

# FINAL IDP 2013/2014



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governance"



**LEKWA MUNICIPALITY  
INTEGRATED  
DEVELOPMENT PLAN  
(IDP) FOR FINANCIAL  
YEAR 2013/2014**

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## ACRONYMS

ABET	Adult Based Education and Training
AIDS	Acquired Immune Deficiency Syndrome
CBO's	Community Based Organizations
CETA	Construction Education and Training Authority
CHBC	Community Home Based Care
CMIP	Consolidated Municipal Infrastructure Programme
COGTA	Department of Cooperative Governance and Traditional Affairs
CPTR	Current Public Transport Record
DBSA	Development Bank of South Africa
DEDET	Department of Environment, Development Economic and Tourism
DAC	District AIDS Council
DALA	Department of Agriculture and Land Administration
DIHS	Department of Integrated Human Settlement
DTI	Department of Trade and Industry
DM	District Municipality
DMA	District management Area
DME	Department of Minerals and Energy
DPW	Department of Public Works
DWA	Department of Water Affairs
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
EIP	Environmental Implementation Plan
EHS	Environmental Health Services
EMP	Environmental Management Plan
EMS	Environmental Management System
EPWP	Expanded Public Works Programme
FBS	Free basic Services
FBE	Free Basic Electricity
FPA	Fire Protection Association

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GIS	Geographic Information System
GSDM	Gert Sibande District Municipality
HDI	Human Development Index
HOD	Head of Department
IDP	Integrated Development Planning
IGR	Intergovernmental Relations
IEM	Integrated Environmental Management
IMEP	Integrated Municipal Environmental Programme
IWMP	Integrated Waste Management Plan
IS	Information System
IT	Information Technology
ITP	Integrated Transport Plan
KPA	Key Performance Area
KPI	Key Performance Indicator
LDO	Land Development Objective
LED	Local Economic Development
LLM	Lekwa Local Municipality
LRAD	Land Redistribution for Agricultural Development
LUMS	Land Use Management System
MAM	Multi Agency Mechanism
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act
MHS	Municipal Health Services
MIG	Municipal Infrastructure Grant
MPCC	Multi Purpose Community Centers
MSIG	Municipal Systems Improvement Grant
MSP	Master Systems Plan
NEMA	National Environmental Management Act
NEPAD	New Partnership for Africa’s Development
NER	National Electricity Regulator

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NGO	Non-Governmental Organization
NSDP	National Spatial Development Perspective
NWMS	National Waste Management Strategy
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PMS	Performance Management System
REDS	Regional Electricity Distribution System
SABS	South Africa Bureau of Standards
SACOB	South Africa Chamber of Business
SALGA	South Africa Local Government Association
SANAC	South African National AIDS Council
SANCO	South Africa National Civic Organization
SAPS	South African Police Service
SETA	Sector Education Training Authority
SDF	Spatial Development Framework
SLA	Service Level Agreement
SOER	State of the Environment Report
WSA	Water Services Authorities
IWSDP	Integrated Water Services Development Plan
SOE	State Owned Enterprise

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## FOREWORD BY THE EXECUTIVE MAYOR



Standerton- Once more as the Executive Mayor of Lekwa Local Municipality Cllr Caroline Morajane will deliver the 2013/14 Budget Speech in the Town Hall of Standerton. The Budget also reflects on the state of the Municipality in relation to performance on commitments made in the past 2012/13 financial year.

The budget and IDP were presented following strings of continuous engagements with the community in a ward basis. The speech will reflect on the successes, challenges and lessons learned in the past financial year. More than 2000 job opportunities were created through various projects such as the Vlakfontein canal refurbishment in Ward 12, Noble Resources construction phase, the construction of the dam in Thuthukani, reconstruction of R23 Road between Amersfoort and Morgenzon, shopping mall in Rooikoppen. A planned shopping mall in Walter Sisulu Drive will create more jobs for the local people of the community.

**Skills Development** has benefited 34 deserving students various skills areas such as electrical, plumbing, mechanical, fire rescue and finance just to mention but few. On Public service delivery, she stated that the population has increased since 2011 to 115 662 and clean piped water is reaching about 26 900 households with electricity supply increasing by the day. Water and sanitation has seen developers have been appointed to develop Standerton Ext 8 which will have 4300 residential sites consisting of mixed development, catering for RDP housing units as well as middle to high income earners.

**HIV/AIDS** remains a high life threatening disease. According to Stats SA, Mpumalanga is the second highest province in terms of HIV; Gert Sibande District has the highest prevalence with Lekwa ranking as highest in from 2010. The Mayor called for a joint effort from both government and private sector to fight the disease. For promotion of community participation the municipality has approved the Ward Committee system.

On more effective accountable and clean local government, Lekwa Local Municipality received yet another negative audit outcome. To counter this; the Municipality has developed an audit action-plan which will monitor the negative audit findings. The main focus will be on opening balances, assets register and valuation



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rolls. Plans and structures include an established functional Municipal Accounts Committee, a staffed Internal Audit Unit. A Fraud Prevention Plan is in place and appointment of competent officials is on its way.

The Mayor conceded that there are challenges including ageing infrastructure on electrical, water and sanitation appliances which led to continuous interruption of electricity and water supply in areas such as Stanfield Hill, both wards 5, 7 and Sakhile. The proposed tariff increase for 2013/14 is as follows:

Electricity -7, 03 %

Water -5, 6%

Refuse -5, 6%

Sewerage-5, 6 %

Cementries-5, 6%

Rental of facilities-5, 6%

And Property rates 5, 6%

The estimated income is R449, 3 million excluding capital transfers and contributions.

Expenditure will total to R606.8 million.

**Transversal issues;** HIV/AIDS R200 000, Mayoral Cup R250 000, Rights of Children R50 000, youth development R400 000, bursaries R300 000 public participation and Ward Committees R1, 6 million.

Capital projects ; Waste Water treatment –R14,8 million, gravelling of roads within Lekwa –R2 million, installation of sanitation for 53 households in ward 11-R1.2 million, construction of multi-purpose community hall in ward 11, R7 million, sporting facility in Ward 15 R2 million replacement of AC pipes in Lekwa R6,2 million, installation of mast lights in Lekwa R2 million, refurbishment and upgrading Standerton landfill site phase 3- R2million , conducting a ground water study in rural areas R800 000, beautification of parks in Azalea R1 million , electrification of 93 farm dwellers houses R2.2 million, Upgrading of water treatment works R4.2 million, upgrading of the Grootdraai Dam R3 million, upgrading of the River Park R1 million , completion of construction of 10 megalitre reservoir R2,000 total capital projects amount to R59.1 million.

The Mayor signed a partnership pledge with some organizations present under the theme which says ‘My municipality my future’

.....  
EXECUTIVE MAYOR

CLLR CM MORAJANE

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## OVERVIEW BY MUNICIPAL MANAGER



As the Municipal Manager of this institution, I have observed with meticulously eye that there are issues which the municipality must tackle with immediate attention. This document will aim at nothing but to the eight key points, if we are to do away with underservice delivery intentions.

### 1. Operation clean Audit 2014

There are three broad areas that the Auditor General identified as critical in the achievement of favorable audit outcomes, namely **leadership** (both political and administrative), **governance**, and **financial management**

**With Leadership the municipality will focus on;** Integrated Development Plans, Ward Committees, Financial Planning, Indigent Policies and Free Basic Services

**With regards to Governance;** Performance Management, MPACs, Audit Committees/ Internal Audit and Institutional Issues

**And finally, Financial management;** Asset Management and Record Management policies

“Thus what enables the wise sovereign and the good general to strike and conquer, and achieve things beyond reach of ordinary men, is foreknowledge- The end being the beginning” *This emphasizes what in particular?*

That there are matters the AG observed which impact negatively in the in achieving a clean audit but not really part of proposed activities. These prove to be the following;

- ✓ Clear trail of supporting document available and provided timely
- ✓ Quality of financial statements and management information
- ✓ Timelines of submission of AFS complied with
- ✓ Availability of key officials during audits
- ✓ Development of and compliance with risk management and good internal controls
- ✓ Supervision and monitoring

### 2. A Local economy that will create more jobs in Lekwa

Lekwa Municipality needs an economy that is more inclusive, more dynamic and in which the fruits of growth are shared more equitably. The 2013/2014 IDP envisages an economy that serves the needs of all Lekwa people - rich and poor, black and white, skilled and unskilled, those with capital and those without, urban and rural, women and men. In 2030, the local economy should be close to full employment; equip people with the skills they need; ensure that ownership of production is less concentrated and more diverse

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### **3. Improving Local infrastructure**

Our efforts investment should be in economic infrastructure crowds in private investment. Private investment is a function of current and projected growth and profitability. Importantly, it is also a function of mutual trust and confidence in local economic development policies. In recent years, the municipality has favoured consumption over investment. The government's 2011 Medium Term Budget Policy Statement acknowledges this and announces a shift in the composition of expenditure towards infrastructure investment and maintenance, which is absolutely necessary.

### **4. An inclusive and integrated local rural economy**

The economic and social legacy of colonialism and apartheid mean Lekwa's rural areas are characterized by unusually high levels of poverty and joblessness, with very limited employment in agriculture. The apartheid system forced much of the Lekwa population into rural reserves. The result was an advanced and diversified commercial farming sector relying on poorly paid farm labour, and impoverished, densely populated Sakhile communities with limited economic opportunities and minimal government services.

### **5. Reversing the spatial effects of apartheid**

Settlement patterns in lekwa should meet the needs and preferences of Greater lekwa population, taking into account broader social, environmental and economic interests. Travel distances need to be shorter. This means ensuring that a larger proportion of workers live closer to their places of work in Standerton CBD, and that public transport is safe, reliable, affordable and energy efficient. It means building denser and more live able communities like the new Selection Part called Standerton Ext 8. In rural areas, settlement patterns must balance the social, cultural and agricultural needs of families with the need to provide cost-effective services to households.

### **6. Improving the quality of education, training and innovation**

By 2030, Lekwa needs an education system with the following attributes:

- High-quality early childhood education, with access rates exceeding 90 per cent.
- Quality school education, with globally competitive literacy and numeracy standards.
- Further and higher education and training that enables people to fulfil their potential.
- An expanding higher education sector that is able to contribute towards rising incomes, higher productivity and the shift to a more knowledge-intensive local economy.
- A wider system of innovation that links key public institutions (FET's, universities and Agricultural councils) with areas of the economy consistent with our economic priorities.

### **7. Building safer communities**

By 2030, people living in Lekwa should feel safe and have no fear of crime. Women and children and all vulnerable groups should feel protected. They should have confidence in the criminal justice system to effectively apprehend and prosecute criminals who violate individual and community safety. The South African Police Service and Lekwa Traffic police should be a professional institution staffed by skilled, disciplined, ethical individuals who value their work and serve the communities at large.

### **8. Fighting corruption**

Fight against corruption in the municipality has to be fought on three fronts: deterrence, prevention and education. Deterrence helps people understand that they are likely to get caught and punished. Prevention is about systems (information, audit and so on) that make it hard to engage in corrupt acts. The social dimensions of corruption can only be tackled by focusing on values, through education. Lekwa municipality has some, but not all, of these elements in place. The municipality's procurement policies blur the line in matters of corruption. Multiple and sometimes contradictory objectives lead to poor value for money and make corruption easier.

The key ingredients for success are:

- The active efforts of all Lekwa people
- Growth, investment and employment
- Rising standards of education and a healthy population
- An effective and capable Lekwa municipality

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- Collaboration between the private and public sectors
- Leadership from all sectors of Lekwa.

The municipality we seek to build by 2030 is just, fair, prosperous and equitable. Most of all, it is a society that each and every person in Lekwa can proudly call home.

*“Whoever is first in the field and awaits the coming of the enemy and will be fresh for the fight, whoever is second in the field and to hasten to battle, will arrive exhausted.” Sun Tzu, **When do we start preparing for our financials?** “For should we strengthen our van, we will weaken our rear, should we strengthen our rear, we will weaken our van; should we strengthen our left, we will weaken our right, should we strengthen our right we will weaken our left. If we send reinforcements everywhere, we will everywhere be weak.” adapted from **Sun Tzu, What must we therefore do?***

With the above mentioned development paradigms we shall stop at nothing to deliver service to our communities; and in a nutshell, we are saying, “no individual, persons, professionals, priests, teacher and/or a politician, nor president nor a premier can deliver service to our communities alone, but working together in partnerships, we can meet the expectations of our greater communities in terms service delivery”

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**Municipal Manager**

**MR. L.B TSHABALALA**

# CHAPTER: ONE

## 1 INTRODUCTION

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### 1.1 IDP STRUCTURE

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**CHAPTER 1** of the Lekwa Local Municipality’s IDP provides some background information pertaining to the concept of Integrated Development Planning, the legal context thereof, and the institutional structures and methodology followed in the formulation of Lekwa Integrated Development Plan.

**CHAPTER 2** describes Lekwa Local Municipality in national, provincial and local context and those development paradigms that affect local municipality plans. It comprises a brief summary of national and provincial development policy guidelines which direct the Municipal Strategic Focus Areas

**CHAPTER 3** represents a multi-sectoral situational analysis highlighting some of the most salient features and key challenges of the municipality and progress made in addressing the key challenges. It also provides a brief summary of the priority issues reported by communities in the various Wards of the municipality.

**CHAPTER 4** reflects on the “Vision” and “Mission” and Strategic Focus Areas of the Lekwa Municipality. It also includes the Municipal Spatial Development Framework.

**CHAPTER 5** reflects a synopsis of the various Strategic Objectives, Programmes and Projects aimed at addressing the priority issues identified in the municipal area.

**CHAPTER 6** contains an executive summary of the Performance Management System (PMS) of the Municipality

**CHAPTER 7** Contains Good governance and Public participation

**CHAPTER 8** give a physical manifestation of potential local economic development areas for the municipality regarding, where they should focus local economy.

**CHAPTER 9** reflects all the sector plans and/or programmes available in order to implement the IDP efficiently and effectively.

### 1.2 INTEGRATED DEVELOPMENT PLANNING (IDP) PROCESSES AND PROCEDURES

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

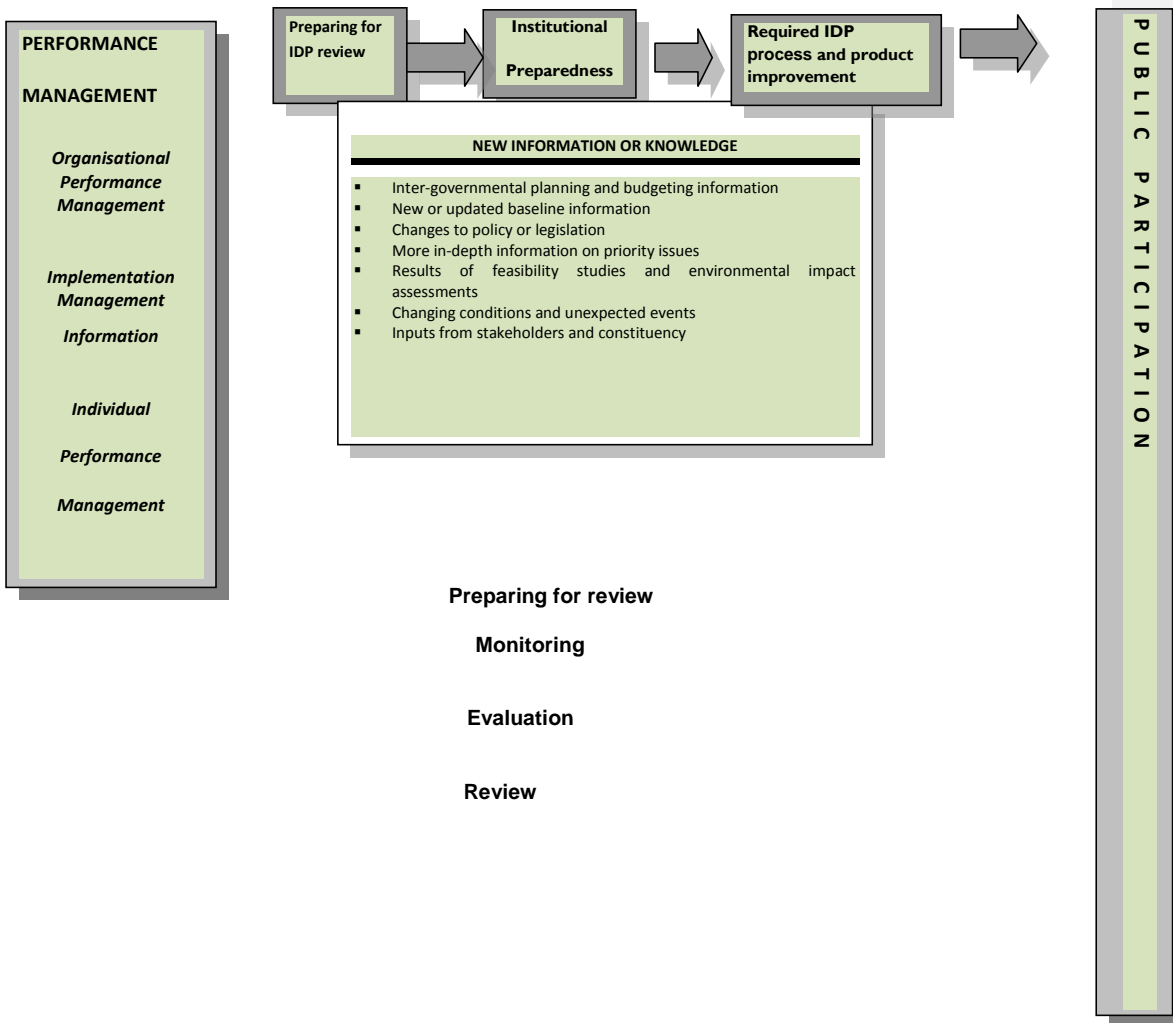
It will be noted that, in terms of section 34 of the Local Government: Municipal Systems Act, No. 32 of 2000, all municipalities are required to review their Integrated Development Plans (IDP’s) on an five year basis (and to the extent that changing circumstances, needs and demands) - in accordance with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

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

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

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## IDP Review Process



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In terms of section 28 of the Local Government: Municipal Systems Act, No. 32 of 2000, all municipalities are required to adopt an IDP Review Plan. The municipality has complied with this requirement, with Council having to adopt a Process Plan (entitled Integrated Development Plan [IDP]: Process Plan for the IDP Review 2013/2014. Once again the focus of the review has been on fine-tuning programmes and projects to align with:

Comment [k1]:

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

#### The 2013-2014 IDP Review process can be summarized as follows

- The commencement of the 2013/2014 IDP Review process was publicized following its approval by Council on November 2012.
- **PHASE 1 & 2: Implementation Monitoring, Review and confirmation of Development Priority Issues**
- Assess 2012/13 IDP Process/ Content
- Council Approval & Advertisement of the IDP & Budget Process
- Constitution of the IDP Structures: 1<sup>st</sup> IDP RF
- Analysis, amendment and confirmation of Development issues from the 2012/13 IDP
- Review and Confirm objectives and Strategies
- **PHASE 3 & 4 : Review, Amend/Confirm Objectives, Strategies and Projects**
- Prepare Draft IDP elements to include into the Draft Provincial 3 year MTEF's.
- Provide project / priority inputs into the Provincial MTEF process (workshops / meetings/bi-laterals, etc)
- 2<sup>ND</sup> IDP RF to Review IDP documentation: Municipal identified aspects (i.e. Objectives, Strategies and Projects)
- Input IDP Review Projects (alignment of IDP Review) to the Municipal budgeting process – ensure alignment.
- Adoption of the 2013/14 Draft IDP:
- 3<sup>rd</sup> IDP Representative Forum to Consider Draft IDP, and consolidated inputs from Provincial and National Departments
- Convening of the Municipal Planning Alignment Summit
- 21 Days advertisement for public comments
- Public Participation
- Ensure IDP, Budget and PMS alignment
- Submit 2013/14 Draft IDP to Provincial COGTA for credibility assessments
- Consider inputs from the 2012/2013 IDP credibility assessments process
- 4<sup>th</sup> IDP RF to Final confirmation and amendment of Sector Plans, programmes and projects
- Executive Mayor table Final 2013/14 IDP before Council for approval
- Submit a copy of the Finale 2013/14 IDP 10 days upon approval by Council to the MEC of Provincial COGTA.
- Notify the Public of the approval of the Final 2013/14 IDP Budget by Council within 14 days upon approval

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## Organizational Arrangements for Organized Public Participation

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

NO.	ROLE PLAYERS	ROLES AND RESPONSIBILITIES
1.	Municipal Council	<ul style="list-style-type: none"> <li>The Council will approve the reviewed IDP.</li> <li>Will consider the Framework/Process Plan which should set out the process for the new IDP cycle.</li> </ul>
2.	Executive Mayor and Mayoral Committee	<p>The Mayoral Committee must:</p> <ul style="list-style-type: none"> <li>Decide on the Process Plan for IDP Review</li> <li>Responsible for overall management, co-ordination and monitoring of the review process, and may assign responsibilities to the Municipal Manager</li> <li>Submit reviewed IDP framework and draft IDP to Council</li> <li>Develop terms and criteria for Representative Forum.</li> <li>Give political direction</li> </ul>
3.	Municipal Manager with delegated powers to the IDP Manager	<p>The Municipal Manager is responsible for the management and co-ordination of the preparation of the IDP process which include but not limited to the following:</p> <ul style="list-style-type: none"> <li>Responsible for the day to day management of the planning process plan and ensuring that timeframes are being adhered to and resources are managed effectively and efficiently;</li> <li>Co-ordinate the involvement of all different role players;</li> <li>Ensuring the horizontal and vertical alignment in the planning process, including Sectors;</li> <li>Ensure that the links between the processes of performance management, monitoring, evaluation and review are maintained;</li> <li>Ensuring compliance with National and Provincial requirements and legislations;</li> <li>Ensure appropriate participation of all the relevant Stakeholders;</li> <li>Ensure proper documentation of outcomes;</li> <li>Chairing the Steering Committee, Technical Committee; and</li> <li>Management of Service Providers</li> </ul>
4.	IDP Steering Committee	<ul style="list-style-type: none"> <li>Framework/Process Plan management structure;</li> <li>Allocation of duties and monitoring;</li> <li>Overall management including the appointment of technical consultants;</li> <li>Decision on roles and responsibilities;</li> <li>Commission research studies and recommend appointment of service providers;</li> <li>Decide on matters to be referred to Technical Committee for alignment and integration purposes.</li> </ul>
5.	IDP Representative Forum	<ul style="list-style-type: none"> <li>The Executive Mayor or Representative chairs the forum meetings.</li> <li>Constituted of the Executive Mayor/IDP manager//CBO's/NGO's/Business Forum/ Community Forum/Youth /Woman/ Disabled Org./ Political parties /Traditional Leadership</li> <li>This Forum consist of community participation structure/stakeholders in their respective organizations, to represent the interests of all stakeholders and ensure proper communication to guarantee representative and collaborative participation during the review process;</li> <li>Will provide an organizational mechanisms for discussion, negotiations and decision making between stakeholders including municipalities and government departments during the Municipal process;</li> <li>Monitor the performance of the planning and implementation process.</li> <li>Make recommendations to the council on planning and development priorities.</li> </ul>
6.	IDP Technical Committee	<ul style="list-style-type: none"> <li>Will be chaired by the Municipal Manager or a designated Official. Consists of the Municipal Manager or Heads of Departments as well as Divisional Managers.</li> <li>Will deal with matters relevant and relating to District wide issues;</li> <li>Consider District wide programs and integration to PGDS;</li> <li>Consider and advise the IDP Representative Forum on the evaluation of sector plans;</li> <li>Attend to the alignment of the IDP to that of the GSDM</li> <li>Deliberate on inter-sectoral programmes and recommends to the Representative Forum;</li> <li>Give advice and foster sectoral alignment; and</li> <li>Will timeously report on progress which will then be forwarded to the Steering Committee</li> </ul>



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## Distribution of Roles and Responsibilities (Internally and Externally)

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

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### 1.3 LEGISLATIVE CONTEXT

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#### **CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA,**

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

- 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.

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

#### **MUNICIPAL SYSTEMS ACT (ACT 32 OF 2000)**

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

- (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;*
- (b) aligns the resources and capacity of the municipality with the implementation of the plan;*
- (c) forms the policy framework and general basis on which annual budgets must be based;*
- (d) complies with the provisions of this Chapter; and*
- (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation”.*

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

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

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

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

Section 36 furthermore stipulates that –

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

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

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## **INTER-GOVERNMENTAL PLANNING**

Section 41(1) of the Constitution contains the principles of co-operative government and inter-governmental relations. Accordingly Section 41(1) determines that; all spheres of government and all organs of state within each sphere must -

- a. preserve 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; and
  - h. co-operate with one another in mutual trust and good faith by –
    - i. fostering friendly relations;
    - ii. assisting and supporting one another;
    - iii. 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 co-operative governance means that national, provincial and local government should work together to provide citizens with a comprehensive package of services.

## CHAPTER: TWO

### 2 NATIONAL, PROVINCIAL AND REGIONAL POLICY FRAMEWORK AFFECTING LOCAL GOVERNANCE PLANNING

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#### 2.1 National Development Plan 2030

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*The National Development Plan is a plan for the country to eliminate poverty and reduce inequality by 2030 through uniting South Africans;*

- *unleashing the energies of its citizens,*
- *growing an inclusive economy,*
- *building capabilities,*
- *enhancing the capability of the state and leaders working together to solve complex problems*

##### High-level objectives to be achieved by 2030

- Reduce the number of people who live in households with a monthly income below R419 per person (in 2009 prices) from 39 % to zero.
- Reduce inequality, as measured by the [Gini coefficient](#), from 0.69 to 0.6.

To make meaningful progress in eliminating poverty and reducing inequality, South Africa needs to write a new story. The National Planning Commission envisions a South Africa where opportunity is determined not by birth, but by ability, education and hard work. Above all, we need to improve the quality of education and ensure that more people are working. We need to make the most of all our people, their goodwill, skills and resources. This will spark a cycle of development that expand opportunities, builds capabilities and raises living standards. We cannot continue with business as usual. We need to change the way we do things; the sooner we do this, the better.

##### Enabling milestones

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- Increase the share of national income of the bottom 40% from 6% to 10%.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices.

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- Realise a food trade surplus, with one-third produced by small-scale farmers or households.
- Ensure household food and nutrition security.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity.
- Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

**Critical actions**

1. A social compact to reduce poverty and inequality, and raise employment and investment.
2. A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
3. Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.
4. Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
5. An education accountability chain, with lines of responsibility from state to classroom.
6. Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
7. Public infrastructure investment at 10% of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
8. Interventions to ensure environmental sustainability and resilience to future shocks.
9. New spatial norms and standards – demystifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
10. Reduce crime by strengthening criminal justice and improving community environments.

**Building a future for South Africa's youth**

South Africa has an urbanising, youthful population. This presents an opportunity to boost economic growth, increase employment and reduce poverty. The Commission, recognising that young people bear the brunt of unemployment, adopted a "youth lens" in preparing its proposals, which include:

- A nutrition intervention for pregnant women and young children.
- Universal access to two years of early childhood development.
- Improve the school system, including increasing the number of students achieving above 50% in literacy and mathematics, increasing learner retention rates to 90% and bolstering teacher training.
- Strengthen youth service programmes and introduce new, community-based programmes to offer young people life-skills training, entrepreneurship training and opportunities to participate in community development programmes.
- Strengthen and expand the number of further education and training (FET) colleges to increase the participation rate to 25%
- Increase the graduation rate of FET colleges to 75%
- Provide full funding assistance covering tuition, books, accommodation and living allowance to students from poor families.
- Develop community safety centres to prevent crime and include youth in these initiatives.
- A tax incentive to employers to reduce the initial cost of hiring young labour-market entrants.
- A subsidy to the placement sector to identify, prepare and place matric graduates into work. The subsidy will be paid upon successful placement.
- Expand learner ships and make training vouchers directly available to job seekers.
- A formalised graduate recruitment scheme for the public service to attract highly skilled people.

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- Expand the role of state-owned enterprises in training artisans and technical professionals.

### **Progress**

As a country, progress has been substantial and our history provides many examples of South African coming together to achieve amazing things: our democratic transition, our constitution and regular and credible elections.

We still have a lot to do if we are to move towards the inclusive and just society envisaged in our constitution by 2030. Fortunately the challenges that confront us are not insurmountable.

The success of this plan will be judged by its ability to change relationships among people, within families, between people and the state and within the state itself. The plan is about brining about transformation - to achieve a virtuous cycle of confidence and trust a growing economy and expanding opportunities.

To achieve our vision, each South African must make a contribution. Active citizenry requires showing inspirational leadership at all levels of society, Leaders should mobilise communities to take charge of their future, raise grievances and assume responsibility for ensuring outcomes achieved.

### **Elements of a decent standard of living**

Income, through employment or social security, is critical to defining living standards, but human beings need more than income. They need adequate nutrition, they need transport to get to work, and they desire safe communities and clean neighbourhoods. These elements require action either from individuals, government, communities or the private sector.

The National Development Plan makes a firm commitment to achieving a minimum standard of living which can be progressively realised through a multi-pronged strategy. In the plan, we do not define that minimum standard of living but we do provide a framework for the adoption of a minimum standard of living by society. This approach is consistent with the Commission's view that the achievement of such a floor would require support and participation from all social partners and hence its definition is left for on-going work of the Commission.

### **Going forward**

In the remainder of its five-year term, the Commission will raise awareness of the plan among stakeholders, drive a long-term research agenda and advise government and society on the implementation of the plan. We will also work with the Department of Performance Monitoring and Evaluation to monitor the implementation of the plan.

## **2.2 New Partnership for Africa's Development (NEPAD)**

The New Partnership for Africa's Development (NEPAD) is a vision and strategic framework for Africa's Renewal. The NEPAD strategic framework document arises from a mandate given to the five initiating Heads of State (Algeria, Egypt, Nigeria, Senegal, and South Africa) by the Organization of African Unity (OAU) to develop an integrated socio-economic development framework for Africa. NEPAD is designed to address the current challenges facing the African continent. Issues such as the escalating poverty levels, underdevelopment and the continued marginalization of Africa needed a new radical intervention, spearheaded by African leaders, to develop a new vision that would guarantee Africa's Renewal.

The primary objectives of NEPAD are as follows:

- To eradicate poverty;

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- To place African countries, both individually and collectively, on a path of sustainable growth and development;
- To halt the marginalization of Africa in the globalization process and enhance its full beneficial integration into the global economy; and
- To accelerated the empowerment of women.

The NEPAD priorities are to establish the Conditions for Sustainable Development by ensuring:

- Peace and security;
- Democracy and good political, economic and corporate governance;
- Regional co-operation and integration; and
- Capacity building.

Policy reforms and increased investment need to take place in the following priority sectors:

- Agriculture;
- Human development in health, education, science, technology and skills development;
- Building and improving infrastructure, such as ICT, energy, transport, water and sanitation;
- Promoting diversification of production and exports, particularly with respect to agro industries, manufacturing, mining, mineral beneficiation and tourism; and
- Accelerating intra-African trade and improving access to markets of developed countries.

#### **Key Implications for Lekwa Local Municipality**

Cross- border municipalities such as **Thabo Mofutsanyane District Municipality** and **Northern Free State District Municipality** to the South-South West and their LED Strategies should contain practical strategies for feasible twinning projects with the aforementioned Municipalities.

Municipality's LED Strategy should also take into consideration the lessons learnt from the successes and failures that have been applied in the neighboring municipalities in the face of socio-economic and economic challenges.

LED projects identified for the Municipality by the LED Strategy should embark on eradicating poverty, promoting sustainable growth and developing and facilitating the empowerment of women and the poor. The LED Strategy should also promote agriculture, human development, infrastructure development and the diversification of exports.

### **2.3 National Spatial Development Perspective (NSDP)**

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

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

Government's national spatial development vision is as follows:

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

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

The basic principles of the NSDP underpinning this vision are:

- Economic growth is a prerequisite for the achievement of other policy objectives, key among which would be poverty alleviation.
- Government spending on fixed investment, beyond the constitutional obligation to provide basic services to all citizens (such as water, electricity as well as health and educational facilities), should therefore be focused on localities of economic growth and/or economic potential in order to attract Private-sector investment, stimulate sustainable economic activities and/or create long-term employment opportunities.
- Efforts to address past and current social inequalities should focus on people not places. In localities where there are both high levels of poverty and development potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low development potential, government spending, beyond basic services, should focus on providing social transfers, human resource development and labor market intelligence. This will enable people to become more mobile and migrate, if they choose to, to localities that are more likely to provide sustainable employment or other economic opportunities.
- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or link the main growth centers.

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

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

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

- Key interventions for the harmonization and alignment of IDPs, PGDSs and the NSDP

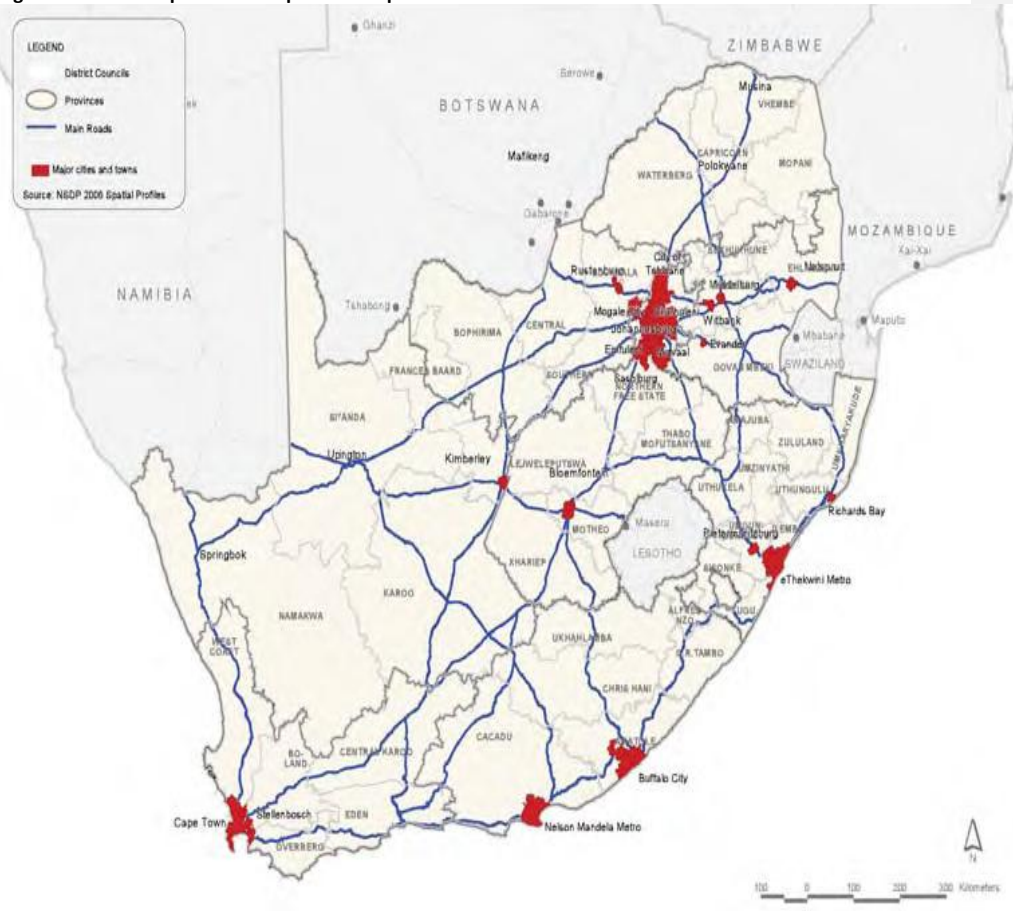


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- Updating Development Potential and
- Monitoring the Space Economy

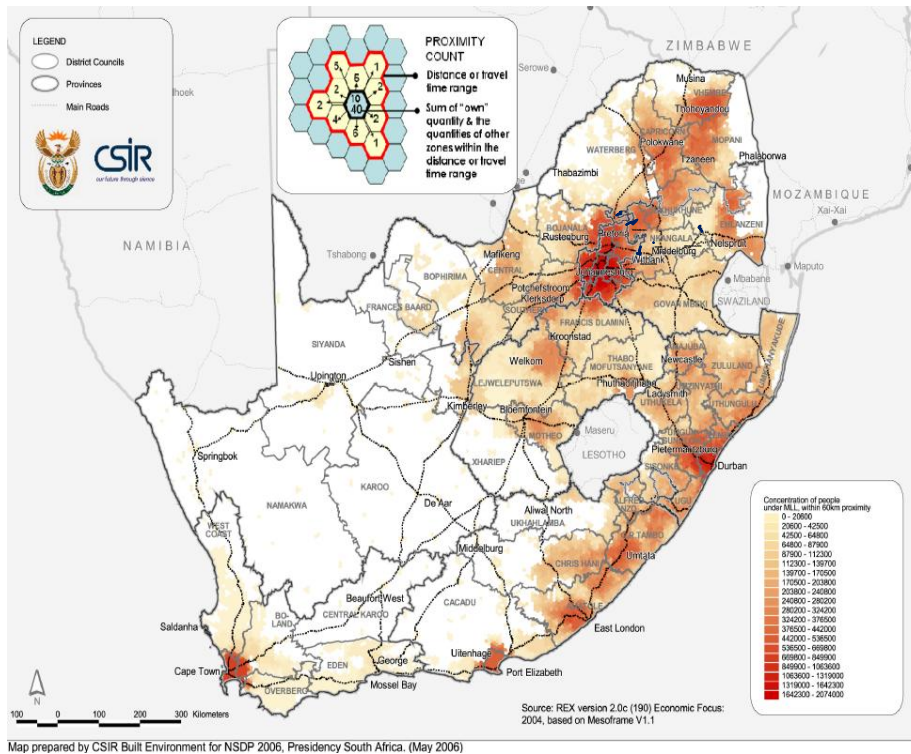
The following are the National spatial depiction of the National Spatial Development Perspective and Built environment for NSDP. Map: 2&3.

Figure 1: National Spatial Development Perspective



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Figure 2: National Spatial Development Perspective



**Key implications for Lekwa Local Municipality**

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

**2.4 Medium Term Strategic Framework (MTSF, 2009–2014)**

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

The MTSF identifies the following five development objectives:

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**Halve poverty and unemployment by 2014**

**Ensure a more equitable distribution of the benefits of economic growth and reduce inequality**

**Improve the nation’s health profile and skills base and ensure universal access to basic services**

**Build a nation free of all forms of racism, sexism, tribalism and xenophobia.**

**Improve the safety of citizens by reducing incidents of crime and corruption**

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

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

## **2.5 Millennium Development Goals (MDG’s)**

The Millennium Development Goals (MDG’s) are eight goals to be achieved by 2015 that respond to the world’s main development challenges. The MDG’s are drawn from the actions and targets contained in the Millennium Declaration that was adopted by 189 Nations and signed by 147 heads of state and governments during the United Nations Millennium Summit in September 2000.

The MDG’s are an agreed set of goals that can be achieved if all actors work together and do their part. Poor countries have pledged to govern better, and invest in their people through health care and education. Rich countries have pledged to support them, through Aid, debt relief, and fairer trade.

The 8 MDG’s breakdown into 18 quantifiable targets that are measured by 48 indicators

### **Objective 1: Develop a global partnership for development**

- Address the special needs of the least developed countries
- Develop further an open, rule-based, predictable, non-discriminatory trading and financial system( includes commitment to good governance, development and poverty reduction- both internationally and nationally)
- Address the special needs of landlocked countries and small island developing states
- Deal comprehensively with debt problems of developing countries through national and international measures in order to make debts sustainable in the long run

### **Objective 2: Eradicate extreme poverty and hunger**

- Reduce poverty by half between 1990 and 2015, proportion of people whose income is less than US\$1 a day
- Halve, between 1990 and 2015, the proportion of people who suffer from hunger

### **Objective 3: Achieve universal primary education**

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- Ensure that, by 2015, children everywhere, boys and Girls alike, will be able to complete a full course of primary schooling

**Objective 4: Promote gender equality and empower women**

- Eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015

**Objective 5: Reduce child mortality**

- Reduce by two-thirds, between 1990 and 2015 , the under-five mortality rate

**Objective 6: Improve maternal health**

- Reduce by three quarters, between 1990 and 2015, the maternal mortality rate

**Objective 7: Combat HIV/AIDS, Malaria and other diseases**

- Have halted by 2015, and begin to reverse the spread of HIV/AIDS
- Have halted by 2015, begin to reverse the incidence of malaria and other major diseases

**Objective 8: Ensure environmental sustainability**

- Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources
- Halve, by 2015, the proportion of people without sustainable access to safe drinking water
- Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020
- In cooperation with developing countries, develop and implement strategies for decent and productive work for youth
- In cooperation with pharmaceutical companies, provide access to affordable drugs in developing countries
- In cooperation with private sector, make available the benefits of new technology, especially information and communications

**Key Implications for Lekwa Local Municipality**

Lekwa is one of the Municipality that adopted the Millennium Declaration and committed to achieving the MDG's by 2015. The municipality has successfully achieved most of the Millennium targets especially those set to be achieved during 2008 as follows;

- Eradication of bucket system by December 2007
- Clean water by 2008
- Decent sanitation by 2010
- Decent housing by 2010
- Electricity by 2012
- Safe roads and storm water networks by 2013
- One stop Government Centre) by 2014
- Waste management and refuse Disposal by 2013
- Half unemployment and poverty by 2014
- Sustainable human settlements and viable communities by 2014

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

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

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

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

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

## **2.6 Provincial Growth and Development Strategy**

Another important government initiative implemented during the past few years is the Provincial Growth and Development Strategy programme. The Provincial Growth and Development Strategies were compiled within the parameters set by the National Spatial Development Perspective, as well as the Integrated Sustainable Rural Development Strategy as defined by national government.

A PGDS is a **“strategic and integrated provincial development plan that provides direction and scope for province-wide development programmes and projects, within the context of a long-term perspective and taking into consideration resources available and constraints.”** Furthermore, a PGDS provides **“a spatially referenced framework for both public and private sector investment, indicating areas of opportunity and**

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**development priorities and enabling intergovernmental alignment.”** In essence then, the Provincial Growth and Development Strategies are aimed at providing strategic directives to District and Local Municipalities in formulating their more detailed Integrated Development Plans (IDPs), and Spatial Development Frameworks (SDF). It is thus essential that the issues and directives emanating from PGDSs’ be compatible with the vision, priority areas, and guidelines of SDFs of local and District municipalities.

