facilities and natural sites e.g. conferencing facilities, casino, resorts, motels and hotels, game farms, wetlands and B&B accommodation;
- 6.14.2. Spatial Development Initiatives: The District, in line with the PGDS, will explore the economic development nodes identified in order to facilitate the beneficiation and down streaming of products within the mining, agriculture and petrochemical nodes. Focus will be placed on exploring possible partnerships and infrastructure investments needed to act as a catalyst for industrial growth and development.
- 6.14.3. Local Economic Development and Growth: The District, in partnership with other spheres of government, will use its resources to:
  - 6.14.3.1. Promote and support SMMEs and emerging entrepreneurs;
  - 6.14.3.2. Promote and support the sustainability of existing business; and
  - 6.14.3.3. Increase local beneficiation and shared economic growth.
- 6.14.4. Agriculture, Forestry, Manufacturing and Mining: The District will facilitate and actively promote investment opportunities in downstream opportunities of its raw materials within agriculture, forestry, manufacturing / petrochemicals, and mining sectors.
- 6.14.5. Environmental Management: The District boasts one of the country's largest wetlands, and features a unique and sensitive eco-system, responsible for the general well-being of not only the District, but also the economic hub of South Africa, namely Gauteng. Consequently, the District will all support development(s) aimed at meeting the following objectives:
  - 6.14.5.1. Biodiversity;
  - 6.14.5.2. Promotion and protection of indigenous plants and vegetation;
  - 6.14.5.3. Rehabilitation and revival of local streams and rivers;
  - 6.14.5.4. Eco-tourism activities.



## 6.15. GERT SIBANDE SPATIAL DEVELOPMENT FRAMEWORK, 2009

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

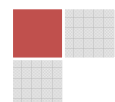
- 6.15.1. To actively protect, enhance and manage the natural environmental resources of the District, in order to ensure a sustainable equilibrium between biodiversity conservation, mining, manufacturing and industrial activities, agriculture, forestry, and tourism related activities within the District.
- 6.15.2. To optimally capitalize on the strategic location of the District and its five key economic strips / corridors, and to functionally link all towns and settlements to one another through establishing and maintaining a strategic road and rail network comprising internal and external linkages.
- 6.15.3. To utilize the existing natural environmental, cultural-historic and man-made activity areas within the District as Tourism Anchors and Nodes; and to develop and promote the eastern parts of the District (around route R33) as a Primary Tourism Corridor linking the Lowveld

Tourism Precinct to the north (in Ehlanzeni), to the St Lucia Tourism Precinct located to the south of the District.

- 6.15.4. To promote forestry within and along the identified Primary Tourism Corridor.
- 6.15.5. To promote intensive and extensive commercial farming activities throughout the District, and to facilitate and concentrate subsistence farming activities within certain rural communities.
- 6.15.6. To unlock the development potential of existing towns through developing industry specific Special Economic Zones / Economic Clusters throughout the District, in line with the MPISF and the provincial LED Strategy.
- 6.15.7. To ensure that all communities have access to at least the minimum levels of service as enshrined in the Constitution.
- 6.15.8. To establish a functional hierarchy of towns and settlements in the District, and to ensure equitable access to social infrastructure and the promotion of local economic development by way of Multi-Purpose Community Centers (MPCCs).
- 6.15.9. To facilitate and accommodate mining in the District in a sustainable manner in order to support local electricity generation and industrial development.
- 6.15.10. To consolidate the urban structure of the District around the highest order centers by way of infill development and densification in Strategic Development Areas (SDAs).
- 6.15.11. In order to ensure alignment between the Lekwa Local Municipality SDF and the District SDF these principles should be applied when drafting the Spatial Framework.

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

- 6.15.12. The main urban areas are Standerton, Morgenzon and Thuthukani.
- 6.15.13. These urban areas have also been identified as Thusong Service Centers.
- 6.15.14. First Order Priority corridors are the R38 between Standerton and Bethal as well as the R35 between Morgenzon and Amersfoort.
- 6.15.15. Third Order Priority corridor is the R39 between Morgenzon and Ermelo.

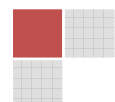


## 6.16. ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AFFECTING LEKWA

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

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

- 6.16.1. Lekwa Local Municipality forms part of the areas that were spatially designated and distorted, NSDP will assist in bringing investment and growth in the area. The Municipality can be seen as an area of unlimited potential growth as NSDP purports, where providing basic service and grants, human resource development, labour market intelligence is not enough. Municipality's economic and infrastructural development needs to be aligned within the LED strategy. Growing sectors in the Municipality such as the Agriculture and Tourism sectors need to be strengthened to ensure progressive economic development. Investment in these areas needs to be coordinated and integrated with the IDP of the Municipality and form part of the LED programmes identified as part of the LED Strategy.
- 6.16.2. The Mpumalanga Provincial Growth and Development Strategy aims to address the key developmental and economic challenges in the province.
- 6.16.3. Municipal's Intervention: In order to align the IDP to the PGDS, the Municipality has identified a number of interventions to support the implementation of the PGDS, evident in the Municipal's Local Economic Development and Spatial Development Framework sector plans.
- 6.16.4. The repercussions of AsgiSA for Lekwa Local Municipality is that the LED Strategy must strive to encourage existing larger and small businesses (micro-enterprises) to work collectively and share investments. Dormant and emerging businesses in the area should also be included in the major strategic interventions aimed at reviving the economy of the Municipality. Tourism businesses in the Municipality should seek consultation with domestic and international experts as they form a major economic sector in the area.
- 6.16.5. Scarcity of skilled labor is also problematic for the Municipality. Efforts should therefore be directed towards placement of committed trainees from the Municipal area into strong corporations, allowing them to acquire skills and subsequently work within the Municipality. Skills development efforts also need to form part of every economic, social and environmental initiative. This will permit industries and small businesses to acquire skilled labor, while local communities are groomed in the appropriate skills to take up employment in the area. Intensive training should therefore be the cornerstone for uplifting the communities in the area.
- 6.16.6. It is of critical importance that the LED strategy for the Municipality be tailored towards creating an enabling environment for its people. The LED strategy must comprise a "culture of collectives" with rural youth and young women coming together to work in developmental projects to increase their income and investments and subsequently gaining ownership of local businesses. This will require coherent coordination and interaction among organizations in Lekwa Municipality.
- 6.16.7. The Agricultural sector in Lekwa Municipality is dominated by private land comprising commercial horticultural and livestock farming and large scale crop farming. In order to expand farming enterprises, land is required. Therefore, the Municipality's IDP and LED needs to advocate the increased availability of land. The lengthy land claims process constrains development in Lekwa Municipality, as up to certain percentage of land is subject to land claims, with land not being able to be developed until the claims have been settled. Land reform elements, therefore, have to materialize in this regard.
- 6.16.8. Protection and sustainable utilization of valuable natural resources;
- 6.16.9. Improving road and rail infrastructure to stimulate socio-economic development, improve access to services and facilities and link all settlements;
- 6.16.10. Promotion of small and micro-sized rural enterprises;
- 6.16.11. Manufacturing of downstream products e.g. agri-processing;
- 6.16.12. The backlog in the delivery of services, water supply and sanitation, especially in rural areas.
- 6.16.13. Focusing on localities with greater economic potential.



- 6.16.14. Broadening the range of housing products in appropriate localities (e.g. close to places of work) and the range of suitable localities within existing settlements for infill housing developments.
- 6.16.15. Upgrading inadequate forms of housing – e.g. informal settlements and hostels.
- 6.16.16. Promoting tourism, specifically eco-tourism activities.
- 6.16.17. Improving access to comprehensive community facilities and services (school, clinics, etc.);
- 6.16.18. Promoting intensive and extensive commercial farming activities; and
- 6.16.19. Establishing a functional hierarchy of towns and settlements.

## 7. CHAPTER 4:

### 7.1. STATUS QUO AND SITUATIONAL ANALYSIS FOR LEKWA LOCAL MUNICIPALITY

Lekwa is largely a concentrated settlement landscape on the horizon of Standerton and Sakhile with a few other settlements like Thuthukani, Sivukhile and Morgezon. The area is primarily consisted of urban residential settlements, significant farmland communities and a few industrial communities in different locations across the municipalities

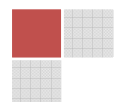
The estimated population in 2008 is 122,158 people within approximately 32 241 households. In the same period, Africans consist of 105,885 population followed by Whites 13,126, Colored's 1,952 and Asians 1,194. The average growth rate in the last 10 years is estimated at 2.6% per annum with a declining 3yr moving average from 5.2% in 1999 to 1.4% by 2008. It can be expected that the next three years could experience marginal population growth, slowing down to a range of 0.1% to 0.2% of the population.

The high representation of the young generation below 20 years is a strong urgency to create opportunities that will absorb the youth group early enough that there may be a significant reduction in dependency on grants and single household income earners.

Together with economic challenges like employment creation, skills etc., the Municipality still has a high indigent profile, dramatically influenced by high rates of unemployment, high dependency on social grants as well as prevailing health conditions from the likes of HIV and AIDS.

The service level profile of the Municipality shows a significant achievement in the eradication of backlogs for water and sanitation in the recent years.

Currently, up to 97% consumer households and 95% of the population have access to water while up to 92% households and up to 86% of the population has above basic sanitation. Where no boreholes exist in rural areas, the Municipality transports water by means of a water cart tank to such households.



## 7.2. DEMOGRAPHIC PROFILE

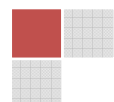
The dynamics and composition of consumer profile is impossible in achieving critical objectives in planning for them. Four categories of consumers (i.e. household, industrial, commercial and other) have been used to be consistent with the draft regulations dealing with Types of Water Services. In this section however, the data focuses on residential consumer units. Industrial and commercial consumer units are further discussed in section 2.3, 2.4 and 2.5 due challenges from poor data on businesses and industries. The current consumer profile needs to be reported for each of the different settlement types and then totalled for the WSA area as a whole.

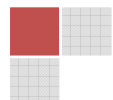
The tables below set out the information as indicated above, per town/settlement area in which the WSA/WSP provide the consumer with services. The current consumer profile needs to be reported for each of the different settlement types and then totalled for the WSA area as a whole.

Demographic data in Lekwa varies from all the different planning reports and need to be cleaned up in order to integrate all the functional elements in the Municipality. Other information is retrieved from Statistic SA reports, DWA, Private GIS Information etc. In this WSDP, we have adopted hierarchy in terms of primarily the updated DWA information from the Macro Planning and Information System dated July 2008 for as this is advisably to be more correlated with both the district and the Local Municipality's GIS information.

The Lekwa Local Municipality (Lekwa) has a population of about 117 833, representing approximately 12% of the Gert Sibande District. It comprises of about 11 communities and approximately 32 241 households. The area is primarily consisted of urban residential settlements, significant farmland communities and quite significant industrial communities in different areas and town across the municipalities. The Municipality span over an area of 4 603km<sup>2</sup> which equates to 14% of the overall Gert Sibande District (+/-31 970km<sup>2</sup>). The average density of the region 26 persons/km (the area estimates are calculated using Planet GIS data).

The main areas are concentrated around Standerton, Sakhile, Rooikoppen, Sivukile, Azalea Thu-Thukani and Meyerville. Other areas include Stanfield Hill, Morgenzon and the outlying areas of rural Lekwa.

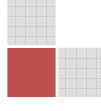






### 7.3. LEKWA SETTLEMENT SUMMARY

SETTLEMENT NAME	POPULATION				HOUSEHOLDS			
	Urban - Formal Town	Industrial	Farming	Grand Total	Farming	Industrial	Urban - Formal Town	Grand Total
Azalea	389	0	0	389	0	0	111	111
Azalea Ext 1	4840	0	0	4840	0	0	1381	1381
Early Bird Farm	0	0	287	287	82	0	0	82
Meyerville	4063	0	0	4063	0	0	1160	1160
Morgenzon	1765	0	0	1765	0	0	504	504
Rooikoppen	14876	0	0	14876	0	0	4246	4246
Rural Lekwa	0	0	16011	16011	3177	0	0	3177
Sakhile	26788	0	0	26788	0	0	7646	7646
Sakhile Ext 5	900	0	0	900	0	0	257	257
Sakhile Ext 6	834	0	0	834	0	0	238	238
Sivukile	882	0	0	882	0	0	252	252
Sivukile Ext 1	1549	0	0	1549	0	0	442	442
Sivukile Ext 2 & 3	3758	0	0	3758	0	0	1073	1073
Sivukile Ext 4	1302	0	0	1302	0	0	371	371
Standerton	8210	0	0	8210	0	0	2343	2343
Standerton Ext 1	0	644	0	644	0	184	0	184
Standerton Ext 3	2788	0	0	2788	0	0	796	796
Standerton Ext 4	5219	0	0	5219	0	0	1490	1490
Standerton Ext 6	12326	0	0	12326	0	0	3518	3518
Standerton Ext 7	3657	0	0	3657	0	0	1044	1044

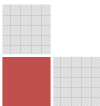


SETTLEMENT NAME	POPULATION				HOUSEHOLDS			
	Urban - Formal Town	Industrial	Farming	Grand Total	Farming	Industrial	Urban - Formal Town	Grand Total
Stanfield Hill	1257	0	0	1257	0	0	359	359
Thu-Thukani	5488	0	0	5488	0	0	1567	1567
Grand Total	100891	644	16298	117833	3259	184	28798	32241
								HH Size
								3.5
								3.5
								3.7

[Source: DWA- Dir. WS Macro Planning & Information System Jul 2008 (R. Dreyer)] - Regional explorer 403 (2.2h)]

7.4. COMMERCIAL AND INDUSTRIAL CONSUMERS

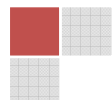
Commercial and Industrial Consumers	Entities
Public Institutions & Dry Industries	1031
Wet Industries (Estimate only)	>8*
Raw Water Consumers (Estimate only)	>3*



## 7.5. LEKWA POPULATION BY WARD

DESCRIPTION	POPULATION	POPULATION	POPULATION	POPULATION
	Stats SA 1996	Stats SA 2001	DWA 2008	Global Insight 2008
Ward 1	5930	6796	7822	7755
Ward 2	3971	4551	5238	5193
Ward 3	8420	9650	11106	11011
Ward 4	4042	4632	5332	5286
Ward 5	5277	6048	6961	6901
Ward 6	4013	4599	5293	5248
Ward 7	5898	6759	7780	7713
Ward 8	3602	4128	4751	4710
Ward 9	13271	15209	17505	17355
Ward 10	6573	7533	8670	8596
Ward 11	6816	7811	8991	8914
Ward 12	7561	8665	9973	9887
Ward 13	10789	12365	14231	14109
Ward 14	3942	4518	5200	5155
Total	90105	103264	118853	117832

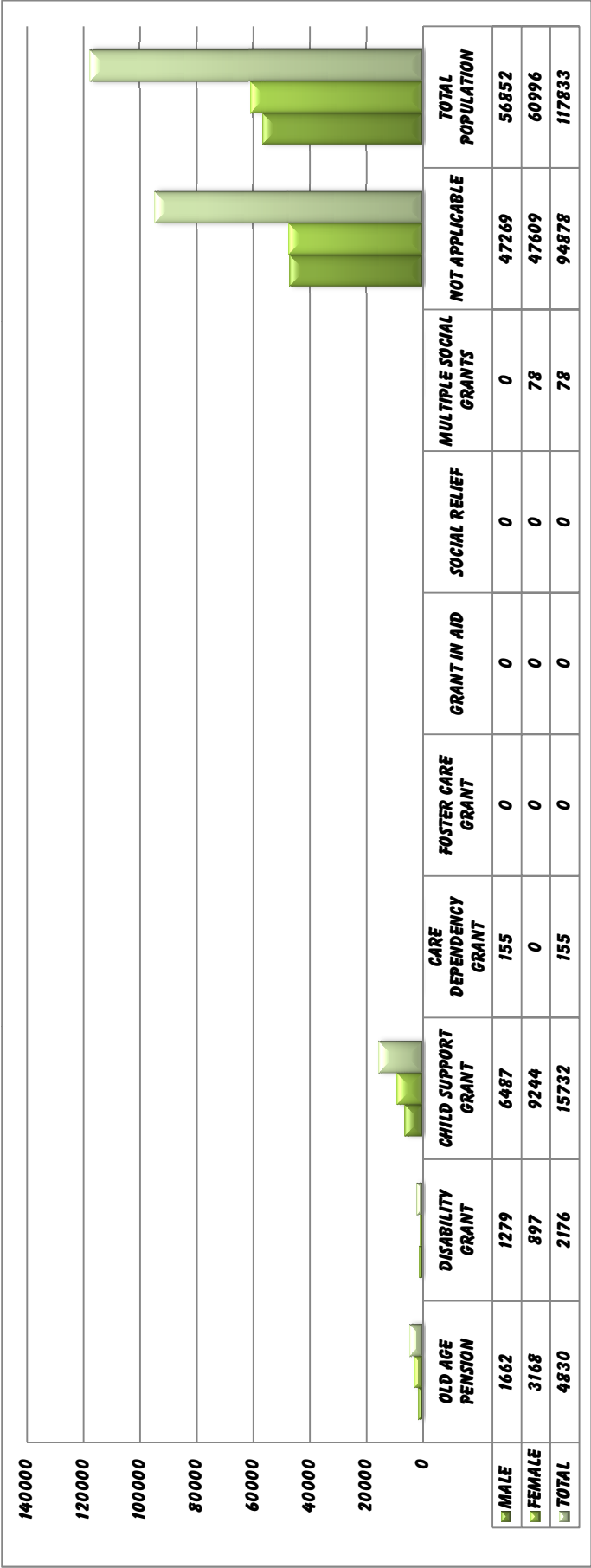
[Source: Ward Composition Stats SA 1996, “Totals” as indicated in each column]



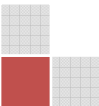
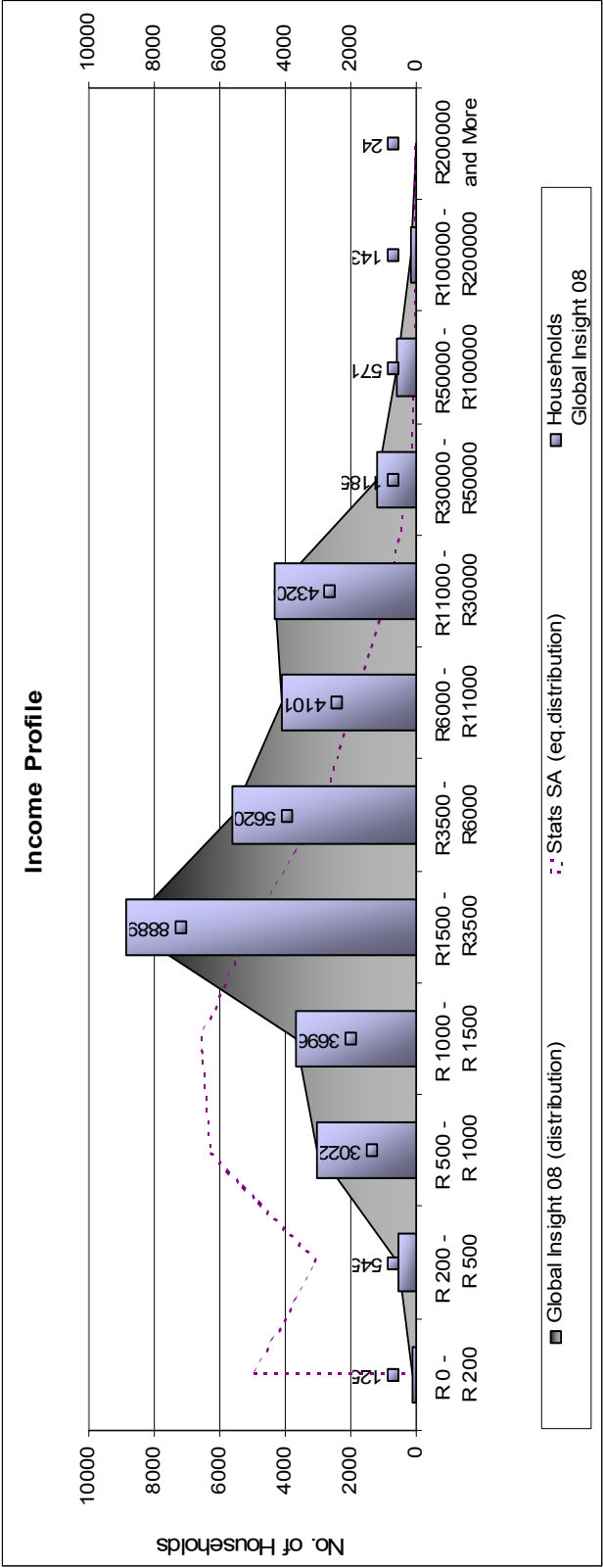
7.6. LEKWA – SOCIAL GRANTS

[Source: Statistics SA Consumer Survey 2007 adapted to “totals” from Global Insight SA - Regional explorer 403 (2.2h)]

[Source: Data - Statistics SA Consumer Survey 2007]

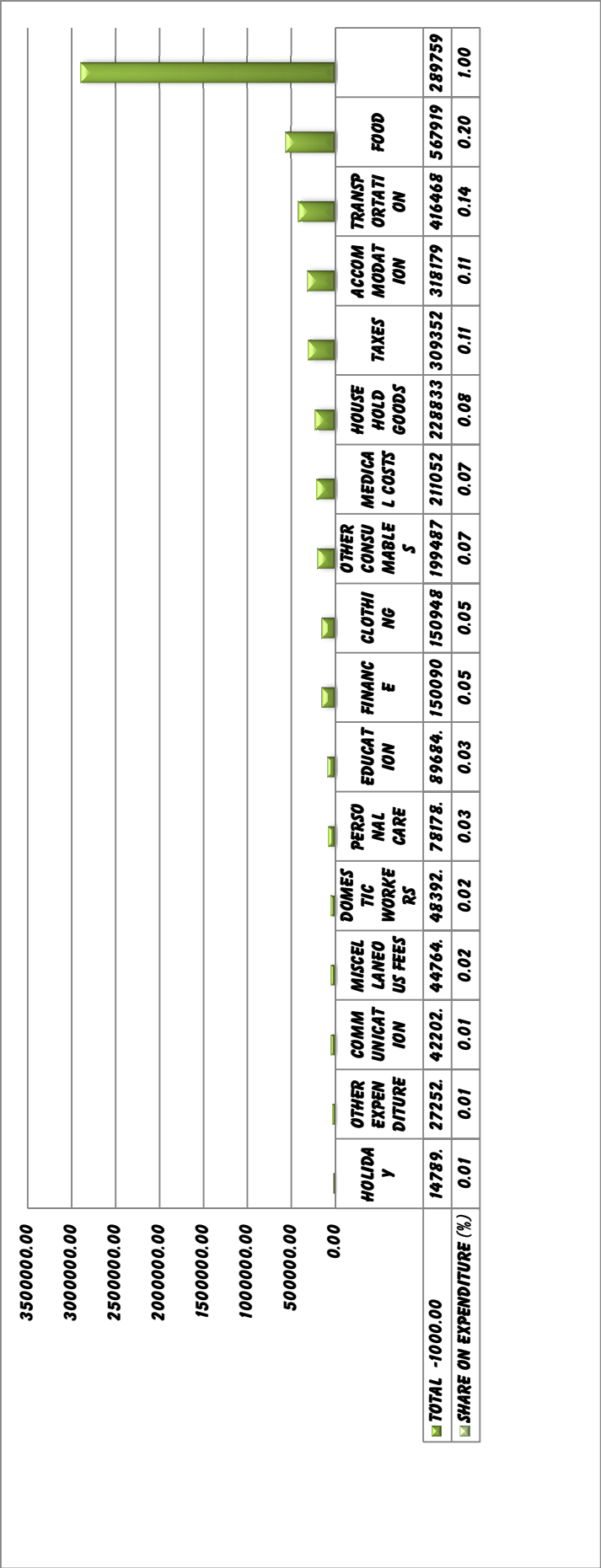


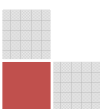
7.7. LEKWA – SOCIAL GRANTS



7.8. LEKWA – EXPENDITURE PROFILE

[Source: Data from Statistics SA Consumer Survey 2007]





Social Grants - In addition we observe that, a significant portion of approximately 22 970 of the population (19.5%) are already social grant recipient in the various categories as indicated. This alone bears significant weight when accounting for poor household definition.

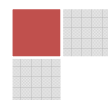
Looking at the criteria above, we find that more than 15% (3 692) households would automatically qualify under this policy for those earning below R1 000 and a further 11% (3 696) households would also be considered for those earning between R1 000-R1 500. The total indigent households could be more than 7 000 households with coverage of more than 25 000 (21%) and 40 000 people as beneficiaries. This number is a more conservative number compared to the 46 287 people considered to be living in poverty.

Other reports from Water and Sanitation personnel indicate that most previously disadvantaged communities are automatically included on free basic services as part of addressing imbalances of the past and attaining basic level of services. This includes those that did not have access to basic water and sanitation services and other municipal services as endorsed by the Municipality under the policy at the time of implementation.

## 7.9. PRESENT POPULATION AND PROJECTED POPULATION GROWTH RATES

[Source: Data from Statistics SA Consumer Survey 2007]

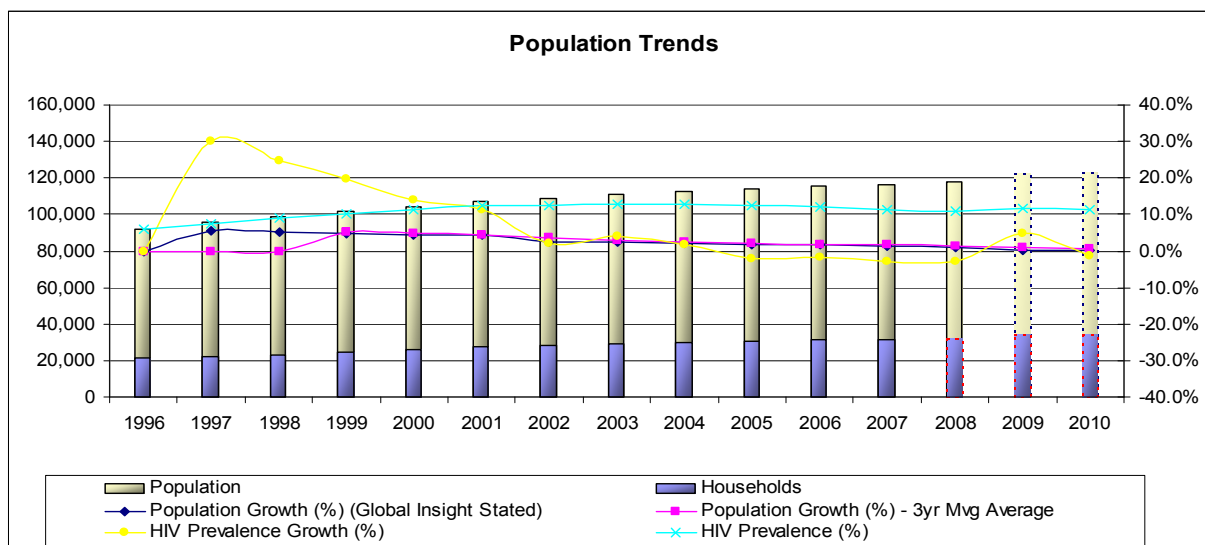
	Population	Households	HIV Prevalence	AIDS Prevalence	Population Growth (%) (Global Insight Stated)	Population Growth (%) - 3yr Mvg Average	HIV Prevalence Growth (%)	HIV Prevalence (%)
1996	92,196	21,177	5,370	75	-	-	-	5.80%
1997	95,414	22,085	6,993	120	5.50%	-	30%	7.30%
1998	98,501	23,304	8,728	189	5.20%	-	25%	8.90%
1999	101,518	24,592	10,437	280	4.70%	5.20%	20%	10.30%
2000	104,354	25,909	11,913	387	4.40%	4.80%	14%	11.40%
2001	107,163	27,260	13,246	516	4.20%	4.50%	11%	12.40%
2002	109,077	28,371	13,509	650	2.50%	3.70%	2%	12.40%
2003	110,882	29,331	14,041	785	2.30%	3.00%	4%	12.70%
2004	112,544	30,083	14,267	909	2.10%	2.30%	2%	12.70%
2005	114,095	30,711	13,988	1,007	1.90%	2.10%	-2%	12.30%
2006	115,489	31,151	13,752	1,090	1.70%	1.90%	-2%	11.90%
2007	116,698	31,722	13,365	1,140	1.50%	1.70%	-3%	11.50%
2008	117,833	32,241	12,975	1,149	1.00%	1.40%	-3%	11.00%





## 7.10. POPULATION TRENDS

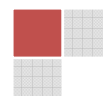
[Source: Data from Statistics SA Consumer Survey 2007]



7.10.1. The average growth rate in the last 10 years is estimated at 2.6% per annum with a declining 3 year moving average from 5.2% in 1999 to 1.4% by 2008. We estimate that the next three years could experience marginal population growth, slowing down to a range of 0.1% to 0.2% of the population. The forecast extends to over 140 000 people by the year 2020 assuming ranges of up to 2% marginal growth.

7.10.2. We also find that HIV started off with very high prevalence growth before 2002. Since then HIV prevalence have resided at an average 11.8% in the last 10 years. In the interim the effect of AIDS prevalence has been at nearly an average of 25% in the last 10 years.

Overall the region would not expect population growth trends to significantly change within a short period of time. Several initiatives need to be undertaken to thoroughly understand population growth patterns. The importance of establishing accurate population growth estimates directly influences future planning requirements for services and service level choice. See also section 9 of this WSDP for further financial implications in the selection of population growth forecasts and section 4 of this WSDP for expected demand for service.

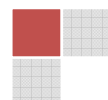


## 7.11. LEKWA DEMOGRAPHIC TRENDS & MIGRATION

	Permanent resident population	Peak Daily Labour Migration		Peak Long-Term Labour Migration		Permanent population changes		Holiday Population
		Out (-)	In (+)	Out (-)	In (+)	Out (-)	In (+)	
Population growth	118854	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Migration	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Disease	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Other social aspects	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown

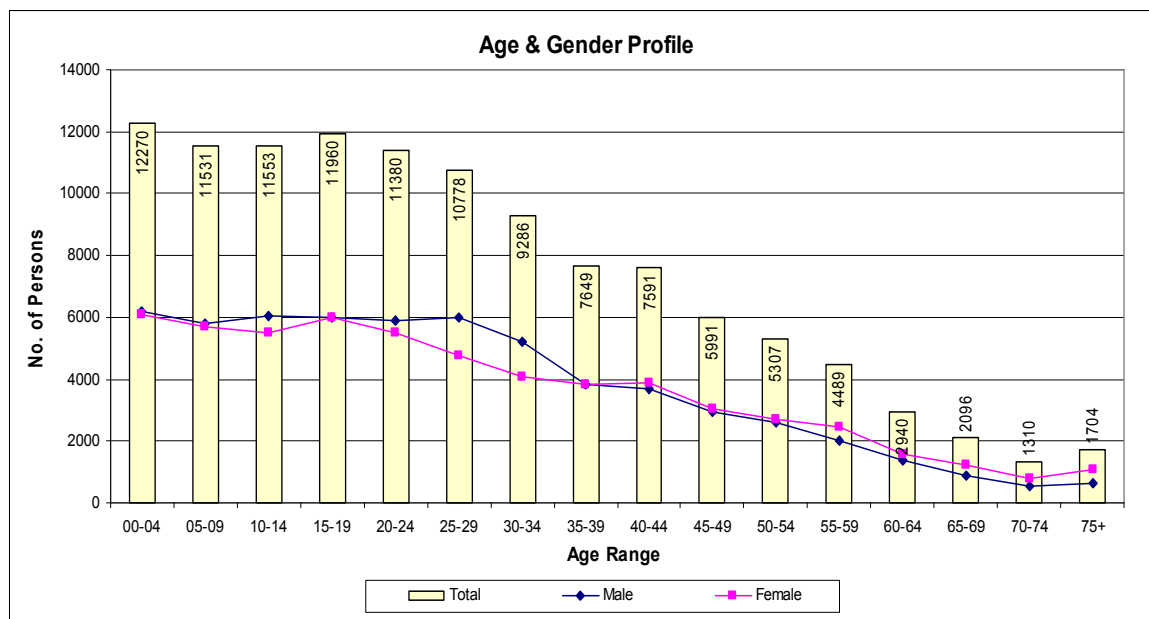
7.11.1. Migration trends are not observed by the Municipality. The unavailability of such migration observations would not make it feasible to determine peak and permanent population changes. The exercise of pin pointing several industries and expected migration patterns from their imported labour requires close understanding of the industries concerned and the peak and off-peak.

7.11.2. The impact of diseases other than HIV and AIDS as demonstrated above in 1.1.1.3 was not readily available for analysis to the level of every Municipality at the time of concluding the preparation of this draft of the WSDP.



## 7.12. AGE AND GENDER PROFILE

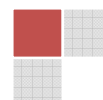
The age and gender profile of the various communities combined indicates where the Municipality may direct focus in terms of development needs and socio-economic status.



[Source: Data from Statistics SA Consumer Survey 2007]

The age and gender profile of the Municipality can be defined as generally young. This is denoted by a representation of approximately 40% of the population below the age of 20 years, yet overall 59% is below the age of 30 years. The balance of the population is made up of approximately 26% between 30 – 50 years and up to 11% above 50 years.

Age related analyses give us a better understanding on addressing development areas across generations. In the case of Lekwa initiatives addressing areas of education, socio-economic development, skills and entrepreneurship would have greater sustainable impact to communities than short-term quick wins.

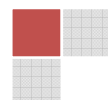


## 7.13. FUTURE TRENDS AND GOALS (DEMOGRAPHICS)

The following sub-sections provide a summary of future trends and goals as observed from the situation assessment. It must be understood well that observations and forecast are made in order that we understand and properly plan for the future. The Municipality would consider recommendations and align its objectives and goals according to own sets of strategies to yield the desired level of output.

### 7.13.1. Consumer Profile

- 7.13.1.1. Approximately 85% of the population is settled in urban areas and less than 14% in rural areas of Lekwa LM.
- 7.13.1.2. The largest settlements include Standerton and Sakhile representing a combined total of 49% of the total population.
- 7.13.1.3. The average household density across Lekwa LM is between 3.5 to 3.7 persons per household. The urban settlements with approximately 3 – 4 persons per household and in the rural areas with almost 5 persons per household.
- 7.13.1.4. A large number of people in Lekwa may be considered relatively poor with an estimated 42 687 people living in poverty. The estimated number of indigent households is expected to be more than 7 000 households with coverage of between 25 000 to 40 000 people as beneficiaries. This makes the Municipality economically vulnerable because only less than 35% of the population earns income that subsidized services to the larger population of the Municipality.
- 7.13.1.5. There are significant differences in level of income inequality due several factors including that a large segment of the population is either economically inactive (45%) or unemployed (17% of the total). This is also denoted in the coefficient of (0.55) (measure levels of income inequality and where a low Gini coefficient indicates a more equal distribution, with 0 corresponding to perfect equality, while higher Gini coefficients indicate more unequal distribution, with 1 corresponding to perfect inequality).
- 7.13.1.6. A significant number of the population (19.5%) is also social grants recipients and the largest contribution for all grants is “child support grants” (13% of total population).
- 7.13.1.7. Approximately 85% of the population is settled in urban areas and less than 15% in rural areas.
- 7.13.1.8. Other income related observations indicate that more 11% of the population earn below R1 000 and 23% of the total population earn below R1 500.



### 7.13.2. Population and Projected Population Growth Rates

- 7.13.2.1. The population had grown from just over 100 000 people by 1999 up to the estimated 117 883 people in 2008.
- 7.13.2.2. The effective growth rate was determined to be approximately 2.6% per annum from 1999 to 2008. It was also observed that while HIV prevalence has continued to grow, its growth rate has been gradually decreasing from 30% in 1997 to -3% in 2008.
- 7.13.2.3. Using trends from the data, the estimated population by year 2010 was forecasted at over 123 000 and over 141 000 by the year 2020.

### 7.13.3. Demographic Trends and Migration Patterns

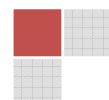
- 7.13.3.1. The absence of observation of migration trends by the Municipality does not mean that such data is not available anywhere else or that it cannot be developed. The Municipality would need to start proactively engaging with various agencies and institutions that may assist in understanding demographic trends and migration in the region. Such information would be useful in establishing more accurate assessment of settlement needs versus rental stock, water demand cycles etc.
- 7.13.3.2. Migration patterns may be expected to change significantly in the next 5 - 10 years due to the maturing of the large population of young people in pursuit of greater access to higher education, skills and jobs towards large metropolitan and industrial regions.

### 7.13.4. Age and Gender Profile

- 7.13.4.1. In terms of race, it was observed that approximately 86% (101 304) of the population is Black, 11% (13 419) White, 2% (1 961) and 1% (1 199) Asian.
- 7.13.4.2. The Municipality has an almost equal distribution of male (50.6%) and female (49.4%) gender.
- 7.13.4.3. 40.2% of the Age distribution is below the 20 years and together making up 59% of the age below 30 years. Only 10.6% of the population is above the age of 50 years.

### 7.13.5. Strategic Gap Analysis (Demographics)

- 7.13.5.1. The high concentration of the population in urban areas allows better cohesion and consolidation of planning efforts.
- 7.13.5.2. Such densification on the other hand presents added pressures to address key social aspects and requirements for higher order of service. The rural composition, though scattered and



complex to deal with planning interventions now offers an opportunity to be able to narrow-in section by section of rural settlements.

7.13.5.3. This call for innovative rural strategies that are cost effective and focused in terms of implementation, operation and maintenance.

Seeing that the rural Lekwa constitutes a significant 13.9% of the total population, it may be worthwhile to further redefine the rural settlements in a more geographically specific way in order to focus on development interventions.

Development of urban zones may soon start to focus on interconnections between settlements and development corridors along several zones in order to share critical resources and infrastructure i.e. hospitals, roads, dams, rivers, bulk water services etc.

The high poverty levels warrants for the careful selection of service levels across its Municipality. These also required close examination of affordability levels and how best to optimize cross subsidization techniques. Where large settlements were offered free basic services for example, due to several prehistoric dimensions and assumption the Municipality would want to move towards formalization and updating of its indigent registers.

7.13.5.4. Firstly to be inclusive of all persons who qualify for indigent status,

7.13.5.5. Secondly to verify the general assumptions made on who can and can't afford to pay for municipal services.

There is a serious need to develop economic activities in the region that large proportions of the population who are inactive or unemployed may gain suitable employment or find suitable economic engagement. The high representation of the young generation below 20 years is a strong urgency to create opportunities that will absorb the youth group early enough that there may be a significant reduction in dependency on grants and single household income earners.

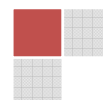
#### **7.13.6. Population and Projected Population Growth Rates**

The Municipality needs to continue to allow for growth in all its planning and forecasting activities, despite growing concerns over the declining growth rate in the Municipality.

The impact of life threatening diseases like HIV and AIDS needs further investigation and examination in order to thoroughly understand how it impacts on the population growth including health related needs in the Municipality.

Water services planning require a close assessment of future conditions in the expectation of providing sufficient capital, resources, human capacity and interventions.

#### **7.13.7. Demographic Trends and Migration Patterns**



There needs to be an interest in the Municipality to establish links and develop enough data for the understanding, benchmarking and provision of demographic trend and migration data. It is very common in settlements developed in more dense urban zones to have informal cropping of further settlements and population. Part of understanding migration is addressing the issues associated with where people come from, what causes people to move around, when municipalities should react towards gain or loss of groups of people and what impact does the migration of several population groups have to the future planning framework of the Municipality. This is particularly valid where commonly mining communities increase/decrease as needs fluctuate; similarly what choices young people are making soon after matriculation in search of better opportunities.

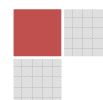
#### 7.13.8. Age and Gender Profile

A gap that came out strongly is the differing age gap between the young generation (below 30 years) and the older generation (above 30 years). There will soon be pressing issues facing the Municipality that confront the large majority of young people.

At the top of the agenda will most definitely be issues of creation of employment, access to financial resources and capital, promotion of entrepreneurship and pressing economic sustainability, improving economic opportunities, education, skills development and among others.

### 7.14. IMPLEMENTATION STRATEGIES (DEMOGRAPHICS)

- 7.14.1.1. Careful selection of service level strategy across the Municipality for all future development including water and sanitation services.
- 7.14.1.2. Development of a comprehensive indigent application, registry and database management and revisiting all service areas in terms of affordability to pay services, subsidisation of municipal services as well as the indigent household income thresholds.
- 7.14.1.3. Urgency to develop sustainable economic activities to absorb large segments of the population that are currently inactive and unemployed. There is no doubt that the majority of this group will be of the younger generation.
- 7.14.1.4. Development of social programmes to address the impact of high social grant dependency especially the high prevalence of child support grants.
- 7.14.1.5. Providing greater access to shared resources for both Urban and Rural environments
- 7.14.1.6. Need to redefine Rural Lekwa communities in a geographically more relevant grouping focusing on specific development zones.



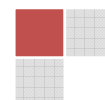
## 7.15. HEALTH PROFILE

The WSA is responsible for the provision of primary health services which include the sampling and testing of water. Environmental health practitioners working for the Gert Sibande District Municipality and the health department are also responsible for the monitoring of water quality. The district is currently constructing a fully functional water quality testing laboratory and is striving to achieve full SANAS 17025 accreditation. The purpose of the laboratory is to provide a service to the municipalities, industry and the public at large.

### 7.15.1. Lekwa – Health Facilities

[Source: Interviews with Technical Manager – Water and Sanitation (Mr. Seppie Claassen)]

	Facilities				Water Quantity	Water Related diseases (probability)	Access to sanitation	Lack of adequate sanitation and prevalence of water-borne diseases
	No of Facilities	Types of Facilities	Location	Accessibility				
Lekwa	2	Hospital	Urban	Good	Adequate	Low	Adequate	N/A
	6	Clinics	Urban/Rural	Good	Adequate	Low	Adequate	N/A





### 7.15.2. Lekwa – Conditions Related to Water

Area	Time frame	Total	Number of consumers affected by							
		consumers	Water related disease			Skin effects	Teeth	Taste	Pipe	Water colour
			Diarrhoea	Cholera	Bilharzia		effects	effects	corrosion	
Urban	-	100891	-	-	-	-	-	-	-	-
Rural	-	16942	-	-	-	-	-	-	-	-
Total		117833								

NB: A detailed assessment of quality of drinking water and the state of water returned to rivers and dams may be found in sections 3.2 of this WSDP. Details of a number of consumers affected by water related diseases and other defects were not made available at the time of compilation of this WSDP. It is expected that the WSDP goes through several rounds of iteration in the planning phases of the Municipality, further data and information may be available in order to adequately evaluate the extent of health related problems resulting from water consumption.

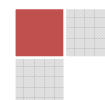
### 7.15.3. Future Trends and Goals (Health)

Municipalities around the country are establishing linkages with national, provincial departments on planning, development and management initiatives in every dimension affecting their population and levels of service.

Key health aspects like access to disease information specific to the Municipality and its settlement is vital to monitoring progress on water and sanitation programmes and developments that the Municipality has put in place.

The health system also provides support in necessary controls for water service management as the first point of contact with consumers when things do go wrong. The Municipality could be well positioned to identify new and changing water and sanitation needs, while detection of dilapidated infrastructure at its early stages is possible from the quality of health reports the Municipality receives.

For water service management to be effective, water quality reports should go hand-in-hand with the assessment of health reports together with the relevant health officials in order to detect, monitor and control environmentally threatening health related conditions.



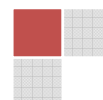
#### 7.15.4. Strategic Gap Analysis (Health)

There is no active interaction between water quality management reports and assessment of health conditions and reports. The Department of health and the District Environmental health division take their own water samples for testing for the determination of reported health risks and providing remedial action. Lekwa Municipality would need to engage this process further and in detail in order to focus its health related interventions.

#### 7.15.5. Implementation Strategies (Health)

To ensure compliance with the requirements of this section, the Municipality needs to ensure that the following requirements are noted:-

- 7.15.5.1. Detailed water quality tests records must be kept for all the events, locations, frequency, results, analysis and recommendations
- 7.15.5.2. Strategies must be developed to address unsafe use of water and attention to sanitation needs. This is a function that requires engagement of Social service, Health and Water & Sanitation department for safe water and sanitation management and development
- 7.15.5.3. Emergency plans and procedures must be put in place against dangerous consumption of water resources and possible disease outbreaks as a result of living conditions.
- 7.15.5.4. The Municipality needs to address the frequency and the effectiveness of education campaigns on health, water and sanitation in the present circumstances where no services are provided. Similar programmes needs to be implemented on water conservation, water handling and pollution control measures. These programmes would needs to be tailored specifically to address the current challenges facing the Local Municipality. I.e. handling raw water, water consumption from rivers, water from boreholes, sanitation and grey water education, disease control and emergency procedures.
- 7.15.5.5. Establish a reporting system to escalate issues arising, the extent or seriousness, i.e. diseases control, alerting levels of pollution, water quality deviations etc.



## 7.16. SOCIO – ECONOMIC PROFILE OF LEKWA

### 7.16.1. Demographic Indicators

- 7.16.1.1. According to Stats SA (2007 CS) 91 130 people were recorded in Lekwa 10.2% of Gert Sibande's population. The number of households 26 685 (3.4 people per household) 10.8% of Gert Sibande's households. Lekwa constitute 87.0% Africans, Whites 9.7%, Colored's 2.7% and Asians 0.6%.
- 7.16.1.2. There are 48.7% Males and 51.3 % Females. Up to 34 years, 67.3% of Lekwa's population is youth. While the HIV prevalence rate relatively high at 35.5% - decreasing between 2008/09 and 2009/10.

### 7.16.2. Labour Indicators

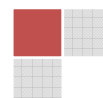
- 7.16.2.1. The unemployment rate (strict definition) in Lekwa was 26.1% in 2010 - 13 828 unemployed as a percentage of the EAP of 53 022. The Unemployment rate for females 32.4% and males 21.4%. Employment figure 16.2% of the Gert Sibande's employed.
- 7.16.2.2. The leading sectors in Lekwa is mining (21.9%), community services (17.7%) and agriculture (17.6%). Increasing role of mining & community services and decreasing role of agriculture & trade as employer.

### 7.16.3. Education Indicators

- 7.16.3.1. Citizens of 15 years and older with no formal schooling, 9.1% - 8 195 people or 9.3% of Gert Sibande figure of 87 798 in 2010. The Population 15+ with matric only and matric & qualification 26.1% - improving but lower than district and provincial rates.
- 7.16.3.2. Functional literacy rate (20 years+ with grade 7 qualifications or higher) improving and also higher than the provincial and district averages. While the Matric pass rate in 2010 is relatively low at 55.6%.

### 7.16.4. Basic Service Delivery Indicators

- 7.16.4.1. In Lekwa the basic service indicators better than district averages. This indicator also better than provincial averages except for formal housing and electricity, all indicators improving and no 3 in the province to basic service delivery/infrastructure index.
- 7.16.4.2. About 7 020 households are without formal housing in 2010 – 9.9% of total formal housing backlog in Gert Sibande. Backlog of 8 964 households are without hygienic toilets in 2010 – 9.5% of Gert Sibande's total hygienic toilets backlog.
- 7.16.4.3. In 2010, a backlog of 1 141 households without piped water was recorded in Lekwa – 2.9% of Gert Sibande's total piped water/above RDP level backlog. A backlog of 6 187 households are without electricity connections in 2010 – 11.8% of Gert Sibande's total



electricity connections backlog. In 2010, Lekwa recorded 6 858 of households without formal refuse removal – 6.1% of Gert Sibande’s total formal refuse removal backlog.

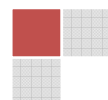
#### 7.16.5. Development Indicators

- 7.16.5.1. Lekwa HDI of 0.53 in 2010 indicates that is declining from 2001 but better than that of the province and district. Gini-coefficient of 0.64 in 2010 is slightly better than that of Gert Sibande but equal that of Mpumalanga.
- 7.16.5.2. The poverty rate of 46.4% - 58 841 for poor people which was 11.1% of the Gert Sibande figure of 527 984 in 2010 is the increasing trend for poverty rate.
- 7.16.5.3. The Per capita personal income in Lekwa is improving and better than district and province. A total of 48.4% of Lekwa households earn below R42 000 per annum – improving and slightly better than district but worse than the province.

#### 7.16.6. Economic Indicators

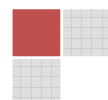
- 7.16.6.1. Lekwa Municipality is expected to record 3.2% GDP growth over the period 2010-2015 which is below or worse than district and provincial figures. In 2010 Lekwa contributed 3.5% to Mpumalanga’s GVA is decreasing share or contribution since 2001. While the GVA (gross value added) in 2010 constituted R6.3 billion at current prices and R3.8 billion at constant 2005 prices. Contribution of Local Municipal Areas to sectoral GVA of Gert Sibande.
- 7.16.6.2. In 2010 mining contributed 19.8% to the Lekwa economy followed by community services (19.5%) & utilities (15.0%) – mining’s share declining.
- 7.16.6.3. Lekwa contributed 11.2% to the Gert Sibande economy in 2010 with utilities contributing 44.9% and agriculture 23.5% to the relevant district sectors.

Sector	Chief Albert Luthuli	Msuka-ligwa	Mkhondo	Dr Pixley Ka Isaka Seme	Lekwa	Dipale-seng	Govan Mbeki	Gert Sibande
Agriculture	12.10%	14.50%	20.80%	13.00%	23.50%	7.40%	8.70%	100.00%
Mining	2.80%	10.00%	2.90%	0.30%	14.40%	0.60%	69.10%	100.00%
Manufacturing	0.40%	0.70%	1.20%	0.20%	2.10%	0.20%	95.10%	100.00%
Utilities	4.30%	8.90%	1.30%	11.10%	44.90%	6.80%	22.70%	100.00%
Construction	8.00%	7.50%	4.50%	13.00%	11.30%	2.00%	53.70%	100.00%
Trade	8.10%	20.20%	7.70%	7.00%	11.00%	5.00%	41.00%	100.00%
Transport	5.50%	30.30%	7.90%	7.70%	13.10%	1.50%	34.00%	100.00%
Finance	6.80%	26.40%	8.20%	4.80%	10.20%	2.30%	41.30%	100.00%
Community services	14.90%	21.30%	9.30%	6.30%	17.70%	2.90%	27.70%	100.00%
Total	5.20%	12.60%	5.30%	3.90%	11.20%	2.00%	59.80%	100.00%



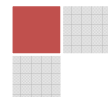
## 7.16.7. Sectoral GVA Contribution

Sector	Chief Albert Luthuli	Msukaligwa	Mkhondo	Dr Pixley ka Isaka Seme	Lekwa	Dipaleseng	Govan Mbeki
Agriculture	10.70%	5.3%	18.10%	15.40%	9.6%	17.30%	0.7%
Mining	8.3%	12.20%	8.5%	1.0%	19.80%	4.7%	17.90%
-Primary sector	19.00%	17.50%	26.70%	16.40%	29.40%	22.00%	18.50%
Manufacturing	2.90%	2.00%	7.40%	1.9%	6.5%	3.5%	54.30%
Utilities	3.10%	2.70%	0.90%	10.70%	15.00%	12.90%	1.4%
Construction	3.10%	1.20%	1.70%	6.7%	2.0%	2.1%	1.8%
-Secondary sector	9.10%	5.80%	10.10%	19.30%	23.50%	18.50%	57.50%
Trade	13.90%	14.40%	13.10%	16.10%	8.8%	22.60%	6.2%
Transport	7.7%	17.50%	10.80%	14.40%	8.50%	5.6%	4.1%
Finance	14.90%	23.80%	17.70%	14.00%	10.40%	13.10%	7.9%



#### 7.16.8. SECTORAL INFORMATION

Industry	GVA	Employment (excl. Private households)	Labour intensity	Comparative advantage
	2010	2010	2010	2010
Agriculture	9.60%	19.50%	2.02	3.53
Mining	19.80%	24.20%	1.23	2.63
Manufacturing	6.50%	8.20%	1.26	0.3
Utilities	15.00%	3.00%	0.2	6.37
Construction	2.00%	4.00%	1.97	0.55
Trade	8.80%	14.70%	1.67	0.58
Transport	8.50%	2.90%	0.35	0.66
Finance	10.40%	3.90%	0.38	0.45
Community services	19.50%	19.60%	1.01	0.82
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>



## 7.17. INFRASTRUCTURE AND SERVICE DELIVERY

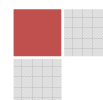
Municipalities have a responsibility to provide services to communities. The following section provides a comparative presentation of baseline data about various services offered by Lekwa Local Municipality and the progress made since the 2001 Census Statistics up to 2008. The Following information depicts the current situation within the municipality by 2008.

The purpose of this section on infrastructure and service delivery is to provide baseline information on a number of households below basic level of water supply, sanitation, electricity and refuse removal.

### 7.17.1. SOURCES OF DATA

To get a sense of the various information sources, and an appreciation of the differences in its methodology, it is better to contextualize and understand the different data sources that exist. The following are all the sources of data used in this section.

- 7.17.1.1. Stats SA, Census 2001.
- 7.17.1.2. Municipal Source, 2008, based on Municipality and Eskom reports.
- 7.17.1.3. Stats SA, NFCM - 2007, Survey based municipalities.
- 7.17.1.4. Stats SA, GHS – July 2007 survey based on households.
- 7.17.1.5. Stats SA, Community Survey February 2007 based on households.
- 7.17.1.6. DWEA, 2008, data based on updated census 2001 (households).
- 7.17.1.7. Municipal Source, 2009 data gathered via comprehensive infrastructure planning in April 2009. Municipal Source – 2008, based on municipality reports.



### 7.17.2. ACCESS TO BASIC AND HIGHER LEVELS OF SERVICE, WATER BACKLOG, FREE BASIC WATER

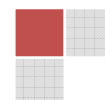
COMMUNITY SURVEY 2007				
Total Households	Household access to water	Household access to water as a percentage	Households below basic level of service/ backlogs	Households below basic level of service/ backlogs as a percentage
26,686	26,009	97.50%	677	2.50%
DWAE 2008				
29,424	28,734	97.70%	690	2.30%
MUNICIPAL SOURCE 2009				
26,685	26,214	98.20%	471	1.80%

The above baseline information implies that higher level of service includes piped water inside dwelling. Basic level of service includes piped water inside yard and piped water within 200m.

