

DIPALESENG MUNICIPALITY

INTEGRATED DEVELOPMENT PLAN REVIEW

2013/2014 FINANCIAL YEAR



FINAL DRAFT FOR ADOPTION BY COUNCIL

FOREWORD BY THE EXECUTIVE MAYOR

“IT IS NOT GIVEN TO EVERY GENERATION THAT IT SHOULD BE PRESENT DURING AND PARTICIPATE IN THE ACT OF CREATION” PRESIDENT THABO MBEKI, APRIL 1997”

This draft IDP is indeed an act of creation. The beginning of something great and good for all our Communities. It will illustrate our commitment as Government to the needs of our people. It will set clear goals and targets for all of us, i.e. the Municipality and the Community it serves. More even it will demonstrate our will to put infrastructure and services in place that will ensure a better life for all our people.

In this, the decade of Freedom, we'll strive to play our role as Developmental Local Government to the best of our ability. We will create an environment for economic growth and job creation, as tools for the eradication of Poverty and Unemployment.

The IDP will also bring with it some important challenges, which includes funding for projects and programmes. We believe as a team, Government and its people, we will turn this around by going all out in promoting our IDP and its objectives.

It's with great pleasure that we present to you our contribution to “a people's contract, which will create work and fight poverty”. The road ahead may seem long and daunting but we are confident that with Dipaleseng Municipality at the helm, we will succeed in ensuring that people's issues are effectively dealt with to pave the way for efficient delivery of services

CLR NS NHLAPO

EXECUTIVE MAYOR

OVERVIEW BY THE ACCOUNTING OFFICER

The Municipal Systems Act 32 of 2000 requires municipalities to adopt an Integrated Development Plan. Our planning and development as a municipality is solely informed by the IDP. It is for this reason that during the review process we involve all our stakeholders within the municipality to come with a credible plan that takes into consideration the needs of all citizens across the board. As administration we termed the IDP as the “Bible” of the municipality and religiously focus our energies at implementing it to the latter. This we are able to do through a solid partnership with our policy makers, the Councillors and the community which we aim to develop with this IDP.

The budget for **2013/14** financial year is informed by the needs identified during the development of the IDP process and aims at addressing those outstanding needs. In achieving the outstanding goals that we set for ourselves as a community all of us must play our roles. As the municipality we have a role to provide quality services to all of you. Yourselves as residents and consumers also have a role to pay for those services. We can have all good development plans in this IDP but if we cannot finance them they are worthless. As the Chief Accounting Officer I pledge the commitment of all of us in administration to ensure that we continue to provide quality, affordable services and good governance to all our people.

MR DV. NGCOBO

MUNICIPAL MANAGER

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LIST OF SELECTED ABBREVIATIONS

AIDS: Acquired Immune Deficiency Syndrome
AQMP: Air Quality Management Plan
BBEE: Broad Based Black Economic Empowerment
BEE: Black Economic Empowerment
BSC: Balanced Scorecard
CDW: Community Development Workers
CFO: Chief Financial Officer
CIDB: Construction Industry Development Board
COGTA: Department of Cooperative Governance and Traditional Affairs
CPF: Community Policing Forums
CPIX: Consumer Price Index
DBSA: Development Bank of South Africa
DEDP: Director: Economic Development and Planning
DPLG: Department of Provincial and Local Government
DME: Department of Mineral and Energy
DoRA: Division of Revenue Act
DRM: Disaster Risk Management
DCS: Director: Corporate Services
DCSPS: Director: Community Services & Public Safety
DIS: Director: Infrastructural Services
DPD: Director: Planning & Development
DWA: Department of Water Affairs
EAP: Economic Active Population
EIA: Environmental Impact Assessment
EID: Economic and Infrastructure Development Cluster
EM: Executive Mayor
EPWP: Expanded Public Works Programme
ESKOM: Electricity Supply Commission
FMG: Financial Management Grant
GAC: Governance and Administration Cluster
GIS: Geographical Information Systems
GRAP: Generally Recognized Accounting Practices
HDI: Human Development Index
HDP: Human Development Policy
HIV: Human Immunodeficiency Virus
HRD: Human Resources Development
HRDS: Human Resources Development Strategy
HSRC: Human Sciences Research Council
ICT: Information Communication and Technology
IDP: Integrated Development Plan
IGR: Intergovernmental Relations
KPA: Key Performance Areas
KPI: Key Performance Indicators

LED: Local Economic Development
LGMSA: Local Government Municipal Systems Act
LGTAS: Local Government Turnaround Strategy
LSM: Living Standard Measure

MAYCO: Mayoral Committee
MEC: Member of the Executive Council
MFMA: Municipal Finance Management Act
MIG: Municipal Infrastructure Grant
MIIF: Municipal Infrastructure Investment Framework
MMC: Member of the Mayoral Committee
MOU: Memorandum of Understanding
MPRA: Municipal Property Rates Act
MSA: Municipal Systems Act
MSCMP: Municipal Supply Chain Management Policy
MSIG: Municipal Systems Improvement Grant
MTAS: Municipal Turnaround Strategy
MTBC: Medium Term Budget Committee
MTREF: Medium Term Revenue and Expenditure Framework
MTSF: Medium Term Strategic Framework
NEMA: National Environmental Management Act
NERSA: National Electricity Regulator of South Africa
NKPI: National Key Performance Indicators
NSDP: National Spatial Development Perspective
NT: National Treasury
OHSA: Occupational Health and Safety Act
PGDS: Provincial Growth and Development Strategy
PHC: Primary Health Care
PI F: Premier's Inter-governmental Forum
PM: Performance Management
PMS: Performance Management System
PPP: Public Private Partnership
PT: Performance Targets
PT: Public Transport
PWD: People Living With Disability
RDP: Reconstruction and Development Programme
RED: Regional Electricity Distributor
SALGA: South African Local Government Association
SALGBC: South African Local Government Bargaining Council
SAPS: South African Police Service
SARS: South African Revenue Service
SCM: Supply Chain Management
SDBIP: Service Delivery and Budget Implementation Plan
SDF: Spatial Development Framework
SETA: Sector Education and Training Authorities

SGB: School Governing Body
SLA: Service Level Agreement
SMME: Small, Medium and Micro Enterprise
CDC: Community Development Cluster
UIF: Unemployment Insurance Fund
WTW: Water Treatment Works
WWTP: Waste Water Treatment Plant

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EXECUTIVE SUMMARY

The Constitution of the Republic of South Africa commits government to take reasonable measures, within its available resources to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security. To this end Chapter 5 of the Municipal Systems Act, 2000 prescribes that a municipality must undertake developmentally oriented planning to ensure that it achieves the objects of local government as set out in the Constitution.

Integrated development planning and the product of this process, the Integrated Development Plan (IDP) is a constitutional and legal process required of municipalities. Planning in general and the IDP in particular, is a critically important management tool to help transformation, growth and development at local government level. It is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development,

This annual review cycle undertaken during the 2013/14 financial year was the second review since the 2011 Local government election which covered the period 2012 to 2016. The ultimate objective within each cycle remains the improved implementation of the Council's five-year strategy, as well as ensuring improved responsiveness to community needs over time.

The salient features and key focus of the Draft 2013/14 Revised IDP are the following:

- Ensuring a systematic process for addressing community.
- Alignment with national and provincial issues of importance;
- Strengthening performance management and monitoring systems.

The following is a summary of the contents of the 2013/14 Revised IDP consisting of five chapters:

Chapter 1: (Introduction and Background) provides a national context to the IDP process , outlines the key pieces of legislation impacting on municipal integrated development planning, reflects on the important elements of inter -governmental planning and provides a brief overview of the process that was followed in developing the revised IDP.

Chapter 2: (State of the Municipality-Situational Analysis) deals with the policy and legislative framework for integrated development planning, Dipaleseng Local Municipality spatial perspective, municipal institution (political structure, administrative component and the community) and the DLM powers and functions. This chapter focuses extensively on the outcomes of the 2012 Ward Profiles Study undertaken by the municipality as well as the detailed analysis and audit conducted of the existing community needs recorded since 2007.

Chapter 3: (Dipaleseng Local Municipality Development Strategies) focuses on the alignment between national, provincial, district and municipal strategies, reflects on the national and provincial outcomes based priorities and outlines in detail the Dipaleseng Local Municipality Key Performance Areas (KPAs), IDP priorities, strategic objectives, Key Performance Indicators (KPIs) and performance targets per cluster for the 2013/14 financial year. This chapter also includes an update on the provincial assessment of the 2012/13 Revised IDP conducted by the Provincial Department of Cooperative Governance and Traditional Affairs (CoGTA).

Chapter 4: (Implementation and Financial Plan) is mainly based on the 2012/13 Draft Medium Term Revenue and Expenditure Framework (MTREF) of the municipality and outlines the municipality's financial strategy, revenue and expenditure framework for the next three years, proposed tariff increases, capital funding requirements and allocations. This chapter therefore includes a detailed breakdown of the capital projects planned by the municipality for the next three financial years to address outstanding community needs and service delivery targets.

Chapter 5 (Performance Management System) outlines the salient features of the Revised Institutional Performance Management Framework adopted by Council at the end of March 2009. The chapter reflects on the legislative framework for local government performance management, the new outcomes approach to performance management in government, the municipal scorecard approach to performance management, the elements of a performance management cycle and performance reporting and review requirements.

The IDP is the master plan for the municipality which provides a coherent, integrated and sound framework for the development of the municipal area. It is also envisaged that the 2013/14 Revised IDP will ensure improved coordination of the development programmes of the municipality and other spheres of government to ensure a better quality of life for all the people living in this areas and provide a sound basis for building better communities.

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

This annual review cycle undertaken during the 2013/14 financial year was the first review of the current Leadership after the Local government elections. The ultimate objective within each cycle remains the improved implementation of the Council's five-year strategy, as well as ensuring improved responsiveness to community needs over time.

The draft Revised IDP is based on lessons learned from the previous revision and planning cycle (2012/13) and focuses on the following:

- Alignment with national and provincial issues of importance.
- Strengthening the analysis principles of strategic planning processes.
- Ensuring a systematic process for addressing community needs.
- Strengthening performance management.
- Response to changing Municipal circumstances and comments from MEC

It is important that the IDP developed by the Dipaleseng Local Municipality (DLM) aligns with the national and provincial intent. The aim of the revision is to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area – also reflecting on issues of national and provincial importance.

One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009.
- Improving Government Performance: Our Approach of 2009.
- Government Programme of Action.
- Development Facilitation Act of 1995.
- Mpumalanga Provincial Growth and Development Strategy (MPGDS)
- National and Provincial spatial development perspectives.
- Relevant sector, e.g. transportation, legislation and policy.
- National Key Performance Indicators (NKPIs).
- National Spatial Development Perspective (NSDP).
- Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA)

For the municipality improved service delivery to communities relates to the responsiveness of its departments to various service delivery challenges in relation to the effective and efficient management of resources.

In the end, the municipality as an institution needs to respond within its approved strategic framework to address its development challenges and opportunities through the Council approved Integrated Development Plan (IDP).

1.2 BACKGROUND TO INTEGRATED DEVELOPMENT PLANNING

South Africa has a representative form of democratic government. The management and governance of South Africa is based on a three-sphere system of government, namely national, provincial and local spheres of government.

The Constitution of the Republic of South Africa, 1996 stipulates that the local sphere of government consists of municipalities which were established for the whole of the territory of South Africa – the so-called wall-to-wall municipalities. The Constitution and the Local Government: Municipal Structures Act, 1998 established a system of categories and types of municipalities. Accordingly three categories of municipalities were identified. Category A municipality is metropolitan municipalities that have exclusive municipal executive and legislative authority in its area. Category B municipalities are local municipalities which share municipal executive and legislative authority in its area with a Category C (District) municipality within whose area it falls.



The objects of local government are set out in Section 152 of the Constitution. Accordingly the objects are:

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

These objectives have been in practice for more than ten years and every part of the country now falls under the jurisdiction of a municipality, with many communities experiencing local and democratic government for the first time within the last decade.

Section 154(1) of the Constitution requires both the National and the Provincial Governments

by legislation or other means to support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions. Provincial supervision, monitoring and support of local government is a Constitutional obligation in terms of sections 154(1) and Section 155(6) and (7) of the Constitution.

The Dipaleseng Local Municipality came into existence after the elections that took place on 5 December 2000. It is a Category B municipality and is one of Local Municipalities in the Mpumalanga Province.

IDP: legal definition: The IDP is defined as a principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality. It binds the municipality in the exercise of its executive authority, except if the IDP is not in line with national or provincial legislation, in which case such legislation prevails. It also binds all other persons to the extent that those parts of the IDP that impose duties or affect the rights of those persons have been made into a bye-law.

The above statement portrays the IDP as a forward planning tool and clearly affords the IDP a legal status and legal teeth. It also implies that the IDP imperatives should transcend the day-to-day business of the municipality. The diagram overleaf provides a schematic presentation of the IDP. It reflects the IDP as a melting point for all government interventions. The diagram highlights key sector plans and programmes of the IDP.

1.3 LEGISLATIVE CONTEXT

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

Chapter 5 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) (MSA) states that a municipality must undertake developmentally oriented planning to ensure that it achieves the objects of local government as set out in Section 152 of the Constitution. It must further give effect to its developmental duties as required by Section 153 of the Constitution. Together with other organs of state, it must contribute to the progressive realization of the fundamental rights contained in Sections 24, 25, 27 and 29 of the Constitution.

Communities cannot develop in isolation and the process of integrated development planning strives to systematically and transparently find acceptable solutions within given time frames regarding allocating resources to service delivery. Local municipalities use integrated development planning as a tool to plan future development in their areas in a sustainable manner.

Integrated development planning is a process by which the planning efforts of different spheres and sectors of government and other institutions are coordinated at local government level.

It combines the various economic, social, environmental, legal, infrastructural and spatial aspects applicable to development or provision of services and infrastructure and allocates the necessary budget thereto. This should take place in a way that enhances development and provides sustainable empowerment, growth and equity for the short, medium and long term.

Integrated development planning and the product of this process, the Integrated Development Plan (IDP) is a constitutional and legal process required of municipalities. Planning in general and the IDP in particular, is a critically important management tool to help transformation, growth and development at local government level. It is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development.

Some of the benefits of IDP are:

- Allocation of scarce resources to maximise effect and to ensure priorities are met.
- Effective use of available capacity.
- To ensure sustainable development and growth.
- To facilitate credible accessibility to local government by citizens.
- To enable active citizen participation in local government.
- Providing access to development funding.
- Encouraging both local and outside investment.
- Building capacity among councillors and officials.

According to Section 25 of the MSA, each municipal council must, after the start of its elected term, adopt a single, inclusive and strategic plan (Integrated Development 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 and which aligns the resources and capacity of the municipality with the implementation of the said plan. The Integrated Development Plan (IDP) should form the policy framework and general basis on which annual budgets be based and should be compatible with national and provincial development plans and planning requirements.

An IDP is a master plan for an area that gives an overall framework for development. It aims to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in an area. It takes into account the existing conditions and problems and resources available for development. It looks at economic and social development for the area as a whole.

There are a few main reasons why a municipality should have an IDP:

- Utilisation of scarce resources.

- The IDP assists the municipality to focus on the most important needs of the communities taking into account the resources available. In the process, the municipality must find the most cost-effective and efficient ways of providing services and money spent on the causes of problems in its area of jurisdiction.
- Expedite delivery of services.
- The IDP identifies the least serviced and most impoverished areas and points to where municipal funds should be spent. It should provide mechanisms to ensure that projects and programmes are efficiently implemented and assists developing realistic project proposals based on the availability of resources.
- Attract additional funds.
- The IDP provides clear development direction and guidelines that in return will attract investors and additional funds to the municipal area.
- Strengthens democracy
- Through the active participation of all the important stakeholders in the IDP and Budgeting process, decisions are made in a democratic and transparent manner.
- Promotes co-ordination between local, provincial and national government

The different spheres of government are encouraged to work in a coordinated manner to address the development needs in a local area.

The IDP of a Municipality may be amended if and when circumstances require the amendment but must be reviewed annually regardless if there is changing circumstances or not (Section 34 of the MSA). Both amendment and review of the document must be in accordance with a prescribed process which process is described in the Process Plan.

Of particular importance to municipalities and municipal entities is Sections 151 to 164 (Chapter 7) of the Constitution, Local Government: Municipal Structures Act, 1998, MSA, the Local Government: Municipal Finance Management Act, 2003 (MFMA) and the Local Government: Municipal Systems Amendment Act, 2003. These Acts form the cornerstones for municipal operations, planning, governance and accountability. More specifically, the regulations of these Acts promote effective planning, budgeting, revenue and expenditure management, reporting, oversight, social and economic upliftment, universal access to essential services and effective performance management.

1.4 INTER-GOVERNMENTAL PLANNING

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

1. All spheres of government and all organs of state within each sphere must:
 - a. preserves the peace, national unity and the indivisibility of the Republic.
 - b. secure the well-being of the people of the Republic.
 - c. provide effective, transparent, accountable and coherent government for the Republic as a whole.
 - d. be loyal to the Constitution, the Republic and its people;
 - e. respect the constitutional status, institutions, powers and functions of government in the other spheres;
 - f. not assume any power or function except those conferred on them in terms of the Constitution;

- g. exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere.
- h. co-operate with one another in mutual trust and good faith by:
 - i. fostering friendly relations;
 - i i . assisting and supporting one another;
 - i i i . informing one another of, and consulting one another on, matters of common interest ;
 - iv. coordinating their actions and legislation with one another;
 - v. adhering to agreed procedures; and
 - vi. avoiding legal proceedings against one another.

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

Cooperative governance means that national, provincial and local government should work together to provide citizens with a comprehensive package of services. They have to assist and

The national strategic plan, which will be developed by the National Planning Commission in the Presidency, will define the framework for detailed planning and actions across all spheres of government.

- *Green Paper on National Strategic Planning (September 2009)*

support each other, share information and coordinate their efforts. Implementation of policies and government programmes particularly require close cooperation between the three spheres of government.

The division and allocation of the total government income (revenue) between the spheres of government and within government is regulated by the *Division of Revenue Act, 2009* (DORA). The different spheres of government depend on each other for support in project implementation.

In order to implement the principles on cooperative government set out in Chapter 3 of the Constitution, the Intergovernmental Relations Framework Act, 2005 (IGR) was enacted. The Act

seeks to set up mechanisms to coordinate the work of all spheres of government in providing services, alleviating poverty and promoting development. It also establishes a line of communication that goes from municipalities to the provinces and directly to the Presidency.

At provincial level a Premier's Inter-governmental Forum (PIF)¹ exists which consults on broad development in the province, as well as on the implementation of national and provincial policy and legislation. It also seeks to coordinate the alignment of provincial and municipal development planning and strategic planning.

In many development projects, more than one sphere of government may be involved in implementation. Where necessary, the different organs of state may enter into an implementation protocol that describes the role and responsibility of each organ of state; outlines priorities and desired outcomes; and provides for monitoring, evaluation, resource allocation and dispute settlement procedures. The IGR has been set up to facilitate cooperation and avoid legal proceedings between different spheres of government.

Inter-governmental relations go beyond the IGR and the MFMA also requires consultation in the budgeting and planning process. All government programmes are developed based on the laws and policies that are made by Parliament.

The relationship between national planning instruments such as the NSDP, provincial plans such as Provincial Growth and Development Strategies (PGDS) and municipal plans (IDP's) must be determined in the context of a set of intergovernmental planning principles.

These include:

- All spheres and organs of state should promote coordinated and integrated planning.
- National development priorities and principles should inform planning for all spheres.
- Each sphere has its own distinct development tasks and related planning tasks corresponding to the scale of operations and the area of jurisdiction.
- The necessary mutual alignment between national priorities or guidelines, sectoral planning

requirements and local needs, conditions and resources must be conducted in the spirit of cooperative governance whereby the plans of one sphere should support those in another.

The shared and common platform critical to alignment is made possible through a coherent set of national spatial guidelines based on the twin concepts of development potential and need. The normative principles and guidelines embodied in the NSDP provide the central organizing concept for facilitating alignment and serve as the mechanism and basic platform for better coordination and alignment of government programmes.

“A spatial dimension to planning is critical to reversing the legacies of apartheid’s Bantustan policies and our fragmented urban areas. International best practice suggests that spatial planning instruments are being increasingly used to pursue and achieve alignment. They include spatial development perspectives and guidelines for infrastructure investment and social spending.”

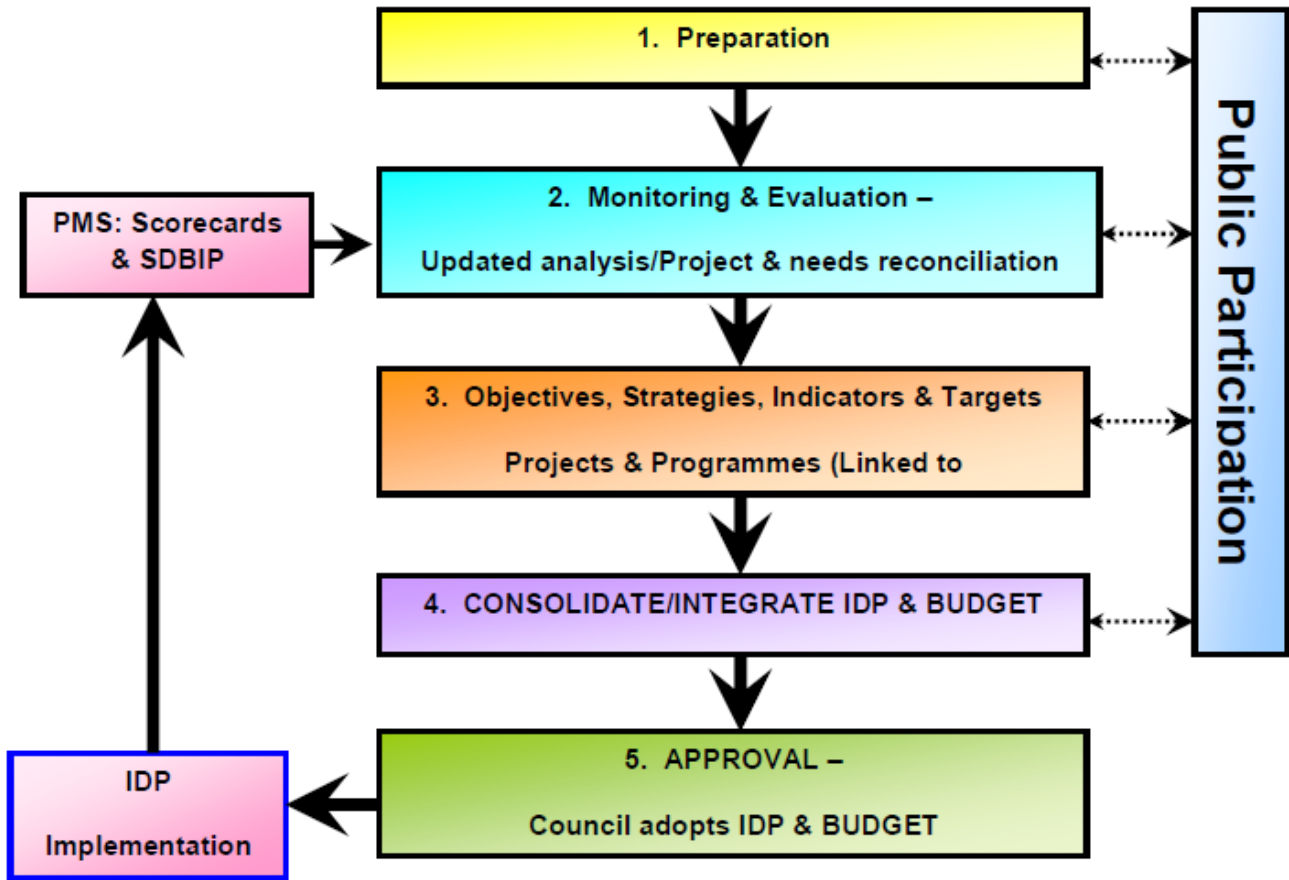
1.5 BRIEF OVERVIEW OF THE PROCESS TO DEVELOP THE DRAFT REVISED IDP

The Systems Act pays particular attention to regulate how the IDP should be drafted. The Act states that the Council must adopt a plan that sets out how it intends to draft, adopt and review the IDP document. The Act also places a high priority on the elements of vertical integration and community participation.

The process for the review Dipaleseng Municipality five year IDP (2013/2014) was adopted by Council on 30th August 2012. The table below summaries the process followed and ensures that the role players within the process are well prepared and provided the required input.

The process plan outlined the planning process followed, proposed institutional arrangements and timeframes attached to the different phases. The process plan further illustrated the alignment of the IDP with the municipality’s Performance Management System (PMS) and Service Delivery and Budget Implementation Plan (SDBIP) processes.

The diagram below gives a broad outline of the process followed in reviewing the IDP, and developing the PMS and SDBIP.



Phase 1: entailed the preparation of the process plan for the review of the IDP and the setting up or confirmation of the required institutional arrangements.

Phase 2: included a detailed reconciliation of existing community needs, received during the previous public participation meetings, and the capital projects approved in the prior year budgets to identify specific needs which have not yet been addressed by the municipality. Directorates was therefore requested to prioritise the said community needs in the compilation of their respective capital projects for the next medium term budget.

Phase 3: (Strategies) ensured that clear objectives, strategies, indicators and targets are developed and that the IDP is properly aligned and linked to the Budget through the SDBIP.

Phase 4: will include the conducting of public hearings and community consultations on the draft IDP and were preceded by consultations with relevant sector departments (provincial and national) and the district municipality to ensure vertical alignment of the municipality's IDP with other spheres of government. It was envisaged that in *Phase 5* the 2013/14 Reviewed IDP will be adopted by Council at the end of May 2013.

1.5.1 INSTITUTIONAL ARRANGEMENTS

It was important that the suggested roles below were adhered to and that accountability was maintained throughout the entire IDP process. An analysis and confirmation of the institutional arrangements were undertaken to ensure that the above five phases were effectively executed. The table below reflects the arrangement and suggested roles and responsibilities as to who was responsible for planning, development, preparation, compilation and drafting of the Dipaleseng Local Municipality’s (DLM) IDP and SDBIP.

TABLE 1: IDP INSTITUTIONAL ARRANGEMENTS

<p>The Executive Mayor</p>	<p>The Executive Mayor of DLM has the ultimate responsibility for the preparation and implementation of the IDP, Budget & Performance Management. In his executive capacity he has to:</p> <ul style="list-style-type: none"> ☞ Be responsible for the overall oversight, development and monitoring of the process or delegate IDP & PMS responsibilities to the Municipal Manager. ☞ Ensure that the budget, IDP & budget related policies are mutually consistent & credible. ☞ Submit the revised IDP & the Budget to the municipal Council for adoption. ☞ Submit the proposed Performance Management System to the municipal council for adoption
<p>Municipal Council</p>	<p>The Council is the ultimate political decision-making body of the municipality and the Council has the responsibility to:</p> <ul style="list-style-type: none"> ☞ Consider and adopt the IDP Process Plan & time schedule for the preparation, tabling & approval of the annual budget. ☞ Consider and adopt the IDP and annual Budget. ☞ Ensure the municipal budget is coordinated with and based on the IDP. ☞ Adopt a Performance Management System (PMS). ☞ Monitor progress, re. IDP implementation
<p>Mayoral Committee</p>	<p>The role of the Mayoral Committee is to provide political and strategic guidance and direction to the IDP, Budget, Performance Management processes and IDP implementation. The Mayoral Committee is assisted by the Finance and IDP Portfolio Committee in this regard.</p>

Ward Councillors & Ward Committees	<p>Ward Councillors are the major link between the municipality and the residents. As such, their role is to:</p> <ul style="list-style-type: none"> ☞ Link the planning process to their constituencies and/or wards. ☞ Ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate. ☞ Facilitate public consultation and participation within their wards.
IDP Representative Forum	<p>The IDP Representative Forum serves as the interface for community participation during the IDP process and therefore participates in the annual review of the municipality's IDP. The IDP Representative Forum is chaired by the Executive Mayor (or his delegate) and consists of the following role players:</p> <ul style="list-style-type: none"> ☞ Members of the Mayoral Committee ☞ Ward Councillors ☞ Ward Committee members ☞ Community Development Workers ☞ NGOs/CBOs ☞ Business chambers ☞ Sector departments (district, provincial and national) ☞ Religious organisations ☞ Municipal officials
Municipal Manager	<p>The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget and works towards its implementation.</p>
Senior Management Meeting & the IDP Steering Committee	<p>The IDP Steering Committee is chaired by the Municipal Manager and comprises of the Directors who are also the technical leaders of the different Clusters. The tasks of the Steering Committee are to:</p> <ul style="list-style-type: none"> ☞ Provide technical oversight and support to the IDP/ Budget review and its implementation. ☞ Consider and advice on IDP/ Budget content and process. ☞ Ensure inter-directorate co-operation, co-ordination, communication and strategic thinking to address priority issues. ☞ Ensure sector and spatial co-ordination and alignment. ☞ Ensure IDP & budget linkage.