Flowing out of a thorough SWOT analysis and identified trends, the Province has identified six priority areas of intervention as part of the PGDS, namely:

- **Economic Development** (i.e. investment, job creation, business and tourism development and SMME development);
- **Infrastructure Development** (i.e. urban/rural infrastructure, housing and land reform);
- **Human Resource Development** (i.e. adequate education opportunities for all);
- **Social Infrastructure** (i.e. access to full social infrastructure);
- **Environmental Development** (i.e. protection of the environment and sustainable development); and
- **Good Governance** (i.e. effective and efficient public sector management and service delivery).

In line with strengthening the intergovernmental planning system and to ensure that there is sustainable growth and development in the province, the PGDS has adopted the following as guiding posts:

- Internationally, the United Nation’s Millennium Development Goals (MDGs); and
- Nationally, the Accelerated and Shared Growth Initiative for South Africa (ASGISA) and the National Spatial Development Perspective (NSDP) of South Africa

#### **Key Implications for Lekwa Local Municipality**

The Mpumalanga Provincial Growth and Development Strategy aims to address the key developmental and economic challenges in the province.

**Municipal’s Intervention:** In order to align the IDP to the PGDS, the Municipality has identified a number of interventions to support the implementation of the PGDS, evident in the Municipal’s Local Economic Development and Spatial Development Framework sector plans.

## **2.7 Accelerated Shared Growth Initiative of South Africa (AsgiSA)**

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

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

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

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

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- Deficiencies on state organization, capacity and leadership.

Interventions responding to the binding constraints include:

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

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

#### **Key Implications for Lekwa Local Municipality**

The repercussions of AsgiSA for Lekwa Local Municipality is that the LED Strategy must strive to encourage existing larger and small businesses (micro-enterprises) to work collectively and share investments. Dormant and emerging businesses in the area should also be included in the major strategic interventions aimed at reviving the economy of the Municipality. Tourism businesses in the Municipality should seek consultation with domestic and international experts as they form a major economic sector in the area.

Scarcity of skilled labor is also problematic for the Municipality. Efforts should therefore be directed towards placement of committed trainees from the Municipal area into strong corporations, allowing them to acquire skills and subsequently work within the Municipality. Skills development efforts also need to form part of every economic, social and environmental initiative. This will permit industries and small businesses to acquire skilled labor, while local communities are groomed in the appropriate skills to take up employment in the area. Intensive training should therefore be the cornerstone for uplifting the communities in the area.

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## 2.8 Integrated Sustainable Rural Development Strategy

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

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

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

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

### Key implications for the Lekwa Local Municipality

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

## 2.9 Land Redistribution for Agricultural Development (LRAD)

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

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

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

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

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

The strategic objectives of the sub-programmes include:

- Contributing to the redistribution of 30% of the country’s agricultural land over 15 years;



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- Improving nutrition and incomes of the rural poor who want to farm on any scale;
- De-congesting over-crowded former homeland areas; and
- Expanding opportunities for women and young people who stay in rural areas.

#### **Key implications for Lekwa Local Municipality**

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

### **2.10 Mpumalanga Economic Growth and Development Path (MEGDP)**

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

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

In fulfilling our mandate as per our strategic plan and annual performance plan submitted to the Mpumalanga Provincial Legislature, Mpumalanga Government has announced that through the leadership of the Accounting Officer of the Department, we continued to, amongst others:

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

### **2.11 The Gert Sibande Growth and Development Strategy (GSGDS)**

The Gert Sibande Growth and Development Strategy (GSGDS) aims to guide the development of the District over the next five years, by consolidating and exploiting its natural resources and development opportunities, and to assist all role players in helping to grow the District's economy. To this effect, and in line with the development priorities of the PGDS, the District has delineated five "District Strategic Focus Area".

These are:

- ✓ Tourism Promotion: Traditionally, this sector has not received much attention within the District, yet this sector possesses incredible potential within the District because of the availability of tourist attraction facilities and natural sites e.g. conferencing facilities, casino, resorts, motels and hotels, game farms, wetlands and B&B accommodation;
- ✓ Spatial Development Initiatives: The District, in line with the PGDS, will explore the economic development nodes identified in order to facilitate the beneficiation and down streaming of products within the mining, agriculture and petrochemical nodes. Focus will be placed on exploring possible

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partnerships and infrastructure investments needed to act as a catalyst for industrial growth and development.

- ✓ Local Economic Development and Growth: The District, in partnership with other spheres of government, will use its resources to:
  - Promote and support SMMEs and emerging entrepreneurs;
  - Promote and support the sustainability of existing business; and
  - Increase local beneficiation and shared economic growth.
- ✓ Agriculture, Forestry, Manufacturing and Mining: The District will facilitate and actively promote investment opportunities in downstream opportunities of its raw materials within agriculture, forestry, manufacturing / petrochemicals, and mining sectors.
- ✓ Environmental Management: The District boasts one of the country’s largest wetlands, and features a unique and sensitive eco-system, responsible for the general well-being of not only the District, but also the economic hub of South Africa, namely Gauteng. Consequently, the District will all support development(s) aimed at meeting the following objectives:
  - Biodiversity;
  - Promotion and protection of indigenous plants and vegetation;
  - Rehabilitation and revival of local streams and rivers;
  - Eco-tourism activities.

## **2.12 The Gert Sibande Spatial Development Framework, 2009 (GSSDF)**

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

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

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

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

#### **ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AFFECTING LEKWA**

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

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

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

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- ✓ Promotion of small and micro-sized rural enterprises;
- ✓ Manufacturing of downstream products e.g. agri-processing;
- ✓ The backlog in the delivery of services, water supply and sanitation, especially in rural areas.
- ✓ Focusing on localities with greater economic potential.
- ✓ Broadening the range of housing products in appropriate localities (e.g. close to places of work) and the range of suitable localities within existing settlements for infill housing developments.
- ✓ Upgrading inadequate forms of housing – e.g. informal settlements and hostels.
- ✓ Promoting tourism, specifically eco-tourism activities.
- ✓ Improving access to comprehensive community facilities and services (school, clinics, etc.);
- ✓ Promoting intensive and extensive commercial farming activities; and
- ✓ Establishing a functional hierarchy of towns and settlements.

### **2.13 Outcome-based Approach to Delivery**

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To give effect to the above priorities, government has embarked on an outcomes -based approach to ensure the delivery / implementation of these priorities. In line with this approach, government has formulated and agreed on twelve key Outcomes.

These Outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers.

While all of the Outcomes can to some extent be supported through the work of local government, Outcome 9 is specifically directed at local government:

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

Output 1: Implement a differentiated approach to municipal financing, planning and support;

Output 2: Improving access to basic services;

Output 3: Implementation of the Community Work Programme;

Output 4: Actions supportive of the human settlement outcome;

Output 5: Deepen democracy through a refined Ward Committee model;

Output 6: Administrative and financial capability; and

Output 7: Single window of coordination

10. Environmental assets and natural resources that is well protected and continually enhanced.

11. Create a better South Africa and contribute to a better and safer Africa and World.

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

### **2.14 The Local Government Turn-Around Strategy**

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National Government has expressed concern about the state of local governments, and has identified various initiatives to redress the perilous state in which many municipalities across the country find themselves, including the following:

- ✓ Huge service delivery and backlog challenges (e.g. housing, water and sanitation)

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- ✓ Poor communication and accountability relationships with communities
- ✓ Problems with political administrative interfaces
- ✓ Corruption and fraud
- ✓ Poor financial management (e.g. negative audit reports)
- ✓ Many service delivery protests
- ✓ Weak civil society formations
- ✓ Intra and inter-political party issues negatively affecting governance and service delivery
- ✓ Insufficient municipal capacity due to scarcity of skills

In addition, better spatial and infrastructure planning and more credible public participation and community interface systems are required to accommodate the increased urban growth, new household formation and population growth challenges faced by urban municipalities and the more stable smaller municipalities. The proliferation of informal settlements in urban areas is beyond the (institutional and fiscal) capabilities of many municipalities to address effectively by themselves.

In November 2009, the Local Government Turnaround Strategy was produced and included the following five strategic objectives:

- **MUNICIPALITIES TO MEET BASIC NEEDS OF COMMUNITIES**  
Accelerating service delivery for each municipality's needs by creating conducive environments, providing support, and building systems to do this
- **CLEAN, RESPONSIVE AND ACCOUNTABLE LOCAL GOVERNMENT**  
Rooting out corruption and maladministration and ensure better municipal communication with, and accountability to, communities
- **IMPROVE FUNCTIONALITY, PERFORMANCE AND PROFESSIONALISM IN MUNICIPALITIES**  
Ensure that the core administrative and institutional systems are in place and operating in order to improve performance
- **IMPROVE NATIONAL AND PROVINCIAL POLICY ON, SUPPORT FOR, AND OVERSIGHT OF LOCAL GOVERNMENT STRENGTHEN PARTNERSHIPS BETWEEN LOCAL GOVERNMENT, COMMUNITIES AND CIVIL SOCIETY**  
Ensure that communities and other development partners are mobilised to partner with municipalities in service delivery and development

To this end, some of the immediate implementation priorities of the Local Government Turnaround Strategy are to:

- address the immediate financial and administrative problems in municipalities;
- tighten and implement a transparent municipal supply chain management (SCM) system; and
- overcome the „one-size-fits-all“ approach by differentiating responsibilities and simplifying IDPs

Having put the basics in place, the most important issues the Municipality still needs to deal with in its turnaround strategy are:

- Urbanisation (see various initiatives in the strategic focus areas relating to service delivery, healthy communities, spatial planning and economic development); and
- ensuring meaningful community involvement (such as the Municipality's recently approved Public Participation Policy)

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## CHAPTER: THREE

### 3 MULTI-SECTORAL SITUATIONAL ANALYSIS FOR LEKWA MUNICIPALITY

The study area included the entire Lekwa Municipal Area (LMA). LMA is located in Mpumalanga Province on the border of the Free State province. It forms part of the Gert Sibande District Municipality (GSDM). The Lekwa Municipal Area is 4 586km<sup>2</sup> in extent and is mostly rural in character. Standerton is the most important urban settlement in the municipality.

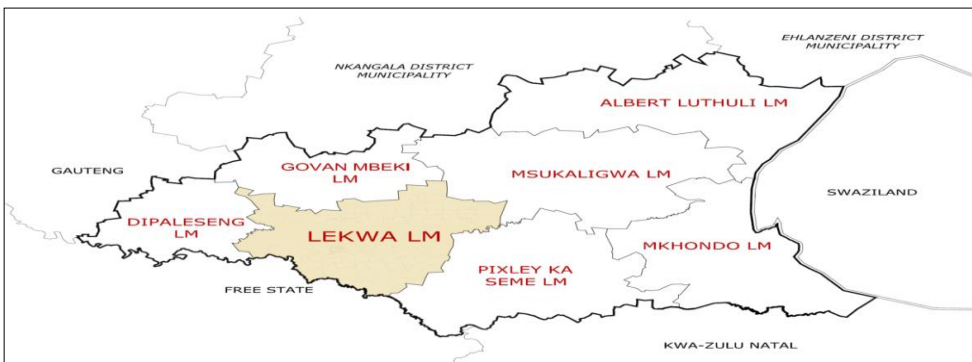


Figure 3: Locality Area

#### 3.1 SPATIAL STRUCTURE

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

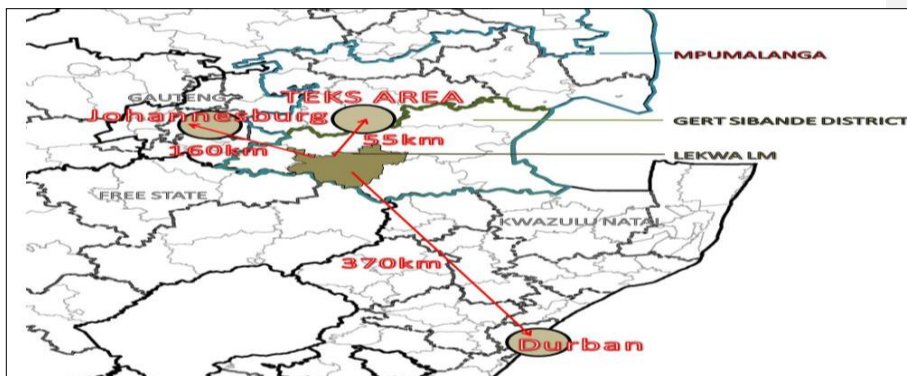


Figure 4: Spatial Location

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

Lekwa LM covers an area of 4 586km<sup>2</sup> (14% of the total area of the District Municipal Area) and accommodates approximately 91 136 people (10% of the total population) which makes it one of the smaller Local Municipalities in the district. According to the Gert Sibande Spatial Development Framework, 2009, Standerton is one of four first order service centres within the district, together with Secunda, Ermelo and Piet Retief. These towns have the largest populations of all towns in the District, and also offer the widest spectrum of activities and services, including business, retail, industrial uses, social services and residential uses. The municipal area consists mostly of agriculture, and urban settlements make up only a small portion of the total municipal area, but play a critical role in the provision of services as it contains the bulk of trade, finance, construction, transport, manufacturing and community sectors making up 53% of total GVA and 79% of total employment.

A hierarchy of settlements is needed in order to ensure efficient and equitable access to services and opportunities as well as economies of scale. The Gert Sibande SDF identified Standerton as a first order node and Morgenzon and Thuthukani as third order nodes. No second order nodes were identified.

Standerton is centrally located within the LLM and being the main urban settlement dominates industrial and manufacturing activities within the local municipal area. In terms of business activities, Standerton makes the largest contribution to both private sector services and retail activities, and public services and administration activities. It is also the focus of most of the main roads as well as the railway network, thus reinforcing its importance.

Morgenzon is located approximately 42km east of Standerton. This is historically a local service centre that provides in the basic needs of the surrounding commercial farms. It is located at the junction of the R35 and R39. Thuthukani is located approximately 16km north-east of Standerton. It developed essentially as a workers village for the Tutuka Power Station which is situated about 3km east of the village.

There are several small hamlets / villages distributed through the area. Most consist of single facilities or uses. The most important are Holmdene, Platrand, Elmtree and Val, which are located in the vicinity of the R23.

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

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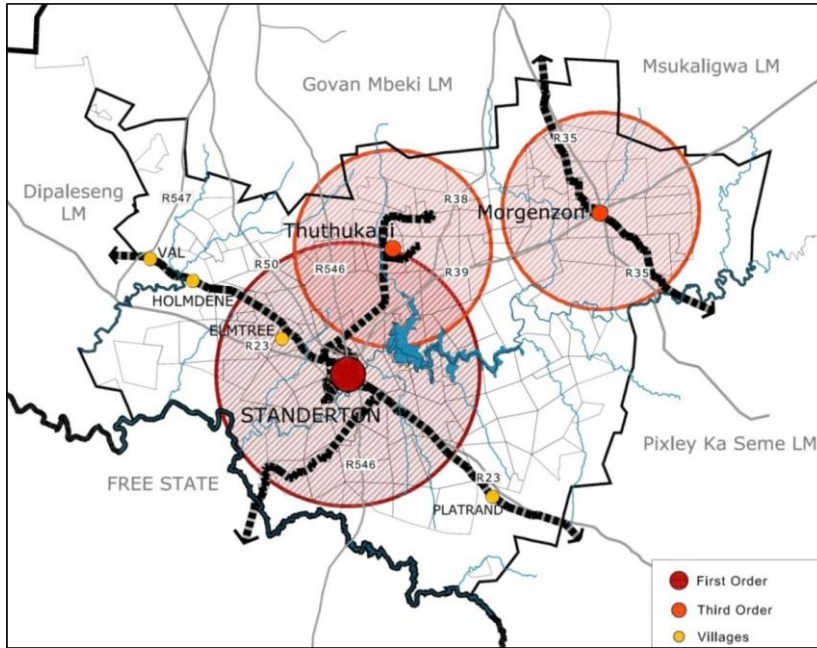


Figure 5: Distribution of Settlement Patterns

The population density for the entire LLM is 26people/km<sup>2</sup>. The population density for the rural areas is markedly lower at 9people/km<sup>2</sup> and varies from 7people/km<sup>2</sup> for Ward 13, to 9people/km<sup>2</sup> for Ward 12 and 13people/km<sup>2</sup> for Ward 9. The density is thus the highest in the western portions and lowest in the eastern and southern portions of the LLM.<sup>1</sup>

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

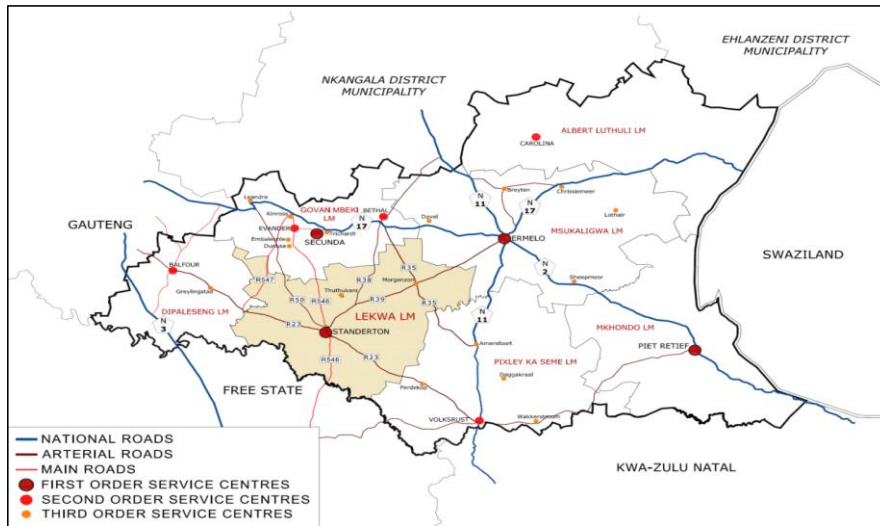
The district is traversed by three national roads:

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



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



**Figure 6: Roads Typology**

## 3.2 SOCIO-ECONOMIC ANALYSIS

The Lekwa LM population has a total population of 103265. The table below illustrates the population distribution by population groups in Lekwa LM.

### 3.2.1 DEMOGRAPHIC INDICATORS

DEMOGRAPHIC INDICATORS	Stats SA Census 2001	Stats SA Census 2011	Share of Gert Sibande's figure 2011	Share of Mpumalanga figure 2011	Ranking: highest (1) - lowest (18)
Population number	103 265	115 662	11.1%	2.9%	12
Number of households	26 195	31 071	11.4%	2.9%	13
Area size (km <sup>2</sup> )		4 586	14.4%	6.0%	10
Population per km <sup>2</sup>		20			

Table 1: Population

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

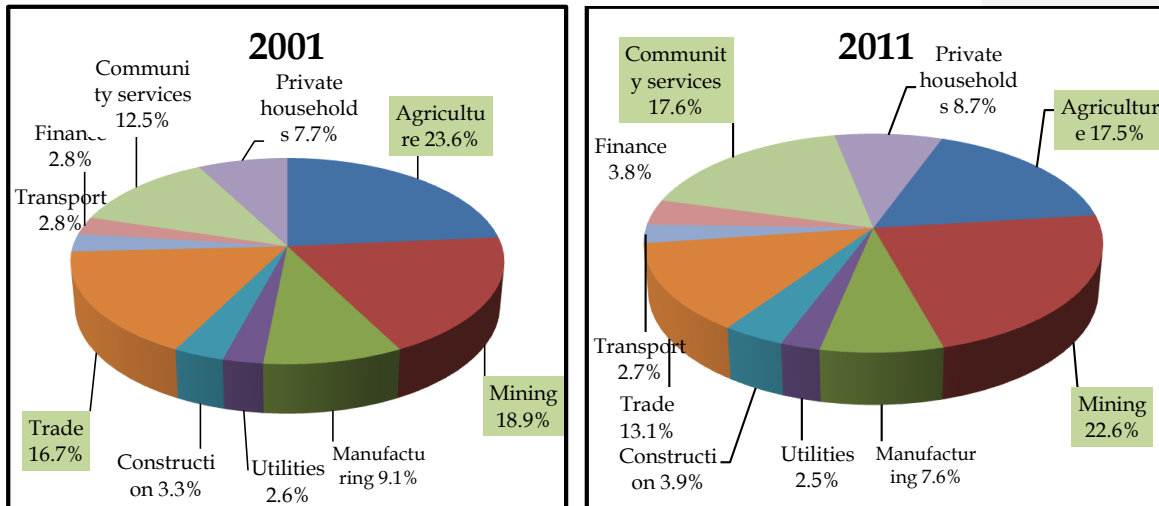
### 3.2.2 LABOUR INDICATORS

LABOUR INDICATORS	Census 2001	Census 2011	Share of Gert Sibande's figure 2011	Ranking: best (1) – worst (18)
Economically Active Population (EAP)/Labour Force	41 877	46 013		
Number of employed	26 591	34 118	13.2%	
Number of unemployed	15 286	11 895	10.8%	
Unemployment rate (%)	36.5%	25.9%		3

Table 2: Labour Indicators

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

### 3.2.3 LABOUR INDICATORS



**Table: 4 Labour Indicators**

- Leading industries – mining (22.6%), community services (17.6%) & agriculture (17.5%).
- Increasing role/share of mining & community services and decreasing role/share of agriculture & trade as employer.

### 3.2.4 EDUCATION INDICATORS

EDUCATION INDICATORS	Trend	Latest figure	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2011			
Number of population 20+ with no schooling	11 174	7 836			6
Population 20+ with no schooling (%)	19.1%	11.2%	(+) (13.4%)	(+) (14.1%)	6
Population 20+ with matric & higher (%)	21.7%	35.4%	(-) (37.2%)	(-) (38.7%)	14
Functional literacy rate (%)	60.8%	76.5%	(-) (76.4%)	(-) (76.9%)	9

**Table: 5 EDUCATION INDICATORS**

- Citizens of 15 years and older with no schooling 11.2% - 7 836 people or 9.4% of Gert Sibande’s figure of 79 538 in 2011.
- Population 20+ with matric & higher 35.4% - improving but lower than district and provincial levels.
- Functional literacy rate (15 years+ with grade 7 qualifications or higher) improving but lower than provincial and district levels.
- Matric pass rate at 77.1% in 2012 and improving – ranked third in province and 26.4% university/degree admission rate in 2012.

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### 3.2.5 HEALTH INDICATORS

HEALTH INDICATORS	2009	2010	2011	Ranking: best (1) – worst (18)
HIV prevalence rate - survey (pregnant women attending antenatal clinic 15-49 years old)	28.9%	50.0%	32.5%	5
HIV prevalence rate - DHIS (excluding pregnant women)	34.6%	22.8%	19.9%	6
TB cases	804	1 106	843	7
PUBLIC HEALTH FACILITIES			2011	
Number of clinics				8
Number of community health centres (CHC)				1
Number of hospitals				2

TABLE: 6 HEALTH INDICATORS

- HIV prevalence rate of pregnant women 32.5% - decreasing between 2010 & 2011.
- HIV prevalence rate excluding pregnant women 19.9% - decreasing trend.
- TB cases – increased slightly between 2009 and 2011.
- Clinics – 8 of Gert Sibande’s 64 clinics.
- Community health centres – 1 of Gert Sibande’s 17 CHCs.
- Hospitals – 2 of Gert Sibande’s 11 hospitals.

### 3.2.6 BASIC SERVICE DELIVERY/ INFRASTRUCTURE INDICATORS

BASIC SERVICE INFRASTRUCTURE INDICATORS	Trend 2001	Latest figure 2011	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
% of households in informal dwellings	33.3%	23.9%	(-) (16.8%)	(-) (10.9%)	16
% of households with no toilets or with bucket system	26.8%	5.2%	(+) (5.8%)	(+) (7.2%)	6
% of households with connection to piped (tap) water: on site & off site	96.9%	97.6%	(+) (91.2%)	(+) (87.4%)	3
% of households with electricity for lighting	60.6%	88.6%	(+) (83.4%)	(+) (86.4%)	7
% of households with weekly municipal refuse removal	59.0%	82.2%	(+) (63.6%)	(+) (42.4%)	3

TABLE 7: BASIC SERVICE DELIVERY/ INFRASTRUCTURE INDICATORS

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

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### 3.2.7 BLUE DROP PERFORMANCE

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

TABLE 8: BLUE DROP PERFORMANCE

### Risk profile and log by municipal area

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

TABLE 9: Risk profile and log by municipal area

### 3.2.8 DEVELOPMENT AND INCOME INDICATORS

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INDICATORS	Trend		Latest figure 2011	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2007				
HDI (0 worst to 1 best)	0.52	0.52	0.53	(=) (0.53)	(=) (0.53)	8
Per capita personal income per year (current prices)	R13 944	R21 899	R29 231	(+) (R28 857)	(-) (29 259)	7
% of households below R42 000 per year (R3 500 p/m)	70.4%	60.5%	46.9%	(-) (46.1%)	(-) (42.2%)	13

TABLE 10: DEVELOPMENT AND INCOME INDICATORS

- HDI of 0.53 in 2011 – improving slightly from 2001 and equal to both district and provincial levels.
- Per capita personal income in Lekwa improving & better than district.
- 46.9% of Lekwa households earn below R42 000 per annum – improving but slightly worse than district & province.

### 3.2.9 AVERAGE HOUSEHOLD INCOME

MUNICIPAL AREA	2001	2012	Ranking: highest (1) – lowest (18)
Steve Tshwete	R55 369	R134 026	1
Govan Mbeki	R47 983	R125 480	2
Emalaheni	R51 130	R120 492	3
Mbombela	R37 779	R92 663	4
Lekwa	<b>R38 113</b>	<b>R88 440</b>	<b>5</b>
Thaba Chweu	R35 795	R82 534	6
Msukaligwa	R31 461	R82 167	7
Umjindi	R35 244	R81 864	8
Victor Khanye	R35 281	R80 239	9
Emakhazeni	R36 170	R72 310	10
Dr Pixley Ka Isaka Seme	R23 399	R64 990	11
Dipaleseng	R19 454	R61 492	12
Mkhondo	R26 935	R53 398	13
Chief Albert Luthuli	R22 832	R48 790	14
Thembisile Hani	R18 229	R45 864	15
Nkomazi	R19 195	R45 731	16
Dr JS Moroka	R17 328	R40 421	17
Bushbuckridge	r17 041	R36 569	18

TABLE 11: AVERAGE HOUSEHOLD INCOME

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### 3.2.10 POVERTY AND INEQUALITY

INDICATORS	Trend		Latest figure 2011	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
	2001	2007				
Gini-coefficient (0 best to 1 worst)	0.63	0.63	0.62	(+) (0.63)	(=) (0.62)	12
Poverty rate	44.3%	44.8%	42.3%	(+) (44.8%)	(-) (41.6%)	11
Number of people in poverty	47 357	54 115	54 425			8
Poverty gap (R million)	R52	R83	R106			7
Multiple Deprivation Index (100 worst to 1 best)		11.7				6

TABLE 12: POVERTY AND INEQUALITY

- Gini-coefficient of 0.62 in 2011 – improved slightly and better than district and equal to provincial level.
- Poverty rate of 42.3% - 54 425 poor people (11.2% of Gert Sibande’s 487 146 poor in 2011).
- The poverty gap was R106 million in 2011 – increasing trend.
- One of the least deprived areas in the province according to Oxford University Index.

### 3.2.11 ECONOMIC INDICATORS

ECONOMIC INDICATORS	Trend 1996-2011	Forecast 2011-2016	Better (+) or worse (-) than Gert Sibande	Better (+) or worse (-) than province	Ranking: best (1) – worst (18)
GDP growth (%)	0.7%	2.8%	(-) (4.0%)	(-) (3.5%)	15
	Trend		Latest figure		Ranking: best (1) – worst (18)
	2001	2007	2011		
Contribution to Mpumalanga GVA (%)	3.7%	3.4%	3.3%		7

TABLE 13: ECONOMIC INDICATORS

- Expected to record 2.8% GDP growth per annum over the period 2011-2016 – lower than district and provincial figures – only 0.7% per annum historic growth for the period 1996-2011.
- GVA in 2011 – R7.2 billion at current prices and R3.7 billion at constant 2005 prices.
- In 2011 Lekwa contributed 3.3% to Mpumalanga’s GVA – decreasing contribution since 2001 – ranked no 7 of the 18 municipal areas.

### Contribution by Local Municipal Areas to Gert Sibande’s industries

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(GVA constant 2005 prices)

INDUSTRY	Chief Albert Luthuli	Msukaligwa	Mkhondo	Dr Pixley Ka Isaka Seme	Lekwa	Dipaleseng	Govan Mbeki	Gert Sibande
Agriculture	12.3%	14.7%	21.7%	12.9%	22.8%	7.2%	8.5%	100.0%
Mining	2.8%	10.4%	3.0%	0.3%	14.6%	0.6%	68.3%	100.0%
Manufacturing	0.4%	0.6%	1.1%	0.2%	2.0%	0.2%	95.6%	100.0%
Utilities	4.8%	8.6%	1.4%	10.9%	44.4%	6.6%	23.4%	100.0%
Construction	6.9%	6.7%	4.2%	11.8%	10.4%	1.9%	58.1%	100.0%
Trade	7.0%	18.6%	7.4%	6.4%	10.4%	4.8%	45.4%	100.0%
Transport	4.7%	28.4%	7.4%	7.0%	12.7%	1.4%	38.4%	100.0%
Finance	6.2%	24.7%	8.0%	4.6%	9.8%	2.2%	44.4%	100.0%
Community services	15.0%	21.3%	9.3%	6.3%	17.7%	2.9%	27.6%	100.0%
Total	5.0%	12.1%	5.2%	3.7%	10.9%	1.9%	61.2%	100.0%

TABLE 14: ECONOMIC INDICATORS

- Lekwa contributed 10.9% to the Gert Sibande economy in 2011.
- Utilities contributed 44.4% and agriculture 22.8% to the relevant district industries.

3.2.12 ECONOMIC INDICATORS

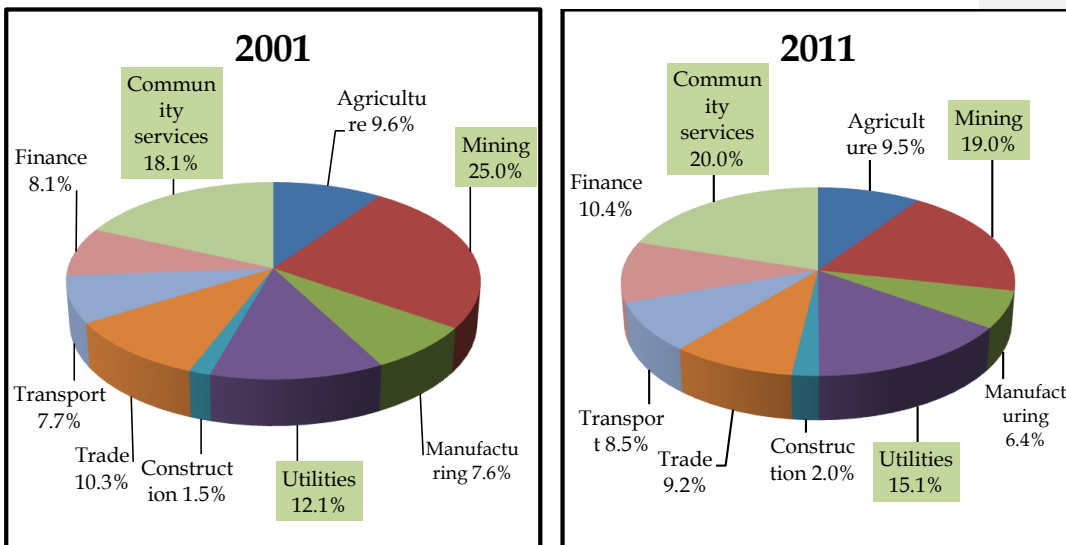


TABLE 15: ECONOMIC INDICATORS

In 2011 community services contributed 20.0% to the Lekwa economy followed by mining (19.0%) and utilities (15.1%) – mining’s share/contribution is declining and utilities & community services’ share/contribution are increasing.



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### 3.2.13 INDUSTRY INDICATORS

INDUSTRY	Contribution to growth 2011-2016	Labour intensity 2011	Comparative advantage 2011
Agriculture	0.5%	2.02	3.16
Mining	0.5%	1.30	2.59
Manufacturing	0.0%	1.31	0.30
Utilities	0.4%	0.18	6.48
Construction	0.0%	2.14	0.55
Trade	0.1%	1.57	0.55
Transport	0.2%	0.35	0.66
Finance	0.3%	0.40	0.43
Community services	0.8%	0.96	0.83

TABLE 16: INDUSTRY INDICATORS

- Community services, agriculture, mining and utilities should contribute the most to economic growth in the period 2011-2016.
- Construction & agriculture the most labour intensive industries.
- Utilities, agriculture and mining the largest comparative advantage.

### 3.2.14 TOURISM INDICATORS

TOURISM INDICATORS	Trend		Latest 2011	Percentage share of Gert Sibande	Percentage share of Mpumalanga	Ranking: best (1) – worst (18)
	2001	2007				
Number of tourist trips	34 352	78 841	102 532	15.5%	3.0%	10
Bed-nights	239 999	331 183	316 959	15.3%	2.9%	10
Total spent R million (current prices)	R82.8	R154.5	R170.7	12.8%	2.2%	11
Total spent as a % of GDP (current prices)	2.9%	3.1%	2.2%			15

TABLE 17: TOURISM INDICATORS

- Number of tourist trips increasing – 15.5% of Gert Sibande’s total and 3.0% per cent of the provincial total – ranked 10<sup>th</sup>.
- Total spent R170.7 million in 2011 – increasing trend but ranked only 11<sup>th</sup> in the province.
- Total tourism spent equals only 2.2% of Lekwa’s GDP – 4<sup>th</sup> lowest in the province – decreasing trend since 2007.

### 3.2.15 NATIONAL TREASURY ALLOCATIONS

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TYPE OF ALLOCATION	2011/2012 (R million)	2012/2013 (R million)	% of allocations to all local municipalities in Gert Sibande	% of allocations to all local municipalities in Mpumalanga	Ranking: highest (1) – lowest (18)
Infrastructure grant	R37.3	R45.8	12.0%	2.8%	12
Total budget allocation	R111.2	R130.6	10.6%	2.7%	12

TABLE 18: NATIONAL TREASURY ALLOCATIONS

- Increasing infrastructure grant - 12.0% of infrastructure grants to local municipalities in Gert Sibande.
- Increasing total allocation – only 2.7% of total allocations to local municipalities in Mpumalanga – ranked 12<sup>th</sup> of the 18 municipalities.

**NB: The following table represent a high level summary of the latest stats as published by StatSSA 2011 census:**

Demographics			
Population Size		1996	90080
		2001	103265
		2011	115662
Annual Population Growth rate (%)		1996-2001	1.37
		2001-2011	1.13
Population Composition			
% male and female	Male	1996	50
	Female		50
	Male	2001	49.03
	Female		50.97
	Male	2011	50
	Female		50
Sex Ratio		1996	98
		2001	96.19

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		2011	99.37
% population(0-14 years)		1996	32.01
		2001	32.09
		2011	28.60
% population(15-64 years)		1996	62.86
		2001	63.63
		2011	66.39
% population(65+ years)		1996	5.12
		2001	4.28
		2011	5.01
% population(14-35 years)		1996	41.50
		2001	39.94
		2011	39.74
% population group	African/Black	1996	81.37
	Coloured		2.33
	Indian/Asian		1.21
	White		15.09
	African/Black	2001	86.24
	Coloured		1.88
	Indian/Asian		0.92
	White		10.96
	African/Black	2011	84.18
	Coloured		2.86
	Indian/Asian		1.21
	White		11.42
		Other	
% persons with disability		1996	7.84
		2001	7.49

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Socio-Economic Development			
Human Development Index (includes literacy rate, life expectancy & HH income: 0= worst to 1=best)		2001	0.54
		2010	0.52
Gini-coefficient		2001	0.62
		2010	0.63
Poverty Rate		2001	42.40
		2010	43.60
Unemployment rate(strict definition)	General(15-65 years)	1996	24.11
		2001	36.50
		2011	25.85
	Persons with Disability(15-65 years)	1996	32.91
		2001	36.80
	Women(15-65 years)	1996	33.41
		2001	48.45
		2011	33.87
	Youth(15-35 years)	1996	31.35
		2001	47.13
		2011	34.53
Household Income	R 1 - R 4800	2011	1201
	R 4801 - R 9600		1855
	R 9601 - R 19 600		5520
	R 19 601 - R 38 200		6987
	R 38 201 - R 76 400		4843

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	R 76 401 - R 153 800		3235
	R 153 801 - R 307 600		2411
	R 307 601 - R 614 400		1220
	R 614 001 - R 1 228 800		324
	R 1 228 801 - R 2 457 600		73
	R 2 457 601 or more		79
Social grant beneficiaries in absolute numbers ( Sept 2012)	Old Age		4 649
	War Veteran		1
	Disability		1 837
	Foster Care		453
	Care Dependency		111
	Child Support		6 536
	Grant-in-Aid		85
Highest Educational attainment(20+ years)	No schooling	1996	26.46
	Matric only		13.06
	Matric +		5.63
	No schooling	2001	19.12
	Matric only		16.44
	Matric +		5.34
	No schooling	2011	11.23
	Matric only		26.87
	Matric+		9.84
<b>Health Status</b>			
Causes of death	See next sheet		
Anti-natal HIV prevalence rate(%)		2009	28.90
		2010	50.00

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Household Profile and Services			
No. of households		1996	20 488
		2001	26 198
		2011	31 071
Annual Growth Rate of HHs(%)		1996-2001	2.46
		2001-2011	1.71
Average HH size		1996	4.24
		2001	3.82
		2011	3.66
% of HHs with access to:	Water(municipal tap)	1996	86.20
		2001	95.66
		2011	87.45
	Electricity(lightning)	1996	45.97
		2001	60.62
		2011	88.84
	Sanitation(flush/Chemical)	1996	60.79
		2001	69.65
		2011	90.29
	Refuse Removal(At least once a week)	1996	57.66
		2001	59.01
		2011	82.22
Tenure Status	% ownership	1996	65.48
		2001	40.69
		2011	49.97

TABLE 19: StatSSA 2011 census:

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Top ten leading causes of death in Lekwa Local Municipality, Source: Statistics South Africa, Mortality and Causes of Death, 2009: Death Notification Findings from Department of Home Affairs

Ranking	Cause of death
1	Tuberculosis (A15-A19)
2	Human immunodeficiency virus [HIV] disease (B20-B24)
3	Influenza and pneumonia (J09-J18)
4	Other external causes of accidental injury (W00-X59)
5	Other forms of heart disease (I30-I52)
6	Intestinal infectious diseases (A00-A09)
7	Certain disorders involving the immune mechanism (D80-D89)
8	Diabetes mellitus (E10-E14)
9	Protozoal diseases (B50-B64)

### 3.3 ENVIRONMENTAL FEATURES

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

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

#### Topography and Hydrology

The hydrological system of the Lekwa LM is of critical importance. Although it makes up only 1.5%<sup>2</sup> of the total municipal area, it includes a number of important rivers and dams.

The most important river in the municipality, the Vaal River, flows in a westerly direction through Standerton. Other rivers include the Waterval River to the west of the Municipal Area and the Klip River, which forms part of the southern municipal boundary between Lekwa and the Free State before its confluence with the Vaal. The LLM also comprises of a number of smaller watercourses: Boesmanspruit, Rietspruit, Leeuspruit, Blesbokspruit, Osspruit, Geelklipspruit, Kafferspruit, Kaalspruit, Diepspruit, Leeuspruit, Katbosspruit and Brakspruit. The rivers and watercourses within the municipality all flow into the Vaal River (Lekwa EMF, 2009).

The Grootdraai Dam, situated upstream of Standerton is a major impoundment within the upper Vaal system, and is primarily used for flow attenuation and water supply. The Grootdraai Dam was completed in 1982 and is the tenth largest dam in South Africa.

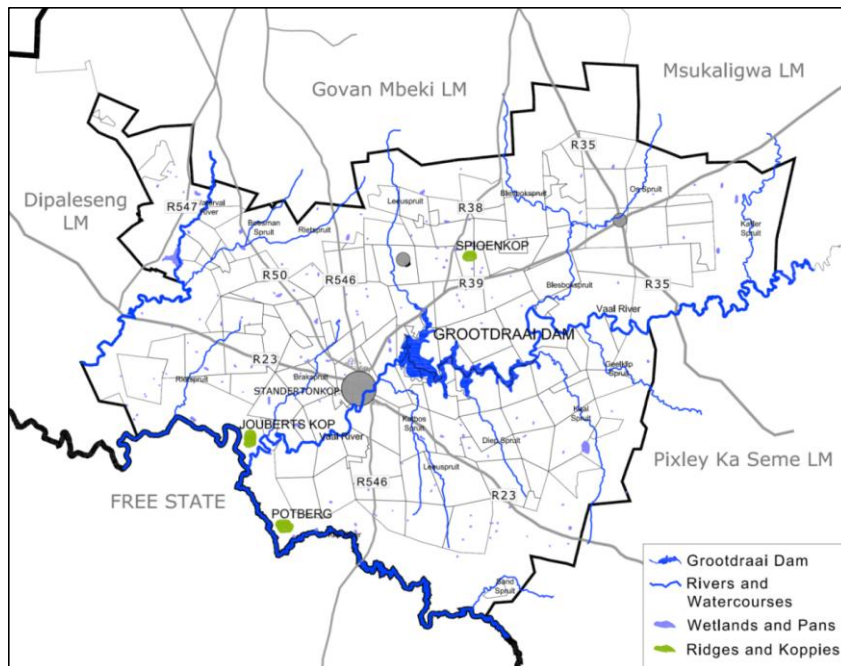
Both pans and palustrine (marsh/ vlei) wetlands occur in the municipality and several non-perennial and perennial pans are scattered throughout the municipal area due to its relatively flat topography.

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

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

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



**Figure 7: Hydrology & Topography**

#### **Biodiversity Sites and Conservation Areas**

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

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

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



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mainly around the Vaal River and Grootdraai Dam and make up 22% of the total area of the municipality.