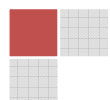
Below basic level constitutes a backlog and includes, piped water further than 200m, springs, rain water tanks, dam/pool/stagnant water and water vendors.

The following table shows a total number of indigent households (11,487) also as variance, (18,335) served with a percentage of 159, 6% served as percentage.

Higher level of service includes, flush toilet connected to sewerage system, basic level of service includes flush toilet with septic tank and PIT latrine with ventilation. Below basic level constitutes a backlog and includes chemical toilets, pit latrine without ventilation, bucket latrine and no sanitation facility. Higher level of service includes connection to the grid.





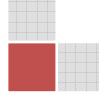


### 7.17.3. CONNECTION TO THE GRID.

Total Households	Total Indigents Households	Total Households	Total Indigent Households	Variance( Census vs Munic)	Total Indigent Households Served	Total Indigent Household Served as a percentage	Other households Served	Total Households Served	Total Households served as a percentage
26,198	11,487	29,424	-	11,487	3,246	28.3%	15,089	18,335	159.6%

The following table shows a total number of indigent households (11,487) also as variance, (18,335) served with a percentage of 159, 6% served as percentage.

Higher level of service includes, flush toilet connected to sewerage system, basic level of service includes flush toilet with septic tank and P/T latrine with ventilation. Below basic level constitutes a backlog and includes chemical toilets, pit latrine without ventilation, bucket latrine and no sanitation facility. Higher level of service includes connection to the grid.



**7.17.4. ACCESS TO SANITATION BACKLOG AND FREE BASIC SANITATION****COMMUNITY SURVEY 2007**

Total Households	Household access to sanitation	Household access to sanitation as a percentage	Households below basic level of service/ backlogs	Households below basic level of service/ backlogs as a percentage
26,686	21,807	81.70%	4,879	18.30%
<b>DWAE 2008</b>				
29,424	19,647	66.80%	9,777	33.20%
<b>MUNICIPAL SOURCE 2009</b>				
26,685	21,918	82.10%	4,767	17.90%

Higher level of service includes, flush toilet connected to sewerage system, basic level of service includes flush toilet with septic tank and PIT latrine with ventilation. Below basic level constitutes a backlog and includes chemical toilets, pit latrine without ventilation, bucket latrine and no sanitation facility. Higher level of service includes connection to the grid.

**7.17.5. ACCESS TO ELECTRICITY, ELECTRICITY BACKLOG AND FREE BASIC ENERGY**

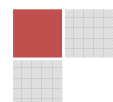
DME, 2008 Total Households	DME, 2008 Household Access to Grid	DME, 2008 Household Access to Grid as a percentage	DME, 2008 Households below basic level of service /backlogs	DME, 2008 Households below basic level of service /backlogs as a percentage
27,821	23,640	85.00%	4,181	15.00%

Basic level of service includes 10 Amp connections. Below Basic electrical supply constitutes a backlog and includes households using any of the following:

- 7.17.5.1. Gas;
- 7.17.5.2. Paraffin;
- 7.17.5.3. Wood; and
- 7.17.5.4. Coal.

STATISTICS SOUTH AFRICA CENSUS 2001		MUNICIPAL SOURCE 2008		ESKOM (Eskom supplied areas)	MUNICIPALITY (Municipal supplied areas)	Alternative Source of Energy (Municipal Source)	Total Households served	Total Households served as a percentage
Total Households	Total Indigent Households	Total Households	Total Indigent Households					
26,198	11,487	29,424	-	1,121	13,540	-	14,661	127.60%

An amount of electricity determined by government that should be provided free to poor households to meet basic needs, currently set at 50kW per month per household.



**7.17.6. ACCESS TO REFUSE REMOVAL, REFUSE REMOVAL BACKLOG AND FREE BASIC REFUSE REMOVAL**

COMMUNITY SURVEY 2007

Total Households	Household access to refuse removal service	Household access to refuse removal service as a percentage	Households below basic level of service/ backlogs	Households below basic level of service/ backlogs as a percentage
26,685	19,894	74.60%	6,791	25.40%

Higher level of service includes removal by local authorities/private company at least once a week. Basic level of service includes a communal skip.

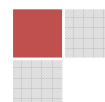
Below a basic service for refuse removal includes, removal by local authority/private company less often, communal refuse dump, own refuse dump, and no rubbish disposal and other.

**7.17.7. SITUATION ASSESSMENT (RESIDENTIAL CONSUMER UNITS)**

The Assessment report of an internal mechanism for water service delivery in Lekwa Municipality (section 78 assessments – June 2007) outlined the following challenges in the Municipality:

- 7.17.7.1. Under allocation of operational funding which impacts accordingly on aspects of the operations
- 7.17.7.2. Lack of consumption billing within rural areas and therefore loss of potential income
- 7.17.7.3. Inadequate planning of the growing urban footprint,
- 7.17.7.4. High prevalence of connections and maintenance backlogs
- 7.17.7.5. Lack of succession planning and the shortage of skilled personnel and the resultant negative impact on service delivery
- 7.17.7.6. Reconciliation of water volumes extracted and purified versus sold and billing recoveries from consumers
- 7.17.7.7. Poor handling of free basic services, subsidy reconciliation in relation to billing and account information for water and sanitation.

The Municipality is however able to adopt internal mechanisms for the provision of water and sanitation, though there's inadequate coverage of services by-laws, guidelines and policies.



## Residential Consumer Units for Water and Sanitation: Level of services

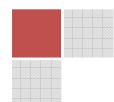
		Water		Sanitation	
		Above RDP	Below RDP	Above RDP	Below RDP
Quantity	Def.	25l / c / d	0 – 10l/c/ d	25l / c / d	0 – 10l/c/ d
	Pop	111736	6097	101822	16011
	%	95%	5%	86%	14%
Distance	Def.	0 - 200	200 - 500	0 – 200	200 - 500
	Pop	111736	6097	101822	16011
	%	95%	5%	86%	14%
Availability	Def.	98% of time	<98%	98% of time	<98%
	Pop	111736	6097	101822	16011
	%	95%	5%	86%	14%
Flow/ Assurance	Def.	10l / min	<10l / min	10l / min	<10l / min
	Pop	111736	6097	101822	16011
	%	95%	5%	86%	14%

[Source: DWA- Dir. WS Macro Planning &amp; Information System Jul 2008 (Invirocon)]

## 7.17.8. RESIDENTIAL CONSUMER UNITS FOR WATER

No. Consumer units with:	Urban - Formal Town	Industrial	Farming	Grand Total
None or inadequate	0	0	961	961
Communal water supply	7674	0	0	7674
Controlled volume supply	0	0	0	0
Uncontrolled volume supply: yard tap or house connection	21833	146	1627	23606
Total Served (2+3+4)	29507	146	1627	31280
Total (1+5)	29507	146	2588	32241

[Source: DWA- Dir. WS Macro Planning &amp; Information System Jul 2008 (Invirocon)]



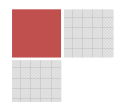
The Municipality reports in excess of 23 606 yard/house connections with direct access to uncontrolled volume of water supply and this represents about 73% of the total number of households in Lekwa. In addition to the yard connections, it is estimated that an additional 7 674 (23%) have access to water via community standpipes within a 200m range.

By comparison to the table above, Global Insight estimates indicate that 18 514 units have access to piped water inside dwelling and an additional 10 086 units have access to piped water inside the yard. Total 28 599 consumer units with access to uncontrolled volume supply in Lekwa.

It is reported that only the rural outskirts of Lekwa do not have adequate access to water. Some areas have since been upgraded with borehole installations with the exception of 961 units. By comparison using other data sources, Global Insight estimates this figure to be 860 household units, although it is estimated that an additional 2 514 is inadequate due to standpipes greater than 200m.

The backlog figures were up to 8 866 units before the 2007/8 financial year. Two of the project shave now been reported complete affecting a combined total of 2 971 consumer units. One of the major projects in Erdzak was put on hold due to complications in efforts to address housing needs for the growing informal settlement in the Municipality.

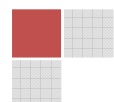
The 65 household units in Early Bird farm are already supplied with water from the water purification works from the farm; service level problems are encountered due to insufficient pressure to the supply for these units. The Municipality is simultaneously busy with another project to install a bulk line from the Meyerville settlement to the Early bird farm settlement. The resultant water backlog is currently 961 units by end 2008.



## 7.17.9. LEKWA – WATER BACKLOGS ERADICATION PROGRAMME

Lekwa LM - Water Backlog Projects	Settlement Name	HH	Backlog Being Addressed by Projects	Below RDP (No Services)	Service Level Upgrade	New Infrastructure	Total Backlog
Eradication of backlogs - 2900 h/hold connections - Standerton/Sakhile	Sakhile	7646	2900	Project Complete	-	-	0
Eradication of rural backlogs (350 boreholes)	Rural Lekwa	3177	2196	961	-	-	961
Communal water supply - 3634 hh's	Erdzack	-	3634	-	-	The development is on hold indefinitely/ no longer in plan	0
Water reticulation - 71 hh's	Sivukile	252	71	-	Project Complete	-	0
Water reticulation - 65 hh's	Early bird	82	65	-	Water supplied via Early Bird's purification system)	-	0
Install 110Ø uPVC pipe from Meyerville to Early bird (Project value - R 500 000)	Meyerville - Early Bird)	0	0	-	Supply bulk line (sufficient pressure problems to Early Bird system)	-	0
	Lekwa LM Total	-	8866	961	0	0	961

Source: DWA- Dir. WS Macro Planning & Information System Jul 2008 (Invirocon), Lekwa LM - Project List, GSDM – Backlog Eradication Planning



**7.17.10. RESIDENTIAL CONSUMER UNITS FOR SANITATION**

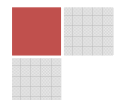
<b>No. Consumer units with:</b>	<b>Urban - Formal Town</b>	<b>Industrial</b>	<b>Farming</b>	<b>Grand Total</b>
None or inadequate: Below RDP: Pit	0	0	2523	2523
None or inadequate: Below RDP: Bucket	0	0	0	0
Consumer installations: On Site dry or equivalent, including VIP toilets, USD, composting system	0	0	400	400
Consumer installations: Wet (Septic tank, digester or tanker desludge or effluent discharge to an oxidation pond etc.)	0	0	65	65
Discharge to sewer treatment works (intermediate or full waterborne)	29172	146	0	29318
Total Served (3+4+5)	29172	146	465	29718
<b>Total (1+2+6)</b>	<b>29172</b>	<b>146</b>	<b>2988</b>	<b>32241</b>

[Source: DWA- Dir. WS Macro Planning & Information System Jul 2008 (Invirocon)]

The Municipality has in access of 29 318 (ex. 27 415) household units discharging to sewer treatment works (intermediate or full water-borne). This represents 90% of households in the Municipality discharging into treatment works. With the additional 400 (1%) service units installed with VIP toilets totalling 29 718 (92%) consumer units being served above RDP level of service in the Municipality.

Global Insight estimates indicate that 25 688 units have access to a flush toilet; an additional 393 units have access to VIP toilets. This totals 26 081 consumer units with access to above RDP access to sanitation. The contrast in these figures is that it is estimated that almost 3 673 units have access to conventional pit system while another 2 392 units have no access to decent sanitation. The significant difference in VIP toilets could be as a result of the recent upgrade of service in several areas like Standerton ext. 1, ext. 3, ext. 4, ext. 6 and ext. 7.

The balance of household units below RDP level of service is 2 523 in the rural outskirts of Lekwa following the withheld development of 3 634 units as initially planned for Erdzak.





## 7.17.11. LEKWA – SANITATION BACKLOGS ERADICATION PROGRAMME

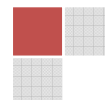
Lekwa LM - Sanitation Backlog Projects	Settlement Name	HH	Backlog Addressed by Projects	Below RDP (No Service)	Service Level Upgrade	Type of Intervention	Total Backlog
Eradication of backlog sewer connections - 243 (a)	Sakhile X5	257	204	Project Complete	-	Full Waterborne	0
Eradication of backlog sewer connections - 243 (b)	Sakhile X6	238	39	Project Complete	-	Full Waterborne	0
Eradication of backlog sewer connections - 229	Sivukile X1	442	229	Project Complete	-	Full Waterborne	0
Eradication of rural backlogs - 6800 VIP Toilets (a)	Rural Lekwa	3177	3629	2523	-	Basic -VIP	2523
Eradication of rural backlogs - 6800 VIP Toilets (b)	Standerton ext1	184	146	Section Complete	-	Basic -VIP	0
Eradication of rural backlogs - ( 6800 VIP Toilets (c)	Standerton ext3	796	632	Section Complete	-	Basic -VIP	0
Eradication of rural backlogs - 6800 VIP Toilets (d)	Standerton ext. 4	1490	1183	Section Complete	-	Basic -VIP	0
Eradication of rural backlogs - 6800 VIP Toilets (e)	Standerton ext. 6	3518	381	Section Complete	-	Full Waterborne	0
Eradication of rural backlogs - 6800 VIP Toilets (f)	Standerton ext. 7	1044	829	Section Complete	-	Full Waterborne	0
Provision of basic sanitation - 3634 hh's	Erdzak	-	3634		The development is on hold indefinitely/ no longer in plan	Basic -VIP	0
	Total	-	10906	2523	0		2523

Source: GSDM – Backlog Eradication Planning, DWA – Dir. WS Macro Planning & Information System Jul 2008 (Invirocon) and Lekwa LM – Interviews with Technical Manager

The Department of Water Affairs purports that even more important than promoting access to good sanitation facilities is the need to ensure that those facilities are affordable, robust, durable and well within the long-term support, operation and maintenance capabilities of the water services institution [Source: Water Services Act Interpretative Guide for Sanitation, link:] This is very important considering the implications of the affordability and income of economically active consumers in the Municipality. The guideline further recommends that where funds are limited/ absent the water services institution must still meet servicing responsibilities such as awareness raising, hygiene education and demand creation for sanitation. Furthermore the Municipality has a responsibility to ensuring appropriate mechanisms for collection of tariffs for services that it provides.

There is a growing need for municipalities to consider access to resources and how sources of income will continue to be sustainable in the future and whether the Municipality can maintain sustainable cross-subsidization without pushing income sources to a buckle.

There is a need for the Municipality to focus on developing activities that increase the economic viability of the region, and also re-evaluate how it deals with payment of services by industries. Similarly how their contribution to cross-subsidization of service is affected. This in turn warrants that the Municipality start focusing on how it



deals or manages such public institutions, dry industries, raw water consumers, wet industries and very large industrial units. Currently the tariffs structures and block tariffs that the Municipality implements do not necessarily focus on addressing the opportunities of optimizing cross-subsidization of service.

#### **7.17.12. GREY WATER MANAGEMENT**

There is no grey water management programme in place in the LM. See attachment 2(a) on Environmental Health Impacts of Grey Water.

#### **7.17.13. PIT EMPTYING AND SLUDGE DISPOSAL**

There is no regular pit emptying or sludge disposal undertaken by the WSA. The Municipality has eradicated the bucket system of sanitation on all registered sites within the Municipality. The Municipality does not have a programme for monitoring of sludge build up on VIP toilets. The Municipality would also need to consider the costs implications of implementing such a programme, failing which; they should nominate the service to private contractors who registered on their database.

Depending on the frequency of use and number of persons using the facility, a dislodging programme may have planning cycles between 2-5 years. The application of continuous monitoring of sludge build-up would assist to prioritize and plan for proper application of dislodging programmes. In this case the authority may extend its educations programme for communities provided with VIP level of service to include handling, management and maintenance of VIP toilets.

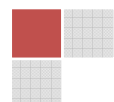
Due to the few consumer units that do not have access to the formal sewerage system, the emptying of VIP toilets and the disposal of sludge is vitally important to prevent severe negative impact on the environment. Regular emptying of sewage sludge prevents the potential seepage and overflow of the systems which may result in environmental degradation. The impacts of sewage sludge amongst others could have serious effects. NB: It is important to ensure that the quality level of VIP installations within its Municipality provides for environmentally friendly lining of VIP pits for protection of the subsurface water and development of black water in the affected areas especially in dense populated settlements.

#### **7.17.14. RESIDENTIAL CONSUMER UNITS FOR WATER & SANITATION: LEVEL OF SERVICE**

Levels of service are benchmarked with the region as a whole and together with understanding the challenges and needs of the surrounding environment.

In the Mpumalanga Provincial Water Sector Plan of Dec 2006, the following targets were adopted for level of service in the province, that all people should have access to a functioning basic water supply facility by 2008, functioning basic sanitation facility by 2010, schools to have adequate and safe water supply and sanitation services by 2005 and clinics by 2007.

To focus on its regional specific regional perspective, the Gert Sibande District (in its IDP 2008) has since revised some of the targets listed above for the district and its local municipalities.



7.17.14.1. To reduce by half Halve, the proportion of people without sustainable access to safe drinking water by 2014

7.17.14.2. To reduce by half Halve, the proportion of people without sustainable access to basic sanitation by 2014

Now, more specific to Lekwa in its IDP 2009/10 Review, is that by 2010 all households must have access to adequate water and adequate sanitation. Although it appears that the water related target of 2010 is achievable, the same cannot be said of the sanitation target. In the next IDP review, it is expected that these target would assimilate a further date of 2012 especially for sanitation.

#### **7.17.15. RESIDENTIAL CONSUMER UNITS FOR WATER**

The Municipality is well underway to providing above RDP level of service to every household in the Municipality. It still needs to overcome key challenges in dealing with development with a growing informal settlement. There are already several informal settlements cropping up around several locations in Lekwa and most pressing is housing accommodation, water and sanitation.

The conclusion of the project for provision of boreholes to rural communities of Msukaligwa will see the Municipality closer to achieving its water and sanitation backlogs by 2012.

#### **7.17.16. RESIDENTIAL CONSUMER UNITS FOR SANITATION**

In line with the Sanitation backlog programme all households would have access to basic sanitation to RDP standards by 2010. This plan is most likely to be stretch out to 2012 and largely dependent on the provision of funding in the financial years 2009/10 to 2011/12.

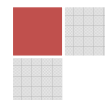
Develop a function for continuous monitoring of sludge build-up on VIP toilets and the accompanying prioritization plan for proper application of desludging.

The extension of educations programme for communities provided with VIP level of service to include handling, management and maintenance of VIP toilets

There are informal settlements where it is not legally possible to install any services. The strategy for addressing water-borne sanitation in these communities (informal settlement) is through the housing development plans. Together with the housing developments and formal integration of informal communities, full waterborne sanitation level needs to be incorporated into any future developments.

#### **7.17.17. GREY WATER MANAGEMENT**

The development of grey water management plans, especially in communities where no adequate storm water is provided. Grey water management plans will require the investigation of waste dump areas near water bodies and high water table areas. This requires close examination of informal settlements areas near water bodies, large public areas where no adequate access to storm water is available.



#### **7.17.18. PIT EMPTYING AND SLUDGE DISPOSAL**

The Municipality has an indirect responsibility for disludging and pit-emptying all of its pits in the area. Failure to do this successfully, may lead to black water contamination of sub-surface water and surface water bodies during flooding or high rainy seasons. The absence of a pit emptying and disludging plan increases vulnerability of the Municipality for to various water-borne diseases. Whether the Municipality intends to provide this service by its own or through private suppliers directly, more important is that the Municipality would still need to regulate whether this function is adequately performed.

#### **7.17.19. 2010 TARGET FOR BASIC SANITATION**

The original 2010 programme for provision of VIP basic sanitation units to all households in need of adequate sanitation needs to be offset to a revised target forecast of 2012. The extent of rural communities needing minimum level of service will be addressed as part of the backlog sanitation programme. This of cause only covers the extent of known households and population requirements. This does not include informal households that may crop up into the region in the near future. Apart from this, there continues to be a need to address growing water and sanitation needs as more opportunities are found to address RDP housing and new housing development stock in the near future.

#### **7.17.20. STRATEGIC GAP ANALYSIS (RESIDENTIAL CONSUMER UNITS)**

There is still small shortfall on the number of households that do not have access to water and sanitation for the initial target of 2010 for basic water and sanitation.

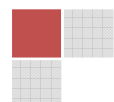
The Municipality needs to find innovative ways and technology that may be used to support, enhance the level of service structure in the Municipality. Examples include ways to address water usage monitoring and controls, detection of losses and damages in the system network as well as targeted areas for upgrade of service levels.

There is an associated need to improve educational programmes for water and sanitation with an empirical focus on health and sustainable living especially for communities where interim level of service is provided

A high level of service for water and sanitation of offered to the greater majority of consumers in the Municipality. The Municipality still needs to balance its service level choice with sustainable cost/capital recovery in order to continue offering quality service delivery.

#### **7.17.21. IMPLEMENTATION STRATEGIES (RESIDENTIAL CONSUMER UNITS)**

Implementation strategies for service level choice and provision of basic water and sanitation have been widely investigated worldwide. The most relevant to the challenges facing the Lekwa LM now and in the future includes key focus areas as outlined under the World Research Commission's Sanitation Research Strategy -



2003. In this WSDP, we have adopted some of these strategy components as an umbrella for implementation strategies in the Municipality with specific focus on the Municipality's needs.

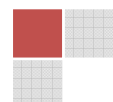
The strategy recommends investigating the following key issues relating to municipalities:

- 7.17.21.1. Investigating financial models for free basic sanitation service provision, operation and maintenance costs. The models need to reflect options on technology choice vs. funding arrangements, institutional requirements and household contribution.
- 7.17.21.2. Development of an overall costed strategy for meeting the 2014 target of eradication of the sanitation backlog and in this case provision of full waterborne sanitation for all.
- 7.17.21.3. Analysis of resources available to the Municipality and its ability to comply with the legislative requirements. This is particularly important in addressing resource requirements in the adaptation, management and operation of the new service structure in the Municipality.
- 7.17.21.4. Assessment of the real cost of water and sanitation subsidy, impacts of the subsidy and its effectiveness in the consumer profile of the Municipality.
- 7.17.21.5. Development of revenue streams for different levels of sanitation service provision, outside of the current domains to extend financial leverage for the Municipality.
- 7.17.21.6. Adequate assessment of affordability of services beyond statistics, in the application of the indigent policy. To ensure a wider and more accurate coverage of the Municipality's consumer profile.
- 7.17.21.7. Detailed monitoring of consumption patterns and ensure wider coverage of metering and billing of consumer units.
- 7.17.21.8. Other implementation strategies involve education programmes on danger of pit content and associated seepage or flooding waters and maintenance of pit systems. Programmes of raising awareness raising, hygiene education and demand management for water and sanitation and development of a grey water management plan for the Municipality
- 7.17.21.9. There is a challenge to balance service level choice and resource capacity for capital implementation, management and operation and maintenance of infrastructure and responsibilities. Key resource challenges include (finance, manpower and skills)
- 7.17.21.10. The Municipality needs to find innovative ways and technology that may be used to support, enhance the level of service structure in the Municipality. Examples include ways to address water usage monitoring and controls, detection of losses and damages in the system network as well as targeted areas for upgrade of service levels.
- 7.17.21.11. There is an associated need to intensify educational programmes for water and sanitation with an empirical focus on health and sustainable living.

#### **7.17.22. SITUATION ASSESSMENT (PUBLIC INSTITUTIONS AND 'DRY' INDUSTRIES)**

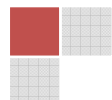
Dry industry could be any industry which consumes larger quantities of water above the residential norm for households. These industries would not necessarily produce industrial waste water, where industries producing industrial waste water would require detailed analysis under Wet industries and Industrial units for Sanitation.

Lekwa Municipality's information on Public institutions and industries vary in many categories according to the different sources of information and reports available for the Municipality, an attempt to consolidate the data to represent a collective summary of these industries was taken. In order to get to a more conclusive summary of these industries, the Municipality would need to continuously engage the information available throughout its information systems, even through other series of data, surveys and studies on the industrial profile of the Municipality.



## 7.17.23. PUBLIC INSTITUTIONS AND “DRY” INDUSTRIES

Public Amenities Consumer Types	Type	No. Of Consumer Units	No. Of Consumer Units With Access To:			
			None Or Inadequate	Communal Supply	Controlled Volume Supply	Uncontrolled Volume Supply
Police Stations	Urban	4	-	-	-	4
	Rural		-	-	-	
Magistrate offices	Urban	2	-	-	-	2
	Rural	-	-	-	-	-
Businesses	Urban	917	-	-	-	917
	Rural		-	-	-	
Dry Industries	Urban	30	-	-	-	30
	Rural		-	-	-	
Office Buildings	Urban	26	-	-	-	26
	Rural		-	-	-	
Garages	Urban	16	-	-	-	16
	Rural		-	-	-	
Schools	Urban	75	-	-	-	42
	Rural		-	33	-	-
Hospitals (1x Private Hospitals)	Urban	3				3
	Rural	-	-	-	-	-
Clinics	Urban	6	-	-	-	6
	Rural					
Holiday resorts	Urban	5	-	-	-	5
	Rural	-	-	-	-	-
Car Service Workshops	Urban	28	-	-	-	28
	Rural		-	-	-	
Dry Cleaning	Urban	3	-	-	-	3
	Rural	-	-	-	-	-
Military Facility/ Prison	Urban	-	-	-	-	-
	Rural	1	-	-	-	1
Mining Industries	Urban	31	-	-	-	31
	Rural		-	-	-	
Railway Station	Urban	1	-	-	-	1
	Rural		-	-	-	
Conservation Areas	Urban	2	-	-	-	2
	Rural		-	-	-	



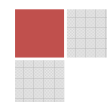
Public Amenities Consumer Types	Type	No. Of Consumer Units	No. Of Consumer Units With Access To:			
			None Or Inadequate	Communal Supply	Controlled Volume Supply	Uncontrolled Volume Supply
Hotels/ Hostels/ Inn	Urban	2	-	-	-	2
	Rural		-	-	-	
Post Offices	Urban	4	-	-	-	4
	Rural		-	-	-	
Community Halls	Urban	5	-	-	-	5
	Rural		-	-	-	

Source/s data: Lekwa LM – Technical Director Water & Sanitation 09042009, Gert Sibande (Old Levy data),

The Assessment report of an internal mechanism for water service delivery (section 78 assessments – June 2007), Revised SDF Report 150808

Due to several challenges facing the Municipality, the function of managing, monitoring and controlling water supply to public institutions and dry industries is not adequate performed. As the WSA in the area, the Municipality should at least monitor the activities of all business and industrial water consumers and monitor the conditions of their use and study relationships and impacts on both the natural resource and the effect on the ability of the Municipality to perform the responsibility of supplying water to all its consumers.

	Yes	No	Comment
Is there budget?	Yes		The Municipality has indicated that there is a budget for the water and sanitation, yet no specific allocation is earmarked for the management of Public Institutions and Dry industries
Are there By-laws?	Yes		The Municipality has demonstrated that there are bylaws for management of water and sanitation, yet no specific directives for management of Public Institutions and Dry industries
Is there infrastructure?		No	The Municipality has indicated that there is no infrastructure for supply and control of water and sanitation.
Personnel available?		No	The Municipality has indicated that there are no resources allocated to the function of Public Institutions and Dry industries. See section 7 of this WSDP.



**7.17.24. LEKWA – SUMMARY OF BUSINESS/PUBLIC ENTITIES**

	Agriculture Forestry Fisheries	Financial Services	Business (Other)	Construction	Energy Industries	Factory	Government	Hospitality	Mining Industry	Professional Service	Business Services	Transport	Other	Grand Total
Azalea	1	1								1	2			5
Morgenzon	42		13		1			1	1	2	1	1		62
Sakhile			9	3								1		13
Stan West			40	1						2	2			45
Standerton	183	10	421	55	7	3	6	10	2	54	18	11	11	791
<b>Grand Total</b>	<b>226</b>	<b>11</b>	<b>484</b>	<b>59</b>	<b>8</b>	<b>3</b>	<b>6</b>	<b>11</b>	<b>3</b>	<b>59</b>	<b>23</b>	<b>13</b>	<b>11</b>	<b>917</b>

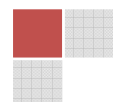
[Source data: GSDM (Old 2008 Levy data)]

The compilation team went through a series of enquiries to acquire detailed industry reports on water without success from the Municipality's reporting system. The municipal officials at the finance department struggled to extract consumption details of key industries like mining, power industries, dry cleaning, hospitals, meat industries, garages and other government buildings. This in turn made it very difficult to assess specific Wet Industries and Industrial units for sanitation.

With a business database in excess of 917 entities, it is important to assess the impact/demand of business/industrial users on the water resource. This data would then be compared to residential and other similar industries elsewhere to control abnormalities and determine adequate block tariff structures for the area.

For specifically mines, the Department of Water Affairs published a guideline back in the year 2000 for the implementation of regulations on use of water for mining and related activities aimed at the protection of water resources. The guideline highlighted some of the responsibilities that mines have in protecting the water resource. [Source: Operational Guidelines No. M6.1: Guideline Document for The Implementation of Regulations on Use of Water for Mining and Related Activities, 2nd edition, DWA 2000]. Although the regulatory responsibility lies with DWA, it is important for every Local Municipality to closely observe/monitor what goes on in the neighbouring environment as a preventative measure against potential threats that mining environments could bring to their communities. The guideline outlines some of the following responsibilities in relation to water for mines:

- 7.17.24.1. To prevent water containing waste or any substance which causes or is likely to cause pollution of a water resource from entering any water resource, either by natural flow or by seepage, and must retain or collect such substance or water containing waste for use, re-use, evaporation or for purification and disposal in terms of the Act;





- 7.17.24.2. To design, modify, locate, construct and maintain all water systems, including residue deposits, in any area so as to prevent the pollution of any water resource through the operation or use thereof and to restrict the possibility of damage to the riparian or in-stream habitat through erosion or sedimentation, or the disturbance of vegetation, or the alteration of flow characteristics;
- 7.17.24.3. To ensure that water used in any process at a mine or activity is recycled as far as practicable, and any facility, sump, pumping installation, catchments dam or other impoundment used for recycling water, is of adequate design and capacity to prevent the spillage, seepage or release of water containing waste at any time.
- 7.17.24.4. The Municipality may request spontaneous water quality monitoring reports from water permit holder within its boundary for observation; either directly from the institution alternatively via DWA. Where there are any suspicions of foul activity or a deviation by institutions on its permit conditions; the Municipality has a right to request proof of reasonable care to protect the environment and compliance to regulations from the relevant legal authorities or courts.

### 7.17.25. ENVIRONMENTAL AND HEALTH IMPACTS

The environmental impacts of public institutions and dry industries on the environment as well as the health of the community can be generally small. This is mainly due to the very little waste products are produced that may eventually pollute the surrounding environment. There are however several aspects that should be considered when looking at these industries from an environmental and health perspective:

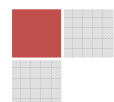
Water consumption by these industries should be carefully monitored to ensure effective water usage. All sanitation and water infrastructure should be kept in a good working order to prevent leakage and thereby contamination. Possible air emissions should be monitored from dry industries to ensure community and environmental health. Hydro carbon pollution from garages should be monitored. Seepage from underground tanks may pollute the groundwater. Waste products from hospitals and clinics must be closely regulated to prevent improper disposal on landfill sites. There are numerous health related diseases associated with the improper disposal of medical waste. The release of grey water from these industries should be monitored to prevent the associated impacts.

### 7.17.26. PUBLIC INSTITUTIONS AND ‘DRY’ INDUSTRIES

There is a need for the Municipality to implement focused water use management for “Public Institutions and Dry Industries”. This may involve grouping certain industries and introducing specific by-laws to regulate how they operate and deal with the natural resource within the Municipality.

Many of the of these industries can be evaluated for suitability in the block tariff structures according to their water use patterns and needs. Municipalities need to revisit the value that industries bring to cross-subsidization of services in the communities they operate.

The industrial fabric of the Municipality warrants that some industries be observed for environmental risk/threats to the natural environment especially where the water is concerned. This function might not be the responsibility of the water and sanitation department, yet requires regular interaction and coordination with the relevant environmental department in the Municipality.



In order to conduct detailed analysis of business/industrial usage of water municipalities need access to management information systems that are flexible, simple to use and produce data and ensure that users of these systems are well trained to produce the necessary report from time to time to do the assessment.

#### **7.17.27. STRATEGIC GAP ANALYSIS (PUBLIC INSTITUTIONS AND ‘DRY’ INDUSTRIES)**

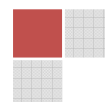
- 7.17.27.1. There is no direct focus on Public Institutions and Dry industries and their impact on water demand in the Municipality
- 7.17.27.2. There are inadequate reports available to analyse, monitor, and continuously evaluate Public Institutions and Dry Industries
- 7.17.27.3. There is no direct focus on industrials activities that may threaten or risk environmental health affecting water use in the Municipality

#### **7.17.28. IMPLEMENTATION STRATEGIES (PUBLIC INSTITUTIONS AND ‘DRY’ INDUSTRIES)**

- 7.17.28.1. Establish a fully resourced function to focus on Public Institutions and Dry industries and their impact on water demand in the Municipality
- 7.17.28.2. Develop management reports to analyze, monitor, and continuously evaluate Public Institutions and Dry Industries in relation to their water usage.
- 7.17.28.3. From the existing by-laws tailor off specific industrial practices or activities relating to water use that is uncommon (mining industries, abattoirs, parks, government buildings, power industries, hospitals and clinics etc.)
- 7.17.28.4. Re-evaluate block tariff structures for various categories of “public institutions and dry industries” according to their water use patterns
- 7.17.28.5. Evaluate the value that industries bring to cross-subsidization of services in the Municipality and how this can be optimized for sustainable provision of water and sanitation.
- 7.17.28.6. Engage the environmental planning process in relation to threats or risk to the water resource.

#### **7.17.29. WET INDUSTRIES: URBAN AND RURAL**

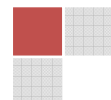
Wet industry could be any industry consuming very large (abnormal) quantities of water above the norm for public institutions and dry industry. These industries commonly use the water for general consumption as well as for industrial processing. The activities of their industrial processing would demand for specific levels of water quality and quantities. Most wet industries also yield large quantities of effluent release in addition to domestic waste.



## 7.17.30. LEKWA – WET INDUSTRIES

List Individual Wet Industries	Monthly Water use (kl)	Pressure (kPa)	Water Quality				Reliability (inadequate, adequate, special treatment)	Billing system (none flat rate metered)
			Raw	Filtered	Chlorinated	Fully Treated		
Early Bird	100,000	3	-	-	-	X	Adequate	Metered
Toga Linings	25,092	4.5	-	-	-	X	Adequate	Metered
Wool Textiles	120	3	-	-	-	X	Adequate	Metered
Concordia Plumvee	3,300	3	-	-	-	X	Adequate	Metered
Fairacres Foods - Egg Farms	-	3	-	-	-	X	Adequate	Metered
Morgenzon Golf Club	-	3	-	-	-	X	Adequate	Metered
Vaal 1-Stop	-	3	-	-	-	X	Adequate	Metered
Standerton Hospital (Doh)	2,591	3	-	-	-	X	Adequate	Metered
Standerton Country Club	-	3	-	-	-	X	Adequate	Metered
Sakhile Brewery	-	3	-	-	-	X	Adequate	Metered
National Sorghum Breweries	-	3	-	-	-	X	Adequate	Metered
Vaal River High School	3,872	3	-	-	-	X	Adequate	Metered
Standerton Slaghuis	1,302	3	-	-	-	X	Adequate	Metered
Cronje Am (20 Paarl Street)	1,408	3	-	-	-	X	Adequate	Metered
Spoornet	387	3	-	-	-	X	Adequate	Metered
Standerton Mills	672	3	-	-	-	X	Adequate	Metered
Department Of Water (Steyn – 497)	2,417	3	-	-	-	X	Adequate	Metered
High School (82 Colignystraat)	877	3	-	-	-	X	Adequate	Metered
Bien Donn (22 Paarlstraat)	898	3	-	-	-	X	Adequate	Metered
Total	142,936	300-400	-	-	-	-	-	-

[Source data: Businesses – GSDM old levy data; Volumes - Lekwa LM\_Finance MIS &amp; Technical Director Water &amp; Sanitation ]



**7.17.31. RESOURCES AVAILABLE TO PERFORM FUNCTION:**

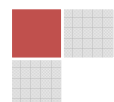
	Yes	No	Comment
<b>Is there budget?</b>	Yes	-	The Municipality has indicate that there is a budget for the water and sanitation, yet no specific allocation is earmarked for the management of Wet Industries
<b>Are there By-laws?</b>	Yes	-	The Municipality has demonstrated that there are bylaws for management of water and sanitation, yet no specific directives for management of Wet Industries
<b>Is there infrastructure?</b>		No	The Municipality has indicated that there is no infrastructure for supply and control of water and sanitation.
<b>Personnel available?</b>		No	The Municipality has indicated that there are no resources allocated to the function of Wet Industries. See section 7 of this WSDP.

**7.17.32. ENVIRONMENTAL AND HEALTH IMPACTS**

The Municipality has a few numbers of heavy industries in the area, mining and power station which may release effluent into the environment. These activities are generally managed by other regulations and monitored by both the Gert Sibande district Municipality and Provincial office of Mpumalanga at different levels.

The impacts of effluent may however have a significant impact on the environment through mostly water pollution and therefore may also impact on the health of the surrounding communities.

With the ever increasing demand on irrigation water supply, farmlands are frequently faced with utilization of poor quality irrigation water. In many parts of South Africa, waste water and industrial effluent, which are disposed to wells, ponds, streams and treatment plants, are used as a source of irrigation water as well as for drinking. But, the continued application of poor quality irrigation water can reduce the yield of farmlands. Water quality for agricultural purpose is determined on the basis of the effect of water on the quality and the yield of the crops, as well as, the effect on the characteristic changes in the soil. The most commonly encountered soil problems used as a basis to evaluate water quality are those related to the salinity, water infiltration rate, toxicity and a group of other miscellaneous problems.



### 7.17.33. MINE, INDUSTRIAL AND PLANTATION EFFLUENT

Mining effluent can contain many of the following ingredients:

- 7.17.33.1. Fluoride. Fluoride in the water is essential for protection against dental caries and weakening of the bones, but higher levels can have an adverse effect on health.
- 7.17.33.2. Arsenic. Arsenic occurs naturally or is possibly aggravated by over powering aquifers and by phosphorus from fertilizers. High concentrations of arsenic in water can have an adverse effect on health.
- 7.17.33.3. Lead. Pipes, fittings, solder, and the service connections of some household plumbing systems contain lead that contaminates the drinking water source.
- 7.17.33.4. Petrochemicals. Petrochemicals contaminate the groundwater from underground petroleum storage tanks.
- 7.17.33.5. Other heavy metals. These contaminants come from mining waste and tailings, landfills, or hazardous waste dumps.
- 7.17.33.6. Chlorinated solvents. Metal and plastic effluents, fabric cleaning, electronic and aircraft manufacturing are often discharged and contaminate groundwater.

Although the discharge of effluent is , as previously mentioned, is generally monitored by Provincial and National Departments it should be noted that the Local Municipality does have a significant role to play to prevent environmental impacts. Due to limited manpower in the higher levels of government it is often the responsibility of the Local Municipality to identify problem areas and notify the relevant authorities. It is therefore essential that an open forum exist between all spheres of government to prevent effluent release that may pollute the environment. The Municipality should also communicate directly with the various industries with regards to their permitted effluent.

### 7.17.34. FUTURE TRENDS AND GOALS (WET INDUSTRIES)

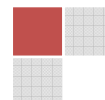
Availability of management information for wet industries in the management and forecasting of their water usage

There is a need to classify all consumers qualifying as dry or wet industries [ranges 100kl/m -500kl/m, 500kl/m 1 000kl/m &>1 000kl/m In a count of more than 917 businesses, there could be many other users qualifying as wet industries depending on their usage of water.

The Municipality does not have provisions of resources as indicated on the questionnaire indicating “Resources available to perform function” above to manage and control wet industries.

### 7.17.35. STRATEGIC GAP ANALYSIS (WET INDUSTRIES)

- 7.17.35.1. No focused management of wet industries and their water usage
- 7.17.35.2. No management information and reports to analyse wet industries
- 7.17.35.3. Inadequate resources to perform the function of wet industries



**7.17.36. IMPLEMENTATION STRATEGIES (WET INDUSTRIES)**

- 7.17.36.1. Develop management information for analysis and control of wet industries  
 7.17.36.2. Provide adequate resources to perform the function of wet industries

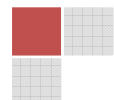
**‘Raw’ Water Consumers: Urban and Rural**

Raw water consumers could be any industry consuming large quantities of raw water above either than domestic use and standard farming allowances. In all instances, industries would need to have a commercial abstraction license covering the terms of its permitted abstraction. These industries commonly use the water for general consumption as well as for industrial processing. Some of the larger industries would establish own treatment works for its own industrial processing. These industries would commonly yield large quantities of effluent release back into the natural stream. Depending on their license conditions, the quality of effluent release may require further treatment before being released into the natural stream. In some cases industries may be required to maintain accurate records of the quality of the effluent being released back to the natural water course.

**7.17.37. LEKWA – RAW WATER CONSUMERS**

‘Raw’ Water Consumer	Monthly	Pressure (kPa)	Water Quality			Tariff (R/kl)	Reliability (inadequate adequate, special treatment)	Billing system (none flat rate metered)
	Water use (kl)		Raw	Filtered	Other			
Tuthuka Power Station	*750,000		X	-	X (mine water)	-	Own Treatment Works	DWA
New Denmark Colliery (Anglo)	*360,000		X	-		-	Untreated	DWA
Early Bird	-	-	-	-	-	-	-	-
Fairacres Foods - Egg Farms	-	-	-	-	-	-	-	-
Morgenzon Golf Club	-	-	-	-	-	-	-	-
Standerton Hospital	-	-	-	-	-	-	-	-
Standerton Country Club	-	-	-	-	-	-	-	-
Sakhile Brewery	-	-	-	-	-	-	-	-
National Sorghum Breweries	-	-	-	-	-	-	-	-

[Source data: Businesses – GSDM old levy data; Volumes - Lekwa LM \_ Technical Director Water and Sanitation 09042009]



**7.17.38. RESOURCES AVAILABLE TO PERFORM FUNCTION:**

	Yes	No	Comment
Is there budget?	Yes	-	The Municipality has indicated that there is a budget for the water and sanitation, yet no specific allocation is earmarked for the management of Raw Water Industries.
Are there By-laws?	Yes	-	The Municipality has demonstrated that there are bylaws for management of water and sanitation, yet no specific directives for management of Raw Water Industries.
Is there infrastructure?		No	The Municipality has indicated that there is no infrastructure for supply and control of water and sanitation.
Personnel available?		No	The Municipality has indicated that there are no resources allocated to the function of Raw Water consumers. See section 7 of this WSDP.

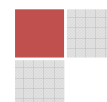
The Municipality does not keep any records of raw water consumers in the Municipality. The list provided on Table 2.4.1.1 above consists of known and possible users of raw water. There were several attempts to acquire as much information as possible regarding some of the industry's raw water consumption data without much success.

**7.17.39. ENVIRONMENTAL AND HEALTH IMPACTS**

The Municipality has large farming areas that has a large drain on the environment as well as produce a significant amount of waste products. The livestock industry is one of the largest contributors to environmental degradation worldwide, and modern practices of raising animals for food contributes on a "massive scale" to air and water pollution, land degradation, climate change, and loss of biodiversity. The initiative concluded that "the livestock sector emerges as one of the top two or three most significant contributors to the most serious environmental problems, at every scale from local to global.

**Water Usage:** Farming activities requires the usage of large quantities of water, from irrigation to drinking water for cattle.

**Water pollution:** Significant negative effects of riparian ecosystems are also associated with meat production. The result may be an increase in phosphates, nitrates, decreased dissolved oxygen, increased temperature, increased turbidity, and reduced species diversity.



Greenhouse gas emissions: large numbers of livestock contributes significantly to the release of methane into the atmosphere.

Waste products: Abattoirs have large quantities of carcasses that if incorrectly disposed off can contribute significantly to the pollution of groundwater and soils.

Although the normal farming activities is very difficult to monitor emphasis must be placed on the large concentration of livestock such as feedlots and abattoirs. Proper disposal of carcasses and waste water from these facilities is vitally important due to the significance of the potential environmental and health impacts.

#### **7.17.40. FUTURE TRENDS AND GOALS ('RAW' WATER CONSUMERS)**

It is important to keep accurate records for raw water abstraction and effluent release for water balance strategies.

The Municipality does not have provisions of resources as indicated on the questionnaire of "resources available to perform function" above to manage and control raw water consumers.

#### **7.17.41. STRATEGIC GAP ANALYSIS ('RAW' WATER CONSUMERS)**

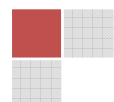
- 7.17.41.1. There are no records of raw water consumers and details of their abstraction licenses
- 7.17.41.2. There are inadequate resources to perform the function of raw water consumers
- 7.17.41.3. There are no records of raw water consumers who return industrial effluent into the natural water course.

#### **7.17.42. IMPLEMENTATION STRATEGIES ('RAW' WATER CONSUMERS)**

Develop and maintain accurate records of raw water consumers and details of their abstraction and effluent release

Establish raw water consumer forums in the Municipality and establish dialogue with affected industries on the impact of raw water consumption on water balance strategies in the region. The Upper Vaal catchments management forums are already existing structures that can be approached for an integrated planning process.

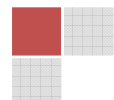
Provide adequate resources to perform the function of raw water consumers





**7.17.43. INDUSTRIAL CONSUMER UNITS FOR SANITATION: URBAN AND RURAL**

Industry	Number of service units	Monthly waste water (kl)	Monthly Sewage (kl)	Washing leaches through storm water system (kl)	Total Treated effluent (kl)	Total Untreated effluent (kl)	Total Return flow to river system (kl)
Early Bird	?	10,000	90,000	-	90,000	10,000	10,000
Toge Linings	1	2,509	22,583	-	22,583	2,509	2,509
Wool Textiles	1	12	108	-	108	12	12
Concordia Plumvee	1	330	2,970	-	2,970	330	330
Abattoir"							
Fairacres Foods - Egg Farms	1	-	-	-	-	-	-
Morgenzon Golf Club	1	-	-	-	-	-	-
Standerton Hospital	1	-	-	-	-	-	-
Standerton Country Club	1	777	1,814	-	1,814	777	777
Sakhile Brewery	1	-	-	-	-	-	-
National Sorghum Breweries	1	-	-	-	-	-	-
Tuthuka Power Station	1	-	-	-	-	-	-
New Denmark Colliery (Anglo)	1	2,710	1,162	-	1,162	2,710	2,710



[NB: There is no detailed information available in the Municipality on Industrial Consumer Units for Sanitation and their consumption patterns. The lists above were consumers identified for possible Industrial Consumer Units for Sanitation, where no data was supplied by the Municipality.]

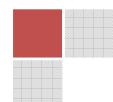
Resources available to perform function:

	Yes	No	Comment
Is there budget?	Yes	-	The Municipality has indicated that there is a budget for the water and sanitation, yet no specific allocation is earmarked for the management of Industrial Consumer units for Sanitation.
Are there By-laws?	Yes	-	The Municipality has demonstrated that there are bylaws for management of water and sanitation, yet no specific directives for management of Industrial Consumer units for Sanitation.
Is there infrastructure?		No	The Municipality has indicated that there is no infrastructure for supply and control of water and sanitation.
Personnel available?		No	The Municipality has indicated that there are no resources allocated to the function of Industrial Consumer units for Sanitation. See section 7 of this WSDP.

#### 7.17.44. ENVIRONMENTAL AND HEALTH IMPACTS

The most important aspects with regards to Industrial consumers are the effectiveness of their operating systems in reducing the amount of water required. It is essential that control is kept by the Municipality to regulate the amount of water used and to ensure that the proper billing procedures are in place.

#### 7.17.45. INDUSTRIAL CONSUMER UNITS FOR SANITATION: URBAN AND RURAL



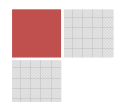
- 7.17.45.1. It is important to manage these industries in a manner that will allow the Municipality to accurately forecasting effluent volumes for capacity handling especially those supplied water by Lekwa LM.
- 7.17.45.2. It is also much important to monitor the environment at which industrial consumer units for sanitation operate, for speedy reactive measures when there are drastic changes to their effluent releases.
- 7.17.45.3. For these large industries it might be worthwhile to invest in industrial effluent meters at connection points in order to accurately record sewage volumes, and sampling units for the regular sampling of the effluent. A policy should be compiled for the tariffs associated to hydraulic and organic loading for these industries
- 7.17.45.4. The Municipality does not have provisions of resources as indicated on the questionnaire of “resources available to perform function” above to manage and control Industrial Consumer units for Sanitation.

#### **7.17.46. STRATEGIC GAP ANALYSIS (INDUSTRIAL CONSUMER UNITS)**

- 7.17.46.1. No focused management of Industrial Consumer units for Sanitation and their effluent release
- 7.17.46.2. No management information and reports to analyze Industrial Consumer units for Sanitation
- 7.17.46.3. Inadequate resources to perform the function of Industrial Consumer units for Sanitation

#### **7.17.47. IMPLEMENTATION STRATEGIES (INDUSTRIAL CONSUMER UNITS)**

- 7.17.47.1. Develop management information for analysis and control of Industrial Consumer units for Sanitation
- 7.17.47.2. Develop a system for administration of Industrial Consumer units for Sanitation records for those industries management own effluent releases to the river. The Municipality has a right to access of information on handling of effluent releases to the natural water course in performing its duties to provide safe access to water for its own population and consumers.
- 7.17.47.3. Provide adequate resources to perform the function of Industrial Consumer units for Sanitation



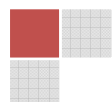
## Situation Assessment (Industries and their permitted effluent releases)

Industry	Number of service units	Monthly waste water (kl)	Monthly Sewage (kl)	Washing leaches through storm water system (kl)	Total Treated effluent (kl)	Total Untreated effluent (kl)	Total Return flow to river system (kl)
Early Bird	-	-	-	-	-	-	-
Toge Linings	-	-	-	-	-	-	-
Wool Textiles	-	-	-	-	-	-	-
Concordia Plumvee	-	-	-	-	-	-	-
Abattoir"	-	-	-	-	-	-	-
Fairacres Foods - Egg Farms	-	-	-	-	-	-	-
Morgenzon Golf Club	-	-	-	-	-	-	-
Standerton Hospital	-	-	-	-	-	-	-
Standerton Country Club	-	-	-	-	-	-	-
Sakhile Brewery	-	-	-	-	-	-	-
National Sorghum Breweries	-	-	-	-	-	-	-
Tuthuka Power Station	-	-	-	-	-	-	-
New Denmark Colliery (Anglo)	-	-	-	-	-	-	-

[NB: There is no detailed information available in the Municipality on Industries and their permitted effluent releases and their effluent quality. The lists above were consumers identified for Industries and their permitted effluent releases, where no data was supplied by the Municipality.]

## Resources available to perform function:

	Yes	No	Comment
Is there budget?	Yes	-	The Municipality has indicated that there is a budget for the water and sanitation, yet no specific allocation is earmarked for the management of Permitted Effluent



			Release units
Are there By-laws?	Yes	-	The Municipality has demonstrated that there are bylaws for management of water and sanitation, yet no specific directives for management of Permitted Effluent Release
Is there infrastructure?		No	The Municipality has indicated that there is no infrastructure for supply and control of water and sanitation.
Personnel available?		No	The Municipality has indicated that there are no resources allocated to the function of Permitted Effluent Release. See section 7 of this WSDP.

The Municipality does not have a large number of heavy industries in the area but they do have mining and plantation activities which may release effluent into the environment. These activities are generally managed by other regulations and monitored by either the Gert Sibande District Municipality, Provincial of National Environmental Departments. DWA is responsible for the management of RAW water users and administration of the respective water licenses.

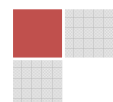
#### 7.17.48. ENVIRONMENTAL AND HEALTH IMPACTS

The Municipality has a large number of industries in the area, mining and plantation activities which may release effluent into the environment. These activities are generally managed by their own regulations and monitored by either the Gert Sibande District Municipality, Provincial of National Environmental Departments

It is noted that the Gert Sibande District Municipality is currently constructing a fully functional water quality laboratory and will strive to achieve full SANAS 17025 accreditation. The laboratory is located in Ermelo and will be operational in 2010. The purpose of the laboratory is to provide a service to the municipalities, industry and the public at large [Source: GSDM – M. Wells]

The impacts of effluent may however have a significant impact on the environment through mostly water pollution and therefore may also impact on the health of the surrounding communities.

With the ever increasing demand on irrigation water supply, farmlands are frequently faced with utilization of poor quality irrigation water. In many parts of South Africa, waste water and industrial effluent, which are disposed to wells, ponds, streams and treatment plants, are used as a source of irrigation water as well as for drinking. But, the continued application of poor quality irrigation water can reduce the yield of farmlands. Water quality for agricultural purpose is determined on the basis of the effect of water on the quality and the yield of the crops, as well as, the effect on the characteristic changes in the soil. The most commonly encountered soil problems used as a basis to evaluate water quality are those related to the salinity, water infiltration rate, toxicity and a group of other miscellaneous problems.



#### 7.17.49. MINE, INDUSTRIAL AND PLANTATION EFFLUENT

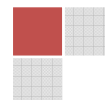
- 7.17.49.1. **Fluoride.** Fluoride in the water is essential for protection against dental caries and weakening of the bones, but higher levels can have an adverse effect on health.
- 7.17.49.2. **Arsenic.** Arsenic occurs naturally or is possibly aggravated by over powering aquifers and by phosphorus from fertilizers. High concentrations of arsenic in water can have an adverse effect on health.
- 7.17.49.3. **Lead.** Pipes, fittings, solder, and the service connections of some household plumbing systems contain lead that contaminates the drinking water source.
- 7.17.49.4. **Petrochemicals.** Petrochemicals contaminate the groundwater from underground petroleum storage tanks.
- 7.17.49.5. **Other heavy metals.** These contaminants come from mining waste and tailings, landfills, or hazardous waste dumps.
- 7.17.49.6. **Chlorinated solvents.** Metal and plastic effluents, fabric cleaning, electronic and aircraft manufacturing are often discharged and contaminate groundwater.