	<ul style="list-style-type: none"> ☞ Ensure Performance Management is linked to the IDP. ☞ Ensure the organisation is oriented to implement the IDP. ☞ Ensure time-frames set for the review are met. <p>It is proposed that the IDP Steering Committee meet at least once a month at the beginning of the Senior Management meeting for about a half an hour (as per the schedule).</p>
Directorates & Departments	<p>Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical and they :</p> <ul style="list-style-type: none"> ☞ Provide technical / sector expertise and information, throughout the IDP Budget process. ☞ Ensure that the review process is participatory, integrated, strategic, and Implementation-oriented, budget linked and aligned with and satisfies sector planning requirements.
Service Providers	<p>External Service Providers will be engaged, when necessary to:</p> <ul style="list-style-type: none"> ☞ Provide methodological/ technical guidance to the IDP process. ☞ Facilitate planning workshops. ☞ Undertake special studies. ☞ Ensure the IDP/ Budget/ PM is aligned with Provincial & National Department's strategy and budget.

1.5.2 TIME SCHEDULE

The annual review of the IDP followed the phases below.

TABLE 2: IDP PHASES AND TIMELINES

PHASE	MONTH	KEY EVENTS
Preparation	JULY - SEP 2012	☞ Process Plan submitted to Council, Steering Committee and Representative Forum
Monitoring, Evaluation, Updated Analysis & Projects	SEP – OCT 2012	☞ IDP needs and projects reconciliation ☞ Consultations with Directorates (project identification)
Objectives, Strategies, Projects & Programmes	OCT – NOV 2012	☞ Mayoral Strategic Workshop ☞ Updated strategic objectives, indicators, targets and projects
Consolidate IDP	NOV 2012 – MAR 2013	☞ Council approve draft IDP ☞ Advertise for comment & public participation ☞ Consultations with sector departments and district ☞ Public hearings and community consultations
APPROVAL	May 2013	☞ IDP submitted to Council for approval end of May 2013

The detailed timelines contained in the IDP and Budget Process Plan included the following:

TABLE 3: IDP AND BUDGET PROCESS PLAN

Dates	Activity	Progress/Comments
2 Sept. 2012	Meeting: IDP Steering Committee <i>(to discuss detailed process plan)</i>	Meeting held on 4 Sept. 2012
3 Sept. 2012	Meeting: IDP Representative Forum <i>(to discuss detailed process plan)</i>	Meeting Rescheduled
28 Sept. 2012	Analysis of community needs and reconciliation with identified projects	First draft circulated on 28 Sept. 2012
5 Oct. 2012	Meeting: IDP Steering Committee <i>(to review report on analysis of community needs and project reconciliation)</i>	Meeting held on 5 Oct. 2012
11-19 Oct. 2012	All Acting Directors submit 3 year capital budget to Finance	Budget Workshop held on 6 Nov. 2012 Draft capital budget available and will be further discussed at IDP Steering Committee meeting on 4

Dates	Activity	Progress/Comments
		Dec. 2012.
26 October 2012	IDP review analysis and project identification phases completed	Community needs audit and draft capital budget not finalised on time
31 October 2012	Meeting: IDP Representative Forum <i>(to review report on analysis and project identification phases)</i>	Meeting Rescheduled
	<i>Submit 2010/11 First Quarter Performance Report to Council</i>	Submitted end of Nov. 2012
13 Nov. 2012	Meeting: IDP Steering Committee <i>(to review progress to date)</i>	Meeting held on 22 Nov. 2012
4 Dec. 2012	Meeting: IDP Steering Committee <i>(To receive presentations on LED Plan & all other sector plans; Draft capital budget /MIG discussions)</i>	Meeting held on 4 Dec. 2012
16-17 Jan. 2013	Mayoral Strategic Workshop on IDP and Budget <i>(Re-scheduled from original date of 22-23 Nov. 2012)</i>	Workshop took place on 7-8 Feb. 2013
28 January 2013	Submit Mid-year budget and performance assessment report to the Mayor and Council	Submitted to the Mayoral Committee on 28 Jan. 2013
	<i>Submit draft PMS Policy framework to Senior Management (2nd SM meeting)</i>	Submitted to Municipal Manager on 22 Feb. 2013
	<i>Submit 2012/13 Second Quarter Performance Report to Council</i>	Submitted to the Mayoral Committee on 21 Jan. 2013
Mid-Feb. 2013	Meeting of Budget Steering Committee <i>(Recommend budget policies and parameters)</i>	Chaired by the Ex Mayor
1-15 Feb. 2013	Finalise Draft 2013/2014 IDP	Draft will incorporate preliminary outcomes of the ward profiles project
15 Feb. 2013	Meeting: IDP Steering Committee <i>(to review Draft 2013/2014 IDP)</i>	Meeting: IDP Steering Committee <i>(to review Draft 2013/2014 IDP)</i>
19 Feb. 2013	Meeting: IDP Representative Forum <i>(to review Draft 2013/2014 IDP)</i>	Rescheduled
26 Feb. 2013	Formal Council meeting – Draft 2013/2014 IDP, Budget and PMS policy framework	Rescheduled to 25 April. 2013
28 March 2013	Formal Council meeting - Table Draft IDP and 2013/2014 Budget	
29 March 2013	Publish Draft IDP, Budget and related documents	On local newspapers, municipal

	for comments (after Council meeting)	website, libraries and offices.
28 May 2013	Council meeting: Approval of Final IDP and Budget	
Dates	Activity	Progress/Comments
May 2013	Submit and publish approved IDP & Budget	
31 March 2013	Council adopts the oversight report on the 2012/13 Annual Report	Will be delayed due to Council's decision to refer report back
3 March – 20 March 2013	Conduct public hearings and community consultations on Draft IDP & Budget (will now take place in April)	IDP Manager & Finance to prepare schedule in consultation with Office of the Speaker)
7 March – 8 April 2013	IDP Consultations: National and Provincial Sector Departments, District and Local Municipalities	CoGTA evaluation sessions- IDP Manager to check and confirm dates with CoGTA
28 April 2013	<i>Submit 2012/13 Third Quarter Performance Report to Council</i>	Cluster reports to be submitted to Office of the MM by 10th of April 2013
15 May 2013	Submit draft SDBIP and Performance Agreements to Mayor(14 days)	Municipal Manager
24 May 2013	Approval of final SDBIP by Mayor (28 days)	Executive Mayor
20 June 2013	Publish SDBIP and signed Performance agreements	Municipal Manager

1.6 COMMUNITY PARTICIPATION

Directed by the MSA the DLM actively seeks community participation in matters affecting the community. The MSA in Chapter 4 deals with community participation. It stipulates that a municipality must encourage and create conditions for, the local community to participate in the affairs of the municipality, including in the preparation, implementation and review of its IDP and the preparation of its Budget.

The Dipaleseng Local Municipality has established participation of the community through a ward system of which there are Six (6) wards within the municipal area. The central role of ward committees is to facilitate local community participation in decisions which affect the local community; to articulate local community interests; and to represent these interests within the municipal governing structures.

It is expected that the following community participation meetings will be arranged through the Office of Speaker to facilitate the involvement of wards on the draft 2013/14 Revised IDP.

TABLE 4: SCHEDULE OF COMMUNITY PARTICIPATION MEETINGS

Ward	Name	Date	Venue	Time
Ward 2	NS Nhlapo	03/03/2013	Isifisoethu Secondary	08.00
Ward 4	ML Makhubo	03/03/2013	Bonukukhanya Primary	14.00
Ward 1	DS Sithole	04/03/2013	Siyathemba Primary	17.00
Ward 1	DS Sithole	06/03/2013	Siyathemba Civic Centre	17.00
Ward 2	NS Nhlapo	07/03/2013	Siyathemba Civic Centre	17.00
Ward 5	MT Tsotetsi	11/03/2013	Grootvlei Civic Centre	17.00
Ward 5	MT Tsotetsi	13/03/2013	Grootvlei Eskom Centre	17.00
Ward 3	RJ Hall	14/03/2013	Greylingstad Civic Centre	17.00
Ward 3	RJ Hall	18/03/2013	Balfour Civic Centre	17.30
Ward 6	T Mahlangu	20/03/2013	Nthorwane Civic Centre	17.00

CHAPTER 2: STATE OF THE MUNICIPALITY – SITUATIONAL ANALYSIS

Section 26 of the MSA indicated that an IDP must reflect amongst others an assessment of the existing level of development in the municipality. Therefore an analysis of the Dipaleseng Local Municipality with regards its ward-level demographic and socio-economic profiles as well as access to basic other services was conducted as part of the ward profiles study undertaken towards the end of 2012.

This section deals with the policy and legislative context for integrated development planning, the Dipaleseng Local Municipality as an institution, its components, activities and its achievements as well as its goals and vision for the future.

The following sources were utilised to compile this chapter:

- Stats SA information
- 2012 Dipaleseng Ward Profiles Study Report.
- 2012/13 Annual Report t.
- 2012/13 Mid-term Budget and Performance Assessment Report.

2.2 POLICY AND LEGISLATIVE CONTEXT

2.2.1 Green paper on National Strategic Planning 2009

The Green Paper on National Strategic Planning sets out an institutional framework for planning and describes the outputs of planning. The key outputs of planning include the development of a long term vision and plan for South Africa. These outputs would play a role in shaping policies and programmes, budgets and resource allocation.

The establishment of a National Planning Commission is proposed that will direct the development of a long-term strategic plan, called South Africa Vision 2025. The aim of such a strategic plan is to ensure the mobilisation of society and greater coherence in government's work. The plan will establish a long-term vision for South Africa that is based on the values of the Constitution as well as key priorities identified in the Medium Term Strategic Framework (MTSF). The overarching objective with respect to planning is to enhance South Africa's socio-economic development by improving planning and coordination within government and managing the country's development processes.

The preparation of the three key products of the planning cycle is proposed namely:

- The long term product (National Strategic Vision).
- Medium term product (MTSF).
- Short term product (Action Programme).

The development of national spatial guidelines is proposed. These guidelines will serve as tools for bringing about coordinated government action and alignment, which are focused on the “systematic coordination of various policies and activities aimed at influencing future developments”. An overarching spatial framework and guidelines spelling out government’s spatial priorities are needed to focus government action and provide the platform for alignment and coordination.

New forms of engagement with social partners are needed to get contributions to the formulation of a national plan and buy-in to the result. Section 19 of the Green Paper therefore contains information on the role of other spheres of government in national planning. It states that the key principle of effective government planning relates to the notion that different spheres of government are able to affect one another. Planning should not be unidirectional, rigid or top- down; it must inform and be informed by sector plans and provincial and local plans. Various spheres of government should work together to establish.

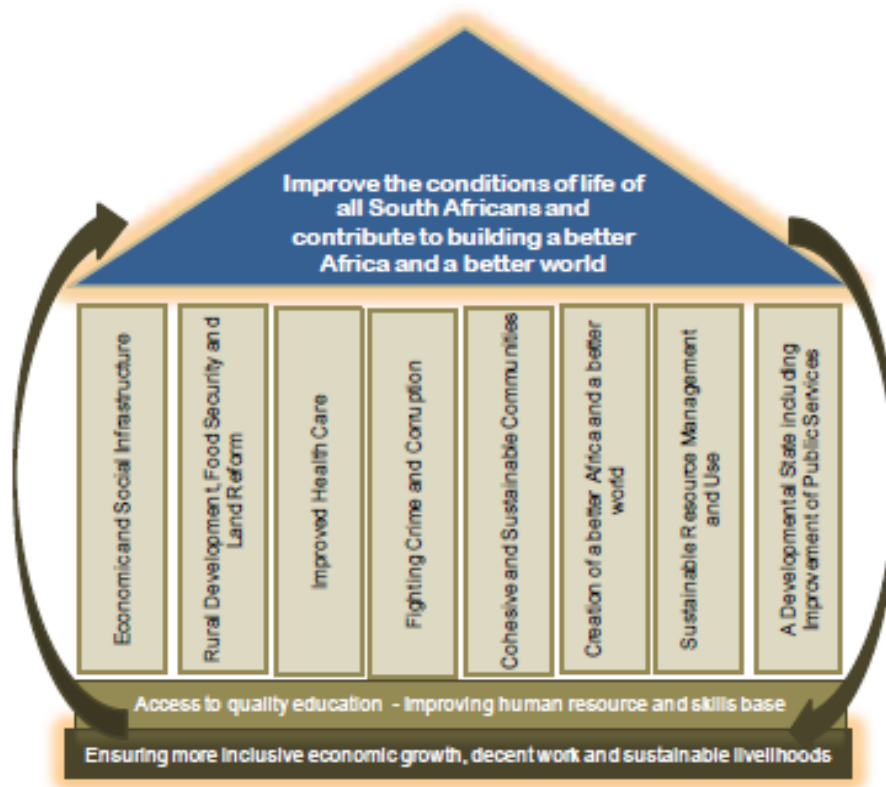
Long-term objectives and milestones for planning should be developed. For this reason, a monitoring and evaluation function should be implemented to measure the achievement of the long-term objectives. Performance monitoring and evaluation will assess progress, identify constraints, weaknesses and failures in implementation, and effect mechanisms of correction or enhancement.

The products of planning – from the national vision, the MTSF, provincial growth and development instruments, to municipal development plans and programmes of action – will have to be aligned. The national strategic plan therefore defines the framework for detailed planning and action across all spheres of government. Strategic priorities established within the national strategic plan should therefore guide and govern the planning and action of all government institutions.

2.2.2 GOVERNMENT POLICY PRIORITIES AND OUTCOMES

Informed by the 2009 Election Manifesto, Government adopted the Medium Term Strategic Framework (MTSF) for the mandate period 2009 – 2014 in July 2009. The MTSF translates the Election Manifesto into a Government strategic framework. It elaborates on the Election Manifesto and identified the Ten (10) Strategic Priorities that serve as the basis for determining the Governments Implementation Plans for the period to 2014. The basic thrust of the Medium Term Strategic Framework 2009 – 2014 (MTSF) is to improve the conditions of life of all South Africans and contribute to building a better Africa and a better world

FIGURE 4: MEDIUM TERM STRATEGIC FRAMEWORK



The 10 priorities as per the MTSF are:

- Speed up economic growth and transform the economy to create decent work and sustainable Livelihoods.
- Introduce a massive programme to build economic and social infrastructure.
- Develop and implement a comprehensive rural development strategy linked to land and agrarian reform and food security.
- Strengthen the skills and human resource base.
- Improve the health profile of all South Africans.
- Intensify the fight against crime and corruption.
- Build cohesive, caring and sustainable communities.
- Pursue African advancement and enhanced international cooperation.
- Ensure sustainable resource management and use.
- Build a developmental state, improve public services and strengthen democratic institutions

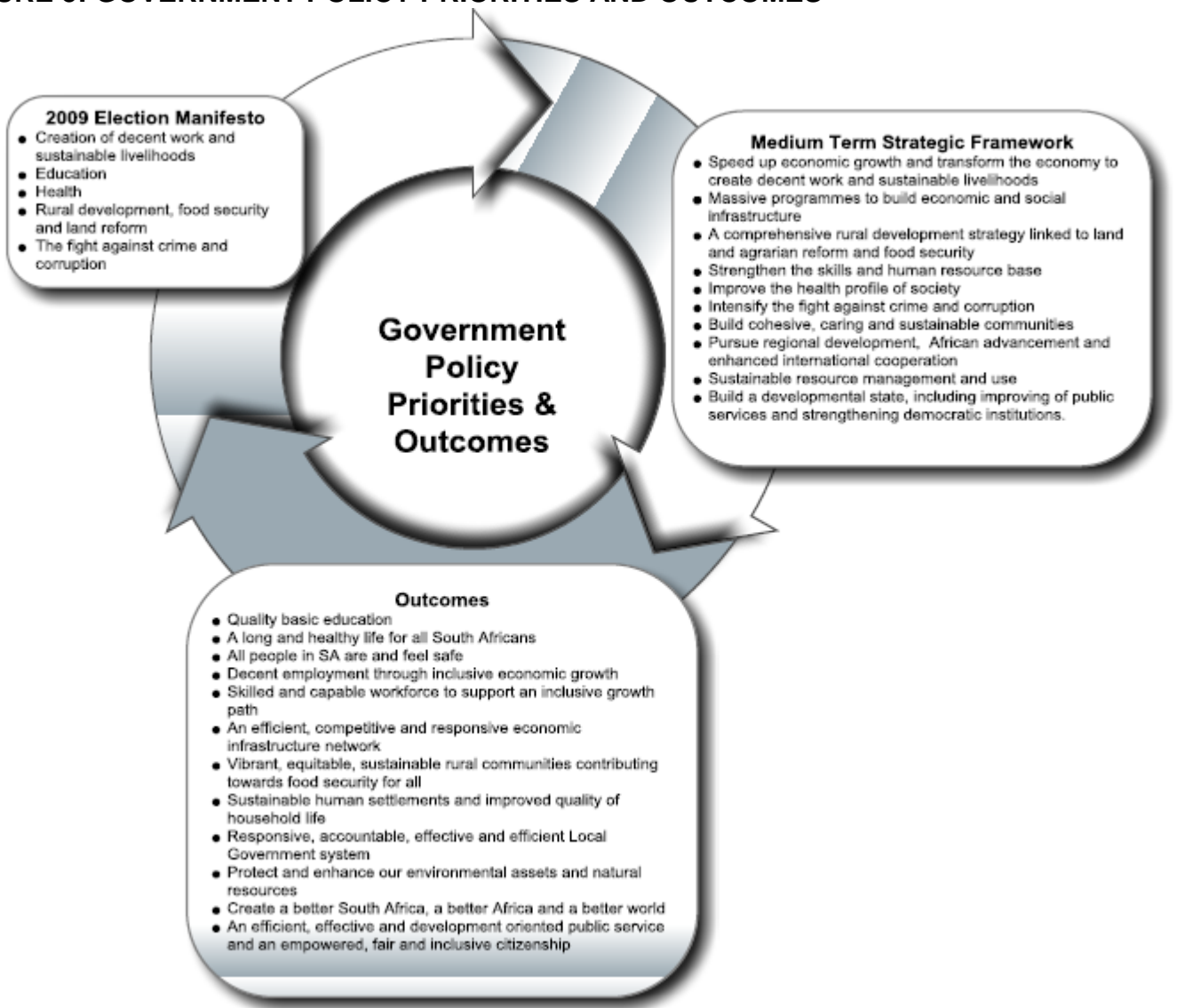
*“The MTSF base document is meant to guide planning and resource allocation across all spheres of government. National and provincial departments in particular will need immediately to develop their five-year strategic plans and budget requirements, taking into account the medium-term imperatives. Similarly, 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 conversion of the 2009 Election Manifesto and the MTSF into a set of 12 outcomes backed by measurable outputs and key activities to achieve the outputs was the product of consultation and discussion at both the Ministerial and Administrative levels.

The diagram below seeks to align the 2009 Election Manifesto and MTSF key strategic objectives and the Outcomes. There appear to be a high degree of correlation and consistency across the three. The outcomes are not another set of priorities per se.

They reflect the desired development impacts we seek to achieve given government's policy priorities as contained in the 2009 Election Manifesto and the MTSF. In this sense the outcomes with measurable outputs and key activities is thus the core strategy to achieve the Election Manifesto and MTSF priorities.

FIGURE 5: GOVERNMENT POLICY PRIORITIES AND OUTCOMES



The process from priority setting based on the 2009 Election Manifesto and MTSF through the outcomes definition with measurable outputs and key activities, has laid a solid basis for signaling what the current Administration will be seeking to achieve by 2014.

2.2.3 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)

The premise on which the National Spatial Development Perspective (NSDP) (2006) is based is one which seeks to redress the spatial imbalances caused by Apartheid planning. The aim is to encourage government to make urbanisation and urban economic development central in its prioritisation for development spending.

The NSDP seeks to set a spatial rationale for focusing all government (national, provincial and local) efforts on centralized areas. It does recognise development in areas where economic growth is not growing as fast, hence appropriate interventions need to be established.

The NSDP contains a set of normative principles to guide investment decisions and planning at provincial and local level:

Principle 1: Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of other policy objectives, among which poverty alleviation is key.

Principle 2: Government has a constitutional obligation to provide basic services to all citizens wherever they reside.

Principle 3: Beyond the constitutional obligation government spending on fixed investment should be focused on localities of economic growth and/or potential in order to gear up private sector investment, to stimulate sustainable economic activities, and to create long-term employment opportunities.

Principle 4: Efforts to address social inequalities should focus on people, not places. In localities where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low demonstrated economic potential, Government should concentrate primarily on human capital development by providing social transfers such as grants, education and training, and poverty-relief programmes

Principle 5: 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 that link the main growth centres. Infrastructure investment should primarily support localities that will become major growth nodes in South Africa and the SADC region to create regional gateways to the global economy.

The NSDP introduces a spatial analysis approach whereby the space economy is analysed in terms of “potential” and “need”, which was used to develop an overview of the national space economy and the identification of 26 areas of national economic significance and a number of nationally significant poverty concentrations.

2.2.4 MPUMALANGA PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY (MPGDS)

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

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

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

- a) Stimulate economic development
- b) Develop and enhance infrastructure for economic growth and social development.
- c) Reduce poverty through human and social development
- d) Sustainable environmental development
- e) Good Governance
- f) Promote effective and efficient governance and administration

2.2.5 GERT SIBANDE DISTRICT ECONOMIC GROWTH STRATEGY

The Gert Sibande District Economic Growth Strategy aims to provide a framework for sustainable growth and economic development for the District from 2004 to 2014. The strategy establishes the basis from where the District’s Programme of Action is negotiated in collaboration with other stakeholders in the district. It forms a yardstick from which progress and achievements are monitored and evaluated.

The District Economic Growth Strategy is guided by the National and Provincial policy thrusts identified for ten years i.e. 2004 – 2014. It seeks to achieve balanced development of

economic sectors and local spatial in accordance with the needs and potentials of the people. It is also aimed at targeted investments in the district with the aim of offering opportunities to the people in skills development, employment and the improved quality of life.

The District Economic Growth Strategy focuses on 6 thrusts considered to be the main economic drive of the area. The following table depicts the 6 thrusts and the main priority areas.

TABLE 5: 6 THRUSTS AND MAIN PRIORITY AREAS

Agriculture	Stimulate the agricultural sector through the sustenance of commercial farming by expanding the sector through variety of value adding initiatives. Linked to this is the transformation and development of subsistence farming through capacity-building, facilitating access to markets, finance, infrastructure, machinery, agro-processing technology and skills.
Infrastructure Development	Identify infrastructure backlogs to enable the district municipality to intervene decisively through the provision of infrastructure services. The emphasis is in developing road networks that links economic activities within the District Municipality to cut the costs of doing business. Tied to this is the provision of basic services such as housing, telecommunications, water and sanitation, which are critical in jettisoning economic growth within the municipality.
Manufacturing	Identify manufacturing opportunities from other sectors, particularly mining and agriculture, linking such with the overall SMME's strategy in the Municipality. Create export markets for regionally produced goods, both at National and international levels.
Mining	Through understanding of the entire mining value chain with the view to identify mining opportunities like beneficiation, opening of new mines, outsourcing and procurement, share holding, etc. All these must be approached within the context of the new mining legislative framework including the Mining Charter.
SMME Development	Set clear SMME developmental goals in financing and supporting SMME's, targeting previously disadvantaged people, women, youth and people living with disabilities. This must find practical expression in municipal institutional arrangements and all social partners' outsourcing and procurement policies.
Tourism	Appraise the entire district tourism sector, including operators, products and services to enable social partners to identify critical intervention areas.

2.2.6 LOCAL GOVERNMENT TURNAROUND STRATEGY (LGTAS)

The Local Government Turnaround Strategy is underpinned by two important considerations. It is accepted that each municipality faces different social and economic conditions and has different performance levels and support needs, and therefore a more segmented and distinguished approach is required to address the various challenges of municipalities. The problems in local government are both a result of internal factors within the direct control of

municipalities as well as external factors over which municipalities do not have much control.

The aim of the turnaround strategy is to:

- Restore the confidence in the municipalities, as the primary delivery machine of the developmental state at a local level.
- Rebuild and improve the basic requirements for a functional, responsive, accountable, effective, and efficient developmental local government.

The five strategic objectives of the local government turnaround strategy are to:

- Ensure that municipalities meet basic needs of communities. This implies that an environment is created, support provided and systems built to accelerate quality service delivery within the context of each municipality's conditions and needs.
- Build clean, responsive and accountable local government. Make sure that systems and structures and procedures are developed and enforced to deal with corruption, maladministration and ensure that municipalities communicate and account more to communities.
- Improve functionality, performance and professionalism in municipalities. Ensure that the core administrative and institutional systems are in place and are operational to improve performance.
- Improve national and provincial policy, support and oversight to local government.
- Strengthen partnerships between local government, communities and civil society. Ensure that communities and other development partners are mobilized to partner with municipalities in service delivery and development.

The key interventions under these five strategic objectives focus on ensuring that:

- National government (including state enterprises) organises itself better in relation to local government.
- Provinces improve their support and oversight responsibilities over local government.
- Municipalities reflect on their own performance and identify their own tailor made turnaround strategies all three spheres of government improve inter-governmental relations in practice.
- Political parties promote and enhance the institutional integrity of municipalities.
- A social compact on local government is put in place where all citizens, including public officials at all levels, those in the private sector, trade unions, professional bodies and traditional leaders are guided in their actions and involvement by a common set of governance values.

Some of the immediate implementation priorities of the local government turnaround strategy (pre-2011 local government elections) are to:

- Address the immediate financial and administrative problems in municipalities.

- Promulgate regulations to stem indiscriminate hiring and firing in municipalities.
- Tighten and implement a transparent municipal supply chain management system.

- Ensure that the programmes of national and provincial government and state owned enterprises are reflected in municipal integrated development plans and overcome “one size fits all” approach by differentiating responsibilities and simplifying integrated development plans.

Some of the main post-2011 priorities of the local government turnaround strategy include the following, which are part of vision 2014:

- Infrastructure backlogs should be reduced significantly.
- All citizens must have access to affordable universal basic services.
- Formalisation of all informal settlements.
- Clean cities, through the management of waste in such a way that it creates employment and wealth.
- A single election for national, provincial and local government (key benefits include: single manifesto, one financial year, single public service, common five year medium term planning, aligned human resource and budgeting frameworks).

The local government turnaround strategy will be managed driven through a national coordinating unit in the Department of Cooperative Governance and Traditional Affairs that will serve as a “nerve centre” for implementation.

An immediate task of the local government turnaround strategy is that agreements will be reached with each province on the roll-out programme in the context of the different provincial needs and capacities. This will guide how municipalities will be supported to prepare and implement their own tailor made turnaround strategies that must be incorporated into their integrated development plans and budgets by March 2010.

Key stakeholders and ward committees will be mobilized early in 2010. By July 2010, all municipalities will be in full implementation mode of the national and their own turn around strategies. The implementation of the local government turnaround strategy presents the entire country and all communities with an opportunity to work together with their municipalities in improving and accelerating service delivery.

2.3. DIPALESENG LOCAL MUNICIPALITY IN PERSPECTIVE

2.3.1 Locality

The area of jurisdiction of the Dipaleseng Local Municipality is situated in Southern part of Gert Sibande District Municipality Region. The former Balfour/Siyathemba, Greylingstad/Nthorwane Transitional Local Councils and a section of the Grootvlei Transitional Rural Council are included in the Dipaleseng Region. The total estimated residents in the Dipaleseng Region, according to Census 2011 data, is 42 388. The largest urban unit is Balfour followed by Greylingstad and Grootvlei. A number of Commercial farms, in the surrounding vicinity, also form part of the Dipaleseng Region. These Commercial farms are privately managed. The legal status of these farms is that of a single Erf and mining

The general tendency of migration from rural to urban areas is also occurring in the area, as is the case in the rest of the Mpumalanga Province. The majority of the rural population is active within the agricultural sector. Regarding the population distribution the area is largely urbanized (91% urban and 9% rural). This tendency is directly related to the strong industrial and manufacturing character of the region. It subsequently explains the continuous urban growth experienced in Siyathemba.

Balfour is located in the heart of worldly renowned coalfields. This modern and predominantly industrial town is further located in close proximity (80km) to the nationally well-known industrial areas of Johannesburg. The Balfour/Siyathemba urban area is 340km from Nelspruit and 80km from Johannesburg. Apart from the internationally known abattoirs the “Biggest abattoir in Africa”, is found in Dipaleseng (Balfour town) with a vast number of by-products including products, inorganic chemicals, fertilizers, etc are manufactured in the area.

The Greylingstad/Nthorwane urban area is situated in the north-eastern section of the Dipaleseng Region, approximately 19km east of Balfour and 450km north-east of Nelspruit . Other centres such as Grootvlei and Dasville are all within 20km from Balfour. There are worth mentioning commercial farming activities present in the community. Industrial activities are exclusively related to the electricity generating industry.