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

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

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

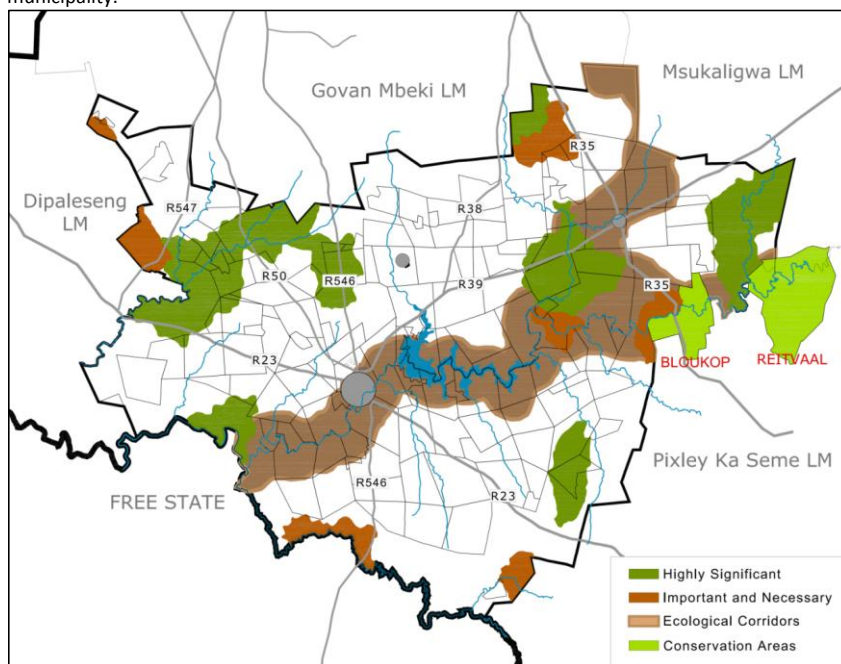


Figure 8: Biodiversity Sites

### Valuable Agricultural Land

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

The largest portion of the north-eastern, north-western and central parts of the municipality is highly suitable for arable agriculture<sup>3</sup>. Intermediate soil potential is distributed in smaller areas throughout the municipality. These areas make up 33% of the total area of the municipality.

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These areas are not necessarily currently used for agricultural purposes, but should be protected against development. Approximately 34% of highly suitable soil is currently not used for agricultural purposes.

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

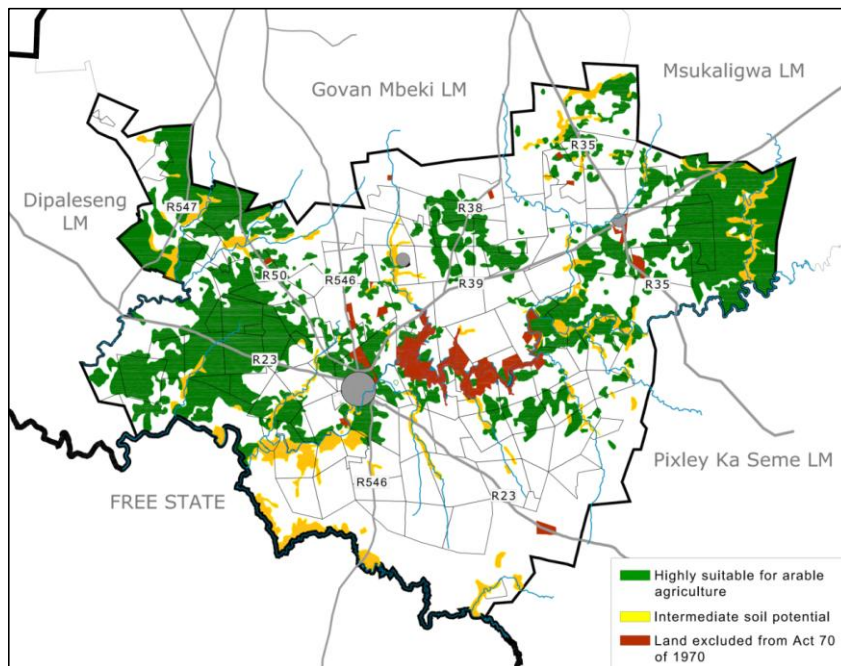


Figure 9: Soil Potential

### Summary of the Environmental aspect

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

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

Almost 60% of the total area of the LLM should be reserved for either agriculture or natural habitats

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### 3.4 COMMUNITY AND SOCIAL INFRASTRUCTURE

Social facilities were identified through data received from the Lekwa Spatial Development Framework, 2005 and the Lekwa LM IDP as well as analysis of other databases such as the demarcation board. Due to time and budget constraints detailed site visits could not be done

in order to confirm the data received. The only areas where site visits were performed were Standerton, Morgenzon, Thuthukani and Holmdene. Therefore the accuracy and quality of these facilities are subjected to detailed assessments.

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

#### Education Facilities

There are 72 primary schools, 1 secondary school and 3 combined schools outside of Standerton.

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

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

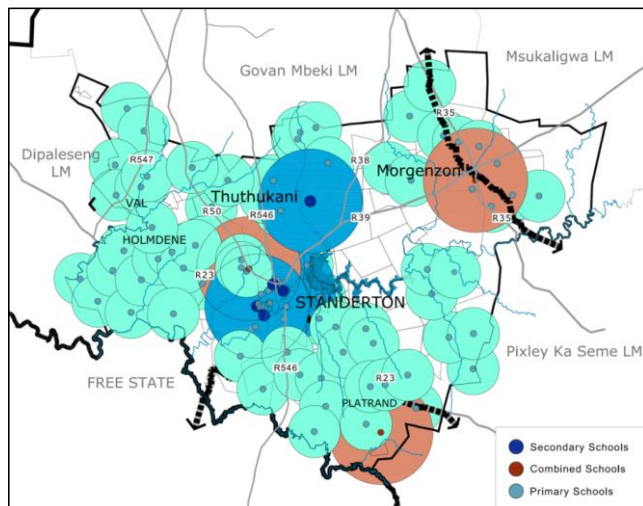


Figure 10: Distribution of Educational Facilities

#### Other Social Facilities

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

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

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

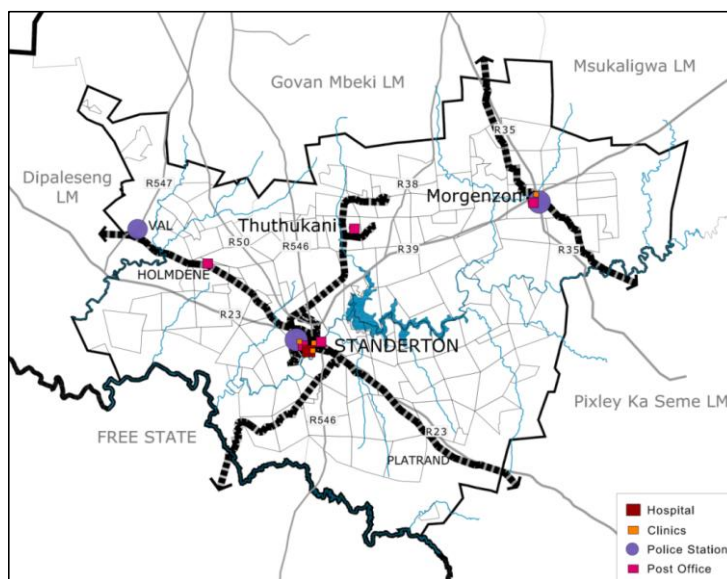


Figure 11: Distribution of Social Amenities

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

- There are sufficient primary schools in the LLM and most residents are within 5km of a primary school. The quality of the facilities is unknown.
- Limited higher order educational facilities exist.
- There is a critical under-provisioning of health services.
- The reality of the situation is that it would be impossible to provide social facilities throughout the entire municipal area. The challenge is thus to at least provide better access to the existing facilities in terms of public transport etc. as well as to improve / upgrade the existing facilities.

### 3.5 TRANSPORTATION

#### Public Transport

Public transport consists of rail, busses and taxis.

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

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

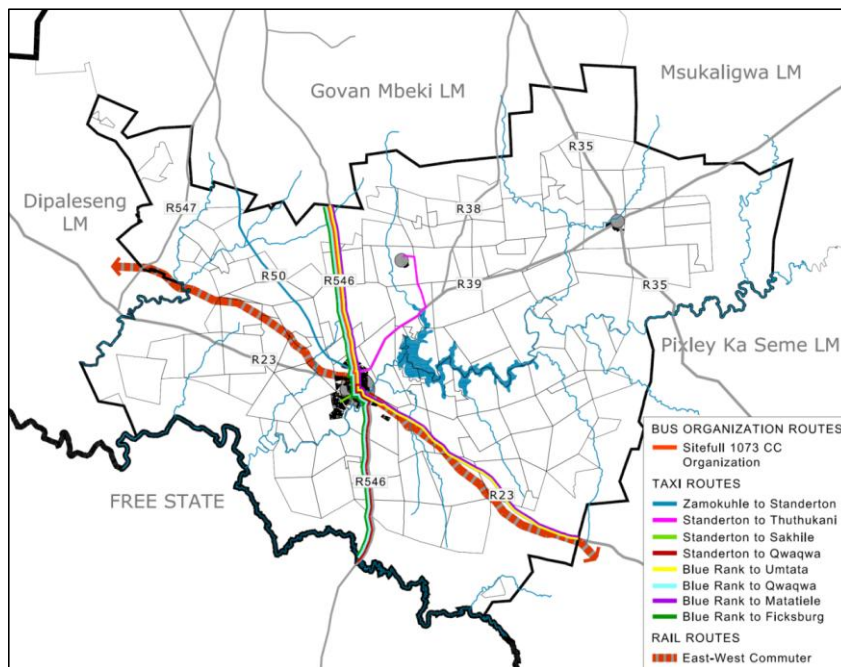


Figure 12: Public Transport Routes

According to the 2001 census data<sup>4</sup>, approximately 18% of the total population make use of public transport: 7% using busses and 11% taxis. In comparison, only 8% of the population travel by car as a driver, and 9% as a passenger. This indicates the importance of public transport in the municipal area.

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

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

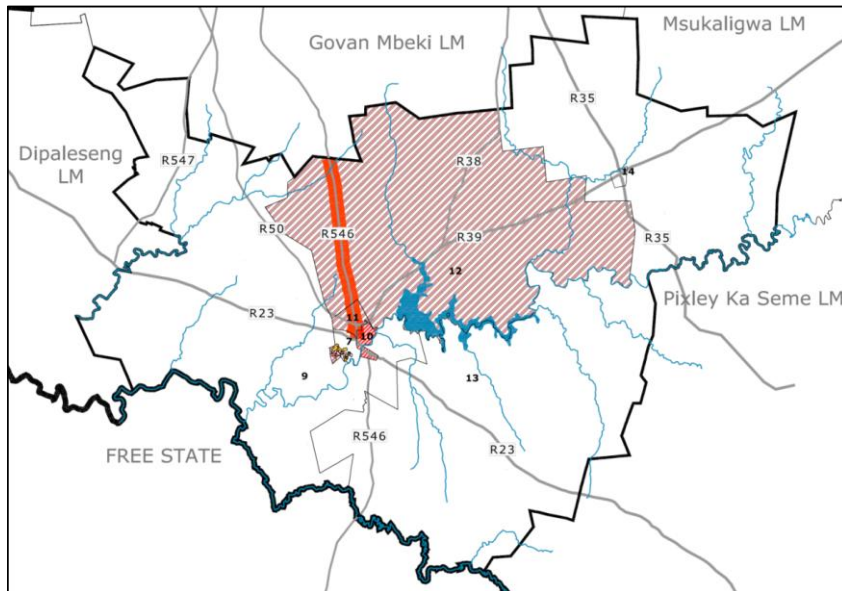


Figure 13: Public Transport Buses

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

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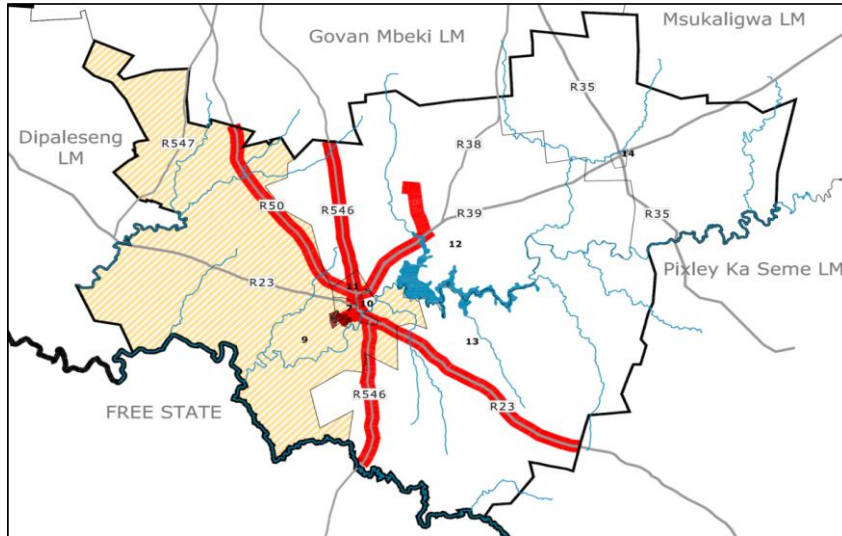


Figure 14: Public Transport Taxis

#### Non- Motorised Transport

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

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

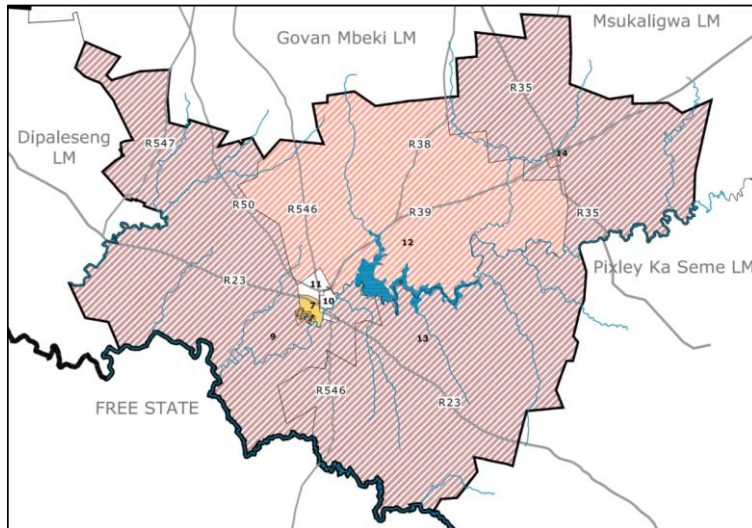


Figure 15: Non-Motorized Transport by Foot

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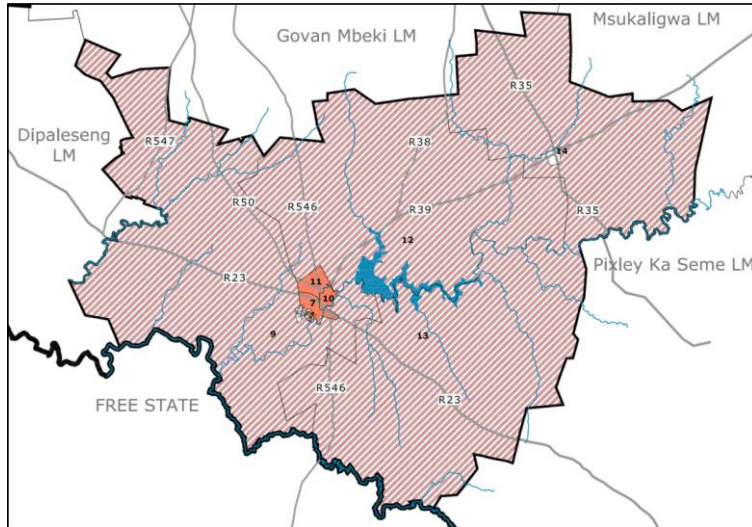


Figure 16: Non-Motorized Transport by Bicycle

#### Road Network

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

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

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



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

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

No new roads are being planned in the area.

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

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

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

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

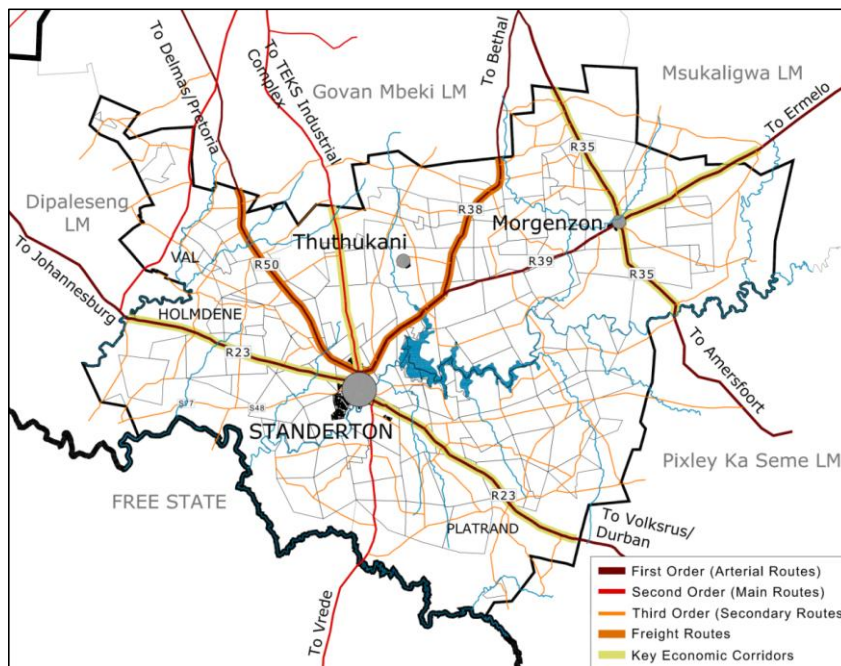


Figure 17: Road Networks

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

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

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- The R547.

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

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

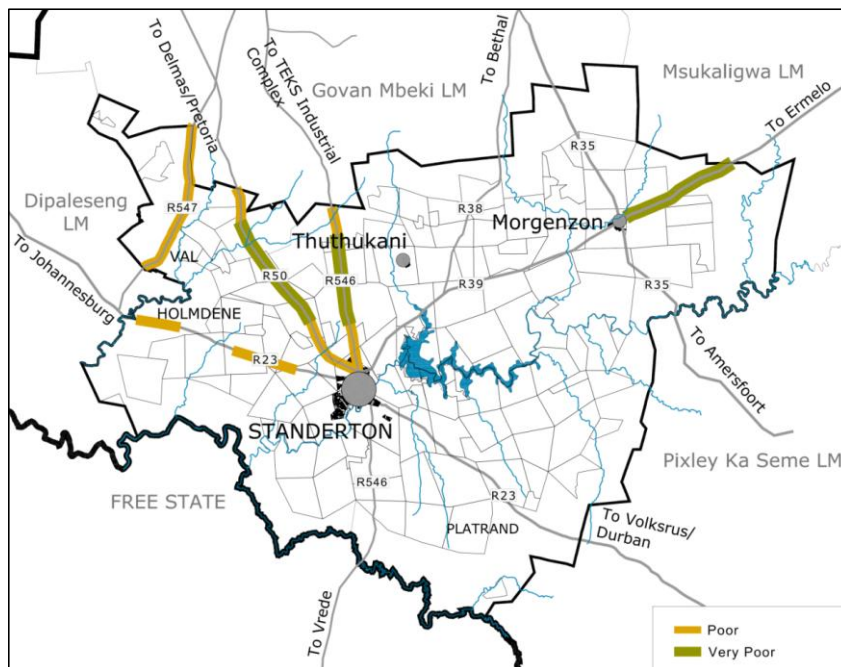


Figure 18: Road Conditions

### Rail

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

This line diverts in the region of Standerton with a branch line leading to Vrede in the south (freight line) as well as a line that leads to Tutuka Power station, this line however is not currently in use as it is not electrified.

There is another railway line in the eastern part of the LLM. It links linking Bethal to Volksrust via Morgenzon, Amersfoort, Daggakraal and Wakkerstroom/Sizameleni. This line is not currently in use.

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To address the coal haulage problem the GSDM ITP (2008) proposes the establishment of a new 68km heavy haul rail line from Ermelo to the Majuba Power Station. Once commissioned, the rail line will replace the road-trucking of coal to Majuba. The line is due for completion in 2011, and will be funded and operated by ESKOM.

Although rail has become unpopular over the past three decades due to a decline in the service offered, road conditions and the cost of road-based transport is introducing a shift back to rail.

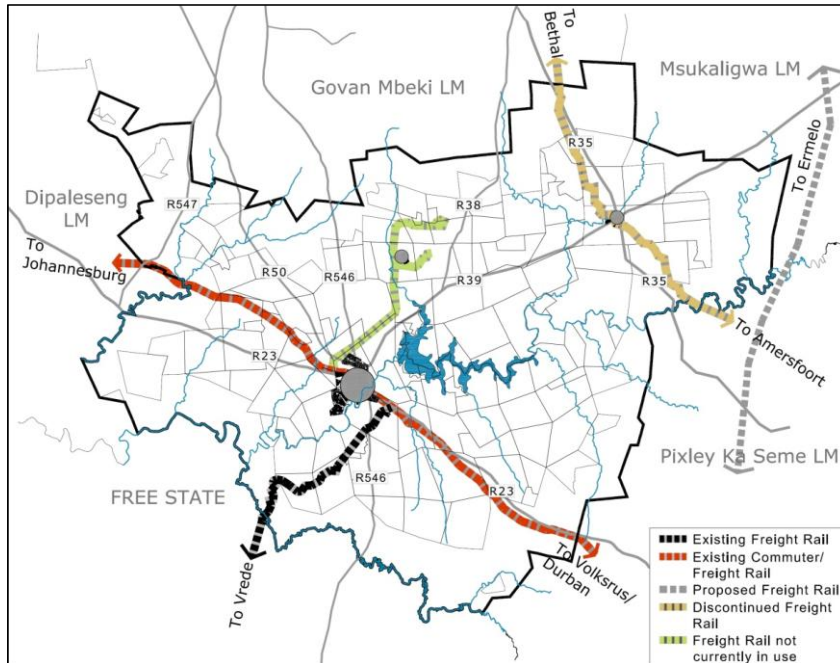


Figure 19: Rail Freight Networks

### Summary of the Transportation

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

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

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### 3.6 TOURISM INDUSTRY

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

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

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

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

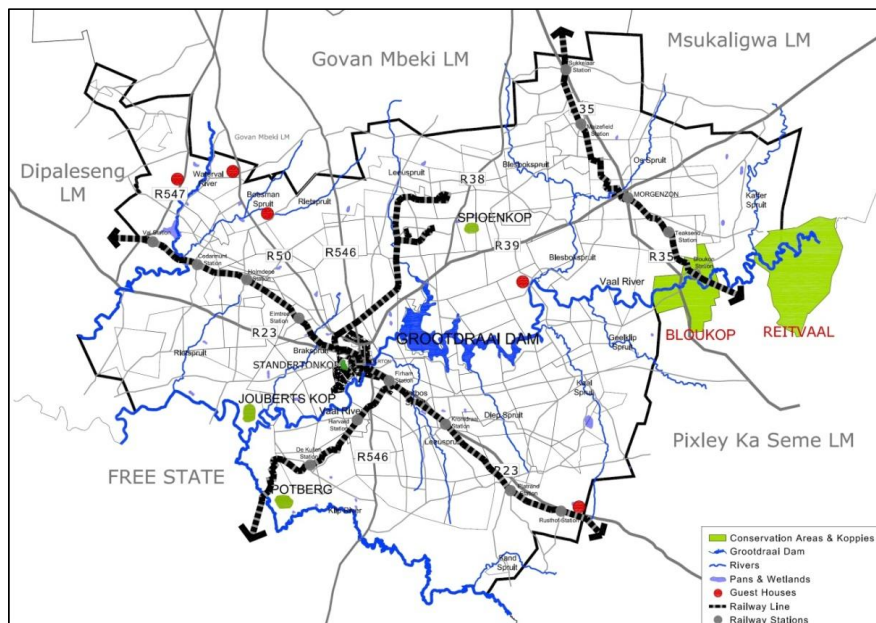


Figure 20: Potential Tourism Facilities

### 3.7 INFRASTRUCTURAL SERVICES DELIVERY

According to the 2007 Household Survey, the situation within Lekwa with regards to engineering services has improved quite significantly between 1996 and 2007. With regards to both electricity provision as well as piped water provision, Lekwa Local Municipality is outperforming Gert Sibande District.

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- Percentage of households with access to electricity increased from 45% to 80% for LLM compared to 55% to 80% for Gert Sibande and 70% to 82% for Mpumalanga.
- Percentage of households with piped water in house or yard increased from 70% to 88% for LLM compared to 60 to 80% for Gert Sibande and 55 to 68% for Mpumalanga.

Between 2001 and 2007 more households have been using electricity for lighting and cooking, which are the bare necessities, but use of electricity for heating has remained around 40%. This could be attributed to the fact that even though households have access to electricity, it is too expensive to use.

Provision of formal sanitation facilities has also increased between 2001 and 2007. In the Province, the District as well as Lekwa Local Municipality the provision of flush toilets has increased quite dramatically and the percentage of households with bucket latrines or no toilets has decreased in all instances.

Access to flush toilets has increased from 55% to 80% for LLM, from 50 to 60% for Gert Sibande and from 35 to 40% for Mpumalanga

The analysis of the access to service infrastructure of the LLM reveals the following:

- The situation with regards to electricity, water and sanitation provision has improved between 2001 and 2007;
- Lekwa is outperforming both the district and the province;
- Although access to services has improved, problems of affordability of services remains, as is reflected in the limited use of electricity for heating and cooking.

### **3.8 DISASTER MANAGEMENT PLAN (DMP)**

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

The Purpose of Disaster Management Plan

The purpose of a Disaster Management Plan is to enhance the capacity of the municipality to prevent and to deal with disasters and to avoid developments, which are subject to high risk of disasters.

Disaster Management Framework, Plan and Centre are interrelated. The scope of disaster management as required by the Act broadly entails three domains as outlined hereunder: -

#### **A. Disaster Planning**

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

#### **B. Disaster Preparedness and Response**

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

**C. Disaster Recovery**

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

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

**Possible Types of Disasters, communities at Risk and its effects**

The following table indicates likely types of disasters, the communities at risk and the effects associated with these disasters:

Type of Disaster	Community at risk	Effects
Floods	Low laying areas in Lekwa Municipality.	Loss of life Loss of property and livestock Damage to infrastructure Leaking of hazardous substances, sewage, etc. Disruption of economic and social activities Lack of potable water Spreading of diseases
Heavy snowfalls	High lying areas, particularly along the borders and also along the R23 and other areas within Lekwa municipality	Loss of life Loss of property and livestock Damage to infrastructure Disruption of economic and social activities Lack of food and warm clothing
Veld fires	Farming areas and informal settlements	Loss of life Loss of property and livestock Damage to infrastructure Spreading of diseases

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Type of Disaster	Community at risk	Effects
		Disruption of economic and social activities
Drought	Lekwa local but in particular farming areas	Loss of life Loss of property and livestock Damage to infrastructure Spreading of diseases Lack of food, Lack of potable water
Fires in built-up areas	Lekwa, particularly densely populated settlements and CBD	Loss of life Loss of property and livestock Damage to infrastructure Spreading of diseases
Transportation Accidents: - Rail - Air - Road - Pipeline	Lekwa along major transportation networks	Loss of life Loss of property and livestock Damage to infrastructure Spillage of hazardous substances
Spillage of hazardous and toxic substances	Lekwa along major transportation networks.	Pollution Health risks Loss of biodiversity, Loss of life
Diseases	Lekwa and the neighbouring community	Health risks, Loss of life Loss of livestock
Unrest Mass Events	Lekwa	Loss of life Loss of property and livestock Damage to infrastructure

TABLE 20: types of disasters, the communities at risk and the effects

#### Possible Prevention and Mitigation measures

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

Type of Disaster	Community at risk	Prevention and Mitigation Measures
Floods	Low laying areas, Standerton, Sakhile, Rooikoppen, TLC and Sivukile.	Prevent illegal occupation of land in low laying areas Ensure that townships are established outside 1:50 year flood line Plan open spaces along rivers and water courses
Heavy snowfalls	High lying areas, particularly along the border	Ensure that buildings are properly constructed to cope with weight of snow on roof structures Traffic accommodation Salt placement (National Road Agency) Early detection system Effective communication lines between service delivery

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Type of Disaster	Community at risk	Prevention and Mitigation Measures
		agencies Information distribution Emergency shelter and meals Emergency patient treatment Emergency communication system Emergency rescue and extrication Emergency administration functions Emergency financial assistance
Veld fires	Farming areas and informal settlements	Awareness campaigns Pre-emptive burning Firebreaks
Drought	Lekwa but in particular farming areas	Improved farming practices Storage of potable water source Irrigation scheme
Fires in built-up areas	Lekwa particularly densely populated settlements and CBD area	Fire hydrants Density control measures Fire walls between buildings
Transportation Accidents: - Rail - Air - Road - Pipeline	Lekwa along major transportation networks	Improved road conditions Regular maintenance of transportation infrastructure
Spillage of hazardous and toxic substances	Along major transportation networks and workstations such as Engine and Spoor net	Lower driving speed of hazardous substances Emergency response plan
Diseases	Lekwa and its neighbouring community	Awareness campaigns Emergency response plan
Unrest	Lekwa	Emergency response plan
Mass Events	Lekwa, auditorium, stadiums and public halls	Emergency response plan

TABLE 21: Possible Prevention and Mitigation measures

#### Preparedness and Institutional Capacity

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



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

Members need to comply with the following:

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

DISASTER MANAGEMENT ADVISORY FORUM						
DISASTER MANAGEMENT ROLE-PLAYERS CONTACT LIST						
Functionary	Initial(s) & Surname	Cell No.	Tel. No.	Fax. No.	Postal Address	Email Address
OFFICE OF THE MAYOR	Clr C.M.MORAJIAN E		017 712 9634	017712 6808	Lekwa municipality P.O. Box 66 Standerton 2430	
OFFICE OF THE ACTING MUNICIPAL MANAGER	RTO. DIPONE		017 712 9660	017 712 1240	Lekwa municipality P.O. Box 66 Standerton 2430	
DISASTER MANAGEMENT CENTRE	N.J.A. Kock	0828553498	017 712 9661 017 712 5551 017 793 3496	017 712 9661	Lekwa municipality P.O. Box 66 Standerton 2430	
COMMUNITY SERVICES AND SAFETY	T. Mtshiselwa	082 330 7156 072 420 0709	017 712 3549 017 712 9678	017 7125670 017 712 3422	Lekwa municipality P.O. box 66 Standerton 2430	
TECHNICAL & ENGINEERING	S.KOUNE	079 494 1143	017 7129815	017712 9814	Lekwa municipality P.O. Box 66 Standerton 2430	
ENVIRONMENTAL & TOURISM	J Van Wyk	0798948469	017 712 9826	017 712 9814	Lekwa municipality P.O. Box 66 Standerton 2430	
FINANCE	R.O.T.Dipone (Mr)	072 813 5641	0177129622	017 712 9814	Lekwa municipality P.O. Box 66 Standerton 2430	
CORPORATE SERVICES	TM.GAMA	079 494 1147	017712 9632		Lekwa municipality P.O. Box 66 Standerton 2430	
WATER, SEWAGE & ELECTRICAL	Sappie Claasen D. Lottering	0828553486 0828553489		0177129814	Lekwa municipality P.O. Box 66 Standerton 2430	
PUBLIC WORKS	L Malala				Lekwa municipality P.O. Box 66	

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					Standerton 2430	
WASTE MANAGEMENT	M.MADISHA				Lekwa municipality P.O. Box 66 Standerton 2430	
TRAFFIC MANAGEMENT	Mr G.M.MPHAHLE	0828553497		017 712 8802	Lekwa municipality P.O. Box 66 Standerton 2430	
LEGAL SERVICES	Mr.Y.G.MARON GO				Lekwa municipality P.O. Box 66 Standerton 2430	
IT	Poppy	0828553538	0177129708	0177126808	Lekwa municipality P.O. Box 66 Standerton 2430	
HOUSING	D. Radebe	0798948528			Lekwa municipality P.O. Box 66 Standerton 2430	
FIRE & RESCUE	Mr N.J.A.Kock		017 712 9661 017 712 5551	017 712 9661	Lekwa municipality P.O. Box 66 Standerton 2430	
O. HEALTH & SAFETY	Mr.T.MOFOKEN G	083 733 5471	017 712 9645	086 627 3192	Lekwa municipality P.O. Box 66 Standerton 2430	

TABLE 22: Disaster Management Advisory Forum

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

These should focus mainly on the following aspects:-

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

### 3.9 HOUSING CHAPTER ANALYSIS

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The municipality assess the extent of their housing for two critical reasons, firstly to establish the extent of the problem for the Municipality to institutionally gear resources to meet the housing challenge and secondly to appropriately plan for housing delivery in areas of greatest need to maximise impact. Housing demand/need in a municipal area can be determined in two main ways that is through the **census statistics** and the municipality housing demand database:

#### **Census Statistics**

The housing backlog estimates based on census data takes into account both the population residing in informal settlements, and the creation of housing opportunities for those in inadequate formal shelter, such as outhouses, shaky mud structures or under conditions of over-crowding. There are two main limitations to this method, first the census data is now considered outdated. The Community Survey 2007 has been used to determine some trends, but to a great extent it is not as rigorous as the full census. Second, this approach does not specifically address the housing need in tribal areas and farming settlements. In such cases where the majority of the population resides in tribal areas, household incomes, housing lists and the conditions of their housing structures will inform the extent of backlog.

#### **Analysis of the Waiting List**

It is through the analysis of the housing waiting lists. The common shortcomings associated with the housing list include amongst others applicants putting their names down in more than one municipal housing waiting list, while other potential beneficiaries do not placed their names on these lists.

In this instance a hybrid of the census data and proposed housing projects has been used to determine the housing need regardless of the fact that the census data is fairly outdated. The utilisation of this approach to determine the housing need has as its major shortcoming the inability to link the approved subsidy to a beneficiary at the project inception phase. Second, beneficiaries cannot be classified according to income category and differentiated according to gender.

While this approach takes into account the limitations of both the census data and the proposed project to increase the probability of accuracy for the following reasons:

The housing need statistics should be considered as an interim measure that will provide indicative demand as the municipality needs to institute an administrative process of compiling a housing list. The housing list would be an outcome of a detailed process that will analyse the socio-economic status of individual households to justify the choice of beneficiaries per subsidy instrument.

The number of beneficiaries identified through project identification should be treated as an interim measure while the municipality prepares a housing list. The data derived from the housing list will complement this data.

#### **Numeric Extent and the Spatial Location of Housing Need**

##### **Need for Subsidy Housing**

Lekwa Municipality is also faced with a huge responsibility for housing delivery. The housing backlog at Lekwa municipality is 18 207. A total of 12 000 is for low cost housing units and 6 207 are for rural backlog (Source: IDP 2007-2011).

There are additional 11 496 inadequate types of households (refer to table 4: housing profile):

- i. Informal households: 8 398
- ii. Traditional/ mud structure: 2 840
- iii. Hostel units: 258

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**a) The Housing Development Department**

The Breaking New Ground Policy puts a new emphasis and orientation on the extent to which the housing sector has been viewed in South Africa. Principal emphasis is placed on the fact that housing is not a shelter issue alone but also an important economic asset. Therefore, in order to deal with the value chain of all housing related processes, it is important that the municipality looks at creative ways of profiling and elevating the importance of this sector.

**b) Land Availability and Packaging**

Lekwa Municipality has secured a number of stands serviced with water, sanitation and electricity in the following areas:

**Table 23 : Stands Serviced with Water, Sanitation and Electricity**

Area	Number of erven
Standerton Extension 6	1 200
Sivukile Extension 4	282
Azalea Extension 1	443
Sakhile Extension 3	235
Sakhile Extension 1	224
Sakhile Extension 4	3 256
TLC Camp	174
<b>Total</b>	<b>5 814</b>

**c) Informal settlements**

Lekwa municipality is faced with a challenge of informal settlement on the basis that there are 8 398 inadequate households in the informal settlements which is higher figures than the traditional housing amounting to 2 840 and 258 hostel units.

Additional housing needs are indicated below.

**Table 24: Housing Needs for Lekwa Local Municipality**

Settlement	Households	Land Ownership	Services	Geo-tech	Environmental Impact assessment	Township Establishment
Sakhile Ext. 1	224	Municipal land	Sewer, water, roads, toilet, and electricity	Not done	Not done	Done
Sakhile Ext 2	600	Residents owned	Sewer, water, roads, toilet and electricity	Done	Not done	Done
Sakhile Ext 3	235	Municipal land	Sewer, water, roads, toilet, and electricity	Not done	Not done	Done
Sakhile	3276	Municipal	Sewer, water,	Not	Not done	Done

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Settlement	Households	Land Ownership	Services	Geo-tech	Environmental Impact assessment	Township Establishment
Ext 4 (known as Roolkoppen)		land	and 75% roads	done		
Sakhile Ext. 5 (TLC)	179	Municipal land	Sewer, water, roads, toilet, and electricity	Not done	Not done	Done
Standerton Ext 6	1800	Municipal land	Sewer, water, roads, toilet and electricity	Not done	Not done	Done
Azalea Ext 1 (H-Camp & Mahala Park)	454	Municipal land	Water	Not done	Not done	Done
Sakhile Ext 4	282	Municipal land	Sewer, water, and 30% roads	Not done	Not done	Done
H-camp	189	Municipal land	Sewer, water, and roads	Not done	Not done	Done

However there is a budget of R38, 000,000 from the department of local government and housing for 270 household units for the financial year 2008/2009. It is evident that more funds must be sourced towards the eradication of informal settlement in Lekwa Municipality.

**d) Rural Households**

The rural housing programme seeks to tackle the shelter needs of rural dwellers. This programme also enables female beneficiaries to access housing on their own rights. The IDP has identified 2 840 inadequate households from traditional housing.

**e) Farming worker housing**

Last year the Mpumalanga Department of Housing had planned to build 444 units under the farm worker housing programme. It had not, however, anticipated the number of challenges that would be encountered. Farm worker housing development has proven to be a lengthy process largely regarding land and environmental impact assessment issues.

Lekwa Municipality has a target objective of 44 farming worker housing. The Department of Local Government and Housing has allocated R1, 425,630 which will address the 44 farming workers housing in the 2008/2009 financial year.

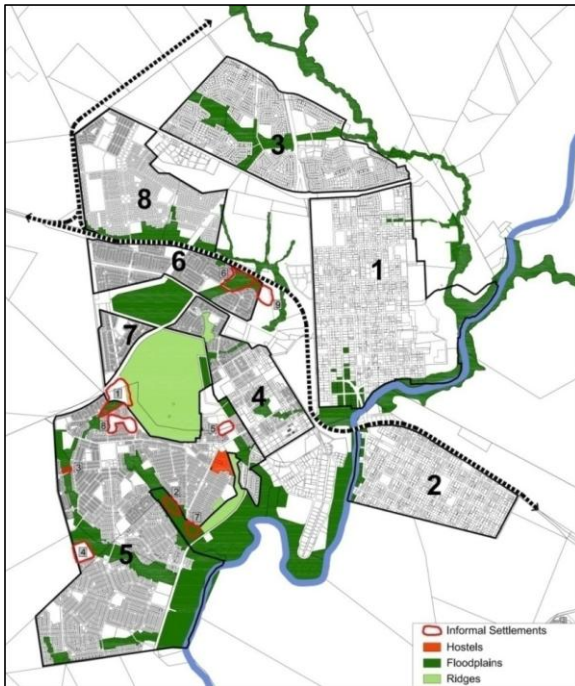
According to the Informal Settlement Report dated 29 October 2009 the status of the informal settlements in Standerton are outlined in the table below. This differs from the figures in the LLM Housing Chapter. The figures below have however been verified on recent aerial photographs and appear more accurate than the Housing Chapter.

TABLE 25:

KEY	INFORMAL SETTLEMENT	NR OF HOUSEHOLDS	WARD	LEVEL OF SERVICES
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KEY	INFORMAL SETTLEMENT	NR OF HOUSEHOLDS	WARD	LEVEL OF SERVICES
1	Mandela	73	3	2 water taps
2	Tambo	5	5	No Services
3	Sisulu	12	2	No Services
4	Welamlambo	75	9	No Services
5	Shivovo	10	3	No Services
6	Taxi Rank Camp (Standerton Ext. 6)	50	7	No Services
7	Slovo	140	6	77 households with electricity;63 without
8	3273/R & 3324/R Camp (Sakhile)	48	3	No Services
9	3995 Camp (Standerton Ext. 6)	40	7	No Services
	X-Camp (Sakhile Ext. 2)	65	1	No Services
	Mahala Park	24	4	No Services
	TLC Camp	79	6	No Services
	<b>TOTAL</b>	<b>621</b>		



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Figure 21: Distribution of Informal Settlements

The municipality received approximately R150 million from National Treasury to upgrade informal settlements. A total of 2 165 housing units were constructed: 1 750 units in Sakhile Ext 4, 170 units in Sakhile Ext 1 and 280 units in Sakhile Ext 3. The recently approved Standerton X8 will contribute another 553 erven of 300m<sup>2</sup> and 1 510 erven of 500m<sup>2</sup> to address the housing demand. It also includes 22 erven of 200du/ha for rental units.

**Projects completed in Lekwa Municipality**

The information from the municipality indicates that there were 4089 houses being approved for implementation and 3 094 have been complemented. It implies that there are about 995 houses that are being built. There are no specifics with regards to the types of houses that have been built. It would mean that the municipality confirm the types of houses needed and the ones that exist.

**Table : Housing projects from Municipal Information**

Year	Ward	Units Approved	Units completed
1995	1, 2, 3, 5	70	70
1996	14	500	500
1997	4	88	66
2000	7	1000	942
2000	14	9	5
2001	14	499	435
L92002	1, 2, 3, 5	50	47
2003	7	500	500
2004	1, 2, 3, 5, 14	50	50
2003	1, 2, 3, 5, 7	200	107
2006	1, 2, 3, 5, 7	97	63
2000	12	55	47
2008	14	180	0
2008	7	245	120
2008	4	100	22
2008	4	75	0
2008	4	75	0
2008	7	248	120
2008	7	48	0
		<b>4 089</b>	<b>3 094</b>

Source: Municipal data

**Housing Projects from the IDP**

The below housing projects were derived from the 2008/2009 IDP. However there are no specifications in terms the budget or the period. Therefore, a deductive reasoning could not be made with regard to the pace

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of delivery or the challenges. It is recommended that the challenges experienced in the delivery of the projects be avoided in the planned projects.

**Table : Housing projects from IDP**

Area	Units required	Units completed	Units under Construction
Sivukile and Sakhile	100	22	29
87 Project link at Sivukile	87		6
Sakhile			50
Sakhile Hostel redevelopment project phase 1			Civil infrastructure is underway
Ward 12	500		34

From the above information it is derived that there are 500 houses required, 22 have been completed and 119 are under construction. It implies that from a total of 18 207 backlogs of houses (This includes the 500 in Table 9(2)) there are 3 116 houses completed and (3094 plus 22) and there are 995 houses which have been approved but have not being built and 119 are being built. . It means in total there is still a backlog of 15 091. Assuming that a total of 119 houses will be completed in 200/9 financial year, it implies that there is a total of 14 972 backlogs of houses.