Although the discharge of effluent is, as previously mentioned, generally monitored by the Gert Sibande District Municipality, Provincial and National Departments it should be noted that the Local Municipality does have a significant role to play to prevent environmental impacts. Due to limited manpower in the higher levels of government it is often the responsibility of the Local Municipality to identify problem areas and notify the relevant authorities. The current Upper Vaal catchments management forums are open forums where all spheres of government engage to report on and raise concerns that are followed up to try and prevent effluent release that may pollute the environment. The Municipality should also communicate directly with the various industries with regards to their permitted effluent.

#### 7.17.50. INDUSTRIES AND THEIR PERMITTED EFFLUENT RELEASES

Municipality need to control permitted effluent releases into their sanitation system and into the natural water course for major industries. Such industries pose major risk and threat to the natural environment and water bodies if left uncontrolled. Despite their own responsibility and efforts, it is the responsibility of the Municipality to protect the interests and health of the end user population against any such threats impact

The Municipality does not monitor nor did control permit effluent releases into its system and into the natural water course. Develop interventions for control of industries and their permitted effluent releases. (Controls may include effluent quality testing and measurement of effluent volumes to sewer network and the natural water course for all industries to release effluent to rivers and dams). Provide adequate resources to perform the function of industries and their permitted effluent releases.



## 8. CHAPTER 5:

### 8.1. SPATIAL DEVELOPMENT FRAMEWORK RATIONALE

#### 8.1.1. INTRODUCTION AND METHODOLOGY

Metro plan Town and Regional Planners was been appointed by the Lekwa Local Municipality to do a revision of the Lekwa Spatial Development Framework, 2009 (SDF). The 2009 SDF could not be approved in its current form due to a number of gaps and shortcomings. This revision thus aims to address these issues.

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

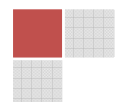
The revision was divided into three phases:

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

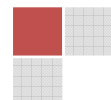
##### 8.1.1.1. MUNICIPAL SPATIAL DEVELOPMENT CONCEPT: ISSUES FROM STATUS QUO

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

- 8.1.1.1.1. Manufacturing of downstream products e.g. agri-processing;
- 8.1.1.1.2. The backlog in the delivery of services, water supply and sanitation, especially in rural areas.
- 8.1.1.1.3. Focusing on localities with greater economic potential.
- 8.1.1.1.4. Broadening the range of housing products in appropriate localities (e.g. close to places of work) and the range of suitable localities within existing settlements for infill housing developments.
- 8.1.1.1.5. Upgrading inadequate forms of housing – e.g. informal settlements and hostels.
- 8.1.1.1.6. Promoting tourism, specifically eco-tourism activities.
- 8.1.1.1.7. Promoting intensive and extensive commercial farming activities;
- 8.1.1.1.8. Establishing a functional hierarchy of towns and settlements.
- 8.1.1.1.9. Facilitating the establishment of business initiatives, rural and agro-industries, co-operatives, cultural initiatives and vibrant local markets;
- 8.1.1.1.10. The revitalization of old and creation of new economic, social, and information and communication infrastructure, public amenities and facilities in villages and small rural towns, etc.
- 8.1.1.1.11. It is a relatively small municipality, both in terms of area and population.
- 8.1.1.1.12. It does not contain a large number of higher order service centers and or large industrial/manufacturing complexes and it lacks second order service centers.
- 8.1.1.1.13. It is bypassed by the national road network.
- 8.1.1.1.14. It is thus relatively isolated and outside of the economic hubs of the country.



- 8.1.1.1.15. The Vaal River together with numerous watercourses, wetlands and pans as well as the Grootdraai Dam forms part of the natural open space system of the municipality. These are valuable assets to the municipality and should be protected as it plays a very important hydrological function. The extensive river system also forms part of the ecological corridors as identified in the MBCP.
- 8.1.1.1.16. The Grootdraai Dam is the tenth largest dam in South Africa and is ideal for water sports such as windsurfing and skiing. The dam can thus contribute significantly to tourism development in the municipality.
- 8.1.1.1.17. The formal conservation areas although limited, adds to the open space network and include the Reitvaal Conservancy, Bloukop Nature Reserve and Standerskop. Additional koppies that should also be protected are Jouberts kop and Potberg south west of Standerton as well as Spioenkop to the east of Thuthukani.
- 8.1.1.1.18. Provincially Lekwa LM is not well connected in terms of National roads as it is excluded from important corridors such as the N17 / N2 and N11.
- 8.1.1.1.19. On municipal level the municipality is fairly well connected. The problem however is that the main routes, that link the municipality with areas of economic importance, are of very poor quality, due to a high number of heavy vehicle movement through the area.
- 8.1.1.1.20. Generally, the maintenance of roads remains a huge challenge due to the damage caused by the heavy vehicles used to transport coal to Eskom's power stations. To maintain the critical coal haulage road network, the Mpumalanga Department of Roads and Transport (MDRT) has to spend virtually its entire budget on those stretches of road forming part of the coal network. Consequently, tourism routes, public transport routes, and basic access roads in rural areas are being neglected.
- 8.1.1.1.21. From a planning point of view, all the major routes that link the municipality with the outside regions should be properly maintained, especially those used by trucking industry linked to mining and agriculture, in order to increase accessibility.
- 8.1.1.1.22. Standerton is the only major urban settlement within Lekwa LM. The next order of settlements is Morgenzon and Thuthukani which are mainly rural service centres. Standerton has numerous development and expansion opportunities in terms of industries and manufacturing of products.
- 8.1.1.1.23. The three largest contributors to the economy are Trade (21%), Agriculture 19% and Finance (17%). This highlights the importance of Standerton as urban centre and the importance of the agricultural sector within the municipality
- 8.1.1.1.24. Primary Schools are the main facility provided within rural Lekwa.
- 8.1.1.1.25. Very limited other facilities are provided in the rural areas.
- 8.1.1.1.26. Limited higher order educational facilities exist.
- 8.1.1.1.27. Standerton followed by Morgenzon has the highest concentration of social facilities.
- 8.1.1.1.28. The central rural areas of the municipality lack in social facility provision as well as the eastern and south western parts.
- 8.1.1.1.29. Accessibility to social facilities is problematic considering the long distances and lack of public transportation.
- 8.1.1.1.30. The population in Lekwa LM decreased with 12% between 2001 and 2007 while the number of households increased with 6%. These indicate that the household size became smaller. It is thus apparent that there is a clear trend towards densification.
- 8.1.1.1.31. The analysis of formal housing also showed a clear indication of densification between 2001 and 2007, as the percentage of population living in formal houses decreased with 0.4% whilst the percentage of households increased by 19.5%.
- 8.1.1.1.32. The population in Lekwa LM declined more rapidly than in Gert Sibande District, whilst the population in Mpumalanga grew. The Status Quo Analysis indicates that the decline in population in Lekwa could be attributed to a number of factors:
- 8.1.1.1.32.1. HIV/Aids, as stated in the Gert Sibande SDF.
- 8.1.1.1.32.2. Migration patterns where residents move to larger urban areas in search of jobs and education.
- 8.1.1.1.32.3. Changing employment patterns e.g. growth of job opportunities in surrounding areas.
- 8.1.1.1.32.4. Large industries that closed down e.g. New Denmark Colliery which retrenched approximately 60% of their workforce between 1998 and 2001.
- 8.1.1.1.33. With regard to movement and public transportation, modal choice is largely limited to bus and taxi services, with the available bus transport services restricted to the urban settlements. Thus it was not surprising that the highest percentage of people move on foot, and these people are





mainly located in the rural areas far removed from employment and social facilities. This analysis emphasizes the municipality's underdeveloped public transport system and limited accessibility to facilities and services.

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

#### 8.1.1.2. MUNICIPAL SPATIAL DEVELOPMENT CONCEPT: DEVELOPMENT PRINCIPLES

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

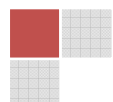
- 8.1.1.2.1. Protection of environmentally sensitive areas and areas with high soil potential for agriculture;
- 8.1.1.2.2. Establishment of an effective and integrated movement network; and
- 8.1.1.2.3. Establishment of a functional hierarchy of nodes.

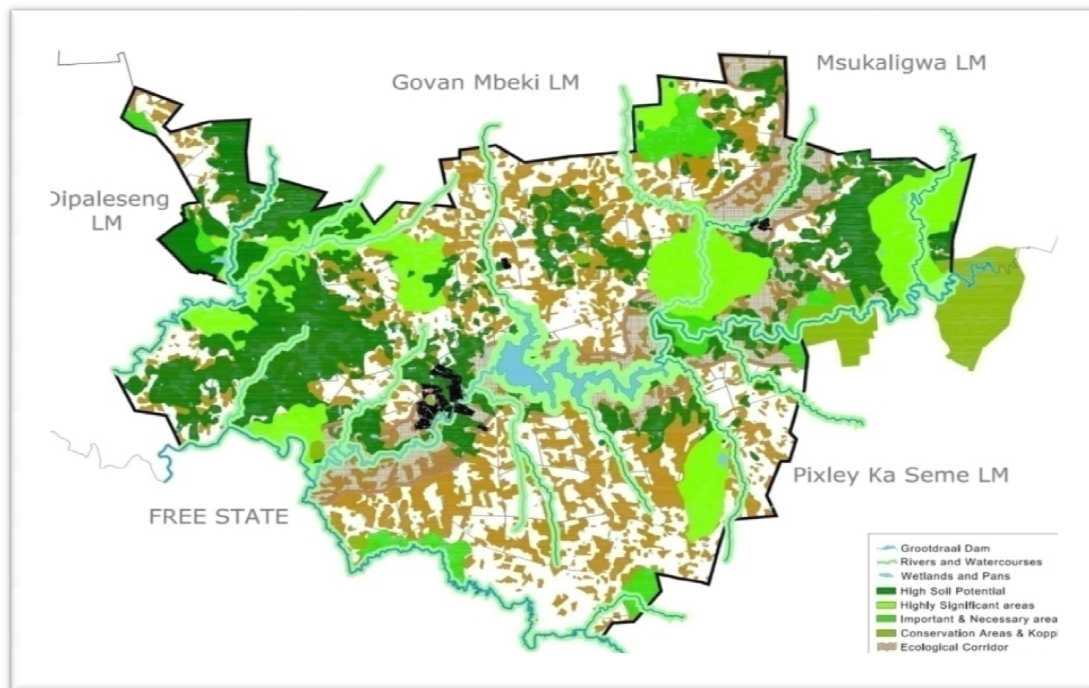
Development Principle 1: Protection of environmentally sensitive areas and areas with high soil potential for agriculture;

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

- 8.1.1.2.4. Dams, wetlands and rivers;
- 8.1.1.2.5. Conservancies;
- 8.1.1.2.6. Koppies
- 8.1.1.2.7. Environmentally Important Areas as per the MBCP; and
- 8.1.1.2.8. Ecological corridors as per MBCP.

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



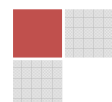


### Development Principle 2: Establishment of an effective and integrated movement network;

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

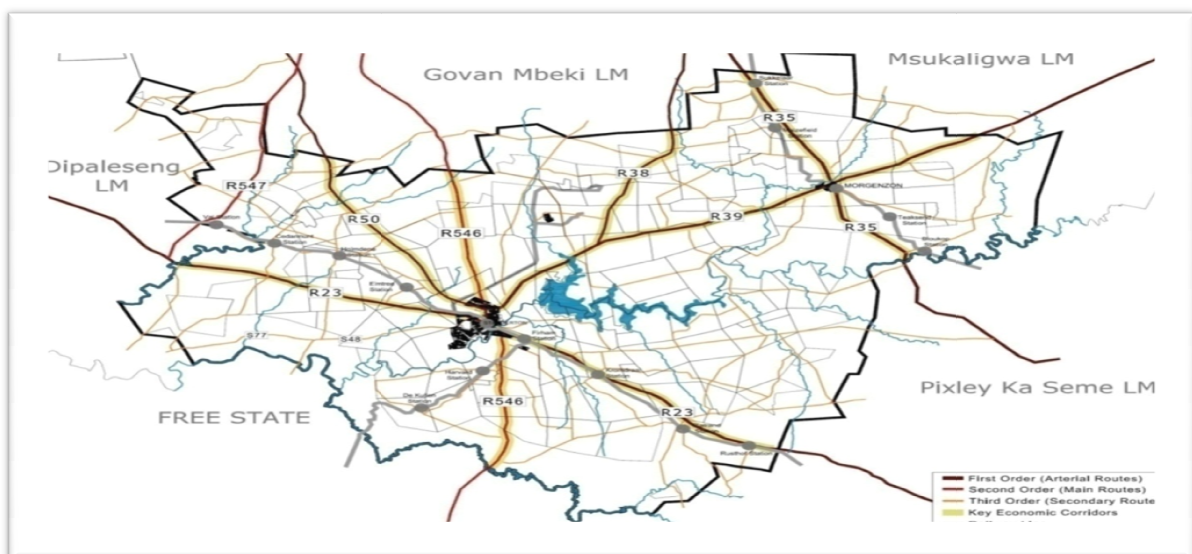
The following critical linkages have been identified as first order roads (arterials) and thus key economic corridors:

ROAD	IMPORTANCE	DESCRIPTION	ROAD CONDITION
R 39	Identified by Lekwa LM as an important economic corridor.	Only direct link between Standerton and Ermelo via Morgenzon.	<b>Good:</b> Between Standerton and Morgenzon. <b>Very Poor:</b> Between Morgenzon and Ermelo.
R 35	Identified by Gert Sibande District as key economic corridor.	Link between the central and western parts of Gert Sibande DM linking Morgenzon with Amersfoort to the south and Bethal / Middelburg to the north.	<b>Good:</b> Entire stretch within Lekwa LM.
R 38	Identified by Lekwa LM as an important economic corridor as well as on district level as an important freight route.	Link the towns of Standerton and Thuthukani with towns outside the municipal area such as Bethal, Carolina and Badplaas.	<b>Good:</b> Entire stretch within Lekwa LM.



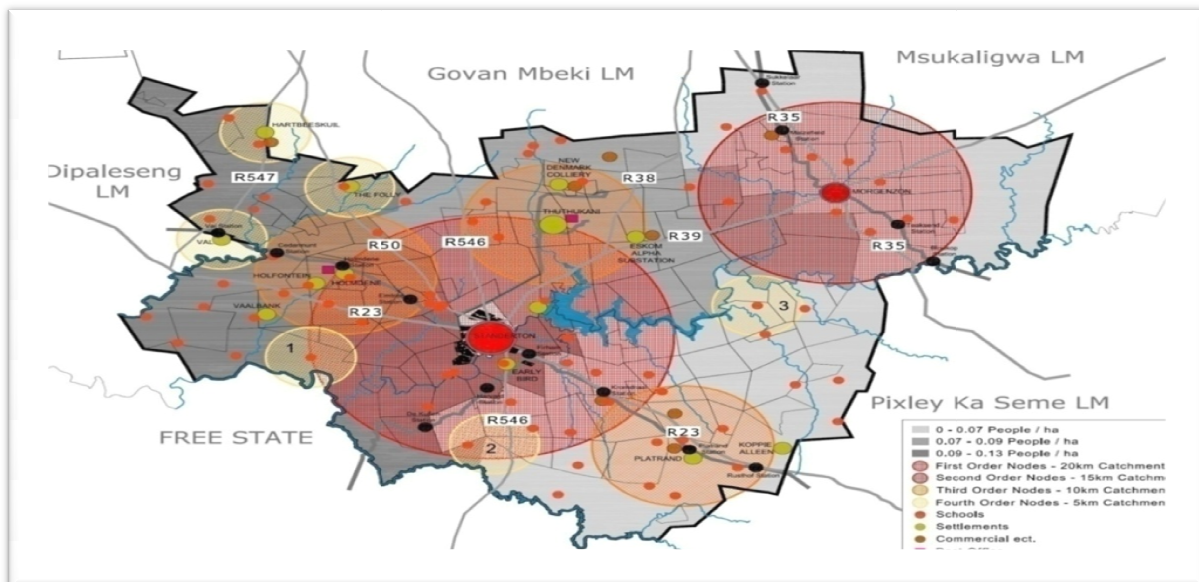
R 23	Identified by Gert Sibande District as key economic corridor.	Served as the old route between Gauteng and Durban in KwaZulu-Natal linking Standerton to Balfour and Volksrust.	<b>Good:</b> Between Standerton and Volksrust. <b>Poor:</b> Stretches of the road between Standerton and Johannesburg.
R 50	Identified by Lekwa LM as an important economic corridor as well as on district level as an important freight route.	Only direct link between Pretoria and Standerton via Delmas and Leandra.	<b>Poor:</b> First few kilometres when entering the municipality and last few kilometres before entering Standerton. <b>Very Poor:</b> The stretch of road in between the above mentioned.
R 546	Identified by Lekwa LM as an important economic corridor.	Links Standerton to Vrede in the south and to the TEKS Industrial Complex in the north.	<b>Good:</b> Between Standerton and Vrede.
			<b>Poor:</b> A few kilometres to the north of Standerton.
			<b>Very Poor:</b> Stretch of the road north of Standerton closer to Evander.
R 547	Not an economic corridor.	Links the R50 and the R23 in the western parts of the municipality.	<b>Poor:</b> Entire stretch within municipal area.

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



### Development Principle 3: Establishment of a functional hierarchy of nodes

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



#### First Order Nodes

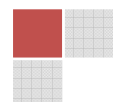
Accommodate the highest level of services and facilities as well as the widest spectrum and serve a large population over a large area. It would thus accommodate tertiary education facilities, high order health facilities etc.

#### Second Order Nodes

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

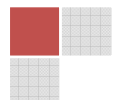
Morgenzon and Thuthukani were identified as third order nodes in the GS SDF. Morgenzon can however be upgraded to a second order node due to its locality on the intersection of two first order roads (the R39 and R35), its distance from Standerton and its existing facilities. It currently functions as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

#### Third Order Nodes







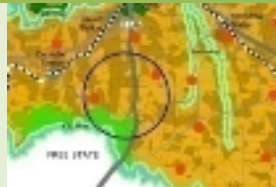
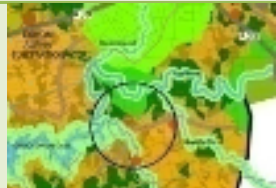
Two additional third order nodes were thus identified: Platrand and Holmdene.

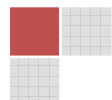
Holmdene is located in the western part of the LLM, which has the highest density rural population. It is located between the R50 and the R23 at the Holmdene railway Station on the Johannesburg–Durban railway line. It has an existing village, silos, a post office and a school. Platrand is located in southern part of the LLM on the R23. It is adjacent to the Platrand station on the Johannesburg-Durban railway line. There is an existing village, two primary schools, and some commercial facilities



#### Fourth Order Nodes

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

NODE	LOCALITY	ACCESS	FACILITIES	CHARACTER	ILLUSTRATION
HARTBEES KUIL	North-western municipal boundary.	R547	Existing settlement, 2 schools and some commercial activity.	Existing agricultural practices and high soil potential.	
THE FOLLY	North-western municipal boundary.	R50	Existing settlement and a school.	Existing agricultural practices, highly significant environmental areas and high soil potential.	
VAL	Western municipal boundary.	R547 and railway line.	Existing settlement, a school and Val railway station.	Existing agricultural practices, highly significant environmental areas and high soil potential.	
NR 1	South-west	R23 and S48.	School.	Highly significant environmental areas and high soil potential.	
NR 2	South	R546	2 schools.	Existing agricultural practices and highly significant environmental areas.	
NR 3	East	Third order road - name unavailable	3 schools	Existing agricultural practices, highly significant environmental areas and high soil potential.	



NODE	LOCALITY	ACCESS	FACILITIES	CHARACTER	ILLUSTRATION
				Next to Grootdraai dam and the Vaal river.	

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

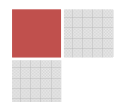
Six fourth order nodes have been identified. Four of these are located in the western area as this area has the higher population density and potential for growth. Two fourth order nodes are located in the lower density areas to the south and the east. Fourth order nodes include Hartbeeskuil, The Folly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

#### 8.1.1.3. MUNICIPAL SPATIAL DEVELOPMENT CONCEPT

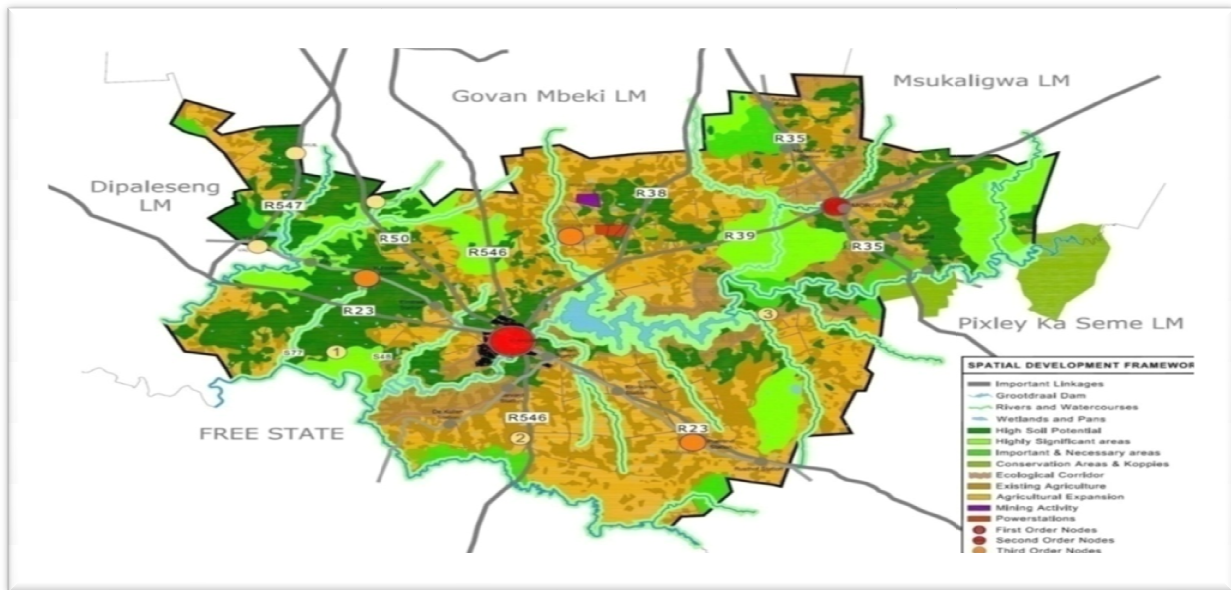
The Spatial Development Concept is based on the three objectives as stated above. It thus indicates:

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

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







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

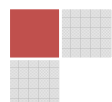
- 8.1.1.3.5. Open Space Network;
- 8.1.1.3.6. Movement Network & Linkages;
- 8.1.1.3.7. Densification and Infill Development;
- 8.1.1.3.8. Commercial & Industrial Development; and
- 8.1.1.3.9. Urban Edge.

#### **Development Principle 1: Open Space Network;**

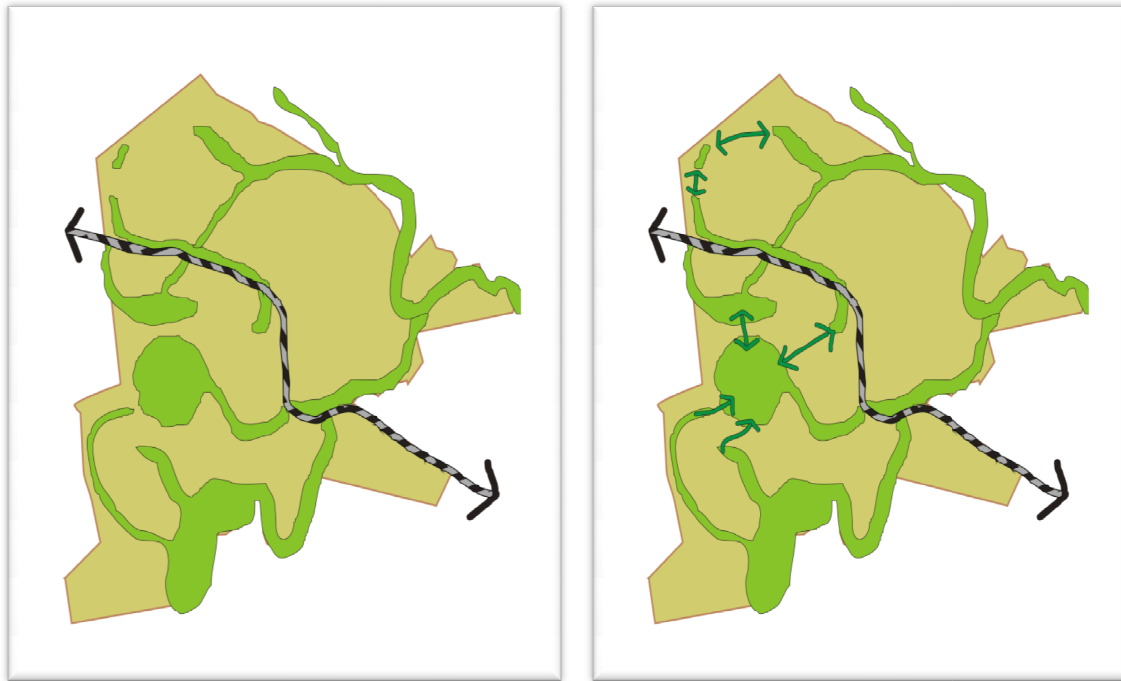
Standerton consist of natural and local open space. Natural open space includes areas that have a primarily ecological function and should be protected from any form of human intrusion in order to safeguard the ecological integrity of these areas. The natural open space system consists of the following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

- 8.1.1.3.10. The Vaal River
- 8.1.1.3.11. Other streams that flow into the Vaal River
- 8.1.1.3.12. Standerkop; and
- 8.1.1.3.13. Steep slopes Southeast of Sakhile

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







OPEN SPACE (left)

PROPOSED OPEN SPACE LINKAGES (right)

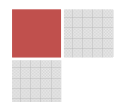
With regards to the **quality of life function** of the open space network, the following should be noted:

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

## **Development Principle 2: Establishment of functional integrated movement network**

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

- 8.1.1.3.17. No or limited access is typically allowed on these routes in order to protect their mobility function.
- 8.1.1.3.18. Thus no activities can be allowed on mobility/ access routes.



8.1.1.3.19. These routes are the point of entry and thus play an important role in the image of the town, thus it should be extensively landscaped to continue the 'green feel' created by the natural open spaces.

8.1.1.3.20. Entrance markers should be placed at all the important entrances.

**Activity spines: the following guidelines are applicable;**

8.1.1.3.21. Mixed land uses should be allowed along activity spines

8.1.1.3.22. Care should be taken with the interface between buildings and the street

8.1.1.3.23. Care should also be taken with the interface between the building and development to the back, which will in most instances be residential.

8.1.1.3.24. As these routes are also the most important public transport routes, facilities such as taxi stops and commuter shelters should be provided.

8.1.1.3.25. Sidewalks should be continuous, of sufficient width, landscaped and provided with the full complement of street furniture.



PROPOSED ACTIVITY SPINES

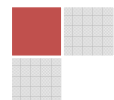


PROPOSED LINKAGES

**Development Principle 3: Establishment of hierarchy of Nodes**

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

NAME	DESCRIPTION
Junxion Shopping Centre	Already existing commercial activities.
	On two main routes (R50 and Dr Beyers Naudé Drive)



New commercial node in Standerton Extension 8 (west of Stanfield Hill)	Large proposed commercial area next to the R50.
Oriental Plaza	Existing commercial activity.
	Only commercial node of its size in the Sakhile area.
At Sakhile hostels and the previous local council offices.	Located on an important intersection of Hlongwane Street and Palmer Avenue.
In Meyerville on the intersection of Nelson Mandela Road and George Street.	Existing School
	On the intersection of the only two entrance roads in Meyerville.
Sakhile Sport Stadium	Existing sport stadium although dilapidated.
	Existing commercial and social facilities surrounding the stadium.
Sakhile Extension 4 at the new taxi rank which is currently under construction	Existing taxi rank which is a magnet for new developments.

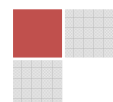
Third order nodes will serve only as small mixed use community nodes that are easily accessible to the surrounding community and should typically contain the following facilities clinic, crèche, community hall, pay point and small scale commercial

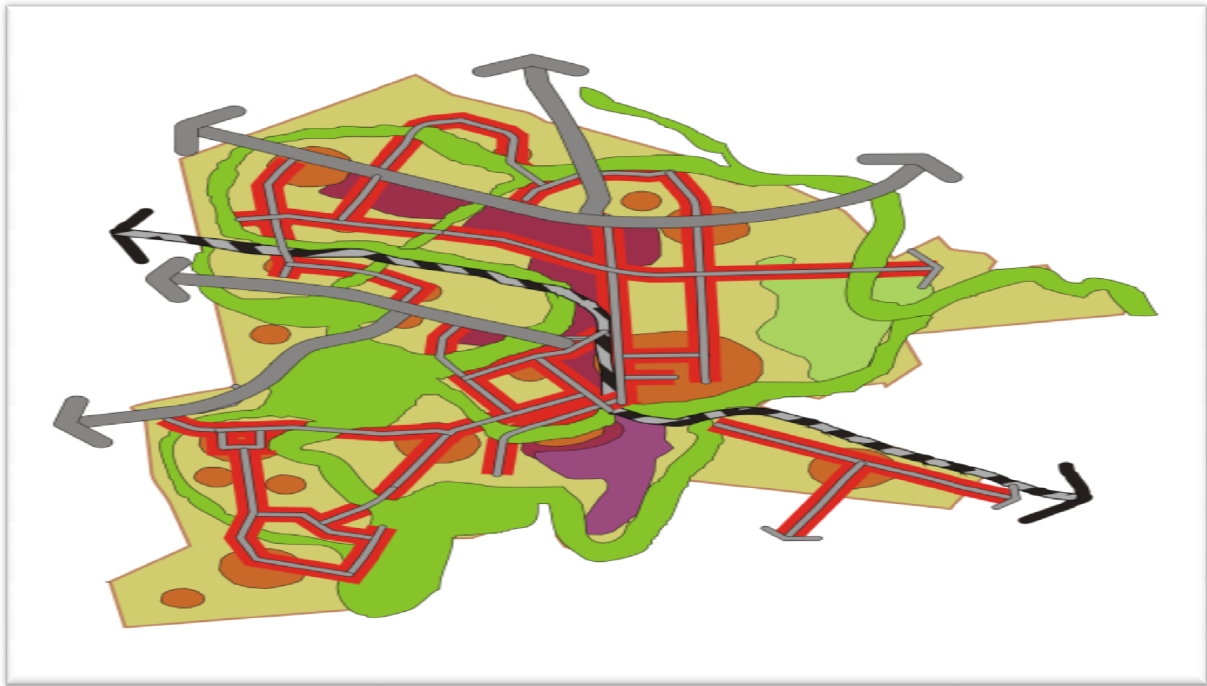
NAME	DESCRIPTION
Node in Standerton Extension 3	Existing clinic and sports facilities
Standerton Extension 6	Informal public transport facility already existing.
	On a public transport route.
At the intersection of the R23 (west) and the S48.	At the intersection of two main entrance roads.
Standerton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

#### Development Principle 4: Controlled Industrial Development

Industrial development should be allowed as follows

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





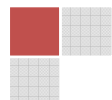
### Development Principle 5: Mixed use infill development

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

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

NAME	DESCRIPTION
Along the R50 –	The area of Stanfield Hill where some industries are already located.
	The area surrounding Junxion Shopping Centre.
The station area.	Vacant Transnet land to the east of Walter Sisulu up to the Fire Department and Licensing Offices.
South of Oriental Plaza.	The area between the industrial area of Standerton Extension 1 and Oriental Plaza.

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



- 8.1.1.3.29. Land uses as listed under Mixed Use.
- 8.1.1.3.30. Special attention should be given to a wide variety of residential types and delivery options. Higher density residential will be favored.
- 8.1.1.3.31. Special attention should be given to pedestrian linkages and facilities.
- 8.1.1.3.32. Urban design frameworks should be drafted for each area as part of the development process to ensure that aspects such as quality of the public environment and urban form are attended to.

## Development Principle 6: Prioritized Residential infill and Densification

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

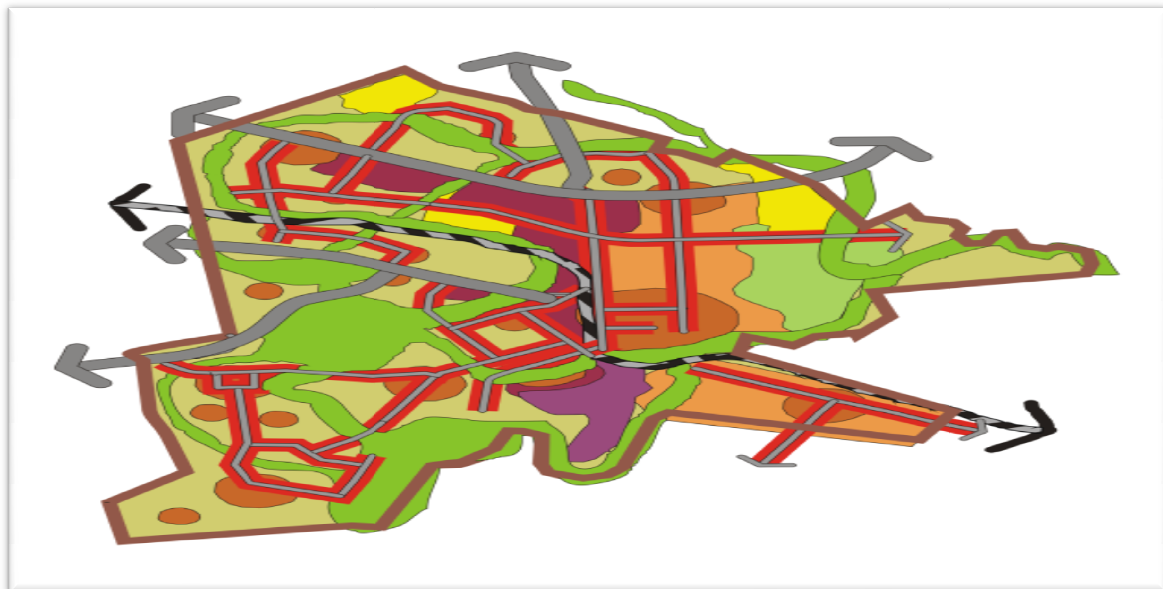
Densification will be allowed in:

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

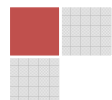
A density of 20 du/ha should be allowed.

Infill development should be allowed in:

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



MIXED USE INFILL DEVELOPMENT



## Development Principle 7: Delineation of the urban edge

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

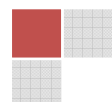
### Standerton Spatial Development Concept: Land Use Description

#### Mixed use: 1

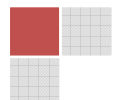
LAND USE	PERMITTED USES	USES PERMITTED ONLY WITH THE CONSENT OF THE LOCAL MUNICIPALITY	PROHIBITED USES
<b>Residential</b>	Residential Buildings	Places of public worship, places of instruction, social halls, sport and recreational purposes, institutions, medical suites, freight containers, freestanding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

#### Mixed use: 2

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

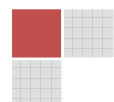


Community Facility	Places of public worship, places of instruction, social halls, sports and recreational purposes, institutions	Residential buildings, special purposes	Uses not under column (2) or (3)
Industrial 1	Industry (excluding noxious industries), scrap-yards (excluding incineration), public garage, places of refreshment for own employees only and warehouses	Buildings not in Columns (3) and (5)	Noxious industries, dwelling units, residential buildings, hotels, business buildings and retail trade



### 8.1.2. STANDERTON SPATIAL DEVELOPMENT CONCEPT: PRIORITY PRECINCTS

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





### 8.1.3. MORGENZON SPATIAL DEVELOPMENT CONCEPT

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

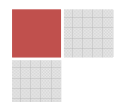
Morgenzon thus needs to be regenerated. This can be done by firstly upgrading the facilities and services within the town. As Morgenzon has been identified as the only second order node in the overall Spatial Framework it should accommodate a variety of higher order services and facilities. Higher order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

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

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

- 8.1.1.3.37. The Open Space Network consisting of parks, flood lines, the railway servitude and the golf course should be protected against development.
- 8.1.1.3.38. Mixed Use development should be allowed and limited along the R39 and R35.
- 8.1.1.3.39. Additional mixed use nodes are proposed. These are located on main roads and are easily accessible. It is also located within areas where some form of social facilities already exists. The intention is that social / community facilities be developed within these nodes to form a cluster of facilities. This will control ad hoc development and also improve accessibility and maintenance of these facilities. The following nodes are proposed:
  - 8.1.1.3.39.1. Sivukile Proper to the west of the railway line.
  - 8.1.1.3.39.2. Sivukile Extension 4 on the main entrance road.
  - 8.1.1.3.39.3. Sivukile Extension 2 and 3 on the main road linking these extensions to Morgenzon Proper.
- 8.1.1.3.40. Infill development on vacant land within the town is suggested as opposed to new Greenfield development.
- 8.1.1.3.41. Residential densification should be supported in Morgenzon Proper.
  - 8.1.1.3.41.1. The area to the west of the railway line (next to the higher residential areas of Sivukile Ext 2 and 3) can be densified to even no smaller than 250m<sup>2</sup>.
  - 8.1.1.3.41.2. The area to the east of the railway line can be densified to even no smaller than 500m<sup>2</sup>.
- 8.1.1.3.42. Industrial development should be limited to Morgenzon Ext 1. Thus industrial uses within town should be located in this area.

With regards to the urban agricultural residential village:<sup>1</sup>, it is proposed that Morgenzon be used as a “pilot project” for an “Urban Agricultural Residential Settlement”. The principles behind this proposal are as follows:



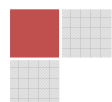
- 8.1.1.3.43. The ability of the municipality to provide services to the beneficiaries is increased in areas where the municipalities are already providing services and where there is a high density of people.
- 8.1.1.3.44. The higher the concentration of people are the better is the chances of obtaining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

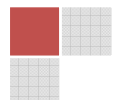


#### 8.1.4. THUTHUKANI SPATIAL DEVELOPMENT CONCEPT

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

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





**8.1.5. IMPLEMENTATION FRAMEWORK FOR PROPOSALS CONTAINED IN THE SDF.**

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

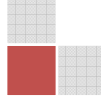
The Implementation Framework consists of the following actions:

- 8.1.5.1. Action 1: Adoption / Approval Of Sdf
- 8.1.5.2. Action 2: Alignment And Harmonization Of Plans
- 8.1.5.3. Action 3: Update And Correction Of Baseline Information And Plans
- 8.1.5.4. Action 4: Additional Plans Required In Terms Of Legislation
- 8.1.5.5. Action 5: Strategies, Plans, Frameworks Required By Sdf Proposals

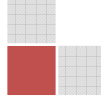
The following table outlines a summary of the actions that need to be taken. The responsible department has to be determined, cost has to be verified and the projects have to be prioritized

ACTION	LOCATION	ESTIMATED COST	STRATEGIES / PLANS / FRAMEWORKS	
			REASON / OBJECTIVE	
Approval of SDF	Municipal wide	N/A	To give effect to the proposals contained in the SDF and to commence with the drafting of the Land Use Management System.	
Alignment and Harmonization of Plans	Municipal and District wide	R 120 000	To ensure that local, district and national plans are aimed on one common development goal.	
Correction of Baseline information (should form part of the LUMS)	Municipal wide	See LUMS	<input type="checkbox"/> To establish a sound base for the development of the LUMS. <input type="checkbox"/> To ensure that correct and updated information are being used when planning is being done.	
Integrated Transport Plan	Municipal wide	R 300 000	An ITP serves as a guide for transportation planning. It sets out a collaborative, consistent and sustainable approach to transport planning.	
Land Use Management System	Municipal wide	R1 200 000	The objective is to formulate, develop and implement appropriate planning instruments to effectively guide and control land use and development, which will protect and enhance property ownership and value, and which will establish a balanced living environment.  The main focus of the LED should be on the following: <ul style="list-style-type: none"> <li><input type="checkbox"/> Promote and support sustainability of existing businesses.</li> <li><input type="checkbox"/> Promote small and micro sized rural enterprises.</li> </ul>	
Local Economic Development Strategy	Municipal wide	R 300 000	Tourism growth and promotion: <ul style="list-style-type: none"> <li><input type="checkbox"/> conferencing, casino, motels game farms, natural sites act.</li> <li><input type="checkbox"/> Creation of job opportunities.</li> <li><input type="checkbox"/> Industries to support SMME activities.</li> <li><input type="checkbox"/> Improve skills development.</li> <li><input type="checkbox"/> Increase the revenue potential of the Municipality.</li> </ul>	

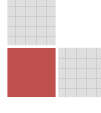
ACTION	LOCATION	ESTIMATED COST	STRATEGIES / PLANS / FRAMEWORKS	
			REASON / OBJECTIVE	
			<ul style="list-style-type: none"> <li><input type="checkbox"/> Establish the municipality as one of preference for national and international visitors.</li> <li><input type="checkbox"/> Inform executive decision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

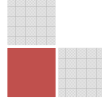


ACTION	LOCATION	ESTIMATED COST	STRATEGIES / PLANS / FRAMEWORKS	
			REASON / OBJECTIVE	
Sport and Recreation Precinct. Station Area. Nelson Mandela Drive in Meyerville Sakhile Hostels. Sport Stadium and Sakhile Taxi Rank precinct.			develop specific development strategies and guidelines to control and direct such development. This implies that more detailed spatial plans will have to be drafted for those priority areas. Densities should be encouraged. Although the SDF, from a	
Grootdraai Dam LED Strategy.	Grootdraai Dam	Lekwa LM to verify	To guide future development around the dam and to ensure that controlled, environmentally sensitive development takes place.	
Morgenzen Regeneration Strategy.	Morgenzen	Lekwa LM to verify	To stimulate the economic, social and spatial upgrading of the area so that it becomes a vibrant second order node.	
Preliminary investigation of PTN 12 of the farm Morgenzen 466 IS as a proposed locality for a “pilot project” to establish an Urban Agricultural Residential Settlement.	Morgenzen	Lekwa LM to verify	To investigate the possibility of developing the town of Morgenzen as a “pilot project for an “Urban Agricultural Residential Settlement” to accommodate farm workers from surrounding commercial farms.	
Contravention of Town Planning Scheme	Standerton Morgenzen Thuthukani	Lekwa LM to verify	The aim is to counter illegal commercial and industrial developments	
Investigation of a regional cemetery.	Standerton	Lekwa LM to verify	In view of the current problems that Standerton is experiencing in terms of cemeteries the need for a regional cemetery or the expansion of the existing cemetery should be investigated.	
Urban Edge Policy	<ul style="list-style-type: none"> <li>Standerton</li> <li>Morgenzen</li> <li>Thuthukani</li> </ul>	R150 000	<p>The delineation of an urban edge in order to:</p> <ul style="list-style-type: none"> <li>Control sprawl.</li> <li>Direct development in appropriate areas and</li> <li>Assist in countering the outward pressure for urban expansion.</li> </ul> <p>This policy should also contain guidelines for the development inside and outside the urban edge.</p>	



ACTION	LOCATION	ESTIMATED COST	REASON / OBJECTIVE
<b>CAPITAL PROJECTS</b>			
Priority upgrading of the R23, R546 (from Standerton to Evander), R35 and R39.	Municipal wide	Lekwa LM to verify	To improve the movement network throughout the entire municipal area.
Upgrading of R50, R546 (from Meyerville to Vrede), R38 and R547.	Municipal wide	Lekwa LM to verify	To improve the movement network throughout the entire municipal area.
Upgrading of third order roads.	Municipal wide	Lekwa LM to verify	To improve the movement network throughout the entire municipal area.
Tarring of Santa Road (DI1615) which is an important link.	Standerton	Lekwa LM to verify	To improve accessibility to Sakhile Ext 4.
Upgrade of important entrance roads.	Standerton Morgenon	Lekwa LM to verify	To improve accessibility to Standerton as well as upgrading of the public environment.
Upgrade and beautification of entrances.	Standerton Morgenon	Lekwa LM to verify	Upgrading of the public environment.
Upgrade of Standerton taxi Rank.	Standerton	Lekwa LM to verify	Provision of additional 29 taxi bays needed as identified in the Gert Sibande District
Upgrade of Public Transport routes to include sufficient stops, sidewalks act.	Standerton	Lekwa LM to verify	To improve mobility of residents and accessibility to facilities throughout Standerton as well as the municipal area.
Compilation of 1 in 100year flood line for Standerton and Meyerville.	Standerton	Lekwa LM to verify	Project also identified in SDF part (Section 5.4.2) of the draft IDP.







## 9. CHAPTER 5 B

### 9.1. OBJECTIVES, STRATEGIES, INDICATORS AND TARGETS

#### 9.1.1. KPA: 1 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

##### 9.1.1.1. STRATEGIC FOCAL AREA: CREATION OF INTEGRATED HUMAN SETTLEMENT

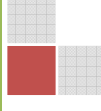
The focus over the past has been on delivering basic needs and housing. In spite of the remaining backlogs major strides have been in this regard. However there still remains a huge challenge in terms of ensuring that we do not just deliver houses but create integrated and sustainable settlements. The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

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

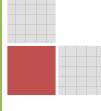
KEY PERFORMANCE AREA	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
Water & Sanitation	To provide drinking water to all households in rural areas Provide VIP Toilets in the rural areas	Lay stand pipes within 200m to all households and drill boreholes in farm areas Speedup appointment of service providers to install VIP toilets	No of households provided with basic water in eradicating the backlog in rural areas. No of households provided with basic sanitation in eradicating the backlog. In rural areas	All households in rural areas provided with lay stand pipes within 200m to all households and drill boreholes Toilets All households in rural areas provided with VIP Toilets	Not all households in the Rural areas receive Piped drinking water. Water is being trucked to these communities Contamination or pollution of underground water	All households in rural areas provided with lay stand pipes within 200m to all households and drill boreholes by 2016 All households in rural areas provided with VIP Toilets by 2016
	To build cost effective roads in specific areas as identified by communities. To install an effective storm water	Implement Pavement Management System and to Develop and implement a storm water master plan	Improved movement network throughout the entire municipal area.	All access roads to Standerton to have movement network throughout the entire municipal area.	Bad condition of roads especially in economically active areas. Lack of storm water drainage in most areas.	All access roads to Standerton to have movement network throughout the entire municipal area by 2014
Roads and Storm water						



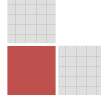
KEY PERFORMANCE AREA	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
Electricity	drainage system in all areas					
	To upgrade all existing gravel roads in the township	Upgrading of identified gravel roads to paved roads	Number of kilometers of newly constructed roads and road connections	All existing gravel roads paved	Unsatisfactory quality of graded roads	All existing gravel roads paved by 2014
	To maintain existing roads		Maintained roads through Pavement Management System (PMS)	All existing tarred or paved roads maintained	High number of roads damaged by truck haulage	All existing tarred or paved roads maintained by 2014
	To maintain and upgrade the existing electrical network in all urban areas	To develop and Implement the electrical infrastructure plan	Upgraded and maintained electrical networks in all urban areas	Electrical infrastructure networks maintained and upgraded in all urban areas	Poorly maintained electricity networks	Ensuring that the existing networks are upgraded and maintained by 2014
	Eradication of electricity backlog in rural areas	To provide access to electricity to each household in rural areas	% reduction in the current electricity supply backlog	All households in rural wards provided with electricity	Not all poverty stricken households have access to all free basic services	Ensuring that all deserving households participate in the Council's Free Basic Services Programme by 2016
Waste management	To develop waste management plan	Implementation of waste management plan	% reduction in waste generation in major waste generators	Waste and refuse timeously removed from all formally proclaimed areas	Illegal dumping on street corners	Participating and winning the cleanest Town competition by December 2012
	To manage the landfill site according to the conditions prescribed in the permit	Permitting of landfill site in Lekwa	Permitted landfill site Projects initiated for the rehabilitation and maintenance of the Landfill sites	Landfill site Managed according to the conditions prescribed in the permit by DEDET	Landfill site not fully operational	Landfill sites fully functional by 2013
	To provide housing in line with the Municipal Integrated Human Settlement policy	Implement the Municipal Integrated Human Settlement Plan (housing chapter)	No RDP Houses built for Integrated Human Settlement	Development of Standerton extension 8 for mixed residential use.	RDP housing backlog within the municipality	Creation and servicing of sites for low cost housing Development by 2016.
Parks, Recreation and Cemeteries	To ensure that there is sufficient burial space	Provide additional land for burial	New identified land for burial	Enough land for burial	Limited space for burial	Another land identified for burial purposes by August 2012
	To keep the existing cemeteries clean	To ensure regular maintenance of the	Number of cemeteries maintained	Clean and safe cemeteries	Littered cemeteries	Cemeteries being taken care of by December 2012



KEY PERFORMANCE AREA	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
Land and Planning	Look at Alternative ways of burial	existing cemeteries				
	Act on contravention of Town Planning Scheme	Develop a bylaw(s) for burial purposes To counter illegal commercial and industrial developments	Alternative way of burial No of illegal commercial and industrial developments prohibited	All alternative ways of burial available Prohibited illegal commercial and industrial developments	Only one way of burial illegal commercial and industrial developments	Multiple ways of burial in Lekwa by 2013 Prohibited illegal commercial and industrial developments by 2014
	Development of an Urban Edge Policy	To control sprawl, direct development in appropriate areas and assist in countering the outward pressure for urban expansion	Approval of an Urban Edge Policy by Council	Implementation of an Urban Edge Policy	No Urban Edge Policy in place	Fully implemented Urban Edge Policy by 2014
	Implementation of a township regeneration strategy for Sakhile	To ensure a comprehensive development Objective for the township.	Township regeneration strategy for Sakhile fully implemented	Sakhile Township fully regenerated	Lack of implementation of a township regeneration strategy for Sakhile	Sakhile Township fully regenerated by 2015
	Implementation of the Local Economic Development & Tourism Strategy	To create a conducive environment for economic development and growth	Local Economic Development & Tourism Strategy fully implemented	Boosted local economy and economic growth	Lack of implementation of the Local Economic Development & Tourism Strategy	Boosted local economy and economic growth by 2015
Land & Planning	Implementation of Council Property Alienation Strategy	To coordinate the alienation of vacant council owned land	Council Property Alienation Strategy fully implemented	Coordinated alienation of vacant council owned land	Lack of implementation of Council Property Alienation Strategy	Coordinated alienation of vacant council owned land by 2013
	Alignment and Harmonization of Plans	To ensure that local, district and national plans are aimed on one common development goal To establish a sound base for the development of the LUMS.	Number of sector plans harmonized	Harmonized plans	No Harmonization of Plans	Harmonization of Plan by 2013
	Correction of Baseline information	To ensure that correct and updated information are being used when planning is being done.	Corrected and Updated information being used when planning is being done	Corrected and Updated Baseline information	Outdated and incorrect Baseline information	Corrected and Updated Baseline information by 2013
	Development of Land Use Management System	To formulate, develop and implement appropriate planning instruments to effectively guide and	Approval of Land Use Management System by Council	full implementation of Land Use Management System	No Land Use Management System	full implementation of Land Use Management System by 2013



KEY PERFORMANCE AREA	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
		control land use				
Electricity & Fleet Management	Integrated Transport Plan	An ITP serves as a guide for transportation planning. It sets out a collaborative, consistent and sustainable approach to transport planning	Timeous reference to the District Integrated Transport Plan	Fully guided transportation planning	Lack of guidance with regards to Integrated Transport Plan	Fully guided transportation planning by 2013
Roads & Stormwater	Upgrade and beautification of Entrances.	To attract route users passing to and from KZN, JHB and MP	All entrances beautified	Beautified and upgraded entrances	No Beautified and upgraded entrances	Beautified and upgraded entrances by 2013
Parks, Recreation And Cemeteries	Develop an Environmental Management Plan	Implementation of the Development of an Environmental Management Plan (EMP) for the municipality	% increase in the number of water pollution samples taken	Environmental Sustainability	100 samples on water pollution taken	An increase of % in the number of samples taken on water pollution annually
	Promote support to social and welfare programmes	To establish and participate to a sector collaboration forum	Number of social and welfare programmes promoted	Supported social and welfare programmes	Limited access to social and welfare programmes	Accessibility to social and welfare programmes annually
IGR	To Develop an HIV/AIDS Plan	Implement the HIV/AIDS Plan	All the citizens in the municipal area have access to health care services	Mainstreaming of HIV/AIDS	Awareness campaigns or workshops on HIV/AIDS were conducted	Conduct at least HIV/AIDS awareness campaigns or workshops annually
	To promote and support Gender Disabled, Youth Children Development programmes	Implement the Gender, Disabled Youth, Children Development programmes	No. of consultations done with Youth, Gender, Disabled on development and employment issues	Promoted and Supported Gender Disabled, Youth Children Development programmes	Limited number of Gender Disabled Youth Children Development programmes	Increased number of Gender Disabled Youth Children Development programmes Quarterly
	To develop programmes that recognize cultural diversity	Implement and encourage community awareness and participation	No of programmes that recognize cultural diversity	Increased awareness about cultural diversity	Limited number of cultural programmes	Increase number of cultural programmes annually
Libraries, Arts and Culture	Providing facilities and resources	Develop programmes that promote the culture of readership and learning.	Increase in the number of people visiting the libraries for information and studying	Increased culture of readership and learning	No baseline available	Increase the number of people visiting the libraries daily



KEY PERFORMANCE AREA	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
IGR	Active participation in health promotion, activities and projects.	To involve active participation of all community stakeholders in all health promotion activities and projects i.e. peer educators, home based care givers, traditional healers, schools etc.	No of programmes and events to promote health	Health awareness	Awareness campaigns or workshops on HIV/AIDS were conducted	HIV/AIDS awareness campaigns or workshops Annually
	To Tackle HIV/AIDS by mainstreaming	Prevention, treatment, care and support for HIV and AIDS	Number/percentage of health facilities providing comprehensive HIV and AIDS treatment, care and support	mainstreamed HIV/AIDS	Adequate funds in the budget for organizing and conducting awareness campaigns	Conduct at least HIV/AIDS awareness campaigns or workshops Bi-annually

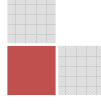
## 9.1.2. KPA: 2 FINANCIAL VIABILITY AND MANAGEMENT

### 9.1.2.1. STRATEGIC FOCAL AREA: FINANCIAL AND ENVIRONMENTAL SUSTAINABILITY

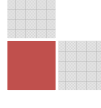
In order for the municipality to fulfill its mandate as stipulated in the constitution of the country, there is a need to maintain financial viability and expand its revenue base in relation to expenditure. This requires robust strategies to turn around the current predicament and ensure that the municipality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

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

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



	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
<b>Income &amp; Expenditure</b>	Implement council's financial policies and resolutions	Develop, workshop and review financial policies in line with relevant legislation/regulations	Compliance with financial regulations, policies and practices (MFMA, GAMAP, GRAP, etc)	Tracking and implementation of council policies and resolutions in time	Failure to implement Council and policies resolutions on time	Compliance to the implementation of policies and resolutions on ongoing basis
<b>Income &amp; Expenditure</b>	Properly administer credit and debt management system	Administer the effective revenue collection and credit control management system Ensure accurate and reliable consumer data in municipal system Monitor the accuracy of the monthly billing of consumers and monitor the debtors	Total gross profit/Revenue margin Total debt and revenue ratio Minimize costs of maintenance (municipal infrastructure) Revenue management system (by major customers)	Quarterly reports on Total debt and revenue ratio and monthly billing of consumers and monitor the debtors	Poor credit and debt management system	Accurate and reliable consumer data in municipal system Monitor the accuracy of the monthly billing of consumers and monitor the debtors timeously
<b>Credit control</b>	Have an effective accounting management system	Monitor the financial costs. Manage the integrity of financial data into the financial system Establish and promote effective and efficient implementation of Supply Chain Management system.	Operating budget and total budget ratio Salary budget and total budget ratio Costs of goods and services sold Totals receivables, payables Budget variance Budgeted and Actual expenses Council Approved Supply chain management policy Inventory turnover Inventory value	Quarterly reports on financial costs, supply chain management system, salaries, receivables, payables, budget variances, inventory turnover and value	Ineffective and inefficient accounting management system	Effective accounting management system timeously
<b>Expenditure &amp; Income</b>	Provide legislated reports timely	Submission of Annual Financial Statement Annual Reports	Timely submission of Annual financial Statements Timely submission of annual financial report Action plan in response to Auditor – General Report	Annual financial Statements annual financial report	Non-submission of Annual financial Statements annual financial report	Compliance to Auditor –General Timeously
<b>Expenditure &amp; Income</b>	To ensure that financial provision and application of	Monitor and ensure expenditure of capital budget on capital projects as	The percentage of the capital budget actually spent on capital projects identified for a particular financial year in terms of the	High level of satisfaction by	% of the capital budget is actually	Ensuring that % of the capital

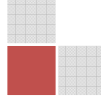




	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
	funds are in line with the approved budget	identified in the IDP	IDP	residents on the manner in which the municipality delivers projects as identified in the IDP with their involvement	spent on the delivery of IDP capital projects	budget is actually spent on IDP capital projects annually
<b>Income</b>	To Solicit Funding/Grants	Lobby additional grants	No of additional grants/funding solicited	Reports to council on the financial viability and developed three year financial plan	No extra funding/grants available except for DORA	Solicit other funding/grants annually
<b>ICT</b>	Implement and upgrade the computer system	ICT Plan implementation	Uptime availability and function of the system	Quarterly report on ICT	Poor maintenance of ICT	Increased capacity of ICT
<b>Performance Management System</b>	Development of a PMS System	Customize the implementation of PMS	PMS developed	Quarterly reports on PMS	Lack of PMS	Ensuring that the PMS is in place before the kick-start of new financial year

### 9.1.3. KPA: 3 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

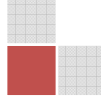
#### 9.1.3.1. STRATEGIC FOCAL AREA: EFFECTIVE LEADERSHIP AND GOOD GOVERNANCE



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

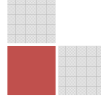
A well governed municipality means a clear and transparent agenda for long term strategic work is formulated in co-operation with all stakeholders and communicated to all parties affected by the development process. A well governed municipality is dependent on a reciprocal approach by other government spheres and agencies. Increased community feedback and engagement and improved customer reciprocity are other mitigating measures to apply in a democratic and well governed municipality. Going forward the municipality will strive to become a well governed municipality.