The town’s close proximity to the coal mining and industrial activities in Witbank and its nearby location to the large industrial complexes of Heidelberg, Vereeniging, Springs and Germiston, definitely and perhaps negatively, influence economic activities in Dipaleseng. The strong recreational character of the town further enhances this phenomenon. The largest number of the inhabitants of Dipaleseng is employed in Germiston and the adjacent industrial complexes of Johannesburg. Dasville can thus be labeled as a typical satellite residential town to the surrounding industrial areas. These factors contribute to the relatively low level of economic activity in the Grootvlei area.

The area is accessible by road (R51, R23, including N3) and within 55km from Springs, Germiston, Vereeniging, and Kempton park. Although the prominent economic sector of the area is agriculture, it is subsequently strategically situated from a recreation and tourism point of view. This is in view of the fact that the town is bound on three sides by the Vaal Dam and located in close proximity to the Gauteng metropolitan area. It is also linked to several other towns in the vicinity.

The Vaal River and Suikerbos River form the Southern and Western boundary of the area, which also serve as the boundary between the Free State and Gauteng Province. A significant portion of the Dipaleseng Region is included in the Vaal River Complex Regional Structure Plan, 1996 (former Vaal River Complex Guide Plan, 1982). Vaal River Regional Structure Plan is a statutory land use control document, which is applicable to amongst other land located along important water resources such as the Vaal Dam, Vaal River and Suikerbos River.

All Guide Plans compiled in terms of the Physical Planning Act (Act 88 of 1967) were declared Regional or Urban Structure Plans in terms of Section 37 of the Physical Planning Act (Act 125 of 1991). The Vaal Dam often referred to as the Highveld's Inland Sea, is the most prominent topographical feature in the region. This vast expanse of water covers some 300 square kilometers. It serves as Gauteng's principal source of potable water and is a popular water sports and water related adventure venue.

Map 1: Spatial location of Dipaleseng Local Municipality



The table hereunder depicts the characteristics of three towns forming Dipaleseng Local Municipality. The table will be segmented into four categories *viz*; name of the town, location, the size of the population and economic potential and needs.

TABLE 6: CHARACTERISTICS OF MAJOR MUNICIPAL AREAS

TABLE 6: CHARACTERISTICS OF MAJOR MUNICIPAL AREAS

Balfour/Siyathemba	Greylingstad/Nthorwane	Grootvlei	Rural Areas
Approximated Location	Approximated Location	Approximated Location	Approximated Location
Economic Potential	Economic Potential	Economic Potential	Economic Potential
Goal fields dominant	Agriculture & Tourism	Agriculture	Agriculture

2.3.2 MUNICIPAL INSTITUTION

The Dipaleseng Local Municipality is an organ of state within the local sphere of government exercising legislative and executive authority within its area of jurisdiction as determined in

terms of the *Local Government: Municipal Demarcation Act 117 of 1998*. It consists of a political structure, an administrative component and the community.

2.3.3 POLITICAL STRUCTURE

The political component of the Dipaleseng Local Municipality is based on an Executive Mayoral Committee (Mayco) system. The Executive Mayor has certain legislative and delegated executive powers and appoints members of the mayoral committee in terms of sections 60 and 80 of the MSA. The Executive Mayor and Mayoral Committee is accountable and reports to the Municipal Council.

There are various decision making structures within Council which include the following:

- Municipal Council.
- Executive Mayor and Mayoral Committee.
- Portfolio Committees including:
 - Section 80 Committees
 - Section 79 Committees
- Officials with delegated powers.

The Dipaleseng Local Municipality Council currently consists of 12 Councillors, 6 Ward Councillors and 6 Proportional Councillors. The following political parties are represented in the Council:

- African National Congress (ANC) 07
- Democratic Alliance (DA) 02
- Socialist Civic Movement (SCM) 02
- Independent 01

Dipaleseng Local Municipality adopted the ward committee system. The municipality is currently divided into 06 wards, each with a Ward Councillor as Chairperson. Ward Committees meet once a month in order to discuss matters affecting its ward. In order to strengthen and improve the ward committee's capacity, a number of Community Development Workers have been appointed.

2.3.4 ADMINISTRATIVE COMPONENT

The Municipal Manager assisted by Directors, manage the Departments of:

1. Budget and Treasury.
2. Infrastructural Services.
3. Community Services & Public Safety
4. Corporate Services
5. Planning and Development.
5. Office of the Municipal Manager.

- 7. Office of the Executive Mayor.
- 8. Office of the Speaker

The macro-organisational structure below is the currently approved structure. The municipality is in the process of reviewing its organisational structure to align it to the IDP strategic priorities and critical institutional and service delivery imperatives. It is envisaged that the new structure will be submitted to Council for approval in the new financial year.

FIGURE 7: DLM MANAGEMENT STRUCTURE

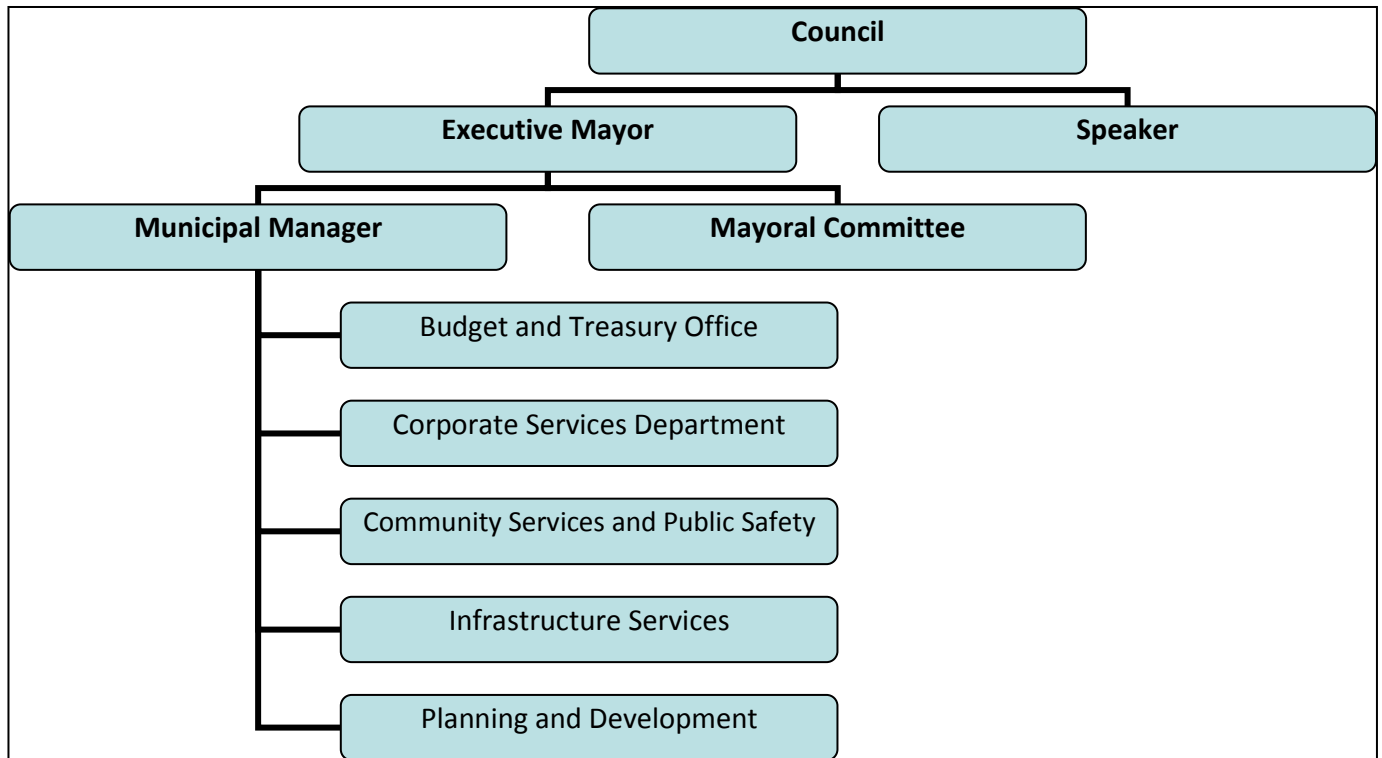


TABLE 7: STAFF ESTABLISHMENT AS AT 30 JUNE 2012

Function	Total no. of approved posts	No. of filled posts	No. of vacancies
Office of the Executive Mayor	06	06	0
Office of the Speaker	07	07	0
Office of the Municipal Manager	16	05	11
Budget and Treasury.	30	19	11
Infrastructural Services.	162	92	70
Community services & Public Safety	130	44	86
Corporate Services	30	19	11
Planning and Development.	26	06	20
Total	491	267	224

Note: The number of filled posts excludes 12 Councillors and any new appointments made after 30 June 2012. It should also be noted that approved posts can only be filled if it is funded or budgeted.

2.3.5 THE COMMUNITY

The third component of the Dipaleseng Local Municipality is its community (population). The community comprises of 42 390 persons and 12 324 households. The table below reflects the growth in population and households in the municipality between 2001 and 2011.

	2001	2011	Growth: 2001-2011
Population	38 617	42 390	
Households	9986	12 324	
Average household size	4.5	3.9	

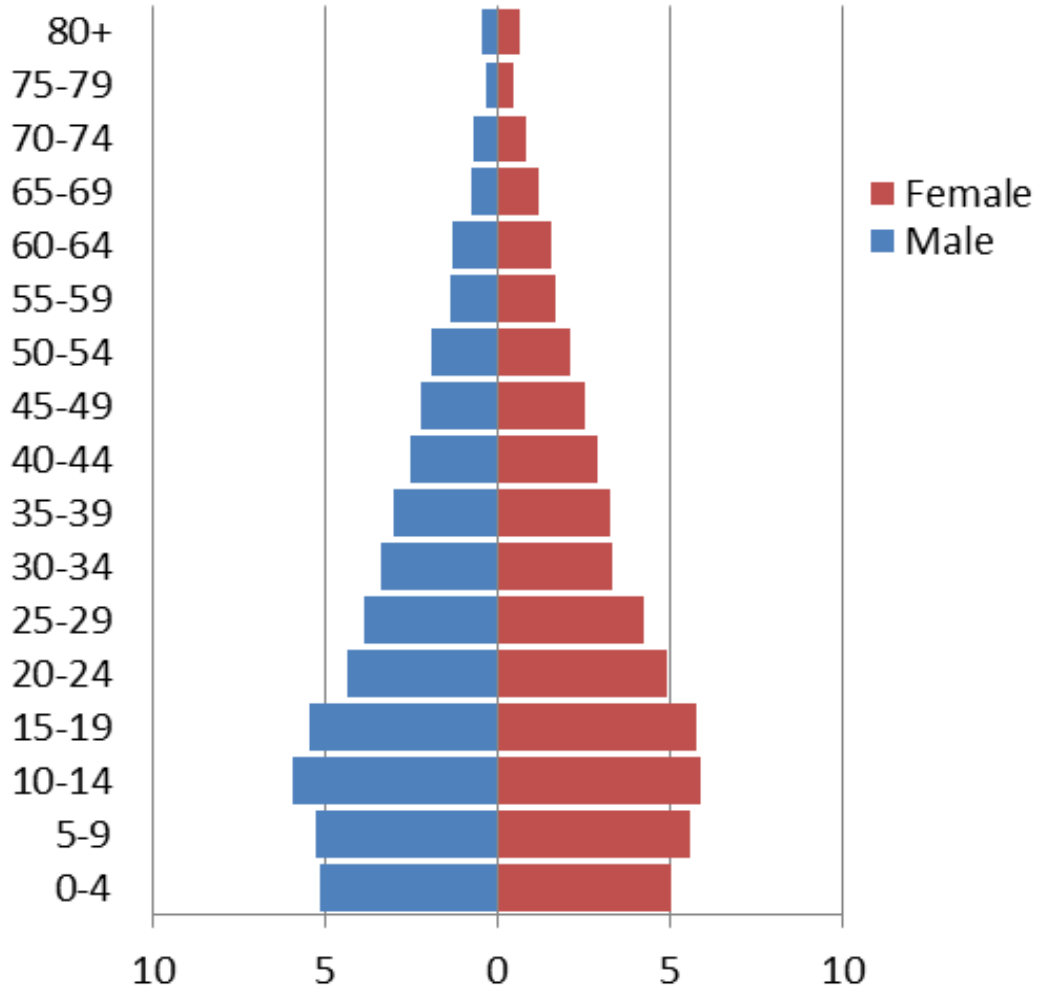
The figures in the table below are based on the STATSSA 2011 these were the latest population figures provided by STATSSA and hence the only population figures against which the 2012 Ward Profiles Study could be benchmarked.

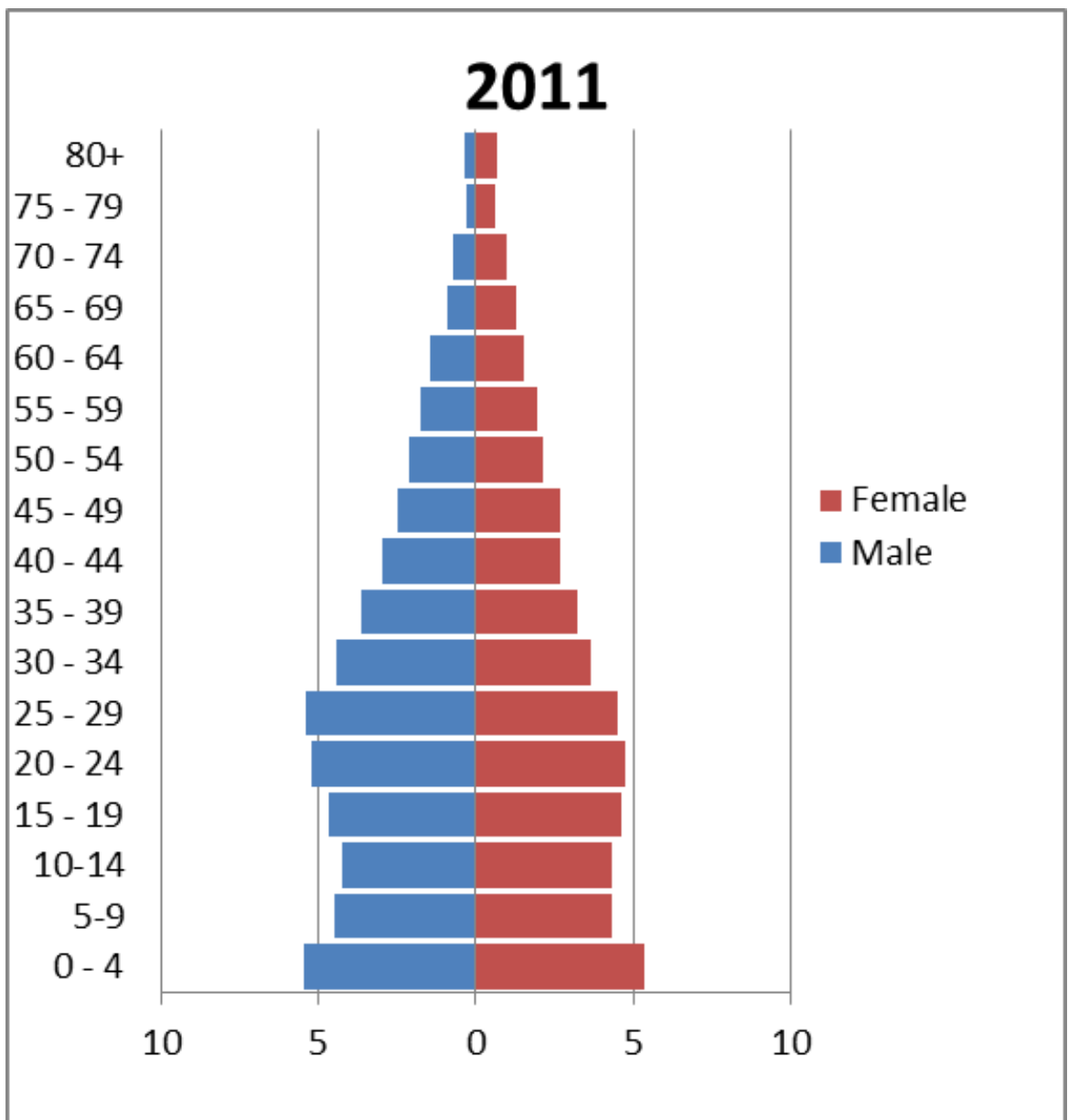
Ward	Population	Households	Average HH size
1	8837	2067	4.27
2	6171	1791	3.45
3	5438	1149	3.86
4	7583	1008	3.66
5	6694	1635	4.64
6	7876	1824	4.32
TOTAL	42 390	12 325	

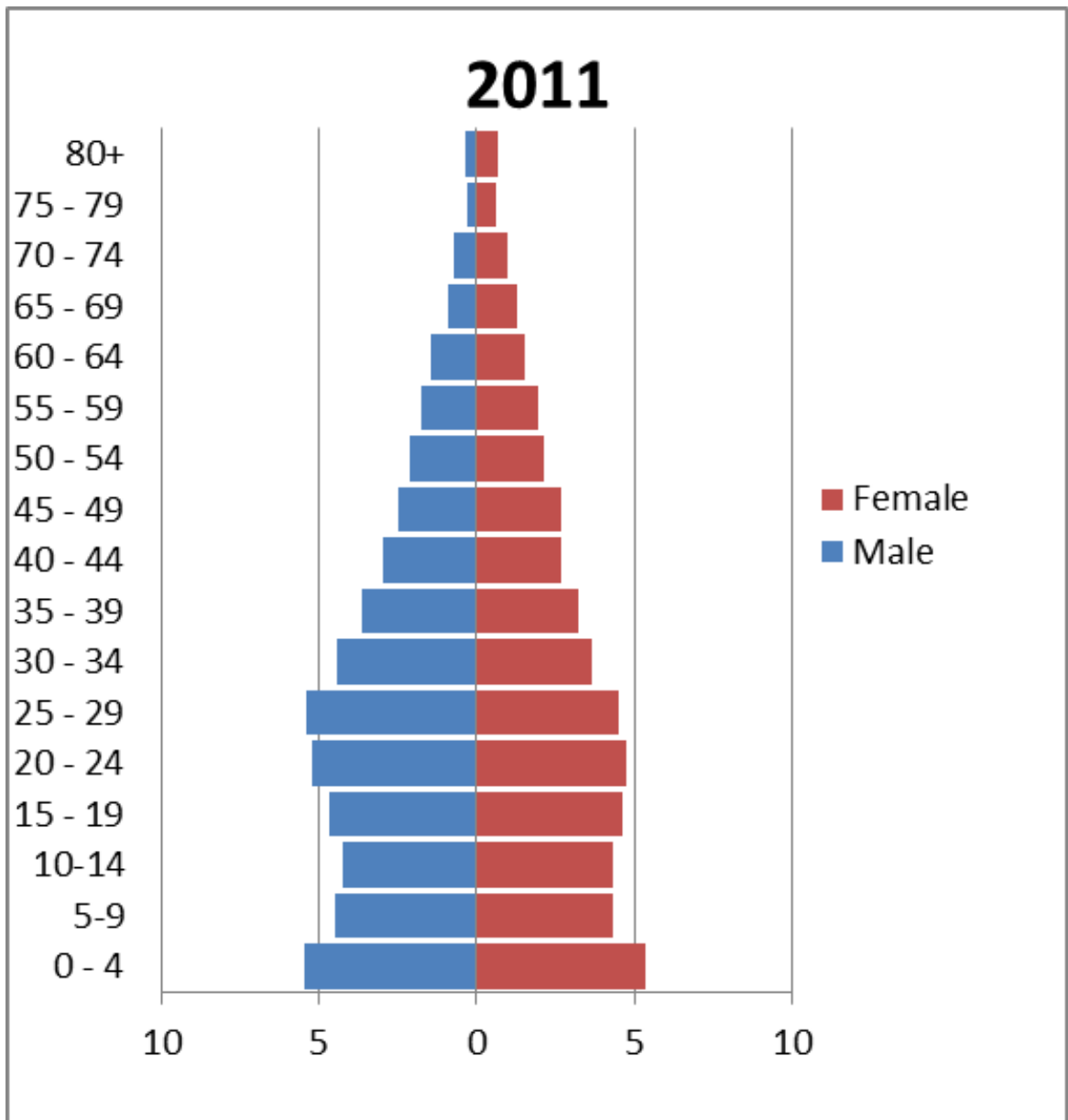
The total number of voters on the municipal segment of the national common voters rolls on **February 2011** was 25 575.

Figure1: Age and Sex Structure of Dipaleseng Local Municipality between 2001 and 2011

2001







Source: Stats SA 2011

From table 3 above, it is evident that there is 2.35 decrease in youth aged 0-19 and decrease of 1.8% on residents aged 65 and above. Female residents comprise 52 percent of the total population of Dipaleseng municipality. Despite the unemployment rate decrease of 33% and increase of 39.1% in employment created between 1991 and 2007 in Dipaleseng, the challenge for the municipality to come up with job creation strategies, provision of land for housing, Infrastructure and sanitary services remain imperative when considering the population growth. The other challenge is the mushrooming of squatter settlements as a result of population growth which in terms of the millennium goals, should be eradicated by 2014. Therefore the municipality together with the

Department of Human settlement should take all reasonable steps to ensure the realization of these targets.

Ward	1	2	3	4	5	6
No. of registered voters						

Over three quarters (86%) of the Dipaleseng municipality is Black, with almost a quarter (13%) being White. The Asian or Indian and Coloured population account for less than 1% of the total population of the municipality

The next table indicates the percentage distribution of the population groups across the 06 wards as per the 2012 Ward Profiles Study Report.

TABLE 12: POPULATION BY RACE PER WARD

Ward	Black -African	Coloured	Asian/ Indian	White
1	99.94%	0.06%	0.0%	0.0%
2	99.71%	0.29%	0.0%	0.0%
3	34.68%	0.1%	5.13%	60.07%
4	100.00%	0.0%	0.0%	0.0%
5	81.52%	0.46%	0.46%	17.96%
6	91.90%	0.08%	0.08%	7.64%

Most wards are predominantly Black, with the exception of Ward 03, 05 and 06 where there are representation of all four population groups. Notably, over half of the residents of ward 03, are White. About 48% of the population is below 24 years old. A further 40% is aged between 25 and 54 years old, 17% between 45 and 64 years and 5% is 65 years and older. The distribution of population by age and Ward is reflected in the table below. Notably, the 0-9 age group is highly represented in Ward 1&2.

isiZulu (79%) appeared to be the most commonly used language used within the municipality. Although to a lesser extent, other commonly used languages are English (14%), Afrikaans (6%) and (1%) All other languages such as Setwana, Sepedi, Siswati, IsiNdebele, isiXhosa, Xitsonga, other European languages, Indian languages, or other languages were reported by a percent or less as main languages used in these households.

In terms of the highest level of education completed by household members it is evident that most of the residents had some form of education. Nearly a third (29%) has Grade 8 or an equivalent qualification, whilst exactly the same proportion had primary education. Twenty percent have matric or an equivalent qualification whilst a further 7% have tertiary education¹³. Residents with tertiary education were more prevalent in Ward 1,3 and 5. The highest proportions of those with primary education were likely to be found in Ward 1, 3, 4, 5 and 6. The table below indicates the percentage distribution of education categories per ward.

TABLE 13: EDUCATION PROFILE

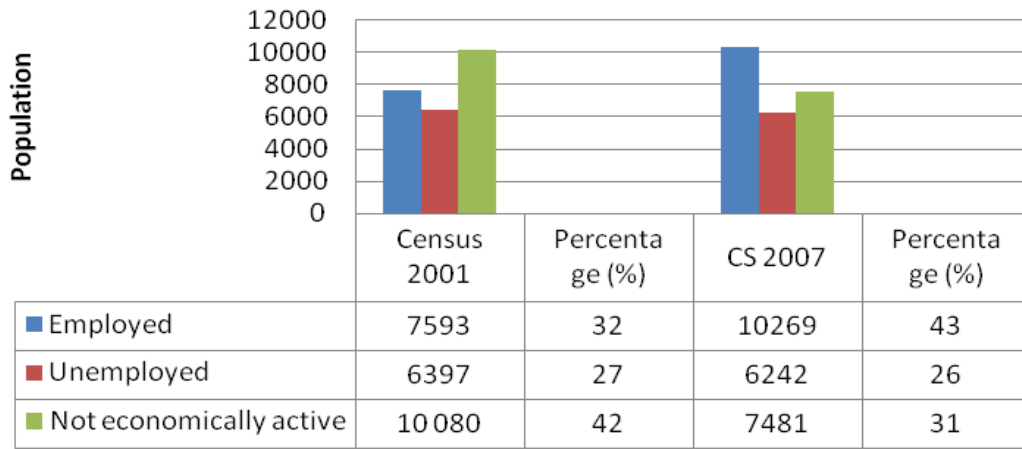
Education Level	Number	%
No schooling	4 144	15
Grade 0-2	1 049	4
Grade 3-6	4 035	15
Grade 7-9	6 465	24
Grade 10-11	5 966	22
Less than matric & certif./dip	201	1
Matric only	4 383	16
Matric & certificate / diploma	914	3
Matric & Bachelors degree	182	1
Matric & Post grad. degree	78	0
Total	27 416	100

Source: Stats SA Census 2011

Only 24% indicated to be employed (full time and part time), whilst a sizeable 48% were unemployed. About 26% are either students or pensioners (economically inactive group) whilst a further 2% indicated to be sick or disabled. The table below indicates the employment status by ward and shows that 6 of the municipal wards reflecting unemployment rate of 50% and above except for ward 3.

Table12: Labour Market Status

Dipaleseng Municipality Employment Status Comparison

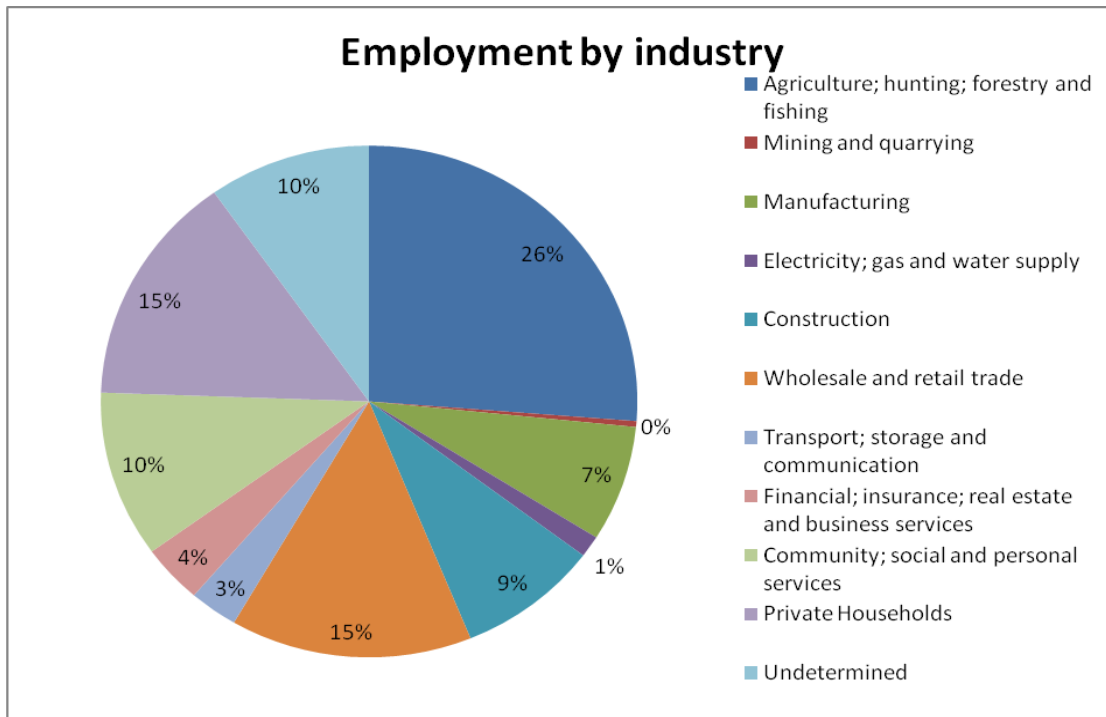


Source: Statistics SA Census 2011

During the six year period from 2001 to 2011, unemployment declined by 1% and the number of employed individuals increased by 11%. The non-economically active people decreased by 11%.

EMPLOYMENT SECTOR

Figure 5: Employment Distribution



SOURCE: Stats SA, **Census 2011**

- Clearly the majority of people are involved in the agricultural sector, followed by electricity, wholesale and retail trade, transport and construction and then manufacturing.
- Dipaleseng needs a strategy that will further diversify the economy, reducing dominance of agricultural in the employment per industry.