#### **Institutional Arrangements in Lekwa Municipality**

A note needs to be made here that housing is a concurrent function in which the national Department of Housing, the Provincial Department of Housing and the Lekwa municipality have a role to play in the delivery of houses. Yet another key set of role players include financial institutions such as government owned development finance institutions such as National Housing Finance Corporation (NHFC) and NURCHA; as well as commercial banks such as ABSA, FNB and others. All these players have to play their respective role in housing development in housing delivery.

The national Department of Housing (NDoH) makes financial transfers to the Provinces as part of the equitable share of the national budget. In addition, the NDoH is a policy formulating sphere of government—the BNG being the case in point in the current housing delivery environment.

The Provincial Department of Housing (PDoH) is also a key player as the recipient of national funds transferred to the Province for housing development. The PDoH has to make allocation to municipalities of housing



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budget based on request for allocation by municipalities themselves. Given the capacity constraints of municipalities to manage housing projects, the PDoH performs the function of being a developer.

The Municipality is certainly at the coalface of housing development as it has to keep an up-to-date waiting list for households requesting government provided housing. In this regard, the Municipality has to identify housing needs and capture housing projects in its IDP. The Municipality also play a key role in engaging the Province for the budgetary allocation to meet housing needs in its area of jurisdiction.

Currently, the Housing Unit in Lekwa municipality falls under the Corporate Services. The Lekwa Municipality strengths which are key to household delivery programme, amongst others as reflected in the SWOT Analysis (IDP; 2007-2011) are:

- a) Competent and committed management and staff.
- b) Financial viability.
- c) Adequate basic infrastructure.

It should also be noted that one of the main for the municipality’s threat is high turn-over of staff. It would be helpful if the District municipality, Gert Sibande and the private sector could assist in building the capacity of the housing component of the Municipality. The structure for Housing Unit is shown below:

**Housing Priority Issues**

The following Table catalogues some of the key housing issues that need to be addressed in efforts to delivery houses in the context of creating sustainable human settlements in the Lekwa Local Municipality:

**Table : Key Housing Issues**

Issues	Comment
<b>ISSUE 1:</b> Rural/farm housing	<ul style="list-style-type: none"> <li>• There is urgent need to quantify housing needs and develop a beneficiary list for farm workers</li> <li>• Need to address farm worker housing needs.</li> </ul>
<b>ISSUE 2:</b> Urban land availability	<ul style="list-style-type: none"> <li>• Has limited own land that can be used for housing development, especially around urban areas.</li> <li>• Lekwa Local Municipality to drive well located land identification and release in order to better manage urban development and creation of integrated, sustainable human settlements.</li> </ul>
<b>ISSUE 3:</b> Informal settlements	<ul style="list-style-type: none"> <li>• There is great expansion of informal settlements around urban and major rural centres.</li> <li>• It is noted that the municipality owns the land on which most informal settlements are located and the process of township establishment is done</li> <li>• Need to finalise the geo-tech and EIA in these informal settlements to begin the Informal Settlement Upgrading Programme in the Municipality and link to economic and social services.</li> </ul>
<b>ISSUE 4:</b> Replacement of hostels with family Units	<ul style="list-style-type: none"> <li>• There are people occupying hostels ( 258) which need to be upgraded into Community Residential Units</li> </ul>

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<b>ISSUE 5:</b> Upgrading of inadequate structures	<ul style="list-style-type: none"> <li>Lekwa has 11 238 inadequate structures that should be upgraded to sustainable houses.</li> </ul>
<b>ISSUE 6:</b> Housing Policy	<ul style="list-style-type: none"> <li>There is a need to drive the process of ensuring that communities in the Lekwa Local Municipality understand housing policy—especially government subsidy programmes.</li> <li>The Municipality needs to implement a housing Consumer Education Programme for housing beneficiaries so that they understand their obligations as well as need for asset creation.</li> <li>There is also a need to develop proper by-laws to control the increase of informal settlements</li> </ul>
<b>ISSUE 7:</b> Gaps between houses	<ul style="list-style-type: none"> <li>A note is made of low density-density development in centrally located areas.</li> <li>Open space leads to development of informal housing as people move in these areas in order to be close to employment and social facilities.</li> <li>Municipality needs to carry out land audit on vacant pieces of land in centrally located areas with a view of taking over vacant sites to build houses for the needy.</li> </ul>
<b>ISSUE 8:</b> Emerging Contractor Development & Job Creation	<ul style="list-style-type: none"> <li>There is a need to promote locally based emerging contractors in housing delivery as a mechanism for promoting local economic development and quality housing development</li> <li>Facilitate access to bridging finance by emerging contractors</li> <li>Job creation is an integral component of the BNG in order to address levels of unemployment.</li> </ul>
<b>ISSUE 9:</b> Housing Staff Retention	<ul style="list-style-type: none"> <li>There is a need to retain the housing staff through a programme with the related incentive programme.</li> </ul>

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### Housing Strategy and Projects

In this section, housing strategies and projects are developed based on the information provided in the analysis phase. The housing needs derived from the statistical analysis and information obtained from the municipal housing, are to a great extent determined strategies and projects that will be developed for the municipality.

The objectives and strategies that seek to address the needs of the vulnerable groups in the municipality should be given attention whilst at the same time care should be taken to ensure that the institutional arrangements are geared towards accelerating housing delivery and creation of sustainable human settlements in line with the Breaking New Ground Policy.

#### Developing the Housing Strategies

The housing strategies are actually meant to give effect to the objectives as formulated. In developing the strategies, various factors were taken into consideration. The following are, amongst other factors that influenced the strategies that were developed:-

- The role of the Department of Housing in subsidy allocations to municipalities
- The criteria used for allocation of housing subsidies to individuals.
- The ability of the municipality to manage and ensure construction of good quality houses located closer to employment opportunities and social amenities—the crux of sustainable settlements
- The role of private sector developers in creating new affordable housing stock as well as high income housing where markets exists.
- Upgrading historically neglected residential areas and providing new housing opportunities in better-located areas for those in the greatest need
- The speed with which municipality eradicates informal settlements.
- The need to achieve densification of settlements where appropriate.
- Improving housing conditions of the rural communities, including communities residing on farm lands.
- The need to build capacity of understanding housing policy and programmes among beneficiaries.
- Many other important aspects and considerations also served to guide this process.

The following Table outlines the objectives and key activities underpinning each strategy pillar of the Housing Programme of the Lekwa Local Municipality

**Table : Housing Strategies**

#### Pillar 1: Rural and Farm Housing Development

Objective:	Key Activities
To ensure that people living in the rural areas and farms have access to good quality houses	<ul style="list-style-type: none"> <li>• Negotiating with land owners for possible land release</li> <li>• Source funding to acquire land for housing and township establishment where appropriate</li> <li>• Undertake town planning where feasible</li> <li>• Implement Rural Housing Development utilising rural subsidy instrument.</li> </ul>

#### Pillar 2: Promoting urban housing development

Objective:	Key Activities
To promote quality and sustainable human settlements around urban centres	<ul style="list-style-type: none"> <li>• Provide planned land for housing development in urban areas</li> <li>• Identification of well located land in relation to economic opportunities</li> <li>• Developing a business plan to secure funding for planning and surveying of sites for town planning and establishment</li> </ul>

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	<ul style="list-style-type: none"> <li>• Implement housing development projects that are inclusionary in order to promote integrated residential development</li> </ul>
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**Pillar 3: Informal settlements upgrading and eradication**

Objective:	Key Activities
To eradicate informal settlements and build quality houses and sustainable human settlements	<ul style="list-style-type: none"> <li>• Undertake an audit of informal settlements to get deeper understating and key pull factors to these settlements</li> <li>• Ensure that housing need is updated based on the findings of the audit</li> <li>• Implement in situ upgrading where feasible in order to minimise relocation</li> <li>• Implement new housing projects to house informal settlements dwellers.</li> </ul>

**Pillar 4: Replacement of Hostels with Family Units**

Objective:	Key Activities
To replace hostels with family units	<ul style="list-style-type: none"> <li>• Confirm the number of hostel (258) units in line with the IDP figures</li> <li>• Implement the Community Residential Units Policy by upgrading hostels units and replace them by housing units</li> </ul>

**Pillar 5: Upgrade Inadequate Structures to Adequate Housing**

Objective:	Key Activities
To upgrade inadequate structures to adequate housing.	<ul style="list-style-type: none"> <li>• Confirm the spatial location of the 11 238 inadequate structures</li> <li>• Upgrade the inadequate structures into adequate housing structures.</li> </ul>

**Pillar 6: Promoting Development of Affordable Housing and High Income Housing**

Objective:	Key Activities
To promote secondary residential property market and upward mobility in the housing ladder	<ul style="list-style-type: none"> <li>• Facilitate development of new housing stock catering for affordable and high income housing markets</li> <li>• Improve turnaround in dealing with re-zoning needs and approval processes for private sector driven housing developments</li> <li>• Promote the Municipality to professionals to locate in the Municipality using quality housing developments as a key lever</li> </ul>

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**Pillar 7: Lack of understanding of the Housing policy & programmes**

Objective:	Key Activities
To ensure that the community understands all housing related matters and available housing options	<ul style="list-style-type: none"> <li>• Implement Housing Consumer Education throughout the Municipality</li> <li>• Partner with the Province and private sector players in ensuring that housing consumer education is comprehensive in order to cater for all housing consumer needs</li> </ul>

**Pillar 8: Contractor Development & Job Creation**

Objective:	Key Activities
To promote SMME development and local economic by supporting development of emerging contractors and promotion of local employment in housing projects	<ul style="list-style-type: none"> <li>• Facilitate training programme for local emerging contractors in order to support their participation in developing quality houses and sustainability—thereby contributing to local economic development</li> <li>• Encourage employment of local labour in housing projects as a mechanism to address local unemployment and promote local economic development</li> </ul>

**Pillar 9: Housing Staff Retention**

Objective:	Key Activities
To promote housing unit staff retention through the development of a retention strategy with a related incentive programme	<ul style="list-style-type: none"> <li>• Develop the housing unit staff retention strategy and align with the housing line function</li> <li>• Facilitate the implementation of the incentive programme to retain housing staff so as to ensure sustainable housing delivery.</li> </ul>

**Formulation of Projects**

The analysis phase largely informs the type of projects that are needed to address housing backlog in the Lekwa Local Municipality's area of jurisdiction. Analysis phase concludes with a highlight of key housing priority issues, which must inform projects that are critical in addressing the housing needs of the citizens of this Municipality.

The income levels of the individuals in this Municipality points to the fact that the majority of the population qualify for the government subsidy housing. Accordingly, government subsidy instruments largely feature in conceptualising housing delivery projects in this Municipality.

The Lekwa Local Municipality has limited suitable own land that can be used for housing development projects especially upgrading of informal settlements. Under these circumstances, housing delivery to remove informal settlements for the Municipality has to be prioritised.

The Municipality has a sizeable number of emerging contractors who need to be assisted in building their capacity to deliver housing projects. It is to the Municipality's benefit to conceive and implement project intended to build capacity of these emerging contractors.

Although there are limited opportunities for the residents to afford privately owned land, some individuals who are emerging from the indigence status as a benefit of being employed should be encouraged to fund housing themselves through other mechanisms such as private investors.

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Another key consideration is to consider prioritising the vulnerable groups in the housing delivery projects and these groups include groups such as the women, youth, disabled and the aged headed households, and the HIV/AIDS affected and infected households.

#### **Housing Projects**

The list that follows below is a compilation of a number of projects that the municipality will need to facilitate their implementation as a means of elevating the importance of the housing sector in general and reducing the housing backlog in particular.

The household backlog according to the IDP is 18 207. The houses delivered from 1995 to date is 3 116 based on the information from the IDP and the one in the Housing Department of the Municipality. Therefore the remaining backlog is 15 091. Houses planned for 2008/2009 is 3 374. In order to achieve the objective of Sustainable Integrated Human Settlements, community facilities have to be considered. The facilities have to be extended in some instances so as to cater for the increased number of population/ households.

**Table : Proposed Housing Projects: A Five Year Plan**

<b>Descr</b>	<b>No. of Units</b>		<b>2008/9</b>	<b>2009/2010</b>	<b>2010/2011</b>	<b>2011/2012</b>	<b>2012/2013</b>	<b>Total</b>
Sakhile Ext. 1	224		Undertake Geo-Tech, Conduct EIA	56	56	56	56	224
Sakhile Ext 2	600		Undertake Geo-Tech, Conduct EIA	150	150	150	150	600
Sakhile Ext 3	235		Undertake Geo-Tech, Conduct EIA	59	58	58	60	235
Sakhile Ext 4 (known as Roolkoppe n)	3276		Undertake Geo-Tech, Conduct EIA	819	819	819	819	3 276
Sakhile Ext. 5 (TLC)	179		Undertake Geo-Tech, Conduct EIA	44	44	44	47	179
Standerton Ext 6	1800		Undertake Geo-Tech, Conduct EIA	450	450	450	450	1 800
Azalea Ext 1 (H-Camp & Mahala Park)	454		Undertake Geo-Tech, Conduct EIA	113	113	114	114	454
Sakhile Ext 4	282		Undertake Geo-Tech, Conduct EIA	70	70	71	71	282
Sivukile	910		165	275	75	250	145	910
H-camp	189		Undertake Geo-Tech, Conduct EIA	47	47	47	48	189
TLC Camp	684		Undertake Geo-Tech, Conduct EIA	153	143	143	245	684

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Descr	No. of Units		2008/9	2009/2010	2010/2011	2011/2012	2012/2013	Total
Sakhile Hostel Redevelopment (Ward 4)	258		51	51	51	51	54	258
Ward 4	228	1 332	45	45	45	45	48	228
Ward 5	60		12	12	12	12	12	60
Ward 6	180	1 332	Confirm the inadequate structures	45	45	45	45	180
Ward 6	1200		240	240	240	240	240	1200
Ward 7	301		60	60	60	60	61	301
Ward 12	500		100	100	100	100	100	500
Ward 14	692		91	100	100	200	201	692
Rural Housing	2 840		568	568	568	568	568	2 840
<b>TOTAL</b>			<b>1 332</b>	<b>3 457</b>	<b>3 246</b>	<b>3 523</b>	<b>3 534</b>	<b>15 092</b>

Source: Factual Status Report on Mushrooming of Unplanned Informal Settlements, Dept of Housing and Lekwa Municipality

#### Estimated Housing Budget

Mpumalanga Department of Housing has committed the budget for Lekwa Municipality in the 2008/2009 implementation plan. The total budget committed is R76, 604, 579 and the number of units to be constructed is 3 374.

Table : Projections for Housing Delivery per Annum in Relation to Budget

Year(s) of Delivery	Estimated No of Backlogs	Estimated Minimum Budget @ R54 640/Unit
2008-2009	1 332	72 780 480.00
2009- 2010	3 457	188 890 480.00
2010-2011	3 246	177 361 440.00
2011-2012	3 523	192 496 720.00
2012-2013	3 534	193 097 760.00
<b>TOTAL</b>	<b>15 092</b>	<b>824 626 880.00</b>

It is estimated that an amount of R824 626 880.00 is required to eradicate the housing backlogs in Lekwa Municipality. A unit cost is estimated at R54 640.

All houses are to be funded from grants. There are no private sector investors for now except that it is anticipated that the economic development that should be facilitated in the municipality should be able to uplift people so that in future they should be able to afford housing for on their own.

The estimations above exclude budget estimations for other social amenities which would ensure that the integrated sustainable settlements are achieved. The funding for these facilities will be derived from the National and Provincial Treasury on Neighbourhood grant, Departments of Education, Health and Public Works

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### 3.10 WATER & SANITATION SERVICE INFRASTRUCTURE

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

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

#### Brief functional description of existing main infrastructure components

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

#### 3.10.1 Existing Groundwater Infrastructure

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

#### Existing Surface Water Infrastructure

General information	SW1	SW2	SW3
Component name (No ID)	Grootdraai Dam	Vaal River	Morgenzon Dam
Scheme name	(releases)	Direct abstraction	
Institutional status (Dam safety register no)	12/2/C114-02		
Current owner & operator	DWAF	DWAF	Lekwa
Future owner / WSA or WSP (If applicable)	DWAF	DWAF	Lekwa
<b>Asset assessment</b>			
Date constructed	1981		1930
Expected total lifespan	Usually 40 to 50 years from date of construction		
Estimated replacement value	No info	No info	No info
Annual operating cost	No info		In O&M budget
Annual maintenance cost	No info		
<b>Type &amp; capacity</b>			
Catchment area (km <sup>2</sup> )			
Full supply storage capacity (m <sup>3</sup> )	364 million		0,81 million
Type of structure	Dam	River	Dam
Spillway capacity (m <sup>3</sup> /sec) / type	Ogee	N/a	
Total annual assured yield (m <sup>3</sup> /annum)	No info		No info
Can the dam capacity be increased? (Yes/No)	No info		No info
Capacity is available for development? (%)	Dam/river under stress		
<b>Operation</b>			
Dam safety registration (Yes/No)	Yes	N/a	No
% Allocation for domestic consumption	30 MI/day		??
% Of domestic allocation used	60%		



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

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

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

#### Water Treatment Plants

General information	WTP1	WTP2
Component name (No ID)	Standerton WTP	Morgenon WTP
Scheme name	Water supply	Water supply
<b>Institutional status</b>		
Current owner & operator	Lekwa	
Future owner / WSA or WSP (If applicable)	Lekwa	
<b>Asset assessment</b>		
Date constructed	1908	1998
Expected total lifespan	20 yrs	50 yrs
Estimated replacement value	R20 million	R6 million
Annual operating cost	R3,4 million + 0,75 m electr	R 0,7 m
Annual maintenance cost	R188 000	R42 000
<b>Type &amp; capacity</b>		
Type of plant (description)	Sand Filter	Sand Filter
Water source (purchased, ground, surface)	Surface	Surface
Physical water quality: Turbidity	11 – 280 NTU	11 – 280 NTU
Chemical causing quality problem (>10 mg/l)	See quality reports in <b>Appendix E</b>	
Design Capacity (Ml)	27	1,8
Capacity is still available for development? (%)	35%	62%
<b>Operation</b>		
Total volume of water treated per year (Ml)	6205	255
Operating hours per day	11 – 13	10
How often is water quality monitored?	Daily	Daily
What laboratory is used?	Waterlab and own facility	Waterlab and own facility
% Of the time that water is chlorinated	100%	100%
% Of water lost through process eg. Waste water	220 kl/day	50 kl/day
<b>Functionality</b>		

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General information	WTP1	WTP2
Describe the physical condition	Good	Good
How well is the infrastructure maintained?	Planned and demand	Planned and demand
Are spare parts readily available?	Yes	Yes
Number of breakages / failures per year	Never	Never
What needs to be refurbished? (cost)		
What needs to be replaced? (cost)	Pumps - R1,2 million Meters – R 120 000	

#### Waste Water Treatment Works

General information	WWTW1	WWTW2
Component name (No ID)	Standerton	Morgenzon
Scheme name	Standerton sewage	Morgenzon sewage
<b>Institutional status</b>		
Current owner & operator	Lekwa	Lekwa
Future owner / WSA or WSP (If applicable)	Lekwa	Lekwa
<b>Asset assessment</b>		
Date constructed	1904, 1952, 1988	1935 (oxidation ponds only)
Expected total lifespan	20 yrs	To be upgraded 2002/03
Estimated replacement value	R35 million	R2 million
Annual operating cost	R2 539 880	R557 110
Annual maintenance cost	R172 370	R8 330
<b>Type &amp; capacity</b>		
Type of plant (description)	Activated sludge and bio-filter	Oxidation ponds
Water source	Effluent	Effluent
Physical water quality: Turbidity/chemical	See quality test results in <b>Appendix E</b>	
Design Capacity (MI)	12	0,5
Capacity is still available for development? (%)	42%	0%
<b>Operation</b>		
Total volume of water treated per year (MI)	2 555	182
Operating hours per day	24	24
How often is water quality monitored?	Daily and weekly	4 times a year
What laboratory is used?	Own and Waterlab	Waterlab
% Of the time that water is chlorinated	100%	0%
% water lost through process eg. Waste water	0%	100%
<b>Functionality</b>		
Describe the physical condition	Good	Poor
How well is the infrastructure maintained?	Planned & on demand	Infrequent
Are spare parts readily available? (Yes/No)	Yes	Yes
Number of breakages / failures per year	Few	Few
What needs to be refurbished? (cost)	R50 000	R2 000 000 DM funds
What needs to be replaced? (cost)	Wornout equipment	New rotational biofilter TP

### 3.10.3 Existing Pump Stations Infrastructure – Water

General information	PS1	PS2	PS3	PS4	PS5	PS6	PS7	PS8
Component name (no ID)	Supply Pumps to Keiser Str. Reservoir	Keiser Str. Reservoir to Booster Pumps	Raw Water Pump Station	Concor Reservoir to Elevated Tower	Morgenzon Pump Station	Supply Pumps to Concor Reservoir	Supply Pumps to New Standerskop	Supply Pumps to Old Standerskop
Scheme name	Standerton water supply					Standerton water supply		
<b>Institutional status</b>								
Current owner & operator	Lekwa							
Future owner / WSA or WSP (If applicable)	Lekwa							
<b>Asset assessment</b>								
Date constructed	1983	1983	1983	1983	1998	1984	1981	1908
Expected total lifespan	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs
Estimated replacement value	R180 000	R180 000	R600 000	R80 000	R150 000	R350 000	R350 000	R400 000
Annual operating cost	Costs included in the annual water treatment budget							
Annual maintenance cost	Included in annual maintenance budget							
<b>Type &amp; capacity</b>								
Number of pumps	2	2	3 + 3 + 2	2	2	3	3	2
Pumping head (m)	83	45	30	22	60	64	100	122
Discharge rate (MI/day)	1,3 MI/day	1,3 MI/day	17 MI/day	0,15 MI/day		2,441 MI/day	7,027 MI/day	2447 MI/day
Pump station Kilowatt	2 x 90	2 x 37	6 x 20 & 2 x ?			3 x 90	3 x 132	2 x 135
Motor speed	2 x 1460	2 x 1445	1450	1450	1470	3 x 1470	3 x 1474	2 x 1472
Type of power supply	Electricity							
Type of superstructure	Concrete and brick							
Capacity still available for development (%)	62%	66%	37,5%			64%	21%	48,5%
<b>Operation</b>								
Operating hours per day	16	24	24	16	10	16	16	16
Any standby pumps available? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
<b>Functionality</b>								
Describe the physical condition	Good	Good	Submersible pumps poor	Good	Good	Good	Good	Good
How well is the infrastructure maintained?	Demand and planned							
Are spare parts readily available? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of breakages / failures per year	< 1	< 1	1 on each submersible	< 1	< 1	< 1	< 1	< 1
What needs to be refurbished? (cost)	Pumps	motors		Nothing				

General information	PS1	PS2	PS3	PS4	PS5	PS6	PS7	PS8
What needs to be replaced? (cost)			SubmersiblesR1,2 million					

#### 3.10.4 Existing Pump Stations Infrastructure - Sewage

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

### 3.10.5 Existing Bulk Pipeline Infrastructure

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

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

Replacement and new installations include meters and PRV installations

### 3.10.6 Existing Reservoir Infrastructure

General information	RES 1	RES 2	RES 3	RES 4	RES 5	RES 6	RES 7	RES 8	RES 9
Component name (No ID)	Concor Reservoir	Concor Tower	New Standerskop 1	New Standerskop 2	Old Standerskop	Kieser Street Square	Kieser Street Round	Morgenzon Reservoir	Morgenzon Tower
Scheme name	Standerton water supply							Morgenzon water supply	
<b>Institutional status</b>									
Current owner & operator	Lekwa								
Future owner / WSA or WSP	Lekwa								
<b>Asset assessment</b>									
Date constructed	1984	1984	1978	1978	1950	1908	1940	1998	1950
Expected total lifespan	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	20 yrs	
Estimated replacement value	R6 million	R1,8 million	R6 million	R6 million	R6 million	R1,6 million	R1,6 million	R3 million	R1,8 million
Annual operating cost	Included in the water treatment costs								
Annual maintenance cost	Included in the annual maintenance costs								
<b>Type &amp; capacity</b>									
Reservoir elevated or ground	Ground	Elevated	Ground	Ground	Ground	Ground	Ground	Ground	Elevated
Type of material	Concrete	Concrete	Concrete	Concrete	Concrete	Concrete	Concrete and steel		
Reservoir capacity (Ml)	10	0,15	10	10l	9	1,46	1,55	5	1,5
Bulk or reticulation reservoir?	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation	Reticulation
Capacity available for development	53,7%	93%	29,72%	29,72%	45,62%	20,6%	25%		

General information	RES 1	RES 2	RES 3	RES 4	RES 5	RES 6	RES 7	RES 8	RES 9
<b>Operation</b>									
Storage factor (x daily use)	4634 m <sup>3</sup> /day	10 m <sup>3</sup> /day	7028 m <sup>3</sup> /day	7028 m <sup>3</sup> /day	4894 m <sup>3</sup> /day	1159 m <sup>3</sup> /day	1159 m <sup>3</sup> /day		
<b>Functionality</b>									
Describe the physical condition	Good	Good	Good	Good	Good	Good	Good	Good	Fair
How well is the infrastructure maintained?	Demand planned	and Demand planned	and Demand planned	and Demand planned	and Demand planned	and Demand planned	and Demand planned	and Demand planned	and Demand planned
Spare parts readily available?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Number of breakages / failures / y	0	0	0	0	0	0	0	0	0
What needs to be refurbished? (cost)	Nothing with no costs								
What needs to be replaced? (cost)	No info received								



### 3.10.7 Existing Reticulation Infrastructure

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

### 3.10.8 Transfer Schemes

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

### 3.10.9 Schemes to be transferred

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

### 3.10.10 Schemes to be rehabilitated

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

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

### 3.10.11 New Infrastructure to be built

### 3.10.12 Future Bulk Water Supply Infrastructure

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

Note (1) - Metroplan is busy with planning on township developments

(2) – IT Trust is a Chinese based developer

(3) – Funding from the Provincial Department of Housing

### 3.10.13 Future Bulk Sanitation Infrastructure

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

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

### 3.11 SWOT ANALYSIS FOR THE GREATER LEKWA MUNICIPALITY

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

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Close proximity to Johannesburg, Durban and Nelspruit</li> <li>• Natural environment &amp; Scenery</li> <li>• Tourism growth potential</li> <li>• Large catchments area management for water supply</li> <li>• Community's hunger for development and growth</li> <li>• Anglo Coal operates a coal mine close to Standerton and this forms an important source of employment for the area</li> <li>• The GDP of the municipality has been growing overtime (from 1997 1 590 371 to 4 862 757 in 2007)</li> <li>• The income from animal and animal products is dominated by the chicken industry. Beef cattle and milk products are also important contributors to the income from animal and animal products</li> <li>• The field crops, the majority of the income comes from maize production. Sorghum and sunflower seeds also play a role in providing income to farmers in the area.</li> <li>• Availability of underutilized municipal buildings</li> <li>• Available workforce</li> <li>• Support from Gert Sibande DM</li> <li>• Rich cultural heritage and Hospitable culture</li> <li>• Partnership with private sector: Public Private Partnerships (PPPs)</li> <li>• Effective public participation structures</li> <li>• Energy generating power station</li> <li>• Poverty rates have declined from 48.0% to 48, 8%.</li> </ul>	<ul style="list-style-type: none"> <li>• Negative perception of municipality by local media</li> <li>• Deterioration of town i.e. waste and physical infrastructure</li> <li>• Recurring Water quality problems in Standerton</li> <li>• Non functionality of LED Forum</li> <li>• Poor maintenance of hard infrastructure and buildings</li> <li>• Poor road conditions due to the truck Haulage</li> <li>• Closure of local Industries</li> <li>• Poor amenities</li> <li>• High dependency ratio (11700 H/H living below poverty lines)</li> <li>• Low literacy and education levels</li> <li>• Poor industrial recruitment &amp; Agricultural strategy.</li> <li>• Have a relatively high Gini coefficients or high levels of income inequality.</li> <li>• The labor dependency ratio, which indicates the number of persons that each economically active person has to support, is 3.88</li> <li>• Lack of industrial recruitment strategy</li> <li>• Lack of efficient revenue collection system</li> <li>• Scarcity of skilled labor</li> <li>• Poor billing system</li> <li>• Poor CIDB grading of local contractors to participate in our supply chain</li> <li>• Lack of internal control measures in Housing unit regarding selling of sites</li> <li>• High turnover of the municipal critical positions such as Municipal Manager, CFO, Town Planner etc..</li> <li>• Poor management of River Park</li> </ul>

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Opportunities	Threats
<ul style="list-style-type: none"> <li>• High influx of potential investors such as Noble group, Leap project etc.</li> <li>• SDF with the newly proposed Commercial nodes and Precincts</li> <li>• River Park</li> <li>• Events venues &amp; Water sport activities</li> <li>• Fishing &amp; Boating related activities</li> <li>• Neighborhood Development Partnership Grant in Ext 4 (R 44 Million from National Treasury)</li> <li>• Urban Design Framework (+ R300 Million Capital projects estimates)</li> <li>• Tourism development: hotel, holiday resort</li> <li>• Tourism Links</li> <li>• Social and Agricultural development</li> <li>• Environmental Protection</li> <li>• Shopping Mall Development</li> <li>• Grootdraai Dam Development</li> <li>• Revitalization of show ground</li> <li>• Creation of Job opportunities to reduce consumer debts</li> <li>• Exists potential for the growth of manufacturing of food products, plastic products and metal products</li> <li>• Accelerated system of registration of emerging black farmers, agribusiness, micro-enterprises, tourism enterprises, traders and other businesses owned by young black people and women in BBBEE initiatives.</li> <li>• Culture of business ownership by young black people</li> <li>• Establishment of enterprise groupings (such as cooperatives), SMME business centers to facilitate skills development and support in small businesses, etc.</li> <li>• The provisions of the Mining Charter and localize this provision for the benefit of the local people</li> <li>• Existing agricultural activities, farming and agribusiness micro-enterprises taking place in the area</li> <li>• Crosscutting issues such as technological innovations, access to credit and infrastructure, human resources development, etc</li> <li>• Culture of collectives with rural youth and young women coming together to work in developmental projects to increase their income and investments and subsequently gaining ownership of local businesses.</li> </ul>	<ul style="list-style-type: none"> <li>• Formation of Public-Private-partnerships among Business and Public Sector</li> <li>• Environmental degradation by Coal Mines and Sasol</li> <li>• Cheap imports labour</li> <li>• Recurring water quality problem</li> <li>• Unreliable electricity (Load shedding)</li> <li>• Truck Haulage</li> <li>• Local industries relocating to other Municipalities that are seemingly more attractive</li> <li>• Political, Personal and cultural intolerance</li> <li>• Marginalization of integrating Urban – rural</li> <li>• High consumer debts</li> <li>• HIV and AIDS</li> <li>• Unemployment rate</li> <li>• Existing crime levels</li> <li>• lengthy land claims process constrains development</li> <li>• Eskom Account that has amounted to R94 Million</li> </ul>

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### **3.12 ISSUES RAISED DURING WARD CONSULTATION MEETINGS HELD IN NOVEMBER 2012**

The IDP/Budget consultation and public participation process only began in November 2012 and were completed in the very same November 2012, the Executive Mayor, MMC's for different portfolios, together with the respective Ward Councilors concerned, PR Councilors who were available and Executive Managers as well as Divisional Managers visited all the 15 wards with the aim of emphasizing on the Government's programmes, the importance of meeting the Millennium Targets, improvement in service delivery and ensuring better life for all residents within Lekwa Local Municipality. Community members who attended the consultations highlighted the following development and infrastructural challenges confronting them per ward:

#### **ISSUES RAISED – WARD 1 (2012)**

- Access road to Razmataz;
- Highmast lights in Seboloka and Sebilwane streets;
- Paving of Gwembe street;
- Naming and renaming of streets;
- Construction of stormwater structures;
- Title deeds;
- Toilets and water in Extension 2;
- Community halls

#### **ISSUES RAISED – WARD 2 (2012)**

Wishes as identified in 2011/2012 for Ward 2.

- Paving of roads leading to school entrances and other streets;
- Construction of stormwater structures;
- Upgrading of electricity substations;
- Free application of title deeds;
- Naming of streets;
- Construction of speed humps;
- Provision of grazing fields.

Issues raised

- Fanyana Selepe – confirmed the wishes listed and complained about Mohomane street that is full of mud when it rains;

- Mandla Mthethwa – complained about electricity disruptions
- Sifiso - RDP houses in outstanding stands;
- The streets next to Thandeka school are flooding when it is raining;
- In Extension 3 there are old people who do not even get pension, there is a need of people to assist;
- A concern about a Thusong centre that is used as a church building was voiced out;
- Speed humps next to a Lindilanga school are needed;

### ISSUES RAISED – WARD 3 (2012)

The previous identified issues compiled in the 2012 IDP remains

#### ADDITIONS

- ✓ Establishment of Sporting Centre
- ✓ Building of disable school
- ✓ Gravelling of streets at Mahala Park
- ✓ Building of a Clinic
- ✓ Storm water at Mahala Park and Phalama
- ✓ Paving of roads
- ✓ RDP Houses
- ✓ Highlight masts next to the Cemetery and Shovovo
- ✓ Sports, Recreational facilities and Multipurpose Centre

### ISSUES RAISED - WARD 4 (2012)

- Gravelling of roads;
- Bridge for crossing , TLC;
- Stormwater drainage in Azalea, Kosmos Street;
- Gravelling and paving of roads in the new established area (Stanwest next to Osman Raydan);
- Streetlights to be converted into Apolos; and
- Building of RDP houses.

### ISSUES RAISED – WARD 5 2012

- Paving of Mfuphi and Selepe street
- Resolving of Phalama and Mandela Camp informal nature
- Electricity and Toilets in Mandela Camp
- Re-gravelling of Streets in Phalama
- Youth development initiative
- Ngubeni street to be paved
- Request for RDP Houses
- Request for stormwater drainage system

### ISSUES RAISED – WARD 6

#### Progress on the past period (2011/2012)

- Phase 1 of the Sakhile Hostels is completed;
- Three streets have been paved, Shaka, Mokoena and Maseko;
- The issue of the grazing stock field has been referred to the Land Affairs;
- The following projects are in progress: Standerton Landfill Site, Waste Water Treatment plant, upgrading of stormwater networks and Standerton Sewer Treatment works;
- Planning to address the issue of water and electricity disruptions by installing new pipes from the reservoir and upgrading of electricity substations;

- The issue of fencing of Madi Higher Primary School was referred to the Department of Education who promised to fence the school in their 2013/2014 budget;
- Highmast light in Mtshali Street has been installed;
- Sidewalks have been paved, Palmer Street and Hlongwane drive; Mncube drive is still outstanding

Outstanding previous wishes:

- Pedestrian crossings;
- Sports and recreation facilities opposite the Sakhile Hall;
- RDP houses in TLC and Esimendeni will continue to be built when the contractor is appointed and the community will be informed when the contractor is appointed.

Confirmation of previous wishes:

- The community confirmed the wishes rose on the past period.
- Nomvula Masondo, 706 – she confirmed that RDP houses have been built;
- Mrs Phungwayo, 605 – confirmed the projects mentioned by the Councillor;

New wishes (if any)

- The construction of a bridge above the dongas linking Sakhile Ext 6 and the township;
- Soccer grounds

## ISSUES RAISED – WARD 7

**Progress on the past period (2011/2012): ward7**

- Graveling of roads\_ Robbertsdrift link road is completed;
- Construction and upgrading of storm-water network phase 2\_ the project is completed;
- Construction and upgrading of storm-water network\_ the project is completed.

New wishes (if any)

- No new wishes

## ISSUES RAISED - WARD 8

- Closing of open manholes;
- Trimming of trees;
- Soccer field;
- Maintenance of street lights;
- Cleaning of open fields and play grounds;
- Security on play ground (installation of Palisades);
- Closing of escape routes (especially Secunda road);
- Landfill site that has become hazardous to the community;
- Electricity cut-off, no proper notice issued to residence before electricity cuts-off;
- Matters regarding to George Hofmeyer School;
- Matters regarding to Jeugkrug Primary School;
- Matters in relation to Mr J L Tsotetsi's letter;
- Petition – Residents of Kosmospark; and
- Letter on residents of Kosmospark.

## ISSUES RAISED – WARD 9 (2012)

**Progress on the past period (2011/2012): ward 9**

- Water: in all 17 pumps were installed, i.e. windmills, tanks and hand pumps;
- Electricity: 3 farms have been electrified, and the project is still running;
- Highmast lights: the project is still on tender;



- Clinic and RDP houses: the community was asked to be patient since this is not the municipality's responsibility. The municipality has to request the province for these issues. It was explained to the community that province related issues depend on the budget of the province;
- VIP toilets: R2m is budgeted for this projects and the process is still on tender;
- Boreholes: R1m is budget for this project and the process is still on tender;
- The IDP is a five-year plan process; the municipality still needs to do what has not been done yet.

New wishes (if any)

- No new wishes were requested by the community.

Issues raised:

- Thoko Maseko , Rietkuil farm: they do not have water in their farm. The community drinks dirty water from the dam. The tanker that provides water sometimes does not come.
- There are no toilets in Dark farm;
- Masekoi in Schoeman farm: the cases of electricity breakdowns are reported and they have no toilets;
- Elsie Dlamini, kwaMakhokhoba: they have no water, no electricity and no toilets;
- Nomadlozi Madlala: She appreciated the toilets installed but still needs electricity.
- Mr. Mavuso wanted to know what is planned for this financial year for this ward;
- Mr. Matlala: roads are undrivable, even ambulances cannot come in because of those roads;
- Mr. Khaba, Jonkerspuit: appreciated water pumps installed. He mentioned that he farm owner allocated grazing fields for their cattle and requested that houses be build for the community in their areas.
- Mr Magubane: He would like to know what could be done if the farm owner refuses the installation of electricity in his farm;
- Mr. Dladla - Vaalbank: he mentioned that farm workers were retrenched, and the cattle grazing fields were cut and there is no water for their cattle because the dam is now on the other side;
- Mthembu Sibaya: the access roads to the hall needed to be fixed.

## ISSUES RAISED – WARD 10 (2012)

- **NB: Ward Consultation meeting did not take place as scheduled**

## ISSUES RAISED – WARD 11 (2012)

- Graveling of roads
- Highlights mast
- Building of a clinic
- Building of a community hall
- Building of a police station or mobile SAPS at the taxi rank
- Building of a bridge
- Building of a Primary and High School
- Sports facilities
- Upgrading of sub-station (transformer)
- Paving of roads
- Erection of speed humps

## ISSUES RAISED – WARD 12 (2012)

- Stormwater drainage in rural areas;
- Graveling of roads in rural areas;
- RDP Houses in Bloukop
- Electricity in all rural areas;
- LED projects;
- Community Hall;
- Highlightmast;
- Paving of roads RDP, Ext1;
- Re-opening of the filling station – Thuthukani;
- Opening of Land Affairs office in Lekwa;
- Selling of municipal sites (Ward 12); and
- Opening of cemeteries

### ISSUES RAISED – WARD 13 (2012)

- Farm owner donated land and municipality failed to build houses (Kroomdraai)
- Electrification of farms
- Farm purchased by Government and unknown person allocated by Department of Land Affairs (Ventmoet farm)
- Transnet Houses to be re-allocated to members of community
- Scarcity of a Mobile clinic
- Road access (road to be graveled)
- Request jojo tank (Brakfontein)
- Employment opportunities
- Home-based Care
- Erection of RDP in the ward
- Upgrading of sub-station, Erzak
- Provision of resources for Creche
- Appointment of a full time caretaker for Erzak School
- Legalization of ownership, Erzak
- Satellite Office
- Stands for early-bird people, farms
- Available land for Agri-village
- Creation of a sports facilities
- Upgrading of sub-station in early-bird farm
- Water and VIP Toilets
- Highlight mast (kwaBen and Tonker Farm)

### ISSUES RAISED – WARD 14 (2012)

- Municipal sites for residential, business and church be sub-divided and allocated Erection of storm water
- Erection of storm water
- Renovation of a hall
- Extension and renovation of a clinic with 24 hours doctors service
- Paving of a ring-road
- Building of schools for the disable
- Graveling and paving of roads
- Ext 1 road to have access from entrance to exit
- Cemeteries to be fenced and toilets to be erected
- Grazing Land for livestock
- Building of a Computer centre

- Available land for agricultural and resources

## ISSUES RAISED – WARD 15 (2012)

### Progress on the past period (2011/2012): ward 15

- The Multi-purpose community hall: the project was stopped, the issue is in court, the correct processes were not followed;
- The Standerton Landfill Site phase 1 is completed;
- One highmast light was installed, on is still outstanding;
- 3.5km of roads graveled;

#### New wishes (if any)

- Fire brigade station locally;

#### Issues raised:

- The community member requested that instead of asking for new wishes, the municipality should concentrate on finishing what has been started and not yet completed;
- Binda: the road that connects Ext 6 to Ext 7 is not drivable. He mentioned that he reported the matter to the municipality before and was told that road is not a proper road;
- Regravelling of roads: why is the municipality choosing the roads to be graveled and if so why are they not starting with the main and important roads instead of the small ones;
- 5560: water from the mountain flooding the yard, a storm-water structure is needed;
- How was it planned for people to cross R23 without a bridge;
- There are allegations that 300 RDP houses from ward 15 were borrowed to Ext 4, when, are those houses going to be built in Ward 15;
- Ms Mabaso: her house was approved but has not been built yet;
- Mr. Dlamini: as the community hall is put on hold and the costs are going up, where is the municipality going to get the money to continue with the building of the hall;

#### Comments and / responses by the Executive Mayor:

- RDP houses, to those who have legal stands, is the responsibility of the Provincial Department of Human Settlements and not of the municipality;
- The clinic is the responsibility of the Department of Health;
- The municipality cannot erect speed humps on R23 .The said road is the national road and it belongs to SANRAL;
- The Executive Mayor and the Municipal Manager will make time to check the road that is alleged to be illegal;
- There are no houses that were lend to Ext4;
- Ms Mabaso was requested to go to Sakhile Offices so that the officials could verify for her;

Increasing costs for the building of the community hall:\_ an application will be forwarded to Council to cover the difference

### 3.13 WARD BASE ASSESSMENT AND PROJECT IDENTIFICATION

The Council endeavoured to, as part of the ward based public participation process, obtain inputs from the community on key issues in the respective wards. A presentation comprising structured and open questions were handed out at the various IDP meetings.