	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
Communication	To develop a system of external and internal public relations in order to ensure that citizens as well as staff are well informed on municipal activities	To develop and implement a community participation strategy	A well informed and participating community in local government matters	Ward community meetings held Ward Committee meetings held Council meetings IDP Review meeting held per ward IDP Forum meetings	An inadequate information system and limited participation in local government matters	Implementation of a system that enables the community to be informed and participate meaningfully on local government matters
Secretariat	Create an efficient, effective & accountable administration	To continuously provide effective and efficient Administrative Support	Inputs made or issues raised at meetings and number of community members attending Report on inputs made at Ward community IDP meeting	Annual reports and Financial statement of the municipality	Insufficient and irregular consultation between politicians and the community	Convening of ward community and Ward committee meetings Conducting of IDP review meeting per ward Conducting IDP Forum meetings





	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
Community Participation	To ensure regular consultation between politicians and the community regarding important matters	Drafting and distribution of meeting agendas Distribution of invitations for ward meetings Typing of ward committee/community minute	Number of effective ward committees	Inputs made or issues raised at meetings and number of community members attending. Report on inputs made at Ward community IDP meeting	Insufficient and irregular consultation between politicians and the community	Conducting of IDP Review meeting per Ward. Conducting IDP Forum meetings
Archives	To render effective and efficient record management system	Optimization of records and information	Easily accessibility of information	Registering of all archived documents taken out from records	Loss of information from records	Records
Youth Development	To deal specifically with youth issues by having massive Youth expo and awareness campaigns	Exposing youth to various issues as well as to celebrate youth month during June.	Successful education and empowering of youth	Annual report on massive youth expo during the month of June	Organization of the massive youth expo during the month of June	Youth
Gender Development	To create awareness of Gender sensitivity and related issues.	Organizing motivational events and other activities that will give gender the voice and recognition it deserve	Number of motivational events organized as per quarter	Quarterly report on motivational events and other activities	Limited awareness Of Gender sensitivity and related issues.	Gender and related issues
Moral regeneration	To deal with the target groups including youth to make people aware of moral issues	Organizing spiritual festivals to rejuvenate moral issues.	Number of spiritual festival organized as per quarter	Quarterly report on spiritual festival	Limited number of spiritual festivals to rejuvenate moral issues.	Target Religious groups
Municipal Sports Games	To promote municipal sport games	Encouraging the participation of all employees in the national municipal sports games programmes	Number sports games played as per quarter	Quarterly report on municipal sports games	Poor promotion of municipal sport games	All employees
Rights of Children	To create awareness of the rights of children	Organize workshops to assist awareness programmes of children rights	Number of workshops held as per quarter	Quarterly report on workshops to assist awareness programmes of children rights	Lack of awareness about the rights of children	Children
Disabled and the Aged	Promoting representation of the people with disability	Empower and capacitate people with disabilities to participate in key processes and activities	Number of programmes aimed at educating disabled persons	Quarterly report on programmes aimed at educating disabled persons	Limited number of programmes aimed at educating disabled persons	Disabled and the Aged
Mayoral Cup	To promote sports through the office of the Executive Mayor	Creating a platform for the Mayoral cup event	Mayoral cup to be held annually	Annual report on the Mayoral cup event	Excellent promotion of sports through the office of the Executive Mayor	All wards



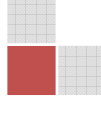
#### 9.1.4. KPA: 4 MUNICIPAL TRANSFORMATIONS AND ORGANIZATIONAL DEVELOPMENT

##### 9.1.4.1. STRATEGIC FOCAL AREA: EFFECTIVE LEADERSHIP AND GOOD GOVERNANCE

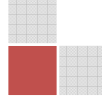
Corruption and poor service delivery undermines the credibility of the state. Poor state credibility leads to a democratic deficit undermining democracy and investment confidence. A weak local government leads to low investor confidence for both the state and private sector decision. Poor governance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

A well governed municipality means a clear and transparent agenda for long term strategic work is formulated in co-operation with all stakeholders and communicated to all parties affected by the development process. A well governed municipality is dependent on a reciprocal approach by other government spheres and agencies. Increased community feedback and engagement and improved customer reciprocity are other mitigating measures to apply in a democratic and well governed municipality. Going forward the municipality will strive to become a well governed municipality.

	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
<b>Human Resources</b>	Develop a human resources Policies	To develop employment Equity Plan To develop an Employment Equity Report	Meet the set EE Targets	Annual Report	Affirmative Action measures and redress HDI in employment Equity in workplace	Correct the imbalances of gender, disabled and the HDI's.
<b>Human Resources</b>	Develop a human resources strategy	Human resources strategy/policies documents	Co-coordinated human resources strategy and policies	Annual report	Un-coordinated human resources strategy and policies	Human resources strategy/policies documents
<b>Secretariat</b>	To give secretarial support to council	Timely issuing out of Agendas for Council meetings and implementation of council resolutions	Agenda management, Minute administration, Internal and external communication, Standard format for reporting, Mayoral	Quarterly report	Late issuing of Council Agenda	Four council meetings per year.
<b>Skills development</b>	Develop our human capital	To develop and implement a human resources Development strategy and policies	Number/percentage of skills development programmes offered annually	Annual report Skills development programmes	Low skills level	Improved skills level
<b>Libraries</b>	Promote readership and culture of learning	Partner with the Education sector in promoting readership and culture of	Number/percentages of readership and culture of learning programmes promoted	Annually review of African Peer Review Mechanism	Culture of learning and readership is at the lowest level	Improved culture of learning and readership



OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
	learning.				
Promote social and cultural activities as well as conservation of cultural and historical sites	Identify sites that will promote historical and cultural sites  Render legal services	Number/percentages of historical and cultural sites identified and promoted.  Render effective and efficient legal services to the municipality	Annually review of African Peer Review Mechanism  % reduction in labour dispute cases affecting the Institution	Poor conservation of historical and cultural sites  Quarterly report on number of labour dispute cases reported.	Conservation of historical and cultural sites  High number of Labour dispute cases affecting the institution.



9.1.5. KPA: 1 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

9.1.5.1. STRATEGIC FOCAL AREA: CREATION OF LINKED ECOLOGICAL OPEN SPACE AND DELINEATION OF URBAN EDGE

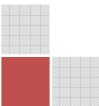
Open Space is to establish a thorough understanding on the intrinsic value of Open Space and to then develop a visionary roadmap towards the creation of an exceptional Open Space network for the town and its people.

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

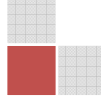
- 9.1.5.1.1. Control sprawl.
- 9.1.5.1.2. Direct development in appropriate areas and
- 9.1.5.1.3. Assist in countering the outward pressure for urban expansion.

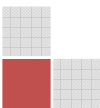
This policy should also contain guidelines for the development inside and outside the urban edge

	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
Safety and Security	To establish and participate to the MAM structures	Encourage sector collaboration and community participation	No of MAM structures operating	Quarterly reports on statistics of cases reported	MAM structures not operating in all areas	Ensure everyone is participating to MAM structures Bi-annually
	To ensure proper traffic management	Adhere to developed traffic management programmes	Reduced number of traffic collisions at high risk areas	Annual reports on traffic fines and prosecutions conducted	Traffic officers not operating in all high risk areas	Ensure monitoring on an ongoing basis of all high risk areas by traffic officers on weekly basis



	OBJECTIVE	STRATEGY	INDICATOR	OUTPUT	BASELINE	TARGET
<b>Sports and Recreation</b>	To provide access to proper sporting facilities for the different sporting codes	Encourage utilization and ownership of sporting facilities.	Number of facilities utilized	Quarterly Reports on functionality and ownership of sporting facilities	Lack of access to proper sporting facilities for the different sporting	Promote access to proper sporting facilities for the different sporting codes
	To develop sporting policies	Implement the developed sporting policy	Sporting policy document	Quarterly Reports on deviations from the Sporting policy	Lack of sporting policy	Develop sporting policy
	Establishment of a Sport Council	Facilitate participation in Sport Council	All sporting codes participating in sport council	Quarterly Reports on functionality of the sport Council	Poor functioning of the sport council	Encourage the establishment of sport council
	To develop Fire and emergency management plan	Implement fire and emergency management plan	Compliance to attendance time lag from A to E Categories (8 – 23 Min )	Bi-Annual Reports	0	One emergency management plan
<b>Fire &amp; Rescue services</b>	To develop a disaster management plan for the whole municipal area	Implement the disaster management policy and contingency plan	Established Disaster Management Centre.	Bi-Annual Report	To deal with disaster to avoid development that is subject to high risks of disaster	One disaster management plan





## 10. CHAPTER 6:

### 10.1. PERFORMANCE MANAGEMENT FRAMEWORK FOR LLM

#### 10.1.1. THE LEGISLATIVE AND POLICY CONTEXT

The development of a Performance Management System in a municipality ought to be based on Local Government Legislation, Policies, Regulations and PMS guidelines. The system must be designed to comply with legal and policy requirements specified therein. The nature of the system should also reflect the vision of developmental local government, which is centred on improving the quality of the lives of local citizens and communities.

##### 10.1.1.1. WHITE PAPER ON LOCAL GOVERNMENT

The White Paper on Local Government puts forward Performance Management as one of the tools and approaches that can assist municipalities to realize their developmental outcomes. The white paper notes that:

“In the medium-term, a national performance management system is required to assess the overall state of local government, monitor the effectiveness of development and delivery strategies adopted by different municipalities and ensure that scarce resources are utilized efficiently. It would provide early warning where municipalities are experiencing difficulties, and enable other spheres of government to provide appropriate support before a crisis develops. It would also enable municipalities to compare their own performance with that of similar municipalities across the country, identify successful approaches or ‘best practice’ and learn from one another.”

It is imperative therefore for a municipality to ensure that it develops and implements a Performance Management System that in itself is developmental in nature.

##### 10.1.1.2. THE BATHO PELE PRINCIPLES

An important perspective in the management of the performance of a municipality is its relationship with its customers, namely, local citizens and partners. The Batho Pele Principles provides an approach to building a culture and practice of Customer Service that is responsive to the needs of citizens and business as consumers and end-users of municipal services. Batho Pele puts forward nine key principles outlined as follows:

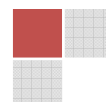
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|-------------|---|
| 10.1.1.2.1. | Consultation: about the level and quality of service received and the choices provided;   |
| 10.1.1.2.2. | Service Standards: informing citizens about the standard of service to be expected;   |
| 10.1.1.2.3. | Access: providing citizens with equal access to the services to which they are entitled;  |
| 10.1.1.2.4. | Courtesy: treating citizens with courtesy and consideration;  |
| 10.1.1.2.5. | Openness and Transparency: informing citizens about how departments are run, how resources are spent and who is in charge of particular services; |
| 10.1.1.2.6. | Redress: in cases of poor service delivery, offering a positive response, an apology, a full explanation and a speedy and effective remedy; and   |
| 10.1.1.2.7. | Value-for-money: giving citizens the best possible value for money by providing services in an economical and efficient manner                    |

The Performance Management System that is developed by a municipality should be such that it reflects and promotes all of the afore-mentioned customer service principles.

#### 10.1.1.3. LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 32 of 2000 (LGMSA)

Chapter 6 of the LGMSA sets out requirements in terms of the establishment, development, monitoring and review of performance management systems in municipalities. The LGMSA specifies the core components of the system as well as requirements in terms of community involvement in performance management, the setting of appropriate key performance indicators and performance targets as well as the undertaking of performance measurement audits and performance reporting. Chapters 5 and 6 of the LGMSA requires local government to:

- |             |   |
|-------------|---|
| 10.1.1.3.1. | Develop a Performance Management System;  |
| 10.1.1.3.2. | Set targets, monitor and review performance, based on indicators linked to the IDP;                     |
| 10.1.1.3.3. | Publish Annual Report on performance of councillors, staff, the public and other spheres of government; |
| 10.1.1.3.4. | Incorporate and report on a set of general indicators prescribed nationally                             |
| 10.1.1.3.5. | Conduct an internal audit on performance report audited by the Auditor-General; and                     |
| 10.1.1.3.6. | Involve the community in setting indicators and targets and reviewing municipal performance.            |

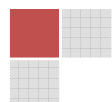




#### 10.1.1.4. MUNICIPAL PERFORMANCE MANAGEMENT REGULATIONS

The Municipal Performance Management Regulations describe the nature of performance management systems required in municipalities as follows:

- |             |   |
|-------------|---|
| 10.1.1.4.1. | Complies with all the requirements set out in the LGMSA;  |
| 10.1.1.4.2. | Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;  |
| 10.1.1.4.3. | Defines the roles and responsibilities of each role-player, including the local community, in the functioning of the system;  |
| 10.1.1.4.4. | Clarifies the processes of implementing the system within the framework of the integrated development planning process;   |
| 10.1.1.4.5. | Determines the frequency of reporting and the lines of accountability for performance;  |
| 10.1.1.4.6. | Links Organizational performance to employee performance;   |
| 10.1.1.4.7. | Provides for the procedure by which the system is linked with the municipality's integrated development planning processes; and                                       |
| 10.1.1.4.8. | Shows how any general key performance indicators envisaged in section 43 of the LGMSA will be incorporated into the municipality's planning and monitoring processes. |



### 10.1.1.5. BACKGROUND

#### 10.1.1.5.1. PURPOSE OF PERFORMANCE MANAGEMENT IN LEKWA LOCAL MUNICIPALITY

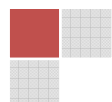
Lekwa Local Municipality is committed to providing a system that each employee's performance can be assessed over a twelve month period, in order to assist management in setting each individual's strategic goals, training and development goals. It will also provide a method of identifying each employee's strengths, and development areas.

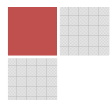
Performance appraisal by managers will provide a valuable means of keeping in touch with all their staff members' performance, and will constitute an equitable guide to assist in determining merit reward.

Standards of performance will be established by which work output and results can be measured and evaluated. This is achieved by setting specific performance objectives. Review of these objectives should be done formally at least four times a year but regularly on an informal basis.

#### 10.1.1.5.2. THE PERFORMANCE MANAGEMENT SYSTEM AS A TOOL TO:

- 10.1.1.5.2.1. Manage and measure behaviours that contribute to the municipal, departmental and individual success.
- 10.1.1.5.2.2. Recognise levels of actual performance in relation to agreed targets.
- 10.1.1.5.2.3. Encourage continuous improvement and efficiency
- 10.1.1.5.2.4. Identify and act on areas for individual development
- 10.1.1.5.2.5. Provide a platform for communication on performance between managers and employees

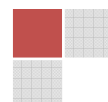




## 10.1.1.6. GOALS OF THE PERFORMANCE MANAGEMENT SYSTEM

### 10.1.1.6.1. THE PERFORMANCE MANAGEMENT SYSTEM AIMS TO:

- |                |  |
|----------------|--|
| 10.1.1.6.1.1.  | Improve organisational performance through team and individual performance;  |
| 10.1.1.6.1.2.  | Clarify expectations by ensuring Departmental Service Plans are communicated and delegated properly by the Municipal Manager and management team to all levels of employment;  |
| 10.1.1.6.1.3.  | Develop the competencies of individuals/employees ;  |
| 10.1.1.6.1.4.  | Promote a sound working environment, and relations between managers and employees through development of agreed objectives, provision of feedback, counseling and coaching;  |
| 10.1.1.6.1.5.  | Provide a tool to manage performance;  |
| 10.1.1.6.1.6.  | Promote open communication between managers and employees about performance and goals;   |
| 10.1.1.6.1.7.  | Provide a focus for employee development through the identification of Personal Development Plans discussions about employee's career interests and goals, and the development of specific training and development plans; |
| 10.1.1.6.1.8.  | Provide a framework for managers and employees to set and mutually agree on performance expectations for the coming year;  |
| 10.1.1.6.1.9.  | Assist managers and employees in reviewing progress and in providing performance feedback and coaching;  |
| 10.1.1.6.1.10. | Assist managers and employees in appraising performance;   |
| 10.1.1.6.1.11. | Allow employees to take active involvement in managing their individual performance;   |
| 10.1.1.6.1.12. | Reward managers and employees who perform beyond agreed output; and  |
| 10.1.1.6.1.13. | Encourage performance orientated culture.  |



### 10.1.1.7. THE PRINCIPLES OF PERFORMANCE MANAGEMENT SYSTEM

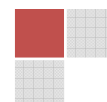
#### 10.1.1.7.1. LEKWA'S PERFORMANCE MANAGEMENT SYSTEM IS DRIVEN BY THE FOLLOWING PRINCIPLES:

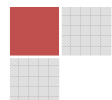
10.1.1.7.1.1.	<b>Productivity</b> : Individual performance is assessed against the business goals of Lekwa to improve the effectiveness and efficiency of all staff in the organization;
10.1.1.7.1.2.	<b>Co-operation</b> : Openness and honesty in communication between managers and staff;
10.1.1.7.1.3.	<b>Consistency</b> : A systematic, continuous approach to performance feedback through planning, ongoing coaching and performance assessments;
10.1.1.7.1.4.	<b>Objectivity</b> : Performance plans are assessed against realistic and attainable commitments;
10.1.1.7.1.5.	<b>Self-enhancement</b> : Individual self-improvement strategies encouraged through coaching, career development and training activities;
10.1.1.7.1.6.	<b>Recognition</b> : Individuals rewarded with positive feedback / coaching to build on strengths;
10.1.1.7.1.7.	<b>Development</b> : Performance improvement attained over an agreed time period.

#### 10.1.1.7.2. CRITICAL SUCCESS FACTORS OF PERFORMANCE MANAGEMENT SYSTEM

The Performance Management System is about people performing, whilst ensuring the organisation is sustainable. Therefore the link between the two is defined in term of levels of responsibility, and the system should:

10.1.1.7.2.1.	Be simple to understand and administered;
10.1.1.7.2.2.	Link the objectives of Lekwa Local Municipality to Individual objectives together for a specific time period;
10.1.1.7.2.3.	Appraise the behaviors that support the vision and values of the Organisation, as well as appraise results;
10.1.1.7.2.4.	Communicate expectations, motivate success and focuses on coaching and development instead of just being a scoring mechanism; and
10.1.1.7.2.5.	Promotes positive and constructive feedback.

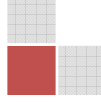




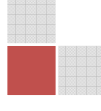
10.1.1.7.3. STOCKHOLDER'S RESPONSIBILITY

The table below depicts various levels of responsibility and accountability as defined by the Local Government Municipal Systems Act 32 f 2000 (LGMSA):

STAKEHOLDER	PLANNING	IMPLEMENTING	MONITORING	REVIEWING
<b>Citizens and Communities</b>	Be consulted on needs Develop the long term vision for the area Influence the identification of priorities Influence the choice of indicators and setting of targets	Provide Councilors with their needs as a community, and lodge complaints.	Be able to monitor and audit performance against commitments	Be given the opportunity to review municipal performance and suggest new indicators and targets
<b>Mayor</b>	The mayor provides the overall performance contract framework from which the Municipal manager and heads of departments develop operational objectives.  The Mayor's responsibilities in respect of the PMS is the overall management of the process, supported by the Municipal Manager and Manager Human Resources			
<b>Councilors</b>	Facilitate the development of long term vision Develop strategies to achieve vision Identify priorities Adopt indicators and set target		As far as possible monitor municipal performance from different areas	Review municipal performance for major reviews such as the annual review  Review the performance of the executive committee
<b>Executive Committee</b>	Play the leading role in giving strategic direction and developing strategies and policies for the municipality		As far as possible monitor municipal performance from different areas	Conduct the major reviews of the municipal performance, determining where goals have or have not been met, what the causal reasons are to adopt response strategies

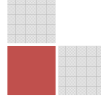


STAKEHOLDER	PLANNING	IMPLEMENTING	MONITORING	REVIEWING
<b>Executive Management</b>	Assist the executive committee in providing strategic directions and developing policies for the organization	Manage the implementation of the IDP	Regularly monitor the implementation of the IDP, identifying risks early.	Conduct regular reviews of performance e.g. monthly
<b>Heads of Departments</b>	It is the responsibility of each Manager/Head of Department to ensure that their respective units achieve the objectives assigned to them and their responsibilities include the following:  Employees must support the effectiveness functioning of the Performance Management. They must ensure that they: Understand the Performance Management Process Are able to compile a Performance Management Process Discuss and agree on each element of the Performance Agreement according to the given format and criteria. Discuss and agree on each element of the Agreement with their superior before signing it. Arrange (plan, organize, control) their own performance to achieve objectives according to agreed standards Attend training and become competent in their areas of development as agreed in the Skill development plan Prepare for the Progress Review Meeting and agree on appropriate corrective actions with their supervisors Appraise own performance annually on a rating of 1 to 5 Discuss with their superiors to mutually agree on a final rating which will be indicated on an Annual appraisal Report.	Implement the IDP. Make it reality	Measure performance according to agreed indicators analyze and report regularly e.g. monthly	Conduct reviews of Sectional and team performance against plan before executing reviews
<b>Employees</b>		Implement the IDP and fulfill the personal plan	Monitor own performance continuously	Participate in reviews of own performance





STAKEHOLDER	PLANNING	IMPLEMENTING	MONITORING	REVIEWING
<b>Executive Committee</b>	<p>Play the leading role in giving strategic direction and developing strategies and policies for the municipality</p> <p>Manage the development of the IDP</p> <p>Identify indicators and set targets</p> <p>Communicate the plan to other stakeholders</p>		<p>As far as possible monitor municipal performance from different areas</p> <p>Commission audit of performance where necessary</p>	<p>Conduct the major reviews of the municipal performance, determining where goals have or have not been met, what the causal reasons are to adopt response strategies</p>
<b>Executive Management</b>	<p>Assist the executive committee in providing strategic directions and developing policies for the organization</p> <p>Manage the development on the IDP</p> <p>Ensure that the plan is integrated</p> <p>Identify indicators and set targets</p> <p>Communicate the plan to other stakeholders</p>	<p>Manage the implementation of the IDP</p>	<p>Regularly monitor the implementation of the IDP, identifying risks early.</p> <p>Ensure that regular monitoring (measurement, analysis and reporting) is happening in the organization</p> <p>Intervene in performance problems on a daily operational basis</p>	<p>Conduct regular reviews of performance e.g. monthly</p> <p>Organize the performance reviews at the political level</p> <p>Ensure the availability of information</p> <p>Propose response strategies to the executive committee or council</p>



#### 10.1.1.7.4. PERFORMANCE MANAGEMENT GUIDELINES FOR LLM

##### 10.1.1.7.4.1. Starting the Performance Management Process

This phase involves clarifying and delegating roles and responsibilities, setting up internal institutional arrangements and setting up a framework for managing the Change process.

##### 10.1.1.7.4.2. Delegation of Responsibilities

The LGMSA places responsibility on Council to adopt the Performance Management System, while holding the Executive Committee or Executive Mayor responsible for the development of the system. The Executive Committee or Executive Mayor may assign responsibilities to the Municipal Manager in this regard, but remains accountable for the development of the Performance Management System.

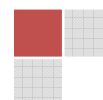
The municipal manager may further delegate the responsibility to another Senior Manager; therefore it is important that the Council, within its policy framework on delegation, assigns responsibilities accordingly. This may be done in writing. In the assignment letter, the Council should stipulate quite clearly what needs to be done, by whom and when.

##### 10.1.1.7.4.3. Setting Up Internal Institutional Arrangements

A municipality may establish a project team led by a senior manager delegated by the municipal manager. It would be preferable that the senior manager and the project team be the same people involved or responsible for the integrated development process. The team will report to the municipal manager who will in turn account to the executive mayor or the executive committee and finally, Council.

The project team could be responsible for:

- 
- 10.1.1.7.4.3.1. Preparing the organization;
  - 10.1.1.7.4.3.2. Facilitating the development of the system; and
  - 10.1.1.7.4.3.3. Supporting the organization in implementation.



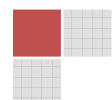
#### 10.1.1.7.4.4. Managing the Change Process

When introducing a performance management system, it is important to prepare the organization for change. Reaching a common understanding of Performance Management is crucial. The most serious stumbling block to making performance management work effectively arises out of different understandings of why we need it and what it will do. Stakeholders will thus need to come to a common understanding of Performance Management. This is an important preparatory component of the change process, requiring that officials are aware, understand and accept why Performance Management is needed and what principles will govern its development and use.

It is important that each municipality workshops these issues internally. It may be important that the leadership informs the organization that “Performance Management”:

- |                  |   |
|------------------|---|
| 10.1.1.7.4.4.1.  | Ensures the accountability of the Municipality to citizens and communities, the administration to Council, Line functions to executive management, Line functions to executive management;                              |
| 10.1.1.7.4.4.2.  | Clarifies strategy and make it accessible;  |
| 10.1.1.7.4.4.3.  | Ensures strategic alignment of all operations, thus transforming strategy into operations and vision into action;   |
| 10.1.1.7.4.4.4.  | Clarifies and manages roles, responsibilities and expectations between the public and the municipality, between politicians and officials and amongst officials;  |
| 10.1.1.7.4.4.5.  | Communicates these roles, responsibilities and expectations within the organization and the public;   |
| 10.1.1.7.4.4.6.  | Deepens democracy by encouraging public participation through the communication of performance information and the creation of appropriate mechanisms to hold the council accountable in the periods between elections; |
| 10.1.1.7.4.4.7.  | Creates a mechanism for efficient decision-making on the allocation of resources;   |
| 10.1.1.7.4.4.8.  | Introduces a diagnostic tool that not only tells us whether we are doing things right, but also whether we are doing the right things;  |
| 10.1.1.7.4.4.9.  | Redefines the incentive structure by rewarding successes and alternatively identifying opportunities for growth, learning and development;  |
| 10.1.1.7.4.4.10. | Ensures that the process of developing the system will be participatory and that the system will be simple, realistic, fair and objective, developmental and non-punitive.  |

These issues could be discussed in focus workshops organized by the municipality. A municipality should however be careful not to prolong the process. In fact, this needs to happen in parallel with other processes for developing the system. So far we have looked at some of the preparatory steps in ensuring the smooth introduction of a performance management system that could help reduce problems in implementation. These preparatory measures are not exhaustive and are informed by experience locally and internationally.



**10.1.1.7.4.5. Developing a Performance Management System**

Developing a performance management system is the crucial phase. It involves the development of a framework within which performance management processes will happen. It also involves answering the following questions:

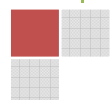
- |                 |   |
|-----------------|---|
| 10.1.1.7.4.5.1. | When does performance management start?                                   |
| 10.1.1.7.4.5.2. | What are the components of a performance management system?               |
| 10.1.1.7.4.5.3. | Who will manage whose performance?  |
| 10.1.1.7.4.5.4. | When will performance be monitored, measured and reviewed?                |
| 10.1.1.7.4.5.5. | What aspects of performance will be managed?                              |
| 10.1.1.7.4.5.6. | How do we respond to good and poor performance?                           |
| 10.1.1.7.4.5.7. | What institutional arrangements have to be established to make this work? |

In answering these questions fully, a municipality will need to develop a framework for performance management. This will assist the municipality through the following process:

- |                  |                                     |
|------------------|-------------------------------------|
| 10.1.1.7.4.5.8.  | Processes for Developing the System |
| 10.1.1.7.4.5.9.  | Current Reality                     |
| 10.1.1.7.4.5.10. | Identification of Stakeholders      |

Our project team will assist the municipality to complete the exercise of identifying who the stakeholders are for its performance management system. While there are common stakeholder categories for all municipalities, it is important that municipalities disaggregate these categories until it is useful for their municipality. The following list of categories for stakeholders does not intend to be exhaustive, but to be a starting point from which to work: Citizens and Communities, including:

- |                  |                                     |
|------------------|-------------------------------------|
| 10.1.1.7.4.5.11. | Civics                              |
| 10.1.1.7.4.5.12. | Community Based Organisations       |
| 10.1.1.7.4.5.13. | Ward Committees                     |
| 10.1.1.7.4.5.14. | Non-Governmental Organisations      |
| 10.1.1.7.4.5.15. | Businesses and Organised Businesses |
| 10.1.1.7.4.5.16. | Councillors, including:             |
| 10.1.1.7.4.5.17. | Mayor                               |
| 10.1.1.7.4.5.18. | Executive Committee                 |
| 10.1.1.7.4.5.19. | Standing / Portfolio Committees     |
| 10.1.1.7.4.5.20. | Council                             |



- 10.1.1.7.4.5.21. Officials, including:
- 10.1.1.7.4.5.22. Municipal Manager
- 10.1.1.7.4.5.23. Management Team
- 10.1.1.7.4.5.24. Line Management
- 10.1.1.7.4.5.25. Employees
- 10.1.1.7.4.5.26. Organised Labour
- 10.1.1.7.4.5.27. Partners, including:
- 10.1.1.7.4.5.28. Public Partners
- 10.1.1.7.4.5.29. Private Partners
- 10.1.1.7.4.5.30. Service Providers

Each of these categories of stakeholders will play a different role in developing, implementing and using the performance management system.

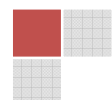
#### 10.1.1.7.4.6. Creating Structures for Stakeholder Participation

It is important to establish structures that will facilitate the meaningful participation of stakeholders in the development of the system, consistent with the legislation. The municipality, in terms of their own circumstances, should determine the nature of the structure. It is recommended that municipalities consider the IDP Representative Forum proposed in the IDP Guide pack. As far as possible, the Performance Management System (PMS) structures must be the same as those of IDP or at least be linked to them.

#### 10.1.1.7.4.7. Developing the System

The LGMSA requires municipalities to develop a performance management system suitable for their own circumstances. Therefore, working with the stakeholders, the project team needs to develop and propose a performance management system. A performance management system means a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review and reporting will happen and be organized and managed, while determining the roles of different role-players. In terms of the regulations, the system must be of such a nature that it:

- 10.1.1.7.4.7.1. Complies with all the requirements sets out in the Act;
- 10.1.1.7.4.7.2. Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting;
- 10.1.1.7.4.7.3. Defines the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- 10.1.1.7.4.7.4. Clarifies the processes of implementing the system within the framework of the IDP processes;
- 10.1.1.7.4.7.5. Determines the frequency of reporting and the lines of accountability for performance;
- 10.1.1.7.4.7.6. Links organizational performance to employee performance;



- 10.1.1.7.4.7.7. Provides for the procedure by which the system is linked with the municipalities IDP processes

#### 10.1.1.7.4.8. Implementing Performance Management

Having adopted the system, the municipality can mandate the project team to facilitate the implementation thereof. The team, which may be the same as the IDP team, should develop an implementation strategy. The strategy should be linked to the IDP implementation framework and should entail planning, implementation, monitoring and review.

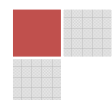
##### 10.1.1.7.4.8.1. Step 1: Planning

The Integrated Development Planning process and the Performance Management Process should appear to be seamlessly integrated. Integrated development planning fulfils the planning stage of performance management. Performance management fulfils the implementation management, monitoring and evaluation of the IDP process.

##### 10.1.1.7.4.8.2. Step 2: Priority Setting

Consistent with the event-centred approach in the IDP guide, the IDP should deliver the following products:

10.1.1.7.4.8.2.1.	An assessment of development in the municipal area, identifying development challenges, marginalized and vulnerable citizens and communities;
10.1.1.7.4.8.2.2.	A long term development vision for the municipal area that overcomes its development challenges;
10.1.1.7.4.8.2.3.	A set of delivery priorities and objectives, based on identified needs, achievable in the current term of office, that would contribute significantly to the achievement of the development vision for the area;
10.1.1.7.4.8.2.4.	A set of internal transformation strategies, priorities and objectives, whose achievement would enable the delivery and the realization of the development vision;
10.1.1.7.4.8.2.5.	Additional projects identified which contribute to the achievement of the above objectives;
10.1.1.7.4.8.2.6.	A financial plan and medium term income and expenditure framework that is aligned with the priorities of the municipality;



- 10.1.1.7.4.8.2.7. A spatial development framework;
- 10.1.1.7.4.8.2.8. Disaster management plans;
- 10.1.1.7.4.8.2.9. Operational strategies;
- 10.1.1.7.4.8.2.10. The priorities are essentially the issues that a municipality pronounces to focus on, in order to address the needs. These will vary from one are to the other;
- 10.1.1.7.4.8.2.11. They may include water delivery, electrification, sanitation and so forth. Although not suggested as part of the IDP methodology, a municipality may cluster the priorities into the following key performance areas:
  - 10.1.1.7.4.8.2.11.1. Infrastructure and services;
  - 10.1.1.7.4.8.2.11.2. Social and economic development;
  - 10.1.1.7.4.8.2.11.3. Institutional transformation;
  - 10.1.1.7.4.8.2.11.4. Democracy and governance, and
  - 10.1.1.7.4.8.2.11.5. Financial management.

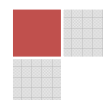
This is optional, but it may be a useful way to start organizing the process towards aligning development priorities and objectives to the key performance indicators. It is not easy though, as some of the priorities may not neatly fit into each key performance area. Municipalities also need to be careful not to prioritise only those areas that neatly fit key performance areas. The mentioned key performance areas, however, represent the broad development mandate of local government.

#### 10.1.1.7.4.8.3. Step 3 Setting Objectives

All components of the integrated development plan, whether they are strategies or priority areas, need to be translated into a set of clear and tangible objectives. This is a crucial stage in ensuring that there is clarity on the integrated development plan and that suitable indicator are found.

#### 10.1.1.7.4.8.4. Step 4 Setting Key Performance Indicators (KPI's)

Key Performance Indicators are measurements that tell us whether progress is being made in achieving our goals. They essentially describe the performance dimension that is considered key in measuring performance. The ethos of performance management as implemented in local governments internationally and as captured in the White Paper on Local Government and the LGMSA, rely centrally on the use of KPI's.

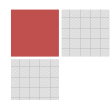


## 11. THE PURPOSE OF A PERFORMANCE MANAGEMENT FRAMEWORK

### 11.1. DEVELOPING A MONITORING FRAMEWORK

Performance monitoring is an on-going process that runs parallel to the implementation of the agreed IDP and will assist the municipality to develop a monitoring framework that:

- 11.1.1.1. Identifies the roles of the different roleplayers in monitoring and measuring the municipality's performance;
- 11.1.1.2. Allocates specific tasks to the gathering of data and submission of reports and determines:
  - 11.1.1.2.1. The data that must be collected in order to assess performance;
  - 11.1.1.2.2. How that data is to be collected, stored, verified and analyzed;
  - 11.1.1.2.3. How reports on that data are to be compiled;
  - 11.1.1.2.4. Provides for reporting to the municipal council at least twice a year;
  - 11.1.1.2.5. Is designed in a manner that enables the municipality to detect early indications under-performance;





- 11.1.1.2.6. Provides for corrective measures where under-performance has been identified; and
- 11.1.1.2.7. Compares current performance with performance during the previous financial year and baseline indicators.

The Performance Management Framework is intended to serve as a policy and procedure document for the Municipality and sets out the parameters within which performance management processes will happen in the municipality. The framework should deal with the following aspects, amongst others:

- 11.1.1.3. The components of the system;
- 11.1.1.4. Lines of accountability in managing performance;
- 11.1.1.5. Aspects of performance that will be managed;
- 11.1.1.6. Performance monitoring, measurement and review approaches; and
- 11.1.1.7. Approaches to respond to good and poor performance.

The framework is meant to assist the municipality in its development and implementation of a performance management system that is aligned to their Integrated Development Plan (IDP), is suited to their circumstances and is within their resource constraints. The framework is meant to be adopted by the municipal council as the basis for their performance management system. The policy framework must be based on:

- 11.1.1.8. LGMSA;
- 11.1.1.9. Municipal Planning and Performance Management Regulations;
- 11.1.1.10. Performance Management Guidelines for Municipalities; and
- 11.1.1.11. Guide on Performance Agreements Workshop document by SALGA.

## 11.2. DESIGNING A PERFORMANCE MEASUREMENT FRAMEWORK

### 11.2.1. Figure: The Planning Framework

#### 11.2.1.1. Planning for Performance

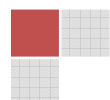
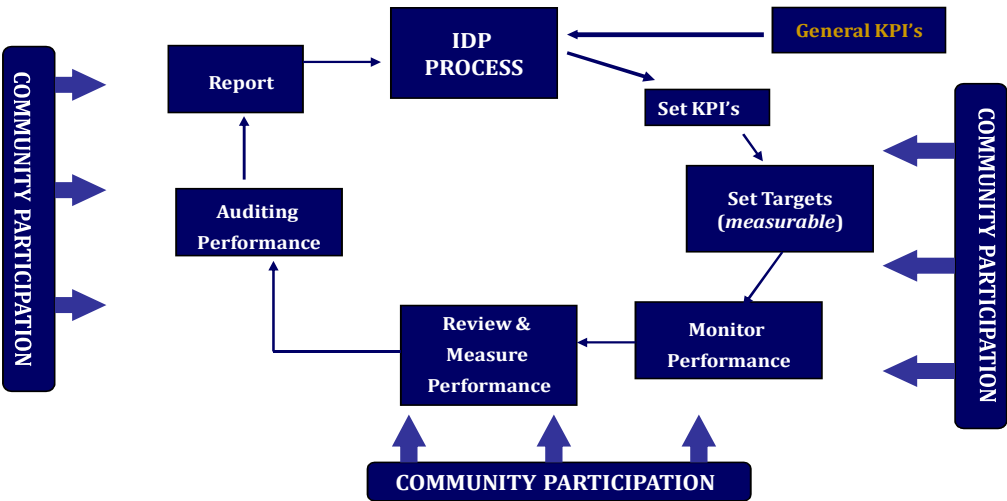


Figure: Implementing the PMS System



11.3. PLANNING (INTEGRATED DEVELOPMENT PLAN)

According to the LGMSA Chapter 5: Section 25, purport that “Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the Municipality which:



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

Lekwa during this crucial phase of planning need to have in place, an Integrated Development Planning (IDP)/PMS section, Section 57 performance agreements and the service delivery and budget implementation plans as per department and/or section at least, in order to have the components of performance management system in place.

#### 11.3.1. Business Plans

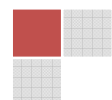
Like everything in a perfect municipality, PMS starts with the IDP. The relevant sections and chapters of the IDP need to be formally delegated to various Section 57 Managers responsible for each of the departments, who need to flesh out the IDP information into more detailed and personalized business plans for their respective departments. The business plans form the basis of each **Section 57 Managers Performance Agreements**, to be drafted by June and the signed in July each year. To prove the above beyond any shadow of a doubt, the Local Government Municipal Systems Act 2000 requires the Municipal Manager and the Managers reporting directly to the Municipal Manager to enter into annual Performance Agreements. The employment contract of the Municipal Manager and other Section 57 Managers should be directly linked to their Performance Agreements. These Performance Agreements therefore consist of two distinct parts:

#### 11.3.2. Performance Agreement:

This is an agreement between the Section 57 Manager and the Municipality, which regulates the performance required for a particular position and the consequences of the performance. The Agreement deals with only one aspect of the employment relationship, namely performance. This agreement is normally for a period of 5-years but must be reviewed and renewed annually, subject to the individual's annual performance.

#### 11.3.3. Performance Plan:

The Performance Plan is an Annexure to the Performance Agreement and stipulates in detail the performance requirements for a single financial year. The Departmental Business Plan or scorecard (sorted per Department) transcends into the Performance Plan/s of the respective Section 57 Managers according to their areas of responsibility.



#### 11.3.4. Personal Development Plan:

The employer and employee must identify developmental areas (especially after the first evaluation) for the employee and a plan should be developed to address the developmental areas. The PDP should be attached to the performance contract and evaluated on an on-going basis.

#### 11.3.5. Work Plans

Later, these departments' business plans have to be broken down once again into work plans for the individuals who heads the various sections, or who are responsible for the various major functions, within each department. At this level, this will be limited to that rank of Manager who is in receipt of financial delegation, i.e. they have signing powers.

These Managers need to combine the work they must achieve, and the budget they have available, into a “**Service Delivery and Budget Implementation Plan**” (SDBIP) that show their workflow and cash flow forecasts for the year in advance, either in months or in quarters.

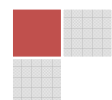
#### 11.3.6. Working (Implementing Projects and Recording)

During this **second phase**, Lekwa municipality will need to have a fully functional Project management systems, Supply chain management systems, Expenditure systems and a Registry and/or Archives as necessary components of a fully fictional performance management system to be in place.

Once the departments have their business plans, and the responsible middle and junior managers have their work plans, then the year' work can swing into action, and both routine tasks as well as planned projects can get underway. However, knowing that the work which is being and will be accomplished will be subject to measurement at a later stage, knowing that these measurements have legal implications (e.g. dismissal for poor performance, internal and external and external audit, etc.), the validity and reliability of the measurements needs to be good.

Validity means that you are actually measuring the thing you are, while reliability means that different people measuring the same phenomenon will arrive at the same answers. The validity and reliability of records of the amount and quality of work that has been done will come under scrutiny from managers, auditors, and even labour lawyers, o before you start completing records of work done, format/content of the templates for any such records must first be approved, usually by internal auditor.

The NASA Act, 1996 which provides for the proper management and care of the records of governmental bodies, and the regulations published under its authority, requires municipalities: “To establish a formal registry/records room/archives/et; appoint a suitably qualified librarian/Information manager as head of the registry, send other persons working in the registry to National Archives' Records management course. This means that Registry is vital and a valuable component of the municipality's information management systems, so much so that the lady who sits



by the fax machine and brings your faxes several days after receiving them. The consequence of his legislation is that, for a municipal record of work complete or expenditure committed to be “official”, it has to be in the registry, classified and filed professionally. The information that is only found in the private files of a manager in the in his/her office is for that manager’s personal use, but it does not (yet) constitute an official record of the municipality.

So, when you want to review the performance of your sub-ordinate, or consolidate the performance report for the whole institution as whole, only “official” records of work and expenditure from your registry can/should be used. Anything else is opening up the municipality to legal problems for example audit queries about unverified performance.

These imply that, you can’t come back at the end of the year and correct or invent any work records; it is more preferable that the original records you use and keep from the beginning should be correct. As work is completed, it is recorded by the appropriate managers using approved templates, and stored in the municipality’s registry where it becomes part of the **official records** created or acquired in the course of the municipality’s official duties. Records of financial expenditure are very much easier to create and archive, as they are done in terms of approved systems and all the necessary information has been captured in the computer system.

#### 11.3.7. Measuring Performance

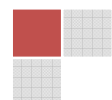
For measuring performance phase, the municipality needs a quarterly model of performance measurement, an Annual model of performance measurement and a council resolution (s) on how to reward good performance and manage poor performance including budget.

Section 39 stipulates that the Executive Committee (Exco) is responsible for the development of a PMS, for which purpose they may assign responsibilities to the Municipal Manager. The Exco is also responsible for submitting the PMS to Council for approval.

Section 40 stipulates that a Municipality must establish mechanisms with which to monitor and review the PMS. In terms of Section 41, the core components of a PMS are;

- 11.3.7.1. To set Key Performance Indicators (KPIs),
- 11.3.7.2. set measurable performance targets (PTs),
- 11.3.7.3. monitor performance & measure and review annually,
- 11.3.7.4. take steps to improve performance, and
- 11.3.7.5. establish a process of regular reporting

Analysis requires that line managers compare current performance with targets, past performance and possibly the performance of other municipalities, where data is available, to determine whether or not performance is poor. They should also analyze the reason for performance levels and suggest corrective action where necessary. Municipal – wide outcome indicators will be co-ordinate centrally by the PM Unit. Prior to reviews taking place by the Management Team, the Mayoral Committee and Council, the corporate performance reporting will need to be tracked and co-ordinate by the PMS Manager. Therefore accumulative quarterly reports will be submitted to the Audit Committee and the Mayoral Committee by the PMS Manager.



Depending on your capacity, you will want to measure performance four, three, or two times per annum. It is of limited use to measure performance only once at the end of the year because the information will be processed too late for any management intervention in poorly performing people or projects.

One of the major functions of the PMS is to act as an “**early warning system**”, and to let management know whether work is progressing well or not and whether spending is progressing well or not. In the event of under-performance or under-expenditure, management needs to know this information at least once during the middle of the year, so in a municipality where PMS is still new and threatening, you will probably only want to measure performance after 6 months and then again after 12 months.

In other municipalities where performance management has become part of the corporate culture, you will probably be measuring performance after 4 months, 8 months, and 12 months, or even quarterly if you are able to in a high capacity municipality. When you conduct your mid-year performance reviews, it is important to remember that the administrative burden that the PMS places on managers should be minimized as far as possible, so you should develop a simplified performance instrument that focuses on only the core issues of work progress or money spending.

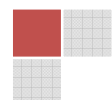
Later at the end of each year when you are doing your final performance review, you can use a more complex, more sophisticated, and inclusive performance instrument that takes a long time to complete, but since you are only doing the full version once per year it's manageable and not too bad.

Taking this into account, the great debate about what model of performance measurement to use becomes less important. You might find yourself in a situation where you use a simpler model during the year and a more complex model at the end of the year. The debate therefore becomes “when” should we use each model we use each model, not “what model should we choose.”

Whatever model of performance measurement you choose, you need a policy that regulates the rewards of good performers, and the management of poor performers. Measurement of performance, without necessary follow-up/consequences, is meaningless to all but the tiny percentage of internally motivated staff.

#### 11.3.8. Reward and Recognition

Remuneration Committee – **Section 57 of the Systems Act (2002)**. The Act requires that every municipality must have a **Remuneration Policy** that sets out the link between **Performance And Reward** for the **Municipal Manager** and **Managers reporting directly** to the Municipal Manager. The employment of the first two levels of Management is regulated by the Local Government: Municipal Systems Act (2002) and guidelines for the remuneration of Municipal Managers to be issued by the Department of Local Government as contemplated by the legislation. It is essential that the remuneration policy i.e. there must be no confusion in the minds of the Municipal Manager and the Managers reporting to the Municipal Manager what the remuneration policy is in relation to linking the results of their performance to reward. The remuneration policy must clearly indicate the rewards in relation to the performance outcomes of the Municipal Manager and the managers reporting to the Municipal Manager.



Should employees **not agree** with the contents of their performance agreement after the performance discussions or with the final scores that are allocated to them, they may elect to follow the municipality's normal **Grievance Procedure**.

### 11.3.9. Reporting and Auditing Performance

Reporting requires that we take the priorities of the municipality, its performance objectives, targets, analysis, and present this information in a simple and accessible format, relevant and useful to the specified target group, for review. Performance management in local government is a tool to ensure accountability of the;

- 11.3.9.1. Municipality to Citizens and communities
- 11.3.9.2. Executive Committee to Council
- 11.3.9.3. Administration to the Executive Committee or Executive Mayor
- 11.3.9.4. Line/Functional/Sectoral Management to Executive Management and Portfolio and Standing Committees
- 11.3.9.5. Employees to the organization

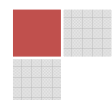
It is thus necessary that the reporting process follow the lines of accountability above.

Section 45, the results of the performance measurement must be audited as part of the internal auditing processes and annually by the Auditor General.

Section 46 also requires that the municipality prepare an annual report consisting of a (i) performance report, (ii) financial statements; (iii) audit report on financial statements; and (iv) any other reports in terms of legislative requirements.

This report must be tabled within one month of receiving the audit report. In terms of section 46(3) the Municipal Manager must give proper notice of meetings at which the annual report will be tabled and submit information on same to the Auditor General & the MEC for Local Government.

Section 46(4) stipulates that a Municipality must adopt the annual report and make copies available within 14 days, to the Auditor General, the MEC for Local Government and any others as may be prescribed by regulation.



#### 11.3.10. An Internal Auditor

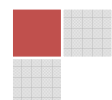
In order to achieve the above, the municipality should have in place a computerized system for consolidating all performance and expenditure, an internal Auditor and an audit committee.

From legal perspective, internal reports on the performance of the municipality and each of its department should be sent through the internal auditor to the municipality's audit committee on a quarterly basis. Once scrutinized and approved by the audit committee, these performance reports are sent through the Municipal Manager to council, also on quarterly basis.

#### 11.3.11. Audit committee

At the end of each year, both the financial compliance and the performance of the municipality is subject to external audit, where any claims about how has been achieved may be investigated and verified by auditors. Finally, the consolidated reports about what work has been successfully completed, and what work was not, should ideally be captured into the municipality's management information system (MIS), where it will inform the IDP review for the next year to come. In other words, knowing where your previous years plans have been successful and where they have not will help to focus attention on what still needs to be carried over and be completed in the following year. The bare facts of the internal Auditor and the Audit Committee are covered in Section 165 and 166 of the MFMA. The internal Auditor reports on professional basis to the Audit Committee and reports for administrative issues to the Municipal Manager. Other than indicating that the Auditor advises the Accounting Officer but reports to the Audit Committee, the MFMA leaves precise details of the structure flexible e.g. job grading, salary scale, etc.

The fact that Internal Auditor do not report to the Accounting Officer is for the sake of checks and balances. In a light-hearted manner, the Municipal Manager may be seen as chief suspect 1, while the CFO IS Chief suspect 2. It will be both inappropriate and ineffective for the internal Auditor to report, on a professional basis, to either of these two offices.





This is not true for municipalities or the public sector. The King Commission's Report 1 and 11 on corporate governance support this same separation in the interests of good clean governance.

Although many of us may not be familiar with it, we have the National Archives of South Africa Act 1996 (NASA), which provides for the proper management and care of the records of government bodies. Section 17 of the NASA binds local municipalities and provincial organs of state to the same conditions until such time as the relevant provincial legislatures publish their own version of the NASA Act.