High unemployment is a serious concern as it leads to socio-economic problems such as alcohol and drug abuse, crime, early pregnancy etc

2.3.6 COMMUNITY NEEDS ANALYSIS

During the IDP review process the Municipality conducted a detailed community needs analysis which entailed the following:

- ☞ All community needs recorded during public participation meetings from 2007 to 2009 were Captured.
- ☞ The community needs were then categorized according to IDP Priorities and Wards; and
- ☞ All *capital* projects implemented in **2006/07**, **2007/08**, **2008/09** and **2009/10** financial years (as per Annual Reports-performance information) were captured and linked to the existing community needs. Capital projects planned for implementation in 2010/11 as per approved MTREF were also included.

The purpose of the exercise was to identify community needs that were not addressed by the Municipality during the past 5 financial years, to identify the reasons for this and actions/projects to address those outstanding needs.

The following table provides a summary of the community needs analysis.

TABLE 16: COLOUR LEGEND-COMMUNITY NEEDS

	Green status indicates community needs that have been addressed
	Yellow status indicates needs that are being addressed or have been partially addressed
	Red status indicates needs that have not been addressed

2.3.3 COMMUNITY NEEDS PER WARD

WARDS	Water	Sanitation	Electricity	Housing & Land	Roads & Storm water	Cemeteries	Schools	Clinics/Hospital	LED Projects	OTHER
1										<ul style="list-style-type: none"> ❖ Quality of Drinking Water ❖ Land for Grazing ❖ Old housing Stock Dilapidated ❖ Centre of High Learning [FET] ❖ Build of Hospital ❖ Maintenance of Infrastructure
2	XX	X	XX	XX	XX	XX	X	XX	XX	<ul style="list-style-type: none"> ❖ Street Names ❖ Centre of High Learning [FET] ❖ Poverty alleviation initiatives ❖ Youth Development Programmes ❖ Maintenance of Infrastructure ❖ Provision of VIP Toilets Rural Communities

3	X	X	X	X	X	X		X	X	<ul style="list-style-type: none"> ❖ Over Head Bridge on R51 Intersection with R23 ❖ Build of Hospital ❖ Develop of Shopping Centre/Mall ❖ Eradication of illegal Dumping Sites ❖ Centre of High Learning [FET] ❖ Maintenance of Infrastructure ❖ Stray livestock within Residential dwellings
4	X	X	X	X	X	X	X	X	X	<ul style="list-style-type: none"> ❖ Extra Class-Rooms Bonukukhanya Primary ❖ Taverns open till next day ❖ Industrial Development Strategy ❖ Promote abet programme ❖ Centre of High Learning [FET] ❖ Build of Hospital

5	X	X	X	X	X	X		X	X	<ul style="list-style-type: none"> ❖ Formalisation of Portion of Ext 1 G/vlei ❖ Stray livestock within Residential dwellings ❖ Formalise Housing situation [Subsidies ❖ Provision of Streets Names ❖ Centre of High Learning [FET] ❖ Build of Hospital ❖ Maintenance of Infrastructure
6	X	X	X	X	X	X		X	X	<ul style="list-style-type: none"> ❖ Provision of VIP Toilets Rural Communities ❖ Proper Construction of Speed-Humps ❖ Perceived high prevalence of HIV and Aids ❖ Maintenance of Infrastructure

Source: Community Profile

2.3.7 POWERS AND FUNCTIONS OF DIPALESENG LOCAL MUNICIPALITY

Local government is assigned specific powers and functions that are unique and appropriate to the lower sphere of government. Similar to the position on national and provincial spheres, local government powers and functions are constitutionally entrenched and protected and cannot be unilaterally taken away by another sphere of government. Albeit constitutionally protected, the powers and functions of municipalities are not absolute and are subject to both constitutional and national legislative requirements.

Chapter 3 of Municipal Systems Act, 2000 states that a municipality has all the functions and powers assigned to it in terms of the Constitution, and must exercise them subject to Chapter 5 of the Municipal Structures Act, 1998. Furthermore, a municipality is empowered by legislation to do anything reasonably necessary for, or incidental to, the effective performance of its functions and the exercise of its powers.

Against this legislative directive, we understand and interpret our powers and functions aligned to the objects of local government as set out in section 152 of the Constitution as follows:

TABLE 26: DIPALESENG LOCAL MUNICIPALITY FUNCTIONS AND POWERS

No	Function	Performed	Partially performed	No Need at present	Not Performed	Performed Externally	Shared Service	Lack of capacity to perform
1	Building Regulations	X						
2	Child Care Facilities		X					
3	Electricity Reticulation	X				X		
4	Fire Fighting	X					X	
5	Local Tourism	X						
6	Municipal Planning	X						

No	Function	Performed	Partially performed	No Need at present	Not Performed	Performed Externally	Shared Service	Lack of capacity to perform
7	Storm water	X						
8	Trading Regulations	X				X		
9	Billboards and the display of advertisements in public places	X						
10	Cemeteries, Funeral Parlours and Crematoria	X						
11	Cleansing							
12	Control of public nuisance	X						
13	Control of undertakings that sell liquor to the public	X				X		
14	Facilities for the accommodation, care and burial of animals				X			
15	Licensing of dogs				X			
16	Licensing and control of undertakings that sell food to the public				X			
17	Local amenities	X						
18	Local sports facilities	X						
19	Markets							

20	Municipal abattoirs	X						
21	Municipal parks and recreation	X						
No	Function	Performed	Partially performed	No Need at present	Not Performed	Performed Externally	Shared Service	Lack of capacity to perform
22	Municipal roads	X						
23	Noise pollution	X						
24	Pounds				X			
25	Public places	X						
26	Air Pollution				X			
27	Municipal Airport				X			
28	Municipal Health services							
29	Municipal Public Transport	X						
30	Municipal Airport				X			
31	Municipal Health services							
32	Municipal Public Transport							
33	Pontoons and Ferries				x			
34	Water	x						

35	Sanitation	x						
36	Beaches and Amusement Parks				x			
37	Traffic and Parking	x						
38	Refuse Removal	x						
39	Street Trading	x						
40	Street lighting	x						

In complying with the constitutional mandate to render services to its community, the Dipaleseng Local Municipality has structured its administration in order to render services in a more effective and efficient manner. The following service divisions exist within the Dipaleseng Local Municipality:

- Planning and Development:** Human Settlement, Urban and Regional Planning, Property Management, Local Economic Development and Geographic Information System
- Infrastructure Services:** Water, Sanitation, Electricity, Roads and Stormwater and Project Management Unit
- Community Services and Public Safety:** Refuse removal, Sport and Recreation and Public Safety
- Budget and Treasury Office:** Income, Expenditure, Supply Chain Management
- Corporate Services:** Human Resource Management, Skills Development Unit, Legal and Administration, Records Management, Information and Communication Technology

This section addresses both the socio-economic situation prevalent in the Dipaleseng Local Municipality area, as well as the supporting infrastructure required to provide key services.

2.3.8 PLANNING AND DEVELOPMENT

The main activities of the Department Planning and Development relates to Urban and Regional Planning, Property Management, Local Economic Development, Human and Geographic Information System.

The following projects in respect of housing and land availability have been implemented in the various wards of the municipality during the previous 5 financial years.

IDP Priority		Projects implemented/planned					
		Project Description	Ward	Source	2013/14	2014/15	
2	Housing	Upgrading Informal	4	DHS			
2	Housing	Rural Development	2,3,5 & 6	DHS			
3	Land availability	Purchase Land for Development		DHS			

2.3.9 CONTEXTUALIZATION OF SPATIAL DEVELOPMENT CONCEPTS

Urban Development: Hierarchy of Towns

- ☞ Balfour with its strong service character and prominent commercial and industrial components will remain the main town and growth point of the region.
- ☞ Greylingstad and Dasville will primarily serve as satellite towns housing labour who are employed in the industries of Balfour and Grootvlei. These towns do, however, rely heavily on the tourism sector for economic growth.
- ☞ The tourism related nature of the two urban areas should be enhanced focusing on low density residential development on the Suikerbos River and “recreation and tourist” attractions as identified in the Dipaleseng Complex Regional Structure Plan.

Urbanisation

Future growth is attributed to the strong commercial and industrial component of the region. Growth is envisaged due to gold and coal mining opportunities as well as the weekend related tourism potential of the area. Future urbanisation will principally be attributed to farm workers that settle in the urban areas.

- ☞ Due to the dominant regional role Balfour plays in terms of regional service providers and industrial and commercial development, the focus of urbanisation will probably be on this centre.
- ☞ Smaller towns such as Grootvlei and Greylingstad primarily accommodate farm workers migrating to these towns.
- ☞ Future directions for residential extension, predominantly in the high density low cost residential areas, were identified for all urban areas and indicated on the Spatial Framework. These proposed directions for extension of the involved urban areas were discussed in detail and generally relates to the principles of land use development as pertained in the Development Facilitation Act and the National Environmental Management Act.

Growth Points

- ☞ Balfour will remain a growth point in the region as indicated above.
- ☞ Greylingstad and Grootvlei will continue to serve as small towns with limited economic growth potential focusing on tourism and providing a service to the agricultural community.

Influencing Factors

The following factors influence economic development and growth in the area:

- ☞ **Road Infrastructure:** An effective primary road network exists in the study area. The secondary road network provides effective access to the above primary road network.
- ☞ **Strategic Location:** The study area is situated strategically in close proximity to the Gauteng and Free State Provinces.
- ☞ **Tourism Potential:** The study area has a significant weekend related tourism potential that could, in future, contribute to the GGP of the district and should be further exploited.
- ☞ **Mining Opportunities:** Existing mining activities significantly contribute to the GGP of the district.
- ☞ **Agricultural Sector:** The agricultural sector of certain areas in the district is extremely prominent and contributes largely to the GGP of the Gert Sibande District, which emphasize the agricultural significance of this district. The latter results to industrial development that is agricultural orientated.
- ☞ **AIDS:** The impact of AIDS on economic growth patterns is still largely an unknown entity. An increase in mortality will, however, place a large burden on health services and the cost thereof that will influence future economic growth.
- ☞ **Competition:** The impact of international trade and competition in agricultural products might result that the agricultural sector is internationally less competitive. The latter implies a negative effect on economic growth leading to a possible loss in employment.

Land Use Management

The Local Municipality has endeavoured on a formal legislative process, in terms of the Mpumalanga Township Ordinance, in order to prepare an integrated land use management system. The Draft Dipaleseng Land Use Management Scheme is being prepared as a consequence of the process. The document is in the process of being finalized and will be in place and proclaimed during 2012. As a result of latter, further proposals in this respect are redundant.

CURRENT SPATIAL FRAMEWORK – Residential (Housing)

Balfour: There are currently a total of 2400 residential sites in Balfour of which 497 are unoccupied. The unoccupied erven largely refers to the medium income residential erven in Balfour North and a large portion of the Balfour South residential is'. of which 3 000 newly planned erven are in the process of being formalised on the portion of Farm Vlakfontein West of Balfour. Upgrading of the existing internal service networks of these areas will, however, be a prerequisite.

Siyathemba: Siyathemba has a total of 5850 residential erven of which 5850 is occupadid and newly planned erven are in the process of being formalised on the Extension 6. The establishment of an additional 200 erven on the property appears to also be feasible.

TABLE 29: SUMMARY OF CURRENT HOUSING TRENDS-IN THE THREE NODAL URBAN AREAS

RESIDENTIAL AREA	ERVEN			ERF & LAND REQUIREMENT
	Residential erven OCCUPIED	Residential erven UNOCCUPIED	Residential erven TOTAL	
Balfour	1903	447	2400	
Siyathemba	5850	nil	5850	145HA
Greylingstad	392		392	
Nthorwane	760	-	760	35HA
Grootvlei	204	-	204	
Rural/Farmland	2597	-	2597	
Total				180HA

Source: Census 2011

2.3.10 LOCAL ECONOMIC DEVELOPMENT STRATEGY AND PLAN

The purpose of the Dipaleseng Local Municipality LED Strategy is to develop a framework for economic growth and development. Whilst the development of economic sectors and industries is the focal point, the objective is to ensure skills development, quality employment, SMME and Co-operative development becomes part of the outcome during implementation.

The economic outcomes of the strategy is not intended at measuring growth only, but the ability to respond to social needs like education, health, recreation and the general quality of life. Though the LED Strategy review study is not going to deal with social issues, its objectives is to assist the DLM to responds to social services. In essence, these outcomes should define the core of government's policy on the role and the function of a developmental government.

The **purpose** of the Dipaleseng Local Municipality LED Strategy includes the following:

- ☞ The development of local human capital that will provide capacity to the development of sectors
- ☞ The creation of quality employment for local people in various sectors of the local economy
- ☞ The stimulation of entrepreneurship through value chain development in sectors

The **objectives** of the Dipaleseng Local Municipality Strategy include the following:

- ☞ To beneficiate the existing manufacturing industry and diversify the local economy (that is, the ability to develop value chain in any industry)
- ☞ To develop and position the Dipaleseng economy as the most performing economy in the Mpumalanga Province.
- ☞ To develop and position the Dipaleseng economy as a leading leisure destination in the Mpumalanga Province

- ☞ To develop and position the Dipaleseng economy as a leading retail destination in the Gert Sibande District.

The Provincial Context

The **Mpumalanga Province** (the fourth largest in South Africa) lies in the heart of South Africa. Its surface area is 129480 km² [approximately 6,5% of South Africa's land area], with the Kingdom of Swaziland nestling in the hollow of its bean-like shape. It is further surrounded by the KwaZulu-Natal province to the east, the Limpopo to the south east, the Free State to the south and west, North- West, Gauteng to the north and the further Northern Province, Mozambique and the ZIMBABWE Province. In essence, the centrality of the province is perceived as an economic advantage nationally

FIGURE 14: MAP OF MPUMALANGA PROVINCE

The biggest and more important cities / towns in the Mpumalanga, include (1) Nelspruit, (2) Middelburg, Witbank & Balfour **the dynamic pulsing heart of the goldfields - one of the few completely pre-planned cities in the world**; (3) Balfour & Standerton, an important agricultural, administrative and educational centre founded in 1855; (4) Piet Retief on the banks of the Vaal River; (5) Secunda, **also known as Govan Mbeki Municipality, second biggest "Chemical Related Industries" in South Africa, including large sections of the Forestry [12 228,05 ha] – the North-Eastern boundary**, and (6) Ermelo, gateway to the Eastern Highlands of the KZN and Swaziland

LOCAL COMPETITIVE ADVANTAGE (STRENGTHS & WEAKNESSES OF THE REGION)

Competitive advantage of the local relates to those aspects which compete on cost, quality, and/or availability with that which other localities can offer. Certain regions have built competitive advantage on “comparative” advantage – ie: those natural endowments which give the locality an advantage. Other localities have built competitive advantage in the absence of any obvious comparative advantage. An example of the latter is Hong Kong, which has little land and few natural resources, but has become consumer goods, banking and financial services hub. Competitive disadvantages are those aspects which increase the cost of doing business, present barriers, and result in enterprise establishing elsewhere. These can be insurmountable (for example: distance from markets) and will then influence the choice of niche markets where these barriers have a low relevance.

TABLE 34: ASSESSMENT OF ADVANTAGES AND DISADVANTAGES OF THE DLM ECONOMY

Advantages (comparative and competitive)	Competitive disadvantages
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Efficient petrochemical industry <input checked="" type="checkbox"/> Proximity to Africa’s largest economy, Gauteng <input checked="" type="checkbox"/> Significant pool of skilled people committed to the area <input checked="" type="checkbox"/> An alternative route to the coast from inland <input checked="" type="checkbox"/> The Haarhoffdam as a water resource <input checked="" type="checkbox"/> Leisure as a vibrant activity in the whole province <input checked="" type="checkbox"/> High proportion of strong and healthy people in all ages <input checked="" type="checkbox"/> Existing tourism sector 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Poor infrastructure <input checked="" type="checkbox"/> Road and rail network needs upgrading, routes sub-optimal <input checked="" type="checkbox"/> Lack of educational institutions in the area <input checked="" type="checkbox"/> Poor tourism economic activity <input checked="" type="checkbox"/> Economic leakages <input checked="" type="checkbox"/> Poor retail activity in the area <input checked="" type="checkbox"/> Lack of provincial investment in the local economy <input checked="" type="checkbox"/> Red tape, particularly on land and property issues

COMPETITIVE POSITIONING (THREATS & OPPORTUNITIES)

The advantages provide guidance on the opportunities for the local economy, including the diversification of sectors (tourism, agriculture, mining, etc.), development of the people, and beneficiary of the existing industry. The disadvantages provide guidance on sectors to be avoided more importantly, “it provides guidance on areas of public sector action and investment (improved education, reduced red tape, improved functioning of institutions, and support to socio-economic adaptation).”

External threats will impact the economy of the locality over time, and may offer opportunities. Threats include

- ☞ Global competition for resources (oil, steel, cement, investment capital and skills)
- ☞ Global competition on labour costs from China, India and Eastern Europe
- ☞ Global warming which may destroy the local asset, result in water scarcity, increase human and crop disease, destroy value in low-lying commercial and residential property, increase in risk due to weather intensity and variability increase, increase immigration pressure from central African and European areas, etc.
- ☞ Exponentially increasing cost of carbon-based fuels
- ☞ International and local political instability as poverty, HIV/Aids and rich-poor divide increase

- ☞ International economic practices, including mobility of global capital and manipulation of financial markets investors, the trend to increased private equity holdings, high indebtedness of major economic powers, increased occurrence of speculation and bubbles. However, threats internal locally are more likely to be more significant than external threats in the next ten years. Apart from the threats listed above, the primary threats to Dipaleseng will be
- ☞ Failure to transform and build an equitable and inclusive economy which neither penalizes those with the capital to grow the economy nor those who have historically been excluded
- ☞ failure to achieve public sector institutional efficiency and effectiveness
- ☞ a national financial system / fiscal policy / perception of risk combination which reward the short term and consumptive rather than long-term productive investment.

FOUR MAIN STRATEGY INTERVENTIONS

The ultimate strength of the strategy is defined within its ability to create the link between the objectives and intended impacts. This link is referred to as interventions. The interventions are informed in a number of factors, including the desktop research combined with growth theory, a process of interaction with the business sector, and competitiveness theory. The trends and issues from these sources should be aligned as well.

In responding to the key strategic interventions, the German Development Foundation, GTZ, has developed a tool to which such interventions can be explained. The tool, COMPASS, is utilized to define the linkages of four areas of intervention.

The four areas of interventions are defined as High Impact Investment; Governance; Knowledge, Skills, and Human Capital; and Communication and Interaction. The diagram below indicates the four areas.

FIGURE 18: FOUR MAIN STRATEGIC INTERVENTIONS



THE DIPALEENG ECONOMY IN CONTEXT

LOCAL ECONOMIC DEVELOPMENT					
No	Project	Locality	Ward	Funded (Yes/No)	Amount (R)
1	Establishment of a mushroom project	Nthorwane	Ward 5	No	300 000
2	Waste management project - Burnstone	Balfour	Ward 4	No	1 200 000
3	Establish local radio station	Balfour	Ward 4	ICASA	1000 000
4	Establish brick plant	Balfour	Ward 3	No	300 000
5	Car wash facility	Balfour	Ward 3	No	60 000
6	Sewing and mending projects.	Balfour	Ward 3	No	50 000
7	Youth development programmes	Balfour	Ward 3	No	100 000
8	SMME/BEE development programmes	DLM	Ward 4	No	50 000
99	Tshimoloho ya Katleho	Siyathemba	Ward 04	No	100 000
10	Amacembe Aluhlaza Milling	Siyathemba	Ward 04	No	1000 000
11	Mphatlalatsane Cooking Oil Company	Grootvlei	Ward 06	No	1000 000

2.3.11. INFRASTRUCTURE SERVICES

This Directorate includes the following functions: Water provision, Waste water management, Electricity and Roads and storm water. All the master plans for these services are currently being updated and/or developed.

Water provision

The strategic objectives of this function are to:

- Provide water in an accountable and sustainable manner.
- Provide potable and running water to each and every household in the municipal area.
- Establish and maintain of assets and equipment.
- Manage and reduce technical water losses.

The table below (*taken from the Stats SA 2011*) show that the municipality has made notable strides in increasing the access by residents to basic water services.

TABLE 35: PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY WATER SOURCE

Types of Service	Number	Types of Service	Number
In-house	5368	Rain Water Tank	13
Yard Connection	1873	Dam/Pool	44
Communal	846	River/Streams	13
Boreholes	138	Vendor	0
Spring	06	Other	294

Source: Community Survey 2011

The following projects in respect water provision have been implemented in the various wards of the municipality during the previous 5 financial years.

IDP Priority		Projects implemented/planned					
		Project Description	Ward	Source	2013/14	2014/15	2015/16
2	Sanitation	Construction of waste Treatment Plant	6	GSDM			
3	Sanitation	Sewer Reticulation	6				

Waste water management (sanitation)

Strategic objectives of this function are to:

- Provide waterborne sanitation services in an accountable and sustainable manner.
- Provide waterborne sewerage systems completed with toilet structures to each and every household.
- Effectively and efficiently convey, dispose and purify waste water

The following projects in respect sanitation provision have been implemented in the various wards of the municipality during the previous 5 financial years.

IDP Priority		Projects implemented/planned					2015/16
		Project Description	Ward	Source	2013/14	2014/15	
2	WTP	Construction of waste Treatment Plant	6	GSDM			
3	Sanitation	Sewer Reticulation	6				

Electricity provision

The strategic objectives of this function are to:

- Provide all consumers with an electrical connection at an affordable price.
- Cost effective, efficient, affordable and reliable electricity services.
- Distribution of electricity under license agreement with the NER.
- Establish and maintain of assets and equipment.
- Manage and reduce technical electricity losses

The following projects in respect electricity provision have been planned for implementation in the various wards of the municipality during the financial year.

IDP Priority		Projects implemented/planned					2015/16
		Project Description	Ward	Source	2013/14	2014/15	
2	Provision of Electricity	Electrification of 117 Households	5	DOE			

Roads and storm water

The strategic objectives of this function are to:

- Provide roads in an effective, efficient and sustainable manner.
- Ensure the general maintenance and rehabilitation of existing infrastructure.
- Improve customer care by effectively dealing with service complaints

The following projects in respect roads and storm water have been planned for implementation in the various wards of the municipality during the current financial year.

IDP Priority	Projects implemented/planned					
	Project Description	Ward	Source	2010/11	2011/12	2012/13
2	Construction of 1.5 km road in Balfour	3	GSDM			
3	Construction of 1.5 road in Siyathemba	2	GSDM			

2.3.12. COMMUNITY SERVICES & PUBLIC SAFETY

The main activities of the Directorate relate to:

- Waste management (cleansing services), which includes collection, disposal and recycling of household, commercial and industrial refuse and waste, management of landfill and disposal sites and street cleaning.
- Parks and Recreation
- Community and sports facilities
- Parks and recreational facilities
- Cemeteries
- Cultural activities and facilities
- Providing a clean environment
- Public Safety
- Traffic services
- Fire protection
- Disaster management.

The table below (*taken from the Stats SA Community Survey 2007*) show that the municipality has made notable strides in increasing the access by residents to basic refuse removal services.

TABLE 45: PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF REFUSE REMOVAL

	Census 2001	Community Survey 2007
Removed by local Authority/private company at least once a week	65.5%	77.4%
Removed by local Authority/private company less often	0.7%	0.3%
Communal refuse dump	1.6%	0.3
Own refuse dump	29.3%	10.2%
No rubbish disposal	2.9%	11.2%
Other	0%	0.6%

Source: Stats SA Community Survey, 2007

- The number of households who have their refuse removed by the local authority/private company has increased by about 12% from 2001 to 2007.

- The number of households with their own refuse dumps has decreased from 29.3% in 2001 to 10.2% in 2007 and this implies that the refuse removal service has increased.
- The number of households with no rubbish disposal has however increased from 2.9% in 2001 to 11.2% in 2007.
- The lack of refuse disposal sites in some communities poses a threat to the quality of the environment.

The availability of the refuse removal service in Dipaleseng Local Municipality is limited to the formal towns and there are no formal refuse removal services in rural parts of the Municipality.

The following projects in respect of Waste management have been implemented/planned in the various wards of the municipality during the current financial year.

TABLE 46: WASTE MANAGEMENT PROJECTS IMPLEMENTED/PLANNED

IDP Priority	Projects implemented/planned					
	Project Description	Ward	Source	2010/11	2011/12	2012/13
2	Construction of 1.5 km road in Balfour	3	GSDM			
3	Construction of 1.5 road in Siyathemba	2	GSDM			

CHAPTER 3: DIPALESENG LOCAL MUNICIPALITY DEVELOPMENT STRATEGIES

3.1 BACKGROUND

According to the Department of Provincial and Local Government, municipalities are expected to play an important role in the country's struggle against poverty and underdevelopment. This puts municipalities at the forefront of the national effort to rectify the political, social and economic imbalances of the past. In light of the above, municipalities are faced with great challenges in promoting human rights, meeting human needs, addressing past backlogs and planning for sustainable future.

These challenges can be overcome by working in partnership with local business to improve job creation and investment and by providing leadership to all those who have a role to play in achieving local prosperity. Effective planning and development within municipalities is imperative to ensure the maximization of social development and economic growth.

Municipalities in South Africa use integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sustainable long-term development. An Integrated Development Plan (IDP) gives an overall framework for development. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities.

The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, Leadership and direction to all those involved in the development of a municipal area. The IDP enables municipalities to use scarce resources most effectively and efficiently to speed up delivery.

It is important that a municipal IDP correlate with National and Provincial intent so as to coordinate the work of all spheres of government. Such a coherent plan will ensure the improvement of the quality of life for all citizens. Applied to the Dipaleseng Local Municipality (DLM) issues of national and provincial importance should be reflected in the IDP of the municipality. For this reason this chapter commences with an overview of national and provincial intent that influences the integrated development plan and intended development strategies/priorities of the Dipaleseng Local Municipality.

3.2 NATIONAL INTENT

The fourth democratic National and Provincial elections steered the development of a new electoral mandate which defines the strategic objectives and targets of government for the period 2009 – 2014. The new Medium Term Strategic Framework (MTSF) provides an outline of all spheres of government to compile strategies for overcoming the developmental challenges facing South Africa. The MTSF is a statement of intent which requires national and provincial departments and municipalities to change and/or adapt their priorities to ensure economic growth and development; creation of decent work on a large scale; and investment in quality education and skills development.

National government's ideas on planning and coordination are set out in the document Together Doing More and Better Medium Term Strategic Framework: A framework to guide government's programmes in the electoral mandate period (2009-2014). This document, compiled by the Office of The Presidency, along with the Green Paper on National Strategic Planning (2009) and State of Local Government in South Africa: Overview Report compiled by the Department of Cooperative Governance and Traditional Affairs (2009), provide direction towards the strategic objectives that municipalities should achieve.

The strategic intent identified by main National Government role players such as the Office of the Presidency and the Department of Cooperative Governance and Traditional Affairs (COGTA) will be discussed in more detail in the subsections that follows.

3.2.1 OFFICE OF THE PRESIDENCY

According to the MTSF, national Government's mandate underscores the need to create a nation united in diversity, working together to weave the threads that will result in the creation of a democratic, non-racial, non-sexist and prosperous society. This should be achieved by halving poverty and unemployment by 2014; ensuring more equitable distribution of the benefits of economic growth; improving the nation's health profile; ensure universal access to basic services; improved safety of citizens by reducing crime and corruption; and by building a nation free from racism, sexism, tribalism and xenophobia.

The basic thrust of the MTSF is therefore to improve the conditions of life of all South Africans. Fundamental to this is the achievement of a growing economy and appropriate transformation to ensure that the benefits of growth are shared by all. The central objective is to set the country on a higher and sustainable growth trajectory that will ensure greater equity and

social cohesion. This includes universal access to electricity, water and sanitation in decent community settlements.

In relation to the above, Paragraph 28 of the document Together Doing More and Better Medium Term Strategic Framework: A framework to guide government's programmes in the electoral mandate period (2009-2014), provides the following summary of strategic priorities to be achieved:

1. Speed up economic growth and transform the economy to create decent work and sustainable livelihoods.
2. Programmes to build economic and social infrastructure.
3. Comprehensive rural development strategy linked to land and agrarian reform and food security.
4. Strengthening of skills and human resource base.
5. Improve the health profile of society.
6. Intensify the fight against crime and corruption.
7. Building of cohesive, caring and sustainable communities.
8. Pursuing African advancement and enhanced international cooperation.
9. Ensure sustainable resource management and use.
10. Building of a developmental state including improving of public services and *strengthening* democratic institutions.

All these priorities, as mandated in the electoral outcome need to be implemented. The Green Paper on National Strategic Planning (2009) provides guidance on how planning and coordination may be applied to achieve the identified priorities. The Green Paper provides details on the institutions involved and the broader environment in which planning occurs.

The Paper sets out an institutional framework for planning and describes the outputs of planning. According to Section 9 of The Green Paper a National Planning Commission, headed by the Minister in the Presidency for National Planning will lead the development of a long term strategic plan. The aim of such a strategic plan is to ensure the mobilisation of society and greater coherence in government's work. The plan will establish a long-term vision for South Africa that is based on the values of the Constitution as well as key priorities identified in the MTSF.