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

1. **Economic Development**
2. **Improve provision for information**
3. **Skills Development**
4. **LED support and implementation**

5. Optimise tourism potential
6. Rural Development
7. Poverty alleviation, particularly in rural areas
8. Service backlogs (water, sanitation, electricity, roads, storm-water, solid waste, cleansing) needs to be addressed.
9. Upgrading and maintenance of roads and storm-water, electricity, water, sewer and purification networks
10. Public transportation should be improved. Bus and taxi ranks must be upgraded and the railway line should be better utilised. Public facilities should be provided at bus stops, taxi ranks and stations
11. Improve solid waste management
12. Broaden Revenue Base
13. Ensure high level of payment for Services
14. Access to land, housing and security of tenure
15. Access to social services and community centres
16. Building of new and upgrading of existing sport and recreation facilities
17. Safety, Security and crime prevention
18. Crime and Fraud prevention

# CHAPTER: FOUR

## 4 VISION AND MISSION OF THE MUNICIPALITY

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

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

### VISION

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

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

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

**To realize this vision,**

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

### MISSION

They must be able to see:

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

### CORE VALUES

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

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

## 4.1 KEY STRATEGIC OBJECTIVES OF THE MUNICIPALITY

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

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

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

**LLM: 2 Improve service and broaden access to them**

**LLM: 3 Promote more active community participation in local government**

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

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

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

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

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

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

## **4.2 NINE (9) STRATEGIC FOCUS AREAS OF THE MUNICIPALITY**

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

### **STRATEGIC AREA ONE: EQUITABLE PROVISION OF SERVICES**

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

### **STRATEGIC AREA TWO: CREATION OF AN INTEGRATED AND SUSTAINABLE HUMAN SETTLEMENT**

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

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

### **STRATEGIC AREA THREE: CREATION OF A LINKED ECOLOGICAL OPEN SPACE**

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

### **STRATEGIC AREA FOUR: DELINEATION OF AN URBAN EDGE**

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

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

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

### **STRATEGIC AREA FIVE: ESTABLISHMENT OF AN EFFICIENT ACCESS AND INTEGRATED MOBILITY**

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

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

## **STRATEGIC AREA SIX: CREATION OF A FUNCTIONAL HIERACHY**

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

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

## **STRATEGIC AREA SEVEN: FINANCIAL AND ENVIRONMENTAL SUSTAINABILITY**

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

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

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

## **STRATEGIC AREA EIGHT: EFFECTIVE LEADERSHIP AND GOOD GOVERNANCE**

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

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

## **STRATEGIC AREA NINE: BOOSTING THE LOCAL ECONOMY AND JOB CREATION**

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

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

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



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

### 4.3 SPATIAL RATIONALE AND THE IMPLEMENTATION FRAMEWORK OF THE SDF

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

The revision was divided into three phases:

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

#### **Municipal Spatial Development Concept: Issues from the Status Quo**

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

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

- The **formal conservation areas** although limited, adds to the open space network and include the Reitvaal Conservancy, Bloukop Nature Reserve and Standerskop. Additional koppies that should also be protected are Joubertsop and Potberg south west of Standerton as well as Spioenkop to the east of Thuthukani.
- **Provincially Lekwa LM is not well connected** in terms of National roads as it is excluded from important corridors such as the N17 / N2 and N11.
- **On municipal level the municipality is fairly well connected.** The problem however is that the main routes, that link the municipality with areas of economic importance, are of very poor quality, due to a high number of heavy vehicle movement through the area.
- Generally, the **maintenance of roads** remains a huge challenge due to the damage caused by the heavy vehicles used to transport coal to Eskom's power stations. To maintain the critical coal haulage road network, the Mpumalanga Department of Roads and Transport (MDRT) has to spend virtually its entire budget on those stretches of road forming part of the coal network. Consequently, tourism routes, public transport routes, and basic access roads in rural areas are being neglected.

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

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

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

**Municipal Spatial Development Concept: Development Principles**

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

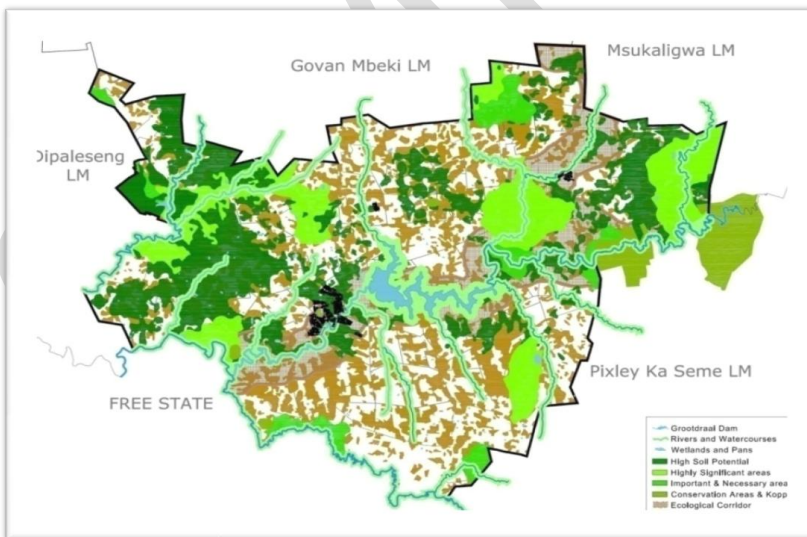
- Protection of environmentally sensitive areas and areas with high soil potential for agriculture;
- Establishment of an effective and integrated movement network; and
- Establishment of a functional hierarchy of nodes.

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

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

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

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



**Figure 22: Environmentally sensitive areas and areas with high soil potential for agriculture;**

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

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

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

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

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

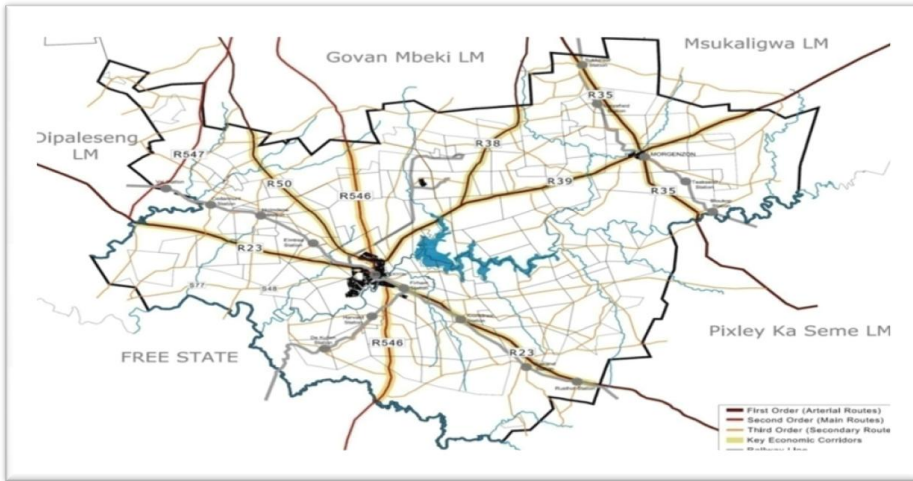


Figure 23: first order roads (arterials)

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

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

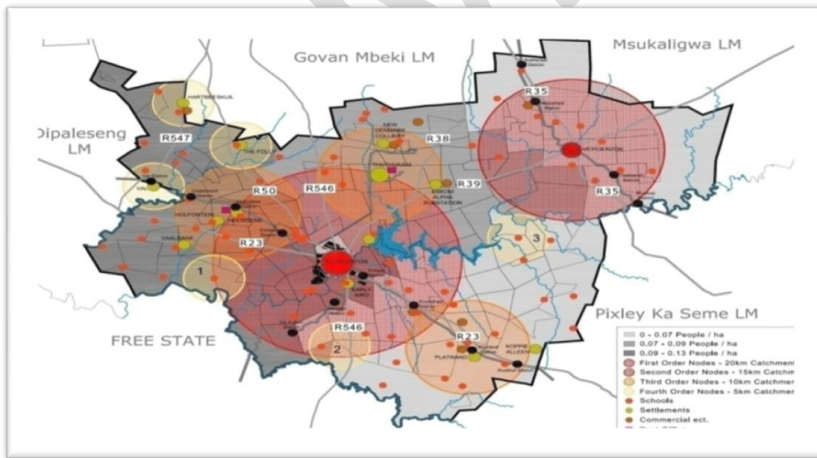


Figure 24: hierarchy of nodes

**First order nodes**

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

**Second order nodes**

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

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

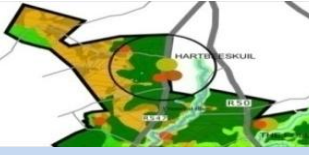
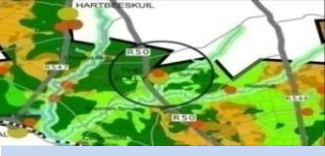
**Third Order nodes**


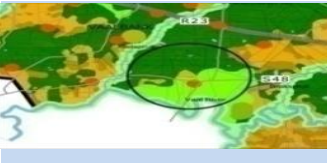

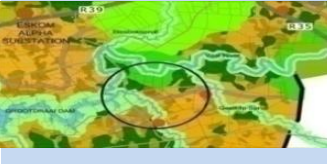
Two additional third order nodes were thus identified: Platrand and Holmdene.

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

**Fourth order nodes**

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

NODE	LOCALITY	ACCESS	FACILITIES	CHARACTER	ILLUSTRATION
HARTBEES KUIJL	North-western municipal boundary.	R547	Existing settlement, 2 schools and some commercial activity.	Existing agricultural practices and high soil potential.	
THE FOLLY	North-western municipal boundary.	R50	Existing settlement and a school.	Existing agricultural practices, highly significant environmental areas and high soil potential.	

NODE	LOCALITY	ACCESS	FACILITIES	CHARACTER	ILLUSTRATION
VAL	Western municipal boundary.	R547 and railway line.	Existing settlement, a school and Val railway station.	Existing agricultural practices, highly significant environmental areas and high soil potential.	
NR 1	South-west	R23 and S48.	School.	Highly significant environmental areas and high soil potential.	
NR 2	South	R546	2 schools.	Existing agricultural practices and highly significant environmental areas.	
NR 3	East	Third order road name unavailable	3 schools	Existing agricultural practices, highly significant environmental areas and high soil potential.  Next to Grootdraai dam and the Vaal river.	

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

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

#### Municipal Spatial Development Concept

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

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

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

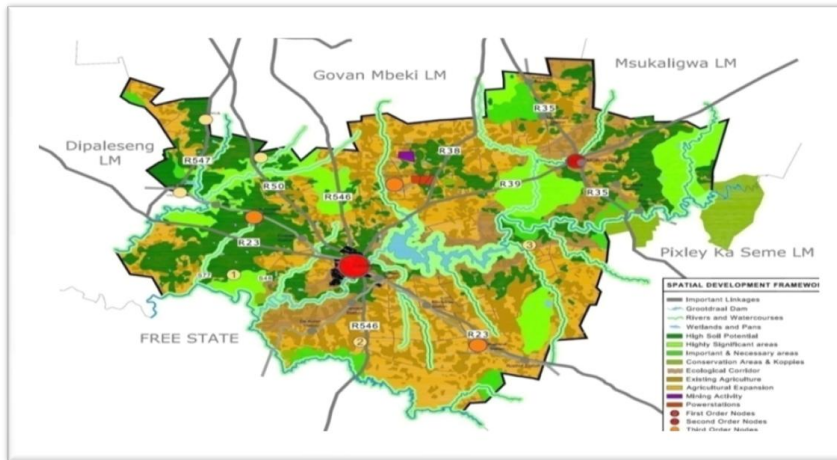


Figure 25: Protected Areas

#### Standerton Spatial Development Concept: Development Principles

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

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

#### Open Space Network;

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

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

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



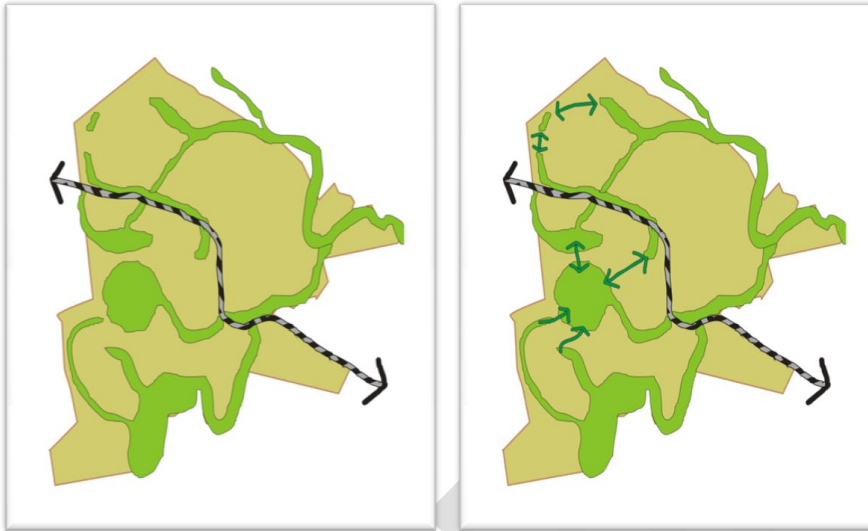


Figure 26/7: OPEN SPACE (left)

PROPOSED OPEN SPACE LINKAGES (right)

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

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

#### **Establishment of functional integrated movement network**

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

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

Activity spines: the following guidelines are applicable;

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

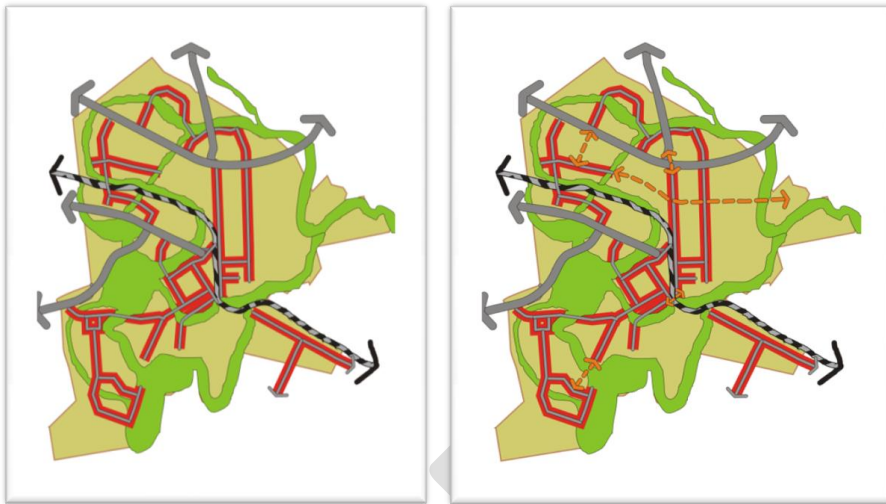


Figure 28/9 PROPOSED ACTIVITY SPINES

PROPOSED LINKAGES

#### Establishment of hierarchy of Nodes

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

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

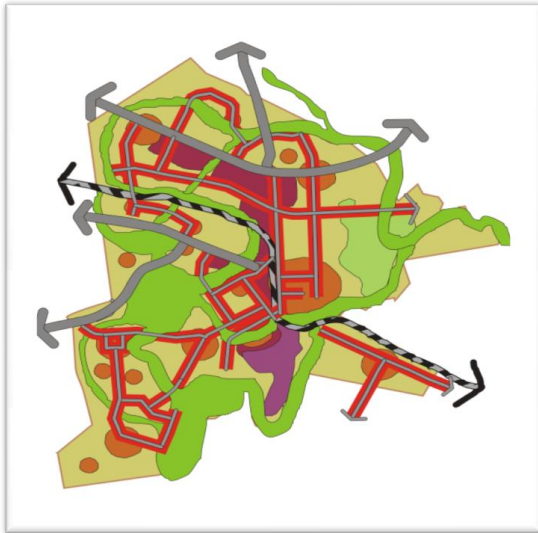
Third order nodes will serve only as small mixed use community nodes that are easily accessible to the surrounding community and should typically contain the following facilities clinic, crèche, community hall, pay point and small scale commercial

NAME	DESCRIPTION
Node in Standerton Extension 3	<ul style="list-style-type: none"> <li>Existing clinic and sports facilities</li> </ul>
Standerton Extension 6	<ul style="list-style-type: none"> <li>Informal public transport facility already existing.</li> <li>On a public transport route.</li> </ul>
At the intersection of the R23 (west) and the S48.	At the intersection of two main entrance roads.
Standerton Extension 7.	Existing Primary School.
Standerton Proper (west) next to Minnaar Street.	Existing facilities such as a clinic and a school.
On either side of Tsotetsi Street in Sakhile Proper.	Existing schools.
South-west of the new taxi rank in Sakhile Extension 4.	Proposed school site.

#### Controlled Industrial Development

Industrial development should be allowed as follows

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



**Mixed use infill development**

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

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

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

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

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

**Development Principle 6: Prioritized Residential infill and densification**

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

Densification will be allowed in:

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

A density of 20 du/ha should be allowed.

Infill development should be allowed in:

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

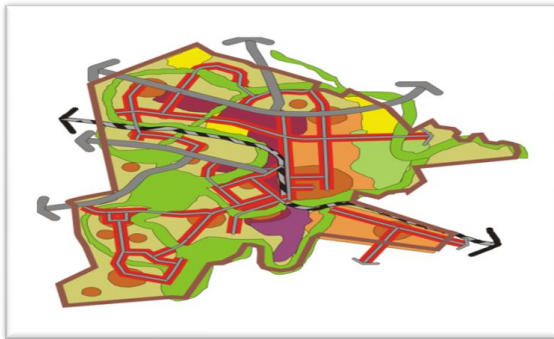


Figure 30: MIXED USE INFILL DEVELOPMENT

**Delineation of the urban edge**

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

**Standerton Spatial Development Concept: Land Use Description**

**Mixed use: 1**

LAND USE	PERMITTED USES	USES PERMITTED ONLY WITH THE CONSENT OF THE LOCAL MUNICIPALITY	PROHIBITED USES
<b>Residential</b>	Residential Buildings	Places of public worship, places of instruction, social halls, sport and recreational purposes, institutions, medical suites, freight containers, freestanding prefabricated structures	Uses not under column (2) or (3)

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

**Mixed use: 2**

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

<b>Industrial 1</b>	Industry (excluding noxious industries), scrap-yards (excluding incineration), public garage, places of refreshment for own employees only and warehouses	Buildings not in Columns (3) and (5)	Noxious industries, dwelling units, residential buildings, hotels, business buildings and retail trade
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### **Standerton Spatial Development Concept: Priority Precincts**

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

#### **Station Precincts**

Station Precinct should ideally be developed as a **Mixed Use Commercial and High Density Residential Area** which would link the eastern and western parts of town.

#### **Sports and Recreational Precincts**

The precinct should be developed as a **Sport, Recreational and Tourism Precinct** which will take advantage of the potential of the Vaal River.

#### **Standerton CBD & Beyers Naude Drive**

The precinct should be enhanced and maintained as a strong **Commercial Core**.

#### **Sakhile Tsotetsi Road**

The precinct should be developed as a mixed use activity spine and second and third order social nodes.

#### **Nelson Mandela Drive Meyerville**

The precinct should be developed as an Activity Spine and second order node.

#### **Sakhile Hostel**

The precinct should be developed as a **Mixed Use Second Order Node**.

## **Morgenzon Spatial Development Concept**

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

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

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

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

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

With regards to the urban agricultural residential village:<sup>5</sup>, it is proposed that Morgenzon be used as a “pilot project” for an “Urban Agricultural Residential Settlement”. The principles behind this proposal are as follows:

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



### Thuthukani Spatial Development Concept

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

- The **open space network** should be protected.
- The following **road linkages** are proposed:
  - North south linkages are proposed to improve movement through town.
  - Links between Thuthukani Proper and Thuthukani Extension 1.

- East west linkages to integrate the Eskom Hostels with Thuthukani Extension 1.
- An **activity node** should be established to the north of town next to the entrance road. This activity node should consist of cluster of commercial and social facilities.
- **Infill development** on vacant council owned land.



#### 4.4 IMPLEMENTATION FRAMEWORK OF SDF

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

The Implementation Framework consists of the following actions:

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

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

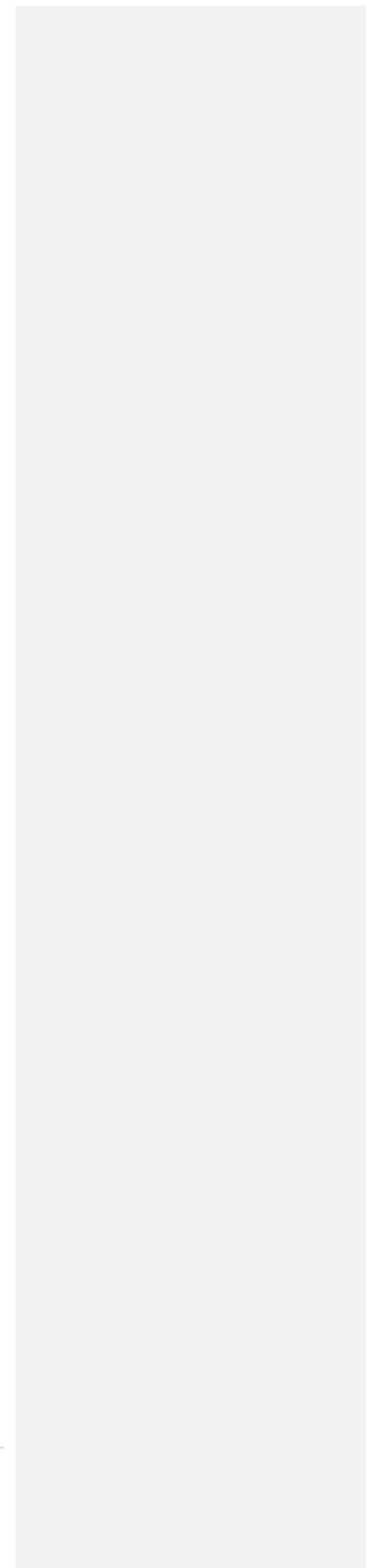
ACTION	LOCATION	ESTIMATED COST	REASON / OBJECTIVE
<b>STRATEGIES / PLANS / FRAMEWORKS</b>			
Approval of SDF	Municipal wide	N/A	To give effect to the proposals contained in the SDF and to commence with the drafting of the Land Use Management System.
Alignment and Harmonization of Plans	Municipal and District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

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

ACTION	LOCATION	ESTIMATED COST	REASON / OBJECTIVE
<b>STRATEGIES / PLANS / FRAMEWORKS</b>			
Development of Precinct Plans: <ul style="list-style-type: none"> <li>• CBD and Beyers Naudé Drive.</li> <li>• Sport and Recreation Precinct.</li> <li>• Station Area.</li> <li>• Nelson Mandela Drive in Meyerville</li> <li>• Sakhile Hostels.</li> <li>• Sport Stadium and Sakhile Taxi Rank precinct.</li> </ul>	Standerton	R250 000 (per Precinct Plan)	As identified in the SDF review, development needs to be concentrated and directed to specific nodes and that higher densities should be encouraged. Although the SDF, from a larger strategic spatial perspective, aims to guide and direct such future development it is still necessary to develop specific development strategies and guidelines to control and direct such development. This implies that more detailed spatial plans will have to be drafted for those priority areas.
Grootdraai Dam LED Strategy.	Grootdraai Dam	Lekwa LM to verify	To guide future development around the dam and to ensure that controlled, environmentally sensitive development takes place.
Morgenzon Regeneration Strategy.	Morgenzon	Lekwa LM to verify	To stimulate the economic, social and spatial upgrading of the area so that it becomes a vibrant second order node.
Preliminary investigation of PTN 12 of the farm Morgenzon 466 IS as a proposed locality for a “pilot project” to establish an Urban Agricultural Residential Settlement.	Morgenzon	Lekwa LM to verify	To investigate the possibility of developing the town of Morgenzon as a “pilot project for an “Urban Agricultural Residential Settlement” to accommodate farm workers from surrounding commercial farms.
Contravention of Town Planning Scheme	Standerton Morgenzon Thuthukani	Lekwa LM to verify	The aim is to counter illegal commercial and industrial developments
Investigation of a regional cemetery.	Standerton	Lekwa LM to verify	In view of the current problems that Standerton is experiencing in terms of cemeteries the need for a regional cemetery or the expansion of the existing cemetery should be investigated.

ACTION	LOCATION	ESTIMATED COST	REASON / OBJECTIVE
<b>STRATEGIES / PLANS / FRAMEWORKS</b>			
Urban Edge Policy	Standerton Morgenzon Thuthukani	R150 000	<p>The delineation of an urban edge in order to:</p> <ul style="list-style-type: none"> <li>• Control sprawl.</li> <li>• Direct development in appropriate areas and</li> <li>• Assist in countering the outward pressure for urban expansion.</li> </ul> <p>This policy should also contain guidelines for the development inside and outside the urban edge.</p>

SAMPLE



## CHAPTER FIVE

### 5 STRATEGIC OBJECTIVES, KPI'S AND TARGETS AIMED AT ADDRESSING PRIORITY ISSUES AS PER WARDS

Modiro Consulting was appointed to facilitate a strategic planning session for the Lekwa Local Municipality (LLM). The workshop was held on 7, 8 and 9 November 2012 at Umuzi Lode, in Secunda, Mpumalanga Province and was attended by **the Executive Mayor, Speaker, Members of the Mayoral Committee, Chief Whip, Councillors, Municipal Manager, Chief Financial Officer, Managers, Officials.**

Strategic objectives and performance measures were developed from issues identified in the situational analysis in order for the municipality to respond to the challenges. The following are performance measures development to guide the implementation of agreed intervention:

ISSUE	DESIRED OUTCOME	KEY PERFORMANCE INDICATOR	KEY MILESTONES
<b>KPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT</b>			
Rules/regulations and Standing Orders	Well Run Council and Committee	<i>Date</i> for the Proclamation of the Rules and Standing Order	<ul style="list-style-type: none"> <li>• Review of Rules and Standing Order</li> <li>• Consultation on Review of Rules and Standing Order</li> <li>• Draft Rules and Standing Order</li> <li>• Council Approval Rules and Standing Order</li> </ul>
Delegations of Authority	Efficient and Effective Operations	<i>Date</i> for the Approval of a Delegation Framework	<ul style="list-style-type: none"> <li>• Review of Delegation Framework</li> <li>• Consultation on Delegation Framework</li> <li>• Draft Delegation Framework</li> <li>• Council Approval Delegation Framework</li> </ul>

ISSUE	DESIRED OUTCOME	KEY PERFORMANCE INDICATOR	KEY MILESTONES
Implementation of all Council Resolutions	Timeous Implementation of Decisions	% Implementation of Resolutions	<ul style="list-style-type: none"> <li>• Writing of Report</li> <li>• Submission of Report</li> <li>• Approval of Report</li> <li>• Approval of Resolution</li> <li>• Formal Communication of Resolution</li> <li>• Implementation Resolution</li> <li>• Tracking and Report</li> </ul>
Council Policies - Up to date and relevant policies: credit control and indigent policy, incentives policy, supply chain policy, etc.	Efficient and Effective Operations	<p><b>Date</b> for the Approval of Policies</p> <ul style="list-style-type: none"> <li>• <b>Category A:</b> Priority Policies</li> <li>• <b>Category B:</b> Non- Priority Policies</li> </ul>	<ul style="list-style-type: none"> <li>• Prioritisation of Policies</li> <li>• Review of Policies</li> <li>• Consultation on Policies</li> <li>• Draft Policies</li> <li>• Council Approval of Policies</li> </ul>
Resolution Tracking Mechanism	Timeous Implementation of Decisions	<b>Date</b> for the Approval for the Completion of the Resolution Tracking Mechanism	<ul style="list-style-type: none"> <li>• Develop Specification</li> <li>• Review of Mechanism</li> <li>• Consultation on Mechanism</li> <li>• Draft Mechanism</li> <li>• Approval of Mechanism</li> </ul>
Portfolio Committees Functioning and Establishment	Well run Council and Committee	<b>Date</b> for the Approval of a Council Committees Framework	<ul style="list-style-type: none"> <li>• Review of Committees Framework</li> <li>• Consultation on Committees Framework</li> <li>• Draft Committees Framework</li> <li>• Council Approval of Committees Framework</li> </ul>
Approval of Schedule of Council Meetings	Well run Council and Committee	<b>Date</b> for the Approval of the Schedule of Council Meetings	<ul style="list-style-type: none"> <li>• Review of Meetings Schedule</li> <li>• Consultation on Meetings Schedule</li> <li>• Draft Meetings Schedule</li> <li>• Council Approval of Meetings</li> </ul>



ISSUE	DESIRED OUTCOME	KEY PERFORMANCE INDICATOR	KEY MILESTONES
			Schedule
Performance Management System	High level performance	% for the Implementation of the Performance Management System	<ul style="list-style-type: none"> <li>Approval of Plan</li> <li>Signing of Performance Agreements</li> <li>Reporting on Performance</li> <li>Performance Reviews</li> <li>Performance Assessment</li> </ul>
Organisational Review	Efficient and Effective Operations	<b>Date</b> for the Approval of the Review Organisation Design	<ul style="list-style-type: none"> <li>Review of Organisation Design</li> <li>Consultation on Organisation Design</li> <li>Council Approval of Organisation Design</li> </ul>
Job Evaluation and Grading	Fair and Equitable Remuneration	<b>Date</b> for the Implementation of a Job Evaluation System	<ul style="list-style-type: none"> <li>Obtain Guidance from SALGA</li> <li>Approval of Job Evaluation System</li> </ul>
Clarification in Relations, Intervention and Interference -Political and Administration Interface	Harmonious Relations between Officials and Councillors	<b>Date</b> for the Approval of a Roles and Responsibility Framework	<ul style="list-style-type: none"> <li>Review of Roles and Responsibility Framework</li> <li>Consultation on Roles and Responsibility</li> <li>Draft Roles and Responsibility</li> <li>Council Approval Roles and Responsibility</li> </ul>
Vehicles and Other Moveable Equipment - Fleet Management	Transport to Travel Collectively as well as Individually	<b>Date</b> for the Delivery of New Vehicles <ul style="list-style-type: none"> <li><b>Category A:</b> Priority Vehicles</li> <li><b>Category B:</b> Second Priority Vehicles</li> </ul>	<ul style="list-style-type: none"> <li>Draft Specifications</li> <li>Advertise Tender</li> <li>Appoint Service Provider</li> <li>Delivery of Vehicles</li> </ul>
<b>KPA 2: FINANCIAL VIABILITY AND MANAGEMENT</b>			

ISSUE	DESIRED OUTCOME	KEY PERFORMANCE INDICATOR	KEY MILESTONES
Revenue Enhancement Strategies - Cash Management, Basic Financial Guidelines	Maximized Revenue Generation	% of Revenue Collected	<ul style="list-style-type: none"> <li>• Approval of Projected Revenue</li> <li>• Billing for Services</li> <li>• Collection of Revenue</li> </ul>
MFMA Compliance	Sound Financial Management	% Compliance with the MFMA	<ul style="list-style-type: none"> <li>• Compilation of Register</li> <li>• Dissemination of Register</li> <li>• Reporting on Compliance</li> </ul>
Business Processes Documentation and Efficiencies	Efficient and Effective Operations	<i>Date</i> for the Approval of Business Processes	<ul style="list-style-type: none"> <li>• Identification of Business Processes</li> <li>• Documentation of Existing/New Business Processes</li> <li>• Consultation on Business Processes</li> <li>• Draft Business Processes</li> <li>• Approval of Business Processes</li> </ul>
<b>KPA 3: GOOD GOVERNANCE AND PUBLIC PARTICIPATION</b>			
COGTA and Key Players in IGR	Strengthen Relationships	<i>Date</i> for the Approval of MOU with IGR Key Stakeholders	<ul style="list-style-type: none"> <li>• Review of IGR Framework</li> <li>• Consultation on MOU</li> <li>• Draft MOU</li> <li>• Council Approval of MOU</li> </ul>
Operational Plans for Wards	Effective and Meaningful Public Participation	<i>Date</i> for the Approval of the Ward Operational Plan	<ul style="list-style-type: none"> <li>• Review of Ward Committees</li> <li>• Consultation on Operational Plan</li> <li>• Draft Operational Plan</li> <li>• Council Approval Operational Plan</li> </ul>
Farmers	Effective and Meaningful Public Participation	<i>Date</i> for the Relaunch of Agriculture Forum	<ul style="list-style-type: none"> <li>• Review of MOU</li> <li>• Consultation on MOU</li> <li>• Relaunch of Agriculture Forum</li> </ul>

ISSUE	DESIRED OUTCOME	KEY PERFORMANCE INDICATOR	KEY MILESTONES
Group Insurance (Life, Assets etc.) for the Council	Proper Risk Management	<b>Date</b> for the Commencement of Insurances for Council	<ul style="list-style-type: none"> <li>Review of Legislative Framework</li> <li>Identification of Insurance Packages</li> <li>Approval of Insurance</li> <li>Effective Date of Insurance</li> </ul>
Risk Assessment	Proper Risk Management	<b>Date</b> for the Establish a Risk Committee	<ul style="list-style-type: none"> <li>Review of TOR</li> <li>Approval of TOR</li> <li>Appointment of Committee Members</li> <li>First Meeting of Committee</li> </ul>
Whistle Blowing and Anti-Corruption	Eliminate Corruption	<b>Date</b> for Go Live of Mayoral Hotline	<ul style="list-style-type: none"> <li>Review of Hotline Services</li> <li>Approval of Business Processes</li> <li>Launch of Hotline</li> </ul>
Declarations of Interests	Eliminate Corruption	<b>Date</b> for the Completion of Declarations of Interests	<ul style="list-style-type: none"> <li>Communication of Process</li> <li>Completion of Declarations</li> </ul>
Bylaw Enforcement and Review - Keys issues: Hawkers, Containers, Encroachment & Livestock	Compliance with Bylaws	<b>Date</b> for the Enforcement of Bylaws <ul style="list-style-type: none"> <li><b>Category A:</b> Hawkers</li> <li><b>Category B:</b> Containers</li> </ul>	<ul style="list-style-type: none"> <li>Identify Hotspots</li> <li>Identify Storage Facilities</li> <li>Inform Affected Parties</li> <li>Enforce Bylaws</li> </ul>
	Compliance with Bylaws	<b>Date</b> for the Approval of Bylaws <ul style="list-style-type: none"> <li><b>Category A:</b> Priority Bylaws</li> <li><b>Category B:</b> Non- Priority Bylaws</li> </ul>	<ul style="list-style-type: none"> <li>Review of Bylaws</li> <li>Draft Bylaws</li> <li>Consultation on Bylaws</li> <li>Council Approval of Bylaws</li> <li>Proclamation of Bylaws</li> </ul>
<b>KPA 4: LOCAL ECONOMIC DEVELOPMENT</b>			
Economic Profiling	Job Creation	<b>Date</b> for the Approval of the Long-term Strategy (2030)	<ul style="list-style-type: none"> <li>Status Quo Analysis</li> <li>Draft Strategy</li> <li>Consultation on Strategy</li> <li>Council Approval of Strategy</li> </ul>

ISSUE	DESIRED OUTCOME	KEY PERFORMANCE INDICATOR	KEY MILESTONES
<b>KPA 5: INFRASTRUCTURE AND SERVICE DELIVERY</b>			
Provision of Basic Services	Basic services to all households specifically in rural areas	% of Households with Access to Basic Services	<ul style="list-style-type: none"> <li>Profiling service delivery backlogs to confirm baseline for planning</li> </ul>
Quick win Projects – Quality of Infrastructure and Workmanship	Better Project Management and Monitoring of Contractors	<b>Date</b> for the Completion of Repairs and Maintenance of Infrastructure in Rooikopen Ext 4	<ul style="list-style-type: none"> <li>Identify of Problem Areas</li> <li>Cost the Maintenance Required</li> <li>Tender the Work</li> <li>Appoint Project Manager</li> <li>Appoint Contractor</li> <li>Commence Work</li> <li>Complete Work</li> </ul>
Comprehensive Infrastructure Plan – Investment Framework	Effective, Efficient and Sustainable Infrastructure Development	<b>Date</b> for the Approval of TOR for Infrastructure Plan	<ul style="list-style-type: none"> <li>Approval of TOR</li> <li>Consultation on Plan</li> <li>Draft Plan</li> <li>Council Approval of Plan</li> </ul>
Treatment of Waste Water	Green Drop Status Compliance	<b>Date</b> on which the Waste Water Treatment Plant will be Fully Functional	<ul style="list-style-type: none"> <li>Sourcing External Funds</li> <li>Allocate Fund in Budget</li> <li>Commission Work on Plant</li> <li>Engage DWA</li> </ul>
Cost of Infrastructure Raw Material Availability	Identify and Register a Sustainable Borrow Pit	<b>Date</b> for the Identification of Land for a Borrow Pits	<ul style="list-style-type: none"> <li>Identification of Land 2) Feasibility Study 3) Obtain Registration Certificate 4) Commission work on plant Shift funds</li> </ul>
Access – Freeway between Secunda and Standerton	Improved Access for Road Travel between Secunda and Standerton	<b>Date</b> for the Presentation of the LLM Report on Freeway between Secunda and Standerton	<ul style="list-style-type: none"> <li>Approval of a Report</li> <li>Presentation of Report to Stakeholders</li> </ul>

ISSUE	DESIRED OUTCOME	KEY PERFORMANCE INDICATOR	KEY MILESTONES
Service delivery in Sakhile Extension 4	Improved service delivery and project management	Access to adequate sanitation, water and electricity	<ul style="list-style-type: none"> <li>fix sewer connections, electricity connections</li> </ul>

SAMPLE



		<ul style="list-style-type: none"> <li>• Acknowledge Receipt;</li> <li>• Appropriate attention received;</li> <li>• Returned to Helpdesk; within (average to be achieved):</li> </ul>	Quarterly before 15th
<b>Staff Turnover</b>		Investigate voluntary resignations within departments to be limited to encourage career pathing and transfer of skills	Quarterly before the 15th
<b>Labour Relations and Conditions of Services</b> Oversee the processes of appropriate disciplinary actions		Oversee the effective management of appropriate disciplinary actions in terms of legislation and the appointment of the Chairperson and prosecutor	Quarterly before the 15th
<b>Safety Committee Meeting</b> Oversee the proper function of the Committee		Ensure legislative compliance to the Occupational Health & Safety Act, Act 85 of 1993 and Quarterly meeting are held	Quarterly before the 15th
<b>SDBIPS</b> Manage the Compliance on the SDBIPS according to the MFMA Section 69		Manage the Service Delivery & Budget Implementation Plans compiled as stipulated by legislation & Performance Management System (PMS) aligned to the IDP, KPA's and KPI's developed and submitted to the Executive Mayor in terms of MFMA	Quarterly before the 15th
<b>Local Economic Development</b> Monitor and oversee maximum support of the local LED projects		Ensure optimal infrastructure and cost effective services to support business activity to promote economic growth by increased tourism, employment and entrepreneurial opportunities	Quarterly before the 15th
<b>Expanded Public Works Programme</b> Oversee and monitor all EPWP of the Municipality		Secure participation in the Expanded Public Works Programme, subject to funding availability.	Quarterly before the 15th
<b>Revenue Enhancement</b> Oversee proper monthly billing process		Oversee property audit to be conducted to ensure correct billing and maximize revenue.	
<b>Revenue Management</b> Oversee the proper management of the credit control policy		Oversee that the CFO maintain payment levels (levied income) by enforcing disconnections according to the approved Credit Control Policy	
<b>Financial Statements</b> Oversee that the financial statements comply with legislation		Ensure that the financial Statements comply with the necessary legislation and is timeously supply to the Auditor General. Maintain opinion issued on audit report as per previous financial year	
<b>Auditor Generals Rapport</b> Oversee the implementation plan of the Auditor General's report		Manage the implementation of action plans on Auditor-General's report on none financial matters	

<b>Debt Collection</b> Oversee proper implementation of debt collection policy		<ul style="list-style-type: none"> <li>• Effective management of debt in terms of:</li> <li>• Indigent Registration;</li> <li>• Prescription Debt;</li> <li>• Write offs;</li> <li>• Disconnections</li> <li>• % Decrease in debt by June 2014</li> </ul>	
<b>Budget Management</b> Oversee proper Management of the total budget capex as well as opex		<ol style="list-style-type: none"> <li>1. Manage expenditure according to cash flow projections as approved per the Service Delivery &amp; Budget Implementation Plans (SDBIP's)</li> <li>2. Manage income according to projections as approved per the Service Delivery &amp; Budget Implementation Plans (SDBIP's)</li> <li>3. Manage expenditure according to projections as approved per the Service Delivery &amp; Budget Implementation Plans (SDBIP's)</li> </ol>	
<b>Integrated Development Plan(IDP)</b> Manage and oversee IDP process		<ol style="list-style-type: none"> <li>1. Oversee and manage that the Integrated Development Plan (IDP) prepared in terms of legislative requirements and aligned to budget.</li> <li>2. Draft submitted to Council for approval and ward committees conducted with:           <ul style="list-style-type: none"> <li>• Agenda</li> <li>• Attendance Registers</li> <li>• Minutes</li> </ul> </li> </ol>	
<b>Budget</b> Oversee, manage and support Executive Mayor with the Budget process		Follow the public participation process, as approved, in terms of the budget programme and comply to the time frames	



KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Corporate Services</b> IDP – Key Performance Area Strategic Area 8: Effective leadership and good governance Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )			
<b>1. Asset Register</b> Responsible for the maintenance and safekeeping of the assets of the department (including the Office of the Executive Mayor, MMC's & Speaker) (Departmental Assets)		Managing and maintaining the departmental assets to ensure compliance to Council's Asset Management Policy by: 1. Providing written confirmation of receipt of an accurate and up-to-date departmental asset register from the Department: Finance Services 2. Identifying departmental redundant items as per Council's policy 3. Reporting stolen, lost items and accidents in terms of operational procedures by completing and submitting claim forms within 7 working days after date of incident to the Department: Finance Services 4. Conducting quarterly departmental assets verification and outcome verified with the asset register	30 Aug 2013  31 Oct 2013  On-going Quarterly before the 15th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Corporate Services</b> IDP – Key Performance Area Strategic Area 8: Effective leadership and good governance Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )			
<b>2. Records Management</b> Responsible for the recording of all incoming and outgoing correspondence as well as the safekeeping of all documents of the Council (Records Management) in terms of Council's policy		1. Managing the collection, receiving, distribution and safekeeping of all incoming and outgoing correspondence according to Council's policy on a daily basis by reporting monthly and quarterly, as part of the departmental quarterly report, as follows: <ul style="list-style-type: none"> <li>• Registered mail</li> <li>• Registration of incoming/outgoing mail</li> <li>• Number daily and date of cheques received</li> <li>• Number of Motor Vehicle License Renewals received</li> <li>• Number of Speed Fines received</li> <li>• Payment of monthly license</li> </ul>	Monthly before the 10th / Quarterly before the 15 <sup>th</sup>  Monthly before the