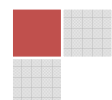
### **11.3.12. PERFORMANCE MANAGEMENT CULTURE**

#### **11.3.12.1. Performance Measurement**

Performance measurement is simply the collection, collation and reporting of information on how the Service is performing on specified criteria. It is retrospective identifying past performance. Performance measurement can help organizations improve performance by identifying good practice and opportunities to learn from others. It can also ensure that the organization is focused on its key priorities, and that areas of poor performance are investigated.

#### **11.3.12.2. Performance Management**

Performance measurement alone achieves nothing, to be effective the Service must use performance measurement to assist improvement by ensuring it informs the decision making process. This involves using



what has been learnt from the measurement process to identify what needs to be done or what needs to be done better. This leads to more effective strategic and operational management and delivers continuous improvement – this is performance management.

#### 11.3.12.3. Information management systems

A performance management framework requires effective information management systems to support the process. This does not necessarily mean IT systems, but given the benefits of IT in collecting, storing and processing information it usually does. At Lekwa, it is the responsibility of the owner of the PI to ensure that the appropriate management system is developed to collect and validate the information needed to measure each PI.

#### 11.3.12.4. Performance Indicators Management System

A computer based Performance Indicator Management System; has to be developed to provide regular and better management information. The database should contain all the information relating to individual indicators including current and past performance, targets and information about who collects the data, how it is reported and to whom, and the indicator definitions.

This is a management tool and is not available publicly, although the information that it generates is published in the Improvement Plan. The system enables the collection of all statutory and local performance indicators from directorates, departments and units and automatically generates reports on various levels. This allows all users to examine performance indicators relevant to their specific areas (Provincial summit, 2007)

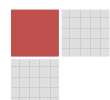
#### 11.3.12.5. How is the performance information collected?

The Performance Management and Statistics Unit act as the focal point for collating performance information and for producing the various reports that are required for the monitoring processes. Everyone within Lekwa can access the system and some departments have responsibility for inputting their own data.

#### 11.3.12.6. Performance Monitoring

Robust monitoring is a key tool to the achievement of a performance management culture. In particular, for a performance management framework to be successful the management and review of performance needs to be exercised at all levels of the Service from the Head of Department to every individual.

Performance information is used to improve the day-to-day operation of services across the organization. Reported performance, which is below expectation, is targeted and analyzed so that remedial actions can be introduced, lessons learnt and improvements made.



#### 11.3.12.7. Performance Monitoring within Lekwa

Performance management framework is monitored by its Audit Committee, the Section 57 Managers and Supervisors concerned.

All indicators in the Improvement Plan are 'cascaded' down to the directorate and departmental plans, each is owned by an individual directorate. Local indicators have also been developed for operational and managerial purposes. These are all reported in directorate /departmental plans, where previous performance against targets is shown together with future targets. Lekwa shall have a target setting methodology based on trends and tolerance bands, which provides a consistent approach to measuring and monitoring of performance.

Overall performance against targets set out in the Improvement Plan is reported upon annually to the Audit Committee as part of the process of compiling the following year's Improvement Plan.

In addition quarterly reports are produced throughout the year; these outline progress in achieving targets set against the statutory performance indicators. Each Director is responsible for reporting on the activities their directorate is undertaking to achieve the target and any remedial action required where performance is below the anticipated target. Other improvement actions being completed in

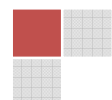
#### 11.3.12.8. Performance Management System Implementation

The Municipal Systems Act of 2000 places responsibility on council to adopt the performance management system, while holding the executive committee or the Executive Mayor responsible for the development of the system. The Executive committee or Executive Mayor will assign responsibilities to the municipal Manager in this regard, but remains accountable for the development of the Performance management system.

The Municipal Manager may delegate the responsibility to one or more senior managers. Therefore it is important that the council, within its policy framework on delegation, assigns responsibilities accordingly. This may be done in writing. In the assignment letter, the council should stipulate quite clearly what needs to be done, by whom, by when.

#### 11.3.13. Community Consultation and Public Awareness Programme

Public involvement for improved performance is an important part of the overall. Public participation may also enhance the judgments, which will be made during this process as it involves the users of services themselves. Such a process involves public input into selecting and analyzing the information that will be used during the monitoring and evaluation phase.



#### 11.3.14. The Messengers, Target Audience and Channels for Performance Management System

##### 11.3.14.1. Messengers

- 11.3.14.1.1. Primary Communicators: All members of the mayoral committee and the Speaker (Members of the Mayoral committee and the Speaker speak on political decisions regarding the programmes of the municipality. They lead the debate on policy matters)
- 11.3.14.1.2. Secondary: The Senior Management as the administrators lead the communication on the implementation of municipality's Performance Management.
- 11.3.14.1.3. Others: Communicator (The communicator provide the strategic support to both the political and administrative leadership. In some instances a communicator serves as the mouthpiece. She is responsible for managing the environment and keeping it conducive for the leadership to communicate effectively.)
- 11.3.14.1.4. The Executive Mayor is the Lead Messenger for all municipality's affairs.

##### 11.3.14.2. Target Audience

- 11.3.14.2.1. All officials within the municipality.
- 11.3.14.2.2. The media
- 11.3.14.2.3. Members of the public including all target groups.
- 11.3.14.2.4. The Business community.

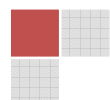
##### 11.3.14.3. Channels

The nature of the work of government determines that all possible channels should be used to disseminate messages ensuring that they reach as many citizens as possible.

- 11.3.14.3.1. Corporate publications: newsletters, brochures, annual reports etc.
- 11.3.14.3.2. Road shows
- 11.3.14.3.3. Community Meetings
- 11.3.14.3.4. Izimbizo
- 11.3.14.3.5. Radio Talk shows
- 11.3.14.3.6. Newspapers
- 11.3.14.3.7. Television
- 11.3.14.3.8. Internet and Municipal Website
- 11.3.14.3.9. Telephones
- 11.3.14.3.10. discussions and other multimedia

##### 11.3.14.4. Phased Awareness Programme

##### 11.3.14.4.1. Phase One



At this phase all officials need to be informed about the key awareness programme of municipality for the year. At this phase the employees should also be encouraged to take into consideration the Batho Pele principles and all prescripts guiding the service standards that are expected from them.

#### 11.3.14.4.2. Phase Two

Once the officials fully understand them, the priorities need to be taken to the people so that they can hold officials accountable where delivery is not happening efficiently. All communication efforts should be coupled with a feedback mechanism to ensure that the objectives as set out are being achieved and where they are not to get to the root of the problem. Feedback should always be regarded as an important tool in government service delivery as it is the only yardstick that can be used to measure the success of programmes.

#### 11.3.14.4.3. Phase Three

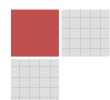
It is not sufficient to provide information and receiving feedback. Feedback has to be processed and analyzed for solutions. Communicators have to play a vital role in receiving and analyzing feedback received from the public. The feedback must then serve at different relevant forums e.g. LCF, Portfolio Committees, and Interdepartmental Forum etc. The presentations will always be accompanied by the suggested recourse.

A municipality is expected to develop a framework for undertaking performance measurements. Performance measurement is essentially the process of analysing the data provided by the monitoring system in order to assess performance.

Our proposed model focuses on whether:

- |                |                                       |
|----------------|---------------------------------------|
| 11.3.14.4.3.1. | The strategy and policy are correct   |
| 11.3.14.4.3.2. | Resources are spent appropriately     |
| 11.3.14.4.3.3. | Internal processes yield results, and |
| 11.3.14.4.3.4. | The impact on the society             |

## 11.4. ASSESSMENT OF THE MODELS:



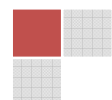
Our models are very useful organizing tools for performance measurements. They become even more useful in the absence of a framework that sets indicators and targets up front. (Where an organisation has set its own indicators and targets in the absence of a framework, the information it gains is only useful to assess progress in those areas for which indicators were set). Our proposed assessment model will adhere to the **SMART** principles:

11.4.1. S	Specific
11.4.2. M	Measurable
11.4.3. A	Actionable
11.4.4. R	Reliable
11.4.5. T	Time-bound

## 11.5. ANALYSIS

Analysis is making sense of the measurements. It requires interpretation of the measurements to determine whether targets have been met and exceeded and projections on whether future targets will be met. Where targets are not being met, analysis requires that the reasons should be examined and corrective action recommended. Where targets are being met or exceeded, key factors that resulted in the success should be shared to ensure organizational learning. Our competent team will ensure that the municipality is guided in executing this process

In addition, it is crucial that line managers are continuously analysing the measurements that they are generating. They are best placed, having an in-depth understanding of their sector, to analyse whether targets are being met now and will be met in the future, what the contributing factors are to the level of performance and what remedial action needs to be taken.



## 11.6. CONDUCTING PERFORMANCE REVIEWS

Performance review is a process where the organization, after measuring its own performance, assesses whether it is doing the right thing, doing it right and better, or not. In order to fulfill the objective of ensuring accountability, reviews are conducted according to the lines of accountability as outlined below:

### 11.6.1. Supervisors

Supervisors will be empowered to review the performance of employees reporting directly to them.

### 11.6.2. Line/Functional/Sectoral Managers

These managers will be empowered to review performance of their respective areas on a regular basis. It is suggested that this be done at least monthly. The review should at least cover all the organizational priorities respective to these sectors and functions.

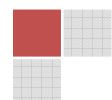
### 11.6.3. Standing or Portfolio Committees

These committees will be empowered to manage the performance of sectors and functions respective to their portfolios.

### 11.6.4. Executive Management

It is important that the municipal manager and her or his management team review performance prior to, and more often than, the executive or mayoral committee.

### 11.6.5. Executive or Mayoral Committee



This committee will be empowered to play the most significant role in reviewing the performance of the administration, as the system should be designed to allow this committee to strategically drive and manage performance in the organization.

#### 11.6.6. Council

Council will be empowered to review the performance of the municipal council, its committees and the administration.

#### 11.6.7. The Public

Citizens and communities should be afforded the opportunity to review the performance of the municipality and their public representatives

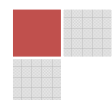
#### 11.6.8. Improving Performance

While good and excellent performance must also be constantly improved to meet the needs of citizens and improve their quality of life, it is poor performance in particular that needs to be improved as a priority.

#### 11.6.9. Reporting on Performance

Reporting requires that we take the priorities of the organization, its performance objectives, indicators, targets, measurements and analysis, and present this information in a simple and accessible format, relevant and useful to the specified target group, for review. Our team will assist the municipality to report on performance

#### 11.6.10. Reporting Structures





Performance management in local government is a tool to ensure accountability of the:

- 11.6.10.1. Municipality to Citizens and Communities
- 11.6.10.2. Executive Committee to Council
- 11.6.10.3. Administration to the Executive Committee or Executive Mayor
- 11.6.10.4. Line/Functional/Sectoral Management to Executive Management and Portfolio and Standing Committees
- 11.6.10.5. Employees to the organization

Our competent team will ensure that the reporting process follows the lines of accountability as highlighted above.

#### 11.6.11. Checklist for Good Reports

Our competent team will put more emphasis in ensuring whether the report:

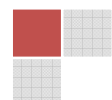
- 11.6.11.1.1. State the period for which it is reporting
- 11.6.11.1.2. State the relevant priority for which it is reporting
- 11.6.11.1.3. Capture all the agreed objectives
- 11.6.11.1.4. Capture all the agreed indicators
- 11.6.11.1.5. State agreed targets relevant to the period which the report covers
- 11.6.11.1.6. Measure current performance over the period for which it is reporting
- 11.6.11.1.7. Specify when the measurement was done
- 11.6.11.1.8. Specify the source of the measurement
- 11.6.11.1.9. Reflect on whether agreed targets have been met
- 11.6.11.1.10. Analyse the reasons for the level of performance
- 11.6.11.1.11. Suggest corrective action if necessary
- 11.6.11.1.12. Remain simple, accessible and useful to the intended reader
- 11.6.11.1.13. Contain only necessary information

#### 11.6.12. Reporting Formats

Our team will ensure that the reporting formats are customized to the municipal environment and are made simply.

#### 11.6.13. Tracking and Managing the Reporting Process

Our team will set up the capacity to ensure that the reporting processes run smoothly and effectively



#### 11.6.14. Publication of Performance Reports

We have earlier suggested that there be a technical and popular performance report. The annual report, which could take the forms of technical and popular reports, is legislatively required to be available to the public. It is advisable however, that if possible, within the resource and capacity constraints of the municipality, to keep the public more frequently informed of performance information through:

- 11.6.14.1. Press releases
- 11.6.14.2. Press Briefings
- 11.6.14.3. Publication of pamphlets, newsletters
- 11.6.14.4. Radio programmes
- 11.6.14.5. Billboards
- 11.6.14.6. Community meetings and presentations

#### 11.6.15. Public Feedback Mechanisms

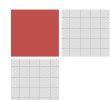
Public feedback on reported performance can be obtained, if the public are aware of dedicated mechanisms for submitting feedback such as:

- 11.6.15.1. Telephone numbers, preferably toll-free lines
- 11.6.15.2. Fax lines
- 11.6.15.3. Email addresses
- 11.6.15.4. Postal addresses
- 11.6.15.5. Feedback boxes at municipal service offices and transport interchanges

#### 11.6.16. Public Hearings on Municipal Performance

A series of public hearings can be held to report to communities on municipal performance and engage communities in a review of past performance and the identification of future priorities. These public hearings can be held as often as the municipality can afford, within resource and capacity constraints.

#### 11.6.17. Using Performance Audit Mechanisms



In order for the performance management system to enjoy credibility and legitimacy from the public and other stakeholders, performance reports, particularly the annual performance report, must be audited. Audits should ensure that reported performance information is accurate, valid and reliable.

#### 11.6.18. Legal Requirement

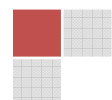
The requirement according to the Municipal Systems Act is that the annual performance report must be audited internally, before being tabled and made public. The annual performance report will also be audited by the Auditor-General.

#### 11.6.19. Internal Audits

It is suggested that, over and above the legal requirement, at least quarterly performance reports or any performance report tabled to the executive committee undergo some form of internal audit, if the capacity of the municipality allows. Our team acknowledges the fact that Internal Audit functions, where they do exist in municipalities, have traditionally only audited financial matters. Capacity has to be built so that this unit will be competent in auditing a variety of social, economic and service delivery indicators.

#### 11.6.20. Organizational Performance and Employee Performance

The performance of an organization is integrally linked to that of staff. If employees do not perform an organization will fail. It is therefore important to manage both at the same time. The relationship between organizational performance and employee performance starts from planning, implementation, monitoring and review.



#### 11.6.21. Planning

The IDP yields a set of indicators and targets. These become an undertaking of the municipality to the community. These should however be incorporated into the municipal managers performance agreement as he is responsible for the implementation of the IDP. The municipal manager may take relevant indicators to section or Departments concerned. These indicators would then become the indicators and targets of the Head of the Department to be incorporated in the performance agreement. The Head may cascade the indicators and targets to lower levels in line with the scope of responsibilities at that level.

#### 11.6.22. Implementation and Monitoring

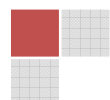
When projects and programmes are implemented, the municipal manager needs to set up a framework to track performance of all managers who would in turn do the same for lower level staff. The framework, in terms of employee performance management, should clarify:

- |            |  |
|------------|--|
| 11.6.22.1. | Targets for all levels in the organization |
| 11.6.22.2. | Methods for tracking performance           |
| 11.6.22.3. | Intervals for reporting                    |
| 11.6.22.4. | Lines of accountability                    |
| 11.6.22.5. | Institutional arrangements                 |

#### 11.6.23. Review

The municipal manager must, within the parameters of an employee performance management system adopt a framework for performance reviews of staff. The framework should clarify:

- |            |  |
|------------|--|
| 11.6.23.1. | Areas of performance to be reviewed flowing from IDP       |
| 11.6.23.2. | Review methods to be used                                  |
| 11.6.23.3. | Review intervals   |
| 11.6.23.4. | Linkages with broader strategic review of the organization |



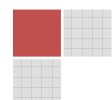
## 11.7. CONCLUSION

As stated earlier, one of the functions of the audit committee is to on at least an annual basis, review the PMS of the Municipality. It is envisaged that after the full cycle of the annual review and reporting is complete and the audit committee has met as required; the Internal Audit unit will compile a comprehensive assessment/review report on whether the Municipality's PMS meets the system objectives and principles as set out in this framework and whether the system complies with the Systems Act, PMS Regulations and the MFMA.

This report then needs to be considered by the audit committee and any recommendations on amendments or improvements to be made to the PMS, submitted to the Council for consideration.

The Municipal Systems Act, sec 40 requires the Municipality also annually evaluate its PMS.

The review undertaken by the audit committee and its recommendations could serve as input into this wider municipal review of the PMS and it is proposed that after the full cycle of the annual review is complete; the



Municipal Manager will initiate an evaluation report, taking into account the input provided by departments and the audit committee. The report will then be discussed by the Management Team and finally submitted to the Municipal Council for discussion and approval.

Performance Management culture will not only develop by having performance agreements for each staff member, but needs to be integrated as part of the management cycle of the municipality as a whole. Some examples are provided which serve as enablers to support a culture of performance management, these are:

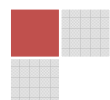
- 11.7.1. Sponsorship by senior management
- 11.7.2. Consistent communication of multi-dimensional performance to staff
- 11.7.3. Open and honest application of measures
- 11.7.4. No blame/No game environment
- 11.7.5. Integration and alignment of reward systems.

It will be important that the Executive Committee not only pay attention to poor performance but also to good performance. It is expected that the Executive Committee will acknowledge good performance, where departments have successfully met targets in their service scorecards. It is also proposed that an Annual Mayoral Award for Excellent Performance be introduced to reward departments who have excelled in terms of their service scorecards. Such an award and the subsequent recognition can often be sufficient to motivate teams in the workplace.

In conclusion, it must once again be emphasized that there are no definitive solutions to managing municipal performance. The process of implementing a Performance Management System must be seen as a learning process, where all involved are continuously improving the way the system works to fulfill the objectives of the system and address the emerging challenges from a constantly changing environment.

## **12. CHAPTER 7:**

### **12.1. GOOD GOVERNANCE AND PUBLIC PARTICIPATION GENDER DEVELOPMENT**



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

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

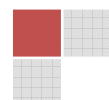
All persons have the right to enjoy and practice religious and cultural beliefs. However, these practices should not discriminate on the basis of gender. Empowerment of women refers to the capacity of women to access and control economic resources and makes decision for improving their quality of life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

### 12.1.1. MAINSTREAMING HIV & AIDS

Mainstreaming as action is an essential approach for expanding, scaling up and implementing multi-sectoral responses to HIV and AIDS. The health sector remains key, but non-health sectors are also to take action on HIV and AIDS based on one National Action Framework. This is more obvious in municipalities affected by a severe epidemic, but it is equally paramount in municipalities that have a relatively low, yet growing, HIV prevalence. Even for municipalities with low HIV prevalence, mainstreaming is crucial for addressing vulnerabilities to HIV infections in order to avert potential negative impacts. Early mainstreaming actions may help stem the surge of HIV epidemics and reduce the likelihood that concentrated epidemics will become generalized. Moreover, because HIV and AIDS is closely linked with other development concerns such as poverty, gender inequality and institutional exclusion, mainstreaming HIV and AIDS in low prevalence settings provides additional support to the regional development process. It also provides experience on how to integrate other pressing, cross-cutting and multi-sectoral issues which affect development in many municipalities.

Lekwa Municipality is finding it increasingly challenging to conduct its core business of service delivery in what is in many municipalities a crisis environment as a result of HIV and AIDS (among other factors). Increasing demands for services (health, welfare, cemetery lands, etc.) are being coupled with declining economic growth (through loss of productivity, declining investment) and increasing poverty and vulnerability among those losing income-earning household members and/or gaining additional dependents. The functioning of the municipality, as workplaces, is also being challenged by loss of staff due to AIDS.

While it is not appropriate to expect all municipalities to roll out extensive HIV and AIDS programmes, in general they can play an important role in identifying local needs, mainstreaming HIV and AIDS activities within LGA departments, and coordinating local responses (i.e., facilitating partnerships). The fight against HIV and AIDS requires good governance in its most basic form: inclusive and accountable priority setting and managing partnerships for effective service delivery at the local level.



There are two interlinked dimensions of mainstreaming: internal and external. For these two dimensions, the process involves engaging with two sets of issues concurrently:

**Internal** • Identifying and responding to factors – individual, organizational and societal – that are likely to increase vulnerability to HIV infection for sector staff, immediate family members and community

Recognizing and pre-empting, reversing or mitigating likely impacts of HIV and AIDS on staff and on the organization as a whole

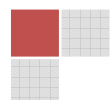
**External** • Identifying and responding to factors that are likely to increase vulnerability to HIV infection for communities or those considered clients of the sector

Recognizing and pre-empting, reversing or mitigating likely impacts of HIV and AIDS on those considered clients of the sector – and the communities it works with – and on broader sector mandates

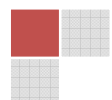
Understanding what the national HIV and AIDS priorities are internal mainstreaming is related to HIV and AIDS policies, guidelines and activities for sector employees. A sector often starts with the internal domain especially when the workplace is vulnerable to infection due to work-related situations such as frequent travel or working in remote areas away from family and home.

**The following are examples of activities within the municipality and the external mainstreaming**

- 12.1.1.1. Prevention of HIV infection through IEC/BCC:
- 12.1.1.2. Weekly facilitated discussions or meetings on HIV and AIDS-related topics among staff in departments
- 12.1.1.3. Peer education at the various levels within the organization
- 12.1.1.4. HIV and AIDS/STI material distribution
- 12.1.1.5. Promotion of voluntary counseling and testing (VCT) through one-on-one staff counseling and referrals
- 12.1.1.6. Referral linkage with health facilities for STI management among staff
- 12.1.1.7. Prevention of HIV infection through the promotion of ABC (Abstinence, Be faithful and proper use of Condoms)
- 12.1.1.8. Education on abstinence and faithfulness
- 12.1.1.9. Demonstrations of proper female and male condom use for various levels of staff
- 12.1.1.10. Make condom widely available in the workplace and the community
- 12.1.1.11. Provision of treatment, care and support to staff and families:
- 12.1.1.12. Provide HIV and AIDS counseling services to employees & their families
- 12.1.1.13. Revise health and workplace insurance to provide for ART
- 12.1.1.14. Establish support groups for HIV-positive employees and their families
- 12.1.1.15. Establish a support fund for affected families and orphans of employees
- 12.1.1.16. Initiate annual/bi-annual/quarterly food and clothing drives to support affected families and orphans of employees







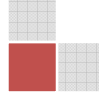
**The following are examples of activities that are external of the municipality as well as external mainstreaming**

- 12.1.1.17. Initiation of sustainable livelihood schemes by poverty reduction sector
- 12.1.1.18. Introduction of early maturing/high protein crops for communities in the agricultural sector
- 12.1.1.19. Provision of scholarships for orphans and vulnerable children in the education sector
- 12.1.1.20. Review and enforcement of the legal framework for prevention and protection against rape and sexual violence by the social and legal sectors
- 12.1.1.21. Revision of land acquisition laws that prevent access by women
- 12.1.1.22. Factoring HIV and AIDS into the national budget and medium-term expenditure by the finance and planning sector

SHORT-TERM RESULTS (OUTCOMES)	LONG-TERM RESULTS (IMPACT)
Increased awareness of HIV and AIDS among staff	Reduced HIV prevalence among staff
Referral mechanisms for treatment or pilot projects for infected staff and spouses in place	Comprehensive treatment regime available to infected staff and spouses
Policy of non-discrimination on the basis of HIV status adopted	Staff living with HIV employed at all levels of the organization, including senior posts
Organizational systems modified to address specific internal aspects of HIV and AIDS	Organizational systems enabled to respond to internal direct and indirect aspects of HIV and AIDS
HIV and AIDS focal point and team established- Cross-section of staff trained in mainstreaming	Staff capacity for mainstreaming HIV and AIDS throughout the organization
Specific mainstreaming actions costed and budgeted for	Embedded capacity for financial planning and forecasting for HIV and AIDS
Targeted support measures in place to address particular aspects of HIV and AIDS (aimed at reducing vulnerability or enhancing coping capabilities)	Effective support in place, strengthening household/community safety nets and coping capabilities to deal with HIV and AIDS
Articulation of effects of HIV and AIDS on sector and sector activities on HIV and AIDS	HIV policies and activities used to change sectoral practices, service provision or products for clients

In summary, mainstreaming in Lekwa Municipality requires a dual approach and understanding. On the one hand, the issue needs to become a normal part of operations for individuals and institutions; on the other hand, exceptional action needs to be taken, with constant innovations based on overall lessons learned. Thus, the challenge for sectors is to ensure that addressing HIV and AIDS, in all its manifestations and complexities, becomes integrated in each sector's routine functions, while maintaining space for innovative, transformative and exceptional action.

Mainstreaming outcomes differ from sector to sector and from place to place. On one level, mainstreaming HIV and AIDS results in the epidemic becoming part and parcel of the routine functions and functioning of sectors, providing prevention services, support for people living with AIDS and mitigation of the impact on client communities. Through well organized and concerted mainstreaming action, ground-breaking outcomes can be achieved that can be immediately attributed to the sector.



## 12.1.2. YOUTH DEVELOPMENT

The Local Municipality of Lekwa staged Youth Summits which resulted to council adopting youth development strategy which prioritized the following:

### 12.1.2.1. Youth Skills Development Programme:

Developing and maintaining a skills profile of the youth of the municipality. Facilitate training relevant to the economic trends of the municipal skills centre programme. Facilitate financial Support for marginalized youth seeking participation in higher education.

### 12.1.2.2. Youth Economic Empowerment Programme:

Introduction of a quota system in terms of awarding Business/ tenders of 40% to youth. Support and facilitate the formation of youth co-operatives that will be linked to production processes across sectors such as tourism, manufacturing and information technology.

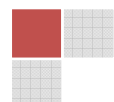
### 12.1.2.3. Youth Social Development Health HIV & AIDS:

Municipality shall implement an integrated yet robust youth programme against HIV and AIDS. Increase youth driven and peer education programmes aimed at curbing the spreading of STI's and HIV and AIDS pandemic.

### 12.1.2.4. Mainstreaming Programme:

The municipality has set-up a youth desk that oversee and advise the municipality with the implementation of the youth development strategy.

Interacting with over 25 youth formations (Interim Youth Council) which serve as a broad consultative and monitoring forum for youth development within the municipality



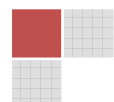
### 12.1.3. MORAL REGENERATION

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

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

#### **How do they operate in Lekwa Municipality?**

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



## 12.1.4. FOCUS AREAS OF THE MOVEMENT'S WORK

### 12.1.4.1. Development of Ethical Leadership

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

*Moral Regeneration must aim at developing and nurturing such leadership!*

#### Youth

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

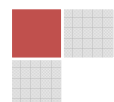
*Moral Regeneration must aim at harnessing and supporting the energy and creative spirit of youth towards moral renewal!*

#### Education

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

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

#### The Family



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

*Moral Regeneration must aim at strengthening the family unit!*

### **Riches and Poverty**

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

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

### **Crime and Corruption**

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

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

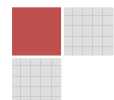
### **Religion**

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

*Moral Regeneration must aim at fostering greater religious tolerance and cooperation for moral renewal!*

### **The Media**

The media is generally negative when reporting about moral issues. Media economics are seen to dictate that



good news do not sell, whilst negative news does. Therefore, in pursuit of commercial imperatives, the media is likely to concentrate on news that sells (which are often negative) at the expense of good news (news that do not sell). This fuels perception that the country is generally immoral!

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

#### **12.1.4.2. MUNICIPAL SPORTS GAMES**

In 2006 the Municipality of Lekwa through the Department of Sports launched the Municipal Sports Games Land for all sports. The municipal agency called together all the associations and federations to invite them to organize the tournaments. Each institution had the autonomy to establish the form of disputation categories (could be several), place to develop it. Only setting start and end time for game to determine the champions for sport and club, as each added specialty items to the winning institution.

#### **12.1.4.3. RIGHTS OF CHILDREN**

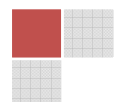
The inclusion in the Bill of Rights of a special section on the rights of the child was an important development for South African children, most of who had suffered under apartheid for many years. Some had been detained without trial, tortured and assaulted; many faced discrimination in health care, education and other areas. Children need special protection because they are among the most vulnerable members of society.

They are dependent on others – their parents and families, or the state when these fail – for care and protection. As a result, the drafters of our Constitution have made children's rights a priority – and have stated that the best interests of a child are the overriding concern when it comes to any matter affecting him or her.

#### **12.1.4.4. WHO IS A CHILD?**

A child is anyone under the age of 18 years. The supreme law of South Africa, which is the Constitution, guarantees that all people younger than 18 years have children's rights. Therefore, all children in South Africa, including children from other countries, have rights.

#### **12.1.4.5. WHAT RIGHTS DO CHILDREN HAVE?**



- 12.1.4.5.1. Children have the right to be children.
- 12.1.4.5.2. Children have the right to be cared for by their parents, family and caregivers.
- 12.1.4.5.3. Children have the right to enough food to stay healthy.
- 12.1.4.5.4. Children have the right to the best possible health care when they are sick.
- 12.1.4.5.5. Children have the right to be protected from harm, to have shelter and to feel safe.
- 12.1.4.5.6. Children have the right to an education.
- 12.1.4.5.7. Children with disabilities have the right to special care.
- 12.1.4.5.8. Children have the right to speak out and be heard.

#### **12.1.4.6. CHILDREN HAVE THE RIGHT TO BE PROTECTED.**

- 12.1.4.6.1. The Government, including the SAPS, must do everything it can to protect children from people, including their parents, who hurt them.
- 12.1.4.6.2. The Government must help protect children from all kinds of physical and mental violence, injury or abuse.
- 12.1.4.6.3. Children who are in trouble with the law have the right to be treated with special attention.
- 12.1.4.6.4. Children have the right to be protected from situations of armed conflict.
- 12.1.4.6.5. Children have the right to protected against neglect, abuse and punishment by parents and caregivers.
- 12.1.4.6.6. Children have the right to play and not to do grown-up work; to be protected against child labour - and being forced to work to make money for others.
- 12.1.4.6.7. Children have the right to be protected against all forms of sexual exploitation and sexual abuse.
- 12.1.4.6.8. Children have the right to be protected against harmful substances and drugs. Children must be protected from being used to make or sell drugs.

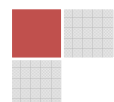
#### **12.1.4.7. WHAT IS CHILD ABUSE?**

##### **12.1.4.7.1. Sexual abuse**

- 12.1.4.7.1.1. Forcing a child to touch you.
- 12.1.4.7.1.2. Exposing a child to pornographic material.
- 12.1.4.7.1.3. Touching a child where he or she doesn't want to be touched and when it is appropriate.

##### **12.1.4.7.2. Physical abuse**

- 12.1.4.7.2.1. Hitting or hurting a child - or to relieve your own frustration on him or her.





**12.1.4.7.3. Emotional abuse**

12.1.4.7.3.1. To degrade, threaten or to yell at a child.

**12.1.4.7.4. Neglect**

12.1.4.7.4.1. Not taking proper care of a child, for example not cleaning, clothing feeding a child

12.1.4.7.4.2. When there are indeed indications that a crime was committed, it must be reported to the police.

**12.1.4.7.5. Children have the right to be cared for and feel safe**

12.1.4.7.5.1. Perpetrators are often known to the child. They could be people abuse their positions of trust by abusing children when they actually supposed to be the children. They could even be parents, other family members, friends or neighbours. This, however, does not mean that all those in positions of trust abuse children.

12.1.4.7.5.2. Children are vulnerable, especially over weekends and holidays when they are alone at home.

12.1.4.7.5.3. Parents or caregivers must always know where and with whom their children are.

12.1.4.7.5.4. Parents or caregivers must always act in the best interest the child.

12.1.4.7.5.5. Child protection starts at home and with one's own family.

**12.1.4.7.6. Safety plan for children****12.1.4.7.6.1. Tell someone:**

12.1.4.7.6.1.1. If you are feeling threatened, tell someone that you trust.

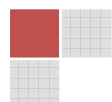
12.1.4.7.6.1.2. Never allow abuse to become a secret between you and the abuser.

12.1.4.7.6.1.3. If someone has already abused you, do not protect him or her - yourself - report it.

12.1.4.7.6.1.4. If you are not believed, tell someone else. Go to a clinic and tell the sister, she must take action. You can report abuse at a police station, or a teacher you can trust to help report it. You can also call the toll-free Child line number at 0800 05 55 55.

**12.1.4.7.6.2. Be aware, be safe**

12.1.4.7.6.2.1. Be informed about your rights as a child.



- 12.1.4.7.6.2.2. You have the right to say NO to any person who is doing saying things that you feel are wrong (even your parents). This will include someone who tries to touch your body or makes any proposals that you feel uncomfortable about.
- 12.1.4.7.6.2.3. Read about things that you do not understand like: sex, AIDS, how babies are born? what is sexual, emotional and physical abuse? You do not have to be afraid or ashamed to ask questions about these things you can ask your parents, teachers or any adult you trust about these things, or you can call Child line.

#### 12.1.4.7.6.3. Love yourself

- 12.1.4.7.6.3.1. Treasure your body; it is yours for your lifetime.
- 12.1.4.7.6.3.2. Respect yourself and others.
- 12.1.4.7.6.3.3. Value your own life - you are special.
- 12.1.4.7.6.3.4. A child who is aware is a well-protected child.

#### 12.1.4.7.6.4. Be confident

- 12.1.4.7.6.4.1. Girl or boy, rich or poor, fat or thin, tall or short - carry yourself with confidence.
- 12.1.4.7.6.4.2. Do not give in to pressure from your friends or anybody else, stick to your principles.
- 12.1.4.7.6.4.3. Know your limits and respect the limits of others.
- 12.1.4.7.6.4.4. Girls and boys, protect and stand up for each other, for what is right.
- 12.1.4.7.6.4.5. If you are abused it can never be your fault - abusers will try and put the blame on you in an attempt to keep you from talking to others about the abuse.

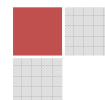
### **IF YOU ARE A VICTIM OR SUSPECT THAT A CHILD IS BEING ABUSED, CALL THE SOUTH AFRICAN POLICE SERVICE:**

SAPS Crime Stop  
08 600 10111

SAPS Emergency number  
10111

Child line  
0800 05 55 55

**The tide has turned! Build a people's contract for a safe and secure South Africa!**



#### 12.1.4.7.6.5. Disabled and the aged

The Census 2001 findings reported a total of 2 255 982 people having some kind of disability that prevents them from participation in life activities. According to the report, this number constitutes 5% of the total population of South Africa.

Mainstreaming disability issues into all policies, plans, programmes and activities of the municipality, thus significantly help to enhance the quality of life, full participation, and empowerment of men, women, youth, the elderly and children with disabilities in all spheres of life.

#### **Problems encountered with people with disabilities in Lekwa Municipality:**

- Knowledge on disability is very fragmented
- Disability management is not considered as the core business of the municipality.
- Disability issues within Local Government are addressed as a matter of compliance and not as a matter of inclusivity.
- In local government instruments, on the rare occasions when disability is included, the reference is generic and part of broad categorizations: e.g. “Designated groups” or “the poor”
- Employment target for people with disabilities of 2% is not reached.

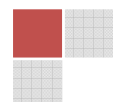
#### **Recommended corrective action to be undertaken by the Municipality of Lekwa:**

- Awareness raising, sensitization and education on disability are required.
- Relevant performance indicators on disability equity and management should be developed as key performance areas of municipal managers and other senior managers and included in their performance contracts.
- Disability as a distinct category should be made an integral part of local government policies, planning and process.

#### 12.1.4.7.6.6. Oversight committees

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

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



The Municipal Finance Management Act (MFMA) vests in Council specific powers of approval and oversight.

- 12.1.4.7.6.6.1. Approval of budgets
- 12.1.4.7.6.6.2. Approval of Budget related Policies
- 12.1.4.7.6.6.3. Review of the Annual Report and adoption of the Oversight Report

#### **12.1.4.7.7. Function of Oversight Committee**

- 12.1.4.7.7.1.1. Undertake a review and analysis of the Annual Report
- 12.1.4.7.7.1.2. Invite, receive and consider inputs from Councilors and Portfolio Committees, on the Annual Report.
- 12.1.4.7.7.1.3. Consider written comments received on the Annual Report from the public consultation process
- 12.1.4.7.7.1.4. Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report
- 12.1.4.7.7.1.5. Receive and consider Councils' Audit Committee views and comments on the annual financial statements and the performance report.
- 12.1.4.7.7.1.6. Preparation of the draft Oversight Report, taking into consideration, the views and inputs of the public, representative(s) of the Auditor General, organ of states, Councils' audit committee and Councilors.

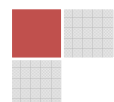
#### **12.1.4.7.8. Composition of Oversight Committee**

##### **12.1.4.7.8.1. Membership**

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

The Oversight Committee is composed of the following members;

- 12.1.4.7.8.1.1. Four PR Councilors :
- 12.1.4.7.8.1.2. Two members from local community



#### 12.1.4.7.8.2. Authority & Power

The Oversight Committee is delegated the responsibility to conduct meetings and to hold public hearings to receive and hear public submissions on the Annual Report, on behalf of Council.

Timely notice of all meetings should be given and all meetings held by the Oversight Committee must be open to the public and minutes of the meetings must be submitted to Council meetings.

#### 12.1.4.7.8.3. Meeting Schedule

The Annual Report must be tabled to Council by the 31st January and the Oversight Report must be adopted within two months from the date in which the Annual Report was tabled to Council.

Within the two month period, the Oversight Committee will be required to meet as required to fulfill the functions of the committee

#### 12.1.4.7.9. Council committees

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

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

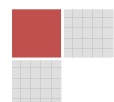
##### 12.1.4.7.9.1. Functions

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

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

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

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



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

**It is recommended that the committee examines the following:**

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

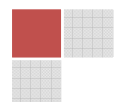
**The committee may also:**

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

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

#### **12.1.4.7.9.2. Structure and Membership**

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



#### 12.1.4.7.9.3. Chairing the Committee

- 12.1.4.7.9.3.1. This framework recommends that the appointment of the chairperson of the Municipal SCOPA must take into account the requirements of transparency, ethics and general good governance prescripts as well as local government legislature.
- 12.1.4.7.9.3.2. In keeping with the general tradition of oversight, the Council may consider whether a member of an opposition party may chair the committee. However ultimately this is a policy decision to be made by Council.

#### 12.1.4.7.9.4. Success of the Committee

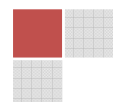
- 12.1.4.7.9.4.1. Primarily in order for the Municipal SCOPA to work effectively, it must possess integrity and a degree of authority. The committee must contain the powers and means to scrutinize all relevant information, as access to information is one of the key determinants of oversight effectiveness.
- 12.1.4.7.9.4.2. In addition, politically, the establishment of the Municipal SCOPA must be a shared vision and commitment and must be considered a critical component of developing good and credible local governance.

#### 12.1.4.7.10. WARD COMMITTEES

- 12.1.4.7.10.1. Ward Committees are fully functional. There are 11 Ward Committees in Lekwa with 150 Ward Committee members.
- 12.1.4.7.10.2. They consult via the Executive Mayoral outreach Programme.
- 12.1.4.7.10.3. They link the Integrated planning process to their wards
- 12.1.4.7.10.4. Assist in the organizing of public consultation and participation
- 12.1.4.7.10.5. Ensure that the annual municipal budget and business plans are linked to and based on the IDP

#### 12.1.4.7.11. TRADITIONAL LEADERS & HEALERS

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



#### 12.1.4.7.12. AUDIT COMMITTEE

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

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

#### 12.1.4.7.13. INTERGOVERNMENTAL RELATIONS

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

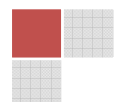
The Municipality is still having a challenge when it comes to integrated planning especially integration of programmes and projects from some sector departments from Mpumalanga Provincial Government. The manner in which the private sector is participating in the local municipality planning process also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

**The objectives of the IGR Unit in Lekwa are to;**

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

#### 12.1.4.7.14. COMMUNITY PARTICIPATION

One of the main features about integrated development planning process is the involvement of community and stakeholder organizations in the process. Participation of affected and interested parties ensures that the IDP





addresses the real issues that are experienced by the citizen of Lekwa Municipality. As part of its public participation process, the municipality has established the following structures to promote community participation;

- 12.1.4.7.14.1. IDP Steering Committee
- 12.1.4.7.14.2. IDP Technical Committee
- 12.1.4.7.14.3. IDP Representative Forum
- 12.1.4.7.14.4. Traditional Leaders
- 12.1.4.7.14.5. Intergovernmental Relations (IGR)
- 12.1.4.7.14.6. HIV & AIDS Council
- 12.1.4.7.14.7. Transport forum

It should however be mentioned that due to the vastness of the Lekwa Municipal area additional efforts should be made to ensure that public participation is meaningful. The democratically elected stakeholders will be involved in the public participation process. However, to improve the effectiveness of the process, it is intended to split the participation in two ways.

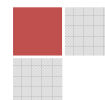
- 12.1.4.7.14.8. Identifying of stakeholders, experts or professional bodies in communities.
- 12.1.4.7.14.9. Identifying of local representatives on grass-roots level through ward councilors.

**The process could follow the following route:**

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

**The participation strategy will address the following issues:**

- 12.1.4.7.14.15. Available resources for participation
- 12.1.4.7.14.16. Roles of different role-players during the participation process (e.g. councilors, the IDP Steering Committee, the IDP Representative Forum, other officials, consultants, etc.)
- 12.1.4.7.14.17. Appropriate participation tools
- 12.1.4.7.14.18. Means of information dissemination
- 12.1.4.7.14.19. Means of eliciting and collecting community needs (including documentation of participation inputs)
- 12.1.4.7.14.20. Time frames to allow responses, comments, inputs
- 12.1.4.7.14.21. Means of encouraging representation of unorganized groups
- 12.1.4.7.14.22. Frequency of meetings / workshops
- 12.1.4.7.14.23. Appropriate venue for the meetings / workshops



- 12.1.4.7.14.24. All efforts will be made to comply with the legal requirements of Public Participation.

### **User friendly Participation efforts**

It is important to encourage user-friendly public participation as far as possible. The following will be implemented:

- 12.1.4.7.14.25. Suggestion boxes at strategic location;
- 12.1.4.7.14.26. Meetings with communities and stakeholders;
- 12.1.4.7.14.27. Local press and/or Hailing
- 12.1.4.7.14.28. Notices on Municipal Notice Boards
- 12.1.4.7.14.29. Notices on Libraries Notice Boards
- 12.1.4.7.14.30. Regional Radio Services
- 12.1.4.7.14.31. Notices at Post Offices and Police Stations
- 12.1.4.7.14.32. IDP Izimbizo/Summit
- 12.1.4.7.14.33. IDP Representative Forum

### **12.1.4.7.14.34. Stakeholders**

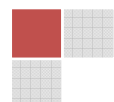
The process that the Lekwa Local Municipality will use in identifying stakeholders that need to be involved in this IDP processes will include the following:

- 12.1.4.7.14.34.1. Public meetings and forums
- 12.1.4.7.14.34.2. Nomination of representatives
- 12.1.4.7.14.34.3. Media - Local Press, Notice boards and Regional Radio Station
- 12.1.4.7.14.34.4. Notices on Notice Boards
- 12.1.4.7.14.34.5. Notices at Police Stations and Post Offices
- 12.1.4.7.14.34.6. Notices at Taxi Ranks and Shopping Complexes

The following list might be used as guideline for identifying of stakeholders and will be altered according to their involvement in the Lekwa area of jurisdiction:

- 12.1.4.7.14.34.7. Various interest groups (all churches, all youth organizations, police forum, etc.);
- 12.1.4.7.14.34.8. Civil society structures (SANCO, LRDC, Burial Society, civics, ratepayers, etc.)
- 12.1.4.7.14.34.9. Tourism sector (Publicity and Tourism Associations)
- 12.1.4.7.14.34.10. Service providers (Eskom, SASOL, Telkom, etc.)
- 12.1.4.7.14.34.11. Labour (Local Labour Associations)
- 12.1.4.7.14.34.12. Private Sector (Farmers Association, Women's Agricultural Union, etc.)
- 12.1.4.7.14.34.13. Government: National and Provincial Sector Departments
- 12.1.4.7.14.34.14. Gert Sibande District Municipality
- 12.1.4.7.14.34.15. Provincial IDP Task Team.
- 12.1.4.7.14.34.16. Community Development Workers (CDW's)
- 12.1.4.7.14.34.17. Business Chamber

### **12.1.4.7.14.35. Deadlock Breaking Mechanism**



- 12.1.4.7.14.35.1. The purpose of deadlock breaking mechanisms is to ensure that decisions are based, as far as possible on consensus between civil society, stakeholders and the local authority. In the event of a deadlock, council should make the final decision, but shall submit its reasons for its recommendations to the MEC for local Government with the objections and/or concerns.
- 12.1.4.7.14.35.2. It is important to provide different mechanisms for possible conflicts which may take place between different participants in the preparations of the IDP. Council should however be prepared for every eventuality.

#### 12.1.4.7.14.36. COMMUNICATION STRATEGY

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

#### 12.1.4.7.14.37. Five Management Decisions

##### **AUDIENCE**

Who needs to be reached?

##### **BEHAVIOR**

What change in behavior is required?

##### **MESSAGES**

What messages will be appropriate?

##### **CHANNELS**

Which channels of communication will be most effective in reaching your audiences?

##### **EVALUATION**

How will the success/failure of the communication strategy be measured?

#### 12.1.4.7.14.38. Multiple Channels

##### **INTERNET**

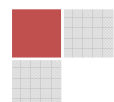
Control Content

Transfer Distribution Costs

Requires Marketing of the Site (communities of practice)

##### **STAKEHOLDERS**

If mobilized can carry the issue and be vectors in the community



Interpersonal contacts are vital

### **MEDIA**

Adds Credibility and reach at little cost

Don't want to and cannot control content

Strategic Communication “the Ultimate Goal of Communication is to facilitate a change in behavior....to achieve Management Objectives.”

#### **12.1.4.7.14.39. Audience Centered Communication:**

- 12.1.4.7.14.39.1. Guest is a better judge of the meal than the cook
- 12.1.4.7.14.39.2. (Aristotle)
- 12.1.4.7.14.39.3. Determine what your audience knows, their attitudes, feelings and prejudices
- 12.1.4.7.14.39.4. Construct your argument for them
- 12.1.4.7.14.39.5. Deliver it via a channel that reaches them

#### **12.1.4.7.14.40. Strategic Communication:**

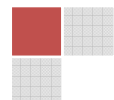
- 12.1.4.7.14.40.1. Who am I speaking to?
- 12.1.4.7.14.40.2. For what reason?
- 12.1.4.7.14.40.3. What is the take away message?
- 12.1.4.7.14.40.4. Delivered through?
- 12.1.4.7.14.40.5. Measure effect?

#### **12.1.4.7.14.41. Messages**

- 12.1.4.7.14.41.1. Clear-No Jargon
- 12.1.4.7.14.41.2. Concise-30 seconds or less
- 12.1.4.7.14.41.3. Consistent-repeated often
- 12.1.4.7.14.41.4. Convincing-data and stories
- 12.1.4.7.14.41.5. Compelling-says something

#### **12.1.4.7.14.42. Establishing Credibility**

- 12.1.4.7.14.42.1. Rapport- likable and caring
- 12.1.4.7.14.42.2. Communication- Short sentences and simple words
- 12.1.4.7.14.42.3. Energy- Voice Volume and Tone



12.1.4.7.14.42.4. Tell truth and be yourself

## 13. RISK MANAGEMENT

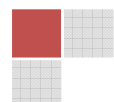
The Risk Management Committee (“Risk Committee”) has been established by the Lekwa Local Municipality (Municipality) to assist the Municipal Manager to fulfil her/his Enterprise Risk Management (ERM) and control responsibilities in accordance with the requirements of the Municipal Finance Management Act (MFMA), 2003 and to assist Council with regard to matters set out in this document.

### 13.1. PURPOSE OF RISK MANAGEMENT

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

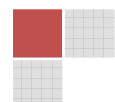
#### 13.1.5. TERMS OF REFERENCE

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



#### 13.1.6. THE RISK COMMITTEE SHALL:

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



- 13.1.6.17. Reviewing reports of significant incidents and major frauds (both potential and actual) including the elevation of the effectiveness of the response in investigating any loss and preventing future occurrences:
  - 13.1.6.17.1. Significant incidents are defined as any event which results in, or has the potential to result in serious personal injury (to the public, staff or third parties) or serious physical damage to property, plant, equipment, fixtures or stocks.
- 13.1.6.18. Providing feedback to the audit committee on the effectiveness of internal control having evaluated and managed.
  - 13.1.6.18.1. Considering the key risks and assessing how which they have been identified, evaluated and managed.
  - 13.1.6.18.2. Assessing the effectiveness of the related system of internal control having particular regard to the impact of weaknesses that have been reported.
  - 13.1.6.18.3. Considering whether necessary actions are being taken promptly to remedy weaknesses.
  - 13.1.6.18.4. Considering whether the findings indicate a need for more extensive monitoring of the system on internal control.
  - 13.1.6.18.5. Ensuring that, in accordance with an appropriate cycle, the reports, taken together, cover all aspects of internal control.
- 13.1.6.19. Considering other risk management issues referred to it by the Municipal Manager.
- 13.1.6.20. Develop goals, objectives and key performance indicators to measure the effectiveness of the Risk Management Committee

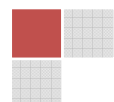
### 13.1.7. COMPOSITION

The Risk Committee shall consist of the Municipal Manager and all Executive Managers.

Permanent members of the committee shall be formally appointed by the Municipal Manager. The members, as a collective, shall possess the blend of skills, expertise and knowledge of the Municipality, including familiarity with the concepts principles and practice of risk management, such that they can contribute meaningfully to the advancement of risk management within the Municipality.

### 13.1.8. DISASTER MANAGEMENT PLAN

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



### The Purpose of Disaster Management Plan

The purpose of a Disaster Management Plan is to enhance the capacity of the municipality to prevent and to deal with disasters and to avoid developments, which are subject to high risk of disasters.

Disaster Management Framework, Plan and Centre are interrelated. The scope of disaster management as required by the Act broadly entails three domains as outlined hereunder: -

#### 13.1.8.1. Disaster Planning

- 13.1.8.1.1. Hazard identification
- 13.1.8.1.2. Risk and Vulnerability assessment
- 13.1.8.1.3. Prevention, mitigation, preparedness strategies
- 13.1.8.1.4. Contingency planning
- 13.1.8.1.5. The monitoring and evaluation of disaster planning Key Performance Indicators.