Section 19 of The Green Paper provides additional information on the role of sub-national spheres of government in national planning. The document states that the key principle of effective government planning relates to the notion that different spheres of government are able to affect one another. Planning should not be unidirectional, rigid or top-down. Various spheres

of government should work together to establish effective and efficient plans that will promote the functionality and institutional integrity of government.

The products of planning from the national vision, the MTSF, provincial growth and development strategy and instruments, to municipal development plans and programmes of action – will have to be aligned. For this reason the sub-national structures need to interact with the planning function in The Presidency.

As a matter of principle, the national planning institutions and processes, including planning izimbizo/ makgotla (involving all spheres of government) and the outcomes of such planning enjoys pre-eminence in relation to sub-national structures, activities and products. The national strategic plan thus defines the framework for detailed planning and action across all spheres of government. In summary, the strategic priorities established within the national strategic plan guide and govern the planning and action of all government institutions.

3.2.2 DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

As an organ of state, the Department of Co-operative Governance and Traditional Affairs (COGTA) derives its mandate from Chapters 3 and 7 of the Constitution of the Republic of South Africa. As a new Department, announced by President Zuma in May 2009, COGTA's mandate is to respond decisively to the enforcement of proper plans to eliminate the weaknesses and failures observed in Government over the past 15 years. The mandate places COGTA at the centre of Government as a key partner to the National Planning Commission and the Monitoring and Evaluation Unit in the Presidency.

COGTA is responsible for working more decisively and with greater authority than in the past – being more active in strengthening performance and accountability in provinces and municipalities. The Department is responsible for defining and driving a co-ordination model for Development Planning and Monitoring and Evaluation centred on IDPs that represent the expression of government-wide and community priorities – synthesized into strategic and realistic development programmes.

Similar to all other national departments, COGTA's focus and priorities is aligned to the national priorities included in the MTSF, aiming to emphasize capacity building; skills development; poverty eradication; building the economy; and strengthening processes of government. Within this overarching framework, specific priority areas as identified in the Local

Government Strategic Agenda Implementation Plan and the Government Programme of Action will guide the functions of the COGTA. These priority areas as incorporated into the strategy of the COGTA relate to, inter alia the development and implementation of IDPs informed by master sector plans and spatial development frameworks; infrastructure and local economic development strategies; speeding up municipal infrastructure programmes to meet targets for water, sanitation and electricity; developing the anti-corruption capacity and focus of municipalities; enhancing public participation; strengthening institutional monitoring, reporting and evaluation capacity of municipalities in respect of local government service delivery; and providing capacity building and technical support to municipalities.

In its Strategic Plan 2009-2014, the COGTA states that it has repositioned its strategic thrust to create an environment where all spheres of government can operate in harmony for the benefit of all the people of South Africa – regardless of colour, creed, ethnicity, etc.¹⁵³. In line with national strategies, its strategic priorities are to:

- ☞ Building the Developmental State in Provincial and Local Government that is efficient, effective and responsive.
- ☞ Strengthening Accountability and Clean Government
- ☞ Accelerating Service Delivery and supporting the vulnerable.
- ☞ Improving the Developmental Capability of the Institution of Traditional Leadership.
- ☞ Fostering Development Partnerships, Social Cohesion and Community Mobilisation.

In its aim to achieve the key strategic priorities, COGTA plays a central role in the fight against the scourge of abject poverty and underdevelopment in South African communities. By working together with other institutions of Government, COGTA strives to achieve its promise and priorities for the next five years – relating to creating decent jobs, fighting crime, rural development, health and education. Alignment between Provincial Growth and Development Strategies (PGDSs) and municipal Integrated Development Plans (IDPs) is imperative to achieve the above.

It is important to note that a number of macro trends impacts on the effectiveness with which especially local government can provide services and achieve the MTSF and PGDSs. These include binding constraints to economic growth such as structural unemployment of the low skilled and shortcomings in infrastructure planning. Negative macro-social trends

such as the increase in income inequality and erosion of trust and confidence in government also impacts on the effective operations of local government.

Local Government plays a pivotal role in the reconstruction and development of our country. Municipalities in South Africa employ the model of the Integrated Development Plan as a method to plan future development in their areas and so find the best solutions to achieve good long-term development. After nine years of implementing the goals set out in the DPLG155 Municipal Planning and Performance Regulations of 2001, the pace of progress is considered too slow to address the inequalities of the past. Although there have been great strides in addressing developmental issues, the country as a whole faces a major risk if Local Government is seen to be failing the community it serves. For this reason the Local Government factors that undermine the efficiency of our Local Government system.

3.2.3 LOCAL GOVERNMENT – TURNAROUND STRATEGY

Chapter 2 of the IDP provides an introduction on the Local Government Turnaround Strategy (LGTAS). LGTAS is an initiative to restore confidence in the local sphere of government. This initiative was approved by Cabinet in December 2009 when a comprehensive Turnaround Strategy for Local Government was accepted. LGTAS works towards ensuring that municipalities are the primary delivery machine of the developmental state at a local level. Restoring confidence of the majority of people in South Africa in municipalities will be achieved by rebuilding and improving the basic requirements for a functional, responsive, accountable, effective and efficient local government. Five strategic objectives will guide the LGTAS interventions and support framework.

These objectives are:

- ☞ Ensuring that municipalities meet the basic service needs of communities.
- ☞ Building clean, effective, efficient, responsive and accountable local government.
- ☞ Improving performance and professionalism in municipalities.
- ☞ Improving national and provincial policy, oversight and support.
- ☞ Strengthening partnerships between local government, communities and civil society.

Based on the above, municipalities are required to identify Key Performance Areas (KPA) on which to build their turnaround strategies. Such programmes should relate to internal as well as external areas for improvement. Internal programmes should focus on ensuring quality

decision-making by councillors; quality of appointments; transparency of tender and procurement systems; and levels of financial management and accountability.

It encompasses acceleration of service delivery to meet basic needs and services including housing, water, sanitation, refuse removal, electricity and roads. Internal programmes focus on development in a manner that radically redress apartheid spatial planning and the effective and efficient management of local development space. In terms of effective and efficient management, municipalities should, through their turnaround strategy aim to create a responsible and accountable local government sphere.

The external factors relate to revenue base and income generation potential; inappropriate. Legislation and regulation; demographic patterns and trends; macro and micro-economic conditions; undue interference by political parties and weaknesses in national policy; and oversight and Inter-Governmental Relations (IGR). It covers investment in municipalities which extend to the development of local small businesses, tourism, mining, manufacturing, farming and strengthening of labour relations.

An implementation template has been developed to be completed by Municipalities as per the Guideline document. Based on the information in the template, critical areas for LGTAS must be included in the IDP, SDBIP and Budget of each municipality. Implementation of the critical areas should comprise of a short term focus up to March 2011 and a medium term focus from March

2011 to 2014. More detail on Dipaleseng Local Municipality's turnaround strategy will be provided in the Strategic Alliance Matrix included in this Chapter as well as the Municipal and Corporate Scorecards. The non financial targets are developed for three years.

3.2.4. NATIONAL SERVICE DELIVERY TARGETS

In planning for service delivery, developing objectives and strategies for 2009/10 and beyond, the municipality aligned its service delivery targets with the following national service delivery targets as set out by the National Government in the following manner.

TABLE 47: INSTITUTIONALISED NATIONAL SERVICE DELIVERY TARGETS

Deliverable	National Target	Dipaleseng Local Municipality Target
Access to potable water	2008	Metered connection to stands in terms of backlog by June 2012 and rapid provision of water to newly developed areas as and when develop.
Access to Sanitation	2010	Maximum utilization of MIG and District Municipality Funding for the projects to reach target by end of financial year in 2011, and where shortfall of funds is experienced, plan to augment with own generated funds.
Universal access to Electricity	2012	Eradication of electrification backlog by June 2012 and provision of electricity to newly developed areas and continuous maintenance and up-keeping on the existing electricity infrastructure
Roads and Storm water channels	2013	The current survey indicated that there is an estimated backlog of 500km in roads in the inhabitable, high density populated area in the municipality. The municipality plan to use two types of road surfacing. i.e. tar or paving with adjacent storm water channels in all backlog areas by June 2013
Solid Waste Disposal	2013	The municipality planned to acquire specific land to be used as landfills for Balfour, Greylingstad and Grootvlei areas respectively by 2012. Moreover, appropriate equipment and vehicles will also be acquired in order to deal with the issues of solid waste disposal.
Sports and Recreation facilities	2013	The Municipality planned to erect Multi Purpose Sports Centres in the following areas by 2013: Siyathemba/ Nthorwane, Grootvlei and Balfour. Furthermore, there will be an upgrading of the existing sports facilities, Grootvlei Swimming including Stadium and other recreational facilities.
Public Facilities	2013	The municipality plan to provide for sufficient public facilities such as Halls and continuous upgrading and maintenance of the existing facilities.
Upgrading of Informal Settlement	2014	The Municipality to purchase Mr Engelbrecht farm, for formal settlement purpose and completed surveying on the already available land in Siyathemba,

		and provide for future settlement needs.
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3.2.5 SUMMARY OF DIPALESENG LOCAL MUNICIPALITY SERVICE DELIVERY BACKLOGS

TABLE 48: SERVICE DELIVERY BACKLOGS-30 JUNE 2012

	Water	Sanitation	Electricity	Refuse removal	Housing
Number of households	12 324	12 324	12 324	12 324	12 324
Number of households not receiving the minimum standard of service at the beginning of the financial year	6kl	50kWh	VIP	Removed once a week	45m
Number of households provided with minimum standard of service during the financial year					
Number of households not receiving the minimum standard of service at end of the financial year					

3.3 MPUMALANGA PROVINCIAL GOVERNMENT INTENT

The Mpumalanga Provincial Growth Development Strategy (MPGDS) aims to provide a framework for sustainable growth and economic development for the Province over a ten years period. The strategy establishes the basis from where the Provincial Programme of Action is negotiated through consultations with both internal and external stakeholders. It further forms a yardstick from which progress and achievements are monitored and evaluated.

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

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

- 1) **Stimulate economic development**
- 2) **Develop and enhance infrastructure for economic growth and social development.**
- 3) **Reduce poverty through human and social development**
- 4) **Stimulate economic development.**
- 5) **Ensure a safe and secure environment for all people of the province**
- 6) **Promote effective and efficient governance and administration**

The MPGDS (revised 2007) is a most impressive attempt to internalize the NSDP and align it with the Provincial and Local Government Plans. The strength of the MPGDS is that they devised their own methodology using NSDP concepts to identify priority areas in the Province. ***Their analysis identifies Dipaleseng Local municipality, in the Gert Sibande District as having high development potential and below average need.***

This following table depicts the Municipality's growth potential, capacity and constraints.

TABLE 49: DLM GROWTH POTENTIAL, CAPACITY AND CONSTRAINTS

Category	Description of Category	Dipaleseng Local Municipality' Status Quo
Innovation & Experimentation	Research & Development and application of technology to production processes	There is an existing Research & Development component in the agro industry & manufacturing.
Production: High value Differentiated Goods	All production focusing on local & global niche markets (agricultural, manufacturing or natural resources based)	Highly rated due to Gold Mine & Eskom.
Production: Labour- Intensive Mass-produced Goods	Highly depended on proximity to good and cheap transport linkages and large unskilled and semi-skilled labour pool.	An above-average rating in terms of labour-intensive and mass produced goods.
Public Services & Administration	Business & public management required to organize processes of production, consumption and circulation.	A high potential in terms of professionals, technicians, percentage of people employed at the public administration, etc.
Retail and Services	Retail, catering & personal services large employer of semi-skilled workers willing & able to pay for goods and services.	An above-average rating of 7.7%.
Tourism	Eco-scenery, cultural heritage, entertainment, high-quality restaurants & accommodation.	Above-average tourism potential.

In general, the Gold and Eskom industry in Balfour and Grootvlei forms the economic base of the Dipaleseng Local Municipality whilst the remaining area has a strong agricultural base.

3.4 DIPALESENG LOCAL MUNICIPALITY PRIORITIES

The priority issues / problems addressed here came as a result of consultations and engagements with local municipalities within the district and are a direct result of public participation processes that were embarked upon in local municipalities. The priority needs listed hereunder are listed in no particular order. Specific needs as indicated hereunder emanates from a consolidation of needs raised by communities in the seven local municipalities within the district during their public participation meetings.

FIGURE 48: DIPALESENG -SPECIFIC COMMUNITY NEEDS

PRIORITY NEED	SPECIFIC NEEDS	KPA
1. Water	<ul style="list-style-type: none"> ☞ Potable water connections to the yards (particularly newly developed areas) ☞ Upgrading of water reticulation infrastructure to cope with urban development ☞ Water purification ☞ Fixing of water leakages to prevent water losses and accumulation of accounts to consumers 	Basic Service Delivery and Infrastructure Investment
2. Sanitation	<ul style="list-style-type: none"> ☞ Sewer infrastructure and water borne toilets ☞ Upgrading of house to main sewer connections to prevent prevalent blockages and to keep up with new urban developments and growth 	
3. Electricity	<ul style="list-style-type: none"> ☞ Street lighting / High mast lights ☞ Underground cabling of electricity connections to prevent cable theft ☞ Upgrading of electricity sub-station and high mast lights ☞ Provision of vending points ☞ Upgrading of electricity sub-stations to cope with current urban developments 	
4. Roads and storm Water drainages / channels	<ul style="list-style-type: none"> ☞ Tarred or paved roads with storm water channels and upgrading of existing storm water channels. ☞ Building of bridges in the identified areas ☞ Speed humps to control speeding in the identified densely populated areas. ☞ Provision of road traffic signs ☞ Naming of streets 	
5. Health	<ul style="list-style-type: none"> ☞ Provision of low cost houses ☞ Repair the newly build RDP houses ☞ Upgrading of the current hostels into proper residential units ☞ Facilitation of change of property ownership where parents died in terms of RDP houses ☞ Fair allocation of RDP houses 	
7. Recreational facilities	<ul style="list-style-type: none"> ☞ New sports facilities including community halls and parks ☞ Community multipurpose centers ☞ Upgrading of sports facilities ☞ Library with sufficient resources 	

PRIORITY NEED	SPECIFIC NEEDS	KPA
8. Refuse removal	<ul style="list-style-type: none"> ☞ Eradication of illegal dumping sites and imposing penalties ☞ Regular removal of refuse 	Basic Service Delivery and Infrastructure Investment
9. Education	<ul style="list-style-type: none"> ☞ School for disabled kids ☞ New schools to cater for growing number of children ☞ Provision of crèches and pre-primary schools 	
10. Cemeteries	<ul style="list-style-type: none"> ☞ Land for new graveyard ☞ Fencing of graveyards ☞ Upgrading and maintenance of existing graveyards 	
11. Land availability	<ul style="list-style-type: none"> ☞ Land for settlement purpose ☞ Land for agricultural purpose 	
12. Public transport	<ul style="list-style-type: none"> ☞ Taxi ranks, ☞ Railway stations 	
13. Safety & security	<ul style="list-style-type: none"> ☞ Provision of satellite and mobile police stations ☞ Robots at identified streets intersections 	

3.5. VISION STATEMENT

The Municipality views the vision and mission statements as critical component for development. This is because certain steps were to be followed to have a credible vision and mission statements. The following guidelines were used to inform the process of developing the vision of Dipaleseng Local Municipality:

- ☞ A vision provides a clear, easily understood image of a better future
- ☞ The nature of Dipaleseng Municipality vision should foster commitment and engage both the heart and mind.
- ☞ The created vision statement was created by examining what the municipality want, defining values and engaging in informed dreaming.
- ☞ Although the vision is an imagination of the future it needs to remain realistic to serve as an inspiration.
- ☞ It should be something which can be accomplished and that both Political Office Bearers and Official are willing to work hard.

The vision developed by the Municipality reads as follows:

Dipaleseng Local Municipality will strive to: **“Provide quality affordable service and good governance”**

3.6. MISSION STATEMENT

To allow for implementation of this vision the municipality developed the following mission: The afore-mentioned vision will be attained through:

“Implementing programmes and services that help to ensure that its residents are served by accountable and effective local government”

3.7. Core Values

In pursuance of its Vision and Mission Dipaleseng Local Municipality adopted the following Values.

- ☞ Community Centeredness.
- ☞ Performance Excellence and Integrity.
- ☞ Transparency.
- ☞ Co-operative Governance.

❖ **Subscribe to the principles of Batho Pele**

3.8 SWOT ANALYSIS

The Dipaleseng local council made a comprehensive SWOT analysis of the organisation which is illustrated as follow.

MUNICIPAL INTERNAL ENVIRONMENT	
Strengths	Weaknesses
Pragmatic and informed IDP	Backlogs in Service Delivery
Brought Tax Base	<ul style="list-style-type: none"> • Dependency on government grants for infrastructure projects. • Ineffective Revenue Collection Systems/increasing indigent households and increasing unemployment rate/slow development.
Service Delivery Systems and Mechanisms	Old fleet and equipments [new demands strain available equipment and fleet]
Viable Community Participation	Large rural areas that are not serviced [minimum resources for public consultation.
Potentials Growth in LED	Slow investment & industries sites development/ uncoordinated development initiatives and lack of economic strategies and investment plan.
MUNICIPAL EXTERNAL ENVIRONMENT	
Opportunities	Threats
Downstream Development Opportunities	Slow pace of Development by stakeholders & Business
Enabling Legislation	Escalating operational costs for businesses (eg fuel and electricity)
Business Support & Participation in growth and development of Local Economy and SMME	Large number of informal settlements
Economic Development and Growth on identified economic nodes in line with the Provincial Growth and	Lack of Coordination & Implementation / absence of Local Economic Development strategies/lack of comprehensive investment packages or

Development Strategies.	incentives/absence of consolidated spatial framework.
Community input & Support of economic development, social development and service delivery.	HIV/AIDS pandemic & Social instability/ increase population and service delivery demands/unavailability of land for development

3.9. MUNICIPAL DEVELOPMENT PRIORITIES LINKED TO NATIONAL OUTCOMES BASED PRIORITIES

The Municipality embarked on a process of strategic planning and alignment to ensure that its development priorities, as reflected by the Key Performance Areas and IDP Priorities are aligned to the National Government’s Policy Priorities and the Mpumalanga Provincial Government’s Outcomes Based Priorities. The table below reflects the degree of alignment achieved by the Municipality.

TABLE 50: MUNICIPAL DEVELOPMENT PRIORITIES LINKED TO NATIONAL OUTCOMES

National & Provincial Outcomes	Provincial Priority Outputs	DLM IDP Priorities	Municipal KPA's
Outcome 1 Quality Basic Education	1.1 High quality of teaching and learning 1.2 Improved literacy and numeracy at schools 1.3 Early Childhood Development (ECD) 1.4 Effective school management, leadership and governance 1.5 Effective infrastructure development and basic services. 1.6 All schools have safe and supporting environment for all 1.7 Ensure improvement in learner attainment and retention 1.8 Ensure improved social cohesion, discipline and excellence through extra-curricular activities 1.9 Provide library and information services to Communities. 1.10 Provide library and information services to communities	Water provision (1) Sanitation provision (2) Electricity provision (4) Education (11)	Basic service delivery and infrastructure investment Community development and social cohesion

National & Provincial Outcomes	PROVINCIAL PRIORITY OUTPUTS	DLM IDP PRIORITIES	MUNICIPAL KPA'S
<p>Outcome 2 A long and healthy life for all South Africans</p>	<p>2.1 Increase life expectancy</p> <p>2.2 Reduction of maternal mortality rate</p> <p>2.3 Manage the prevalence of HIV/AIDS</p> <p>2.4 Expanded PMTCT programme</p> <p>2.5 Treatment of TB</p> <p>2.6 Health system effectiveness</p> <p>2.7 Improved patient's satisfaction with care</p> <p>2.8 Overhauling health system and improve management</p> <p>2.9 Strategic leadership and establishment of a social compact</p> <p>2.10 Mass mobilisation of civil society for better health outcomes</p> <p>2.11 A long and healthy life for all South Africans</p>	<p>Primary health care (6)</p>	<p>Community development and social cohesion</p>

National & Provincial Outcomes	PROVINCIAL PRIORITY OUTPUTS	DLM IDP PRIORITIES	MUNICIPAL KPA'S
Outcome 3 All people in South Africa are free and feel safe	3.1 Crime prevention 3.2 Monitoring and evaluation 3.3 Law enforcement and road safety 3.4 Victim support and crime perception management 3.6 Community police relations 3.7 Child care protection	Safety and security(13)	Community development and social cohesion
Outcome 4 Decent employment through inclusive economic growth	4.1 Inclusive and diversified economic growth 4.2 Decent employment 4.3 Competitive tourism sector	LED and poverty alleviation (5)	Local Economic Development

National & Provincial Outcomes	PROVINCIAL PRIORITY OUTPUTS	DLM IDP PRIORITIES	MUNICIPAL KPA'S
<p>Outcome 5 Skilled and capable workforce to support inclusive economic growth</p>	<p>5.1 Reliable information to guide skills development planning in the short, medium and long term.</p> <p>5.2 Strengthened providers and accessible education, training and Skills development</p> <p>5.3 Quality and economic relevance of training and skills development</p> <p>Development</p> <p>5.4 Operation, governance and funding of education, training and skills development</p>	<p>Institutional capacity and development (15)</p>	<p>Municipal transformation and Institutional development</p>
<p>Outcome 6 An efficient, competitive and responsive economic infrastructure network</p>	<p>6.12 Contractor Development 6.13 Preservation of road network 6.14 Access to communities 6.15 Revitalization of township roads 6.16 Road management systems 6.17 Road planning and design</p>	<p>Roads and storm water (3)</p>	<p>Basic service delivery and infrastructure investment</p>
<p>Outcome 7 Vibrant, equitable, sustainable rural communities contributing to food security for all</p>	<p>7.1 Vibrant, equitable and sustainable rural communities</p> <p>7.2 Food security for all</p> <p>7.3 Sustainable livelihoods</p>	<p>LED and poverty alleviation (5)</p>	<p>Local Economic Development</p>

National & Provincial Outcomes	PROVINCIAL PRIORITY OUTPUTS	DLM IDP PRIORITIES	MUNICIPAL KPA'S
National & Provincial Outcomes	PROVINCIAL PRIORITY OUTPUTS	DLM IDP PRIORITIES	MUNICIPAL KPA'S
Outcome 8 Sustainable human settlements and improved quality of household life	8.1 Accelerated delivery of housing opportunities 8.2 Access to basic services (ward 5&6)) 8.3 More effective land utilisation (land to be identified in Dipaleseng)	Housing (9)☐ Water provision (1) Sanitation provision (2) Roads and storm water (3) Electricity provision (4) Refuse removal (8) Land availability (9)	Basic service delivery and infrastructure investment
Outcome 9 Responsive, accountable, effective and efficient Local Government System	9.1 Basic municipal services (access to water, sanitation, refuse removal, electricity & roads) 9.2 Basic municipal services (improved disaster management capabilities) 9.3 LED (MIG jobs, adopted LED plans, ward LED projects) 9.4 Reliable and credible IDPs 9.5 Refined ward committee model (functional ward committees, Ward committee resourcing, HH/ward profiles) 9.6 Administrative and financial capability 9.7 Single window of coordination 9.8 Uproot corruption 9.9 Coherent system of governance	Corporate and democratic governance (21) Financial management and compliance (23) Financial viability (24)☐	Good governance and community participation Financial viability and financial management

<p>Outcome 10 Protect and enhance our environmental assets and natural resources</p>	<p>10.1 Sustained resource management use 10.2 Clean and healthy environment</p>	<p>Environmental management (18)</p>	<p>Community development and social cohesion</p>
<p>Outcome 11 Create a better South Africa, a better Africa and a better world</p>	<p>11.1 Free movement of SA goods and people</p>		
<p>Outcome 12 An efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenship</p>	<p>12.1 Business processes, systems and decision rights 12.2 Competent and skilled senior managers for provincial government 12.3 Service delivery quality (Operation Hlasela, customer satisfaction, media perception) 12.4 Strategic monitoring and evaluation for service delivery Excellence (service delivery forums, SD agreements) 12.5 Strategic planning for service delivery excellence 12.6 Human resource administration and accountability management 12.7 Tracking corruption in the Public Service 12.8 Clean, responsive and accountable administration 12.9 National identity/Nation building 12.10 Financial accountability in financial activities of Provincial and local spheres of government 12.11 Sustainable and credible budgets to realise priorities and Objectives of government</p>	<p>Financial viability (24)</p>	

3.10. MUNICIPAL DEVELOPMENT PRIORITY ISSUES LINKED TO STRATEGIC OBJECTIVES, PERFORMANCE INDICATORS AND TARGETS

The municipality has through its strategic planning and public participation processes ensured that the Municipal Key Performance Areas (KPAs) and Development Priority Issues were unpacked by developing strategic objectives, performance indicators and targets for each of the KPAs and priority issues.

The said objectives, indicators and targets have been aligned to the Provincial Priority Outputs, where possible and will form the basis for the development of the municipality's Service Delivery and Budget Implementation Plan (SDBIP) and Annual Performance Plans of Senior Management for the 2011/12 and 2012/13 financial years.

To facilitate improved internal coordination and integration of functions, the municipality has adopted the cluster approach in developing and formulating its strategic objectives, performance indicators and targets. The following clusters have been adopted:

TABLE 51: CLUSTERS AND MUNICIPAL FUNCTIONS

Cluster	Municipal Functions
Economic and Infrastructure Development Cluster (EIDC)	Water Sanitation Roads and storm water Electricity Housing Urban Planning Local Economic Development
Social Protection and Community Development Cluster (SPCDC)	Refuse Removal (Cleansing) Community Services Parks and Recreation Special Programmes
Governance and Administration Cluster (GAC)	Financial Services Corporate Services

The tables below will indicate the strategic objectives, performance indicators and targets for each cluster according to the Municipal KPAs and Priority Issues.

ECONOMIC AND INFRASTRUCTURE DEVELOPMENT CLUSTER

TABLE 52: EID CLUSTER: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT				
IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets: 2013/14
1. Water Provision	<p>a) To ensure access to potable water by providing a network inclusive of house connections and water meters to all current and future un-serviced erven</p> <p>b) To provide water reticulation by ensuring effective and efficient management of water resources, sufficient bulk supply of purified water with a holding capacity of no less than 48 hours are available at all times and to extend bulk supply to densely populated rural areas.</p>	<ul style="list-style-type: none"> • Provision of bulk water supply to number of envisaged future erven that will address erven backlogs. • 100% completed Purification Works and Reservoir to assist in supplying extra households with water. ▪ Provision of water network ▪ Connections to all envisaged future erven that will address erven backlogs. ▪ Connections to all envisaged future erven that will address erven backlogs 		<ul style="list-style-type: none"> ▪ Address needs by June 2012: Plant and Reservoir (100%) ▪ 50% Nthorwane, 600 erven Grootvlei(Business Plan for bulk line ▪ 100% completed Purification Works and 50% Complete 9ML Reservoir by end of June 2013. ▪ Water Connections to 300 infill stands in Balfour ▪ 90% of reported water leaks repaired within 48 hours

IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets: 2013/14
2. Sanitation Provision	To provide water-borne sanitation system to ensure access to decent sanitation services by all households in formalised areas	<p>50% of stands connected to sewer network in identified backlog areas.</p> <p>Well managed sanitation system and waste water treatment networks.</p> <p>100% blockages attended to within 24 hours</p>		<ul style="list-style-type: none"> • Sewer network provided to the following backlog areas: 700 in Grootvlei by 2013 90% compliance with blue drop water quality accreditation system by June 2013. 90% of blockages attended to within 48 hours
3. Roads and storm water	To ensure sufficient roads and stormwater networks to all communities in Dipaleseng by improving accessibility of roads and improvement in road safety and storm water drainages	<p>Roads maintenance plan and master plan developed.</p> <p>53 km's of roads upgraded and maintained in identified areas</p>		<ul style="list-style-type: none"> ▪ 100% roads maintenance plan developed by end July 2014 ▪ 1.5 km road upgrade in Balfour and 1.5km Siyathemba by July 2014 ▪ 50km gravel roads maintained in, priority areas by end of June

				2014
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IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets: 2013/14
4. Electricity provision	<p>To ensure access to electricity for all communities by:</p> <ul style="list-style-type: none"> • Providing, maintaining and upgrading infrastructure and networks • Increasing electricity distribution and accessibility • Improving the management of distribution networks 	<ul style="list-style-type: none"> ▪ 100% of indigent households are electrified and receiving free basic electricity. ▪ Reduced number of outages reported within the municipality. ▪ Four of electricity transformers repaired / replaced. ▪ Electricity master plan developed and approved 		<ul style="list-style-type: none"> ▪ 100% of households in formalised areas receive free basic electricity including farms areas by June 2012. ▪ Minimize outages by 10% by end of June 2012. ▪ 4 electricity transformers replaced / repaired by Dec 2013 ▪ 100% of electricity master plan developed and approved by end of Dec 2013
9. Housing	To provide sustainable human settlements and improved quality of household life through accelerated delivery of	<ul style="list-style-type: none"> ▪ 100% of RDP houses as per Provincial plan constructed. 		<ul style="list-style-type: none"> ▪ 100 of RDP Houses completed in ward 4 by June

	housing opportunities and access to basic services	<ul style="list-style-type: none"> ▪ Breaking new ground initiatives. ▪ % of Housing Sector Plan updated 		<ul style="list-style-type: none"> ▪ 2014. ▪ 260 of BNG Houses completed on Erf 1835 Balfour. ▪ 100% of Housing Sector Plan updated by end of Dec 2013
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IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets: 2013/14
10. Land availability (EID)	To ensure more effective land utilisation to facilitate integrated human settlements in line with approved Spatial Development framework	<ul style="list-style-type: none"> ▪ Land secured as per Spatial Development Framework. ▪ Purchased land Mr. Engelbrecht farm 	Land locked	
22. Urban and regional planning	<ul style="list-style-type: none"> a) To renew the ageing Central Business District (CBD) b) To identify and stimulate development opportunities through spatial planning c) To monitor and regulate land use and land development d) To monitor and regulate building activities 	<ul style="list-style-type: none"> ▪ 100% Urban Revitalization Strategy completed. ▪ 100% of Spatial Development Framework reviewed/updated ▪ 100 % of Integrated Land Use Management Scheme Finalised. ▪ 100% of rezoning, 		<ul style="list-style-type: none"> ▪ 100% completed strategy by end of Dec 2013. ▪ 100% reviewed/updated by June 2013 ▪ 100% finalised by end December 2013.