		<p>renewal</p> <ul style="list-style-type: none"> <li>• fee to ensure availability of the Mun Admin Records Management System Soft-ware</li> <li>• Safekeeping of all documents and contracts on an on-going basis</li> </ul> <p>2. Reporting correspondence outstanding longer than 30 days to the Senior Management Meeting monthly before the 10th</p>	10th
<b>4. Fire Extinguishers</b> Manage the procurement process in terms of the installation of <b>fire extinguishers</b>		<p>Procuring the installation of fire extinguishers, according to the approved capital budget:</p> <p>1. Issuing of asset number and insurance confirmed within 10 working days after date of delivery of asset</p>	<p>Quarterly before the 15<sup>th</sup></p> <p>31 Mar 2014</p>
<b>5. New Scanner</b> Manage the procurement process of the following asset: Replacement of <b>scanner</b> at the Senior Records Officer's office		<p>Procuring a replacement scanner at the Senior Records Officer's office, according to the approved capital budget:</p> <p>1. Issuing of asset number and insurance confirmed within 10 working days after date of delivery of asset</p>	31 Mar 2014
<b>6. Upgrading of storage facilities</b> Manage the procurement process for the <b>renovation of the storage facilities</b>		<p>Managing the procurement process to renovate the storage facilities, according to the approved capital budget:</p>	31 Mar 2014
<b>7. Telephone Accounts</b> (Internal & Council's account) Manage Council's and departmental internal <b>telephone accounts</b>		<p>Distributing internal telephone accounts to all departments before the 5th of each month to be able to recoup costs for personal telephone calls by reporting monthly and quarterly, as part of the departmental quarterly report, as follows:</p> <p>1. Value of monthly accounts per location</p> <p>2. Income monthly recouped by pay office per department</p> <p>3. Payment of external service provider of telephone accounts according to the approved budget</p>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<b>7. Agendas &amp; Minutes</b> Responsible for the <b>agendas and minutes of all Council and Council structures</b> as well as overseeing the <b>execution of Council Resolutions</b>		<p>1. Managing the compilation and distribution of all agendas and minutes of all Council and Council structure meetings, according to the approved year planner. Weekly on a Friday, by reporting monthly and quarterly, as part of the departmental quarterly report, agendas and minutes distributed weekly</p> <p>2. Distributing Council Resolutions for execution within 5 working days, after approval of the minutes, as per the approved procedures and report monthly</p>	<p>Monthly before the 10th / Quarterly before the 15<sup>th</sup></p> <p>Monthly before the 10<sup>th</sup></p>

		<p>3. Overseeing the execution of resolutions by updating the Council Resolution Register weekly and signed off by the head of department and Municipal Manager monthly before the 10<sup>th</sup></p> <p>4. Reporting resolutions not executed within three (3) months, quarterly to the Municipal Manager, before the 15<sup>th</sup> of the following quarter</p>	<p>Monthly before the 10<sup>th</sup></p> <p>Monthly before the 10<sup>th</sup></p>
<p><b>8. Contracts</b> Manage and safekeeping of all <b>contracts of Council</b></p>		<p>Managing Council's contract register by monthly updating the Contract Register and monthly and quarterly, as part of the departmental quarterly report, report as follows:</p> <ol style="list-style-type: none"> <li>1. Date contract register monthly signed off by the Municipal Manager and head of department</li> <li>2. Distributing memorandums to relevant departments indicating contracts to be expired within 3 month period</li> </ol>	<p>Monthly before the 10<sup>th</sup> /</p> <p>Quarterly before the 15<sup>th</sup></p>
<p><b>9. Maintenance of buildings</b> Manage the <b>maintenance of Council's buildings</b></p>		<p>Overseeing the maintenance of Council's buildings under control of the Department: Corporate Services by:</p> <ol style="list-style-type: none"> <li>1. Conducting daily/weekly/monthly inspections as per the pre-approved inspection register</li> <li>2. Completing, reporting maintenance identified to be conducted and submitting completed inspection forms to head of department</li> </ol>	<p>Daily/Weekly/</p> <p>Monthly by the 10<sup>th</sup></p>
<p><b>10. By-laws &amp; Policies</b> Responsible for the maintenance of the <b>Council's By-Laws and policies</b></p>		<p>Overseeing the legislative process to approve and promulgate identified by-laws and report quarterly, as part of the departmental quarterly report, progress in terms thereof, as follows:</p> <ol style="list-style-type: none"> <li>1. Type of by-law drafted</li> <li>2. Date draft by-law approved by Council for public participation</li> <li>3. Time period requesting public comments</li> <li>4. Outcome of public participation process reported by relevant department, if applicable and where required</li> <li>5. Date and Council Resolution to approve promulgation of by-law</li> <li>6. Date of promulgation and implementation of by-law</li> </ol>	<p>Quarterly before the 15<sup>th</sup></p>
<p><b>11. Council's Halls</b> Responsible for the</p>		<p>Controlling the rental of Council's halls according to the approved tariffs by</p>	<p>Monthly before the</p>

management of the letting of Council's halls, namely: <ul style="list-style-type: none"> <li>• Town Hall</li> <li>• Azalea</li> <li>• Stanwest Hall</li> <li>• Sakhile Hall</li> <li>• Social Centre</li> </ul>		completing the approved rental agreement, as per deposit paid, and reporting monthly and quarterly as part of the departmental quarterly report, as follows: <ol style="list-style-type: none"> <li>1. Number of receipts issued</li> <li>2. Income generated as per the approved budget</li> </ol>	10th /  Quarterly before the 15th
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KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Councillors</b>			
IDP – Key Performance Area			
Strategic Area 8: Effective leadership and good governance			
Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )			
<b>1. Conferences &amp; Training</b> Support councillors with the arrangement of conferences / training		Assisting councillors / head of departments with arranging conferences / congresses and training, as per instruction and within the approved budget by reporting monthly and quarterly as part of the departmental quarterly report, as follows: <ol style="list-style-type: none"> <li>1. Details of conferences / congresses arranged as per approved instruction received from the Municipal Manager</li> <li>2. Expenditure as per approved budget</li> </ol>	Monthly before the 10th / Quarterly before the 15th
<b>2. Declaration of Interest</b> Responsible for the completion of declaration of interest by all councillors ( <b>Pecuniary Interest</b> )		Co-ordinating the annual completion and safekeeping of the pecuniary interest declarations by all councillors by reporting progress to the Office of the Speaker annually before the 30 Aug 2013	Annually before the 30 Aug 2013
<b>3. Specific Contribution towards Councilor Remuneration Grant</b> Manage the councilors remuneration grant - <b>Specific Contribution towards Councilor Remuneration Grant</b>		Monitoring and allocating the Specific Contribution towards Councilor Remuneration grant annually received as per the approved budget	Annually before the 30 Aug 2013
<b>4. Municipal Specific Improvement Programme Grant (MSIPG)</b> Manage the <b>Municipal Specific Improvement Programme Grant (MSIPG)</b> as per the business plan		Monitoring and allocating the Municipal Specific Improvement Programme Grant received annually as per the approved budget	Annually before the 30 Aug 2013

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Office of the Speaker &amp; Executive Mayor</b> IDP – Key Performance Area Strategic Area 8: Effective leadership and good governance Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 ) Improve provision for information (Priority Objective:3) PAGE: 101 )			
<b>1. Donations</b> Manage the <b>donations</b> of the Executive Mayor		Co-ordinating the awarding of mayoral donations, as per request, according to the approved budget and reporting monthly and quarterly on the value of donations made per month, as part of the departmental quarterly report	Monthly before the 10th  Quarterly before the 15th
<b>2. Petitions</b> Manage and co-ordinate all <b>petitions</b> received according to Council's policy		Managing petitions received, according to Council's policy and submitting petitions monthly to the Petitions Committee for consideration and reporting monthly and quarterly, as part of the departmental quarterly report, on the following: 1. Maintaining the Petitions Register in terms of petitions number, progress and submission to Petitions Committee 2. Distributing agendas and minutes of the Petitions Committee within 10 working days prior to the monthly meetings	Monthly before the 10th  Quarterly before the 15th
<b>3. Ward Committees</b> Responsible for the administrative support to ward committee meetings ( <b>Ward Committee System</b> )		Providing administrative support to ward councillors according to, and reporting monthly and quarterly, as part of the departmental quarterly report, on: 1. Year Planner for ward committee meetings approved by Council 2. Booking of venues and logistic arrangements for ward committee meetings 3. Distributing agendas and minutes monthly within 10 working days prior to the meetings 4. Maintaining attendance registers per meeting (number of attendees per meeting)	Monthly before the 10th  Quarterly before the 15th
<b>1. Newsletter</b> Responsible for Council's <b>newsletter</b>		Compiling and distributing Council's newsletter, and reporting monthly and quarterly, as part of the departmental quarterly report on: 1. Number of newsletter distributed 2. Expenditure according to approved budget	Quarterly before the 15th

<p><b>3. Press Releases</b> Responsible for the <b>press releases</b></p>		<p>Compiling and submitting at least two press releases per month and/or as per request, approved by the Executive Mayor / Speaker and report monthly and quarterly, as part of the departmental quarterly report, on the following:</p> <ol style="list-style-type: none"> <li>1. Monthly press releases approved by the Executive Mayor / Speaker</li> <li>2. Date of publication</li> </ol>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>4. Complaints</b> Management of all <b>public complaints</b> received by the Council</p>		<p>Managing public complaints received via the Helpdesk according to Council's policy and procedures, by adhering to the following requirements and report, monthly and quarterly, as part of the departmental quarterly report, as follows: Written acknowledgement of complaint Complainant informed of outcome Returning of all supporting documentation to the Helpdesk:</p> <ol style="list-style-type: none"> <li>1. Updating of Complaints Register on a daily basis and weekly reports distributed every Thursday in terms of the number of complaints received and average turn-around time maintained per department</li> <li>2. Submitting a monthly report to the Mayoral Committee for notification</li> </ol>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>5. Website</b> Responsible for the proper maintenance of the <b>website</b> of the Council</p>		<p>Maintaining and updating Council's website as required by Section 21A and B of the Local Government: Municipal Systems Act, Act 32 of 2000 by reporting monthly and quarterly, as part of the departmental quarterly report, as follows:</p> <ol style="list-style-type: none"> <li>1. Submitting updated register signed off by head of department, reflecting daily/ weekly/monthly maintenance done on the website</li> </ol>	<p>Monthly before the 10th Quarterly before the 15th</p>
<p><b>Annual Report</b> Responsible for the co-ordination and finalisation of <b>Council's annual report</b></p>		<p>Compiling and distributing Council's annual report in terms of Section 121, of the Municipal Finance Management Act, Act 56 of 2003, by adhering to the following requirements:</p> <ol style="list-style-type: none"> <li>1. Submitting the Annual Financial Statements, according to Section 166(2)(b) of the MFMA, and performance information, according to Section 45(1)(b) of the MSA, to the Performance &amp; Audit Committee</li> </ol>	<p>Annually before 30 Aug 2013</p>

		<p>2. Submitting the Annual Financial Statements and performance information, after (1) above, signed by the Municipal Manager, to the Auditor-General according to Section 126(1)(a) of the MFMA</p> <p>2. Submitting the report of the Auditor-General, received in terms of Section 126(4) of the MFMA, to the Performance &amp; Audit Committee, to be included in the annual report, to be tabled to Council, annually before 31 Jan</p> <p>3. Compiling draft annual performance report to be tabled to Council, in terms of Section 46 of the MSA</p> <p>4. Compiling draft annual report to reflect on the following:</p> <p>a. Assessment by the accounting officer of any arrears on municipal taxes and service charges</p> <p>b. Assessment by the accounting officer of the performance against measurable performance objectives in terms of revenue collection from each revenue source and for each vote</p> <p>c. Recommendations of the municipality's audit committee in terms of:</p> <ul style="list-style-type: none"> <li>• Execution of audit plan</li> <li>• Impact made</li> <li>• Implementation of recommendations</li> <li>• Involvement in assisting management to address the report of the Auditor-General</li> <li>• Challenges and mitigations of the Audit Committee</li> </ul> <p>6. Making public the annual report, immediately after an annual report is tabled in the council in terms of Section 21A of the MSA</p> <p>7. Submitting the oversight report on the annual report to Council in terms of Section 129 of the MFMA</p> <p>8. Publishing the oversight report, approved by Council in terms of Section 129(3) of the MFMA, within 7 days after its adoption</p> <p>9. Distributing the annual report within one day after final approval by Council in terms of Section 129(2)(b) of the MFMA</p>	<p>30 Nov 2013</p> <p>Annually before 15 Jan 2013</p> <p>Annually before 15 Jan 2013</p> <p>Annually before 28 Febr 2014</p> <p>Annually before 15 Mar 2014</p> <p>Annually before 21 Mar 2014</p> <p>Annually before 31 Mar 2014</p>
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KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<p><b>Sub-function: Performance Management Systems / Internal Audit / Legal / Properties / Risk Management / Fraud &amp; Corruption</b></p> <p>IDP – Key Performance Area</p> <p>Strategic Area 8: Effective leadership and good governance</p> <p>Efficient, Effective, Transparent &amp; Accountable Local Municipality (Priority Objective: 2) PAGE: 101 )</p> <p>Improve provision for information (Priority Objective:3) PAGE: 105/6 )</p> <p>Crime and fraud prevention (Priority Objective: 19) ) PAGE: 105/6)</p>			
<p><b>1. Internal audit</b></p> <p>Conduct the <b>internal audit</b> liaison function</p>		<p>Co-ordinating the execution of the internal audit function as stipulated in Section 165 of the MFMA, by appointed external service provider by:</p> <ol style="list-style-type: none"> <li>1. Submitting a risk-based audit plan and an internal audit program (plan) for the financial year to the Performance &amp; Audit Committee for approval and implementation (Section 165(2)(a) – MFMA)</li> <li>2. Submitting quarterly compliance reports to the Performance &amp; Audit Committee</li> <li>3. Reporting minutes of the Performance &amp; Audit Committee to Council</li> </ol>	<p>Annually by 30 Jul 2013</p> <p>Quarterly before the 15th</p>



<p><b>2. Fraud Reporting Hot Line</b> Manage the <b>Fraud Reporting Hot Line</b></p> <p><b>3.External Service Providers</b> Manage the submission of performance reports on all appointed <b>Council's external service providers</b></p>	<p>Co-ordinating and managing the Fraud Reporting Hotline &amp; Fraud &amp; Corruption Policy as per Council's policy, legislation and the Local Government Anti-Corruption Strategy by:</p> <p>1. Submitting the updated register in terms of reports received and progress on existing reports monthly to the Municipal Manager for signature</p> <p>2. Submitting quarterly reports to the Performance &amp; Audit Committee on reports finalized Managing the monthly/quarterly submission of performance reports on all appointed Council's external service providers , according to the agreed performance targets, by</p> <p>1. Reporting monthly to the Municipal Manager on performance reports submitted and deviations identified</p> <p>2. Reporting quarterly to the Mayoral Committee in terms of compliance and deviations</p> <p>3. Reporting annually in the Annual Report in terms of compliance and deviations</p>	<p>Monthly before the 10<sup>th</sup></p> <p>Quarterly as per the annual program Monthly before the 10<sup>th</sup> /</p> <p>Quarterly before the 15<sup>th</sup></p>
<p><b>3. Service Delivery &amp; Budget Implementation Plan</b> Responsible for the implementation of Council's <b>Service Delivery &amp; Budget Implementation Plan</b></p>	<p>Compiling, reviewing, monitoring and reporting on the implementation of Council's Service Delivery &amp; Budget Implementation Plans according to Section 53 of the MFMA by:</p> <p>1. Submitting draft plan to the Executive Mayor within 28 days after the approval of the draft budget and IDP. Distributing the approved draft plan within 5 working days after date of approval to all relevant departments for signature</p> <p>2. Submitting final plan to Council for approval</p> <p>1. Submitting quarterly reports to the Performance &amp; Audit Committee for consideration approval</p>	<p>Annually according to budget program</p> <p>Within 5 working days after date of approval by Ex M</p>
<p><b>4.Traffic Fines</b> Monitor and manage all <b>traffic fines issued against Council's vehicles</b></p>	<p>Co-ordinating the settlement of traffic fines issued against Council's vehicles , in term s of the existing working procedures and reporting monthly and quarterly, as part of the departmental quarterly report, on the following:</p> <p>1. Summary of quarterly fines issued against Council's vehicles per department / section</p>	<p>Monthly before the 10<sup>th</sup> / Quarterly before the 15<sup>th</sup></p>

		<b>2. Status of each fine</b>	
<b>5. Risk Management</b> Responsible for the co-ordination in terms of the updating of the risk register (operational & strategic risks) and administrative functions in terms of Risk & Risk Management Committee meetings ( <b>Risk Management</b> )		Co-ordinating the implementation of the risk management process, as per the approved Council resolution, by reporting quarterly to Council the following: 1. Minutes of Risk & Risk Management Meetings conducted per quarter 2. Quarterly updating of the risk register in terms of operational & strategic risks	Monthly before the 10th /  Quarterly before the 15th
<b>6. Legal Support</b> Responsible for legal support to the Council, Municipal Manager and all other departments of Council and report on performance of appointed external service providers, according to agreed performance targets		Assisting Council, Municipal Manager and all other departments of Council in terms of legal support required and report monthly and quarterly, as part of the departmental quarterly report, on the following: <ul style="list-style-type: none"> <li>• All legal matters attended to per Month</li> <li>• Contracts finalized, reviewed, discussed and commented on per month</li> <li>• Supply Chain Management Processes where legal assistance is required</li> <li>• Sale of land and other property related matters where legal support/ assistance is required</li> <li>• Tariffs, Policies &amp; By-laws which required legal support/assistance</li> <li>• Number of litigation cases against Council</li> <li>• Number of subpoenas received</li> </ul>	Monthly before the 10th / Quarterly before the 15th
<b>Municipal Public Accounts Committee (MPAC)</b> Render administrative support to the <b>Municipal Public Accounts Committee (MPAC)</b> with the meetings, agendas and minutes		Managing the functioning of Council's Municipal Public Accounts Committee (MPAC) in terms of Section 129 of the MFMA by executing the following functions: 1. Distributing the agenda for the MPAC committee to consider the draft annual report 2. Submitting the MPAC report on the draft annual to Council 3. Publishing the oversight report, approved by Council in terms of Section 129(3) of the MFMA, within 7 days after its adoption	Annually before 15 Mar 2014  Annually before 30 Mar 2014

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES	TARGET DATE
<b>Sub-function: Information Technology (IT)</b>			
IDP – Key Performance Area Strategic Area 8: Effective leadership and good governance Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 ) Improve provision for information (Priority Objective:3) PAGE: 105/6 )			
<b>Information Technology Infrastructure (IT Systems)</b> Responsible for the supply and maintenance of a fast and efficient <b>information technology infrastructure (IT Systems)</b>		Ensuring the daily availability of the information technology services, by reporting monthly and quarterly, as part of the departmental quarterly report, on the following: 1.Number of complaints received per month at Helpdesk in terms of system not functional 2. Number of calls/complaints attended to within 1 working day 3. Signing off of back-up register on a daily basis by IT Supervisor 4. Number of complaints received per month in terms of Internet accessibility 5. Expenditure according to approved budget in terms of hardware maintenance 6. Number and value of software licences annually renewed 7. Number of consumer accounts monthly printed according to time scheduled received from the Department Finance Services <ul style="list-style-type: none"> <li>Distributing monthly reports to head of departments, reporting high volume users in terms of: Internet and E-mail</li> </ul>	Daily/On-going

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES	TARGET DATE
<b>Sub-function: Expenditure</b>			
IDP – Key Performance Area Strategic Area 8: Effective leadership and good governance Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 ) Ensure high level of payment for Services(Priority Objective:14) PAGE: 105/6 )			
<b>1.Asset Register</b> Responsible for the updating and management of <b>Council's Asset Register</b> on an on-going basis in terms of Section 63 of the MFMA		Managing and maintaining an updated computerised Asset Register by executing the following functions: 1. Providing all departments with an accurate and up-to-date asset register as per the	31 Jul 2013  Monthly

		<p>annual financial year-end asset verification results</p> <p>2. Reporting written confirmation received from all departments of receipt of departmental asset registers</p> <p>3. Maintaining a register of all signed inventory lists, distributed, as reported with the financial year-end asset verification</p> <p>4. Co-ordinating a public auction for redundant items by obtaining a Council Resolution on final list of redundant identified assets</p> <p>5. Reporting the outcome of the auction to Council</p> <p>Reporting stolen, lost items and accidents in terms of operational procedures to Council's insurers –</p> <p>6. Completed claim forms submitted to insurers within 7 working days after date of receipt from relevant departments and claim registration numbers received from insurers</p> <p>8. Report to Mayoral Committee on quarterly reports received from relevant departments in terms of quarterly departmental asset verifications conducted</p> <p>9. Conduct quarterly departmental assets verification and outcome verified with asset register</p>	<p>30 Apr 2014</p> <p>Quarterly before 15<sup>th</sup></p>
<p><b>2.Short Term Insurance</b> Annually insure all Council's assets to minimize risk - <b>Short Term Insurance – Council's Assets</b></p>		<p>Monitor and performance reporting on the following appointed external service rendering short term insurance as per the agreed performance targets by submitting performance reports:</p>	<p>Monthly/ Quarterly</p>
<p><b>3.Creditors</b> Responsible to manage the <b>payment of all creditors</b> on a</p>		<p>Ensuring payment of creditors within 30 days after receipt of</p>	<p>Monthly Within 30 days</p>

monthly basis		invoices: 1. Eskom 2. DWAF 3. Telkom 4. Supply and delivery of petrol and diesel	
<b>4.Prepaid Electricity Vending</b> Monitoring of performance of external service provider in rendering <b>prepaid electricity vending</b> support		Monitor and performance reporting on the following appointed external service rendering prepaid electricity vending supporting in terms of the agreed performance targets:	Monthly before the 10th/ Quarterly before the 15th
<b>5.Salaries &amp; Benefits</b> Responsible for the payment of <b>salaries and benefits</b> of all staff		Ensuring payment of salaries, benefits and other responsibilities as per due date according to Council's policies: 1. Overtime 2. Low interest subsidy 3. Cell phone allowances 4. Standby allowances 5. Bonuses 6. Housing Subsidies 7. Leave Pay 8. Unpaid Leave 9. Night Shift Allowances 10. Acting Allowances 11. Back-pay 12. Scarcity Allowances 13. Sundry 14. Medical Aid Contributions 15. Pension Fund Contributions	Monthly payments on the 25th of each month
<b>6.Budget</b> Responsible for the compilation of the budget and management of the approved 2013/2014 budget by the Council ( <b>Budget Management</b> ) in line with Chapter 4 of the MFMA		Compilation and submission of budget to Council as per the following approved budget programme: 1. Compilation and approval of process plan 2. Status Quo & Analysis 3. Compilation and finalization of Ward IDP documents 4. Ward Committee Public Meetings (IDP) 5. IDP Representative Forum Meeting/ Meetings 6. Draft IDP & Budget document completed 7. Draft Budget approved by	Aug 2013  Sept 2013

		Council 8. Public Meetings (Draft Budget) 9. Final Council approval of IDP & Budget	
<b>7. Financial Reporting</b> Manage the <b>Financial Reporting</b> according to Section 71 and 52(d) the MFMA		Submission of financial reports in terms of the MFMA: 1. Section 71-financial reports submitted to the Executive Mayor, National Treasury and Mayoral Committee before the 10th working day of each month 2. Section 52(d)-financial reports submitted to Council within 10 working days 3. Section 72-mid-year performance assessment report submitted to: 1 Council 2 Executive Mayor 3 National Treasury 4.4 Provincial Treasury	Monthly before the 10th working Days  Quarterly before 10th
<b>8. Supply Chain Management</b> Responsible for the implementation of the <b>Supply Chain Management Regulations and Policies</b> in line with Chapter 11 of the MFMA		Monitor and co-ordinate adherence to policy and legislation as per the requirements of the MFMA, Section 116, by: 1. Updating and review Supply Chain Management Policy in line with legislation – Council Resolution 2. Distributing agendas and minutes as per approved policy for:  2.1 Bid Specification Committee 2.2 Bid Evaluation Committee 2.3 Bid Adjudication Committee  3. Updating of information of external service providers on database as per bid specifications and commercial key performance indicators	31 May 2013  Weekly bid Meetings  Quarterly before 15th
<b>9. Procurement of Stock</b>		Monitoring and performance	Monthly

Responsible for the procurement of <b>Stock</b> as ordered by relevant departments in line with Council's procurement procedures and performance reporting of appointed external service providers in line with agreed performance targets		reporting of the following appointed external service providers in line with the agreed performance targets by submitting performance reports:	before the 10th/ Quarterly before the 15th
<b>10.Bank Account</b> Responsible for the opening and maintenance of the Council's <b>Bank Account</b> in terms of Section 11 of the MFMA		1. Quarterly cash withdrawals reported to Mayoral Committee within 10 working days after the end of the quarter 2. Confirm in writing in terms of Section 9(b) the name of each bank where the municipality holds a bank account, and the type and number of each account to: 2.1 Provincial Treasury 2.2 Auditor-General 3. Monitoring and performance reporting of the appointed external service provider in terms of the agreed performance targets:	
<b>KEY PERFORMANCE AREA</b> (linkage to IDP) <b>OBJECTIVE</b>	<b>VOTE</b> (linkage to Budget)	<b>KEY PERFORMANCE INDICATOR</b> (MEASURABLE OBJECTIVES)	<b>TARGET DATE</b>
<b>Sub-function: Income &amp; Administrative</b> IDP – Key Performance Area Strategic Area 8: Effective leadership and good governance Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 ) Broaden Revenue Base(Priority Objective:13) PAGE: 105/6 ) Improve provision for information (Priority Objective:3) PAGE: 105/6 )			
<b>Public Complaints</b> Monitor and address all <b>public complaints</b> received at the Department: Finance Services		Queries and public complaints received attended to within 7 working days after date of receipt by: 1. Updating the query register 2. Query Register to be monthly signed off by the Head of Department 3. Number of complaints outstanding	Monthly within 10 working days
<b>Work Orders</b> Oversee and manage <b>works orders</b> sent to the Department: Engineering Services in terms of complaints/requests received from the public		Management of works orders referred to Engineering Services to clean data and improve the income of the Council by: 1. Updating the works orders register	Monthly & quarterly before the 15th

		2. Works Orders Register monthly signed off by the Head of Department	
<b>Billing Process</b> Manage the monthly <b>billing of consumer accounts</b>		Monitor and ensure monthly correct billing and distribution of monthly accounts as per the billing schedule by reporting the: 1. Period of Billing 2. Number of accounts printed 3. Value of monthly billings: <ul style="list-style-type: none"> <li>• Water</li> <li>• Assessment Rates</li> <li>• Sewer</li> <li>• Refuse</li> <li>• Electricity</li> </ul> 4. Date posted 5. Monthly increase in billing value	Monthly before the 10th
<b>Credit Control</b> Manage the cash flow of the Council via <b>consumers account payments</b>		Monitoring of payment levels as per amounts levied by reporting: 1. % increase in payment levels	Monthly before the 10th to the MM
<b>Financial Statements</b> Responsible for the compilation of the <b>Financial Statements</b> in terms of Section 126 of the MFMA		Compilation of financial statements as per Section 126 of the MFMA, by adhering to the following: 1. Submission to the Performance & Audit Committee for revision in terms of Section 166(2)(b) and (3)(b)(ii) of the MFMA 2. Submission to the Auditor-General for annual external auditing in terms of Section 126(1)(a) of the MFMA 3. Submission of audit report received from the Auditor-General to the Performance & Audit Committee for notification 4. Monitoring implementation of the recommendations, as reflected in the Auditor-General's management report	25 Aug 2013  31 Aug 2013  30 Nov 2013  Quarterly as from 30 Nov 2013
<b>Credit Control</b> Responsible for reporting <b>consumers with outstanding balances</b> longer than 90 days for legal action to be instituted		Monitor and report on aging of debtors on Venus in terms of monthly handovers by reporting the following: 1. Number of handovers per ward 2. Number of disconnections and reconnections 3. R Value of debt handover for collection	Monthly before the 10th to the MM & Quarterly to the MC before the 15th
<b>Government Debt</b> Responsible for the collection of outstanding monies owned by <b>government institutions</b>		Monitor and report on the aging of government debt by reporting the following:	Monthly before the 10th to the



		1. R Value of debt 2. % decrease/increase in debt	MM
<b>Informal Debtors</b> Management of <b>informal settlement's debt outstanding</b>		Monitor and report on aging of debt in informal settlements and report on the following areas:	Monthly before the 10th to the MM
<b>Councillor Accounts</b> Manage the outstanding <b>consumer accounts of councillors</b>		Manage and report Councillors in arrears for more than 30 days to the following: 1. Office of the Speaker 2. Provincial Government 3. Council	Monthly before the 10th working day
<b>Accounts of Employees</b> Manage the outstanding <b>consumer accounts of employees</b>		Monitor and report officials in arrears for more than 30 days to the following: 1. Office of the Municipal Manager 2. Relevant Head of Department	Monthly before the 10th working day
<b>Debt Collection Services</b> Responsible for the monitoring of the external service provider rendering <b>debt collection services</b> in terms of agreed performance targets		Monitor and report performance of the appointed external service provider to conduct debt collection on behalf of Council in terms of the agreed performance targets:	Monthly before 10th/ Quarterly before 15th
<b>Disconnection of Services</b> Responsible for the monitoring of the external service provider rendering <b>disconnection &amp; reconnection services</b> in terms of agreed performance targets		Monitoring and report performance of the appointed external service provider rendering disconnection and reconnection services on behalf of Council in terms of agreed performance targets:	Monthly before 10th/ Quarterly before 15th
<b>Valuation Roll</b> Responsible for the monitoring of the external service provider rendering services in terms of the <b>Valuation Roll &amp; Supplementary Valuation Roll</b>		Monitoring and report performance of the appointed external service provider to compile and update the valuation roll and supplementary valuation roll in terms of the agreed performance targets:	Monthly before 10th/ Quarterly before 15th
<b>Clearance Certificates</b> Manage the issuing of <b>clearance certificates</b>		1. Ensuring that clearance certificates are issued as follows: Figures provided within 5 working days after receipt of request; and Certificate is issued within 7 working days after receipt of payment 2. Submit report to Mayoral Committee reflecting the following information: 1. Number of applications received 2. Number of payments made and value thereof 3. Number of certificates issued	Within 5 working days  Within 7 working days  Monthly within 10 working days
<b>Indigents</b>		Implement approved Indigent	Monthly

Responsible to register <b>indigents</b> and remove from credit control system		Policy by maintaining turn-around time to complete and submit indigent applications to Indigent Screening Committee for approval to increase number of registered indigents <b>30 June 2013</b> : Total approved year-to-date: Submit report to Mayoral Committee on: 1. Number of new applications received 2. Number of applications screened by Social Services 3. Number of applications submitted to Screening Committee for consideration 4. Number of Registered Indigents 5. R Value of debt written off	within 10 working days
<b>Debt Collection</b> Responsible for the management of the debtors book of the council ( <b>Debt Collection</b> ) (National KPI)		Monitoring and reporting of debt: 1. Debt outstanding: 1 July 2013 2. Debt outstanding less current 3. Debt outstanding as per month 4. Over / Under (-) Target	Monthly within 10 working days
<b>Financial Viability</b> Responsible to maintain Council's <b>Financial Viability – Debt Coverage</b> (National KPI) Where		Management of Council debtors books and report status thereof in terms of debt coverage:	Monthly within 10 working days
<b>Debtors Outstanding</b> Responsible to manage the oversight role of the Council in terms of <b>outstanding debtors to revenue</b>		Manage and report on the outstanding service debtors to revenue	Monthly within 10 working days
<b>Cash Flow</b> Responsible to manage the total cost of Council – <b>Cost coverage</b>		Manage and report the cash flow of Council to cover Council's cost (Cost Coverage):	Monthly within 10 working days

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Recruitment &amp; Selection</b>			
IDP – Key Performance Area			
Strategic Area 8: Effective leadership and good governance			
Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )			
Skills Development(Priority Objective: 4) PAGE: 105/6 )			
<b>Employment Equity Plan</b> Responsible for the implementation and		1. Drafting and submitting new Employment Equity Plan 2012 – 2016 to Department of Labour and for noting to the Local Labour	Quarterly before the

<p>management of the <b>EEP (Employment Equity Plan)</b> of the Council</p>		<p>Forum (LLF)</p> <p>2. Submitting of compliance report in terms of the five year Employment Equity Plan to Department of Labour</p> <p>3. Reporting appointments made in terms of the Employment Equity Plan 2012 – 2016 in terms of the following criteria as part of the departmental quarterly report:</p> <p>3.1 Vacant critical posts and reasons thereof as at date of reporting;</p> <p>3.2 Turnover rate experienced and reasons thereof as at date of reporting;</p> <p>3.3 Scarce and critical skills as identified namely:</p> <ul style="list-style-type: none"> <li>✓ Traffic Officers</li> <li>✓ Project Technicians</li> <li>✓ Building &amp; Land Use Control</li> <li>✓ Plumbers</li> <li>✓ Electricians</li> <li>✓ Town Planners</li> </ul> <p>4. Reporting on the implementation of the Employment Equity Plan 2012 – 2016 as part of the departmental quarterly report</p>	<p>15th</p>
<p><b>2. Leave Register</b> Manage <b>leave register</b> of the Council according to the Conditions of Service and appointment contracts</p>		<p>Monitoring and reporting officials with excess leave of 48 days by distributing monthly leave reports to the relevant Head of Departments and as part of the departmental quarterly report, indicating the following criteria:</p> <ol style="list-style-type: none"> <li>1. Designation of Official</li> <li>2. Incumbent</li> <li>3. Total number of leave days available</li> </ol>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>3. Recruitment of Staff</b> Responsible for the <b>recruitment</b> of capable staff on requests of relevant head of departments in line with the approved organogram and budget</p>		<p>Implementing the recruitment process to ensure that the process is completed within 6 weeks after receipt of request from the relevant head of department and report progress as part of the quarterly departmental report by reporting the following:</p> <ol style="list-style-type: none"> <li>1. Date request received from relevant head of department</li> <li>2. Date of appointment of incumbent</li> </ol>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>4. Probation Reports</b> Responsible for the management of newly appointed official's <b>probation reports</b></p>		<p>Distributing monthly probation reports to all relevant head of departments for completion before the 10th and monitoring the completion and returning to Human Resources before the 10th of the following month, by reporting the following monthly to the MMC &amp; quarterly in the departmental report, in terms of:</p> <ol style="list-style-type: none"> <li>1. Date of appointment</li> <li>2. Designation</li> <li>3. Date of distribution of the probation report</li> <li>4. Date probation report returned to Human Resources</li> </ol>	<p>Monthly before the 10th / Quarterly before the 15th</p>

<p><b>Disciplinary Procedures</b> Responsible and management of all labour relating issues, namely <b>grievances and disciplinary hearings</b></p>		<p>Monitoring compliance to the time frames in terms of the disciplinary procedures as approved in the disciplinary procedures (Conditions of Service) and report monthly to the MMC and quarterly in the departmental report, in terms of the following: 1. Total number of cases per department 2. Status quo of each case by maintaining the Disciplinary Register</p>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>Labour Discipline Action</b> Responsible and management of all labour discipline actions by ensuring that charge sheets are issued according to the stipulations contained in the Conditions of Service (Disciplinary Procedures)</p>		<p>Ensuring charge sheets are issued within 5 days after the date of appointing the prosecutor and presiding officer by reporting monthly to the MMC and quarterly in the departmental quarterly report on the following: 1. Date of appointing the prosecutor and the presiding officer 2. Date of delivering the charge sheet</p>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>Local Labour Forum</b> Responsible to arrange all <b>Local Labour Forum meetings (LLF)</b> within Council according to the approved annual meeting schedule</p>		<p>Co-ordinating and arranging all Local Labour Forum meetings as per the annual approved meeting schedule by reporting monthly to the MMC and quarterly as part of the departmental quarterly report, by reporting on the following: 1. Date approving the annual meeting schedule 2. Distribution of agendas and minutes within 10 working days before and after the meetings</p>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>Suspensions</b> Manage approved <b>suspensions</b> and advise on pending suspensions within Council</p>		<p>Reporting on the number of suspensions and progress in terms of finalizing the disciplinary action process by reporting monthly to the MMC and as part of the quarterly departmental report by reporting the following: 1. Number of suspensions per department 2. Reasons therefore 3. Progress in terms of disciplinary action process</p>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>Overtime</b> Monitor the working and remuneration of <b>overtime</b> in terms of the Conditions of Services and relevant labour law</p>		<p>Monitoring the working and remuneration of overtime in terms of the Conditions of Service and relevant labour law read with Council's approved policy by reporting monthly to the MMC and quarterly as part of the departmental quarterly reporting by reporting the following: 1. Designation 2. Total number of overtime hours worked per month 3. Expenditure in terms of the approved operational budget</p>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>Occupational Health Safety</b> Responsible to ensure Council's adherence to the</p>		<p>Managing Council's adherence to the Occupational Health &amp; Safety Act at all times by ensuring and reporting compliance to the following:</p>	<p>Monthly before the 10th / Quarterly</p>

<p><b>Occupational Health &amp; Safety Act</b> at all times</p>		<ol style="list-style-type: none"> <li>1. Issuing Letter of Appointments to all trained competency representatives, when required in terms of the Act</li> <li>2. Co-ordinating and attending all Central Health &amp; Safety Committee meetings according to the approved annual meeting schedule and distributing agendas and minutes before 10 working days before and after the meetings</li> <li>3. Managing all reported injuries on duty and report monthly in terms of steps taken to reduce injuries and follow-up actions to finalize pending cases to ensure compliance to relevant legislation</li> </ol>	<p>before the 15th</p>
<p><b>Policies, Procedures &amp; Systems</b> Responsible and manage <b>policies and systems</b> of Human Resources to ensure compliance to all relevant legislation in terms of Section 67 of the Municipal Systems Act</p>		<p>Managing the development and adoption of appropriate systems, procedures and policies to ensure fair, efficient, effective and transparent personnel administration, including the following, as per the relevant legislation:</p> <ol style="list-style-type: none"> <li>1. recruitment, selection and appointment of persons as staff members</li> <li>2. service conditions of staff</li> <li>3. supervision and management of staff</li> <li>4. monitoring, measuring and evaluating of performance of staff</li> <li>5. promotion and demotion of staff</li> <li>6. transfer of staff</li> <li>7. grievance procedures</li> <li>8. disciplinary procedures</li> <li>9. investigation of allegations of misconduct and complaints against staff</li> <li>10. dismissal and retrenchment of staff</li> <li>11. any other matter prescribed by regulation in terms of Section 72 of the Municipal Systems Act</li> </ol>	<p>Quarterly before the 15</p>
<p><b>Workplace Skills Plan</b> Responsible to manage the skills development plan (<b>Workplace Skills Plan</b>) of Council in terms of relevant legislation (<b>National KPI</b>)</p>		<ol style="list-style-type: none"> <li>1. Drafting and reporting Council's Workplace Skills Plan (WSP) 2012/2013 according to the approved budget</li> <li>2. Submitting the plan to LGWSETA</li> <li>3. Co-ordinating and reporting on the number of training assistance applications received and successful completions in terms of approved assistance applications</li> </ol>	<p>30 Aug 2013</p> <p>Quarterly before the 15th</p>
<p><b>Employee Assistance Programme</b> Responsible and manage of assistance programs to staff in terms of Council's approved policy <b>Employee Assistance Programme</b></p>		<p>Reporting on assistance provided to identified officials per section in terms of:</p> <ol style="list-style-type: none"> <li>1. Death of Spouse</li> <li>2. Poor Health Conditions</li> <li>3. Bereavement</li> <li>4. Addictions / Alcohol misuse</li> </ol>	<p>Monthly before the 10th / Quarterly before the 15</p>
<p><b>AIDS Workplace Program</b></p>		<p>Ensuring implementation of Council's HIV/</p>	<p>Monthly</p>

Implement and manage the HIV/ <b>AIDS Workplace Programme</b> according to Council's approved policy		AIDS Workplace Programme according to the approved budget by reporting on: 1. Actions executed per quarter 2. Expenditure in terms of approved budget	before the 10th / Quarterly before the 15
<b>Time &amp; Attendance</b> Responsible and manage applicable benefits of staff in specific time and attendance according to Council's policy		Co-ordinating the management of time and attendance by reviewing the Time & Attendance Management Reports, as submitted weekly on a Monday before 12:00, and reporting the following deviations to the relevant head of department to implement the necessary corrective actions: 1. Sick leave 2. Annual leave 3. Family Responsibility leave 4. Study leave 5. Unpaid leave 6. Absent without leave	

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Technical Services</b> IDP – Key Performance Area Strategic Area 8: Effective leadership and good governance Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 ) Upgrading and maintenance of roads and storm-water, electricity, water, sewer and purification networks(Priority Objective: 10) PAGE: 105/6 ) Broaden Revenue Base(Priority Objective:13) PAGE: 105/6 ) Improve provision for information (Priority Objective:3) PAGE: 105/6 )			
<b>Works Order</b> Responsible to execute <b>works orders</b> received from the Department: Finance Services		Managing the execution and return of works orders relating to electrical and water connections received from the Department: Finance Services within 30 days after date of receipt by reporting monthly to the PMS Section and quarterly as part of the departmental report, on the following: 1. Number of works orders received from the Department: Finance Services 2. Number of works orders returned to the Department: Finance Services	Monthly before the 10th /Quarterly before the 15th
<b>Complaints Register</b> Responsible to manage to finalisation of complaints received from the members of the public		Managing the finalization of complaints received from members of the public within 10 working days after date of receipt by submitting monthly reports to the PMS Section and quarterly as part of the departmental quarterly report, by report the following: 1. Number of complaints received per month 2. Complaints addressed within 10 working days	Monthly before the 10th /Quarterly before the 15th