#### 13.1.8.2. Disaster Preparedness and Response

- 13.1.8.2.1. Monitoring of threats
- 13.1.8.2.2. Activating contingency plans
- 13.1.8.2.3. Informing National & Provincial centre
- 13.1.8.2.4. Deploying response resources to the scene of incident
- 13.1.8.2.5. Managing the resources
- 13.1.8.2.6. Monitoring of disaster intervention activities
- 13.1.8.2.7. Declaring of a “State of Disaster”

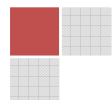
#### 13.1.8.3. Disaster Recovery

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

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

### 13.1.9. POSSIBLE TYPES OF DISASTERS, COMMUNITIES AT RISK AND ITS EFFECTS

The following table indicates likely types of disasters, the communities at risk and the effects associated with these disasters:



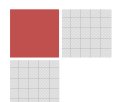


TYPE OF DISASTER	COMMUNITY AT RISK	EFFECTS
<b>Floods</b>	Low laying areas in Lekwa Municipality.	Loss of life
		Loss of property and livestock
		Damage to infrastructure
		Leaking of hazardous substances, sewage, etc.
		Disruption of economic and social activities
		Lack of potable water
<b>Heavy snowfalls</b>	High lying areas, particularly along the borders and also along the R23 and other areas within Lekwa municipality	Spreading of diseases
		Loss of life
		Loss of property and livestock
		Damage to infrastructure
		Disruption of economic and social activities
		Lack of food and warm clothing
<b>Veld fires</b>	Farming areas and informal settlements	Loss of life
		Loss of property and livestock
		Damage to infrastructure
		Spreading of diseases
		Disruption of economic and social activities
<b>Drought</b>	Lekwa local but in particular farming areas	Loss of life
		Loss of property and livestock
		Damage to infrastructure
		Spreading of diseases
		Lack of food, Lack of potable water
<b>Fires in built-up areas</b>	Lekwa, particularly densely populated settlements and CBD	Loss of life
		Loss of property and livestock
		Damage to infrastructure
		Spreading of diseases
<b>Transportation Accidents:</b>	Lekwa along major transportation networks	Loss of life
- Rail		Loss of property and livestock
- Air		Damage to infrastructure
- Road		Spillage of hazardous substances
- Pipeline		
<b>Spillage of hazardous and toxic substances</b>	Lekwa along major transportation networks.	Pollution
		Health risks
		Loss of biodiversity, Loss of life
<b>Diseases</b>	Lekwa and the neighbouring community	Health risks, Loss of life
		Loss of livestock
<b>Unrest</b>	Lekwa	Loss of life
<b>Mass Events</b>		Loss of property and livestock
		Damage to infrastructure

#### 13.1.10. POSSIBLE PREVENTION AND MITIGATION MEASURES

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

TYPE OF DISASTER	COMMUNITY AT RISK	PREVENTION AND MITIGATION MEASURES
<b>Floods</b>	Low laying areas, Standerton, Sakhile, Rooikoppen, TLC and Sivukile.	Prevent illegal occupation of land in low laying areas
		Ensure that townships are established outside 1:50 year flood line
		Plan open spaces along rivers and water courses
<b>Heavy snowfalls</b>	High lying areas, particularly along the border	Ensure that buildings are properly constructed to cope with weight of snow on roof structures
		Traffic accommodation
		Salt placement (National Road Agency)



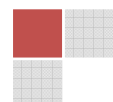
		Early detection system
		Effective communication lines between service delivery agencies
		Information distribution
		Emergency shelter and meals
		Emergency patient treatment
		Emergency communication system
		Emergency rescue and extrication
		Emergency administration functions
		Emergency financial assistance
<b>Veld fires</b>	Farming areas and informal settlements	Awareness campaigns
		Pre-emptive burning
		Firebreaks
<b>Drought</b>	Lekwa but in particular farming areas	Improved farming practices
		Storage of potable water source
		Irrigation scheme
<b>Fires in built-up areas</b>	Lekwa particularly densely populated settlements and CBD area	Fire hydrants
		Density control measures
		Fire walls between buildings
<b>Transportation Accidents:</b>		Improved road conditions
<b>- Rail</b>	Lekwa along major transportation networks	Regular maintenance of transportation infrastructure
<b>- Air</b>		
<b>- Road</b>		
<b>- Pipeline</b>		
<b>Spillage of hazardous and toxic substances</b>	Along major transportation networks and workstations such as Engine and Spoor net	Lower driving speed of hazardous substances
		Emergency response plan
<b>Diseases</b>	Lekwa and its neighbouring community	Awareness campaigns
		Emergency response plan
<b>Unrest</b>	Lekwa	Emergency response plan
<b>Mass Events</b>	Lekwa, auditorium, stadiums and public halls	Emergency response plan

### 13.1.11. PREPAREDNESS AND INSTITUTIONAL CAPACITY

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

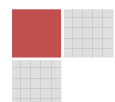
#### Appointment of Disaster Management Advisory Forum

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



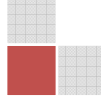
**13.1.11.1. Members need to comply with the following:**

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



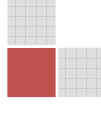
13.1.11.2. DISASTER MANAGEMENT ADVISORY FORUM

DISASTER MANAGEMENT ROLE-PLAYERS CONTACT LIST						
Functionary	Initial(s) & Surname	Cell No.	Tel. No.	Fax. No.	Postal Address	Email Address
OFFICE OF THE MAYOR	Clr C.M.MORAJANE		177 129 34	177126 808	Lekwa municipality P.O. Box 66 Standerton 2430	
OFFICE OF THE ACTING MUNICIPAL MANAGER	RTO. DIPONE		177129 660	177 121 240	Lekwa municipality P.O. Box 66 Standerton 2430	
DISASTER MANAGEMENT CENTRE	N.J.A. Kock		177 129 661 177 125 551	177 129 661	Lekwa municipality P.O. Box 66 Standerton 2430	
COMMUNITY SERVICES AND SAFETY	T. Mtshiselwa		177 123 549 177 129 678	177 125 670 177 123 422	Lekwa municipality P.O. box 66 Standerton 2430	
TECHNICAL & ENGINEERING	S.KOUNE	794 941 143	177 129 815	017712 9814	Lekwa municipality P.O. Box 66 Standerton 2430	
ENVIRONMENTAL & TOURISM	J Van Wyk	7.99E+08	177 129 826	017 712 9814	Lekwa municipality P.O. Box 66 Standerton 2430	
FINANCE	R.O.T.Dipone (Mr.)	728 135 641	1.77E+08	177 129 814	Lekwa municipality P.O. Box 66 Standerton 2430	
CORPORATE SERVICES	TM.GAMA	794 941 147	177 129 632		Lekwa municipality P.O. Box 66 Standerton 2430	
PUBLIC WORKS	L. Malala				Lekwa municipality P.O. Box 66 Standerton 2430	



13.1.11.2. DISASTER MANAGEMENT ADVISORY FORUM

DISASTER MANAGEMENT ROLE-PLAYERS CONTACT LIST						
Functionary	Initial(s) & Surname	Cell No.	Tel. No.	Fax. No.	Postal Address	Email Address
WASTE MANAGEMENT	M.MADISHA				Lekwa municipality P.O. Box 66 Standerton 2430	
TRAFFIC MANAGEMENT	Mr. G.M.MPHAHLE	8.29E+08		017 712 8802	Lekwa municipality P.O. Box 66 Standerton 2430	
LEGAL SERVICES	Mr.Y.G.MARONG O				Lekwa municipality P.O. Box 66 Standerton 2430	
IT	Poppy	8.29E+08	1.77E+08	1.77E+08	Lekwa municipality P.O. Box 66 Standerton 2430	
HOUSING	D. Radebe	7.99E+08			Lekwa municipality P.O. Box 66 Standerton 2430	
FIRE & RESCUE	Mr. N.J.A.Kock		177 129 661 177 125 551	177 129 661	Lekwa municipality P.O. Box 66 Standerton 2430	
O. HEALTH & SAFETY	Mr.T.MOFOKENG	837 335 471	177 129 645		Lekwa municipality P.O. Box 66 Standerton 2430	

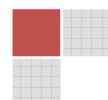


### 13.1.12. CONCLUSION

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

These should focus mainly on the following aspects:-

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



## 14. CHAPTER 8:

### 14.1. MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

#### 14.1.1. MUNICIPAL COUNCIL

The Lekwa Council consists of 30 Councillors, made up of 15 ward councilors and 15 proportional representative councilors. The African National Congress has 23 councilors, the Democratic Alliance with 6 councilors, the PAC with 1 councillor. There are 12 women councilors and 18 male councilors.

#### 14.1.2. ORGANIZATIONAL DESIGN

NB: Please see Annexure “A” on Lekwa Local Municipality Organogram-proposed for 2012-2013.

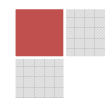
##### 14.1.2.1. Human Resource Development Strategy

The municipality has human resource development strategy based on the latest skills audit. There are processes and pieces of policies that constitute Human resource Strategy. The HR strategy responds to the long-term development plans of the municipality as reflected in the previous IDP. The HR profile of the municipality is reflective of the local community and the country. It includes all activities relating to the rendering of a comprehensive human resource management function to Council by ensuring an efficient personnel administration system, recruitment and selection, sound labour relations, human resources development, employment equity, occupational health and safety of employees and compliance with all relevant labour legislation.

The staff of the municipality is informed and supportive of municipality vision and mission and strategic direction and has knowledge of vacancy rates in the municipality.

The function of human resource management within the municipality is administered as follows and includes: Human Resource Development, Employment Relations, Employment Equity, Human Resources Administration, Occupational Health and Safety and Personnel Administration

Number to employer of all municipal staff employed	Total number of all municipal staff employed
- Professional (Managerial/Specialist)	19
- Field (Supervisory/Foremen)	14
- Office (Clerical/Administrative)	119
- Non-professional (blue collar, outside workforce)	327
- Temporary Staff	
- Contract Staff	12



#### 14.1.2.2. Employment equity plan

Lekwa Local Municipality acknowledges that because of apartheid, inequalities exist in the labour market and within the Municipality. To correct this imbalance and achieve employment equity, the Municipality is committed to continue with an affirmative action drive to achieve equity in the workplace.

Lekwa Local Municipality recommits itself to proceed with redressing any past discriminatory practices by adopting this plan. The Municipality commits itself to eliminating discrimination based on race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, age, religion, sexual orientation, disability, HIV/AIDS status or any other factors not pertinent to the employees' ability to do the job. Employment equity, including affirmative action, is an investment in the future and should contribute to the goal of real internal growth and the future viability of Lekwa Local Municipality.

While a key focus of this Employment Equity Plan will be to ensure the fair treatment and development of all our people, it is recognized that special efforts will be required to assist in the development of employees who through lack of past opportunity do not possess the necessary skills.

Employment equity, including affirmative action, will be regarded as a key strategic imperative for the Municipality to address, immediately and in future. The Municipality will ensure that sufficient resources are allocated to achieve this goal

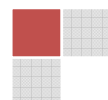
#### 14.1.2.3. Objectives of Employment Equity

To achieve equity in the workplace through the promotion of equal opportunities and fair treatment for all its employees, as well as applicants for employment by:

- Eliminating unfair discrimination that may exist in policies, practices, procedures and the work environment.
- Implementing affirmative action measures to redress the disadvantages experienced by designated groups in the past.
- Promoting diversity and respect for all employees.

Achieving equitable representation of all demographic groups at all levels and in all categories of the workforce as ultimate tangible objective

This Employment Equity Plan will be valid from 1<sup>st</sup> July 2011 to 30<sup>th</sup> June 2012 and a new plan will be developed after elapse of the current plan.





#### 14.1.2.4. Recruitment and Selection

**Sufficient efforts shall be made to recruit people from designated groups for all positions identified as such.**

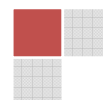
- All job advertisements, for which such an employment equity position is being filled, shall clearly display the following sentence: “Preference shall be given to the designated groups “in line with the existing Municipality’s policy on staff recruitment, jobs shall be advertised internally first.
- Should a suitable designated candidate not be available internally, efforts shall be made to recruit such a candidate externally.
- Should an external designated candidate not be available to fill a position, an appointment of a non - designated candidate shall be made.
- Where the Municipality has not met its employment equity targets in a particular department when advertising a job, its shortlist of applicants must aim to be representative of employees from designated groups. Preference should as far as reasonably possible be guided by the following order of priority:
  - Internal candidates from designated groups,
  - External candidates from designated groups,
  - Internal candidates from the non-designated group, and
  - External candidates from the non-designated group.

The Employment Equity Forum through its quarterly meetings will ensure that all recruitment meets set employment equity targets. Labour representatives will monitor the implementation during the interview process where they sit as observers.

#### 14.1.2.5. Succession Planning

Promotions occurring through the succession planning process will be used to advance the achievement of employment equity goals.

#### 14.1.2.6. Transfers



The transfer of an employee from one department to another shall be made to achieve the objectives of employment equity.

#### **14.1.2.7. Training and Development**

The training and development of current employees shall be a key strategy in the implementation and achievement of employment equity.

The Municipality shall invest in the training and development of employees to meet employment equity goals.

Training and development shall be conducted as per the Municipality Policies.

#### **14.1.2.8. Municipal Manager**

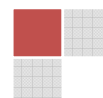
- 14.1.2.8.1. Provides leadership in promoting understanding of the plan.
- 14.1.2.8.2. Puts in place institutional mechanisms for effective and efficient implementation.
- 14.1.2.8.3. Assigns responsibilities and resources.
- 14.1.2.8.4. Ensures integration of plan into the business units' strategic plans.
- 14.1.2.8.5. Ensures that targets and objectives are met.

#### **14.1.2.9. Manager Human Resources**

- 14.1.2.9.1. Ensures that aspects relating to recruitment, selection, job description, performance management are implemented.
- 14.1.2.9.2. Ensures that proper records and personnel statistics are kept.
- 14.1.2.9.3. Ensures that training and development aspects of the plan are implemented.
- 14.1.2.9.4. Ensures that training statistics are kept.
- 14.1.2.9.5. Ensures that effective communication on the implementation of the plan is carried out.
- 14.1.2.9.6. Responsible for monitoring and implementation of the plan as an assigned Senior Manager in terms of the Act.

#### **14.1.2.10. Assigned Responsibility Equity Manager**

- 14.1.2.10.1. Ensures the Employment Equity Plan is developed and agreed upon for implementation.
- 14.1.2.10.2. Ensures that the consultative body is established and capacitated.
- 14.1.2.10.3. Monitors the implementation of the Equity Plan and reports to the employment equity forum.
- 14.1.2.10.4. Prepares annual report for the Department of Labour.



#### 14.1.2.11. Employment Equity Committee

The committee comprised of the unions IMATU, SAMWU and employee representatives drawn from across the occupational categories and levels and employer representative will:

- 14.1.2.11.1. Assist in monitoring the implementation of the plan.
- 14.1.2.11.2. Provide information, advice and obtain feedback from employees about the plan.
- 14.1.2.11.3. Review progress, assist in the preparation of the annual report to the department of labour and deal
- 14.1.2.11.4. With the revision of the Employment Equity Plan by providing input.
- 14.1.2.11.5. HR responsible for the implementation of the plan in respective departments.
- 14.1.2.11.6. Provide leadership by demonstrating personal commitment and support of the plan.

#### 14.1.2.12. Employees

From designated groups:

- 14.1.2.12.1. Make constructive use of training and development.
- 14.1.2.12.2. Make their views and concerns known to management.
- 14.1.2.12.3. Contribute actively to achieving the goals of the Municipality and the transformation process.

#### 14.1.2.13. Dispute Resolution

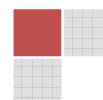
Dispute about the interpretation or implementation of the Employment Equity Plan will first be dealt with internally.

Should the dispute not be resolved internally, individuals will have recourse to the other relevant dispute resolution mechanisms. Disputes that involve unfair discrimination will have to be referred to the South African Local Government Bargaining Council (SALGBC).

The dispute must be referred in writing to the SALGBC within six months after the act or omission that allegedly constitutes unfair discrimination. Disputes that involve unfair dismissals must be referred to the appropriate bodies for conciliation and arbitration or adjudication in terms of the Labour Relation Act.

The existing grievance procedures will be used for dealing with individual disputes. The grievance procedures and the capacity in the Labour Relation component will be enhanced to deal with grievances and disputes.

#### 14.1.2.14. Consultation



Consultation with the Employment Equity Forum was undertaken on 2011-09-16 wherein the following was carried out:

- 14.1.2.14.1. Analysis of the workforce profile.
- 14.1.2.14.2. Analysis of employment policies, practices, procedures and the working environment.
- 14.1.2.14.3. Employment Equity Plan for period 2011- 2012.

Where a vacant position arises and there is a request for filling of the same during the currency of this plan, all stakeholders will be consulted before such a vacant position is advertised.

#### 14.1.2.15. Conducting an Analysis

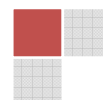
Analysis of the employment policies, practices, procedures and the working environment was conducted in order to identify employment barriers which adversely affect people from designated groups and no barriers were identified.

**The table below indicates the outcome of the aforesaid analysis:**

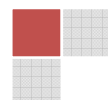
Analysis of the employment policies, practices, procedures and the working environment conducted in order to identify employment barriers which adversely affect people from designated groups.

Categories

Document	BARRIERS
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		YES	NO
Recruitment procedures	Human Resource Policy		√
Advertising positions	Human Resource Policy		√
Selection criteria	Human Resource Policy		√
Appointments	Human Resource Policy		√
Job classification and grading	TASK Job Grading		√
Remuneration and benefits	TASK Job Grading		√
Terms & conditions of employment	South African Local Government Bargaining Council Conditions of Service		√
Training and development	Skills Audit (conducted annually to determine training needs)		√
Promotions	Conditions of Service (1994)		√
Transfers	Conditions of Service (1994)		√
Disciplinary measures	South African Local Government Bargaining Council Disciplinary Procedure		√
Dismissals	South African Local Government Bargaining Council Disciplinary Procedure		√
Work environment and facilities	An audit will be conducted to identify accessibility of employees including disabled employees to council buildings. This will be conducted taking into account the financial implication to Council.		

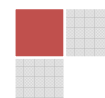


**All employees** in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	5	0	0	0	1	0	0	0	0	0	6
Senior management	9	0	0	7	2	0	0	0	0	0	18
Professionally qualified and experienced specialists and mid-management	2	1	1	0	2	0	0	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	68	3	0	14	43	6	0	5	0	0	139
Semi-skilled and discretionary decision making	63	0	0	5	2	0	0	0	0	0	70
Unskilled and defined decision making	239	1	0	0	33	2	0	0	0	0	275
<b>TOTAL PERMANENT</b>	<b>386</b>	<b>5</b>	<b>1</b>	<b>26</b>	<b>83</b>	<b>8</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>514</b>
<b>Temporary employees</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>15</b>
<b>GRAND TOTAL</b>	<b>389</b>	<b>5</b>	<b>1</b>	<b>26</b>	<b>94</b>	<b>8</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>529</b>

**Employees with disabilities only** in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	1	0	0	0	0	0	0	1	0	0	2
Semi-skilled and discretionary decision making	1	0	0	0	0	0	0	0	0	0	1
Unskilled and defined decision making	1	0	0	0	0	0	0	0	0	0	1
<b>TOTAL PERMANENT</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>
<b>Temporary employees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>4</b>



**An analysis of the Workforce Profile of the Lekwa Local Municipality reveals the following:**

**Gender representation/composition in the total workforce:** Black Males account for 76.26% against Black Females of only 17.70% when the EAP figures indicate 48.7% and 40.8% respectively. Black Males must be brought down to 48.7% and Black Females increased to 40.8% of the workplace profile in line with the EAP figures. One of the priorities must therefore be to increase Black Female representation across all occupational categories and levels from the current 17.70% to 40.8%.

**People with disabilities in the total workforce:** People with disabilities account for only 0.78% of the total workforce as against the 2 % of the government undertaking to reach as target by 2010.

People with disabilities generally still continue to hover below the 1% mark. Government initially made an undertaking that the representation of people with disabilities should have constituted 2% of the Public Service by the end of 2005. However, this was not reached and government moved the achievement of the 2% target to 2010. We are now in 2011 and the representation of people with disabilities both in government and in the private sector is still well below the 1% mark.

**African Males-** African Males account for 75.1% as opposed to 47.3% in terms of the EAP indicator. This indicates an excess of 27.8%.

**African Females-** African Females account for only 16.1% of the workforce as opposed to 39.9% in terms of the EAP indicator. This represents a shortfall of 23.8%.

**Coloured Males-** Coloured Males account for 0.97% as opposed to 0.6% in terms of the EAP indicator.

**Coloured Females-** Coloured Females are 1.56% against the EAP indicator of 0.6% for this racial group.

**Indian Males-** Indian Males account for 0.19% against an EAP indicator of 0.8%. This represents a shortfall of 0.61% in this racial group.

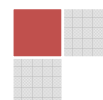
**Indian Females-** There is no representation in this race group. There is therefore a shortfall of 0.3% in terms of the EAP indicator.

**White Males-** There is a total of 26 White Males in the total workforce. This represents 5.06% against the EAP indicator of 6.6%.

**White Females-** There is a total of 5 White Females in the workforce representing 0.97% against the EAP indicator of 3.8%.

**The above analysis indicates gaps in the following areas and order:**

- Gender representation – African Females



- People with disabilities
- White Females
- White Males
- Indian Females
- Indian Males

The following barrier to the employment of people with disabilities has been identified:

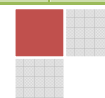
- Inaccessibility of our facilities for people with disabilities.
- An audit will be conducted to identify accessibility of employees including disabled employees to Council buildings. This will be conducted taking into account the financial implication to Council.

To strive to achieve numerical representation of people from designated / non designated groups in occupational categories where under and over representation has been identified in order to make the workforce reflective of the South African national/provincial demographics.

The suggested percentages are informed by the demographics of National Population and National /Provincial Economically Active Population by race and gender.

RACIAL CLASSIFICATION	EAP MP INDICATOR	WORKFORCE PROFILE	TARGETS REQUIRED	ORGANISATIONAL INDICATOR IN PERCENTAGE
African Male (AM)	47.3	386	47.3	75.10%
African Female (AF)	39.9	83	39.9	16.15%
Indian Male (IM)	0.8	1	0.8	0.19%
Indian Female (IF)	0.3	0	0.3	0.00%
Coloured Male (CM)	0.6	5	0.6	0.97%
Coloured Female (CF)	0.6	8	0.6	1.56%
White Male (WM)	6.6	26	6.6	5.06%
White Female (WF)	3.8	5	3.8	0.97%
<b>Totals</b>	<b>100.00%</b>	<b>514</b>	<b>100.00%</b>	<b>100.00%</b>

OCCUPATIONAL LEVELS	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	1	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and	11	0	0	0	0	0	0	0	0	0	11





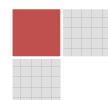
academically qualified workers, junior management, supervisors, foremen, and superintendents											
Semi-skilled and discretionary decision making	6	0	0	0	0	0	0	0	0	0	6
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL PERMANENT</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18</b>
<b>Temporary employees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>17</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18</b>

**Employees with disabilities only** in each of the following occupational levels: Note:  
A=Africans, C=Coloureds, I=Indians and W=Whites

OCCUPATIONAL LEVELS	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL PERMANENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Temporary employees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Year: 2011/2012**

OCCUPATIONAL LEVELS	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	5	0	0	0	1	0	0	0	0	0	6
Senior management	9	0	0	7	3	0	0	0	0	0	19

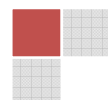


Professionally qualified and experienced specialists and mid-management	2	1	1	0	2	0	0	0	0	0	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	79	3	0	14	43	6	0	5	0	0	150
Semi-skilled and discretionary decision making	69	0	0	5	2	0	0	0	0	0	76
Unskilled and defined decision making	239	1	0	0	33	2	0	0	0	0	275
<b>TOTAL PERMANENT</b>	<b>403</b>	<b>5</b>	<b>1</b>	<b>26</b>	<b>84</b>	<b>8</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>532</b>
<b>Temporary employees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>403</b>	<b>5</b>	<b>1</b>	<b>26</b>	<b>84</b>	<b>8</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>532</b>

**Employees with disabilities only** in each of the following occupational levels: Note:  
A=Africans, C=Coloureds, I=Indians and W=Whites

OCCUPATIONAL LEVELS	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL PERMANENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Temporary employees</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GRAND TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

An audit to identify accessibility of employees including disabled employees to Council buildings will be conducted during the 2011/2012 financial year.



#### 14.1.2.16. Bursary policy

Lekwa Local Municipality has been offering its employees a conditional grant wherein employees were granted loans for the purpose of furthering their studies. Whereas a need now exist for a policy to be formulated regarding the granting of bursaries to qualifying employees in a manner that is not in violation of the Municipal Finance Management Act.

The purpose of the policy is to control and regulate the granting of conditional bursaries and matters incidental thereto. Council may establish a Bursary fund and deposit such monies therein as the Council may decide upon from time to time.

Eligible beneficiaries will be recommended by the Bursary Committee to the Municipal Manager for finalization.

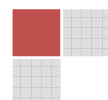
#### 14.1.2.17. The Committee shall compose of the following:

- 14.1.2.17.1. Chairperson who will preside over all sittings;
- 14.1.2.17.2. Secretary who will be responsible for record keeping for the committee;
- 14.1.2.17.3. Administrator represented by the Human Resources Section; and
- 14.1.2.17.4. Representatives from Senior Management;
- 14.1.2.17.5. Union Representatives, 2 SAMWU and 1 IMATU.

#### 14.1.2.18. The Committee shall:

- 14.1.2.18.1. allocate bursaries to deserving and qualifying applicants without fear, bias and prejudice;
- 14.1.2.18.2. convene meetings as and when required;
- 14.1.2.18.3. constitute a quorum with a committee of 50% + 1 members present;
- 14.1.2.18.4. base its decision on a consensus basis;
- 14.1.2.18.5. rely on Corporate Services' Human Resources Section for applicant information including results, compliance, institution's credibility and other related matters;
- 14.1.2.18.6. forward its recommendations to the Municipal Manager for finalization; and
- 14.1.2.18.7. Recommend the withdrawal or termination of a respective bursary, upon advice of non-compliance by the Human Resources Section, to the Municipal Manager.

#### Allocation Process:



### On first application

- 14.1.2.18.8. Assess and review all application handed before the scheme.
- 14.1.2.18.9. Allocate bursaries to deserving and qualifying applicants.

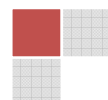
### 14.1.2.19. On previously allocated bursaries

Verify whether a candidate has complied with his/her previous bursary conditions

Allocate financial assistance through the Bursary limited to budgetary funds available.

Financial assistance will be granted to an applicant on the following conditions:

- It be awarded as a conditional donation;
- When an applicant applies on a prescribed form;
- When the Municipality is satisfied that the particular course applied for is necessary for improvement of the applicant's skills and knowledge within the organization;
- When an applicant enters into a written agreement with the Municipality upon approval;
- When the applicant studies for the following qualification provided by an institution which must be accredited by the South African Qualification Authority (SAQA):
  - Diploma
  - National Diploma
  - National Higher Diploma
  - First Degree
  - Undergraduate Degree
  - Postgraduate Diploma
  - Postgraduate Degree ( the Municipality will pay 50% of the studies per year, pending the availability of funds)



The Bursary will not be granted for the following purposes:

- Prescribed books only;
- To repeat any course/s that were previously funded through this Bursary and failed or not completed.

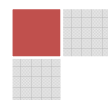
#### 14.1.2.20. Occupational health and safety policy

The Lekwa Local Municipality and its staff believe that the prevention of injuries and exposure to disease of all the employees is of paramount importance to the organization in its quest to be a leader in health and safety. Furthermore, management acknowledges its responsibility and moral obligation to provide a safe and healthy workplace.

We will strive to be proactive in the recognition of risks with the objective of reducing exposure to injury and disease. Involvement will be at all levels and the responsibility will be shared by everyone, in order to reach the objectives.

The need for the policy stems from the Occupational Health and Safety Act, 1993 which requires employers, including municipalities, amongst other things to develop and adopt an occupational health and safety policy.

Furthermore, this policy is intended to create a framework for decision making in respect of human resources management in as far as occupational health and safety is concerned in the municipality.



To comply with the conditions relating to the Occupational Health and Safety Act, Act 85 of 1993 regarding the issue and control of safety equipment/protective clothing as well as to compile a policy on the issue and control of other clothing and uniforms which is not legally compulsory.

The policy is intended to:

- Promote and maintain the highest degree of physical, mental and social wellbeing of workers.
- Prevent amongst workers, ill health caused by their working conditions.
- Place and maintain workers in a working environment that is adapted to their individual physiological and psychological conditions.
- Protect workers from factors adverse to their health.
- Promote and maintain working environment that is free from harassment.

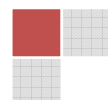
This policy applies to all employees of the Lekwa Local Municipality.

- To implement an Occupational Health and Safety Programme
- To be aware of all risks and changes in risk factors in areas regarded as high risk
- To stay abreast of legislative requirements and to meet them as far as is reasonably practicable
- To train everyone in the municipality on matters pertaining to their work and the associated risks involved
- To ensure the knowledge and information available is adequate to achieve these objectives
- To continually evaluate health and safety programmes, adapting them as and when problems are identified.
- To partake actively in the accident/incident prevention Programme.
- Employees exposed to OHS Act injuries must be issued with protective clothing at all times.

#### 14.1.2.21. Funeral policy for officials and councillors

The Lekwa Local Municipality has noted that bereaved families of employees and Councillors have difficulties in arranging funerals for their beloved ones in cases where they passed away. Colleagues experience difficulties to support and tender condolences in cases where a fellow employee or a Councillor/s passes away. This need prompted the Municipality to develop this policy to assist in regulating all matters in this regard.

The Lekwa Local Municipality as employer and its employees confirm the key principle in their labour relations that the employees should treat one another with mutual respect. A premium is placed on both employment justice and the efficient operation of services. While the employees should be protected from



arbitrary actions, the employer is entitled to satisfactory conduct and work performance from the employees

- This policy provides for the attendance of approved official delegation of Councilors and employees at either a memorial or a funeral service which takes place arising from:
- the death of an employee or a Councilor;
- The death of a dignitary or VIP.

To provide a system and guidelines on how to get the Municipality involved during the death of its employees and Councillors, and to provide assistance to the families of the deceased official/s or Councillor/s.

The bereaved family shall immediately after the occurrence of death of the member of the Municipal staff inform the relevant Supervisor or Head of Department in whatever suitable manner of communication in no later than two days thereafter. The Corporate Services department through the division of Human Resources shall be furnished with a certified copy of the death certificate confirming the death of such member of staff.

The memorial services may be held at a place convenient to both the family of the deceased and the Municipality during the week, at the time determined in consultation with the bereaved family. The Municipality shall allow fellow employees and Councillors to support the bereaved family of the deceased by attending the memorial service and the funeral. The Municipality will report the death of the employee to the relevant funds and assist with the claims for all benefit entitlements

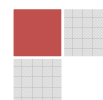
The Municipality will expedite financial contribution of the Municipality within the shortest possible period of time. In all respects, delays in paying over the Municipality's contribution to the bereaved family shall be avoided.

The Municipal Manager or his designate and the Manager of the department concerned shall attend the memorial service together with the portfolio Councillor serving on the Administration and Governance Committee. If a Councillor passes away the Management, Executive Mayor, Speaker, Mayoral Committee, other Councillors and employees may attend the memorial service and the funeral service.

The Municipality shall make transport available for this purpose. Fellow employees who want to support the bereaved family of the deceased employee in terms of condolences by attending the memorial service will do so with the approval of the Municipal Manager. Subsistence allowance and transport claims if any shall only be paid to the delegates.

The Executive Mayor will use the mayoral vehicle as transport for both memorial and funeral services. The Executive Mayor's delegated representative will use own transport and be paid in accordance with the Remuneration of Public Office Bearers Act.

Other members of the delegation will use transport as per their choices in terms of Remuneration of Public Office Bearers i.e. in the case where a councillor who receives 25% traveling allowance of his/her allowance, no transport will be provided to such a councillor, and where a councillor does not get 25% traveling allowance, transport will be provided by the Municipality, or the Councillor may use her/his private vehicle and claim the money back from the Municipality. Subsistence allowance and travel claims if any, shall only be paid to the delegates.



A trade union may advise the bereaved family of a member of their Trade Union according to the Council's Employment Policy, Practices and Procedures in this regard. Trade Unions may offer assistance to the bereaved family of a member of their Trade Union with the arrangement for the Memorial and Funeral Services.

#### 14.1.2.22. Cellphone policy

Lekwa Municipality has a responsibility to meet its objectives in terms of the Constitution and thus communication plays a vital role in achieving the following objectives

- To provide guidelines on the management of cellular phones
- To provide guidelines on the acquisition and use of cellular phones
- To provide guidelines for the use of private owned cellular phones

Councillors will automatically qualify for cellular phones, subject to the conditions per the annual gazette dealing with councillor's remuneration.

Indirectly elected councilors will not be provided with cellular phones from the District.

The following officials automatically qualify for cellular phones:

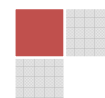
- i. Municipal Manager
- ii. Managers reporting directly to Municipal Manager (line Managers)

DESIGNATION	PACKAGE
<b>Municipal Manager</b>	Talk 1000
<b>Line Manager</b>	Max - Talk 500
<b>Other officials</b>	Max – Talk 500
	Min - Talk 240

Should other posts be identified requiring the use of cellular phones, a motivation will be submitted to the Municipal Manager by the relevant Manager for approval.

It is imperative that sufficient funds are available in the budget for these expenses.

Cellular phones will not be purchased for temporary officials. Temporary officials will be reimbursed for use of private phones or prepaid vouchers will be purchased. Temporary officials are officials that are employed for a period of 2 years and less.





#### 14.1.2.23. Policy on overtime

The policy applies to all full time employees of the Municipality except those employees excluded by earning more than the threshold amount as published by the Minister of Labour currently R149 736 unless otherwise agreed. (*Government Gazette No.100 of 01 February 2008*)

The policy describes the overtime, hourly rates and overtime rates.

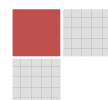
- To provide a framework and guideline for the implementation and maintenance of overtime worked and the remuneration thereof.
- Every manager/divisional manager has a responsibility for the implementation, maintenance and management of the overtime system.
- The salary office is responsible for the calculation and paying out of overtime worked.
- Designated managers and supervisors are responsible for co-coordinating and controlling system implementation and maintenance at operational level.

Employees may not work overtime unless prior approval has been obtained from the Head of the Department concerned and the work in question cannot be done during working hours. In other words circumstances must be dictating.

If an employee agrees to work overtime, the employee may not work:

- Overtime except in accordance with a written agreement from the Head of the Department concerned;
- More than 10 hours overtime per week;
- More than 3 hours per day.

No employee will be remunerated for overtime worked unless such overtime has been budgeted for and authorized by the Departmental Head.



#### 14.1.2.24. Staff provisioning policy

The Staff Provisioning Policy is in accordance with the spirit of the Constitution of the Republic of South Africa, Act 108 of 1996 and the Labour Relations Act, No. 66 of 1995, and any other applicable and relevant legislation. It gives effect to the obligations placed on the Lekwa Municipality by the above legislations and strives to ensure accountable, transparent and fair labour practices. The definitions of these Acts are mutatis mutandis applicable to similar concepts in this policy.

The role players within the field of the personnel provisioning process are as follows:

The of the **Municipality** must ensure compliance with government policies, e.g. Employment Equity Act, No. 55 of 1998 and other applicable legislation by formulating internal policies and monitoring the implementation of such policies.

The **Municipal Manager** is the Accounting Officer of the municipality and is responsible for the effective and efficient management and administration of the municipality. He/she may delegate any power conferred upon the Municipal Manager's office to heads of departments provided such delegation is done within the framework of policies of the Municipality.

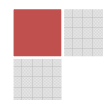
The **Labour Forum** is responsible for ensuring that the legislation relevant to staff provisioning is implemented within the context of its terms of reference and *subject to Council's approval of its recommendations*.

The heads of departments have advisory observer status if the Local Labour Forum discusses any matters concerning them.

The **Corporate Services Department** is responsible for the implementation of fair and transparent labour practices. It fulfils the functional role of advising the Local Labour Forum regarding any steps necessary to ensure compliance with applicable legislation. This includes compilation of documentation to implement such measures and submission thereof to the Local Labour Forum. Its operational role is to render assistance and monitor on behalf of the Municipality, the implementation of approved policies, procedures and practices.

To execute their managerial responsibilities, the Heads of Departments must:

- Develop and update the job analysis and job descriptions of each position in the municipality as the basic premise document on which any employment procedures will be based
- Uphold the practices and procedures established in this policy.
- Provide the Corporate Services Department with full co-operation regarding any measures to be taken by the latter in accordance with its functional and operational responsibilities to implement this policy.



- All motivations for the creation of new posts shall be substantiated and budgeted for. Savings must be identified to cover such costs before approval is sought for creating such posts.
- When a post becomes vacant it will not be automatically filled. Any request for filling a vacant post must be fully motivated by the relevant Departmental Head to the Municipal Manager who will either approve or disapprove the filling of such a vacancy.

#### 14.1.2.25. Smoking policy

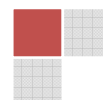
Medical evidence clearly shows that smoking is harmful to the health of smokers. Medical research has also established that second-hand smoke is a significant health hazard to non-smokers, which, if not controlled, has short-term effects such as irritation to the eyes, throat and respiratory tract, as well as long-term effects including impaired lung function and lung cancer.

The objective of this smoking policy is to protect non-smokers from exposure to second-hand smoke, thereby enhancing the air quality of the work environment for employees of Lekwa Local Municipality. It is also anticipated that the eventual ban on smoking in the workplace will yield supplementary benefits, such as providing leadership on this issue for other employers, and reducing the level of sick leave benefits required by employees.

The employer has a legal duty to take reasonable care to protect its employees. In attempt to consider and accommodate the needs of smokers and non-smokers and to provide all our employees with a safe and healthy working environment the Employer envisages a "phased" policy that would discourage smoking. This policy is not meant to punish the smokers but to protect and improve the health of all members and staff.

#### Policy objectives

- To educate smokers about the harmful effect of smoking and give advice, guidance and support if employees decide to give up smoking;
- To change the working environment to minimize the harmful effects of passive smoking on the nonsmoker;
- To provide employees with a healthy and efficient working environment and to avoid conflict in the workplace.
- Education and information programmes shall be provided to all staff with information with regards to the effects of smoking on personal health.
- Changes will be implemented to the work environment-
- In all workplaces, particular areas shall be designated as non-smoking areas.



**These are as follows-**

- Any area in which a fire or safety hazard exists, including employers owned vehicles and equipment's;
- training, conference and staff rooms
- rooms where meetings are in progress
- Common areas, including elevators, staircases, lobbies waiting rooms, copier rooms, mailrooms, libraries, store-rooms, reception areas, customer service areas, rest rooms; toilets and change rooms.
- Areas where equipment can be damaged e.g. Computer and production areas; or recreation areas;
- no smoking to be allowed in offices
- Any area not specifically designated "smoking permitted".

Smoking will be prohibited in all areas inside the workplaces except in areas designated for smoking.

**Designated smoking areas will be equipped with the following:**

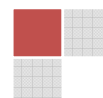
- A prominently displayed sign, at the entrance of the area, with the words SMOKING ROOM.
- A prominently displayed sign, inside the smoking room, with a health warning notice.
- A prominently displayed notice, inside the smoking room, of the Municipal smoking fining system.
- Ventilation extraction unit.
- Ashtrays.

Smokers should manage their smoking breaks in a responsible manner to respect departmental needs and management discretion. Prolonged or frequent absences could be dealt with as a matter of performance and conduct

Signs shall indicate clearly the presence of a smoke free area, anyone who fails to comply shall be fined according to fining System.

The sale of tobacco products shall be stopped on the premises (Cigarette vending machines shall not be installed and waiting machines shall be removed.)

There are a variety of ways of trying to give up smoking. The employer will give assistance to those who want to give up smoking to establish an environment which is supportive



#### 14.1.2.26. Policy regarding subsistence and travelling allowance

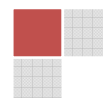
It is essential that delegates of the Municipality from time travel to other cities and towns in order to establish and maintain links and relationships with other Municipalities, Government Bodies, and other parties, institutions and organizations operating in the sphere of Local Government. It is important for delegates to broaden their knowledge and understanding of and compare local experiences in Local Government transformation, innovation and change in the rest of the country, and this can effectively be done only through the medium of personal contact with a wide range of Local Government stakeholders

The policy sets out the basis for the payment of a subsistence and travel allowance for the purposes of such official travelling:

Every delegate who travels on the business of the Municipality must comply with this Policy in letter and in spirit.

Delegates who travel on the business of the Municipality must appreciate, at all times, that they are ambassadors for the Municipality, that their actions, conduct and statements must be in the best interests of the Municipality, and that they must comply with any specific mandates they have been given.

Consistent with the Municipalities performance monitoring and evaluation objectives, the Municipal Manager will ensure that a database of all Councillors and officials travelling is kept.



A subsistence and travel allowance is an amount of money paid by the Municipality to a delegate to cover the following expenses:

- Meals (including reasonable gratuities).
- incidentals such as refreshments, snacks, drinks and newspapers; and
- All business-related travel.
- A subsistence allowance does not cover any personal recreation, such as visits to a cinema, theatre, or nightclubs or sightseeing.

#### 14.1.3. REPORT OF THE CORPORATE SERVICES COMMITTEE HELD ON 2008-02-12

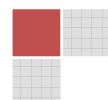
##### 14.1.3.1. Resolved

(1) That the report of the Municipal Manager (Executive Manager Corporate Services) BE NOTED regarding the progress report on Travelling Allowance Policy;

(2) That an amount of R150.00 for travelling and subsistence allowance for Councillors and Officials BE APPROVED for incentives and has to be in line with the Council budget;

(3) That a delegate who travels outside the jurisdiction of Lekwa BE PAID an inconvenience allowance of R 150. 00 per day or part of a day

##### 14.1.3.2. Policy on internship (experiential training)

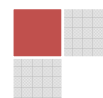


With this policy the Municipality seeks to contribute to the community by allowing students whose studies are related to Local Government to do experiential training with the institution in order to obtain their qualifications. The aim being to afford students an opportunity to gain practical exposure and translate theory into practice and to ensure uniform application of this policy

- 14.1.3.2.1. The student must be registered with a recognized tertiary institution registered with SAQA
- 14.1.3.2.2. Experiential Training must be a curriculum requirement in order to obtain a qualification
- 14.1.3.2.3. The Municipality must be in a position to offer such experiential training and the student must have studied in a specific field applicable to Local Government
- 14.1.3.2.4. The student shall supply the following documents when applying for experiential training and also complete an agreement on a confidentiality clause because they have access to information:
  - 14.1.3.2.4.1. Application Letter
  - 14.1.3.2.4.2. Comprehensive CV with a letter from the institution confirming registration and stating duration of training and indicating that it is a curricula requirement
  - 14.1.3.2.4.3. Areas that the student must be exposed to
  - 14.1.3.2.4.4. Log book if required and reporting intervals
- 14.1.3.2.5. The application will then be referred to the relevant Departmental head for consideration and the Human Resource division through Corporate Services Department Manager will be informed accordingly
- 14.1.3.2.6. The Municipality will pay a monthly allowance of R1 500.00 less statutory deductions, or an allowance as determined by the Municipality from time to time and shall not be eligible for other benefits
- 14.1.3.2.7. Students will only be employed to stay for the duration of training.
- 14.1.3.2.8. A student may not be appointed in any post during or towards the end of training.
- 14.1.3.2.9. That preference will be given to students from within the Lekwa jurisdiction.
- 14.1.3.2.10. The Basic Conditions of Employment Act and Labour Relations Act will mutatis mutandis be applicable to students doing practicals at the institution.
- 14.1.3.2.11. Students will remain with the institution for the duration of the experiential training and no extension shall be allowed. Subject to Clause 11 of the 1994 conditions of services as agreed to in the Industrial Council a student's service will be terminated from the date, which prior to the engagement was agreed to in consultation with the Departmental Manager.
- 14.1.3.2.12. A student must not be appointed in a vacant position in which case the appointment will fall within the scope of the Conditions of Agreement nor should expectations be raised for such possibility.
- 14.1.3.2.13. The Authority to appoint a student in terms of this policy rests with the Departmental Manager concerned subject to the approval of the Municipal Manager.
- 14.1.3.2.14. It is the responsibility of the Head of the Department to ensure that mentoring and coaching of the intern is sufficiently provided.
- 14.1.3.2.15. It is the responsibility of the Executive Manager Corporate Services to ensure that this Policy complies to legal requirements

#### 14.1.3.3. Work place skills plan (scarce skills strategy)

- 14.1.3.3.1. The municipality does have a Workplace Skills Plan development strategy aligned to scarce skills within municipality.
- 14.1.3.3.2. The plan reflect the total anticipated payroll for the year which is R 36,786,801.85,
- 14.1.3.3.3. Total anticipated training spends for the year which is R 2,239,620.81 and



- 14.1.3.3.4. The total anticipated levy payment for the year R 367,868.02.
- 14.1.3.3.5. Moreover it also reflect on total number of employees in the Municipality,
- 14.1.3.3.6. Total number of employees to receive training,
- 14.1.3.3.7. Percentage of total employees to receive training and the IDP/municipal training objectives
- 14.1.3.3.8. Promotions occurring through the succession planning process will be used by the municipality to advance the achievement of employment equity goals. A position for which an Employment Equity candidate has been identified and developed need not be advertised. All other positions shall be advertised. Non-Employment Equity employees shall be promoted as a result of the succession planning process.

#### 14.1.3.4. Recruitment and retention strategy

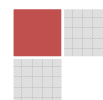
Sufficient efforts shall be made to recruit employment equity candidates for all positions identified as such.

- 14.1.3.4.1. All job advertisements, for which such an Employment Equity position is being filled, shall clearly display the following sentence:
- 14.1.3.4.2. "Preference shall be given to Employment Equity applicants", In line with the existing Municipality's Policy on Staff Provisioning, jobs shall be advertised internally first.
- 14.1.3.4.3. Should a suitable Employment Equity candidate not be available internally, efforts shall be made to recruit an Employment Equity candidate externally.
- 14.1.3.4.4. Should an external Employment Equity candidate not be available to fill apposition, an appointment of a non-Employment Equity candidate shall be made.
- 14.1.3.4.5. The appointment of a non-Employment Equity candidate as anticipated in can only be made with the resolution of Council.

#### 14.1.4. AUDITOR - GENERAL COMMENTS

With the assistance of the Mpumalanga Department of Finance, Gert Sibande District Municipality and external service providers, the municipality was able to submit the outstanding financial statements on **16 September of 2011** and not on as prescribed by legislation.

The municipality unfortunately received a **disclaimer** from the Auditor-General for the financial statements submitted for auditing.

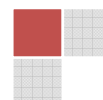




The disclaimer was acknowledged and a recovery plan was drafted and adopted by Council when the financial statements were presented to Council.

The recovery plan included, inter alia, the following key principles;

- 14.1.4.1. That all the issues raised by the Auditor-General be addressed as a matter of urgency
- 14.1.4.2. That the closing balances for the 2010/2011 financial year be used as the opening balances for the 2011/2012 financial year.
- 14.1.4.3. That the vote numbers on the financial system be cleaned up where necessary and that the correct codes be captured on the system. There was a problem with the system reversing debits and credits and/or incorrectly assigning assets and liabilities.
- 14.1.4.4. That the finance committee monitor and report to Council on progress in terms of the recovery plan on a monthly basis.
- 14.1.4.5. The assistance of the Gert Sibande District Municipality was sought and they responded positively by seconding a senior official to act as Chief Financial Officer at Lekwa.
- 14.1.4.6. The Gert Sibande District Municipality also procured the services of a service provider (De Loitte and Touchée) to assist in correcting issues raised in terms of the Auditor-Generals report. The service provider is also assisting in setting up protocols and policy formulation where necessary.
- 14.1.4.7. The service provider will also be assisting with year-end functions and in the compilation of financial statements.
- 14.1.4.8. Officials within the finance department are being capacitated to allow us to perform at an acceptable standard in terms of financial management and reporting. Training on GAMAP/GRAP is also being undertaken to allow us to comply with legislative prescripts and implementation deadlines.
- 14.1.4.9. We have also upgraded our financial software package to the latest version and training has been provided.
- 14.1.4.10. However, in the financial year 2009/2010 although the municipality was placed under administration in terms of Section 139(b) of the Constitution, the Municipality, was able to receive an unqualified audit opinion with matters of emphasis.



## 15. CHAPTER 9:

### 15.1. LOCAL ECONOMIC DEVELOPMENT AND TOURISM STRATEGY

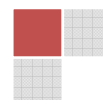
The third step is to develop the actual strategic plan itself. This entails the formulation of the goals with regards to how the “future should look”. Together with this is the formulation of specific objectives, which identifies how the goals will be achieved. As the formulation of goals and objectives can be time consuming, the following strategic decision model assists in the facilitation of fast-tracking the formulation of the goals and objects together with the actual planning of the strategies.

It is evident that the process is based on group discussions and interaction. The model is based on the identification of alternatives, an evaluation of comparisons against each other as well as the decision on which alternative to utilize. Subsequently, the design of the various selected alternatives is undertaken which completes the process. However due to the continuous interaction, the potential risk of failure is minimized. The interactions are outlined in the subsequent section:

#### 15.1.1. The Vision LED Goals, Objectives and projects or action plans that are recommended for the Municipality.

##### **Vision**

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



### 15.1.2. Local Economic Development Goals & Objectives;

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

**Pillar One:** To become the tourism and recreational hub of Mpumalanga through the development and promotion of water sport related activities to attract both local and foreign tourists to the area thereby stimulating the development of SMMEs by 2015.

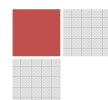
- Objective 1: Encourage water craft related industries (e.g. ski boats, canoes and fishing boats) in the Municipality by 2009
- Objective 2: To investigate viable economic linkages by 2009 in order to promote tourism and SMME development
- Objective 3: To provide world class services (for the community and tourists) by 2012
- Objective 4: To develop institutional arrangements and stakeholder support for the development and implementation of water tourism by 2010
- Objective 5: To establish academy Centers to boost skills related to water sporting activities by 2012

**Pillar Two:** Promote and support Community Economic Development

- Objective 1: Discouraging employment brokering by January 2011
- Objective 2: Helping women to access employment and self-employment programmes on an on-going basis
- Pillar Three: Attract inward investment in Lekwa
- Objective 1: Investment promotion & marketing by December 2013
- Objective 2: Existing business retention and expansion by June 2013
- Objective 3: Targeted investment incentives strategy January 2012

**Pillar Four:** Encouragement of Local Business Growth and development

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



**Pillar Five: Promote and support Investment in Soft Infrastructure**

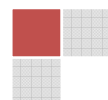
- Objective 1: Enabling or providing skills training on an on-going basis
- Objective 2: Continuously providing increased business focused education and access to education
- Objective 3: Supporting research and development on an on-going basis

**Pillar Six: Promote and Support Agricultural development**

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

**Pillar Seven: Sector (Business Cluster) Development**

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

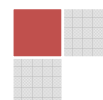


### 15.1.3. Local Economic Development Strategic Pillars to realize the LED Objectives;

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

- 15.1.3.1. To become the tourism and recreational hub of Mpumalanga through the development and promotion of water sport related activities to attract both local and foreign tourists to the area thereby stimulating the development of SMMEs by 2015.
- 15.1.3.2. Promote and support Community Economic Development
- 15.1.3.3. Attract inward investment in Lekwa
- 15.1.3.4. Encouragement of Local Business Growth and development
- 15.1.3.5. Promote and support Investment in Soft Infrastructure
- 15.1.3.6. Promote and Support Agricultural development
- 15.1.3.7. Sector (Business cluster) Development

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



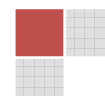
## 15.2. STRATEGY IMPLEMENTATION FRAMEWORK

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

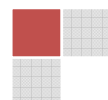
### Pillar one:

To become the tourism and recreational hub of Mpumalanga through the development and promotion of water sport related activities to attract both local and foreign tourists to the area thereby stimulating the development of SMMEs by 2015.