		<ul style="list-style-type: none"> ▪ subdivisions, and consolidation applications. ▪ 100% of building plans approved within 30 days of receipt of completed applications. ▪ 100 % of approved building plans inspected 		<ul style="list-style-type: none"> ▪ 80% of applications evaluated and comments sent to Province by June 2012. ▪ 80% of building plans approved by June 2012. ▪ 80% of inspections conducted.
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KPA: LOCAL ECONOMIC DEVELOPMENT				
IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
5. LED and Poverty alleviation	a) To facilitate decent Employment through inclusive economic growth by stimulating the growth of SMMEs to contribute towards the reduction of unemployment and poverty in the region. b) To continue to effectively contribute a higher proportion of economic growth rate within District	<ul style="list-style-type: none"> ▪ 100% of LED Strategy with implementable plans approved. ▪ 100% of Commonage Policy approved to stimulate agricultural activities. ▪ 100 % of SMME Development plan Finalised. ▪ Number of self sufficient and 		<ul style="list-style-type: none"> ▪ Commonage Policy by June 2013. ▪ Approved SMME Development plan by June 2013. ▪ 4 SMMEs appointed by June 2013 ▪ 500 jobs to be created by June 2013.

		<ul style="list-style-type: none"> ▪ sustainable SMME appointed. ▪ Number of jobs created. ▪ MOU with Public Works ▪ Completed Social Labour Projects. ▪ % of Marketing and Tourism Plan compiled and approved 		<ul style="list-style-type: none"> ▪ MOU completed by June 2013. ▪ Implemented Bricks and Paving. ▪ Implemented Poultry and Piggery. ▪ Approved Marketing and Tourism Plan by June 2013
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KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT				
IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
8. Refuse removal	a) To ensure effective and efficient waste management services and systems by reviewing and extending the refuse removal programme to all areas.	<ul style="list-style-type: none"> ▪ % development and implementation of Integrated Waste Management Plan (IWMP) 		<ul style="list-style-type: none"> ▪ 100% developed and approved IWMP by end of Sept.2014 (consolidate district & provincial IWMPs – July 2014 & convene council workshop –

	<p>b) To ensure sufficient and Well managed landfill sites that is compliant with all legislative requirements.</p> <p>c) To promote a clean and healthy environment by conducting intensive awareness and cleaning campaigns to discourage illegal dumping</p>	<ul style="list-style-type: none"> ▪ Number of additional premises per month serviced with refuse removal within the municipal areas. ▪ 3 new landfill sites established. ▪ Implementation of clean ward competition and gardening projects. ▪ % enforcement of By-law on illegal dumping. 		<p>Aug 2013).</p> <ul style="list-style-type: none"> ▪ Increase the number of refuse service points. ▪ 100% finalised establishment of new landfill sites by end of June 2013. ▪ 100% finalisation of competition and projects by end of Dec. 2013 ▪ 50% enforcement by June 2013 (fines & penalties implemen
IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
6. Primary health care	<ul style="list-style-type: none"> ▪ To support a long and healthy life for all citizens by facilitating access to primary health care services and facilities to communities, such as clinics, community health centres (CHCs) and ambulances, in partnership with the Provincial Department of Health. 	<ul style="list-style-type: none"> ▪ 100% improved access to clinic facilities and services to patients around Dipaleseng (one of new and upgraded clinics and CHCs) 		<ul style="list-style-type: none"> ▪ 100% improved access to clinic facilities and services by end of June 2013 (in consultation with the Provincial Department of Health)

7. Sport and Recreation and community facilities	To have all current community halls and sport facilities fully upgraded and maintained	Five of community halls And five sports fields upgraded		Five community halls completed by June 2013 Five soccer playgrounds completed by June 2013
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KPA: COMMUNITY DEVELOPMENT AND SOCIAL COHESION				
IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
11. Education	<p>a) To promote the raising of the level of literacy of communities by interacting with the Department of Education (DoE) on the development of physical infrastructure required to cater for the educational needs and demand in Dipaleseng and supporting initiatives linked to entrepreneurship, science and technology, life skills orientation, and adult basic education.</p> <p>c) To ensure that all communities have access to well-equipped and managed library facilities to encourage greater interest in reading and literature in</p>	<ul style="list-style-type: none"> ▪ Number of collaborative and support programmes with the DoE • Building of FET College Balfour ▪ Number of functional and well equipped libraries 	<p>Siyathemba</p> <p>Library</p> <p>Collapsed</p>	<ul style="list-style-type: none"> ▪ Number of programmes with preprimary schools (reading, storytelling toy libraries, exhibitions) ▪ Library Week (March) ▪ Literacy Day (April) ▪ Mandela Day (18 July) ▪ Environmental Week (Sept) ▪ Grade 7 training programme (throughout the year) ▪ Siyathemba, Balfour, Grootvlei and Nthorwane

	communities.			
12. Special programmes	To embark on programmes focusing on vulnerable groups such as youth, women, elderly, disabled, and children	▪ % of implementation plan finalised on youth development programmes		▪ 100% of implementation plan finalised by August 2013
IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
13. Safety and security	a) To facilitate the provision of adequate facilities and resources (police stations) in partnership with SAPS to improve police visibility and	▪ % availability of municipal land and services to establish policing facilities/stations.		▪ 100% availability of municipal land and services as and when requested.

	<p>community safety.</p> <p>b) To support the “fight against crime” campaign in partnership with SAPS and other key stakeholders.</p>	<ul style="list-style-type: none"> ▪ Level of participation and support for crime awareness/prevention campaigns and forums. ▪ Number of Community Safety Forums (CPFs) and Neighbourhood Watches (NHWs) established in partnership with SAPS and District 		<ul style="list-style-type: none"> ▪ 100% participation and support for crime prevention initiatives such as Arrive Alive”, Safety and Security of Children, Business and Community Protection ▪ 6 SPFs (Dipaleseng region) established by Nov. 2013
14. Public transport	To ensure all public transport facilities managed by the municipality are maintained by efficient management of all facilities at taxi ranks	<ul style="list-style-type: none"> ▪ % cleaning and management of public toilets on a daily basis. ▪ % of Integrated Transport Plan (ITP) developed 		<ul style="list-style-type: none"> ▪ 100% daily cleaning and management. ▪ 100% of ITP developed by June 2013

IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
16. Cemeteries	<ul style="list-style-type: none"> ▪ To ensure that all existing cemeteries are well-managed, maintained and upgraded to provide 	<ul style="list-style-type: none"> ▪ Number of cemeteries upgraded ▪ % of cemeteries 		<ul style="list-style-type: none"> ▪ Fencing of Grootvlei cemetery by Oct

	sufficient and accessible burial sites and facilities according to the current and future needs.	maintained and cleaned		2013. <ul style="list-style-type: none"> ▪ 100% of cemeteries maintained and cleaned
17. Disaster management	<p>a) To develop and implement a comprehensive disaster management program and system that will be able to effectively respond to possible emergencies and disasters</p> <p>b) To ensure increased awareness by supporting and co-resourcing awareness programmes to increase the preparedness of all communities.</p> <p>d) To enhance capacity development by encouraging recruitment and training of sufficient volunteers to implement the disaster management plan.</p>	<ul style="list-style-type: none"> ▪ % support and resources provided for the establishment of a functional District Disaster Management Centre • Number of disaster Management awareness campaigns completed Number of disaster Management awareness campaigns completed. ▪ Number of volunteers recruited and trained 		<ul style="list-style-type: none"> ▪ 100% support and resources provided 4 awareness campaign completed by first (1 per quarter) ▪ 50 Volunteers recruited and trained

IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
18. Environment	<p>a) To develop sustainable infrastructure provision/ development and use of natural resources that will ensure the protection of ecological integrity and protection of biodiversity.</p> <p>b) To ensure compliance with NEMA and other applicable legislation in respect of every relevant development</p>	<p>Finalise the development of the Environmental Master Plan.</p> <p>Compliance with environment Legislations and regulations.</p>		<ul style="list-style-type: none"> ▪ Adoption of the reviewed Environmental Master Plan by Sept. 2013. ▪ 100% compliance by June 2013
19. HIV/AIDS	<p>a) To facilitate measures that will contribute to a significant reduction of HIV/AIDS infection levels in communities.</p> <p>b) To facilitate measures that will contribute to the reduction of HIV/AIDS infection levels among municipal employees.</p>	<p>% action plan on HIV/AIDS Developed</p> <p>% of employee HIV/AIDS Policy developed</p>		<ul style="list-style-type: none"> • 100% policy developed by Dec 2013 (Corporate Services) • 100% policy developed by July 2013 (Corporate Services)
20. Arts and Culture	<p>a) To develop and promote arts and culture on performing arts, music, culture, art, language in schools and the community in partnership with government departments and NGOs/CBOs.</p>	<p>Number of collaborative programmes with relevant stakeholders (consultations with arts & culture organisations)</p>		<ul style="list-style-type: none"> ▪ 50% of Action plan implemented by end of July 2013

IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
5. Institutional capacity and institutional development 1	a) To provide sufficient and skilled human capital in order to enable all departments to function Optimall in order to enhance service delivery and institutional capacity.	<ul style="list-style-type: none"> ▪ Recruitment of targeted and qualified individuals in line with the critical posts identified. ▪ % of comprehensive capacity building program for Councillors developed and approved by Council 		<ul style="list-style-type: none"> ▪ Skills audit conducted for new Councillors by end September 2013 ▪ Training programmes for councillors be completed by July 2013
23. Financial accountability and compliance	<p>a) To implement an effective, efficient and economical management (SCM) system that is 100% compliant with MFMA and Treasury regulations.</p> <p>b) To ensure full compliance with MFMA and GRAP with regard to financial management reporting.</p> <p>c) To ensure improvement in financial management reporting through the implementation of appropriate reforms in accounting standards</p>	<ul style="list-style-type: none"> ▪ Reduced number of internal and external audit queries on supply chain management processes. ▪ % Annual review of the SCM policy. ▪ % GRAP Compliant Financial Statements produced year on year% GRAP Compliant Financial Statements produced year on year. ▪ 100% GRAP compliant fixed asset register (FAR) 		<ul style="list-style-type: none"> ▪ 50% reduction by June 2013 ▪ 100% reduction by June 2014. ▪ Annually review by end of April 2013 ▪ 100% complaint AFS submitted annually by 31 August each year

IDP Priority	Strategic objectives	Performance indicators	Baseline	Performance targets 2013/14
24. Financial liquidity and viability	<p>a) To expand and improve the revenue base of the municipality through the implementation of the revenue enhancement Strategy.</p> <p>b) To promote inter-departmental synergy and efficiency by implementing appropriate Service level agreements.</p>	<ul style="list-style-type: none"> ▪ % completion of VAT review. ▪ % completion of data cleansing project% completion of data cleansing Project. ▪ % of clean audit achieved. ▪ % completion of data cleansing project. ▪ % provision for impairment in AFS. ▪ Developed and signed SLA's with relevant departments (Technical, IT, HR, Communication) 		<ul style="list-style-type: none"> ▪ 100% completion of VAT review by end of Sept 2013. ▪ 100% of data cleansing completed by end of June 2013 ▪ 100% implementation of action plan on AG's audit findings by June 2013. ▪ 100% of data cleansing completed by end of June 2013 ▪ 100% provision for impairments by June 2013 ▪ All SLA's developed and signed by end of July 2013

3.11 MEC COMMENTS ON DIPALESENG IDP 2012/13

KPA	COMMENTS OF THE MEC ON THE 2012/13 IDP	2013/14 IDP RESPONSE
<p>GOOD GOVERNANCE & COMMUNITY PARTICIPATION</p>	<p>Failure to comply with Council process plan in the development of the IDP.</p>	<p>This comment is noted and every effort will be made to comply with the dictates of the process plan</p>
	<p>Poor content, document outline and structure of the IDP which demonstrates lack of capacity in the proper co-ordination and management of the IDP processes with the Municipality.</p>	<p>The comment is overstated, the document consists of core components as required by legislation. However as a consequent the content issue will be comprehensively addressed during the next review.</p>
	<p>Poor strategy development process which led to the crafting of the Vision and Mission statements which must be reworked through proper planning procedure to reflect path towards meeting the municipality most critical development and transformation</p>	<p>The Vision and Mission are developed and reviewed annually, if needs so dictates upon such relevant and plausible strategies are formulated to achieve a vision and mission. The comment will be further unpacked during the strategic session of the municipality and the outcome will be incorporated to the revised IDP 2013/14.</p>
	<p>The IDP does not reflect on the analysis of the municipality's Strengths, Weaknesses, Opportunities and Threats {SWOT}</p>	<p>The analysis was conducted during the IDP workshop though not incorporated in the 2012/13.</p>

	which highlights its internal and external environment scan for informal strategic decision.	This omission will be adjusted accordingly during the 2013/14 review.
BASIC SERVICE DELIVERY & INFRASTRUCTURE	Development priorities and defined problem statement highlighting key service delivery challenges are not addressed in the IDP.	Development priorities are comprehensively captured in the IDP document including the mechanism, This comment will be further unpacked during the review process.
GOOD GOVERNANCE & COMMUNITY PARTICIPATION	The IDP did not comply to the applicable methodology and standards of ASPIA {Analysis, Strategies, Projects, Integration and Approval} as it was developed..	The comment is overstated, The IDP succinctly outline the process followed in the crafting of the IDP, such processes are coherent with the principles of ASPIA. Consistent with compliance, the comment will be further considered during the IDP review 2013/14.

CHAPTER 4: IMPLEMENTATION AND FINANCIAL PLAN

4.1 BACKGROUND

This Chapter translates the municipality's strategic intent into a meaningful implementation plan and address:

- ☞ Funding and budget processes
- ☞ Funding needs
- ☞ Capital budget allocations

The funding needs are a result of the municipality's analysis and strategic planning phases and reflect what is needed over the long term to address the municipality's growth and development. The allocated capital budget is a short to medium term response to the funding needs.

The funding and budgeting section will discuss what the municipality's financial strategy is and how the allocated budget will be financed.

4.2 FUNDING AND BUDGET PROCESS

4.2.1 FINANCIAL STRATEGY

The 2013/2014 budget preparation and IDP review process were conducted mainly in line with the legislative and regulatory frameworks prescribed by the Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA) and National Treasury Guidelines. The format and contents of this budget document are in accordance with the guidelines contained in *MFMA Circular 51 and Circular 54*.

The main challenges experienced during the compilation of the 2013/14 MTREF can be summarised as follows:

- ☞ Aging and poorly maintained water, roads and electricity infrastructure.
- ☞ Increasing Infrastructure repairs and maintenance backlog within the Municipality
- ☞ The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities.
- ☞ Equitable share that is not commensurate with the social demographics of Dipaleseng Municipality
- ☞ The increased cost of electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents.
- ☞ Low debt collection rates, leading to liquidity challenges Capital budget contribution by the Municipality is very low as they cannot own operating revenue cannot accommodate much funding.

- ☞ Wage increases for municipal staffs of 6.8% that continue to exceed consumer inflation of 4.8% , as well as the need to fill critical vacancies.
- ☞ Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year’s capital investments needed to be factored into the budget as part of the 2013/14 MTREF process.
- ☞ Availability of affordable capital/borrowing.

The following budget principles and guidelines directly informed the compilation of the 2013/14 MTREF:

- ☞ Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals
- ☞ Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs.
- ☞ There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazette as required by the annual Division of Revenue Act;

4.2.2 REVENUE AND EXPENDITURE FRAMEWORK

Key budget assumptions

- ☞ Inflation is budgeted at 5.6% in terms of National Treasury circular No. 55
- ☞ 10% water loss
- ☞ 10% electricity loss
- ☞ 70% non payment rate
- ☞ 7% increase on Councillors allowance
- ☞ Impairment and bad debt provision at R59 million
- ☞ In terms of the Salary Agreement provision is made for a 6.8% increase to cover the general increase as well as the notch increase of staff where applicable.
- ☞ 120 approved Indigents

A summary of the operating and capital budget proposals over the medium-term, in terms of the attached budget schedules, is provided in the table below.

TABLE 60: 2011/12 MTREF - SUMMARY OF OPERATING AND CAPITAL BUDGETS

	Adjustment Budget	Medium Term Revenue and Expenditure Framework		
	2012/2013	2013/2014	2014/2015	2015/2016
	R'000	R'000	R'000	R'000
Operating revenue	130,512	144,145	153,503	164,312
Operating expenditure	208,788	207,788	220,832	231,498
Capital expenditure	46,015	58,332	0	0

In terms of the municipality's *financial position* own revenue constitute **65.66%** of the total operating revenue of the municipality, whilst government grants and subsidies contributes **34.34%** of total revenue.

Total operating revenue has grown by **7.1%** or **R1.3 million** for the 2013/2014 financial year when compared to the 2012/13 Adjustments Budget. For the two outer years, operating revenue will increase by **6.09%** and **6.57%** respectively, equating to a total revenue growth of **R21**million over the MTREF when compared to the 2012/13 financial year.

Total operating expenditure for the 2013/14 financial year has been appropriated at **R207** million and translates into a budgeted deficit of **R63** million. When compared to the 2012/13 Adjustments Budget, operational expenditure has declined by **0.48%** in the 2013/14 budget and increased by **5.9%** and **4.6%** per cent for each of the respective outer years of the MTREF. The operating deficit for the two outer years steadily increases to **R13.5** million.

The capital budget of **R38.5** million for 2011/12 is **35.6%** more when compared to the 2010/11 Adjustment Budget. The capital programme increases to **R53.9** million in the 2012/13 financial year and then evens out in 2013/14 to **R51.7** million

OPERATING REVENUE FRAMEWORK

For the Dipaleseng Local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in

relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The Municipality's revenue strategy is built around the following key components:

- ☛ National Treasury's guidelines and macroeconomic policy
- ☛ Growth in the town and continued economic development
- ☛ Efficient revenue management
- ☛ Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA)
- ☛ Achievement of full cost recovery of specific user charges especially in relation to trading services
- ☛ The Municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA)
- ☛ The Municipality's Indigent Policy and rendering of free basic services.
- ☛ Tariff policy of the Municipality.

TABLE 61: 2013/14 MTREF - REVENUE BY SOURCE

Revenue by source	Adjusted Budget	Medium Term Revenue and Expenditure Framework (MTREF)		
	2012/13 R'000	2013/14 R'000	2014/15 R'000	2015/2016 R'000
Property rates	10,592	12, 552	13, 230	13, 944
Sanitation	11, 279	10, 200	10, 756	11, 337
Water	12, 240	12, 315	14, 915	15, 721
Electricity	38,598	48,490	56,559	58,976
Refuse removal	4,439	3,866	6,352	6,695
Fines/Penalties	200	283	298	314
Interest – external Investments	30	72	76	80
Interest – Outstanding debtors	-	2,520	2,656	2,800
Rental of facilities	165	175	184	194
Other	1,121	1,741	2,423	2,554
Agency services	1,356	2,431	2,563	2,701
	80,020	94, 645	110, 012	115, 316

Revenue generated from rates and service charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise **R77.1** million (96.41%) of the total revenue mix in the current financial year ending 30 June 2013. This increased to **R87.4** million, **R101** million and **R106** million in the respective financial years of the MTREF.

The growth in own contribution in relation to the total income can be attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 5.6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of both Eskom and Rand Water bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc.

The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges.

Revenue Trends

TABLE 62: 2011/12 MTREF - REVENUE TRENDS

	Medium Term Revenue and Expenditure Framework					
	2013/2014		2014/2015		2015/2016	
	R'000	%	R'000	%	R'000	%
Own revenue	94 646	65.66	110 012	67.76	115 316	67.17
Government grants	49 499	34.34	52 327	32.24	56 357	32.83
Total revenue	144 145	100	162 339	100	171 673	100

Revenue from own source represent **62.92%** of total revenue in 2012/2013 increased to **65.66%** in 2013/2014. It should be noted that own revenue budget highlighted above is based on billing and actual cash received may be 65.66% of the total revenue. This shows then that the municipality relies heavily on the equitable share for its operational funding. In this view, the Municipality ought to implement the revenue enhancement strategy to enhance revenue collection.

Trends in major sources of own revenue

TABLE 63: TRENDS IN MAJOR SOURCES OF OWN REVENUE

	Medium Term Revenue and Expenditure Framework					
	2013/2014		2014/2015		2015/2016	
	R'000	%	R'000	%	R'000	%
Property rates	12, 552	13.26	13, 230	12.02	13, 944	12.09
Sanitation	10, 200	10.77	10, 756	9.77	11, 337	9.83
Water	12, 315	13.01	14, 915	13.55	15, 721	13.63
Electricity	48,490	51.23	56,559	51.41	58,976	51.14
Refuse removal	3,866	4.08	6,352	5.77	6,695	5.80
Fines/Penalties	283	0.29	298	0.27	314	0.27
Interest – external Investments	72	0.07	76	0.06	80	0.06
Interest – Outstanding debtors	2,520	2.66	2,656	2.41	2,800	2.42
Rental of facilities	175	0.18	184	0.16	194	0.16
Other	1,741	1.83	2,423	2.20	2,554	2.21
Agency services	2,431	2.56	2,563	2.32	2,701	2.34

- Water remains a key source of revenue from services for the municipality at an average of **40.19%** over the medium term.
- Property rates income at an average of **12.48%**. Electricity revenue is the major source contributing on average **51.26%** of own revenue over the medium term period.

In the preceding financial years revenue from water was negatively affected by billing problems, inconsistent meter readings and high water losses. It is expected that the following interventions already in place will positively address these issues.

- Appointment of a service provider to audit and verify meter information with the Billing information.
- The establishment of a task team to focus on consumption and billing by heavy industrial consumers in the municipal area.
- The implementation of the new debt collection and credit control policy
- Implementation of Revenue Enhancement Strategy.

It is further expected that the installation of more pre-paid electricity meters will also assist in more effective credit control and debt collection. Currently the number of households with pre-paid meters is **10 172** compared to **3 738** households with conventional meters.

TARIFF OVERVIEW

The municipality has not succeeded in most of the services to maintain tariff increases within the growth limits set by National Treasury in line with the inflation target band of the Reserve Bank of between 3 and 6 per cent. However, the average increases include an allowance for growth in consumption levels and corrections in certain tariffs. The average tariff increases are reflected in the table below.

TABLE 64: 2013/14 MTREF - AVERAGE TARIFF INCREASES

Service	tariff increase%
Property rates	5.60
Electricity	8.00
Water	5.60
Sanitation	5.60
Refuse removal	5.60

The following financial policies were approved by Council

- Credit and debt control policy
- Fixed asset policy
- Indigent policy
- Tariff policy
- Supply Chain Management
- Financial by-laws
- Property rates policy

4.3 FUNDING NEEDS

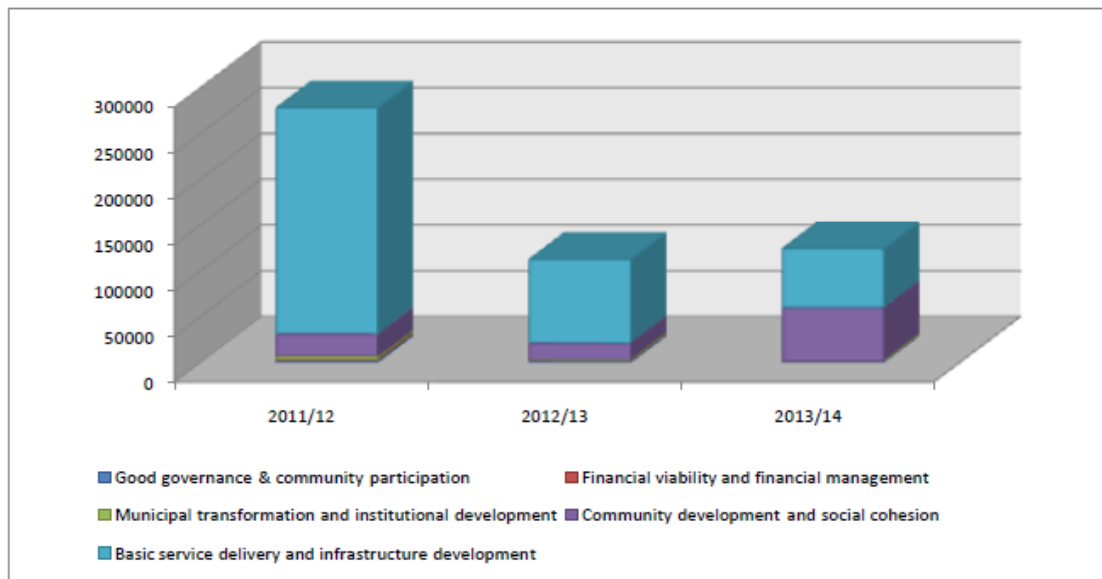
One of the main intentions of the 2013/14 IDP process was the refinement of not only the strategic planning process as discussed in Chapter 3, but also the implementation and project identification processes. Emphasis was placed on improved linkages between existing community needs and the identification and funding of projects.

The table below illustrates the draft three year capital budget requirements as per the municipality's Key Performance Areas and Votes.

	2013/14	2014/15	2015/16
	R'000	R'000	R'000
TABLE 80:2013/14 MTREF-DRAFT THREE YEAR CAPITAL BUDGET REQUIREMENT			
KPA 1: Good governance and community participation Office of the Municipal Manager			
KPA 2: Municipal transformation & institutional development Corporate Services	605	–	1 , 9 0 0
KPA 3: Community development and social cohesion Community Services & Public Safety Refuse removal Public safety Sport and recreation	1,850		
KPA 4: Basic service delivery and infrastructure investment Infrastructure Services Roads and storm water			

Sanitation Water provision Electricity provision	36,062	53,888	49,790
KPA 5: Financial viability and financial management Financial Services			
KPA6: Basic service delivery and infrastructure investment Planning & Development Housing and property Local Economic development Urban planning Geographic Information System			
TOTAL	38 517	53 888	51 690

FIGURE 49: 2012/13 MTREF - CAPITAL BUDGET PER MUNICIPAL KPA



4.4 FUNDING SOURCES

The municipality is heavily reliant on government grants and subsidies for its capital investment and infrastructure delivery programme. Government grants and subsidies from the National and Provincial spheres, as well as District Municipality, constitute **97%** (37,5million) of the total capital funding (**R38.5 million**) in 2011/2012.and no loans provisions have been budgeted... Capital from internally generated funds amounting to **R1million** will only be used based on the availability of cash.