		3. Number of complaints outstand	
<b>External Service Provider</b> Manage the <b>consulting engineers, quantity surveyors and architects</b> by reporting on the performance of the appointed external service providers in line with the agreed performance targets		Monitoring and performance reporting of the following appointed external service providers to provide consulting engineering services, quantity surveying services and architectural services , in line with the agreed performance targets, report on:	Monthly before the 10th/ Quarterly before the 15th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Waste Water Management (Main Sewer)</b>			
IDP – Key Performance Area			
Strategic Area 7: Financial and Environmental sustainability			
Improve solid waste management(Priority Objective: 12) PAGE: 105/6 )			
Service backlogs (water, sanitation, electricity, roads, storm-water, solid waste, cleansing) needs to be addressed(Priority Objective: 9) PAGE: 105/6 )			
Upgrading and maintenance of roads and storm-water, electricity, water, sewer and purification networks (Priority Objective: 10) PAGE: 105/6 )			
<b>Sewer Pump Stations</b> Responsible for the maintenance and safekeeping of all <b>sewer pump station</b> equipment		Maintaining the following sewer pump stations on a monthly basis, by completing the inspection forms, initiating identified repairs and maintenance within the same quarter, responding to warning signals within 8 hours and submitting monthly reporting to the PMS Section and quarterly as part of departmental quarterly report:	Monthly before the 10th/ Quarterly before the 15th
<b>Sewer network</b> Responsible and manage the <b>sweeping of sewer lines</b>		Sweeping sewer lines, as and when required and reporting quarterly on kilometres completed per area/ward and location	Monthly before the 10th/ Quarterly before the 15th
<b>External Service Provider</b> Responsible and manage the <b>cleaning of sewer pipes</b> by reporting on the performance of the appointed external service provider in line with the agreed performance targets		Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance targets, report on:	
<b>External Service Provider</b> Responsible for the managing and monitoring of the		Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance	

appointed service provider conducting <b>repair and maintenance of sewer pumps</b> in line with agreed performance targets		targets, report on:	
<b>Upgrading Main Sewer</b> Manage the procurement process of the following asset: <b>Upgrading of the main sewer</b>		Managing the upgrading of the main sewer according to the approved capital budget:	
<b>KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE</b>	<b>VOTE (linkage to Budget)</b>	<b>KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)</b>	<b>TARGET DATE</b>
<b>Sub-function: Purification (Waste Water Treatment)</b> IDP – Key Performance Area Strategic Area 7: Financial and Environmental sustainability Improve solid waste management(Priority Objective: 12) PAGE: 105/6 ) Service backlogs (water, sanitation, electricity, roads, storm-water, solid waste, cleansing) needs to be addressed (Priority Objective: 9) PAGE: 105/6			
<b>Waste Water Treatment Works</b> Responsible and management of the outflow quality at the <b>Waste Water Treatment Works</b>		Monitoring and reporting monthly quality of the outflow to ensure compliance with legislation to achieve at least 60 % compliance with legislation	Monthly before the 10th/ Quarterly before the 15th
<b>External Service Provider</b> Responsible for the management and monitoring of the appointed external service provider managing the <b>Waste Water Treatment Works</b>		Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance targets, report on:	Monthly before the 10th/ Quarterly before the 15th
<b>Expansion of Waste Water Treatment Works</b> Manage the <b>expansion of the Standerton Waste Water Treatment Works</b>		Manage the expansion of the Standerton Waste Water Treatment Works according to the approved capital budget:	Monthly before the 10th/ Quarterly before the 15th



KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Roads &amp; Storm Water</b>			
IDP – Key Performance Area			
Strategic Area:5 Establishment of efficient access and integrated mobility			
Service backlogs (water, sanitation, electricity, roads, storm-water, solid waste, cleansing) needs to be addressed (Priority Objective: 9) PAGE: 105/6			
<b>Gravel Roads</b> Maintaining all Council's gravel roads		Maintaining all Council's gravel roads at least once a year, total of 562 km, by starting and completing each ward (not related to days/weeks) and reporting progress as follows: 1. Maintenance work done by Council in terms of ward, distance, street names area and budget spent.	Monthly before the 10th/ Quarterly before the 15th
<b>Resealing of Roads</b> Responsible for the management and monitoring of the appointed external service provider resealing roads		Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance targets, report on	Monthly before the 10th/ Quarterly before the 15th
<b>Pavement Management System</b> Monitoring the updating of the Pavement Management System		Updating of Pavement Management System (PMS) on road maintenance every two years	Monthly before the 10th/ Quarterly before the 15th
<b>Storm Water System</b> Responsible and management of the storm water system of Council		Managing annual cleaning of storm water system before the start of the rain season, as approved by the senior management meeting and report progress in the departmental quarterly report as follows: 1. Location 2. Area / Ward 3. Distance	
<b>New Roads</b> Manage the gravel to tar project		Managing the gravel to tar (Phase 3) project according to the approved capital budget:	

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Mechanical Workshop</b> IDP – Key Performance Area Strategic Area:5 Establishment of efficient access and integrated mobility Upgrading and maintenance of roads and storm-water, electricity, water, sewer and purification networks (Priority Objective: 10) PAGE: 105/6 )			
<b>Maintenance of Council's Fleet</b> Responsible and management of maintenance of Council's fleet		Maintaining Council's fleet, excluding the Department: Social Services, by updating the electronic Fleet Management System and Fleet Replacement Policy according to: 1. % of repairs/maintenance/services referred to Mechanical Workshop done internally vs externally; and 2. Repairs done per department	Monthly before the 10th/ Quarterly before the 15th
<b>Vehicle Inspections</b> Manage the submission of Council's vehicle inspection sheets according to the approved Council's Vehicle Policy		Managing and reporting on the submission of Council's vehicle inspection sheets according to the approved Council's Vehicle Policy, by: 1. Receiving monthly completed Vehicle inspection sheets from all departments 2. Reporting monthly to the Health & Safety Representative of Council on number of sheets received and identifying problem areas	Monthly before the 10

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Water Services</b> IDP – Key Performance Area Strategic Area 7: Financial and Environmental sustainability Improve solid waste management(Priority Objective: 12) PAGE: 105/6 ) Service backlogs (water, sanitation, electricity, roads, storm-water, solid waste, cleansing) needs to be addressed (Priority Objective: 9) PAGE: 105/6			
<b>Water Treatment Works</b> Responsible and management of the potable water treatment works		Monitoring and reporting compliance to at least 95 % as per SANS 241	
<b>Water Losses</b> Responsible and management of water services		Monitoring and maintaining water losses below 25 % by comparing and reporting on % water losses, as	Quarterly before the 15

		reported by the Department: Finance Services	
<b>Water Connections</b> Responsible and management of <b>water connections</b> to be repaired and water meters to be replaced according to requests received and leaks reported or identified		Responding to requests received from the Department: Finance Services within 21 days and report monthly and quarterly as follows:: 1. Number of completed works orders returned to Finance / Helpdesk 2. Water connections repaired 3. Meters replaced 4. Leaks repaired	Monthly before the 10th/ Quarterly before the 15th
<b>Water Informal Settlements</b> Responsible and management of <b>water provision to informal settlements</b>		Providing water to informal settlements on a daily basis according to the approved budget and reporting expenditure quarterly to the Mayoral Committee	Monthly before the 10th/ Quarterly before the 15th
<b>Water Network</b> Manage the <b>Water Network</b> maintenance project		Managing the Water Network maintenance project according to the approved capital budget:	Monthly before the 10th/ Quarterly before the 15th
<b>Water Safety Plan</b> Manage the compilation of the <b>Water Safety Plan</b>		Managing the compilation of the Water Safety Plan according to the approved capital budget:	Monthly before the 10th/

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Electricity</b>			
IDP – Key Performance Area			
Strategic Area:5 Establishment of efficient access and integrated mobility			
Upgrading and maintenance of roads and storm-water, electricity, water, sewer and purification networks (Priority Objective: 10) PAGE: 105/6 )			
<b>Street lights</b> Responsible and management of <b>streetlight maintenance</b>		Maintaining streetlights as per request / complaint received and report on: 1. Quantity replace / repaired 2. Area	Monthly before the 10th /
<b>Electricity losses</b> Responsible and management of <b>electricity services</b>		Monitoring and maintaining electricity losses below 8 % by comparing and reporting on % electricity losses, as reported by the Department: Finance Services	Monthly before the 10th /
<b>Electricity Connections</b> Responsible and management of <b>electricity connections</b>		Installation of connections, conversions and prepaid electricity meters within 7 working days after receipt of request and reporting as follows: 1. Conversions to Prepaid 2. New Installations (Industrial & Residential) 3. New Prepaid 4. Number of meters replaced	Monthly before the 10th / Quarterly before the 15th
<b>Prepaid Vending System</b> Responsible and management of the prepaid vending support systems		Monitoring availability of prepaid vending support, balancing number of units sold in conjunction with the Department: Finance Services in terms of actual payments received and report monthly	Monthly before the 10th /
<b>Sub-stations</b> Manage the replacement project of the <b>HT panels at the R1-Substation</b>		Managing the replacement project of the HT panels at the R1-Substation according to the approved capital budget:	Monthly before the 10th /

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Building Control</b> IDP – Key Performance Area Strategic Area : 2 Creation of integrated and sustainable human settlement Strategic Area 3: Creation of a linked ecological open space Strategic Area: 4 Delineation of a urban edge Economic Development (Priority Objective: 1) PAGE: 105/6 ) Access to land, housing and security of tenure (Priority Objective: 15) PAGE: 105/6 )			
<b>Illegal Land use</b> Oversee and manage <b>illegal land use</b> in the municipal boundaries		Updating of register and report in terms of non-compliance, as reported per complaint: 1. Number of notices issued 2. Number of matters referred for litigation	Quarterly before the 15th
<b>Building Plans</b> Accountable for the <b>approval of all building plans</b> within the timeframes as per the service delivery plans		Approving and report on the approval of building plans according to the service delivery plans by updating the register and the following reported: 1. Number of building plans submitted 2. Number of building plans approved 2. Value of approved plans	Quarterly before the 15th
<b>Illegal Building Activities</b> Accountable for the correction for all illegal building activities <b>(Buildings identified without approved building plans)</b>		Maintaining the database with buildings identified without approved plans and report on the following: 1. Number of notices issued 2. Number of matters referred for litigation	Monthly before the 10th / Quarterly before the 15th
<b>Illegal Land Invasions</b> Oversee and manage <b>illegal land invasions</b> in the municipal area by reporting on the performance of the appointed external service provider		Preventing illegal land invasions by reporting the performance of the appointed external service provider as per the agreed performance targets and approved inspection programme: 1. Red Ant Security Services (Pty) Ltd Rendering the removal of illegal occupation of land services	Monthly before the 10th / Quarterly before the 15th
<b>Illegal Advertising</b> Oversee and manage <b>illegal outdoor advertising</b> by reporting the performance of the appointed external service provider in line with the agreed		Monitoring and performance reporting on the appointed external service provider in line with the agreed performance targets	

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Town Planning</b> IDP – Key Performance Area Strategic Area : 2 Creation of integrated and sustainable human settlement Strategic Area 3: Creation of a linked ecological open space Strategic Area: 4 Delineation of a urban edge Economic Development (Priority Objective: 1) PAGE: 105/6 )			
<b>Town Planning Application</b> Accountable for the correct finalization of <b>all town planning applications</b> according to the ordinance and Council’s policy		Completing all town planning applications received within 6 months by : <ul style="list-style-type: none"> <li>• Verifying applications for completion according to checklist within 7 days after submission</li> <li>• Updating register;</li> <li>• Issue Letter of Acknowledgement</li> <li>• Follow-up on outstanding comments from various departments on a weekly basis</li> <li>• Maintain list of outstanding comments</li> <li>• Verification of check list by Town Planner Report on:               <ol style="list-style-type: none"> <li>1. Number of applications received</li> <li>2. Proof of adherence to turn-around times</li> </ol> </li> </ul>	Monthly before the 10th / Quarterly before the 15th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Local Economic Development</b> IDP – Key Performance Area Strategic Area : 2 Creation of integrated and sustainable human settlement Strategic Area 3: Creation of a linked ecological open space Strategic Area: 4 Delineation of a urban edge Economic Development (Priority Objective: 1) PAGE: 105/6 )			
<b>LED</b> Responsible to manage and oversee all <b>local economic development projects</b> to alleviate poverty		Identifying a project in conjunction with the Mayoral Committee according to the approved budget by: <ol style="list-style-type: none"> <li>1. Submitting proposals agreed with Mayoral Committee to Council for approval</li> <li>2. Monitoring and reporting on the completion of the project according to the approved project plan and budget availability</li> </ol>	Monthly before the 10th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Housing</b> IDP – Key Performance Area Strategic Area : 2 Creation of integrated and sustainable human settlement Strategic Area 3: Creation of a linked ecological open space Strategic Area: 4 Delineation of a urban edge Economic Development (Priority Objective: 1) PAGE: 105/6 )			
<b>Housing Projects</b> Monitor the progress on provincial housing schemes by attending all Regional Professional Team meetings in terms of <b>housing project developments</b>		Attending RPT (Regional Professional Team) meetings with Department of Human Settlements to discuss progress on provincial housing projects and reporting minutes to the Mayoral Committee	

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Community Services (Libraries)</b> IDP – Key Performance Area Strategic Area : 2 Creation of integrated and sustainable human settlement Access to social services and community centers (Priority Objective: 16) PAGE: 105/6)			
<b>Library Outreach Programmes</b> Responsible for facilitating <b>library outreach programmes</b> reaching all members of the community		Facilitating and conducting outreach programme to involve and reach all communities in library activities by reporting monthly and quarterly as part of the departmental quarterly report on the following: 1. Number of outreach programmes conducted 2. Location of outreach programmes 3. Outcome of outreach programmes	Monthly before the 10th / Quarterly before the 15th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Cemeteries</b> IDP – Key Performance Area Strategic Area 3: Creation of a linked ecological open space Strategic Area: 4 Delineation of a urban edge Access to social services and community centres(Priority Objective: 16) PAGE: 105/6			
<b>Graves</b> Responsible and manage the availability of the necessary graves in the following <b>cemeteries:</b>		Ensuring the availability of the necessary graves and monitor it by reporting monthly and quarterly as part of the departmental quarterly report, as follows: 1. Graves opened 2. Income Received	Monthly before the 10th / Quarterly before the 15
<b>Cemeteries</b> Manage the <b>maintenance of all cemeteries</b> by reporting on the performance of the appointed external service provider in line with the agreed performance targets, at the following cemeteries:		Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance targets, report on:	Monthly before the 10th
<b>Burials Indigent/Pauper</b> Oversee and manage all <b>pauper &amp; indigent burial applications</b> according to Council's policy		Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance targets, report on:	Monthly before the 10th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Sport &amp; Recreation (Parks)</b> IDP – Key Performance Area Strategic Area 3: Creation of a linked ecological open space Strategic Area: 4 Delineation of a urban edge Building of new and upgrading of existing sport and recreation facilities (Priority Objective: 17) PAGE: 105/6			
<b>Grass Cutting</b> Manage the <b>grass cutting program</b>		Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance targets:	Monthly before the 10th
<b>Vacant Stands</b> Manage the <b>cleaning of vacant stands</b>		Managing the cleaning of vacant stands by ensuring grass cutting and billing within 14 days after receipt of complaint, by reporting monthly and quarterly in the departmental quarterly report on: 1. Number of complaints received	Monthly before the 10th



		2. Number of complaints finalized 3. Expenditure / Income as per approved budget	
<b>Sport Fields</b> Manage the maintenance of the following <b>community sport facilities</b> :		Maintaining community sport facilities by reporting quarterly maintenance conducted as part of the departmental quarterly report	Monthly before the 10th
<b>Swimming Pool</b> Manage the maintenance of the <b>swimming pool</b> and the service provider according to the agreed performance targets		Monitoring the maintenance of the swimming pool according to the approved budget and performance reporting of the appointed external service provider according to the agreed performance targets,	Monthly before the 10th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Solid Waste Management</b>			
IDP – Key Performance Area			
Improve solid waste management(Priority Objective: 12) PAGE: 105/6 )			
Strategic Area 7: Financial and Environmental sustainability			
<b>Refuse Removal</b> Manage <b>refuse collection</b> according to waste collection plan		Rendering refuse collection as per the predetermined waste collection programme by reporting monthly and quarterly on: 1. Number of weekly collection points serviced (services to be given to all households once a week) 2. Volumes collected 3. Deviations on domestic waste collection programme	Monthly before the 10th
<b>Skip Bin Service</b> Manage <b>skip bin services</b> according to requests received		Rendering skip bin services on a weekly basis as per requests received and report monthly and quarterly on: 1. Volumes weekly collected 2. Income as per approved budget	Monthly before the 10th
<b>Cleaning of Streets</b> Manage the <b>cleaning of identified streets</b> on a daily basis and specific focus on the following areas and performance reporting of the appointed external service provider		Co-ordinating the cleaning of identified streets on a daily basis, specific identified areas and performance reporting of the appointed external service provider by reporting monthly and quarterly on the following: 1. Complying to the approved cleaning programme on a daily basis	Monthly before the 10th

<p>according to the agreed performance targets</p> <ul style="list-style-type: none"> <li>• CBD</li> <li>• Taxi Ranks</li> <li>• Public Convenience</li> <li>• Facilities</li> <li>• Wards 1 - 15</li> </ul>			
<p><b>Landfill Sites</b> Manage the usage of the following <b>land fill sites</b> according to legislation:</p>		<p>Maintaining the land fill sites according to legislation by reporting monthly and quarterly on the following:</p> <ol style="list-style-type: none"> <li>1. Quantities monthly removed</li> <li>2. Results of compliance audit reports submitted to Council</li> <li>3. Income according to approved budget</li> </ol>	

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<p><b>Sub-function: Traffic</b> IDP – Key Performance Area Strategic Area: 1 Equitable distribution of services Safety, Security and crime prevention(Priority Objective: 12) PAGE: 105/6 ) Efficient, Effective, Transparent &amp; Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )</p>			
<p><b>Hawkers</b> Manage and control <b>hawkers</b> according to Council's Bylaws</p>		<p>Controlling of hawkers and informal traders by:</p> <ol style="list-style-type: none"> <li>1. Issuing and reporting on number of hawking licenses issued in terms of Council's By-laws, demarcated areas inspected according to pre-approved inspection programme and sidewalks monitored for transgressions</li> <li>2. Inspecting the following dedicated pension pay points and licenses issued, where not available:</li> </ol>	<p>Monthly before the 10th</p>
<p><b>Traffic Safety &amp; Control</b> Responsible to maximise the efficiency of the <b>traffic income</b></p>		<p>Managing and reporting on the income as approved in the budget by reporting on the following:</p> <ol style="list-style-type: none"> <li>1. Value of tickets issued, monitored in terms of pro-rata budget</li> <li>2. Amount of tickets and R value of Court reductions, monitored</li> <li>3. Amount of tickets and R value of Court withdrawals, monitored</li> <li>4. Warrants issued according to legislation</li> <li>5. Report on payments received in terms of warrants and traffic fines</li> <li>6. Number of tickets issued as indicated per transgression</li> </ol>	<p>Monthly before the 10th / Quarterly before the 15th</p>
<p><b>Speed Control</b> Manage the operations of the <b>speed camera equipment and back office</b> by reporting on the</p>		<p>1. Monitoring and performance reporting of the following appointed external service provider in line with the agreed performance targets, report on:</p>	<p>Monthly before the 10th/ Quarterly</p>

performance of the appointed external service provider in line with the agreed performance target		1. At least one operational operation per month 2. Number of cases 3. Supply and delivery of speed camera equipment and back office 4. Supply, delivery and installation of digital and red light cameras with a traffic contravention management system	before the 15th
<b>Capacitation of staff</b> Oversee the <b>proper training of traffic officers</b> according to the Fire Arms Act		Ensure traffic officers are trained in terms of the Fire Arms Act by attending scheduled training sessions and report on: 1. Number of attendees 2. Results of practical training sessions	Monthly before the 10th/ Quarterly before the 15th
<b>Procurement of Vehicles</b> Manage the procurement process of the following assets: <b>Traffic Vehicles</b>		Procuring additional and/or replacement of existing vehicles according to the approved capital budget	Quarterly before the 15th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Traffic</b>			
IDP – Key Performance Area			
Strategic Area: 1 Equitable distribution of services			
Safety, Security and crime prevention(Priority Objective: 12) PAGE: 105/6 )			
Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )			
<b>Law Enforcement</b> Co-ordinate joining of <b>special law enforcement operations</b> with SAPS and Province		Joining of special operations with identified stakeholders, namely SAPS, Traffic & Province by attending meetings and coordinating joining schedules in line with budget availability and report on: 1. Meetings attended - Agendas & Minutes	Quarterly before the 15th
<b>Special Operations</b> Manage <b>special operations</b> on law enforcement within the jurisdiction and identified hot spots		Conducting at least 2 special operations and visible patrols within the jurisdiction and reporting the following: 1. Date & Location 2. Results of operation	Quarterly before the 15th
<b>CCTV System</b> Manage the <b>CCTV System</b> for maximum efficiency to assist with crime prevention and performance reporting on the appointed external service provider		Managing the CCTV System to reduce and assist with crime prevention in identified areas and performance reporting on the appointed external service provider in line with the agreed performance targets by reporting on the following: 1. Registers & records maintained are inspected and signed off by HOD	Quarterly before the 15th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES	TARGET DATE
<b>Sub-function: Fire Section</b> IDP – Key Performance Area Strategic Area: 1 Equitable distribution of services Safety, Security and crime prevention(Priority Objective: 12) PAGE: 105/6 ) Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )			
<b>Emergency Response Time</b> Manage <b>reaction time</b> to efficiency according to policy of Council		Maintaining reaction time as per policy and report compliance thereto, as follows: <b>Response Times: Baseline</b> <b>Classification of Fire Section:</b> Manning levels and attendance time 35 % - 45% =5 Performance indicators/statistics 46 % - 55 % =4 Performance indicators/statistics 56 % - 65 % =3 Performance indicators/statistics 66 % - 75 % = 2 More than 75 % = 1	Quarterly before the 15th
<b>Fire Prevention Plan</b> Manage the implementation of the <b>Fire Prevention Plan</b> by conducting the necessary inspections to achieve compliance		Conducting inspections in terms of the Fire Prevention Plan and report on number of inspections and turn-around times maintained according to the following: 1. High Risk Industries 2. Pre-schools / Primary Schools / High Schools 3. Old Age Homes	Quarterly before the 15th
<b>Fire Prevention Association: Training Programme</b> Manage the training of community members of the various <b>Fire Prevention Associations</b>		Executing the training programme in terms of the training of members of the Fire Prevention Associations and report on the following per association: 1. FPA's trained and ward location 2. Number of trainees 3. Number of volunteers	Quarterly before the 15th
<b>Community Training</b> Manage the <b>community education and training</b> programme		Execution of training programme in terms of the training of community members and report on: 1. Ward location 2. Number of trainees	Quarterly before the 15th

KEY PERFORMANCE AREA (linkage to IDP) OBJECTIVE	VOTE (linkage to Budget)	KEY PERFORMANCE INDICATOR (MEASURABLE OBJECTIVES)	TARGET DATE
<b>Sub-function: Municipal Manager's Office</b>			
IDP – Key Performance Area			
Strategic Area 8: Effective leadership and good governance			
Efficient, Effective, Transparent & Accountable Local Municipality (Priority Objective: 2) PAGE: 105/6 )			
<b>Service Delivery</b> Oversee the implementation of the SDBIP and Reporting		Service Delivery & Budget Implementation Plan monitoring, execution and reporting on: <ul style="list-style-type: none"> <li>• % expenditure on capital, income and expenditure budget;</li> <li>• Progress on service delivery targets;</li> <li>• Contents of report discussed during evaluations</li> </ul>	Monthly before 10th and Quarterly before 15th
Oversee and manage all complaints received by the Council		1. Continuous monitoring and improvement to current system on a monthly basis 2. Attend to departmental public complaints received via Help-desk by: <ul style="list-style-type: none"> <li>• Acknowledge Receipt;</li> <li>• Appropriate attention received;</li> <li>• Returned to Helpdesk; within (average to be achieved):</li> </ul>	Monthly before 10th and Quarterly before 15th
<b>Staff Turnover</b>		Investigate voluntary resignations within departments to be limited to encourage career pathing and transfer of skills	Quarterly before the 15th
<b>Labour Relations and Conditions of Services</b> Oversee the processes of appropriate disciplinary actions		Oversee the effective management of appropriate disciplinary actions in terms of legislation and the appointment of the Chairperson and prosecutor	Quarterly before the 15th
<b>Safety Committee Meeting</b> Oversee the proper function of the Committee		Ensure legislative compliance to the Occupational Health & Safety Act, Act 85 of 1993 and Quarterly meeting are held	Quarterly before the 15th
<b>SDBIPS</b> Manage the Compliance on the SDBIPS according to the MFMA Section 69		Manage the Service Delivery & Budget Implementation Plans compiled as stipulated by legislation & Performance Management System (PMS) aligned to the IDP, KPA's and KPI's developed and submitted to the Executive Mayor in terms of MFMA	Quarterly before the 15th
<b>Local Economic Development</b> Monitor and oversee maximum support of the local LED projects		Ensure optimal infrastructure and cost effective services to support business activity to promote economic growth by increased tourism, employment and entrepreneurial opportunities	Quarterly before the 15th
<b>Expanded Public Works Programme</b> Oversee and monitor		Secure participation in the Expanded Public Works Programme, subject to funding availability.	Quarterly before the 15th

all EPWP of the Municipality			
<b>Revenue Enhancement</b> Oversee proper monthly billing process		Oversee property audit to be conducted to ensure correct billing and maximize revenue.	
<b>Revenue Management</b> Oversee the proper management of the credit control policy		Oversee that the CFO maintain payment levels (levied income) by enforcing disconnections according to the approved Credit Control Policy	
<b>Financial Statements</b> Oversee that the financial statements comply with legislation		<ul style="list-style-type: none"> <li>• Ensure that the financial Statements comply with the necessary legislation and is timeously supply to the Auditor General.</li> <li>• Maintain opinion issued on audit report as per previous financial year</li> </ul>	
<b>Auditor Generals Rapport</b> Oversee the implementation plan of the Auditor General's report		Manage the implementation of action plans on Auditor-General's report on none financial matters	
<b>Debt Collection</b> Oversee proper implementation of debt collection policy		<ul style="list-style-type: none"> <li>• Effective management of debt in terms of:</li> <li>• Indigent Registration;</li> <li>• Prescription Debt;</li> <li>• Write offs;</li> <li>• Disconnections</li> <li>• % Decrease in debt by June 2014</li> </ul>	
<b>Budget Management</b> Oversee proper Management of the total budget capex as well as opex		<ol style="list-style-type: none"> <li>4. Manage expenditure according to cash flow projections as approved per the Service Delivery &amp; Budget Implementation Plans (SDBIP's)</li> <li>5. Manage income according to projections as approved per the Service Delivery &amp; Budget Implementation Plans (SDBIP's)</li> <li>6. Manage expenditure according to projections as approved per the Service Delivery &amp; Budget Implementation Plans (SDBIP's)</li> </ol>	
<b>Integrated Development Plan (IDP)</b> Manage and oversee IDP process		<ol style="list-style-type: none"> <li>3. Oversee and manage that the Integrated Development Plan (IDP) prepared in terms of legislative requirements and aligned to budget.</li> <li>4. Draft submitted to Council for approval and ward committees conducted with: <ul style="list-style-type: none"> <li>• Agenda</li> <li>• Attendance Registers</li> <li>• Minutes</li> </ul> </li> </ol>	
<b>Budget</b> Oversee, manage and support Executive Mayor with the Budget process		Follow the public participation process, as approved, in terms of the budget programme and comply to the time frames	

**5.1 PROGRAMMES AND PROJECTS FOR THE FINANCIAL YEAR  
2013/2014**

**Department of Community Safety, Security priorities and Liaison,  
objectives and targets**

PROGRAMME 2013/14 MTEF BUDGET	BUDGET R'000		
	2013/14	2014/15	2015/16
1. Administration	104 810	99 076	104 609
2. Civilian Oversight	10 605	14 129	14 836
3. Crime Prevention and Community Police Relations	40 391	46 750	49 087
4. Transport Regulation	337 033	358 364	383 027
5. Security Management	357 721	394 944	390 093
<b>TOTAL</b>	<b>850 560</b>	<b>913 263</b>	<b>962 194</b>

PRIORITY OUTPUTS AND BUDGET FOR 2013/14-2015/16 OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE AND FEEL SAFE PROGRAMME 1: ADMINISTRATION					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Provision of corporate support services to the department	<ul style="list-style-type: none"> <li>Provision of political direction to the department</li> <li>Ensure coordination of MUNIMEC, JCPS and JMF structures</li> <li>Give priority to Transnational Crimes</li> </ul>	5 936	6 673	7 706	N/A
	<ul style="list-style-type: none"> <li>Provision of strategic leadership</li> <li>Ensure the implementation of resolutions and recommendations by oversight bodies</li> </ul>	3 128	3 668	3 851	
PRIORITY OUTPUTS AND BUDGET FOR 2013/14-2015/16 OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE AND FEEL SAFE PROGRAMME 1: ADMINISTRATION					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Provision of corporate support services to the department	<ul style="list-style-type: none"> <li>Financial management services</li> </ul>	47 350	47 628	51 640	N/A
	<ul style="list-style-type: none"> <li>Provision of corporate support services</li> </ul>	32 983	35 506	37 281	
	<ul style="list-style-type: none"> <li>Provision of legal services</li> </ul>	3 600	4 601	4 831	



PRIORITY OUTPUTS AND BUDGET FOR 2013/14-2015/16 OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE AND FEEL SAFE PROGRAMME 2: CIVILIAN OVERSIGHT					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Monitoring and evaluation	<p>Monitoring of police stations on policy compliance</p> <p>Evaluation of police stations on effectiveness of the police service</p> <p>Produce reports on the implementation of recommendations of IPID and Auditor General's recommendations</p> <p>Monitor the implementation of evaluation findings and recommendations</p>	6 663	7 129	7 486	All the Police Stations in municipalities
PRIORITY OUTPUTS AND BUDGET FOR 2013/14-2015/16 OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE AND FEEL SAFE PROGRAMME 2: CIVILIAN OVERSIGHT					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Policy and research	<p>Audit of police stations on compliance to the Domestic Violence Act</p> <p>Conduct research on crime related issues</p>	5 342	7 000	7 350	Prioritized police stations based on crime statistics
PRIORITY OUTPUTS AND BUDGET FOR 2013/14-2015/16 OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE AND FEEL SAFE					

<b>PROGRAMME 3: CRIME PREVENTION AND COMMUNITY POLICE RELATION</b>					
<b>OUTPUTS</b>	<b>KEY ACTIVITIES</b>	<b>BUDGET R,000</b>			<b>LOCAL MUNICIPALITY</b>
		<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	
Social Crime Prevention	<p>Monitor implementation of Municipal safety plans</p> <p>Implementation of the POA for the 365 Days of Activism for No Violence on Women and Children Abuse</p> <p>Implementation of educational awareness campaigns</p>	18 422	21 852	22 944	All the municipalities in the Province
<b>PRIORITY OUTPUTS AND BUDGET FOR 2013/14-2015/16</b> <b>OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE AND FEEL SAFE</b> <b>PROGRAMME 3: CRIME PREVENTION AND COMMUNITY POLICE RELATION</b>					
<b>OUTPUTS</b>	<b>KEY ACTIVITIES</b>	<b>BUDGET R,000</b>			<b>LOCAL MUNICIPALITY</b>
		<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	
Social Crime Prevention	<ul style="list-style-type: none"> <li>• Implementation of crime prevention initiatives (Vulnerable groups, School Safety and Rural Safety)</li> <li>• Conducting community outreach programme and feedback sessions (Izimbizo and community feedback sessions)</li> </ul>				Prioritized police stations based on crime statistics

PROGRAMME 3: CRIME PREVENTION AND COMMUNITY POLICE RELATIONS					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Community Police Relations	<ul style="list-style-type: none"> <li>Roll out of CSFs</li> <li>Support CPFs and CSFs</li> <li>Recruitment, deployment and support to Tourism Safety Monitors (TSMs)</li> </ul>	21 769	24 898	26 143	All the Police Stations in municipalities
PROGRAMME 4: TRANSPORT REGULATION					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Programme support	<ul style="list-style-type: none"> <li>Provide support for transport regulation and road safety</li> </ul>	1 730	1 958	2 056	All the municipalities in the Province
Safety Engineering	<ul style="list-style-type: none"> <li>Conduct accident surveys</li> <li>Compile accident reports</li> </ul>	3 950	4 679	4 913	
Traffic Law Enforcement	<ul style="list-style-type: none"> <li>Law enforcement operations</li> </ul>	231 804	256 859	275 389	All the municipalities in the Province
	<ul style="list-style-type: none"> <li>Construction of traffic college and strengthen the monitoring mechanism</li> </ul>	25 000	25 000	25 000	Bushbuckridge

PROGRAMME 4: TRANSPORT REGULATION					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Road safety Education	<ul style="list-style-type: none"> <li>Implementation of road safety education programmes</li> <li>Develop the Road Safety Education Strategy</li> </ul>	27 489	31 588	33 193	All the municipalities in the Province
PROGRAMME 4: TRANSPORT REGULATION					
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY
		2013/14	2014/15	2015/16	
Transport Administration and Licensing	<ul style="list-style-type: none"> <li>Conduct license compliance inspections</li> <li>Register and license vehicles in the province</li> <li>Implement computerized learner licenses assessments and automated queuing</li> </ul>	40 973	37 305	42 101	All the municipalities in the Province
	<ul style="list-style-type: none"> <li>Learner driver licenses in</li> </ul>	1 200	1 200	1 200	-

		schools				
<b>PROGRAMME 4: TRANSPORT REGULATION</b>						
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY	
		2013/14	2014/15	2015/16		
Overload Control	<p>Enforce load management to all freight vehicles</p> <p>Maintain and calibrate weigh bridges</p>	21 500	23 540	24 717	All the municipalities in the Province	
<b>PROGRAMME 5: SECURITY MANAGEMENT</b>						
OUTPUTS	KEY ACTIVITIES	BUDGET R'000			LOCAL MUNICIPALITY	
		2013/14	2014/15	2015/16		
Coordinated provision of security services	<ul style="list-style-type: none"> <li>• Provision of security services to government buildings</li> <li>• Provision of security services to principal residences</li> <li>• Monitoring compliance of Security Service Providers</li> </ul>	357 721	377 179	390 093	All the municipalities in the Province	

SOPA PRIORITIES	KEY ACTIVITIES	2013/14 BUDGET R'000
<ul style="list-style-type: none"> <li>Revamping of Border Management</li> </ul>	<ul style="list-style-type: none"> <li>Collaboration and strengthening of border management through the JCPS structures</li> </ul>	Operational Budget
<ul style="list-style-type: none"> <li>Social crime programmes</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of educational awareness</li> </ul>	1100
<ul style="list-style-type: none"> <li>Social crime programmes</li> </ul>	<ul style="list-style-type: none"> <li>Community outreach programmes</li> </ul>	1550
<ul style="list-style-type: none"> <li>Expanding the integrated social crime prevention initiative on Rural Safety; Vulnerable groups; Victim friendly facilities; School Safety and Contact Crime</li> </ul>	<ul style="list-style-type: none"> <li>Integrated School Safety Programme</li> <li>Rural Safety</li> <li>Vulnerable groups programmes</li> <li>Support of Victim Friendly facilities</li> <li>Contact Crime initiatives</li> </ul>	1248
<ul style="list-style-type: none"> <li>Reducing contact crime by 4-7%, with major focus on all hot spots in the Province</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of social crime programmes with special focus on priority stations</li> </ul>	Operational Budget

SOPA PRIORITIES	KEY ACTIVITIES	2013/14 BUDGET R'000
<ul style="list-style-type: none"> <li>Roll-out a 365 days programme of activism on no violence against women and children</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of an integrated programme of a 365 days programme of activism on no violence against women and children</li> </ul>	1 500
<ul style="list-style-type: none"> <li>Crimes against tourists</li> </ul>	<ul style="list-style-type: none"> <li>Deployment of 538 Tourism Safety Monitors</li> </ul>	12 819
<ul style="list-style-type: none"> <li>Strengthening community and institutional structures, including mobilization campaigns</li> </ul>	<ul style="list-style-type: none"> <li>Roll-out of Community Safety Fora and ensure functionality</li> <li>Functionality of Community Police Forum</li> </ul>	821

KEY ACTIVITY	PROGRESS TO DATE	2012/13 BUDGET	2013/14 BUDGET
<ul style="list-style-type: none"> <li>Construction of Traffic College</li> </ul>	<ul style="list-style-type: none"> <li>Site Confirmed at Bohlabelo</li> <li>Plans finalised</li> <li>Bulk services in progress (EIA)</li> <li>R5 Million has been spent</li> <li>DPWR&amp;T indicated that R15 Million will be spent before end of the financial year</li> </ul>	R20 Million	R25 Million

**Department of Social Services programmes and projects aimed at supporting the attainment Social Development priorities, objectives and targets**

Planned 9-months Output	Achievement	Budget R'000	Expenditure R'000	Challenges	Remedial Action
780 ECDs funded, benefitting 46 205 children (0 – 4 age cohort)	732 ECDs funded, benefitting 55 843 children (0 – 4 age cohort)	122 721	87 472	Closure of some ECDs that did not comply with Health and Safety standards	Capacity building sessions to be conducted to assist ECD centres to comply with Health and Safety standards
5100 children placed in foster care	4311 children placed in foster care	Operational Budget	Operational Budget	Focus was put on finalization of lapsed cases	Expedite placement of children in foster care
51 partial care centres managed by NPOs funded benefitting 903 children with disabilities	41 partial care centres managed by NPOs funded benefitting 910 children with disabilities	25 028	17 689	Under achievement due to reduced number of funded partial care centres	The number is dependent on availability of funding



District	NUMBER OF ECD CENTES FUNDED	Budget R'000	Expenditure R'000	Challenges
LEKWA Youth development	16	3'990'939	1'787'660	Closure of some ECDs that did not comply with Health and Safety standards
LEKWA	2	480'000	480'000	None

**DEDET Programmes aimed at supporting the attainment of Environmental Protection and Sustainable Development priorities, objectives and targets**

SOPA ISSUE	KEY ACTIVITIES	TIMEFRAME	BUDGET 2013/14 (R'000)	MUNICIPALITY
<b>SOPA section 28 SMME and Cooperatives development</b>	<ul style="list-style-type: none"> <li>• <b>Conclusion of MOU'S</b></li> <li>• Co-ordinate the finalization of the none-concluded MOU'S and finalise detailed implementation plans with identified opportunities for Coops and SMMEs</li> <li>• Verification of provincial data base for Coops</li> <li>• Packaging of Products for SMMEs and Coops from Partnerships</li> </ul>	01/01/2014	500	All Municipalities
	<b>Social Labour Plans</b> <ul style="list-style-type: none"> <li>• Monitoring the implementation of SLP to benefit local enterprises</li> </ul>	01/05/2013	100	
	<b>Industrial Supplier Parks</b> to enhance Enterprise business development (incubation) and access to markets <ul style="list-style-type: none"> <li>• Facilitate the establishment of 2 industrial Supplier parks in Secunda and Emalahleni (SASOL and Aglo American)</li> </ul>	01/01/2014	100	
	<b>Fly Ash</b> <ul style="list-style-type: none"> <li>• Facilitate the establishment of an incubator to produce 4 fly ash related products at Pixely Isaka Ka Seme (8 Cooperatives Targeted)</li> </ul>	01/05/2013	100	

SOPA ISSUE	KEY ACTIVITIES	TIMEFRAME	BUDGET 2013/14 (R'000)	MUNICIPALITY
<b>SOPA section 28 SMME and Cooperatives development</b>	<b>Local Procurement</b> <ul style="list-style-type: none"> <li>Linking 200 local SMMEs and Cooperatives to access opportunities partners on identified products(ESKOM, SASOL, Shanduka and other Mining Houses</li> </ul>	01/01/2014	1000	All Municipalities
	<b>Public Sector Opportunities</b> <ul style="list-style-type: none"> <li>Linking 180 local SMMEs and Cooperatives through government programmes viz Human Settlements, EPWP (Public Works), CDRP and non CRDP sites (school nutrition)</li> <li>Prepare Cooperatives to supply building materials for government programme(registration, development of business plans and basic equipment)</li> </ul>	01/01/2014	5 000	
	<b>Training Development</b> <ul style="list-style-type: none"> <li>Register new women and youth cooperatives</li> <li>600 Co-operatives trained in business development in partnership with SASOL,ESKOM,SEDA AND LITSATSI SOLUTIONS (mentoring, coaching etc)</li> <li>Technical Training in partnership with DARDLA,MRRT , SABS and chemical SITA.</li> </ul>	01/03/201	4000	

SOPA ISSIUE	KEY ACTIVITIES	TIMEFRAME	BUDGET 2013/14 (R'000)	MUNICIPALITY
<u>SOPA section 28</u> Trade and Investment Promotion	<b>Export Promotion (MEGA)</b> <ul style="list-style-type: none"> <li>•Implementation of the Provincial Exporter development programme</li> <li>•Facilitate with MEGA the implementation of Fresh Produce Market( linking with other high impact projects i.e. Komati Dry-port, linking and assisting agriculture coops to supply hubs)</li> <li>•Facilitate export linked to fresh produce market</li> <li>•Mega to Partner with local distributors in Oman</li> </ul>	01/03/2014	2 000	All Municipalities

SOPA ISSUE	KEY ACTIVITIES	TIMEFRAME	BUDGET 2013/14 (R'000)	MUNICIPALITY
<b>SOPA section 28</b> <b>Trade and Investment Promotion</b>	<b>Local and Foreign Direct investment Promotion</b> <ul style="list-style-type: none"> <li>•Facilitate PPPs(Funding) for strategic priority project viz: Fresh Produce market ,High Altitude Centre and Cultural Hub</li> <li>•Finalise negotiation of Development Finance Institutions (DFI)</li> <li>•Facilitate the implementation of China Development Bank Cooperation Agreements</li> </ul>	01/03/2014	500	All Municipalities
	<b>Tourism</b> <ul style="list-style-type: none"> <li>• Implementation of community based tourism awareness programmes (enhance safety of tourist)</li> <li>• Revitalization of Tourism Infrastructure (parks)</li> <li>• Develop an ICT programme to register tourists visiting Mpumalanga</li> <li>• Implementation of the business and events Programme</li> </ul>	01/03/2014	2 000	
	<b>Total</b>		<b>15 300</b>	

## Department of Public Works, Roads and Transport priorities

LEKWA LOCAL MUNICIPALITY				
Project description	Start	End	Budget	Municipality
Design: Selective Rehabilitation of Coal Haul Road P30/3 between Tutuka Power Station and Standerton	Sep-13	Dec-14	4 650	Lekwa
Selective Rehabilitation of Coal Haul Road P30/3 between Tutuka Power Station and Standerton	Sep-13	Dec-14	31 380	Lekwa
Rehabilitation of Coal Haul Road P53/2 between Leandra and Standerton (P90/1)	Jan-11	Jun-13	22 132	Lekwa
Selective Reseal: Road P50/2 between Morgenzon and P30/3 junction	Aug-13	Mar-14	12 861	Lekwa

## Municipal Infrastructure Grant for 2013/2014 Multi-year Budget

Program/Project description	Project number	Total Project Estimate	2013/14 Medium Term Revenue & Expenditure			Project info Ward location
			Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Standerton Waste Water Treatment Works Upgrade	MIG 1/2013/14	60 000 000.00	14 800 000.00	10 000 000.00	8 280 000.00	4
Gravelling of Roads within Lekwa Municipality	MIG 2/2013/14	24 000 000.00	2 000 000.00	2 000 000.00	3 000 000.00	
Sanitation services for 53 households in Rooikopen	MIG 3/2013/14	1 600 000.00	1 200 000.00			11
Construction of Multi-Use Centre	MIG 4/2013/14	7 000 000.00	7 000 000.00			11
Sporting Facilities in Lekwa LM(Crickect Field Ward 15)	MIG 5/2013/14	33 174 981.46	2 000 000.00	3 000 000.00	2 000 000.00	15
Replacement of AC pipes with PVC pipes in Lekwa Municipality	MIG 6/2013/14	40 000 000.00	6 252 100.00	4 000 000.00	5 000 000.00	Various
Installation of VIP toilets in Rural Areas of lekwa Municipality	MIG 7/2013/14	24 000 000.00	3 000 000.00	2 000 000.00	2 000 000.00	9,12,13
Installation of Boreholes with windmills in Rural Areas of lekwa Municipality	MIG 8/2013/14	30 000 000.00	3 000 000.00	2 000 000.00	2 082 850.00	9,12,13
Conduct ground water study in the rural areas of lekwa LM(For the approval of technical reports for VIPs and Boreholes for the rural areas)	GWP/2013/14	800 000.00	800 000.00			9,12,13
Beautification of Parks(Azalea)	EPWP 1/2013/14	1 056 000.00	1 056 000.00			4
Electrify 92 Rural Farm Worker Houses	INEP 1/2013/14	2 200 000.00	2 200 000.00			9,12,13
Installation of High Mast Lights in Lekwa LM	MIG 1/2014/15	29 865 599.23		2 000 000.00		Various
Upgrade of Standerton Water Treatment Works	MIG 3/2014/15	50 000 000.00		4 294 300.00	3 000 000.00	10
Standerton Landfill Site Phase 3 upgrade and refurbishment	MIG 2/2014/15	5 000 000.00		2 000 000.00		8
<b>Total</b>		<b>308 696 580.69</b>	<b>43 308 100.00</b>	<b>31 294 300.00</b>	<b>25 362 850.00</b>	

## SPATIAL DEVELOPMENT FRAMEWORK PROPOSED PROJECTS

SPATIAL DEVELOPMENT FRAMEWORK CAPITAL PROJECTS			
Priority upgrading of the R23, R546 (from Standerton to Evander), R35 and R39.	Municipal wide	Lekwa LM	To improve the movement network throughout the entire municipal area.
Upgrading of R50, R546 (from Meyerville to Vrede), R38 and R547.	Municipal wide	Lekwa LM	To improve the movement network throughout the entire municipal area.
Upgrading of third order roads.	Municipal wide	Lekwa LM	To improve the movement network throughout the entire municipal area.
Tarring of Santa Road (D1615) which is an important link.	Standerton	Lekwa LM	To improve accessibility to Sakhile Ext 4.
Upgrade of important entrance roads.	Standerton Morgenzon	Lekwa LM	To improve accessibility to Standerton as well as upgrading of the public environment.
Upgrade and beautification of entrances.	Standerton Morgenzon	Lekwa LM	Upgrading of the public environment.
Upgrade of Standerton taxi Rank.	Standerton	Lekwa LM	Provision of additional 29 taxi bays needed as identified in the Gert Sibande District ITP.
Upgrade of Public Transport routes to include sufficient stops, sidewalks ect.	Standerton	Lekwa LM	To improve mobility of residents and accessibility to facilities throughout Standerton as well as the municipal area.
Compilation of 1in 100year flood line for Standerton and Meyerville.	Standerton	Lekwa LM	Project also identified in SDF part (Section 5.4.2) of the draft IDP.