Objectives	Strategy	Project	Indicator	Outcome	Risks	Target
Encourage water craft related industries (e.g. ski boats, canoes and fishing boats) in the Municipality by 2012	Water tourism Development programme	Business Development Incubator	Number of Boating, Fishing, Yachting, surfing, Super tube, Swimming, Kayaking industries on Vaal River,	Empowered number of water craft industries	Lack of buy-in politically Lack of buy-in from key stakeholders Lack of Funding Inefficient M&E	SMME's and Co-operatives
To investigate viable economic linkages by 2010 in order to promote tourism and SMME development	Economic Research and Planning Programme	Develop a Responsible Tourism Strategy SMME/Co-ops Strategy	Built access roads	Improved key economic linkages	Lack of Funding Inefficient M&E	Access roads
To provide	Infrastructure	Maintenance and	Improved key	Improved bulk	Lack of buy-	Dilapidated



Objectives	Strategy	Project	Indicator	Outcome	Risks	Target
world class services (for the community and tourists) by 2012	Development Programme	Upgrade of road network	access roads.	infrastructure, accessibility and safe roads between areas	in from key stakeholders	infrastructure
	Waste Management Programme	Upgrade of bulk infrastructure	Increased availability of industrial and potable water and sewerage disposal system by 2012			
		Upgrading existing reticulation IWMP				
To develop institutional arrangements and stakeholder support for the development and implementation of water tourism by 2012	Institutional development programme	Appoint LED Officer and administrator Establish functional LED Forum PMS Framework	Fully functional LED Unit	Improved development and implementation of water tourism	Lack of buy-in politically Lack of Funding	LED Unit within the Municipality
Develop Eco-Tourism and cultural villages along the Vaal River by June 2009	Upgrading to a Golf Estate	Camping sites, ablution facility, information centre, chalets.	River Park to provide locals and tourists with a tranquil setting for leisure activities	Lack of funding	River Park and the Vaal River along	
	Restoration of River Park include privatization, construction of a new entrance, improvement of security, erection of water based activities such as a super tube and swimming pool, and setting up an administration office for entrance fees and customer services.	Fishery building and infrastructure services.		Limited participation of HDI Groups due to financial resources		
	Accommodation facilities be renovated and marketed. Designated fishing areas can be allocated to cater for the fishing market	Storage or processing building		Lack of interest in black majority		
Provide Residential and Tourism Accommodation Zones	Develop Eco Estate at the Dam, Safe environment for children to Play, Family activities, Playground activities, cycling and jogging Golf Estate, River	Residential and Tourism Accommodation Zones developed	Promotion of Residential and Tourism Accommodation Zones	Lack of buy-in politically Lack of Funding Vandalism High jacking and Rape Hotspot	River park, Golf Estate Vaal river	

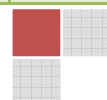


Objectives	Strategy	Project	Indicator	Outcome	Risks	Target
	Cottages, Dam Resort, Kiting, Horse trails, Mountain bike trails, Hiking trails, 4x4 routes, Motorbike& quad bike routes.					
Provision of Dry land activity Zones and Water Activity Zones	Develop the Golf course, Picnic areas, Playground at River Park, Kayaking on Vaal River, Boating & Fishing in the River and Dam, Yachting and surfing at the Dam.	Dry land activity Zones and Water Activity Zones developed	Promotion of Dry land activity Zones and Water Activity Zones	Lack of buy-in politically Lack of Funding Vandalism High jacking and Rape Hotspot	A limited number of <b>women to access employment and self-employment programmes</b>	
	Super tube at River Park Swimming pool at River Park Kayaking on Vaal River, Boating & Fishing in the River and Dam, Yachting and surfing at the Dam					

## Pillar Two:

### Promote and support Community Economic Development

Objectives	Strategy	Project	Indicator	Outcome	Risks	Target	Estimated Budget
Support and grow tourism related industries by 2011	Support and grow	Eco-tourism	No of Tourism initiatives.	Increased number of tourism related industries	Lack of funding	Encouraging/ Supporting a significant number of Tourism industries	
	tourism related industries	Sports tourism	No of sustainable livelihood projects.		Limited participation of HDI Groups due to financial resources		
		Business tourism	No of Services.		Lack of interest in black majority		
		Events tourism	Camping sites, ablution facility, information centre, chalets.				
		Tourism branding	Fishery building and infrastructure services				



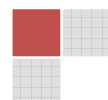


		Customer care				e.g. EPWP	
<b>Helping women to access employment and self-employment programmes on an on-going basis</b>	Skills development, Confidence building programmes	Crèches and after-school clubs	Number of women accessing employment	Self-reliance among women	Traditional Sexism in the household	A limited number of <b>women to access employment and self-employment programmes</b>	

## Pillar Three:

### Attract inward investment in Lekwa

Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
Investment promotion & marketing by December 2013	Develop promote investment and marketing strategies	Market positioning	No of investment attracted to the area	Improved Tax base and investment	Ineffective & Inefficient marketing strategies	Potential investors	
		Targeting/Segmentation	No of sector industries locating into the area		Lack of a website	Sector industries	
		Prospect profiling					
		Marketing Mix					
		Promotion					
Existing business retention and expansion by June 2013	Business retention visits and surveys every quarter	Establish the Business Retention and Expansion (BR&E) Visitation Programme	Number of Business Retention and Expansion (BR&E) Visitation Programme conducted per	% Reduction in unemployment rate	Inability to convince existing business to stay	Existing businesses	

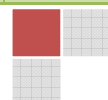


			Quarter/year				
		Cost reduction	Expanded market		Low rate of returns		
		Capital Improvement	Improve investment		Better offers from other neighbouring municipalities		
		Market Expansion	Number of Industries retained				
Targeted investment incentives strategy January 2012	Provide investment incentives	Tax incentive	Employee Housing allowance	Increased number of newly developed residential areas and Agglomeration	Lack of political-buy-in	New residential areas and industrial sites	
		Research and Development incentives	Depreciation		Loss of revenue by the municipality		
		Enterprise Development Incentives	Urban development allowance		Lack of willingness to pay for rates and taxes		
			Infrastructure allowance				
			Support programme for industrial Innovation				
			Partnership in Industrial Innovation				

## Pillar Four:

### Encouragement of Local Business Growth and development

Objectives	Strategy	Projects	Indicator	Outcome	Risk	Target	Estimated Budget
Technical assistance to business every year	Provide more specialized export training or research and development support	Broad-based management and marketing programmes, quality and environmental standards training and	Every business receiving technical assistance.	Sustainable businesses	Closure of businesses due to mismanagement	SMME's and Co-operatives	

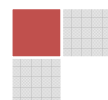


		advice					
<b>Financial advice and assistance every year</b>	Encourage Investment in modern technology	Small grant or loan programmes	Grants and loans secured to invest in modern technology	Financial Autonomy of businesses	Inability to service loans	SMME's and Co-operatives	
<b>Public procurement policies and 'buy local' campaigns on yearly basis</b>	Induce the procurement policies to encourage participation by small contractors in accessing contracts	Implement a sustainable BEE programme	SMME's and Co-operatives procuring contracts with bigger businesses such as Anglo-coal etc.	Profitable returns on employees, Business, Industries, Municipality	Corruption and irregularities in tender processes	SMME's and Co-operatives	
		Broad based BEE facilitation					

## Pillar Five:

### Promote and support Investment in Soft Infrastructure

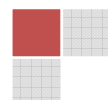
Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
Enabling or providing	Implementation of needs	Adult Basic Education for community members	ICT Skills Portal	Redistribution of wealth,	Mismatching of skills	Illiterate	



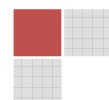
skills training on an on-going basis	driven Learner ships			Poverty alleviation	versus jobs	groups	
		Facilitate the implementation of co-operative education programmes	Consolidated Workplace Skills Plan (WSP) for the Municipality quarterly Implementation Reports Annual skills training schedule in line with the WSP.	Improved quality of life and standard of living			
Continuously providing increased business focused education and access to education	Identify additional ways of enhancing Maths and science provision in selected schools and implement where possible	Maths/Science/Technology careers awareness raising workshops for teachers and pupils	Increased number of Maths and Science students Increased number of schools specializing in Maths and Science	Enhanced job opportunities	Supply versus Demand	Teachers and pupils	
Work experience and teacher/pupil placement schemes by September 2008	Teachers and Students working for short periods of time	Teachers and Students working for short periods of time in businesses to gain work experience and a work ethic skills	Number of people retrained and placed to jobs	Redistribution of wealth, Poverty alleviation Improved quality of life and stan	Ageing Teachers and abuse of drugs and alcohol	Teachers and pupils	

## Pillar Six:

### Promote and Support Agricultural development



Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
Promotion of urban agriculture		Commercial Hydroponics Farming	400 Ton production facility and live fish processing facility	128 new full time jobs created	Animal Diseases Health hazards	Export market to Japan	
Promotion of small-scale and intensive farming		Commercial Pig Farming	500 Pig production facility 90 Ton feed plant facility	32 new full time jobs created	Animal Diseases Health hazards	Escort (local market)	
Organic products cultivation		Vegetable garden and Technical production package (seeds, fertilizers, basic gardening tools. etc.	Improved water supply through borehole and irrigation scheme. Improved production through technical production support	8 Families sustained, if land is used productively.	Availability of land Water pollution	Local families	
Promotion of Agro-processing industries		Technical production and market linkages support.	On Farm management, Administrative, marketing and production training support	Producers meeting the required production, quantities and production consistently.	Political buy-in	Local Farmers	
		Commercial Inland Fish Farming	20 tunnels 10.5x.8x4.1m production facility, pack house and office block Local markets	49 new full time jobs initiated	Water pollution Extinction of fauna	Local market	
		Commercial Hydroponics Farming	400 Ton production facility and live fish processing facility	128 new full time jobs created	Animal Diseases Health hazards	Export market to Japan	
		Commercial Pig Farming	500 Pig production facility 90 Ton feed plant facility	32 new full time jobs created	Animal Diseases Health hazards	Escort (local market)	
		Vegetable garden and Technical production package (seeds, fertilizers, basic gardening tools. etc.	Improved water supply through borehole and irrigation scheme. Improved production through technical production support	8 Families sustained, if land is used productively.	Availability of land Water pollution	Local families	
		Technical production and market linkages	On Farm management, Administrative, marketing and	Producers meeting the required production,	Political buy-in	Local Farmers	

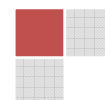


Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
		support.	production training support	quantities and production consistently.			

## Pillar Seven:

### Sector (Business cluster) Development

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



### 15.2.1. Short Description of the LED Programmes

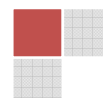
LED Programmes include all those projects listed in the tables above i.e. Tourism, Community Economic Development, Local Business Growth, Soft Infrastructure Investment and Agricultural Development Projects of the above Strategy Implementation Framework Tables

### 15.2.2. Expected results or impact of LED Programmes:

- 15.2.2.1. Employee housing allowance
- 15.2.2.2. Depreciation
- 15.2.2.3. Infrastructure allowance
- 15.2.2.4. Number of industries retained and expanding
- 15.2.2.5. Empowered number of water craft industries
- 15.2.2.6. Improved key economic linkages
- 15.2.2.7. Improved bulk infrastructure
- 15.2.2.8. Accessibility and safe roads between areas
- 15.2.2.9. Increase number of tourism related industries
- 15.2.2.10. Improved quality of life among people of Lekwa
- 15.2.2.11. Improved self-reliance among women
- 15.2.2.12. Improved tax based investment
- 15.2.2.13. % reduction in unemployment rate
- 15.2.2.14. A number of agricultural jobs created
- 15.2.2.15. Improved quality of and standard of living
- 15.2.2.16. Enhanced job opportunities and redistribution of wealth and poverty alleviation

### 15.2.3. Target of LED Programmes:

Potential investors, unemployed, women, Disabled, Youth elderly, SMME's and Co-operatives, Students and Graduates Foreigners, Elderly, Ethnic minority groups, redundant workers, the long-term unemployed, Specific schools, Communities Local industries, Business Industrial sites and Buildings, Rural Communities, Rural Youth, Farmers and Potential farmers



**15.2.4. Possible stakeholders:**

**Private sector** - Standerton Chamber of Business, Anglo-Coal (NDC), ESKOM (Tutuka Power Station), Standerton Advertiser, Financial Institutions (Banks Post Office (Standerton) Early Bird Farm, Taxi Association, Agricultural Farmers union

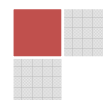
**National, Provincial & Local Governments-** Safety and Security, COGTA, Education Department, Department of Economic Development and Planning, DEDET, Health and Social Services, Department of Minerals and Energy (DME, Dept. Sports, Arts and Culture, Public Works, Office of the Premier, Roads & Transport, DTI, DARLA, National Treasury etc..

**Popular Civil-** NGO's, CBO's, Rate Payers Associations, Churches Clubs & Stockvels, SMME's & Co-operatives, Gert Sibande College FET

Traditional healers Association, Disability forum, Youth Council, Political Parties, Organized Labour Movements

**15.2.5. Pre-requisites for LED Programmes:****15.2.5.1. Risk factors involved in the LED Strategy**

- 15.2.5.1.1. Political buy-in
- 15.2.5.1.2. Lack of willingness to pay for rates and taxes
- 15.2.5.1.3. Availability of land for Agriculture
- 15.2.5.1.4. Inefficient and ineffectiveness of marketing strategies
- 15.2.5.1.5. Lack of website
- 15.2.5.1.6. Lack of funding
- 15.2.5.1.7. Limited participation of HDI Groups due to financial resources
- 15.2.5.1.8. Lack of interest in black majority
- 15.2.5.1.9. Water pollution
- 15.2.5.1.10. Incentives may be waste of public money with little impact, may destroy existing business, may deprive municipality of revenue which could have been invested in another project with greater benefits and are zero-sum game
- 15.2.5.1.11. Non-response to the needs of Industries and Business
- 15.2.5.1.12. Business likely to leave for seemingly more attractive locations Buildings becoming white elephants
- 15.2.5.1.13. Insufficient supply of water and sanitation in industrial sites
- 15.2.5.1.14. Water quality related problems
- 15.2.5.1.15. De-linking of jobs with people
- 15.2.5.1.16. Animal Diseases
- 15.2.5.1.17. Health hazards
- 15.2.5.1.18. Mismatching of skills versus jobs
- 15.2.5.1.19. Closure of businesses due to mismanagement





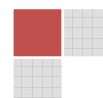
#### 15.2.6. Estimated Costs

15.2.6.1. Agricultural Development (R16, 119, 363, 20)

#### 15.2.7. Expected Impact of the LED Strategy

- 15.2.7.1. Higher rate of investment relative to the size of the Local economy
- 15.2.7.2. Competitiveness of firms
- 15.2.7.3. Investment attraction and place marketing
- 15.2.7.4. Retention and expansion of existing business. Industrial sites provided with potable water and appropriate sewer system
- 15.2.7.5. Retained 100% of industries within the local area
- 15.2.7.6. Number of Industrial sites & buildings developed and improved
- 15.2.7.7. Agglomeration of Industries
- 15.2.7.8. Good relations between municipality and business
- 15.2.7.9. Municipality to value local business presence, interested in their needs and concerns
- 15.2.7.10. Refer business to sources of information, advice and financial assistance.
- 15.2.7.11. Redistribution of wealth, Poverty alleviation Camping sites, ablution facility, information centre, chalets.
- 15.2.7.12. Fishery building and infrastructure services.
- 15.2.7.13. Storage or processing building
- 15.2.7.14. Container or refrigeration
- 15.2.7.15. Container Sales outlet-Shop or office.
- 15.2.7.16. Nurseries, food gardens, Crop field for cash crops developed
- 15.2.7.17. Number of sustainable livelihood projects (Aquaculture, farming and Nurseries) taking place.
- 15.2.7.18. Number of Tourism initiatives (Tourism routes, Promotions, Eco-tourism and training) taking place
- 15.2.7.19. Rehabilitation of environment (Wetlands, Erosion and Alien plants) and River cleaning and River bank cleaning

#### 15.2.8. Outputs of the LED Strategy



- 15.2.8.1. Targeted investment incentives strategy
- 15.2.8.2. Business Retention and Expansion Attractive Industrial sites and buildings with science park or Island of Innovation
- 15.2.8.3. SMME's and Co-operatives procuring contracts with bigger businesses such as Anglo-coal etc.
- 15.2.8.4. Number of Boating, Fishing, Yachting, surfing, Super tube, Swimming, Kayaking industries on Vaal River
- 15.2.8.5. Increasing number of BBBEE Ratio
- 15.2.8.6. Increasing number of people connected with available jobs

### 15.3. STRATEGY REVIEW AND MONITORING

LED is not stagnant and represents an ever-changing policy and strategy that must grow and evolve with the Municipality and its people. The strategy stipulates definite objectives, projects, indicators and programmes that must be achieved.

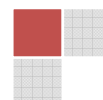
Monitoring, evaluation and review make up a system to assess the performance of the LED strategy. Monitoring and evaluation are critical to:

- 15.3.1. Ensure the implementation of plans
- 15.3.2. Measure their development impact
- 15.3.3. Ensure the efficient use of resources
- 15.3.4. Measure Council's success

Monitoring, evaluation and review mechanisms should be implemented as an on-going or cyclical activity and should be built into the annual planning and budgeting cycle. The Performance Management System of the Municipality must fulfil this role.

#### **Monitoring**

Monitoring is a continuous activity to measure indicators with regard to the short term outputs or outputs of the planning process. Amongst other things, it will provide project information to management, in order to keep the project on track with the right results being achieved on time and within budget. Monitoring includes systematically collecting and using information about each project to enable management to proceed as it should and that the beneficiaries are satisfied.



## Evaluation

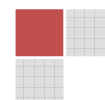
Evaluation is a less frequent activity, which is designed to measure whether, and to what degree the Local Economic development objectives are being achieved through the implementation of the LED Plan. It will measure the medium term impact and outcomes of the planning process. This provides the information required to reappraise the Local Economic development objectives and indicators and whether the strategies still hold good and whether they need to be amended or adjusted, and why.

## Review

Review is making adjustments and revision based on monitoring or evaluation information. The results of monitoring provide adjustments and corrective actions that are fed back into your planning process, to re-inform project planning, design and implementation. These results re-inform the development priorities, goals and strategies. The impact of your projects will also begin to change your area. See the table below monitoring, evaluation and review.

### 15.3.1. LED Development Programmes

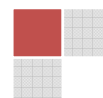
	MONITORING	EVALUATION
WHAT?	Term of reference	Impact of acquired training on management of LED Programmes
	Budget	
	Timeline	
	Milestone	
	Quality of training	
WHY?	Attendance of Targets to LED Programme	Rate the achievement of milestone, in relation to set goals and objectives
	To ensure that there is no overspending/ under spending	
	Ensure compliance with time frame	
WHEN?	Monthly	Quarterly
WHO?	PSC	The LED manager
	The LED manager	The project manager
	The business incubator manager	The LED forum
	The LED forum	DWAF, DEAT, DTI, IDC, MTPA, DLG, DEDP, MEGA, SEDA, GSDM, LLM, DoE, DoL,
HOW?	Submission of progress report and expenditure report	Surveys



Lekwa Municipality operates within a complex regulatory and policy framework, as is evident from the above. While there is no specific legislation that clearly sets out a local authority's duty to plan for and facilitate local economic development, LED is consistent with and/or is directly underpinned by a number of policy and regulatory mandates, by virtue of its inclusion as one of the thrusts of the new developmental local authorities approach.

Clarity on the goals, objectives and future direction of the different policies and strategies as highlighted in this Section, assist in affecting a more coordinated effort in realizing the LED ideals of LekwaMunicipality. Is also ensures that LED initiatives and frameworks are aligned to National, Provincial and Local ideals.

It is within this framework of local objectives, together with the provincial and national policies and legislation, that the LED Strategy for Lekwa Municipality is formulated and implemented. This not only ensures its alignment with the overall vision for the development of the country, but also allows wider government support and access to grants and funds to be gained.



### 15.3.2. LEKWA MUNICIPALITY JOB SUMMIT

#### 15.3.2.1. Job Summit Declaration 20 – 21 July 2011

**We**, as representatives of Lekwa Local Municipality, business, government sector departments, government agencies, civil society and other social formations in Lekwa, having met on 20 – 21 July 2011 at Lekwa's inaugural job summit;

**Noting** that this process has been informed by the ANC government, with a renewed popular local manifesto mandate which inter alia indicates that Lekwa Local Municipality will develop a five year programme that seeks to build local economies that can create more employment, decent work and sustainable livelihoods;

**Noting** that the focus of the Summit was to consolidate efforts that will inform our common goal of speeding up the creation of decent work for all, and in overcoming poverty and deep-seated inequality, and in addressing rural marginalisation;

**Noting** that Lekwa is currently undergoing economic challenges informed by trends in the global and national economy which has been characterised by the shutdown of a number of key factories and businesses in the area;

**Noting** that Lekwa has a current unemployment rate of 24.8% and that the current socio-economic profile of Lekwa may further exacerbate the declining economic growth potential of the area;

**Noting** that government has a variety of financial and non-financial instruments that can be accessed and used to actively leverage the means for potential investors to invest in Lekwa;

**Noting** that potential investors, including cooperatives and other forms of social economy ownership can only be attracted through sound investment policies and institutional coherence and coordination;

**Noting** that due to lengthy administrative processes, delays are experienced in the quick access of land for business development opportunities;

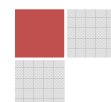
**Noting** that there has been a decline of activities in the agricultural sector which have resulted in job losses;

**Noting** that there is a wealth of untapped tourism potential within Lekwa which has the capacity to create decent, sustainable job opportunities;

**Noting** that SMMEs are not adequately capacitated to access available business opportunities, whilst at the same time existing businesses are disinvesting from Lekwa;

**Noting** that Lekwa does not have the relevant skills base to meet the necessary requirements of the economic sector drivers;

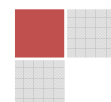
**Confirming** that a number of potential investment opportunities exist in Lekwa that can be exploited by the municipality in partnership with the business sector, government institutions and the community at large;



### 15.3.2.2. Resolutions:

- 15.3.2.2.1. To commit to promoting good governance to enhance political stability;
- 15.3.2.2.2. That a Lekwa Development Agency be established as a viable legal entity that will act independently from Lekwa Municipality but be accountable to the Municipality;
- 15.3.2.2.3. That a comprehensive Investment and Incentive Strategy be finalized for implementation;
- 15.3.2.2.4. That a Marketing and Branding Strategy be developed;
- 15.3.2.2.5. Review the Supply Chain and Procurement policies to encourage the creating of job opportunities for local businesses, including the youth and women;
- 15.3.2.2.6. Embark on collaborative efforts between government, the private sector and the community to combat crime;
- 15.3.2.2.7. To engage SANRAL on the takeover of the portion of the R23 National road past Standerton Extension 6 and 7;
- 15.3.2.2.8. That a conducive environment will be created for all to tap into the economic potential of Lekwa;
- 15.3.2.2.9. That a Local Tourism Information Centre be established;
- 15.3.2.2.10. That education institutions be engaged on developing training programmes that will address the skills requirements of the economic sector drivers;
- 15.3.2.2.11. Review the by-laws relating to local economic development;
- 15.3.2.2.12. Develop a Business Retention Strategy;

Establish partnerships with institutions of higher learning for undertaking research that can be utilized to further unlock investment potential



## 16. CHAPTER 10:

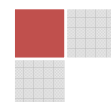
### 16.1. MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

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

- 16.1.1. In order to achieve the above goal the finance department has committed itself to do the following;
  - To implement council's financial policies and resolutions
- 16.1.2. To properly administer credit and debt management system
- 16.1.3. To have an effective accounting management system
- 16.1.4. To provide legislated reports timeously
- 16.1.5. To assist the Accounting Officer to compile and administer the budget
- 16.1.6. To ensure proper management of the municipal assets and liabilities.
- 16.1.7. To advice the Accounting Officer and Heads of Departments on financial matters

**By;**

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



## 16.2. FINANCIAL MANAGEMENT POLICIES

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

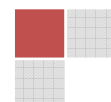
### 16.2.1. Tariff policy

Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs may be calculated in various different ways, dependent upon the nature of the service being provided. Tariffs may be set in such a manner so as to recover the full cost of the service being provided or recover a portion of those costs, or to bring about a surplus that can be utilized to subsidize other non-economical services.

Section 74 of Local Government: Municipal Systems Act 2000 (Act 32 of 2000) as amended provides that: A municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the Municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act, the Municipal Finance Management Act and any other applicable legislation”

**The objective of the tariff policy is to ensure the following:**

- 16.2.1.1. The tariffs of the Municipality conform to acceptable policy principles.
- 16.2.1.2. Municipal services are financially sustainable.
- 16.2.1.3. There is certainty in the Council, of how the tariffs will be determined.
- 16.2.1.4. Tariffs of the Municipality comply with the applicable legislation; and
- 16.2.1.5. Tariffs should take into consideration relief to the indigent.





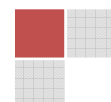
### 16.2.2. Property Rates Policy

Rates are levied in accordance with the Act as an amount in the rand based on the market value of all ratable property contained in the municipality's valuation roll and supplementary valuation roll.

As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property as contemplated in clause 7 and 8 of this policy. Some categories of property and categories of owners are granted relief from rates as contemplated in clause 11 to 13 of this policy. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis. There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation and in accordance with clause 16 of this policy.

**The rates policy for the municipality is based on the following principles:**

- 16.2.2.1. Equity- The municipality will treat all ratepayers with similar properties the same.
- 16.2.2.2. Affordability- The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through Exemptions, reductions or rebates.
- 16.2.2.3. Sustainability- Rating of property will be implemented in a way that: Firstly; it supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the municipality; and secondly; supports local social economic development
- 16.2.2.4. Cost efficiency- Rates will be based on the value of all ratable property and will be used to fund community and subsidized services after taking into account surpluses generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.



### 16.2.3. Fixed Asset Management Policy

A fixed asset is defined in GAMAP 17 as a tangible item of property, plant or equipment held by a municipality for use in the productions or supply of goods or services, for rental to others, or for administrative purposes, and which is expected to be used during more than one reporting period (financial year). A fixed asset is thus an assessment, either movable or immovable, under the control of the municipality, and from which the municipality reasonably expects to derive economic benefits, or reasonably expects to use in service delivery, over a period extending beyond one financial year.

An asset held under a finance lease, shall be recognized as a fixed asset, as the municipality has control over such an asset even though it does not own the asset.

- 16.2.3.1. Role of Municipal Manager
- 16.2.3.2. Role of Chief Financial Officer
- 16.2.3.3. Format of fixed Asset register
- 16.2.3.4. Classification of fixed Asset
- 16.2.3.5. Investment property
- 16.2.3.6. Fixed asset treated as inventory
- 16.2.3.7. Recognition of heritage assets in the fixed asset register
- 16.2.3.8. Revision of donated Asset
- 16.2.3.9. Safe keeping of Assets
- 16.2.3.10. Identification of fixed Assets
- 16.2.3.11. Procedure in case of loss, theft, destructions or impairment of fixed assets
- 16.2.3.12. Capitalization criteria- material value
- 16.2.3.13. Capitalization criteria- intelligent item etc.

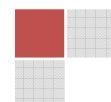
### 16.2.4. Credit control and debt collection policy

Debt collection/revenue management is inter alia a responsibility of all Municipalities as defined in the following sections of the Acts - 1. Local Government Municipal Systems Act, 32 Of 2000:

**Section 96-** A municipality – (a) Must collect all money that is due and payable to it, subject to this Act and any other applicable legislation; and for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of this Act.

**Section 97 -** Contents of policy and a credit control and debt collection policy must provide for –

- 16.2.4.1. Credit control procedures and mechanisms;
- 16.2.4.2. debt collection procedures and mechanisms;
- 16.2.4.3. provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents;
- 16.2.4.4. realistic targets consistent with – general recognized accounting practices and collection ratios; and the estimates of income set in the budget less an acceptable provision for bad debts;
- 16.2.4.5. interest on arrears, where appropriate;
- 16.2.4.6. extensions of time for payment of accounts;
- 16.2.4.7. termination of services or the restriction of the provision of services when payments are in arrears;
- 16.2.4.8. Matters relating to unauthorized consumption of services, theft and damages; and any other matters that may be prescribed by regulation in terms of section 104.



A credit control and debt collection policy may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters as long as the differentiation does not amount to unfair discrimination. The cost (Summons revenue stamp, sheriff service fee and interest) to implement and execute the legal process per above mentioned schedule will be recovered in full from the defaulter, including an administrative fee, that will be determined from time to time as per Council resolution.

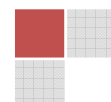
### 16.2.5. Indigent policy

The purpose of the indigent policy is to ensure:

The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council; and to provide procedures and guidelines for the subsidization of basic charges to its indigent Households, using the Council's budgetary provisions received from central Government, according to prescribed policy guidelines. The Council also recognizes that many residents can simply not afford the cost of full provision and for this reason the Council will endeavour to ensure affordability through: Settings tariffs in terms of the Council's Tariff Policy, which will balance the economic viability of continued service delivery; and determining appropriate service levels

In order to qualify for indigent support the following criteria must be met:

- 16.2.5.1. Households where verified total gross monthly income of all occupants over 18 years of age does not exceed the level, as determined in Council's tariff policy from time to time, qualify for a subsidy.
- 16.2.5.2. Subsidized services may include housing debt, sewerage, refuse removal and assessment rates, and consumption service charges.



- 16.2.5.3. Only households where the accountholder or property owner has applied as indigent, and whose application has been accepted shall qualify for the above concessions.
- 16.2.5.4. For a household to qualify for subsidies or rebates on the major service charges, the registered indigent must be the full-time occupant of the property concerned, and if not also the owner of the property concerned, may not own any other property, whether in or out of the municipal area.
- 16.2.5.5. The indigent household's consumption will be limited to a three month average of a maximum of 12 kilolitres of water and 250 units, excluding the free 50 units, of electricity per month, inclusive of the free basic service grant.
- 16.2.5.6. Households must formally apply for relief on the prescribed documentation and satisfy the qualifying criteria/principles as determined by the Council.
- 16.2.5.7. The status of indigent is conferred for a period of not more than twelve months after which re-application must be made.

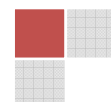
## 16.2.6. Budget policy

This policy consists of four Parts: Objectives, Legal requirements, Budgeting and principles to be followed and responsibilities of a Chief Financial

To set out the budgeting principles which the municipality will follow in preparing each annual budget, as well as the responsibilities of the chief financial officer in compiling such budget.

This legal framework consist of sections in accordance with the appropriation of funds

- 16.2.6.1. Section 15 Appropriation of funds for expenditure
- 16.2.6.2. Section 16 Annual budgets
- 16.2.6.3. Section 1 Contents of Annual budget and supporting documents



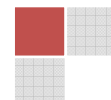
- 16.2.6.4. Section 18 Funding of expenditures
- 16.2.6.5. Section 19 Capital projects
- 16.2.6.6. Section 20 matters to be prescribed
- 16.2.6.7. Section 21 Budget preparation process
- 16.2.6.8. Section 22 Publication of Annual budget
- 16.2.6.9. Section 23 Consultation on tabled budget
- 16.2.6.10. Section 24 Approval of Annual budget
- 16.2.6.11. Section 25 Failure to approve budget before the start of financial year
- 16.2.6.12. Section 26 Consequences of failure to approve budget before the start of financial year
- 16.2.6.13. Section 27 Noncompliance with provisions of this chapter
- 16.2.6.14. Section 28 Municipal adjustment budgets
- 16.2.6.15. Section 29 Unforeseen and unavoidable expenditure
- 16.2.6.16. Section 30 Unspent funds
- 16.2.6.17. Section 31 Shifting of funds between multi-year appropriations
- 16.2.6.18. Section 32 Unauthorized, irregular and fruitless expenditure etc.

### **Budgeting and principles to be followed**

- 16.2.7. Except in so far as capital projects represent a contractual commitment to the Municipality extending over more than one financial year, the annual capital budget shall be prepared from a zero base.
- 16.2.8. The capital budget component of the annual or adjustments budget shall only be approved by the Council if it has been properly balanced, that is, if the sources of finance which are realistically envisaged to fund the budget equal the proposed capital expenses.
- 16.2.9. Before approving the capital budget component of the annual or adjustments budget, the Council shall consider the impact on the present and future operating budgets of the Municipality in relation to finance charges to be incurred on external loans, depreciation of fixed assets, maintenance of fixed assets, and any other ordinary operational expenses associated with any item on such capital budget. In addition, the Council shall consider the likely impact of such operation expenses – net of any revenues expected to be generated by such item – on future property rates and service tariffs.

### **16.2.10. Revenue raising strategy**

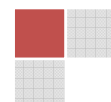
- 16.2.10.1. The aim of the Revenue Raising Strategy is to seek for alternative sources of funding by:
- 16.2.10.2. Compilation and implementation of a valuation roll and raised assessment rates for the entire municipal area.
- 16.2.10.3. Extension of consumer services to areas where it can be developed on an economic basis.



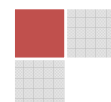
- 16.2.10.4. Application for more government grants funding.
- 16.2.10.5. Explore and utilize external funding of finance to its maximum.
- 16.2.10.6. Increase the cost effectiveness of services through improved cost control measures and standardization.
- 16.2.10.7. Tightening credit control measures to reduce the debt of the municipality by: strictly implementing approved credit control measures.
- 16.2.10.8. Develop further proactive credit control measures.
- 16.2.10.9. Maintain revenue systems to ensure timeous, regular and accurate billing of accounts.
- 16.2.10.10. Effective revenue collection systems.
- 16.2.10.11. Improve customer relations through ongoing customer, Communications to promote awareness and foster financial responsibilities and promote a culture of payment

## 16.3. OPERATIONAL FINANCING STRATEGY

### 16.3.1. The objectives:



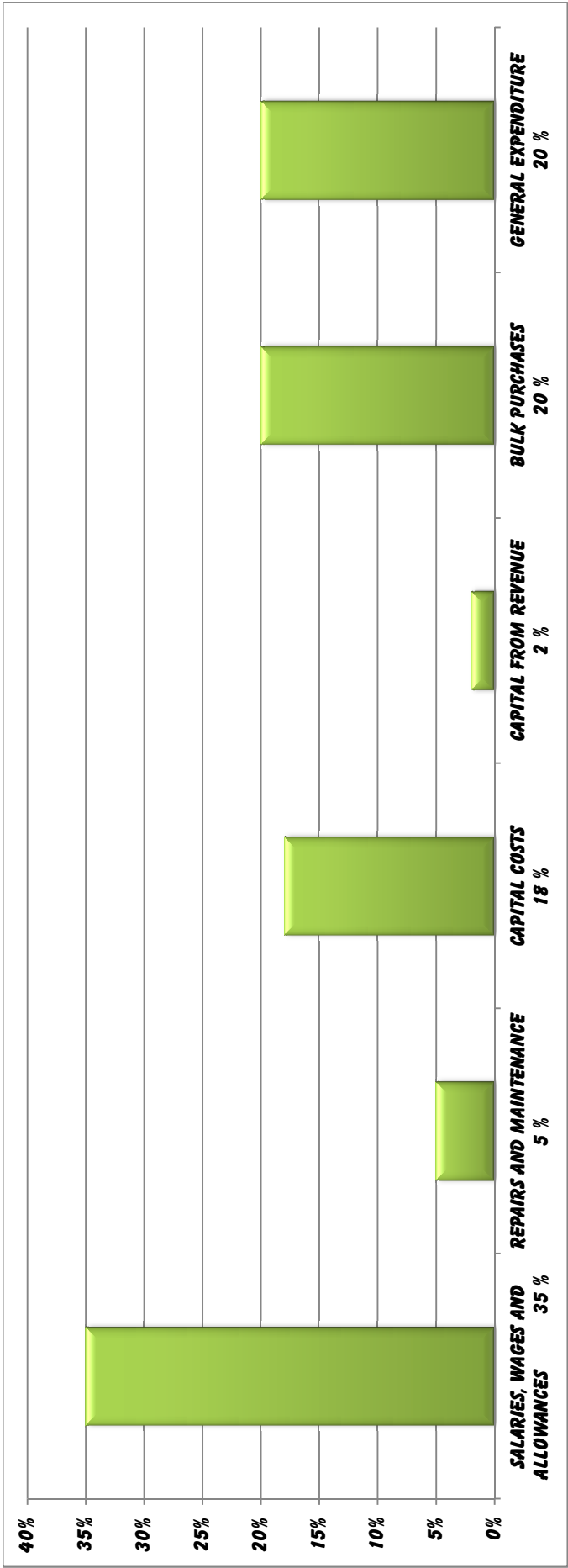
- 16.3.1.1. To maintain an effective system of expenditure control, including procedures for the approval, and authorization, withdrawal and payment of funds.
- 16.3.1.2. To maintain a management accounting system which recognizes expenditure when it incurs, accounts for creditors and payments made by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



16.4. COST EFFECTIVENESS STRATEGY

16.4.1. The objectives:

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



- 16.4.1.3. To restrict capital and operating expenditure increases to the macro economic growth limited guideline.
- 16.4.1.4. To monitor the investment in projects through a well-designed cost control system.



## 16.4.2. Financial Supervisory Authority

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

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

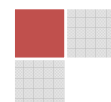
Two key concepts to consider when preparing the budget are:

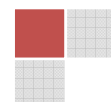
- 16.4.2.6. The Annual Budget may only be funded from: Realistic anticipated revenues to be collected.
- 16.4.2.7. Cash backed accumulated funds from previous year's surpluses not committed for other purposes.

The Annual Budget must be credible. A credible budget is a budget that:

- 16.4.2.8. Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality.
- 16.4.2.9. Achievable in terms of agreed service delivery and performance agreements.
- 16.4.2.10. Contains revenue and expenditure projections that are consistent with current and past performance.
- 16.4.2.11. Does not jeopardize the financial viability of the municipality which ensures that the financial position is maintained with generally accepted prudential
- 16.4.2.12. Limits and the obligations can be met in short, medium and long term.
- 16.4.2.13. Provides managers with appropriate levels of delegation, sufficient to meet their financial management responsibilities.

IDP and Budget with their expected outcomes ensure that the Council is in the right direction to become This the best local municipality in rendering affordable, accessible, efficient and available services whilst at the same time maximizing infrastructural development through the utilization of all available resources.





## 16.5. ANNUAL BUDGET FOR 2012/2013 FINANCIAL YEAR AND MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) 2012/2013

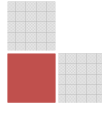
### 16.5.1. REPORT OF THE ACTING MUNICIPAL MANAGER: 2012-05-15

#### 16.5.1.1. PURPOSE

The purpose of the report is to submit to the Mayoral Committee a report on the 2012/2013 budget to comply with section 16 of the Municipal Finance Management Act (MFMA), 56 of 2003, by submitting the Medium-Term Revenue & Expenditure Framework for the 2012/2013 financial year, together with the budget related policies for consideration.

#### 16.5.1.2. BACKGROUND

Section 16 of the MFMA stipulates that the municipal council must at least 30 days before the start of the new budget year approve the budget of the municipality. The budget of Lekwa Local Municipality is thus presented for the 2012/2013 financial year the 2013/2014 and 2014/2015 financial year estimates. The budget document herewith presented complies with the MFMA and the format complies with the requirements of National Treasury for compiling and preparing the MTREF (Medium Term Revenue and Expenditure Framework).



16.5.1.3. DISCUSSION

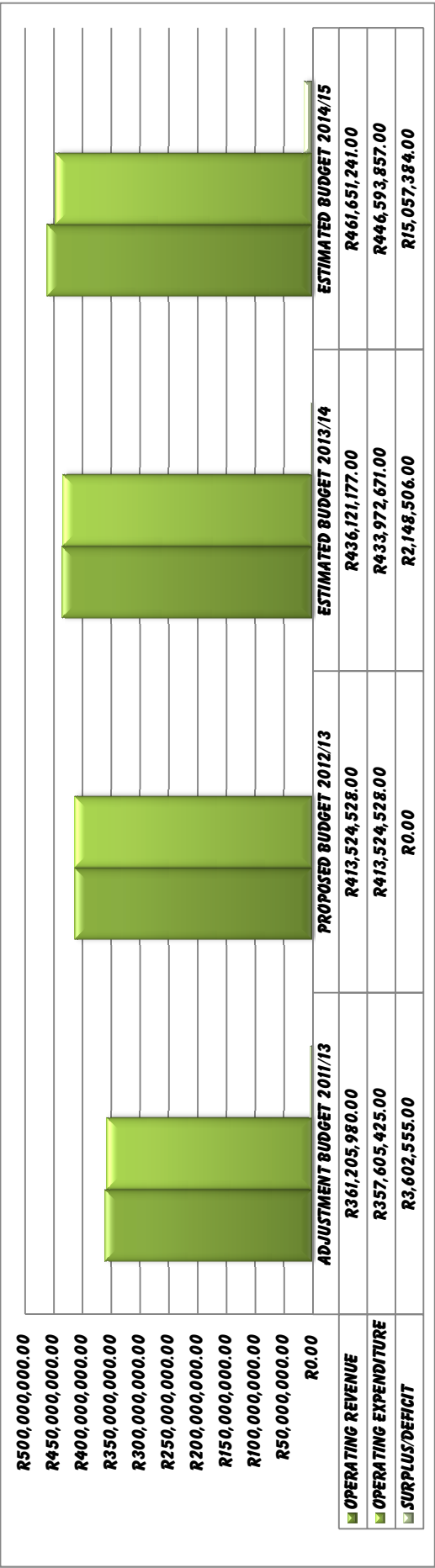
The following attachments are included in respect of the preparations for the 2012/2013 budget

The 2012/2013 detailed budget report.

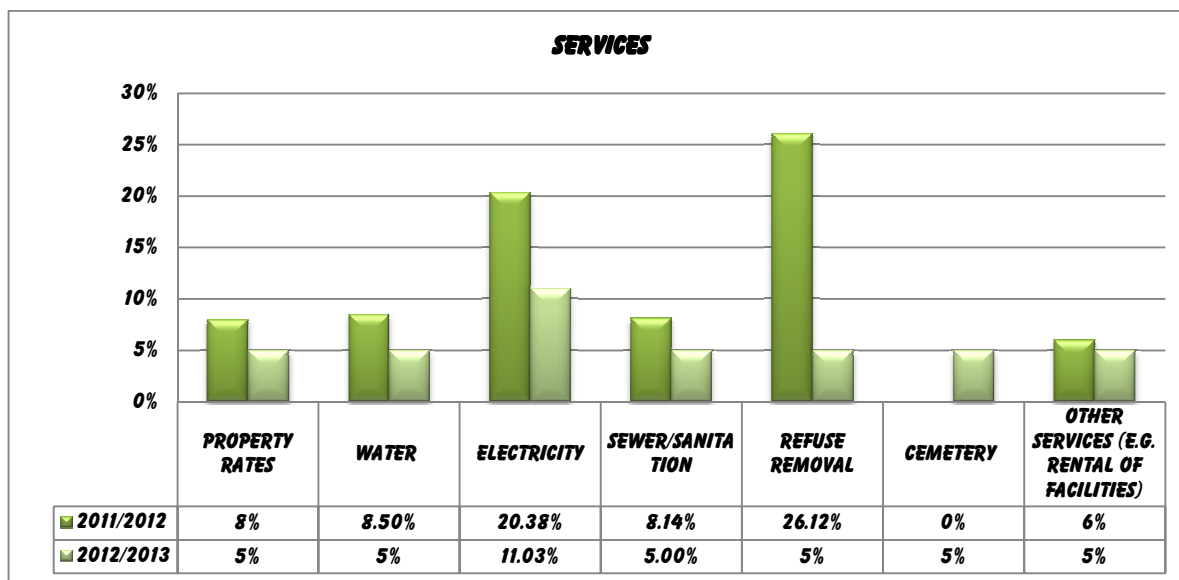
Operating budget

The proposed operating expenditure budget of Lekwa Local Municipality amount **to R 413, 524,528** and will be funded from own operating revenue to the tune of **R 329, 400, 688** and grants and subsidy to the tune of R 84, 123, 840, which totals to R 413, 524, 528.

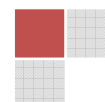
Ref: Table Below



- (a) The operating budget was prepared based on the assessment of the previous performance of the municipality taking into account the economic conditions of our locality and the pattern of non-payment for services. Efforts were made to base the anticipated increase in revenue on the actual collection of the current year in relation to the previous year's collection. The proposed budget on service charges is based on average collection rate of 78 % for the past 9 months (from 01 July 2011-31 March 2012). All budget approaches/methods were also taken into account, namely:
- Activity based costing, Line item budget, Incremental budget and Zero based budget
- (b) When revising tariffs on water and sewerage/sanitation charges for the 2012/13 budget, the cost involved in rendering the services was taken into account e.g. labour and other input costs of services provided by the municipality in order to ensure financial sustainability, local economic conditions and the affordability of services, taking into consideration the Municipality's Indigent Policy.
- (c) NERSA has set a guideline increase for municipal tariffs of 11.03% and the proposed increase on electricity tariffs is based on such guideline rather than on the assessment of the previous performance of the municipality taking into account the pattern of non-payment for services. On the other hand the Eskom price of bulk electricity supplied to municipalities will increase by 13.5% on 01 July 2012. Municipalities are urged to examine the cost structure of their electricity undertakings and apply to NERSA for electricity tariff increases that are cost reflective and ensure continued financial sustainability. When comparing the Eskom price of bulk electricity supplied to Lekwa Municipality and projected amount on electricity sales, it was clear that the municipality will be running at the loss. During the budget preparation process it was resolved that electricity sales should be cost reflective and an amount of R 33, 704, 742 was added on electricity sales.
- (d) Income from other sources was based on the projected collection and the proposed tariff increase of 5%. The proposed increase on tariff increases are shown below:



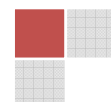
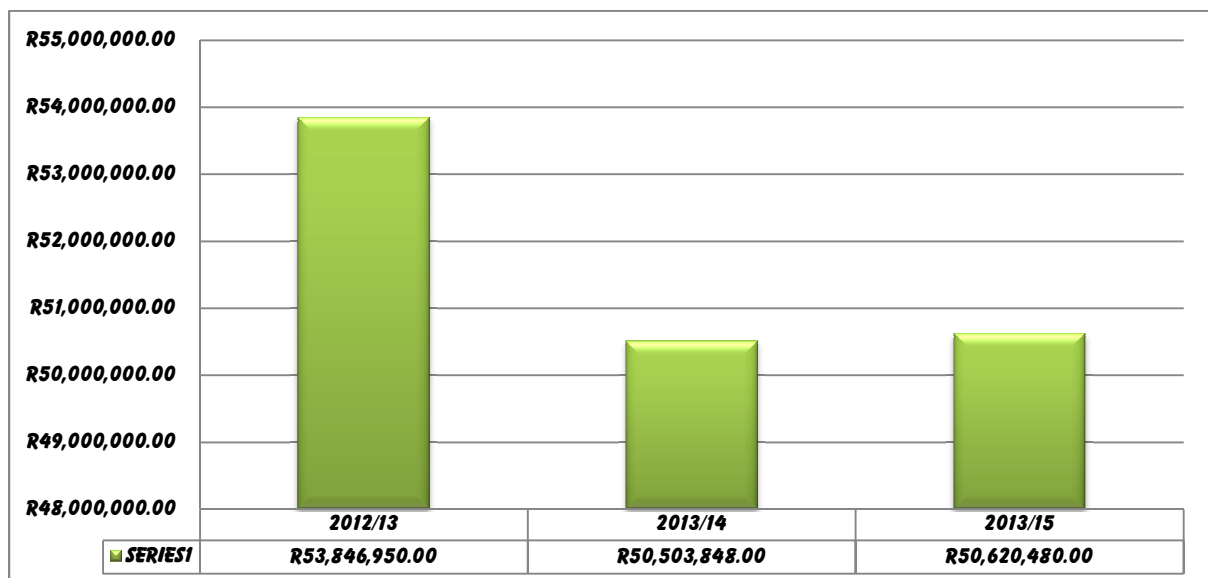
- (e) National Treasury guidelines were taken into consideration, including guidance on expenditure growth parameters which is set at between 3 to 6 percent and other related budget issues. The inflation forecast for the 2012/2013 financial year is 5.9% and for the 2013/14 and 2014/15 financial years are 5.3% and 4.9% respectively.



- (f) The period of the Salary and Wage Collective Agreement 2009/10 to 2011/2012 has come to an end. In the absence of other information from the South African Local Government Bargaining Council, a provision of 6.5% was made to cater for salary increase of staff and 8.5% was provided for the Councillors' remuneration which still have to be announced in terms of Public Office Bearers Act;
- (g) The proposed increase in salaries negotiated at the SALGBC will be added to the salary budget as soon as clear guidelines are received, hopefully prior to final approval of the budget by the end of May 2012.

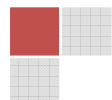
#### 16.5.1.4. Capital Budget

- (a) The proposed capital budget for 2012/2013 amount to R 53, 846, 950 whilst those for 2013/2014 and 2013/2014 are **R 50, 503, 848**. And **R 50, 620, 480** respectively. A detailed capital expenditure list and Sources of Capital funding are shown in Table 2 below:



**THREE YEAR CAPITAL PLAN (2012/13 to 2014/15)**

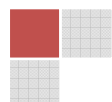
		LEKWA MUNICIPALITY PROPOSED THREE YEAR CAPITAL PLAN(2012/13 to 2014/15)			ANNEXURE A		
1	Status	Project Description	F/S	Budget 2011-2012	Indicative 2012-2013	Indicative 2013-2014	Indicative 2014-2015
2			MIG				
3	New	Water-Treatment-Works(Raw water pump station)	MIG		4 000 000		
4	New	Water-Purification-Works (Morgenzone)	MIG		1 000 000		
5	New	Zoning of water-network in Lekwa & installation of bulk water meters	MIG		2 500 000		
6	New	Installation of water& sanitation services in Rooikopen	MIG		701 438		
7	New	Upgrade of Sakhile substation	MIG		1 400 000		
8	New	Upgrading of Substation & Water purification plant in CBD, Ext 1,6,7	MIG		1 500 000		
9	New	Upgrading of Sewer Pump station	MIG		1 000 000		
10	New	Upgrading of sports-facilities in Lekwa	MIG		6 300 000		
11	On Going	Consultant: Jabh, Makga, Sudney de & Robert	MIG	903 287			
12	On Going	Construction link road: Sidney de lange & Robert	MIG	4 300 000			
13	On Going	Construction Makgatlela street	MIG	4 730 000			
14	On Going	Construction of Jabhile street	MIG	2 855 915			
15	On Going	Construction of tarred roads	MIG	2 354 675			
16	On Going	Standerton Landfill Site	MIG	4 000 000	6 943 512		
17	On Going	Standerton Landfill Site	LLM	-		1 931 208	
18	On Going	Construction And Upgrade Of Stormwater Networks	MIG	5 392 000	2 000 000	5 000 000	5 000 000
19	On Going	Rehabilitation of tarred roads	MIG	4 000 000	4 000 000	7 272 000	8 000 000
20	New	Installation of High mast Lights in Lekwa	LLM	1 631 033	0	2 000 000	4 000 000
21	New	Installation of High mast Lights in Lekwa	LLM		2 000 000		
22	On Going	Upgrading Of Standerton Sewer Treatment Works	MIG	5 700 000	5 000 000	10 000 000	10 000 000
23	On Going	Upgrading Of Gravel Roads To Paved Roads In Lekwa	MIG	11 350 000		12 800 640	12 057 480
24	On Going	Meyerville Water Networks	MIG	1 256 579	0	0	7 563 000
25	New	Construction of Multi-Purpose Halls(W11,15)	MIG	4 000 000	5 000 000	7 000 000	
26	New	Installation of VIP toilets in Rural Areas	LLM	3 350 000			
27	New	Installation of VIP toilets in Rural Areas	LLM		2 000 000	2 000 000	2 000 000
28	New	Installation of Boreholes in Rural Areas	LLM		1 000 000	2 000 000	2 000 000
29	New	Construction of roads and stormwater(Santa road)	LLM	2 000 543			
30	On Going	Construction of stormwater	MIG	2 940 172			
31	On Going	Electrification	INEP	1 389 000	500 000	500 000	





3	On	Expanded Public-Works Programme	EPWP	1 449 000	1 757 000		
2	Going						
3	On	Sports and recreational facilities	NDPG	5 855 726	1 745 000		
3	Going						
3		Other internal capital projects	LLM	2 000 555	3 500 000		
4							
3		<b>Totals</b>		<b>71 458 485</b>	<b>53 846 950</b>	<b>50 503 848</b>	<b>50 620 480</b>
5							
3							
6							
3		<b>TOTAL CAPITAL FUNDING SOURCES</b>					
7							
3			LLM	8 982 131	8 500 000	5 931 208	4 000 000
8							
3			MIG	53 782 628	41 344 950	44 072 640	46 620 480
9							
4			INEP	1 389 000	500 000	500 000	
0							
4			EPWP	1 449 000	1 757 000	-	-
1							
4			NDPG	5 855 726	1 745 000	-	-
2							
4							
3							
4			<b>TOTAL</b>	<b>71 458 485</b>	<b>53 846 950</b>	<b>50 503 848</b>	<b>50 620 480</b>
4							

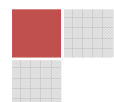
- (b) Efforts were made to ensure that all projects are aligned with and referenced to the Integrated Development Plan (IDP) and the Water Services Development Plans as well as a detailed plan which shows alignment of Municipal Infrastructure Grant (MIG) projects;
- (c) It is also important that the Municipality must comply with Chapter 5 of the Municipal Systems Act (32 of 2000) that Infrastructure investment and delivery must be based on an IDP, strengthened through comprehensive infrastructure planning, that provides a medium to long-term framework for sustainable human settlements and is in accordance with the principles of the National Spatial Development Perspective, Provincial Growth and Development Strategies and municipal council resolutions. The Council must also adhere to labour-intensive construction methods in terms of EPWP guidelines when implementing projects;
- (d) It was noted that, in terms of Circular 54 of the MFMA rollover of conditional grants through the approval of Council is illegal. Only National Treasury through the approval of the Minister of Finance can recommend the rollovers as part of the adjustment appropriation bill that is normally tabled in November of each year can be granted, once the municipality has transferred the unspent allocated grants to the Treasury;



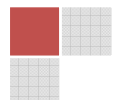
- (e) The Municipality has to submit full motivation why any funds are to be rolled over to the coming year's budget. It must also be noted and emphasizes that the major considerations for rollovers will be on unspent funds due to unavoidable and unforeseen circumstances and not because of poor planning;
- (f) no 34350 dated 08 June 2011;

#### 16.5.1.5. RECOMMENDATIONS BY THE ACTING MUNICIPAL MANAGER

- (1) That cognizance BE TAKEN of the following:
  - (a) The principles upon which both the Operating Budget and Capital Budget have been based;
  - (b) Operating Revenue amounting to R 413, 524, 528;
  - (c) Operating Expenditure amounting to R 413, 524, 528 and Capital expenditure amounting to R 53, 846, 950;
  - (d) That the 2012/2013 budget for both Operating Expenditure and Capital Expenditure totalling to R 476, 371, 478;
  - (e) The proposed increase in the revenue budget on electricity sales by R 33, 704, 742 to cross subsidize other municipal services, envisaging that credit control measures that have been put in place will ensure that such revenue is realized;
  - (f) The 13.5% increase on electricity bulk-purchase approved by ESKOM;
  - (g) The 11.03% increase on electricity tariff on application made by Lekwa Local Municipality
  - (h) The proposed 5% increase on property rates tariffs and services charges for water, refuse, sanitation and other service;
  - (i) National Treasury Circular 58 and 59 of the MFMA which encourage municipality to eliminate non-priority spending
- (2) That the Draft budget proposals for the financial year 01 July 2012 to 30 June 2013 as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2012/2013 to 2014/2015, BE APPROVED;
- (3) That Council's Medium Term Revenue and Expenditure Forecasts for the financial years 2012/2013 to 2014/2015, as amended, BE APPROVED AND BE SUBMITTED to the National – and Provincial Treasuries;
- (4) That the proposed increase in salaries in terms of Grade 4 BE IMPLEMENTED as soon as clear guidelines are received prior to final approval of the budget by the end of May 2012;
- (5) That provision BE MADE for an 8.5% estimated increase in salaries of councillors which still have to be announced in terms of the Public Office Bearers Act;
- (6) That the filling of critical vacancies BE PRIORITISED as there are limited resources meant for this purpose and that all appointments BE DONE on the entry level notch, and any appointment on a notch Higher than the commencing notch of the relevant salary scale should only BE MADE in exceptional circumstances;



- (7) That Heads of Department MONITOR their budgets and expenditure patterns on a regular basis;
- (8) That capital expenditure to be financed from grants and other external mechanisms BE IMPLEMENTED only after the funds secured have been confirmed in writing and/ or received;
- (9) That the proposed capital budget BE ENTIRELY BASED on the IDP priorities in order to achieve National targets on service provision as well as to maintain existing services and extend new services;
- (10) That the Budget Policy, the Indigent Policy and the Subsistence and Travelling Allowance Policy BE APPROVED and implemented with effect from 01 July 2012



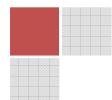
16.5.1.6. EXECUTIVE SUMMARY

- The 2012/2013 Proposed Operating Revenue Budget amount to **R413, 524, 528**.
- The Operating Expenditure Budget amount to **R413, 524, 528**.
- The Proposed Capital Expenditure amount to **R53, 846, 950**.