TABLE 81: 2013/14 MTREF - CAPITAL FUNDING SOURCES

Funding Sources	2013/14	2014/15	2015/16
	R'000	R'000	R'000
Grants and subsidies			
Department of Energy	1,533		
Municipal Infrastructure Grant	17,881	21,742	22,937
Human Settlements			
Land Affairs			

Provincial Government			
DWAF	2042		
District Municipality	16000	16,000	14,000
Public contributions & donations:			
Borrowing (external loans)			
Internally generated funds	1061		
Total Capital Funding	38,517	37,742	36,937

Projects supporting KPA2: Financial viability and financial management

TABLE 83: CAPITAL FUNDING ALLOCATIONS-FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT

IDP PRIORITY	PROJECT DESCRIPTION	LOCALITY	2013/14	2014/15	2015/16
Financial liquidity and viability	Clean Audit Assistance	BUDGET & TREASURY	2 538 000	0	0
	Data Cleansing	BUDGET & TREASURY	1 000 000	0	0
	Installation of financial system	BUDGET & TREASURY	2 300 000	0	0
	Management of MIG Projects – Project Management Unit allocation (5% of MIG Funds)	BUDGET & TREASURY	1,087,100.00	0	1,146,850.00

Projects supporting KPA5: Basic service delivery and infrastructure investment

TABLE 86: CAPITAL FUNDING ALLOCATIONS-BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

IDP PRIORITY	PROJECT DESCRIPTION	LOCALITY	2013/14	2014/15	2015/16
Water provision	Construction of 4 Ml Reservoir in Balfour/ Siyathemba	Ward 1, 2, 3, 4 & 6	5,000,000.00	0	0
	Construction of Water Treatment Plant in Greylingstad/ Nthorwane – Phase 2	Ward 6	6,000,000.00	0	0
	Installation of Boreholes on Farms (Wards 2,3,5 and 6)	Ward 2, 3, 5 & 6	1,000,000.00	0	0
Sanitation provision	Expansion of Sewer Plant Greylingstad/ Nthorwane (Phase 1)			0	0
	Provision of VIP Toilets on Farm	Ward 2, 3, 5 & 6	1,000,000.00	0	0

	areas (Wards 2,3,5 and 6)				
	Expansion of the Balfour Sewer Works (WWTP) – Phase 3	Ward 1, 2, 3 & 4	8,000,000.00	0	0
	Expansion/ Upgrading of the Sewer Treatment Works in Grootvlei Ext 1- Phase	Ward 6	7,000,000.00	0	0
Electricity provision	Electrification of 213 Households in Grootvlei Ext 1	Ward 5	1,533,000.00	0	0
	Maintenance and Installation of Streetlights and High Light masts – Phase	Ward 1, 2, 3, 4, 5 & 6	1,087,100.00	0	0
	Electrification of Farm Households/ Rural Electrification Project (Phase 1)	Ward 2,3,5 & 6		5,533,000.00	
Roads and storm water	Construction and Rehabilitation of Roads in Balfour and Siyathemba	Ward 3&2		3,000,000.00	
Housing	Upgrading of Electricity Supply Network in Dipaleseng Municipality (Phase 1)	Ward 1, 2, 4, 3, 5 & 6		10,000,000.00	
Land availability	Acquisition of agricultural land – urban expansion (Balfour)	All			10,000,000.00

CHAPTER 5: PERFORMANCE MANAGEMENT SYSTEM

5.1. LEGISLATION

Chapter 7 of the Constitution deals exclusively with the local sphere of government. In particular, Section 152 focuses on the objects of local government and paves the way for performance management with the requirements for establishing an “*accountable government*”. Many of the democratic values and principles in terms of Section 195(1) of the Constitution can also be linked with the concept of performance management, with reference to the principles of, *inter alia*, the promotion of the efficient, economic and effective use of resources, accountable public administration, displaying transparency by making available information, being responsive to the needs of the community, and by facilitating a culture of public service and accountability amongst staff.

MUNICIPAL STRUCTURES ACT, 1998 (ACT NO. 117 OF 1998)

Section 19(1) of the Municipal Structures Act states that a municipal council must strive within its capacity to achieve the objectives set out in Section 152 of the Constitution. In addition Section 19(2) stipulates that a municipal council must annually review its overall performance in achieving the identified objectives. Local government can manage and ensure that its strategic and developmental objectives have been met through implementing a performance management and measurement system.

WHITE PAPER ON LOCAL GOVERNMENT (1998)

Within its governance framework, Government provides the tools to execute the above objects and developmental duties. The White Paper on Local Government (March 1998) states that integrated development planning, budgeting and performance management are to be seen as powerful tools which can assist municipalities to develop an integrated perspective on the development in their area. It will enable municipalities to focus on priorities within an increasingly complex and diverse set of demands and to direct resource allocation and institutional systems to a new set of development objectives.

The White Paper (1998) further states that communities should be involved in the development of some municipal key performance indicators to increase the accountability of the municipality. Some communities may prioritise the amount of time it takes a municipality to answer query; others will prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, accountability is

increased by involving the communities in setting key performance indicators and reporting back to them on the achievement of these indicators. This develops public trust in local governance and enhances accountability.

MUNICIPAL SYSTEMS ACT, 2000 (ACT NO. 32 OF 2000)

Chapter 6 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000) (MSA) state that, in order to achieve effective and efficient performance management, local government should:

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

In particular, Section 39 of the Act (2000) stipulates that the Executive Committee (Exco) is responsible for the development of a Performance Management (PM) System. To establish such a PM System, the local government may assign responsibilities to the Municipal Manager. However, the Exco in the instance of the DLM the Mayoral Committee (Mayco) is responsible for submitting the PM System to Council for approval.

Section 40 of the MSA stipulates that a Municipality must establish mechanisms with which to monitor and review the PM System. In terms of Section 41, the core components of a PM System are to (i) set Key Performance Indicators (KPIs), (ii) set measurable performance targets (PTs), (iii) monitor performance & measure and review annually, (iv) take steps to improve performance, and (v) establish a process of regular reporting.

Section 42 requires that the community should be involved in the development, implementation and review of the PM System as well as the setting of KPIs for the municipality. DLM is currently investigating various possibilities of increasing community involvement in setting performance

indicators and targets. It is envisaged that increased community participation in the planning stage will also improve participation in reviewing municipal performance.

In terms of Section 43 of the MSA the General Key Performance Indicators to be applied by all municipalities is to be prescribed by a number of regulations. Section 44 stipulates that the KPIs and PTs in the PM System of the municipality must be made known both internally and externally in a manner described by the Council.

In terms of auditing of performance measurements, Section 45 of the MSA states that the results of the performance measurement must be audited as part of the internal auditing processes and annually by the Auditor General. The DLM is investigating the possibility for a mid-year auditing process to be conducted. The performance report should reflect the development and service delivery priorities and performance targets in terms of the IDP of the municipality. Section 46 requires that the municipality prepare an annual report consisting of a (i) performance report, (ii) financial statements; (iii) audit report

Section 43 authorizes the Minister to prescribe general KPIs that every municipality must report on. The aim of the Local Government Municipal Systems Amendment Act, No 44 of 2003 is, *inter alia*, to make provision for the additional assignment of functions and powers to municipalities and to provide for the submission of annual performance reports by municipalities. Section 46 of the Municipal Systems Amendment Act (2003) states that a municipality must prepare for each financial year a performance report reflecting:

- ☞ The performance of the municipality and of each service provider during that financial year.
- ☞ A comparison of the performance in relation to targets set in the previous financial year.
- ☞ The development and service delivery priorities and the performance targets set by the municipality for the next financial year.
- ☞ Measures taken to improve performance.

MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS (2001)

In addition to the above legislation, the Municipal Planning and Performance Management Regulations (2001) deal with the provision of a number of aspects of performance management. These aspects include the following:

- ☞ The framework that describes and represents the municipality's cycle and

processes for the PM system and other criteria and stipulations [S7], and the adoption of the PM system [S8].

- ☞ The setting and review of Key Performance Indicators (KPIs) [S9 & 11].
- ☞ The General KPIs which municipalities have to report on [S10], including, amongst others households with access to basic services, low income households with access to free basic services, job creation in terms of the IDP, employment equity with target groups and the implementation of work skills plans.
- ☞ The setting of performance targets, and the monitoring, measurement and review of performance [S 12, 13].
- ☞ Internal auditing of performance measurements [S14].
- ☞ Community participation in respect of performance management [S 15]

Chapter three sets out the format for the municipal performance management system framework. Section 7 (1) & (2) within this chapter states that:

A municipality's performance management system entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role- players.

In developing its performance management system, a municipality must ensure that the system:

- ☞ Complies with all the requirements set out in the (Systems) Act.
- ☞ Demonstrates how it is to operate and be managed from the planning stage up to stages of performance review and reporting.
- ☞ Clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system.
- ☞ Determines the frequency of reporting and the lines of accountability for performance.
- ☞ Relates to the municipality's employee performance management processes.
- ☞ Provides for the procedure by which the system is linked to the municipality's integrated development planning processes.

These regulations provide a framework on which the performance management system of a municipality should be developed. Even though the framework should comply with the above, it should always be compiled based on the IDP and SDBIP of a municipality.

Section 9 states that key performance indicators including input indicators, output indicators and outcome indicators must be set in respect of each of the development priorities and objectives within the IDP. Key performance indicators must be measurable, relevant, objective and precise. A

municipality must ensure that communities are involved when setting these indicators. The indicators must also inform the indicator set for administrative units and employees as well as municipal entities and service providers.

A Guide on Performance Management Guidelines for Municipalities was issued in 2001 by the Department of Provincial and Local Government. The Guide was prepared to serve as a set of simple, user-friendly non-prescriptive guidelines to assist municipalities in developing and implementing their legislative required performance management system. It is designed to enable them to develop and implement such systems within their resource constraints, suited to their circumstances and in line with the priorities, objectives, indicators and targets contained in their IDPs.

The Guide is divided into three phases inclusive of a number of steps to guide municipalities in developing a Performance Management System, implementing the system, setting targets, developing a monitoring framework, designing a performance measurement framework, conducting performance reviews, improving on performance and reporting on performance.

MUNICIPAL FINANCE MANAGEMENT ACT, 2003 (ACT NO. 56 OF 2003)

In providing a framework with which to execute the requirements of the IDP, the Municipal Finance Management Act, Act No. 56 (2003) obligates a Service Delivery and Budget Implementation Plan (SDBIP) to be established. This SDBIP is to be based on specific targets and performance indicators derived from the IDP, thus linking the IDP, the performance management system and the budget into one process. The SDBIP therefore serves as a “contract” between the administration, council and community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months.

This provides the basis for measuring performance in service delivery against end-of-year targets and the implementation of the budget. MFMA Circular No 32 provides further guidance on matters related to performance management. This circular focuses on the oversight process that councils must follow when considering the annual report and how to deal with the *Oversight Report* by encouraging continuous improvement and promoting accountability to stakeholders.

In addition, *Regulation 393 of 2009: Local Government Municipal Finance Management Act Municipal Budget and Reporting Regulation* was

promulgated to provide information on the budget and budget related matters of municipalities. It indicates general provisions as well as budget-related policies required by municipalities. Annual budgets of municipalities and the format and funding for expenditure are also discussed in this Regulation. In addition, information on budget requirements and in-year reporting requirements also receives attention. Chapter 5 of the Regulation deals with the framework for unforeseen and unavoidable expenditure, whilst Chapter 6 focuses on unauthorized, irregular or fruitless and wasteful expenditure.

To comprehend the relationship between IDP review and performance management, the following quotation from the Performance Management Guide for Municipalities, DPLG, 2001 (draft2, page 16) becomes relevant:

“The IDP 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”.

Although the IDP is a five-year plan, Section 34 of the Municipal Systems Act (2000) states that it has to be renewed annually. The IDP has to be handled at the highest level, hence the allocation of the responsibility to the executive mayor to manage. The executive mayor may assign responsibilities related to the development and management of the IDP to the municipal manager. As head of the administration, the municipal manager in turn is responsible and accountable for the formation of an efficient and accountable administration to give effect to the IDP.

The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end of-year service delivery targets, set in the budget and IDP. It determines the performance agreements for the municipal manager and other Section 57 managers, whose performance can then be monitored through Section 71 monthly reports, and evaluated through the annual report process.

Municipal Performance Regulations for Municipal Managers and Managers directly accountable to the Municipal Manager, published in 2006 seek to set out how the performance of municipal managers will be uniformly directed, monitored and improved. The regulations address both the employment contract of a municipal manager and the managers directly accountable to the municipal manager (Section 57 managers). The setting of targets is under investigation to comply with the suggested DPLG calculator, to present specific scores per target achievement that can

advance strategic decision-making, and to evaluate DLM's successes against strategic intent.

Good corporate citizenship is therefore seen as the method that municipalities use to set their priorities through the performance management system as per the IDP, conduct their business as per the SDBIP and relate to the community they serve through community input and public participation. The purpose of the IDP is to ensure that the resources available to the municipality are directed at the delivery of programmes, projects and processes that meet agreed municipal priority areas.

Once a municipality starts to implement its IDP it is important to monitor that:

- ☞ The delivery is happening in the planned manner.
- ☞ The municipality is using its resources most efficiently.
- ☞ It is producing the quality of delivery envisaged.

5.2. OUTCOMES APPROACH TO PERFORMANCE MANAGEMENT IN GOVERNMENT

The outcomes approach is designed to ensure that government is focused on achieving the expected real improvements in the life of all South Africans. The outcomes approach clarifies what we expect to achieve, how we expect to achieve it and how we will know whether we are achieving it. It will help spheres of government to ensure that results improve the lives of citizens rather than just carrying out our functions. It will help us track the progress we are making in achieving results and it will help us collect evidence about what worked and what did not, to help us improve our planning and implementation on an annual basis.

Planning for outcomes and impact: Outcomes planning means planning backwards from the outcome we need to achieve to work out how best to achieve it. It starts with identifying what outcome must be achieved to improve lives and then working out what outputs will ensure we achieve it, what activities we must do to achieve the outputs and what resources are needed to achieve the activities.

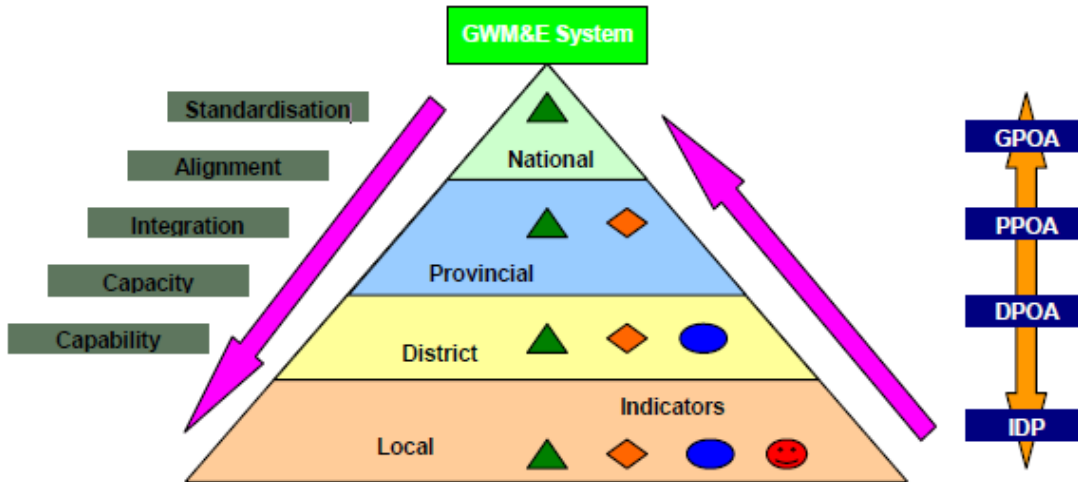
Focus on outcomes: If the focus is on the outcome, it is clear which role-players will need to be involved to ensure the outcome is achieved. Plans will involve identifying what outputs are needed to achieve the outcome and will be implemented by whichever government entity is responsible for the area of work each output involves. We should be able to connect every resource used and every activity undertaken to a real improvement in people's lives.

M&E of outcomes creates the basis for accountability and learning. Systematic assessment of what impacts and outcomes were achieved will enable us to identify what works and what does not. It will enable us to learn and continually develop our capacity to use scarce resources more efficiently and effectively to achieve the greatest benefit for the citizens and communities. Clear statements of the outcomes expected and clear indicators, baselines and targets to measure change will ensure we have reliable information we can use to monitor progress, evaluate how successful we were and plan to improve.

According to the *Monitoring and Evaluation According to the Monitoring and Evaluation Framework in support of Cooperative Governance*⁷⁵, a new set of national Key Performance Indicators (KPIs) have been developed (see table below) and all provinces and key sector departments were consulted during this process. Although there is a need to have indicators for the different levels of the results chain, that is, inputs, activities, outputs, outcomes and impacts. There is however a need to have a set of national KPIs that address the reporting requirements for the local government sector at national level. The national KPIs will enable the reporting of local government performance at a strategic level. Line function departments will still need to continue to monitor their programmes as required by their mandate. Similarly, provinces and municipalities may still develop their own set of indicators which help measure the projects or programmes which are unique to their situation.

The diagram below illustrates this process, with the green triangles representing the national KPIs, the orange diamonds representing provincial KPIs, the blue circles representing district and circle with a smile representing local municipality KPIs.

FIGURE 53: REPORTING REQUIREMENTS FOR THE THREE SPHERES OF GOVERNMENT



The draft national set of KPIs addresses both the reporting requirements in terms of existing legislation, the various programmes within the department including the LGTAS, the Ten Point Plan and the Minister’s Performance Agreement.

Once approval is granted by the Minister, this set of national KPIs will be legislated to replace the seven currently found in the Municipal Planning and Performance Management Regulations of 2001. The reporting in terms of section 46, 47 and 48 of the Municipal Systems Act, 32 of 2000 (Act No. 32 of 2000) (MSA) will be informed by these national KPIs.

Draft National KPIs for Local Government

TABLE 88: DRAFT NATIONAL KPIS FOR LOCAL GOVERNMENT

Indicators	Variables	Legislation
1. Critical posts filled by suitably qualified individuals	<ul style="list-style-type: none"> ☞ % of critical posts filled by suitably qualified individuals ☞ Meet 80%-100% of the job requirements ☞ Acceptable outcome of the competency assessment ☞ Positive reference check ☞ Municipal manager post to be filled within 3 months after post has been vacated 	<ul style="list-style-type: none"> ☞ Section 55 of the LG: Municipal Systems Act, (Act no. 32 of 2000)(MSA) ☞ Competency Assessment Framework
2. Critical posts filled with signed performance agreements	<ul style="list-style-type: none"> ☞ % of critical posts filled with signed performance agreements ☞ Number of MMs with crisp and concise Performance Agreements ☞ Conclude the performance agreement within three months after the appointment or beginning of new financial year 	<ul style="list-style-type: none"> ☞ Section 55 of the LG: Municipal Systems Act, (Act no. 32 of 2000)(MSA)
5. Percentage of indigent households with access to free basic services	<ul style="list-style-type: none"> ☞ An adopted and updated Indigent Register for the municipality. ☞ Access to free basic water ☞ Access to free basic electricity ☞ Access to free basic sanitation 	<ul style="list-style-type: none"> ☞ National Indigent Policy guidelines
6. Percentage of households with access to suitably located low cost and affordable housing	<ul style="list-style-type: none"> ☞ Number of low cost houses allocated in a financial year ☞ Number of informal settlements formalized ☞ Hectares of municipal land released for low cost housing ☞ Number of housing units allocated vs. total number of houses built. ☞ Number of households that have benefitted from the in-situ upgrading programme 	
7. Access to employment opportunities	<ul style="list-style-type: none"> ☞ Number of employment opportunities created as part of LED ☞ Number of employment opportunities created through other initiatives 	
11. Improved spatial planning and land use management	<ul style="list-style-type: none"> ☞ An adopted Spatial Development Framework ☞ Number of municipalities with by-laws on Land Use Management 	<ul style="list-style-type: none"> ☞ National Spatial Development Perspective

Indicators	Variables	Legislation
8. Financial viability of municipalities	<ul style="list-style-type: none"> ☞ Unqualified audit reports ☞ Ratio of net current consumer debtors to annual property rates and service charge income ☞ % of municipalities with debtors of more than 50% of own revenue ☞ % of municipalities that are overspending on Operational budgets ☞ % of municipalities under-spending on Capital budgets ☞ % of municipalities spending less than 5% of Operational budget on repairs and maintenance ☞ Percentage of Municipal Systems Improvement. Grant spent in that financial year. ☞ % of municipalities appropriately implementing the SCM Policy ☞ Number of municipalities with short to long term Asset Management Plans 	<ul style="list-style-type: none"> ☞ Municipal Finance Management Act ☞ GRAP 17
9. Level of good governance performance within municipalities	<ul style="list-style-type: none"> ☞ Number of municipalities with credible IDPs ☞ Timeous submission of Annual Report ☞ Action plan to address issues raised by the Auditor-General in the audit report ☞ A functioning performance audit committee ☞ Anti-corruption strategy implemented ☞ Establishment of an LLF with equal representation ☞ Number of LLF meetings held and resolutions taken 	<ul style="list-style-type: none"> ☞ Section 131 of the MFMA ☞ In terms of the Labour Relations Act, 66 of 1995(Act no.66 of 1995)
10. Level of functionality of public participation systems with municipalities and traditional councils	<ul style="list-style-type: none"> ☞ % of functional Ward Committees ☞ Number of Community Development Workers deployed to your municipality. ☞ Number of community meetings held 	<ul style="list-style-type: none"> ☞ In terms of Section 73 of The Local Government: Municipal Structures Act
12. Level of functionality of the Intergovernmental Relations Forum	<ul style="list-style-type: none"> ☞ Functional established district IGR Fora ☞ Number of IGR meetings convened ☞ Municipalities implementing the shared services model 	<ul style="list-style-type: none"> ☞ Established in terms of Section 24 & 25 of the IGRF Act, 2005 (Act no.13)

13. Level of implementation of Municipal Disaster management	<ul style="list-style-type: none"> ☞ Establishment of a DM Centre ☞ Head of centre appointed ☞ Conduct a Risk and Vulnerability Assessment ☞ Development of a Disaster Management Plan ☞ Establishment of a Disaster Management Forum ☞ A functional ICT System in place ☞ Number of disasters prevented, mitigated and level of preparedness. 	☞ In terms of Chapter 5 of The Disaster Management Act, 2002 (Act no. 57 of 2002).
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5.3 OVERVIEW OF PERFORMANCE MANAGEMENT IN THE MUNICIPALITY

5.3.1 POLICY FRAMEWORK

The Dipaleseng Local Municipality adopted a Revised Performance Management Framework regulating the performance management system in the municipality. The framework provides guidelines on the development and implementation of the organisational performance management system.

The objectives of institutionalizing a Performance Management System, beyond the fulfilling of legislative requirements, is to serve as a primary mechanism to monitor, review and improve the implementation of the municipality's IDP. In doing so, it should fulfill the following functions:

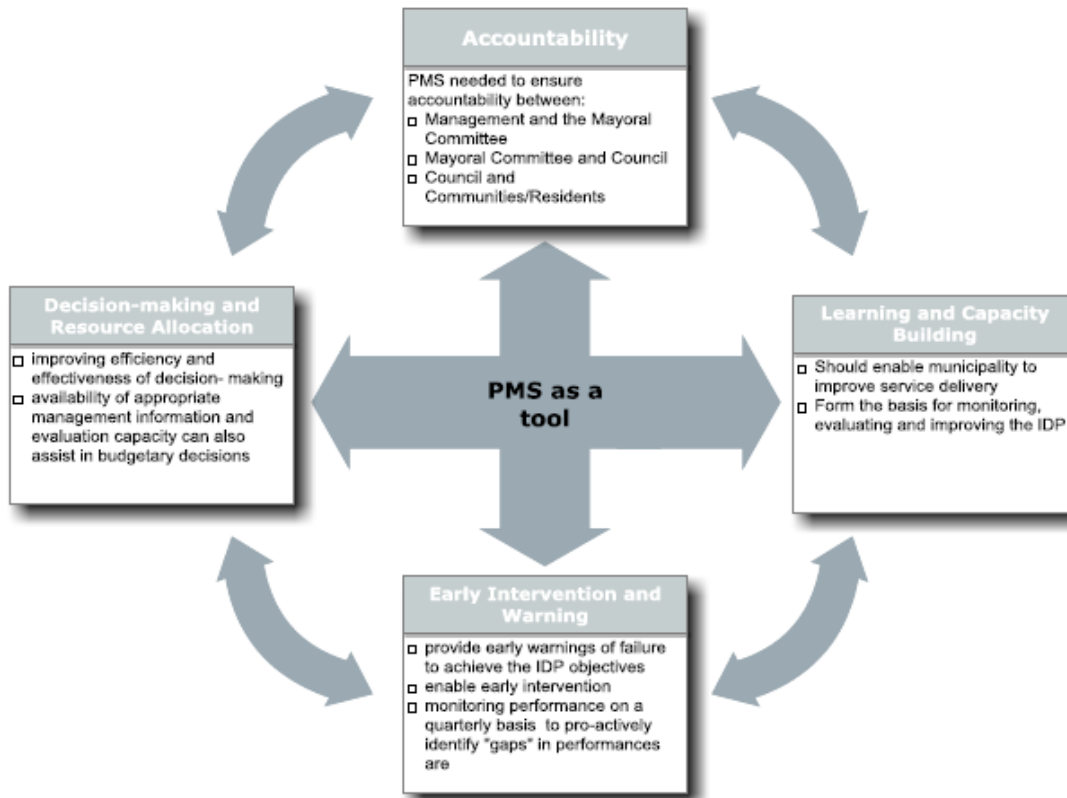
- ☞ Promoting accountability
- ☞ Decision-making and resource allocation
- ☞ Guiding development of municipal capacity-building programmes
- ☞ Creating a culture for best practice, shared-learning within the municipality
- ☞ Develop meaningful intervention mechanisms and early warning system
- ☞ Create pressure for change at various levels
- ☞ Contribute to the overall development of the Local Government System.

The Financial Management Perspective

The perspective will assess performance with respect to financial management and viability, including:

- ☞ Financial viability indicators
- ☞ Operating income vs. operating expenditure performance
- ☞ Financing infrastructure investment vs. capital expenditure performance
- ☞ Financial management performance.

FIGURE 54: FUNCTIONS OF A PERFORMANCE MANAGEMENT SYSTEM



Adapted from the Balanced Scorecard by Robert S. Kaplan and Dave P. Norton, Harvard Business School Press, 1996.

5.3.2 APPROACH TO PERFORMANCE MANAGEMENT

A performance management model can be defined as the grouping together of performance indicators, sometimes based on the type of indicator, into logical categories or groups (often called perspectives), as a means to enhance the ability of an organisation to manage and analyse its performance. As such a model provides a common framework by which the performance of an organisation and individuals can be measured and managed. It further ensures that a balanced set of measures are employed that are not relying on only one facet of performance and therefore not presenting a holistic assessment of the performance of an organisation.

The widely used performance model is the Balanced Scorecard. The Balanced Scorecard ensures that there is balance in the set of indicators being compiled. It was developed as a means to measure performance by combining both financial and non-financial indicators to create a balance between financial and other critical functional areas in organizations. By combining financial indicators and non-financial indicators in a single report, the Balanced Scorecard aims to provide managers with richer and more relevant information about the activities that they are managing than is provided by financial indicators alone.

The Balanced Scorecard performance model required the use of scorecards as a systematic approach to assessing internal results while probing the external environment. This Model groups its indicators into four perspectives: financial perspectives, customer perspective, internal perspective and learning and growth perspective.

The Municipal Scorecard

A number of performance models are available and any of them could be applied by the Dipaleseng Local Municipality. Some of the available models include the Municipal Scorecard, Balanced Scorecard and the Key Performance Area Model. However, the Municipality has chosen the Municipal Scorecard (MS) as its preferred performance management model. In terms of the MS model all indicators are grouped together into four perspectives as depicted in the figure below e.g. inputs, process, outputs and outcomes.

A Municipal Scorecard Model is a balanced scorecard adapted for measuring key performance on developmental areas that are relevant to municipal service delivery and the public sector. This municipal scorecard model groups indicators together under the 5 Year Local Govt Strategic Agenda Key Performance Areas (KPA's). There are five KPA's that

municipalities are required to align their strategic planning on and these cut across every functional area of a municipality. The municipal scorecard measures a municipality's performance through grouping the municipal indicators under these perspectives:

- I. The Municipal Development Perspective
- II. The Service Delivery Perspective
- III. The Institutional Development Perspective
- IV. The Financial Management Perspective
- V. Governance Process Perspective

FIGURE 55: MUNICIPAL SCORECARD



Adapted from the Balanced Scorecard by Robert S. Kaplan and Dave P. Norton, Harvard Business School Press, 1996.

The Municipal Development Perspective

In this perspective, the municipality will assess whether the desired development impact in the municipal area is being achieved. It incorporates social, environmental and economic development aspects.

This perspective will constitute the development of priorities for the municipal area and indicators that tell us whether the desired development outcomes are being achieved. It is expected that the development

priorities and indicators, will often lie within the shared accountability of the municipality, other spheres of government and civil society.

The measurement of developmental outcomes in the municipal area will be useful in informing whether policies and strategies are attaining the desired development impact.

The Service Delivery Perspective

This perspective will assess performance with respect to the delivery of services and products. This relates to the output of the municipality.

The Institutional Development Perspective

This perspective will assess performance with respect to the management of municipal resources:

- ☞ Human Resources
- ☞ Information
- ☞ Organisational Infrastructure
- ☞ Asset management

Governance Process Perspective

This perspective will assess performance with respect to engagements and relationships with its stakeholders in the process of governance. This perspective will include, amongst others:

- ☞ Public participation, including the functionality and impact of ward committees
- ☞ Functionality and impact of municipal governance structure (council structures including the offices of the speaker, and portfolio committees/clusters and executive)
- ☞ Access to information
- ☞ Intergovernmental relations

5.3.3 PLANNING, MONITORING, REPORTING AND REVIEW OF PERFORMANCE MANAGEMENT

The annual process of managing performance at institutional level in the Municipality involves the steps as set out in the diagram below:

FIGURE 56: PERFORMANCE MANAGEMENT CYCLE



PERFORMANCE PLANNING

The performance of the Municipality is to be managed in terms of its IDP and the process of compiling an IDP and the annual review thereof therefore constitutes the process of planning for performance. It should be noted that the last component of the cycle is that of performance review and the outcome of such a review process must inform the next cycle of IDP compilation/review by focusing the planning processes on those areas in which the Municipality has under-performed.

The IDP process constitutes the process of planning for performance. It is crucial that for all the priorities in the IDP, objectives, indicators and targets are developed.

PERFORMANCE MONITORING

Performance monitoring is an ongoing process by which a Director accountable for a specific indicator as set out in the institutional scorecard (or a service delivery target contained in an annual SDBIP) continuously monitors current performance against targets set. The aim of the monitoring process is to take appropriate and immediate interim (or preliminary) action where the indication is that a target is not going to be met by the time that the formal process of performance measurement, analysis, reporting and review is due.

In the instance of Dipaleseng Local it is recommended that the institutional scorecard of the Municipality be reported on a quarterly basis to the Mayoral Committee. Performance monitoring requires that in between the relevant formal cycle of performance measurement appropriate action be taken, should it become evident that a specific performance target is not going to be met. It is therefore proposed that at least on a weekly/bi-weekly basis Directors track performance trends against targets for those indicators that fall within the area of accountability of their respective Departments as a means to early identify performance related problems and take appropriate remedial action.

PERFORMANCE MEASUREMENT

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each key performance indicator and against the target set for such indicator. Given the fact that initially at least the Municipality will have to rely on a manual process to manage its performance provision has been made in the institutional scorecard for the name of an official responsible for reporting on each indicator (please note that this might not necessarily be the same official accountable for performance on an indicator).

This will require that the Municipality sets in place a proper information management system (electronically or otherwise) so that the internal audit section is able to access information regularly and to verify its correctness.

PERFORMANCE ANALYSIS

Performance analysis involves the process of making sense of measurements. It requires interpretation of the measurements as conducted in terms of the

previous step to determine whether targets have been met and exceeded and to project whether future targets will be met or not. Where targets have not been met performance analysis requires that the reasons therefore should be examined and corrective action recommended. Where targets have been met or exceeded, the key factors that resulted in such success should be documented and shared so as to ensure organisational learning.

PERFORMANCE REPORTING AND REVIEW

Reporting requires that the municipality takes the priorities of the organization, its performance objectives, indicators, targets, measurements and analysis, and presents this information in a simple and accessible format, relevant and useful to the specific target group, for review. The Service Delivery and Budget Implementation Plan (SDBIP) is the basis to meet our reporting requirements. Generally four reports are submitted per annum to Council. 12 Monthly reports are generated for the top executive management and Mayco meetings.

The following is an overview of the different kinds of reports required.

TABLE 89: PMS - PERFORMANCE REPORTING REQUIREMENTS

REPORT TYPE	DESCRIPTION
<p>Monthly / Quarterly IDP and SDBIP reporting</p>	<p>The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets, set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process</p> <p>The SDBIP information on revenue will be monitored and reported monthly by the municipal manager in terms of Section 71(1)(a) and (e). For example, if there is lower than anticipated revenue and an overall cash shortage in a particular month the municipality may have to revise its spending downwards to ensure that it does not borrow more than anticipated. More importantly, such information requires the municipality to take urgent remedial steps to ensure it improves on its revenue-collection capacity if the municipality wants to maintain its levels of service delivery and expenditure.</p> <p>Section 1 of the MFMA, Act 56 of 2003 states that the SDBIP as a detailed plan approved by the mayor of a municipality in terms of service delivery should make projections for each month of the revenue to be collected, by source, as well as the</p>

	operational and capital expenditure, by vote. The service delivery targets and performance indicators need to be reported on quarterly (MFMA, 2003).
Mid-year budget and report	Section 72 of the MFMA requires the accounting officer to prepare and submit a report on the performance of the municipality during the first half of the financial year. The report must be submitted to the mayor, National Treasury as well as the relevant Provincial Treasury. As with all other reports this is a crucial report for the Council to consider mid-year performance and what adjustments should be made, if necessary.

REPORT TYPE	DESCRIPTION
<p>Performance report</p>	<p>Section 46 of the Municipal Systems Act states that a municipality must prepare for each financial year, a performance report that reflects the following:</p> <ul style="list-style-type: none"> ☞ The performance of the municipality and of each external service provided during that financial year. ☞ A comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year. ☞ Measures to be taken to improve on the performance. <p>The performance report must be submitted at the end of the financial year and will be made public as part of the annual report in terms of chapter 12 of the MFMA. The publication thereof will also afford the public the opportunity to judge the performance of the municipality against the targets set in the various planning instruments.</p>
<p>Annual report</p>	<p>Every municipality and every municipal entity under the municipality's control is required by Section 121 to prepare an annual report for each financial year, which must include:</p> <ul style="list-style-type: none"> ☞ The annual financial statements of the municipality or municipal entity as submitted to the Auditor- General for audit (and, if applicable, consolidated annual financial statements). ☞ The Auditor-General's audit report on the financial statements. ☞ An assessment by the accounting officer of any arrears on municipal taxes and service charges. ☞ Particulars of any corrective action taken or to be taken in response to issues raised in the audit reports. ☞ Any explanations that may be necessary to clarify issues in connection with the financial statements. ☞ Any information as determined by the municipality, or, in the case of a municipal entity, the entity or its parent municipality. ☞ Any recommendations of the municipality's audit committee, or, in the case of a municipal entity, the audit committee of the entity or of its parent municipality. ☞ An assessment by the accounting officer of the municipality's performance against the measurable performance objectives for revenue collection and for each vote in the municipality's approved budget for the relevant financial year. ☞ An assessment by the accounting officer of the municipality's performance against any measurable performance objectives set in terms the service delivery agreement or other agreement between the entity and its parent municipality. ☞ The annual performance report prepared by a municipality. ☞ Any other information as may be prescribed.

REPORT TYPE	DESCRIPTION
	<p>Section 127 prescribes the submission and tabling of annual reports. In terms of this section:</p> <ol style="list-style-type: none"> 1) The accounting officer of a municipal entity must, within six months after the end of a financial year, submit the entity's annual report for that financial year to the municipal manager of its parent municipality. 2) The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control. 3) If the mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality's sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must: <ol style="list-style-type: none"> (a) submit to the council a written explanation setting out the reasons for the delay, together with any components of the annual report that are ready. (b) Submit to the council the outstanding annual report or the outstanding components of the annual report as soon as may be possible.
Oversight report	<p>The council of a municipality must consider the municipality's annual report (and that of any municipal entity under the municipality's control), and in terms of Section 129, within two months from the date of tabling of the annual report, must adopt an oversight report containing the council's comments, which must include a statement whether the council:</p> <ol style="list-style-type: none"> (a) has approved the annual report with or without reservations; (b) has rejected the annual report; or (c) has referred the annual report back for revision of those components that can be revised. <p>In terms of Section 132, the following documents must be submitted by the accounting officer to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report:</p> <ol style="list-style-type: none"> (a) The annual report (or any components thereof) of each municipality and each municipal entity in the province. (b) All oversight reports adopted on those annual reports. It is important to note that the oversight committee working with these reports should be chaired by the opposition party.

5.4 CONCLUSION

Performance management is a process which permeates right through the organisation, from its vision and mission statement, to its objectives and eventually its staff. It applies to the performance of an organisation as well as to all persons related to it.

Within the South African Municipal environment this also includes the political figures who are responsible for that organisation. As indicated earlier, the *White Paper on Local Government* (1997) states that key mechanisms to ensuring service excellence in municipalities include integrated development planning, performance management and community participation. As a start there are certain measures that a municipality simply must implement.

It must:

- ☞ Establish a performance management system that is commensurate with its resources, best suited to its circumstances and in line with its targets, priorities and objectives contained in its IDP.
- ☞ Promote a culture of performance management among its political structures, political office-bearers, councillors and administration.
- ☞ Administer its affairs in an economical, effective, efficient and accountable manner (Municipal Systems Act, 2000).

Appropriate Key Performance Indicators must be established to serve as a yardstick for measuring individual and organisational performance. These key performance indicators should include outcomes and the impact of a performance area with regards to a municipality's development priorities and objectives as set out in its IDP.

In light of the above, the Dipaleseng Local Municipality is well underway to following the intent and requirements of legislation and will soon conclude a comprehensive approach on how the system can fulfill obligations to the fullest extent intended by law. During the next phase of implementation narrower attention will be given to IDP and budget alignment, public view on measurement and achievement, the plot of business processes to effectively start to measure the organizational performance into operational expenditure

6. STATUS OF SECTOR PLANS

SECTOR	RESPONSBLE DIRECTORATE	STATUS OF PLAN	STRATEGIC OVERVIEW
Disaster Management Plan	Community Services	Approved	.A plan to prevent disaster from happening or minimizing the impact of such disaster if it cannot be avoided.
Local Economic Development	Planning and Development	Approved	Strategy to create conducive environment for all stakeholders to stimulate economic growth and create decent job opportunities
Human Settlement Plan	Planning and Development	Approved	To prioritized housing needs and coordinate the implementation of affordable housing projects in line with National Housing policy
Spatial Development Framework	Planning and Development	Approved	To make spatial provision for IDP and other strategic planning objectives of Dipaleseng municipality in line with the principle of sustainable development.
Land Use Management	Planning and Development	In progress	To earmark land for specific land uses in terms of current and future zoning.
Integrated Transport Plan	Community Services	Approved	
Integrated Waste Management Plan	Community Services	Approved	
Skills Development Plan	Community Services	Approved	
Environmental Management Plan	Community Services	Approved	
Water Services Development Plan	Infrastructure Services	Approved	

Employment Equity Plan	Corporate Services	Approved	
Storm Water Management Plan	Infrastructure Services	Approved	
Road Infrastructure Plan	Infrastructure Services	Approved	
Workplace Skills Plan	Community Services	Approved	
Performance Management Plan	Community Services	Policy in place	
Risk Management Plan	Community Services	In progress	To identify and put mechanisms in place in order to prevent the risk from impacting on the objects of Council.
Employment Equity Plan	Corporate Services	Approved	To ensure that targets are being set up for transformation of the staff structure of the municipality as in order to reflect the demographic composition of the area

Table 6 Institutional Capacity Institutional Plans

ISSUES	STATUS	ISSUES	STATUS	ISSUES	STATUS
Organisational Structure	Approved	Communication Plan	In Place	Credit Policy	In place
Total Staff Composition	256	Customer Care Strategy	In place	Disaster Management Plan	In process
Filled Position	220	Indigent Policy	In place	Project Management Unit	In place
Job Evaluation	In process	HIV/AIDS Plan	In process	Water Services Development Plan	In place
Financial Plan	In process	PMS	Policy in Place	Environmental Management Plan	In process
Delegations	In place	Financial Delegations	Yes CFO	Skills Development Plan	In place

Employment Equity Plan	In place	Audit Committee	Currently being re – established	Supply Chain Policy	In place
Web side	In process	LED Strategy	In place	Housing Chapters	In place
IDP Process Plan	In place	SDF	In place		

The table above reflects institutional plans of the Municipality and gives indication of programmes that the Municipality managed to get in place and those that are not yet in place. The municipality is facing a challenge of developing some programmes due capacity and financial constraints. Financial assistance is therefore required from the District, Department of Local Government and other funding institutions like DBSA to finalise our programmes. Support/assistance from sector Departments with capacity to develop specific programmes will be appreciate

7. PROJECT LIST

7.1 SECTOR DEPARTMENTS PROJECTS AND PROGRAMME FOR 2013/14

All Sector Departments were requested to present their projects and programme for 2013/14 financial year that went with a glaring failure

7.2. GERT SIBANDE PROJECTS FOR 2013/14

Project ID	Project Description	Project Location	Project Objective	KPI'S	Period	Budget Allocation	Source of Funding	Implementing Agency
	Sewer Reticulation Balfour	Balfour	Provision of adequate sanitation	Proper Sanitation	2013/14	0	GSDM	DLM
	Rehabilitation of Roads	Dipaleseng			2013/14	0	MIG	DLM
	Establish of Cemetery G/vlei Ext 1	Grootvlei			2013/14	0	MIG	DLM

7.3 MIG PROJECTS 2013/14

Project ID	Project Description	Project Location	Period	Budget Required	Source of Funding	Implementing Agency
	Sewer Reticulation Balfour	Balfour	2013/14	0	MIG	DLM
	Rehabilitation of Roads	Dipaleseng	2013/14	0	MIG	DLM
	Establish of Cemetery G/vlei Ext 1	Grootvlei	2013/14	0	MIG	DLM
	Installation of 20 High light Mast		2013/14	1657 200	MIG	DLM
	Sewer Network G/vlei/stad	Grootvlei & Greylingstad	2013/14	0	MIG	DLM
	Construction & Rehabilitation Roads	Dipaleseng	2013/14	0	0	

7.4. INTERNAL PROJECTS: FUNDING NOT AVAILABLE

Project ID	Project Description	Project Location	Period	Funding Required	Source of Funding	Implementing Agency
IF:01	Extension of Grave yard in Balfour	Balfour	2013/14	100 000	DLM	DLM
IF:02	Roads Maintenance	Dipaleseng	2013/14	250 000	DLM	DLM
IF:03	Air-conditioning/Heating in Offices	Balfour	2013/14	150 00	DLM	DLM
IF:04	TLB - Backactor	Balfour	2013/14	625 000	DLM	DLM
IF:05	Canopies for 7 Bakkies	Balfour	2013/14	60 000	DLM	DLM
IF:06	Refuse Truck	Dipaleseng	2013/14	825 000	DLM	DLM
IF:07	Alterations to Offices	Balfour	2013/14	85 000	DLM	DLM
IF:08	Furniture &Equipment	Dipaleseng	2013/14	150 000	DLM	DLM
IF:09	Records Management Systems	Balfour	2013/14	400 000	DLM	DLM
IF:10	Binding Machine	Balfour	2013/14	85 000	DLM	DLM

7.5 LIST OF MUNICIPAL PROJECTS AND PROGRAMMES ON THE KEY PERFORMANCE AREA

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT ALLOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
BASIC SERVICE DELIVERY	ROADS AND STORM WATER	RI 01	To ensure that all Residents and roads Users have a safe and reliable roads and storm water drainage.	The Public road(s)that is/are accident and dust free, smooth textured, driveable	Extend Paving Programme to Erskine Str Linking with Sebeloane Str	Ward 3	GSDM	1000 000	0	0
		RI 02	To ensure that all Residents and roads Users have a safe and reliable roads and storm water drainage.	The Public road(s)that is/are accident and dust free, smooth textured, driveable	Develop Master Storm Water Plan	All Wards	GSDM	450 000	0	0
		RI 03	To ensure that all residents and roads Users have a safe and reliable roads and storm water drainage	The Public road(s)that is/are accident and dust free, smooth textured, driveable	General Road Maintenance: Grootvlei	Ward 5	GSDM	400 000	600 000	1000 000

KPA	FOCUS AREA	PROJE CT ID	DEVELOPMENT AL OBJECTIVES	KEY PERFORMANC E INDICATOR	PROJECT DESCRIPTION	PROJECT ALLOCATI ON	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
BASIC SERVICE DELIVERY	ROADS AND STORM WATER	RI 06	To ensure that all Residents and roads Users have a safe and reliable roads and storm water drainage.	The Public road(s)that is/are accident and dust free, smooth textured, driveable	Implement Paving/Stormwater Programme on all Streets in Ward 01	Ward 01	GSDM	0	0	38 000 000
		RI 07	To ensure that all Residents and roads Users have a safe and reliable roads and storm water drainage.	The Public road(s)that is/are accident and dust free, smooth textured, driveable	Implement Paving/Stormwater Programme on all Streets in Ward 02	Ward 02	GSDM	0	0	34 000 000
		RI 08	To ensure that all residents and roads Users have a safe and reliable roads and storm water drainage	The Public road(s)that is/are accident and dust free, smooth textured, driveable	Implement Paving/Stormwater Programme on all Streets in Ward 03	Ward 03	GSDM	0	0	44 000 000
		RI 09	To ensure that all residents and roads Users have a safe and reliable roads and storm water drainage	The Public road[s] that is/are accident and dust free, smooth textured, driveable	Implement Paving/Stormwater Programme on all Streets in Ward 04 &05	Ward 04 &05	GSDM	0	0	38 000 000
			RI 10	To ensure that all Residents and roads Users have a safe and reliable roads and storm water drainage	The Public road(s)that is/are accident and dust free, smooth textured, driveable	Implement Paving/Stormwater Programme on all Streets in Ward 06	Ward 06	SASOL	10M	0

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT ALLOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
	WATER	WS 02	To provide clean and Quality water for all the residents including rural Communities	A community that has clean and purified water provided at least at a minimum RDP standard	Water Reticulation to Informal Area 700	Ward 05	GSDM	0	0	0
		WS 03	To provide clean and Quality water for all the residents including rural Communities	A community that has clean and purified water provided at least at a minimum RDP standard	Provision of Boreholes Rural Community	Ward 3,5 & 6	GSDM	1 000 000	1 000 000	1 000 000
		WS 04	To provide clean and Quality water for all the residents including rural Communities	A community that has clean and purified water provided at least at a minimum RDP standard	New WTP G/stad [Phase 1]	Ward 06	SASOL	10M	0	0

		SI 02	To provide safe, quality and standardized system to each household	A community that has safe hygienic system provided at a minimum RDP standard	Sewer Reticulation & Maintenance	All Wards	GSDM	0	0	0
		SI 03	To provide safe, quality and standardized system to each household	A community that has safe hygienic system provided at a minimum RDP standard	Sewer Reticulation 700 H/H Ext 1	Ward 05	GSDM	0	0	0

		EI 09	To install and provide electricity to this households as per the needs identified	An Infrastructure that will systematically improve the lives of ordinary	Massive Electrification of Households	Rural	DoE	0	0	0
		SI 04	To provide safe, quality and standardized system to each household	A community that has safe hygienic system provided at a minimum RDP standard	Sewer Reticulation	Ward 06	GSDM	0	0	0

								2013/2014	2014/2015	2015/2016
BASIC SERVICE DELIVERY	MUNICIPAL FACILITIES	MF 01	To provide adequate budget for operations & maintenance	Improved and good working recreational environment	Upgrade Phase 1 Sport Complex	Ward 1 & 5	GSDM	0	0	0
		MF 02	To provide adequate budget for operations & maintenance	Improved and good working recreational	Renovation of Public facilities	All Wards	GSDM	0	0	0
		MF 03	To provide adequate budget for operations & maintenance	Improved and good working recreational	Purchase of additional: 600 chairs and 300 Tables:[TSC]	Ward 04	GSDM	0	0	0

		MF 04	To provide adequate budget for operations & maintenance	Improved and good working recreational	Build new MPCC,S [TSC]	Ward 5 &6	GSDM	0	0	0
		MF 05	To provide adequate budget for operations & maintenance	Improved and good working recreational	Extent additional Offices to Accommodate all Service Providers :Siyathemba-[TSC]	Ward 04	GSDM	0	0	0

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT ALLOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
BASIC SERVICE DELIVERY	LAND DEVELOPMENT PLANNING	LD 01	Formalised all informal settlement by the way of tenure upgrading	Improve Right of tenureship	Development Planning Capacity	All Wards	GSDM	500 000	300 000	450 000
		LD 02	Redemarcate all public spaces	Provision of erven for churches & Business	Re-survey	DLM	DLM	0	0	0
		LD 03	To provide Adequate budget for operations & maintenance	Improved and good working recreational	Development of Settlement Database	All Wards	DLM	0	0	0
		LD 04	To provide adequate budget for operations & maintenance	Improved and good working recreational	Land Use Management System	All Wards	GSDM	0	0	0
		LD 05	Transfer of Residential Erven to ownership	Transfer of Residential Erven to ownership	All Wards	DLM	GSDM	0	0	0

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT ALLOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
LOCAL ECONOMIC DEVELOPMENT	LED Programme	LED 01			Operationalise Mushroom	Nthorwane	DLM	0	0	0
		LED 02			Waste Management Project-Burnstone	Balfour	GBS	0	0	0
		LED 03			Facilitate the Establishment of Local Radio Station	DLM	ICASA	0	0	0
		LED 04			Establish Brick Plant	Balfour	DLM	0	0	0
		LED 05			Car wash Facility	Balfour	DLM	0	0	0

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT ALLOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
WASTE MANAGEMENT	WASTE MANAGEMENT	SW 01	Provide an efficient & sustainable waste removal services	Maximize the participation of community by involvement	Identify and Develop Waste Disposal Site	DLM	GSDM	44 00000	0	0
		SW 02	To provide people with alternative facilities for waste storage or disposal facilities	Reduced water contamination, wind and blown litter	Purchase Compactor Truck	All Wards	DLM	0	0	0
		SW 03	Accelerate the rate of recycling	Rehabilitate the illegal dumpsite	Purchase Waste Removal Trucks	Ward 04	GSDM	0	0	0
		SW 04	Provide an efficient & sustainable waste removal services	Reduction in illegal dumpsite & littering	Provision of Refuse Bins	All Wards	GSDM	0	0	0
		SW 05	Provide a safe working environment for personnel	Change the landscaping of the dumpsite	Register all Waste Disposal Sites	DLM	GSDM	0	0	0

PROGRAMMES AND PROJECTS WITHOUT FUNDING

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT ALLOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
BASIC SERVICE DELIVERY	HIV/AIDS	HA 01	To have an informed community on the issues of HIV/AIDS	Educating communities on all issues of HIV/AIDS	Workshops, Seminars, Events and family visits	All Wards	GSDM	0	0	0
			To give support to the orphans and those affected	A shelter for the vulnerable orphans	Multiple purpose Centre for Hospice, Orphanage home and old age home	All Wards	DLM	0	0	0
			Ensure access to high learning centres education	FET Scholarship	Identify and develop centre for high learning	All Wards	DLM	0	0	0
	To Discourage Stigma so that People Infected may Voluntarily Disclose		To stream line HIV/AIDS programmes	Involvement & Strengthening in the local Aids Council.	Develop programmes and projects for HIV/AIDS	All Wards	GSDM	0	0	0

PROGRAMMES AND PROJECTS WITHOUT FUNDING

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT ALLOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
							2013/2014	2014/2015	2015/2016
BASIC SERVICE DELIVERY	BUSINESS ADMINISTRATION AND LICENCING	BR 01	To educate people on how to apply and register their business to the Municipality	To reduce a high number of businesses those are trading illegally.	All Wards	GSDM	0	0	0
		BR 02	To reduce street vendors that are operating Balfour	To build the Market Stalls	Ward 03	DLM	0	0	0
	LIBRARY SERVICES	BR 03	Development of Youth	To promote reading culture	Ward 1,3,5&6	DLM	0	0	0
		BR 04	To make information accessible	Assisting the learner about carriers	Ward 1 &3	GSDM	0	0	0
		BR 05	Make awareness of career pathing	Youth Development	Ward 1&3	GSDM	0	0	0
		BR 06	Encouraging the reading culture		Ward 1&3	GSDM	0	0	0
				Control Borrow Pit and sand mining.	Appoint environmental Monitors.	DLM	DLM	0	0

		Control Borrow Pit and sand mining.	Appoint environmental Monitors.	DLM	DLM	0	0	0
	Performance Management System	To phase in the PMS to all Municipal employees	Performance contracts signed with Heads of Sections	Develop Performance Management System	DLM	0	0	0
	Organizational Structure Review	To review the Municipal organogram to accommodate all Municipal functions	Organisational structure in place and approved by Council	Organisational Structure	DLM	0	0	0
	Bursary Scheme	To provide assistance to previously disadvantaged and deserving community members with study funds	Bursaries awarded to deserving Learners	Bursary Scheme	DLM	0	0	0

Municipal Transformation and Organisation Development

KPA	KEY FOCUS AREA	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT LOCATION	SOURCE OF FUNDING	Performance Target Key Financial Year		
							2013/2014	2014/2015	2015/2016
	Employee Wellness Programme	To ensure the wellness of all Employees	Employees well is improved.	Develop relevant Employee Assistance Programmes.	DLM	DLM	0	0	0
	Annual IDP Review	To ensure Compliance with the MSA	IDP Credibility status improved	Develop credible IDP	DLM	DLM	150 000	200 000	280 000

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPA	KEY FOCUS AREA	Developmental OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT LOCATION	SOURCE OF FUNDING	Performance Target Key Financial Year		
							2013/2014	2014/2015	2015/2016
FINANCIAL VIABILITY AND MANAGEMENT	BUDGET MANAGMENT	To compile Annual Financial Statements	Compiling AFS	Annual Financial Statements	DLM	DLM	0	0	0
		To compile annual budget	Budget document	Compiling Annual Budget	DLM	DL M	0	0	0
		To Procure the Services of Sign Language Interpreter	Appointment Letter	Acquired Service of the Interpreter	DLM	DLM	0	0	0
		To Conduct Training and Workshop on Reporting Format	Training	Attendance Register	DLM	DLM	0	0	0
	SUPPLY CHAIN MANAGMENT	To Review Supply Chain Management Policy	Reviewing SCM Policy	Reviewed SCM Policy	DLM	DLM	0	0	0

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

KPA	KEY FOCUS AREA	Developmental Objectives	Key Performance Indicator	Project Description	Project Location	Source of Funding	Performance Target Key Financial Year		
							2013/2014	2014/2015	2015/2016
MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT		To workshop bidders/suppliers on bidding/quotation Processes.	Reports/Minutes	Workshoping Bidders/Suppliers	DLM	DLM	Opex	Opex	Opex
	REVENUE MANAGEMENT	To revise the tariff structure of the municipality	Revised tariff Policy	Revision of Tariff Structure	DLM	DLM	Opex	Opex	Opex
		To engage the relevant department in the existence of Pay-Points	Pay Point Structure	Construction and renovation and buying mobile offices of the Pay Point	DLM	DLM	Opex	Opex	Opex
	DEBT MANAGEMENT	To update Indigent Register	Updated Indigent Register	Updating of Indigent Register	DLM	DLM	Opex	Opex	Opex
		To Implement a Credit Control Policy	Implementation of Credit Control Policy	Control report and ageing Report	DLM	DLM	Opex	Opex	Opex
		Pilot billing and activation of water meter in all AREAS that have meters	Billing and water meter activating	Consumer Trial Balance	DLM	DLM	Opex	Opex	Opex

SPECIAL FOCUS: TRANSVERSAL & YOUTH

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT LOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
SPECIAL FOCUS	TRANSVERSAL	SP 01	L.E.D Workshop	Economic Development	L.E.D Workshop	DLM	DLM	Opex	Opex	Opex
		SP 02	HIV/AIDS awareness	HIV/AIDS awareness	Women with HIV/AIDS	DLM	DLM	Opex	Opex	Opex
		SP 03	Participation of Women, Elderly, Children and Person living with disability development	Development of women, Elderly, Children and person living with disability on youth issues	Women, Elderly, Children and person living with disability summit/Indaba	DLM	DLM	Opex	Opex	Opex
		SP 04	Orphanage home and old age awareness	Shelter for the needs	Shelter awareness	DLM	DLM	Opex	Opex	Opex
		SP 05	Women in social	Bring back the ubuntu	Moral regeneration	DLM	DLM	Opex	Opex	Opex
		SP 06	Women in Sport	Encouraging women to participate in sports, recreation, cultural activities	Women Month	DLM	DLM	Opex	Opex	Opex

KPA	FOCUS AREA	PROJECT ID	DEVELOPMENTAL OBJECTIVES	KEY PERFORMANCE INDICATOR	PROJECT DESCRIPTION	PROJECT LOCATION	SOURCE OF FUNDING	PERFORMANCE TARGET KEY FINANCIAL YEAR		
								2013/2014	2014/2015	2015/2016
SPECIAL FOCUS	YOUTH DEVELOPMENT	SP 09	Participation of youth in sports and art performance	Encouraging youth to participate in sports, recreation, cultural activities and art performance	Youth festival	DLM	DLM	0	0	0
		SP 10	Participation of youth for youth development	Youth Summit/Indaba	Youth in dialogue	DLM	DLM	0	0	0
		SP 11	HIV/AIDS awareness	Youth with HIV/AIDS	Dipaleseng Youth	DLM	DLM	0	0	0
		SP 12	Youth in Business	Youth awards	Youth awards	DLM	DLM	0	0	0
		SP 08	Career Guidance for Grade 10,11 and 12	To assist Learners with Correct Career Pathing	Career Expo	DLM	DLM	0	0	0