DESCRIPTION	ADJUSTMENTBUDGET2011/2012	ESTIMATEDBUDGET2012/2013	ESTIMATEDBUDGET2013/2014	ESTIMATEDBUDGET2014/2015
	R	R	R	R
Operating Revenue	361,205,980	413,524,528	436,121,177	461,651,241
Operating Expenditure	357,605,425	413,524,528	433,972,671	446,593,857
Surplus/Deficit	3,602,555	-	2,148,506	15,057,1384
Capital Budget	71,458,485	53,846,950	50,503,848	50,620,480
Total Expenditure Budget	429,063,910	467,371,478	485,674,166	521,599,898

## 16.5.1.7. OPERATING REVENUE (TABLE 1)

I OPERATING REVENUE (TABLE 1)INTERNAL REVENUE	FINANCIAL YEAR2012/13	% OF OPERATING REVENUE
	R'000	%
Assessment rates	42,190	9.9
Electricity	203,541	47.7
Water	33,639	7.9
Sewerage	22,473	5.3
Refuse	11,560	2.7
Interest account in arrears	20,268	4.8
Rental of Facilities	751	0.2
Fines	1,556	0.4
License and Permits	4,494	1.1
Other revenue	2,057	0.50%
Internal Revenue	Financial Year 2012/13	% of operating revenue
Revenue forgone( Free Basic Electricity, Water and Rebates)	(13,144)	
Total Internal Operating Revenue	R329,400	79.66%
Grants and Subsidies		
Equitable Share	79,068	
MSIG	800	
FMG	1,250	
PMU	1,740	
LGSETA	1,265	
Total Grants and Subsidies	84,123	20.34%
<b>TOTAL OPERATING REVENUE</b>	<b>413,524</b>	<b>100%</b>

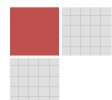


EXPENDITURE TYPE	BUDGET	%
	<b>R'000</b>	
Employees Related Cost	114,190	27.6
Remuneration of Councillors	8,274	2
Provision for doubtful debts	40,080	9.7
Depreciation	12,000	2.9
Bulk-Purchases: Electricity	164,817	39.9
Bulk-Purchases: Water	3,500	0.8
Contracted Services	19,118	4.6
Repairs and Maintenance	14,230	3.4
Assistant to Indigent	4,950	1.2
Finance Charges	3,300	0.8
Other General Expenses	29,065	7.02
<b>TOTAL OPERATING EXPENDITURE</b>	<b>413,524</b>	<b>100</b>

#### 16.5.1.8. OPERATING EXPENDITURE

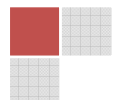
#### 16.5.1.9. SOURCES OF CAPITAL FUNDING(table 2)

SOURCES	2012-13	2013-14	2014-15
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
MIG	41,344	44,072	46,620
INEP	500	500	
NDPG	1,745		
EPWP	1,757		
INTERNAL	8,500	5,931	4,000
<b>TOTAL</b>	<b>53,846</b>	<b>50,503</b>	<b>50,620</b>



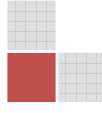
**16.5.1.10. PROPOSED TARIFF INCREASE FOR 2012-13**

SERVICES	CURRENT	NEW
	2011/2012	2012/2013
Property rates	8%	5%
Water	8.5%	5%
Electricity	20.38%	11.03%
Sewer/Sanitation	8.14%	5%
Refuse Removal	26.12%	5%
Cemetery	0%	5%
<b>OTHER SERVICES (E.G. RENTAL OF FACILITIES)</b>	<b>6%</b>	<b>5%</b>



**16.5.1.11. BUDGET, PROGRAMMES AND PROJECTS**  
**16.5.1.11.1. GERT SIBANDE DISTRICT MUNICIPALITY (GSDM)**

LOCALITY	PROJECT DESCRIPTION	PHASE NO	2011/2012	2012/2013	2013/2014	2014/2015
Sakhile	Construction of Roads and Storm water	3		4 500 000		
Standerton	Construction of 10M Reservoir	2		7 500 000		
Eersgevonden, Thuthuka, Racebult, Morgenzon	Regional Bulk infrastructure	1		500 000	5 500 000	6 000 000
Standerton, Sakhile, Meyerville, Standerkop	Regional Bulk infrastructure	1		500 000	3 500 000	4 000 000
All	Water and Sanitation maintenance	1		500 000	1 000 000	1 000 000
All	Upgrading of Sport facility	1		500 000		
All	Water Quality testing-Blue and Green Drop	1		300 000	400 000	450 000
All	Sanitation- VIPs			1 000 000	1 200 00	1 200 000
All	Potholes			500 000	500 000	500 000
All	New Boreholes			1 250 000	1 000 000	1 000 000
All	Grootdraai facility upgrade			3 000 000	3 000 000	3 000 000
All	River Park Upgrade			1 000 000	1 000 000	1 000 000
All	Boreholes maintenance			500 000	1 000 000	1 200 000
<b>TOTALS</b>				<b>21 560 000</b>	<b>18 100 000</b>	<b>19 350 000</b>

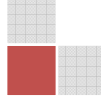




## 16.5.1.11.2.

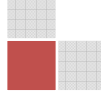
## LEKWA MUNICIPALITY PROPOSED THREE YEAR CAPITAL PLAN (2012/13 to 2014/15)

PROJECT CODE	MUNICIPAL INFRASTRUCTURE GRANT (MIG)		FUNDING	MTEF BUDGET (R'00)			
	Project Description	Outcome		2011/2012	2012/2013	2013/2014	2014/2015
MIG/01/12	Water-Treatment-works	Upgraded Water-Treatment Works	MIG		4,000,000		
MIG/02/12	Water-Purification-works (Morgenzone)	Upgraded-Water-Purification Works	MIG		1,000,000		
MIG/03/12	Zoning of water-network in Lekwa & installation of	Zoned Water networks	MIG		2,500,000		
MIG/04/12	Installation of water& sanitation services in Rookopen	Installed water& sanitation services	MIG		701,438		
MIG/05/12	Upgrade of Sakhile substation	Upgraded substation	MIG		1,400,000		
MIG/06/12	Upgrading of Substation & Water purification plant in CBD, Ext 1,6,7	Upgraded Substation	MIG		1,500,000		
MIG/07/12	Upgrading of sports-facilities in Lekwa	Upgraded sport facilities	MIG		6,300,000		
	Consultant: Jabh, Makga, Sudney de & Robert	Paved Roads	MIG	903,287			
	Construction link road: Sidney de lange & Robert	Paved Roads	MIG	4,300,000			
	Construction Makgatllela street	Paved Roads	MIG	4,730,000			
	Construction of Jabhile street	Paved Roads	MIG	2,855,915			
	Construction of tarred roads	Tarred Roads	MIG	2,354,675			
	Standerton Landfill Site	Complied Landfill site	MIG	4,000,000	6,943,512		
MIG/08/12	Standerton Landfill Site	Complied Landfill site	LLM		1,931,208		
	Construction And Upgrade Of Storm-water Networks	Upgraded Storm-water	MIG	5,392,000	2,000,000	5,000,000	5,000,000
MIG/09/12	Rehabilitation of tarred roads	Tarred Roads	LLM	4,000,000	5,000,000	7,272,000	8,000,000
MIG/10/12	Installation of High-mast Lights in Lekwa	Installed High-mast Lights	LLM	1,631,033		2,000,000	4,000,000
	Installation of High-mast Lights in Lekwa	Installed High-mast Lights	LLM		2,000,000		



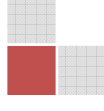
PROJECT CODE	MUNICIPAL INFRASTRUCTURE GRANT (MIG)		FUNDING	MTEF BUDGET (R'00)			
	Project Description	Outcome	Source	2011/2012	2012/2013	2013/2014	2014/2015
MIG/11/12	Upgrading Of Standerton Sewer Treatment Works	Upgraded Sewer Treatment works	MIG	5,700,000	5,000,000	10,000,000	10,000,000
	Upgrading Of Gravel Roads To Paved Roads In Lekwa	Paved Roads	MIG	11,350,000		12,000,000	14,000,000
	Meyerville Water Networks		MIG	1,256,579			7,563,000
MIG/12/12	Construction of Multi-Purpose Halls(W11,15)	Constructed Multi-Purpose Halls	MIG	4,000,000	5,000,000	7,000,000	
	Installation of VIP toilets in Rural Areas	Installed VIP toilets	LLM	3,350,000			
	Installation of VIP toilets in Rural Areas	Installed VIP toilets	LLM		2,000,000	2,000,000	2,000,000
	Installation of Boreholes in Rural Areas	Installed Boreholes	MIG		1,000,000	2,000,000	2,000,000
	Upgrading of Stadiums(Sakhile)	Upgraded Stadium	NDPG	4,290,000			
	Construction of roads and storm-water(Santa road)	Constructed roads and storm-water	LLM	2,000,543			
	Construction of storm-water	Constructed roads and storm-water	MIG	2,940,172			
	Electrification		INEP	1,389,000	500,000	500,000	
MIG/13/12	Upgrade of sewer pump station	Upgraded sewer pump station in Lekwa	MIG		1000 000.00		
	Expanded Public-Works Programme		MIG	1,449,000	1,757,000		
	Sports and recreational facilities		MIG	5,855,726	1,745,000		
	MIG-Unallocated		MIG			800,640	-1,942,520
	Other internal capital projects		LLM	2,000,555	3,500,000		
	TOTALS			75,748,485	36,445,512	50,503,848	50,620,480

PROJECT CODE	DEPARTMENT OF PUBLIC WORKS, ROADS AND TRANSPORT		FUNDING	MTEF BUDGET (R'00)			
	Project Description	Outcome	Source	2011/2012	2012/2013	2013/2014	2014/2015
	Design : Rehabilitation of Coal Haul Road P50/2 between Morgenzon and Standerton (26.73 km)	Surface Road	Public works Roads & Transport		11 534	33 633	67 265
			Public works Roads & Transport		110 080	7 528	0
	Rehabilitation of Coal Haul Road P53/2 between Leandra and Standerton (P90/1)(23km)	Surface Road	Public works Roads & Transport		70 000	73 850	78 281
			Public works Roads & Transport		6 000	6 330	6 710
	Side drain maintenance	Surface road	Public works Roads & Transport		3 000	3 165	3 355
			Public works Roads & Transport		10 000	10 550	11 183
	Shoulder maintenance	Surface road, Gravel road	Public works Roads & Transport		20 000	21 100	22 366
			Public works Roads & Transport		4 000	4 220	4 473
	Road marking & Road studs	Surface road	Public works Roads & Transport		16 000	16 880	17 893
			Public works Roads & Transport		4 000	4 220	4 473
	Distance (km) markers	Surface road, Gravel road	Public works Roads & Transport		1 200	1 266	1 342
			Public works Roads & Transport		4 000	4 220	4 473
	Fire Breaks	Surface road	Public works Roads & Transport		4 000	4 220	4 473
			Public works Roads & Transport		4 000	4 220	4 473



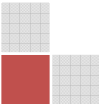
**PROJECT  
CODE**

PROJECTCODE	DEPARTMENT OF CULTURE, SPORT AND RECREATION		FUNDING SOURCE	2011/2012	2012/2013	2013/2014	2014/2015
	<b>Project Description</b>	<b>Outcome</b>			R 60 000,00		
	All local municipalities within Gert Sibande District	Arts and Culture Forums	Sport, Art & Culture				
	All operating libraries within Gert Sibande District	Provision of books to libraries	Sport, Art & Culture		Conditional grant funded by the National Department of Sport & Recreation		
	<b>School Sport Mass Participation Programme (SSMPP)</b> This Programme is intended to bring back the culture of participation in sport at school level. Schools benefit from the School Sport Mass Participation Programme	100% participation in Sport	Sport, Art & Culture		Conditional grant funded by the National Department of Sport & Recreation A Cluster coordinator receives a monthly stipend of R2 466 Each sport assistant receives a monthly stipend of R1664,00		
	<b>Siyadlala Mass Participation Programme (SMPP)</b> On-going activities in schools, hubs and clubs. Festivals and events are coordinated aimed to address on-going disparity in	100% participation in Sport	Sport, Art & Culture		Conditional grant funded by the National Department of Sport & Recreation A Cluster coordinator receives a monthly stipend of R2 466		

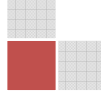


	terms of the different participation levels in sport.			Each sport assistant receives a monthly stipend of R1664.00		
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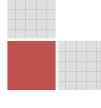
PROJECT CODE	DEPARTMENT OF CULTURE, SPORT AND RECREATION		FUNDING SOURCE	MTEF BUDGET (R'00)			
	Project Description	Outcome		2011/2012	2012/2013	2013/2014	2014/2015
	Arts For a- To represent interests of the arts and culture sector and implementation of Cultural Affairs related projects	Arts and Culture Forums	DCSR		40 000		
	Cultural events coordinated- Conduct auditions in all municipalities to select groups that will showcase at the Provincial Festival	Local artists	DCSR		200		
	Social cohesion conversation series- Social cohesion conversation series refers to the gathering of various	All arts and culture practitioners	DCSR		50		



PROJECT CODE	DEPARTMENT OF CULTURE, SPORT AND RECREATION		FUNDING SOURCE	MTEF BUDGET (R'00)			
	Project Description	Outcome		2011/2012	2012/2013	2013/2014	2014/2015
	parties to discuss strategies of reviving and enhancing social cohesion to cultivate the spirit of nation building						
	My Arts, my Village- To establish cooperatives to set up curio shop to market and exhibit all locally produced artworks	All visual arts and crafters	DCSR		100		
	MRM End of year Festivals- Moral Regeneration Movement end year festival aim to bring social cohesion		DCSR		500		
	Monitoring & of Transformation elements on prioritized sport federations.	[Football, Netball, Rugby, Chess, Volleyball, Athletics, Cricket, Gymnastics, Basketball]	DCSR		100		
	National Schools Tournament	Number of sport development strategies implemented and monitored (National Sport & Recreation Plan – NSRP)	DCSR		100		
	Transfer payments to sport institutions		DCSR		[Taken R 400 000 for High Profile – AFCON IN 2013		
	Youth Camp Mobilization	Mobilization of the Youth to achieve responsible citizenry from out comes	DCSR		4 '000		
	Minister/Out Reach Programme	Visiting of marginalized communities and launch sport and recreation project and offer starter packs of equipment's	DCSR		2 000 000		
	Supply of sport and recreation equipment	Equipment for sports and recreation supplied for presentation of activities for the participants	DCSR		324 000		
	Magnificent Fridays	Promote legacy of supporting sport and recreation activities in the country	DCSR		2 271 000		
			DCSR		1 622 000		

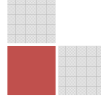


PROJECT CODE	DEPARTMENT OF CULTURE, SPORT AND RECREATION		FUNDING SOURCE	MTEF BUDGET (R'00)			
	Project Description	Outcome		2011/2012	2012/2013	2013/2014	2014/2015
	Participation in MASS sport	Daily activities of Sports and Recreation in the 18 Municipalities	DCSR		646 000		
	Mass participation in school sport	Participation Programme in nine codes namely, netball, football, volleyball, athletics, rugby, cricket, gymnastics, Chess, Basketball. as well as sport and fun days for the Learners with Special Educational Needs (LSEN and MSAIL)	DCSR				
	Training/ Capacity Building	Promote youth empowerment through capacity building and skills transfer for educators and volunteers,	DCSR		R3,600		
	Sport equipment, attire & corporate clothing	List of school needs in terms of equipment's and attire for use at events	DCSR		R3,300		
	School sport code structures and Provincial Federations to deliver the school sport programme	Establishment and support of school sport code committees for the nine prioritized codes to deliver the programme in conjunction with the nine provincial federation	DCSR		R 800		
	National, provincial and district school sport seasonal competitions	Talented athletes are selected for national tournaments at all levels and Top school league winners participate at national level	DCSR		R5,000		
	Appointment of school sport Cluster Coordinators to deliver the programme	Promote youth empowerment through capacity building and skills transfer in the form of job creation	DCSR		R2,800		

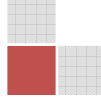




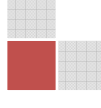
PROJECT CODE	DEPARTMENT OF CULTURE, SPORT AND RECREATION		FUNDING SOURCE	MTEF BUDGET (R'00)			
	Project Description	Outcome		2011/2012	2012/2013	2013/2014	2014/2015
	Talent ID	Federations ,school codes, and the Academy identify talented athletes through the leagues and trials for high performance programmes	DCSR		R 480		
	Admin support for Clun Development		DCSR		2 '971		
	Provision of equipment's and attire	Procurement of club development attire and equipment's	DCSR		3 5'65		
	Capacity building	Support Academy Programmes for athlete development	DCSR		1 '278		
	Provision of sport attire and equipment's	Support of Sports Councils activities and programmes, e.g. meetings, sports day etc.	DCSR		1 '095.31		
	Provision of ICT service and ICT equipment in Public Libraries	6 libraries , Albert Luthuli; 3 libraries Mkhondo;	DCSR		4,500		
		8 libraries Msukaligwa;					
		3 Libraries Dipaliseng;					
		11 library Govan Mbeki;					
		5 libraries Lekwa; ,					
		7 libraries Seme and Gert Sibande district library					
	Provision of Libraries with books	Albert Luthuli: 6 Libraries, Mkhondo:	DCSR		1 600 000		
		3 Libraries, Msukaligwa					
		6 libraries , Albert Luthuli; 3 libraries Mkhondo;					
		8 libraries Msukaligwa;					
		3 Libraries Dipaliseng;					
		11 library Govan Mbeki; ,					
		5 libraries Lekwa; ,					
		7 libraries Seme and Gert Sibande district library					



AREA	TYPE OF INSTRUMENT	WARD	INFRASTRUCTURE EXISTING AND CAPACITY			LAND AVAILABILITY	BUDGET	2011/12	2012/2013	2013/2014	2014/2015	2015/2016
			INTERNAL SERVICES	BULK	CAPACITY OF TREATMENT WORKS							
Sakhile Los Section	Rectification (Individual sub)	1	Adequate	Adequate	Adequate	Private & municipal	R24 000 000	50	100	50	50	50
Sakhile Ext 2)	PHP, INDIVIDUAL, CONSOLIDATIONS	1	Adequate	Adequate	Adequate	Private & municipal	R12 000 000	-	50	50	50	50
Sakhile ext. 4) Rooi-koppen	INFORMAL SETTLEMENTS UPGRADING	1	Adequate	Adequate	Adequate	Private & municipal	R36 000 000	-	150	150	150	150
Sakhile (Proper)	PHP, INDIVIDUAL, RECTIFICATION	2	Adequate	Adequate	Adequate	Private & municipal	R15 000 000	-	75	50	75	50
Sakhile ext. 6	INFORMAL SETTLEMENTS UPGRATE UPGRADING	6	Adequate	Adequate	Adequate	Municipality	R10 680 000	22	40	40	40	36
Cement section	Rectification, (Individual sub)	6	Adequate	Adequate	Adequate	Private & municipal	R18 000 000	-	100	100	50	50
Standerton ext. 6	INFORMAL SETTLEMENTS UPGRATES	7	Adequate	Adequate	Adequate	Private & municipal	R36 000 000		150	150	150	150
Standerton ext.	INFORMAL	7	Adequate	Adequate	Adequate	Private	R27 000 000		100	150	100	100



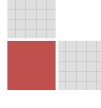
AREA	TYPE OF INSTRUMENT	WARD	INFRASTRUCTURE EXISTING AND CAPACITY			LAND AVAILABILITY	BUDGET	2011/12	2012/2013	2013/2014	2014/2015	2015/2016
			INTERNAL SERVICES	BULK	CAPACITY OF TREATMENT WORKS							
7	SETTLEMENTS UPGRADE, PHP											
Sakhile (jabavu)	PHP, INDIVIDUAL	5	Adequate	Adequate	Adequate	private	R9 000 000		50	50	25	25
Sakhile (dry hoek)	RECTIFICATION	5	Adequate	Adequate	Adequate	municipal	R3 600 000		Assessment 30units	15	15	
Sakhile (moroka)	RECTIFICATION	5	Adequate	Adequate	Adequate	private	R4 200 000	10	20	15	15	10
Thuthukani	PROJECT LINKED	12	Adequate	Adequate	Adequate	Municipal	R15 000 000	100	125	125		
Grey farm/Uitzig	RURAL	12	Adequate	Adequate	Adequate	Private	R3 600 000		60			
Thuthukani	N/A(PUBLIC WORKS) Land acquisition	12	Adequate	Adequate	Adequate	Municipal						
Vezokuhle farm	RURAL	13	Adequate	Adequate	Adequate	Private	R3000 000		50			
Kondraai farm	RURAL	13	Adequate	Adequate	Adequate	Private	R2 820 000		47			
Azalea Ext 1	Rectification &	4	Adequate	Adequate	Adequate	Municipal	R2 100 000	20	20	15		
Azalea Ext 1 Mahala Park) (H-Camp )	Informal settlements upgrading	3	Adequate	Adequate	Adequate	Municipal	R12 420 000		100	107		
Sakhile Ext 5	INFORMAL SETTLEMENTS UPGRADE, INDIVIDUAL	3	Adequate	Adequate	Adequate	Municipal	R7 440 000		62	62		
Morgenzon (bloukop farm	Rural	14	Adequate	Adequate	Adequate	Private	R3 000 000		50			
Morgenzon(	RURAL	14	Adequate	Adequate	Adequate	Private	R3 000 000		50			



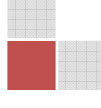
AREA	TYPE OF INSTRUMENT	WARD	INFRASTRUCTURE EXISTING AND CAPACITY			LAND AVAILABILITY	BUDGET	2011/12	2012/2013	2013/2014	2014/2015	2015/2016
			INTERNAL SERVICES	BULK	CAPACITY OF TREATMENT WORKS							
westend farm)												
Sakhile hostels (community residential units)	CRU	8	Adequate	Adequate	Adequate	Municipal	R7 320 000		122			
Sakhile (ext. 1)	Individual Subsidies	3	Adequate	Adequate	Adequate	Private & municipal	R1 200 000		20			
Sakhile and Sivukile	Rectification of Post-1994 houses	Various wds	Adequate	Adequate	Adequate	Private	R30 000 000		100	150	100	150
Transnet land (adjacent to railway station	IRD	4	Adequate	Adequate	Adequate	Private			Acquisition of land	Installation of services	150	
Standerton proper and Ext 3 - transferring of underutilised state owned land	IRD	10	Adequate	Adequate	Adequate	Governments			Increase bulk services	Increase bulk service	100	100
Thuthukani proper - transferring of township and utilised land	IRD	12	Adequate	Adequate	Adequate	Private			Transfer of ownership	Transfer of ownership		



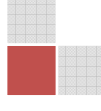
AREA	TYPE OF INSTRUMENT	WARD	INFRASTRUCTURE EXISTING AND CAPACITY			LAND AVAILABILITY	BUDGET	2011/12	2012/2013	2013/2014	2014/2015	2015/2016
			INTERNAL SERVICES	BULK	CAPACITY OF TREATMENT WORKS							
from ESKOM												
Standerton Ext 8		10	Adequate	Adequate	Adequate	Municipal			Installation of services	Reticulation of internal services to 1651h/h	Reticulation of internal services to 494h/h	Reticulation of internal services to 644h/h
Sakhile Ext 4 purchasing of the remainder of the Rookoppo farm		11	Adequate	Adequate	Adequate	Private-Mosia			Acquisition of land	Proclaiming of the cemetery		



PROJECTCODE	MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) CAPITAL PROJECTS		Funding	MTEF Budget (R'00)				TOTALS
	Project Description	Outcome		2011/2012	2012/2013	2013/2014	2014/2015	
	Priority upgrading of the R23, R546 (from Standerton to Evander), R35 and R39.		Gert Sibande District Municipality					
	Upgrading of R50, R546 (from Meyerville to Vrede), R38 and R547.		Gert Sibande District Municipality					
	Upgrading of third order roads.		Lekwa LM: Technical Services					
	Tarring of Santa Road (DI1615) which is an important link.		Gert Sibande District Municipality					
	Upgrade of important entrance roads.		Gert Sibande District Municipality					
	Upgrade and beautification of entrances.		Lekwa LM: Technical Services					
	Upgrade of Standerton taxi Rank.		Lekwa LM: Technical Services					
	Upgrade of Public Transport routes To include sufficient stops, sidewalks act.		Lekwa LM: Technical Services					
	Compilation of 1m 100year flood line for Standerton and Meyerville.		Lekwa LM: Community Services and Safety					
	Development of Standerton Extension 8 as a Mixed Residential use estimated at approximately R700 Million rands in partnership with Anglo American and The Department of Human Settlement and Merbombo Projects cc	Mixed Residential use as the Witbank Clarinet Human settlement project	Merbombo Projects cc		R700 Million			
	Development of Rooikoppes Ext 4 Agri-village on portion 2 and 11 Farm Rooikoppes within the jurisdiction of Lekwa estimated at approximately R500 m	Shopping Mall estimated at around R500 million	RVR SHELF 07 PTY		R500 m			
	Development of a Commercial node along Walter Sisulu Drive as a Shopping Mall estimated at approximately R700 Million.	Shopping Mall estimated at approximately R700 Million.	VUNO Developments		R700 Million			



PROJECTCODE	MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK (SDF) CAPITAL PROJECTS		Funding Source	MTEF Budget (R'00)				TOTALS
	Project Description	Outcome		2011/2012	2012/2013	2013/2014	2014/2015	
	Development of a Commercial node in Rooikoppen Ext 4 Taxi Rank as a Shopping Mall estimated at around R600 million	Shopping Mall estimated at around R500 million	BHR Consulting cc		R600 million			



## 17. CHAPTER 11:

### 17.1. SUMMARY OF COMMUNITY CONSULTATION ISSUES RAISED PER WARD

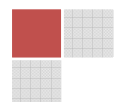
The IDP/Budget consultation and public participation process only began in January 2012 and were completed in Mid-February 2012, the Executive Mayor, MMC's for different portfolios, together with the respective Ward Councillors concerned, PR Councillors who were available and Executive Managers as well as Divisional Managers visited all the 15 wards with the aim of emphasizing on the Government's programmes, the importance of meeting the Millennium Targets, improvement in service delivery and ensuring better life for all residents within Lekwa Local Municipality. Community members who attended the consultations highlighted the following development and infrastructural challenges confronting them per ward:

#### 17.1.1. IDP CONSULTATION:

##### 17.1.1.1. WARD 1, 2012-01-20

#### CAPITAL

- Road access to (Rasmataz)
- Highlight mast Sebeloke Street
- Paving, Gwebe Street, Ext 2, MalahlekaStr, MlamboStr, MavundlaStr, Road access Razmataz (Paving)
- Implementation of naming and re-naming of street
- Storm water drainage, paving and available title deeds (last street, back of the old cemeteries)
- Toilets and water tap in Ext 2
- Highlight Mast ; Sebiloane, Ext 2 next to Retsibile School
- Building of Hall
- Stormwater drainage
- Title Deed
- Graveling of roads





**17.1.1.2. IDP CONSULTATION: WARD 2**

- Paving entrance of schools
- Storm water drainage
- Upgrading of sub-stations
- Storm water drainage
- Free changing of ownership (title deeds) for indigent
- Naming and re-naming of streets, Ext 3
- Erection of speed humps
- Available land and for grazing
- Paving of road

**17.1.1.3. IDP CONSULTATION: WARD 3**

The previous identified issues compiled in the 2010/2011 IDP remains

**ADDITIONS**

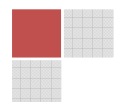
- Establishment of Sporting Centre
- Building of disable school
- Gravelling of streets at Mahala Park
- Building of a Clinic
- Storm water at Mahala Park and Phalama
- Paving of roads
- RDP Houses
- Highlight masts next to the Cemetery and Shovovo
- Sports, Recreational facilities and Multipurpose Centre

**17.1.1.4. IDP CONSULTATION: WARD 4**

- Gravelling of Roads
- Bridge for crossing, TLC
- Storm water drainage in Azalea Cosmos Street
- Gravelling and paving of roads in the new established area (Stanwest next to Osman Raydan)
- Street light to be converted into Apolos
- Building of RDP Houses

**17.1.1.5. IDP CONSULTATION: WARD 5**

- Paving at Mfuphi, Selepe Street



- Phalama and Mandela Camp, informal nature
- Electricity and toilets in Mandela Camp
- Re-gravelling of streets in Phalama
- Rate of youth unemployment

#### 17.1.1.6. IDP CONSULTATION: WARD 6

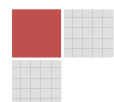
- Waste Management project
- Paving ring road Ext 1
- Available land for live stock
- RDP houses shortage
- Paving off all roads that goes through churches and schools
- Storm water drainage at Kilarney
- Fencing for Madi School
- Hostel project to be completed
- Pedestrian crossing
- Sport and Recreational facilities next to Sakhile Hall and parking bays
- Issues in the IDP be maintained
- Paving of sidewalks at Palmer, Mncube, and Hlongwane Street
- High mast lights at Mtshali Street

#### 17.1.1.7. IDP CONSULTATION: WARD 7

- Upgrading of substation for electricity
- Upgrading of a reservoir
- Storm water drainage
- Erection of a wall fence not palisade at the Standerskop
- Building of RDP houses including Ext 7
- Available site for training Centre of senior citizen
- Building of a sport facilities
- Building of a youth Centre with library
- Road to be paved and graveled
- Creation of a passage to buffer zones
- Free title deed
- Highlight mast
- Creation of sports facilities
- Stands

#### 17.1.1.8. IDP CONSULTATION: WARD 8

- Building of English school



#### 17.1.1.9. IDP CONSULTATION: WARD 9

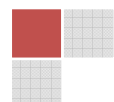
- Water in Rural Areas
- Electricity
- High mast lights
- Employment Opportunities: Bokoro Bricks project
- Permanent Clinic in Ward 9
- Regravelling of Roads in Rural Areas
- RDP Houses in Rural Areas
- Grazing land for Rural Community
- Computer Center
- Libraries in Farm School
- Sport facilities in Rural areas
- Land for RDP Houses in Rural wards
- Mobile Clinics to adhere to visiting schedule
- VIP toilets

#### 17.1.1.10. IDP CONSULTATION: WARD 10

- Proper management, cleaning and controlling of River Park
- Maintenance of existing infrastructure roads, sanitation, water and electricity
- Cleaning of storm water drainage
- Pruning of street trees for proper functioning of electricity

#### 17.1.1.11. IDP CONSULTATION 2012: WARD 11 CAPITAL PROJECT

- Graveling of roads
- Highlights mast
- Building of a clinic
- Building of a community hall
- Building of a police station or mobile SAPS at the taxi rank
- Building of a bridge (-----)
- Building of a Primary and High School
- Sports facilities
- Upgrading of sub-station (transformer)
- Paving of roads
- Erection of speed humps

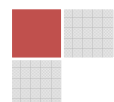


#### 17.1.1.12. IDP CONSULTATION: WARD 12

- Stormwater drainage in rural areas
- Graveling of roads in rural areas
- RDP Houses in Bloukop
- Electricity in all rural areas
- LED Projects
- Community Hall
- Highlight mast
- Paving of roads RDP, Ext 1
- Re-opening of filling station-Thuthukani
- Opening of Land Affairs office in Lekwa
- Selling of municipal sites (Ward 12)
- Opening of Cemeteries

#### 17.1.1.13. IDP CONSULTATION: WARD 13

- Farm owner donated land and municipality failed to build houses (Kroomdraai)
- Electrification of farms
- Farm purchased by Government and unknown person allocated by Department of Land Affairs (Ventmoet farm)
- Transnet Houses to be re-allocated to members of community
- Scarcity of a Mobile clinic
- Road access (road to be graveled)
- Request jojo tank (Brakfontein)
- Employment opportunities
- Home-based Care
- Erection of RDP in the ward
- Upgrading of sub-station, Erzak
- Provision of resources for Creche
- Appointment of a full time caretaker for Erzak School
- Legalization of ownership, Erzak
- Satellite Office
- Stands for early bird people, farms
- Clinic
- Available land for Agrivillage
- Creation of a sports facilities
- Upgrading of sub-station in early bird farm
- Water and VIP Toilets
- Highlight mast (kwaBen and Tonker Farm)

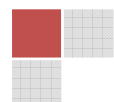


#### 17.1.1.14. IDP CONSULTATION 2012: WARD 14

- Municipal sites for residential, business and church be sub-divided and allocated
- Erection of storm water
- Renovation of a hall
- Extension and renovation of a clinic with 24 hours doctors service
- Paving of a ring-road
- Building of schools for the disable
- Graveling and paving of roads
- Ext 1 road to have access from entrance to exit
- Cemeteries to be fenced and toilets to be erected
- Grazing Land for livestock
- Building of a Computer centre
- Available land for agricultural and resources

#### 17.1.1.15. IDP CONSULTATION 2012: WARD 15 - CAPITAL

- Request for the installation of at least two High-mast lights
- RDP Houses condition still a major concern
- Regravelling of all short street or roads
- Request for speed humps
- Paving of the main road from Judy's palace up to the end.
- Eradication of Squatter informal settlement in ward 15

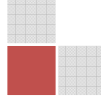


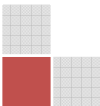
## 17.2. SWOT ANALYSIS OF THE GREATER LEKWA MUNICIPALITY

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

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Close proximity to Johannesburg, Durban and Nelspruit</li> <li>• Natural environment &amp; Scenery</li> <li>• Tourism growth potential</li> <li>• Large catchments area management for water supply</li> <li>• Community's hunger for development and growth</li> <li>• Anglo Coal operates a coal mine close to Standerton and this forms an important source of employment for the area</li> <li>• The GDP of the municipality has been growing overtime (from 1997 1 590 371 to 4 862 757 in 2007)</li> <li>• The income from animal and animal products is dominated by the chicken industry. Beef cattle and milk products are also important contributors to the income from animal and animal products</li> <li>• The field crops, the majority of the income comes from maize production. Sorghum and sunflower seeds also play a role in providing income to farmers in the area.</li> <li>• Availability of underutilized municipal buildings</li> <li>• Available workforce</li> <li>• Support from Gert Sibande DM</li> <li>• Rich cultural heritage and Hospitable culture</li> <li>• Partnership with private sector: Public Private Partnerships (PPPs)</li> <li>• Effective public participation structures</li> <li>• Energy generating power station</li> <li>• Poverty rates have declined from 48.0% to 48, 8%.</li> </ul>	<ul style="list-style-type: none"> <li>• Negative perception of municipality by local media</li> <li>• Deterioration of town i.e. waste and physical infrastructure</li> <li>• Recurring Water quality problems in Standerton</li> <li>• Non functionality of LED Forum</li> <li>• Poor maintenance of hard infrastructure and buildings</li> <li>• Poor road conditions due to the truck Haulage</li> <li>• Closure of local Industries</li> <li>• Poor amenities</li> <li>• High dependency ratio (11700 H/H living below poverty lines)</li> <li>• Low literacy and education levels</li> <li>• Poor industrial recruitment &amp; Agricultural strategy.</li> <li>• Have a relatively high Gini coefficients or high levels of income inequality.</li> <li>• The labor dependency ratio, which indicates the number of persons that each economically active person has to support, is 3,88</li> <li>• Lack of industrial recruitment strategy</li> <li>• Lack of Performance Measuring System (PMS)</li> <li>• Lack of efficient revenue collection system</li> <li>• Scarcity of skilled labor</li> <li>• Poor billing system</li> <li>• Poor CIDB grading of local contractors to participate in our supply chain</li> <li>• Lack of internal control measures in Housing unit regarding selling of sites</li> <li>• High turnover of the municipal critical positions such as Municipal Manager, CFO, Town Planner etc.</li> <li>• Poor management of River Park</li> </ul>

OPPORTUNITIES		THREATS
<ul style="list-style-type: none"> <li>• High influx of potential investors such as Noble group, Leap project etc.</li> <li>• SDF with the newly proposed Commercial nodes and Precincts</li> <li>• River Park</li> <li>• Events venues &amp; Water sport activities</li> <li>• Fishing &amp; Boating related activities</li> <li>• Neighbourhood Development Partnership Grant in Ext 4 (R 44 Million from National Treasury)</li> <li>• Urban Design Framework (+ R300 Million Capital projects estimates)</li> <li>• Tourism development: hotel, holiday resort</li> <li>• Tourism Links</li> <li>• Social and Agricultural development</li> <li>• Environmental Protection</li> <li>• Shopping Mall Development</li> <li>• Grootdraai Dam Development</li> <li>• Revitalization of show ground</li> <li>• Creation of Job opportunities to reduce consumer debts</li> <li>• Exists potential for the growth of manufacturing of food products, plastic products and metal products</li> <li>• Accelerated system of registration of emerging black farmers, agribusiness, micro-enterprises, tourism enterprises, traders and other businesses owned by young black people and women in BBBEE initiatives.</li> <li>• Culture of business ownership by young black people</li> <li>• Establishment of enterprise groupings (such as cooperatives), SMME business Centers to facilitate skills development and support in small businesses, etc.</li> <li>• The provisions of the Mining Charter and localize this provision for the benefit of the local people</li> <li>• Existing agricultural activities, farming and agribusiness micro-enterprises taking place in the area</li> <li>• Crosscutting issues such as technological innovations, access to credit and infrastructure, human resources development, etc.</li> <li>• Culture of collectives with rural youth and young women coming together to work in developmental projects to increase their income and investments and subsequently gaining ownership of local businesses.</li> </ul>		<ul style="list-style-type: none"> <li>• Formation of Public-Private-partnerships among Business and Public Sector</li> <li>• Environmental degradation by Coal Mines and Sasol</li> <li>• Cheap imports labour</li> <li>• Recurring water quality problem</li> <li>• Unreliable electricity (Load shedding)</li> <li>• Truck Haulage</li> <li>• Local industries relocating to other Municipalities that are seemingly more attractive</li> <li>• Political, Personal and cultural intolerance</li> <li>• Marginalization of integrating Urban – rural</li> <li>• High consumer debts</li> <li>• HIV and AIDS</li> <li>• Unemployment rate</li> <li>• Existing crime levels</li> <li>• lengthy land claims process constrains development</li> </ul>







## 18. CHAPTER 12:

### 18.1. SUMMARY OF SECTOR PLANS IN LEKWA LOCAL MUNICIPALITY

The following are some of the significant sector plans or programmes that are available in the Municipality in order to ensure the effectiveness and efficient implementation of the IDP.

### 18.2. LAND USE MANAGEMENT SYSTEM

The objective of this plan is to formulate, develop and implement appropriate planning instruments to effectively guide and control land use and development, which will protect and enhance property ownership and value, and which will establish a balanced living environment.

The LUMS is a single and flexible system used to manage land within a municipal area. Land Use Management is a combination of all the tools and mechanisms used by a municipality to manage the way land is used and developed. These tools include inter alia: land use schemes; by-laws; licensing; rates and general property information. Municipalities are required to undertake land use planning in terms of the Municipal Systems Act No. 32 of 2000. A Land Use Management System is aimed at co-ordinating all land uses and their relationship to each other - ensuring certainty, order and compatibility of land uses - in order to:

- Create safe, healthy and livable environments through appropriate design standard; promoting sustainable development and resource protection (e.g. protection of land assets);
- Promote viable services provision.
- There are several steps necessary to produce a LUMS:
- The translation of the existing TPS(s) zones into LUMS terminology.
- The introduction of appropriate new zones facilitated by the LUMS system (e.g. a series of mixed use and interface/buffer zones).
- The translation of the land use areas implicit in the General Plans of areas currently not in a TPS into LUMS terms.
- The extension of the LUMS into areas without any other form of control using the existing zones available or introducing new/additional zones (e.g. traditional settlement areas, agriculture, etc.).

### 18.3. WATER SERVICES DEVELOPMENT PLAN

This is a business plan which sets out the way in which the water services authority plans and delivers water services to individuals and businesses in its area of jurisdiction. It should be done as part of the IDP process and the summary of the housing planning undertaken becomes a chapter in the IDP. Therefore it is not a comprehensive, stand-alone plan resulting from a separate planning process.

With the publication of the Water Services Act 108 of 1997, all water services authorities are required to prepare a Water Services Development Plan (WSDP). This is a business plan which sets out the way in which the water services authority plans and delivers water services to individuals and businesses in its area of jurisdiction

It must also describe the current and future consumer profile, the type of services that are provided, the infrastructure requirements, a water balance, organizational and financial arrangements to be used, an assessment of the viability of the approach, and an overview of environmental issues.

Following these analyses, important issues that may impact on the provision of effective and sustainable water and sanitation services need to be identified and strategies must be formulated to improve service provision.

### 18.4. HOUSING SECTOR PLAN (HOUSING CHAPTER)

The Housing Sector Plan/ Housing Chapter is a summary of the housing planning undertaken by a municipality and should be used together with the IDP. The Housing Chapter is a 5 year plan which is reviewed annually. It should be done as part of the IDP process and the summary of the housing planning undertaken becomes a chapter in the IDP. Therefore it is not a comprehensive, stand-alone plan resulting from a separate planning process. The Housing Sector Plan/ Housing Chapter, and its contents, in the context of sustainable human settlements, would consist of:

- An analysis of the housing demand;
- A strategy for the supply of housing;
- A set of designed and prioritized housing projects;
- The integration of the housing strategies and projects with the other sectors to achieve sustainable human settlements; and
- An adopted IDP with a Housing Chapter.

**The main purposes of the Housing Sector Plan are:**

- To ensure the effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
- To provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.
- To ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.
- To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground.

- To ensure that there is a definite housing focus for the IDP.
- To provide a critical link between integrated developments planning and the practical reality of delivering housing projects on the ground.
- To ensure effective subsidy budgeting and cash flows both at the local municipal and provincial levels.

**The main expected outputs from the Housing Sector Plan are:**

- A priority implementation list of the relevant housing projects in the municipal area.
- Preliminary assessment of the technical and social feasibility of all projects in the municipal area.
- Confirmation of IDP linkages for all prioritized projects.
- Coordination of MIG and other funding for projects.
- Confirmation of stakeholder involvement in the development process.
- Cash flows and broad project programmes.
- Transfer of skills to Local Municipalities.

**In the case of Lekwa the Housing Sector Plan should include a Rural Housing Strategy. The general aim of the strategy is the eradication of rural housing backlog and the enhancement of the quality of housing. The strategy should address the following:**

- Lack of reliable data on the nature and extent of the housing backlog.
- Identification of need of rural communities.
- The need to create new or adjust existing subsidy mechanisms to accommodate the challenges of farm worker accommodation.
- Identification of well-located and suitable land for housing development.
- The provision of basic services could prove a challenge if houses are to be built on private property.
- The ability of farm workers and occupiers to sustain the cost of housing and associated rates and service charges that will arise in most off-farm settlement options.
- Identification of different housing typologies.
- The capacity of the municipality, within rural contexts, to manage planning of service provision.
- The strategy will contribute to poverty alleviation, infrastructure development, job creation and the absence of basic services.

**In the case of Lekwa a Compaction and Densification Strategy should be developed for Standerton and Sakhile. It should deal with new densities, mixed use nodal forming, infill development and redevelopment of lower density areas. The strategy's more specific objective is to:**

- Ensure optimal and efficient use of infrastructure, services, facilities and land.
- Support the development of a viable public transport system and improve levels of access, especially by the poor, to the City's resources and amenities.
- Provide a framework and guidelines for the assessment of development proposals that promote densification.
- Provide homeowners and property investors with certainty regarding the areas that will be targeted for various types of densification.
- Protect, manage and enhance the natural and built environment and significant cultural landscapes.
- Ensure that the scale and character (in terms of bulk, height, and architectural styling if necessary) of the higher density areas is appropriate to the immediate context.
- Support the development of mixed land uses providing for vitality, opportunities and integrated living environments.
- Contribute to place-making and the development of attractive and safe urban environments

## **18.5. LOCAL ECONOMIC DEVELOPMENT AND TOURISM STRATEGY**

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

**The main focus of the LED and Tourism is on the on the following aspect as envisaged in the SDF:**

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

**Examples of LED initiatives are:**

- Supporting micro enterprises;
- Supporting small business development;
- Providing skill training;
- Encouraging domestic or foreign investment by providing infrastructure like roads or the reduction of crime;
- Providing municipal services such as transport, education or regulations which support local economic development.

There is no single solution to LED that will work in every local area. Each local area has a unique set of opportunities and problems, and must develop an approach to LED that is specific to that area. For example, some local areas have physical features (such as a beautiful coastline, or a harbour like Durban) that can be used to help economic development through tourism or as a freight distribution hub. Other local areas may draw on different resources for LED, such as the presence of coal and gold, infrastructure like mines, or a well-educated and skilled workforce.

**In the case of Lekwa LM, it has the following strengths to build on in order to achieve local economic development and these are the priority areas that should be addressed:**

- Tourism: Natural features such as the Vaal River and Grootdraai Dam.
- Local Businesses and industries: Standerton which has a strong business sector and is home to a number of industries.
- Mining and Power stations: New Denmark Colliery and Tutuka Power Station as well as its locality within coal fields and proximity to industrial hubs such as the TEKS area.

As part of the LED the following strategies should be drafted.

**Mining and Industry Framework: This framework would be vital to assist the municipality in future planning as it will give an indication whether these industries could contribute towards development of**

**the municipality. What is lacking at this stage is information pertaining to the growth and development of mining sectors, specifically mining exploration data. The framework should ideally address the following:**

- Current and future plans of mines in and around Lekwa LM.
- Mining exploration data.
- Opportunities of the petrochemical industries, wood processing and the development of industry specific development nodes.
- Explore and facilitate the beneficiation of down streaming of products within the petro chemical mining, agriculture and mining, and forestry industries.
- Agricultural Development and Management Strategy: This strategy should deal with the future development and management of the various agricultural sectors, the related Agrieconomies and downstream products as well as commercial farming.
- Tourism Development Strategy

## 18.6. INFRASTRUCTURE INVESTMENT PLAN

The Municipal Infrastructure Investment Plan sets out a basis whereby Municipalities can plan programme and budget for meeting the infrastructure service needs in their areas. The Infrastructure Investment Plan seeks to provide a strategic direction in ensuring provision of sound, safe, environmentally friendly and sustainable infrastructure services to all residents. It also outlines the infrastructure investment plan for the next five years and the resources required meeting the plan objectives and National or Provincial policy guidelines.

**The plan covers the maintenance, upgrading, refurbishment and provision of new electricity, water, sanitation, housing, buildings and road infrastructure within the Municipality's area of jurisdiction. This plan will assist the Municipality to:**

- Determine the extent of infrastructure to be provided,
- Determine the capital expenditure required to provide this infrastructure,
- Methods of financing the capital expenditure,
- Determining the operational expenditure to operate and maintain the service delivery,
- Methods of raising revenue to cover the operating expenditure, and
- Develop monitoring and management systems.

## 18.7. INTEGRATED TRANSPORT PLAN

An ITP serves as a guide for transportation planning. It sets out a collaborative, consistent and sustainable approach to transport planning.

## 18.8. LAND USE MANAGEMENT SYSTEM

The objective is to formulate, develop and implement appropriate planning instruments to effectively guide and control land use and development, which will protect and enhance property ownership and value, and which will establish a balanced living environment.

## 18.9. LOCAL OPEN SPACE PLAN

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

## 18.10. COUNCIL PROPERTY ALIENATION STRATEGY

To coordinate the alienation of vacant council owned land.

## 18.11. URBAN EDGE POLICY

**The delineation of an urban edge in order to:**

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

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

## 18.12. PERFORMANCE MANAGEMENT PLAN

**The Municipal System Act (2000) requires municipalities to develop a performance management system that is commensurate with its resources. The development and implementation of a performance management framework has the following benefits:**

- Inform executive decision making processes;
- provide an early warning signal of problematic areas where the municipality is likely to under-perform; and
- Create a culture of organizational performance measurement.

An organization's strategic plan is its foundation, and it is the foundation for an effective performance measurement system. The City will take into consideration the need to continuously ensure the alignment of its performance management system with its IDP. This will be realized by always ensuring that whenever the IDP is reviewed, the performance targets and performance indicators of the revised programmes and projects also reviewed to cover new changes.

### 18.13. SOCIAL NEEDS ASSESSMENT PLAN

**A separate needs assessments should be done for:**

- Education
- Health
- Sport, recreation and culture

It should include development of a plan and implementation to establish detailed status quo of all infrastructure, including mapping and establishing of current infrastructure.

Through the needs assessment, a clearer picture of the current situation, as well as existing gaps, can be obtained, which in turn will simplify the process of evaluation, planning and implementation of programmes and projects.

### 18.14. OPEN SPACE PLAN

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

**The objectives for such a framework are:**

- To create a detailed data and information base on all Open Spaces within the municipal area, including conservation areas and strategically important Open Space resources;
- To establish the status of the open space resources as a vital and valuable physical and economic resource within the municipal area;
- To develop an Open Space network based on a defined vision, goals, principles, typologies and categories on municipal and regional scale;
- To develop Principles and Policy Statements as a basis for consistent and integrated decision making by the local authority regarding issues affecting Open Space resources;
- To provide Principles and Policy Statements as a basis for informing all scales of land use and infrastructure planning and development;
- To provide an Institutional and Management Framework to ensure the effective and collaborative planning, implementation and administration of the Open Space network;
- To inform the acquisition and disposal of Open Space; and
- To provide a Framework within which development activities within the city comply with the National Environmental Management Amendment Act, 2004 (Act 8 of 2004).

### 18.15. URBAN EDGE POLICY

The delineation of an urban edge in order to:

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

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

## 18.16. ENCROACHMENT ON PROPERTY POLICY

Lekwa Local Municipality hereby, in terms of Section 13(a) of the Local government: Municipal Systems Act, 2000 (Act No 32 of 2000), publishes the Encroachment on Property By-laws for the Lekwa Local Municipality, as approved by its Council, as set out hereunder. The content of this policy entail the following components;

- Council permission required
- Rules for the construction of projections
- Columns
- Balconies and bay windows
- Plinths, pilasters, corbels and cornices
- Verandas around corners
- Pavement openings
- Maintenance, removal and tenancy of projections
- Paving of footways or pavements under or in front of encroachment
- Projections
- Offences and penalties
- Repeal of by-laws
- Short title

## 18.17. INVESTMENT AND INCENTIVE STRATEGY

**The aim of the Lekwa Investment promotion and incentive policy is to provide a framework for the uniform development of incentives in Lekwa Municipality that will assist to:**

- Attract major national and international investors to Lekwa.



- Retain and boost existing investment in Lekwa.
- Support investment into projects identified in the IDP and the Lekwa SDF

An **investment** can be defined as “the warehousing of capital or assets in the open market for a defined period with the intention of declaring a yield at the end of the defined period.” (Gildenhuys,1997).In the complex world of risk, change, and different tax regimes, investment managers tend to rely more on the “satisfying behaviour” than the systematic evaluation of investment outcomes, when it comes to a decision to invest. The open market system comprises mainly the Western hemisphere countries and Asia where the amount of capital inflows in these economic hubs determines the size and profitability of investments made. The rate of these capital flows is used as an indicator of confidence to invest. It is therefore not surprising that the dominant markets are found in Europe, United States and Asia as compared to the developing economies, of which South Africa is one. This phenomenon explains the importance of direct foreign investment for any developing economy.

#### **An incentive can be defined as:**

- Stimulus
- Motivating influence
- Serving to incite to action
- Something that arouses to effort or action
- In economics, additional payment offered to workers to boost production

In order for the policy to function in a proper manner the following principles are underlying the policy

#### **Affordability**

The introduction of an incentive should not create a cost to the municipality and the income forgone should not have a severe effect on the revenue stream of the municipality.

#### **Transparency and Uniformity**

The granting of an investment incentive will be done according to a set of predetermined criteria and information on the actual granted incentive will be open for public knowledge.

#### **Targeted sectors**

The investment incentive will only be applicable in specific areas, i.e. areas identified for incentivised economic growth in the IDP.

#### **Simplicity and continuity**

The structure and administration of the investment incentive have to be easily understandable and should not require a complex administration so as to minimise staff and financial impacts. This will ensure quick turnaround times for applications (urgency and speed is essential to attract and retain investment).

### **Co-operative governance**

The incentive is intentionally modest so as to avoid an incentive and relocation war with other investment locations in South Africa.

### **Continuous Review**

The investment incentive policy will be regularly reviewed to ensure relevance and effectiveness.

Investors are interested to invest in a framework that respects **economic fundamentals**. The city or country that satisfies the considerations of profitability will influence the “satisficing behaviour” of the investor. The Municipality must ensure that the following economic fundamentals are in place or are being improved in order to position itself as a possible investment destination:

- Trade and investment regime
- Good infrastructure
- Clear property rights
- Political stability
- Mature financial system
- Macroeconomic stability
- Skilled workforce

Municipal regions are competing for international investment in their areas. Some have travelled the extra mile to introduce incentives to lure investors. It is important that countries and cities must first ensure that they have competitive economies before deciding on introducing incentives. The Municipality’s focus will be on putting the economic fundamentals in place.

## **18.18. DISASTER MANAGEMENT PLAN**

The purpose of a Disaster Management Plan is to enhance the capacity of the municipality to prevent and to deal with disasters and to avoid developments, which are subject to high risk of disasters.

Disaster Management Framework, Plan and Centre are interrelated. The scope of disaster management as required by the Act broadly entails three domains as outlined hereunder: -

### **Disaster Planning**

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

### **Disaster Preparedness and Response**

- Monitoring of threats
- Activating contingency plans
- Informing National & Provincial centre

- Deploying response resources to the scene of incident
- Managing the resources
- Monitoring of disaster intervention activities
- Declaring of a “State of Disaster”

### **Disaster Recovery**

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

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

## **18.19. ENVIRONMENTAL MANAGEMENT PLAN**

An EMP is a document created by Gert Sibande District Municipality to provide a framework for dealing with the pollution risks associated with the local municipal activities. In many cases, it simply formalizes practices already undertaken on projects sites by municipalities.

Integrated Environmental Management (IEM) is designed to ensure that the environmental consequences of development proposals are understood and adequately considered in the planning process. The term environmental is used in its broad sense, encompassing biophysical and socio-economic components.

The purpose of the IEM is to resolve or mitigate any negative impacts and to enhance positive aspects of development proposals.

The **definition** of IEM according to the Department of Environmental Affairs and Tourism, (1998) is: A philosophy which prescribes a code of practice for ensuring that environmental considerations are fully integrated into all stages of the development process in order to achieve a desirable balance between conservation and development.

The **vision** for IEM, according to the Department of Environmental Affairs and Tourism, (1998), is to lay the foundation for environmentally sustainable development based on integrated and holistic environmental management practices and processes.

**Gert Sibande District's IEM include the following basic principles of IEM**

**The basic principles underpinning IEM are that there be:**

- Informed Decision-Making;
- Accountability For Information On Which Decisions Are Taken;
- Accountability For Decisions Taken;
- A Broad Meaning Given To The Term *Environment* (I.E. One That Includes Physical, Biological, Social, Economic, Cultural, Historical And Political Components); Gsdm Integrated Environmental Plan
- An Open, Participatory Approach In The Planning Of Proposals;
- Consultation With Interested And Affected Parties;
- Due Consideration Of Alternative Options;
- An Attempt To Mitigate Negative Impacts And Enhance Positive Aspects Of Proposals;
- An Attempt To Ensure That The 'Social Costs' Of Development Proposals (Those Borne By Society, Rather Than The Developers) Be Outweighed By The 'Social Benefits' (Benefits To Society As A Result Of The Actions Of The Developers);
- Democratic Regard For Individual Rights And Obligations;
- Compliance With These Principles During All Stages Of The Planning, Implementation And Decommissioning Of Proposals (I.E. From "Cradle To Grave"), And
- The Opportunity For Public And Specialist Input In The Decision-Making Process. (Department Of Environmental Affairs, 1992).

ANNEXURE “A” LEKWA LOCAL MUNICIPALITY ORGANOGRAM- PROPOSED FOR 2012-2013