GSDM No.	LOCALITY	Project Description	Phase no:	2012/13	2013/14	2014/15
	<b>MUNICIPALITY: LEKWA</b>					
15/2009	Standerdskop	Construction of 10 ML Reservoir		8 700 000	2 000 000	
77/2012	Eersgevonden, Thuthuka, Alfa, Racebult, Morgenzon	Regional Bulk Infrastructure		500 000	5 500 000	6 000 000
78/2012	Standerton, Sakhile, Meyerville, Standerskop	Regional Bulk Infrastructure		500 000	3 500 000	4 000 000
	All	Water & Sanitation Maintenance		1 000 000	1 000 000	1 000 000
	All	Water Quality Testing - Blue & Green Drop		250 000	400 000	450 000
	All	Sanitation (VIPs)		1 000 000	1 200 000	1 200 000
	All	Road Refurbishment - Potholes		500 000	500 000	500 000
	All	New Boreholes		1 250 000	1 000 000	1 000 000
49/2012	All	Grootdraai Dam facility upgrade		3 000 000	3 000 000	3 000 000
50/2012	Standerton	Riverpark Upgrade		1 000 000	1 000 000	1 000 000
	All	Borehole Maintenance		500 000	800 000	1 200 000
	<b>GRAND TOTAL:</b>				<b>19 900 000</b>	

GSDM No.	LOCALITY	Project Description	Phase no:	2012/13 Projects in Implementation phase	2013/14	2014/15
	<b>MUNICIPALITY: LEKWA</b>					
	All	Maintenance & Operations Water and Wastewater Treatment Plants			3 000 000	3 000 000
	All	Installation of Bulk Water Meters			1 790 000	
	<b>GRAND TOTAL:</b>				<b>1 790 000</b>	

**ENVIRONMENTAL PROTECTION AND INFRASTRUCTURE PROGRAMMES (EPIP) FOR 2013/2015 FOR  
LEKWA LLM**

EPIP	LOCALTY	PROJECT DESCRIPTION	2013/2014	2013/2014	2014/2015	2015/2016
	<b>LEKWA</b>	Four (4) Gravity Compactor Refuse Vehicles	R2,738,126			
		Four (4) Rear Load Compactor Vehicles	R6,410,700			
		One (1) Landfill site Compactor Unit	R3,278,400			
		Two (2) Tipper Trucks for Landfill site operations	R1,020,123			
		Two (2) Tipper Trucks for illegal dumping site	R1,020,123			
		One (1) front Loader Machine for landfill sites	R988,455			
		One (1) front Loader Machine for landfill illegal sites	R988,455			
		One (1) Personnel Bus	R510,254			
		<b>TOTAL</b>	<b>R16,954,636</b>			
		Rehabilitation of dongas in Sakhile: R8,5m	R8,5m			
		Upgrading of Standerton River park : R3,8m	R3,8m			
		Rehabilitation of old landfill site	R6.3 m			
		<b>Upgrading of Caravan Park and Grootdraai dam</b>	<b>R6m</b>			
		<b>Meyerville Standerton scope of work</b> Maintenance of old Parks and newly develop, open spaces main routes and sidewalks by cutting and Pruning of Street trees weeding of beds in small parks and gardens	<b>R340,020</b>			
		<b>Cosmos and Flora Park Standerton scope of work</b> Maintenance of old Parks and newly develop, open spaces main routes and sidewalks by cutting and Pruning of Street trees weeding of beds in small parks and gardens	<b>R898,560</b>			

		<b>Standerton CBD and Central Town area</b> Maintenance of old Parks and newly develop, open spaces main routes and sidewalks by cutting and Pruning of Street trees weeding of beds in small parks and gardens	<b>R631,960</b>				
		<b>Sakhile Rooikoppen Standerton scope of work</b> Maintenance of old Parks and newly develop, open spaces main routes and sidewalks by cutting and Pruning of Street trees weeding of beds in small parks and gardens	<b>R898,560</b>				
		<b>Morgenzon and Sivukile</b> Maintenance of old Parks and newly develop, open spaces main routes and sidewalks by cutting and Pruning of Street trees weeding of beds in small parks and gardens	<b>R374,120</b>				

### SPECIAL PROGRAMMES AND PROJECTS FUNDED AND PUBLIC WORKS

LOCALITY	PROJECT DESCRIPTION	funder			
WARD 13	Constriction of a Bridge River crossing at Wolwerskrans, Perdekop to connect Teachers and school going children at Funduqhubeke Primary School.	Public Works			
	Construction of a one Truck Stop to accommodate twenty trucks per night with overnight Guesthouse Rooms and the operational Kiosk.	R5,213,404			

### Anglo American Recommended Projects Costing

Name of Project	Location	Estimated Cost	ATC - Provision	Other Funders	Completion Date
1. Waste Management Services	Standerton	R16,954,636			
2. Storm Water Drain System	Extension 5	R2,000,000			
3. Maths & Science Investment	Thuthukani, Sakhile, Azalea, Stanwest, Town	R2,902,991			
4. Vegetables & Hydroponics Farming	Sakhile,	R9,162,438			
5. HIV/AIDS	Lekwa Municipality	R500,000			
6. Trucks – Stop	Town	R5,213,404			
7. Environmental Protection and Infrastructure Programmes (EPIP)	Meyerville Cosmos and Flora park Standerton CBD area Sakhile & Rooikoppen Morgezon/ Sivukile	R3,143,220			

SAMPLE

**SPECIAL PROGRAMMES AND PROJECTS FUNDED BY ANGLO-AMERICAN AND  
PUBLIC WORKS 2013/2015 FOR LEKWA LLM**

WARD	PROJECT DESCRIPTION	funder	
6	COMPLETION OF SAKHILE HOSTELS		R21 113 011.67
12	CONSTRUCTION OF OUTSTANDING 37 HOUSING UNITS IN THUTHUKANI		R2 022 050.00
3,4,15	CONSTRUCTION OF OUTSTANDING 279 HOUSING UNITS AT STANDERTON EXT 6, SAKHILE EXT 1, 5, 6.		R16 412 175.00
2,4,6	DEMOLITION AND ELECTRIFICATION OF 150 HOUSING UNITS UNDER THE PRE-1994 HOUSING PROGRAMME		R160 000.00
9	DEVELOPMENT OF STANDERTON EXTENSION 8, Estimated at 4,300 residential stands that range from 300m to 500m square meters; include a shopping Mall,3 Primary Schools, 2 Large Schools, several churches, a Clinic and a Business Park		R300 000 000.00
ALL	PROVISION OF TITLE DEEDS TO RDP BENEFICIARIES		

## CHAPTER SIX

### 6 PERFORMANCE MANAGEMENT SYSTEM

#### 6.1 INTRODUCTION

Local Government has been instrumental in delivering a step change in the quality of services that are being provided to its residents as well as in embracing new structures and regimes for service delivery. Key to service improvement has been a greater focus on performance management, tied to the strategic vision, mission and objectives of municipalities. In the quest for greater service improvement local government have promulgated various pieces of legislation and regulations for better coordinated efforts for service delivery improvements and the measuring thereof. This method of municipalities working closer with stakeholders to measure and monitor continued service improvement, reinforces the importance of a robust performance management framework, not just within the Council but also within its partner organisations to work better together. A municipality's organisational priorities set out what role Council will play towards the delivering on the developmental local government agenda and mandate. These Council priorities must focus on the needs of its local communities and must be geared towards ensuring that, in delivering services, Council focuses on its citizens while ensuring coherent functioning, is transparent in its actions and responds to changing needs and demands.

At local government level, it has become imperative, with local economic development, transformation, governance, financial viability and service delivery being the key performance areas in terms of the local government developmental agenda, to formalise the management of performance. Performance management provides the mechanisms to measure whether targets that are set by municipalities to meet its strategic objectives are being met. National government has also found it necessary to institutionalise and provide legislation on the performance management process for local government to further strengthen this process.

The Municipal Systems Act (MSA) of 2000 mandates municipalities to establish a performance management system and the Planning and Performance Management Regulations of 2001 outlines the municipality's performance management system that must consist of 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 and to determine the roles of different stakeholders. Furthermore, the MSA and the Municipal Finance Management Act (MFMA) of 2003 require that a five year strategy, the Integrated Development Plan (IDP), of a municipality must be aligned to the municipal budget and must be monitored for implementation against the IDP through an annual Service Delivery and Budget Implementation Plan (SDBIP). Thus there is a clear link between the IDP, the budget and the performance of a municipality. These provisions and how the performance of managers is to be managed and how it must be aligned to the implementation of the IDP are regulated in terms of the 2006 Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers.

#### 6.2 OBJECTIVES OF PERFORMANCE MANAGEMENT

The objective of institutionalising a performance management system beyond legislative compliance requirements is to:

- (a) Facilitate increased accountability
- (b) Facilitate learning and improvement
- (c) Provide early warning signals
- (d) Facilitate decision-making processes

The objectives are also for the performance management system to serve as a primary mechanism to monitor, review and improve the implementation of Lekwa Local Municipality's IDP through a performance management system.



### **6.3 BENEFITS OF PERFORMANCE MANAGEMENT**

Adopting a performance management system is beneficial in that it identifies major or systematic blockages on time, ensures accountability between the municipality's political leadership, its administration and its residents and also provides early warning signals for underperformance so that corrective action can be taken on a regular basis.

### **6.4 PRINCIPLES GUIDING DEVELOPMENT AND IMPLEMENTATION OF PMS**

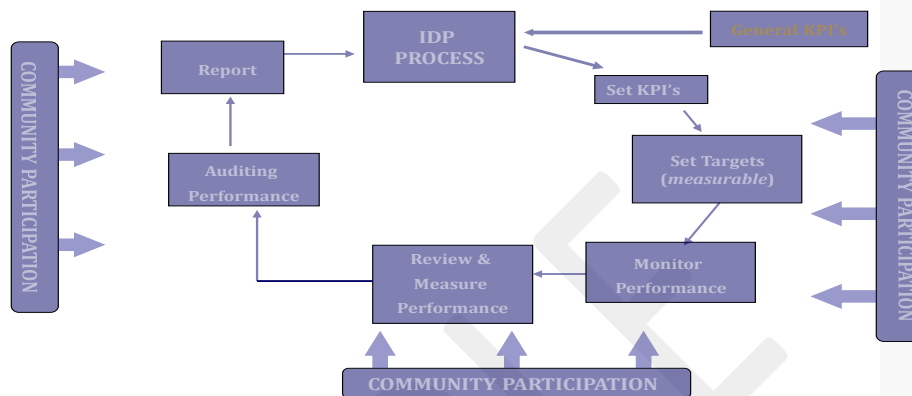
In developing a performance management system, the Municipality will be guided by the following principles:

- (a) Both development and implementation of the system must be driven by Council and the executive management
- (b) The system must be owned by all relevant stakeholders within the municipality and be supported the other spheres of government
- (c) Communication must occur at all levels on an on-going basis
- (d) The value of PMS must be understood by all role-players and stakeholders
- (e) The system must place the community at the centre of local government processes
- (f) The system must be developmental and not punitive
- (g) The system must be developed and implemented within the available capacity and resources of the municipality
- (h) The system should align to other municipal initiatives, systems and processes
- (i) The system must provide learning and growth opportunities through the coaching and review processes.

The PMS must be implemented in such a manner that it:

- (a) Is developmental and not punitive in nature as employees will be provided with career opportunities and be allowed space to be creative and innovative in performing and improving their work;
- (b) Provides a clear and detailed framework for:
  - (i) reaching agreement on performance contracts
  - (ii) clear KPIs, targets and standards that are agreed upon
  - (iii) a balance between organisational needs and employee rights
- (c) Allows for joint responsibility and accountability based on mutual trust and respect
- (d) Is cost-effective and practical while enhancing improvement on quality
- (e) Is applied consistently and documents and records both formal and informal feedback
- (f) Is applied equitably and fairly
- (g) Allows for honesty and transparency in its application
- (h) Provides clear linkages between performance, recognition and reward
- (i) Provides a clear guide on dealing with poor or non-performance
- (j) Focuses on critical work activities

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



## 6.5 What is a Performance Management Model

Performance management is defined as a strategic process to management, or a system of management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of an organisation in terms of indicators and targets for efficiency, effectiveness and impact. It describes and represents the cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement and how these cycles and processes will be conducted, organised and managed according to developed and implemented mechanisms, systems and processes for monitoring, measurement and review of performance in respect of key performance indicators and targets as set.

Performance measurement involves determining the extent to which objectives are being achieved through developing indicators and linking them to targets and related standards. A performance measurement framework is a practical plan for an organisation to collect, process, organise, analyse, audit, reflect and report on performance information.

A performance measurement model is the system that is used to monitor measure and review performance indicators within a performance management framework. It is a choice about what aspects or dimensions of performance will be measured. It implies the grouping together of indicators into logical categories or perspectives as a means to enhance the ability of an organisation to manage and analyse its performance.

## 6.6 The Value of a Performance Management Model

The value of performance measurement models can be summarised as follows:

- (a) Models simplify otherwise lengthy lists of indicators by organising them into perspectives which will sufficiently represent effective performance according to groupings of related indicators;
- (b) Models assist in aligning the relationship between areas of performance when planning, evaluating and reporting;

- (c) Models help align strategic planning and performance management by directly linking key performance areas to priority areas in the strategic plan, in the case of municipalities, it is the IDP;
- (d) Having a clear model allows a municipality to agree on what areas of performance should be integrated, managed and measured and what values should inform indicators and standards of achievement, based on the context that best fits the municipality.

## **6.7 Criteria of a Good Performance Model**

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The following characteristics should guide the choice of a performance model:

- (a) It must be simple to develop and its implementation must be able to be cascaded to the lower employee levels with ease and must be easy to replicate at all other levels;
- (b) The model must ensure that there is a balance in the set of indicators being compiled;
- (c) The balance created by the model must encompass all relevant and priority areas of performance;
- (d) The key performance area perspectives must be aligned to the IDP objectives;
- (e) The model must be able to timeously diagnose blockages in the system;
- (f) It must be easy to replicate at all levels; and
- (g) It must integrate with other municipal systems and processes.

## **6.8 The Municipal Balanced Scorecard Performance Model**

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The Municipal Balanced Scorecard Model (BSCM) requires the use of scorecards as a systematic approach to assessing internal results that ensures that there is a balance in the set of indicators being compiled. It has been 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 the Municipality. By combining financial and non-financial indicators in a single report, the Balanced Scorecard aims to provide managers with richer and more relevant information about the activities being managed than can be provided by financial indicators alone. The Balanced Scorecard model groups indicators into four perspectives namely the financial, customer, internal and learning and growth perspectives. Within the municipal context, the Balanced Scorecard has to be adapted to measure performance within developmental areas that are relevant to municipal service delivery and local government. Strategic planning through the IDP requires that municipalities must align their key performance areas around all the areas that cut across every functional area of a municipality. The municipal scorecard will measure the Municipality's performance according to the following perspectives and aligned to the Key Performance Areas:

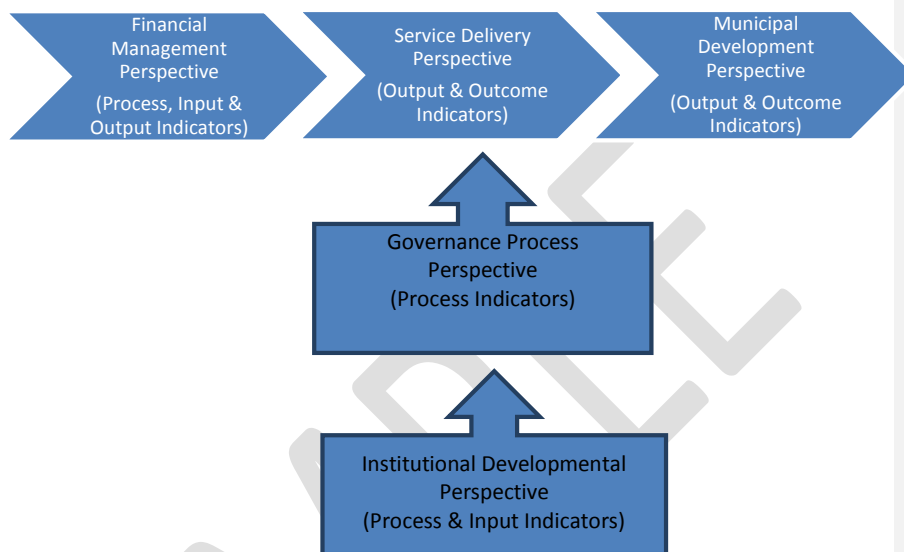
- (a) Municipal development perspective: to assess whether the desired development indicators around the performance areas of social and economic development is achieved (Local Economic Development);
- (b) Service delivery perspective: to assess the municipality's performance in the overall delivery of basic and infrastructural services and products (Basic Service Delivery);
- (c) Institutional development perspective: it relates to input indicators that measure the functioning of the municipality in areas such as human resources, strategic planning and implementation, performance management and all other indicators that seek to develop and manage the municipal institution (Municipal Transformation and Organisational Development);
- (d) Financial management perspective: to measure the municipality's performance with respect to management of finances (Financial Viability and Management);
- (e) Governance process perspective: measures the municipality's performance in relation to its engagements with its stakeholders in the process of governance structures and good municipal governance processes (Good Governance and Public Participation).

The Performance Management framework to be adopted by Lekwa Local Municipality as that of the Municipal Balanced Scorecard sets out:

- (a) The objectives and benefits of a performance management system;
- (b) The principles that will inform the development and implementation of the system;

- (c) The preferred performance model that describes what areas of performance will be measured;
- (d) The process by which the system will be managed;
- (e) The roles and responsibilities of different stakeholders; and
- (f) The process of managing employee performance

Figure 1: The 5 Perspectives of the Municipal Balanced Scorecard



## 6.9 Implementation of the Municipal Balanced Scorecard in Lekwa Local Municipality

In looking at the Municipal Balanced Scorecard Model, a two-level scorecard approach is proposed. The strategic or organisational scorecard will reflect KPAs, objectives, indicators and targets at a strategic level and will align directly with the IDP priorities. This scorecard will follow along the lines of the SDBIP, but will not have the monthly financial cash flow projections and the ward level projects. The second scorecard will be service or departmental scorecards and this level of scorecards will reflect objectives, indicators and targets at a departmental level. This scorecard will also inform the individual scorecards of the section 57 managers. The two levels of scorecards will become the organisational Municipal Balanced Scorecard Performance Management System of Lekwa Local Municipality. All reporting on the municipality's performance will be informed by information derived from the two-level scorecard and reflect the municipality's performance on the five perspectives. In respect of the organisational scorecard, the audience will be the community, Council, Executive Mayor and Mayoral Committee, while the departmental scorecard audience will be the Executive Mayor, Council Committees, Municipal Manager, Heads of Departments and Divisional Managers.

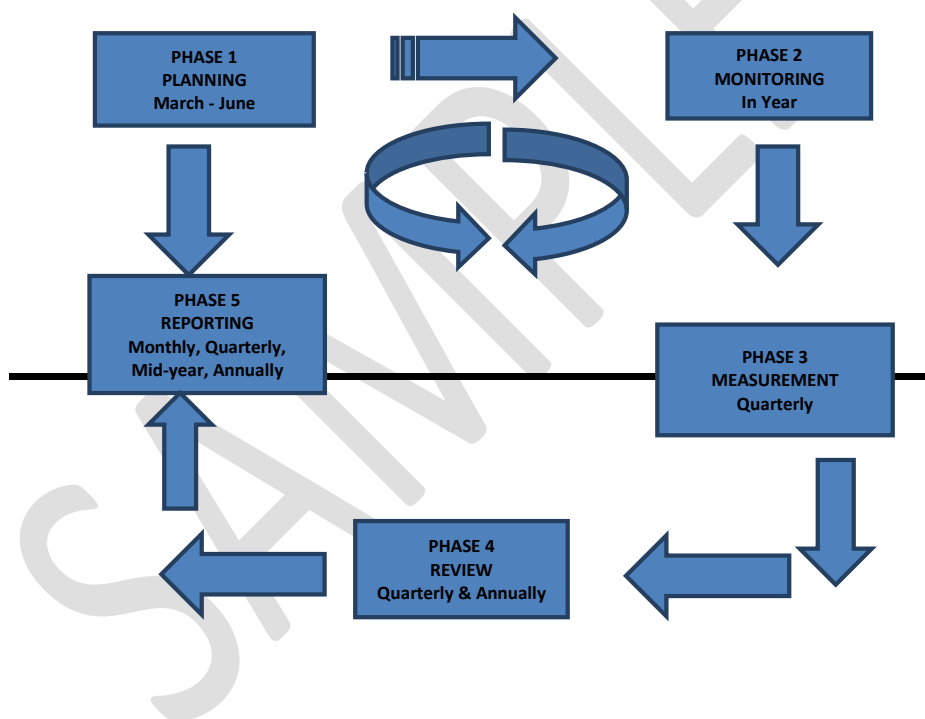
## 6.10 Lekwa LM and Performance Management

Lekwa Local Municipality has in the past years operated without an adopted performance management framework and has solely relied on the legislated provisions to manage its performance, which has resulted in gaps in adequately dealing with performance management, thus the need for a performance management framework that will assist to more effectively assess and evaluate the overall performance of the Municipality. A policy framework has therefore been proposed as a model for performance management in line with current legislative and policy frameworks. As required by the MSA and the Planning and Performance Regulations 2001, this policy framework sets out the following:

- The objectives and benefits of having an organisational performance management system
- The principles that will inform the development and implementation of the system
- A preferred performance model that describes what areas of performance will be measured
- The process by which the system will be managed
- The roles and responsibilities of different stakeholders
- The process of managing employee performance

Noting that there have been major gaps in performance management within Lekwa Local Municipality, it is imperative that a Performance Management System must be adopted and its implementation be commenced with at the level of the municipal manager and managers directly accountable to the municipal manager in terms of section 57 of the MSA and the gradual and eventual cascading of the performance management system to all the levels throughout the Municipality. The figure below outlines Lekwa Local Municipality’s process plan for performance management.

Figure 1: The Performance Management Cycle



The table below indicates the roles and responsibilities of various stakeholders in implementing the performance management system.

No	Role Player	Roles and Responsibilities
	<b>Municipal Council</b>	<ul style="list-style-type: none"> <li>✓ Accepts the responsibility for the development and implementation as well as monitor, measure and review of the performance management system.</li> <li>✓ The Development of the Performance Management System and the creation and approval of key performance indicators subject to stakeholder participation.</li> <li>✓ Address the General Key Performance Indicators</li> <li>✓ Councillors consider, approve and account for the performance management systems.</li> <li>✓ Promote the culture of performance management among all officials</li> <li>✓ Clarifies the roles and responsibilities of all role players.</li> </ul>
	<b>Executive Mayor</b>	<ul style="list-style-type: none"> <li>✓ Manages the Integrated Development Planning process and the development of the performance management system; and retains accountability where it assigns responsibilities to the Municipal Manager.</li> <li>✓ The Municipal Manager reports to the Executive Mayor.</li> <li>✓ Executive Mayor reports to Council the results of its monitoring and review function.</li> </ul>
	<b>Municipal Manager</b>	<ul style="list-style-type: none"> <li>✓ Assigns the responsibilities in this regard to the Municipal Manager in terms of Municipal Structures Act, to:</li> <li>✓ develop, implement, create support structures, integrate the system into the normal operations of the municipality, and monitor and review the performance management system for the Municipality,</li> <li>✓ Inform the local community, through the media, about the municipal meeting at which the annual report will be discussed.</li> <li>✓ Invite the Auditor General and the MEC for Local Government in Mpumalanga Province to attend the meeting,</li> <li>✓ Give written notice to the Auditor General and the MEC for Local Government in Mpumalanga Province about the annual report meeting.</li> <li>✓ Provides copies of the minutes of the meeting to the Auditor General and the MEC for Local Government in Mpumalanga Province.</li> <li>✓ The Municipal Manager shall report on the progress made in terms of Performance Management to the Department of Local Government and Traditional Affairs</li> <li>✓ The Municipal Manager may in turn delegate any duties or responsibilities in terms of the performance management system to any member of his/her management team, to</li> <li>✓ Prepare the municipality and stakeholders for the changes likely to be implemented.</li> <li>✓ To facilitate the development of the system, support the implementation of the municipality's IDP</li> </ul>

		<p>Be responsive to the needs of the local community to participate in the affairs of the municipality.</p> <ul style="list-style-type: none"> <li>• ensure coherence and alignment with:</li> <li>• operational structures, systems and procedures</li> <li>• Human Resource systems and procedures</li> <li>• Financial Management Systems and Procedures</li> <li>• Budget planning and management cycle</li> <li>• Information systems, mechanisms and procedures</li> <li>• Audit reporting, monitoring, measurement and review procedures</li> <li>• To promote a culture of performance excellence</li> <li>• And if necessary, after council approval procure technical expertise.</li> </ul>
	<b>Municipal Officials</b>	<ul style="list-style-type: none"> <li>✓ Municipal employees provide technical expertise throughout the performance cycle from their different jobs, functions and contexts.</li> </ul>
	<b>Internal Audit</b>	<ul style="list-style-type: none"> <li>✓ Internal Auditors continuously monitor performance indicators and submit quarterly reports to the Municipal Manager and the audit committee.</li> <li>✓ It must oversee the internal audit process and ensure compliance with all policy, laws and regulations.</li> <li>✓ It must carry out assessments of the functionality, reliability and legal compliance of the municipality's PMS.</li> <li>✓ It must continuously audit the performance measurements.</li> <li>✓ It must provide technical support to the Audit Committee.</li> </ul>
	<b>Audit committee</b>	<ul style="list-style-type: none"> <li>✓ An internal audit committee to be appointed by the Municipality.</li> <li>✓ The committee meets monthly to review reports and the performance of the municipality.</li> <li>✓ The Audit committee will make recommendations to the Municipal Manager in connection with its findings in relation to the report and the functioning of the system.</li> <li>✓ The Audit Committee may communicate directly with the municipal manager, the Councillors and the staff. It may access any municipal records and investigate the PMS.</li> <li>✓ Further duties and responsibilities include:</li> <li>✓ To review the quarterly reports submitted by Internal Audit;</li> <li>✓ To submit an audit report at least twice a year, during the financial year, and</li> <li>✓ To review the PMS and its integrity and to make recommendations for amendments, should these be necessary.</li> </ul>
	<b>Auditor-General</b>	<ul style="list-style-type: none"> <li>✓ Reviews the system annually</li> <li>✓ Monitors, investigates and queries fiscal matters</li> <li>✓ Investigates and reports to Council, MEC and Minister.</li> </ul>

		<ul style="list-style-type: none"> <li>✓ Reviews of KPI's and performance targets.</li> </ul>
	<b>MEC for Corporative Governance and Traditional Affairs</b>	<ul style="list-style-type: none"> <li>✓ Provides financial management support for the system, monitors, reviews and improves the system, promotes co-operative governance</li> </ul>
	<b>Minister for Corporative Governance and Traditional Affairs</b>	<ul style="list-style-type: none"> <li>✓ Regulates PMS for municipalities</li> <li>✓ Receives MEC's reports</li> <li>✓ Provides funding support</li> <li>✓ Reports to the NCOP</li> <li>✓ Review and adjust the general KPI's and make regulations concerning the design and operation of the PMS.</li> </ul>
	<b>Community and stakeholders</b>	<ul style="list-style-type: none"> <li>✓ Communities have a role to play during the planning, drafting and implementation stages of the integrated development plan as well as in the monitoring, measurement and review of the municipality's performance in relation to the key performance indicators and performance targets set by the municipality.</li> <li>✓ Through the Municipal Manager and The Management Team, the Municipality must enable IDP Representative Forum to convene regular meetings to enhance community participation in this regard.</li> </ul>
	<b>Organized Labour</b>	<ul style="list-style-type: none"> <li>✓ Trade Unions represent members' interests, specifically in relation to the human resource planning aspect of the performance management system.</li> <li>✓ The role of organized labour in making a success of the IDP/PMS process is invaluable.</li> <li>✓ Organized labour will be included in consultation at the Local Labour Forum relating to the Employee Performance Management, to ensure fairness and transparency and to ensure that the employees are fully informed of and satisfied with that which is expected of them and that which is offered in return.</li> </ul>



## CHAPTER SEVEN

### 7. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

#### 7.2 GENDER DEVELOPMENT

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

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

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

#### 7.3 OLDER PERSONS

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

#### 7.4 PERSONS WITH DISABILITIES

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

#### 7.5 YOUTH DEVELOPMENT

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

#### 7.6 SUSTAINABLE LIVELIHOOD

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

#### 7.7 ECD

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

## **7.8 CHILD CARE AND PROTECTION**

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

## **7.9 MORAL REGENERATION**

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

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

### **How do they operate in Lekwa Municipality?**

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

### **Focus areas of the Movement’s work**

#### **Development of Ethical Leadership**

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

Moral Regeneration must aim at developing and nurturing such leadership!

#### **Youth**

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

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

#### **Education**

As the Chairperson of MRM cautions: “It little profits a nation to boast about thousands of teachers, doctors, engineers, accountants, lawyers, priests, scientists and all kinds of skilled personal personnel if these are devoid of moral values. Did Nazi Germany or Apartheid South Africa not boast of similarly skilled citizenry? Yet it was the same professional and skilled persons that were turned into monsters that sent helpless persons to

the gas chambers, conducted experiments on human bodies without their consent and mercilessly killed people for being different from them. Equally, in our times, it is skilled people who steal government funds and thus prevent the delivery of social services to the needy”.

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

#### **The Family**

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

Moral Regeneration must aim at strengthening the family unit!

#### **Riches and Poverty**

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

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

#### **Crime and Corruption**

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

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

#### **Religion**

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

Moral Regeneration must aim at fostering greater religious tolerance and cooperation for moral renewal!

#### **The Media**

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

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

### **7.10 OVERSIGHT COMMITTEES**

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

Non-executive Councillor's are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the (Mayor). In other words, in exchange for the powers in which Council have delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non- performance of the municipality.

The Municipal Finance Management Act (MFMA) vests in Council specific powers of approval and oversight.

- Approval of budgets

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

#### **Function of Oversight Committee**

- Undertake a review and analysis of the Annual Report
- Invite, receive and consider inputs from Councilors and Portfolio Committees, on the Annual Report.
- Consider written comments received on the Annual Report from the public consultation process
- Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report
- Receive and consider Councils' Audit Committee views and comments on the annual financial statements and the performance report.
- Preparation of the draft Oversight Report, taking into consideration, the views and inputs of the public, representative(s) of the Auditor General, organ of states, Councils' audit committee and Councilors.

#### **Composition of Oversight Committee**

##### **Membership**

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

The Oversight Committee is composed of the following members;

- Four PR Councilors :
- Two members from local community

##### **Authority & Power**

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

##### **Meeting Schedule**

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

### **7.11 MUNICIPAL PUBLIC ACCOUNT COMMITTEE (MPAC)**

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

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

##### **Functions**

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

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

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

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

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

It is recommended that the committee examines the following:

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

The committee may also:

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

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

#### **Structure and Membership**

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

#### **Chairing the Committee**

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

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

### **7.12 WARD COMMITTEES**

- Ward Committees are fully functional. There are 11 Ward Committees in Lekwa with 150 Ward Committee members.
- They consult via the Executive Mayoral outreach programme.
- They link the Integrated planning process to their wards
- Assist in the organizing of public consultation and participation
- Ensure that the annual municipal budget and business plans are linked to and based on the IDP

### **7.13 TRADITIONAL LEADERS**

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

### **7.14 AUDIT COMMITTEE**

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

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

### **7.15 INTERGOVERNMENTAL RELATIONS**

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

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

The objectives of the IGR Unit in Lekwa are to;

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

### **7.16 COMMUNITY PARTICIPATION**

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

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

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

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

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

**The process could follow the following route:**

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

**The participation strategy will address the following issues:**

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

## **7.17 COMMUNICATION STRATEGY**

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

<b>Five Management Decisions</b>
<b>AUDIENCE</b>
<b>Who needs to be reached?</b>
<b>BEHAVIOR</b>
<b>What change in behavior is required?</b>
<b>MESSAGES</b>
<b>What messages will be appropriate?</b>
<b>CHANNELS</b>
<b>Which channels of communication will be most effective in reaching your audiences?</b>

<b>EVALUATION</b>
<b>How will the success/failure of the communication strategy be measured?</b>

### **7.18 RISK MANAGEMENT COMMITTEE**

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

#### **Purpose of Risk Management**

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

#### **Terms of Reference**

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

The Risk Committee shall:

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



- ❑ Developing and subsequently reviewing policy on fraud prevention, detection and investigation;
- ❑ Evaluating the effectiveness of the Fraud and Corruption Policy;
- ❑ Reviewing reports of significant incidents and major frauds (both potential and actual) including the elevation of the effectiveness of the response in investigating any loss and preventing future occurrences:
  - ✓ Significant incidents are defined as any event which results in, or has the potential to result in serious personal injury (to the public, staff or third parties) or serious physical damage to property, plant, equipment, fixtures or stocks.
- ❑ Providing feedback to the audit committee on the effectiveness of internal control having evaluated and managed.
- ❑ Considering the key risks and assessing how which they have been identified, evaluated and managed.
- ❑ Assessing the effectiveness of the related system of internal control having particular regard to the impact of weaknesses that have been reported.
- ❑ Considering whether necessary actions are being taken promptly to remedy weaknesses.
- ❑ Considering whether the findings indicate a need for more extensive monitoring of the system on internal control.
- ❑ Ensuring that, in accordance with an appropriate cycle, the reports, taken together, cover all aspects of internal control.
- ❑ Considering other risk management issues referred to it by the Municipal Manager.
- ❑ Develop goals, objectives and key performance indicators to measure the effectiveness of the Risk Management Committee

## **7.19 CORRUPTION AND FRAUD PREVENTION STRATEGY**

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

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

## **7.20 TRANSFORMATION MANAGEMENT, ORGANISATIONAL STRUCTURE AND FINANCIAL CAPACITY**

The organisational structure of the Lekwa Municipality is tabled below:

The Municipal Manager heads the administrative component of the organisation. The organisation is divided into six departments, viz. Development & Planning, Finance, Engineering Services, Community Services, Protection Services and Corporate Services and Management Services (HR), which deal with the specific functions of the local authority.

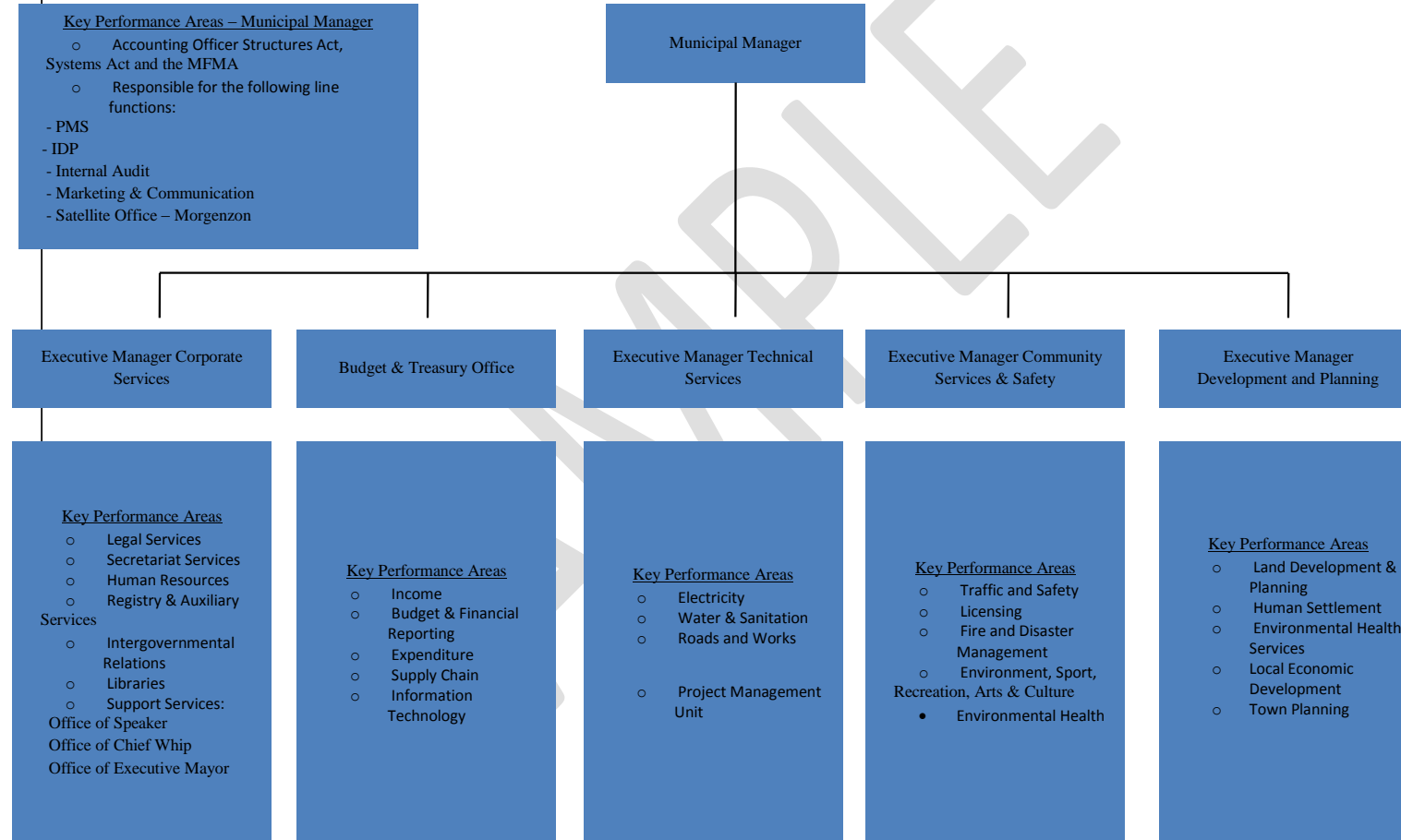
The Lekwa Municipality has a total of 8 management positions of which all are currently filled. Lekwa LM has a total of 882 positions of which 133 positions (positions from various department) are currently vacant, thus 14,99 % of Lekwa LM positions are vacancy rate and 515 are filled.

Refer to Table of Organisational Structure and Vacancy information below

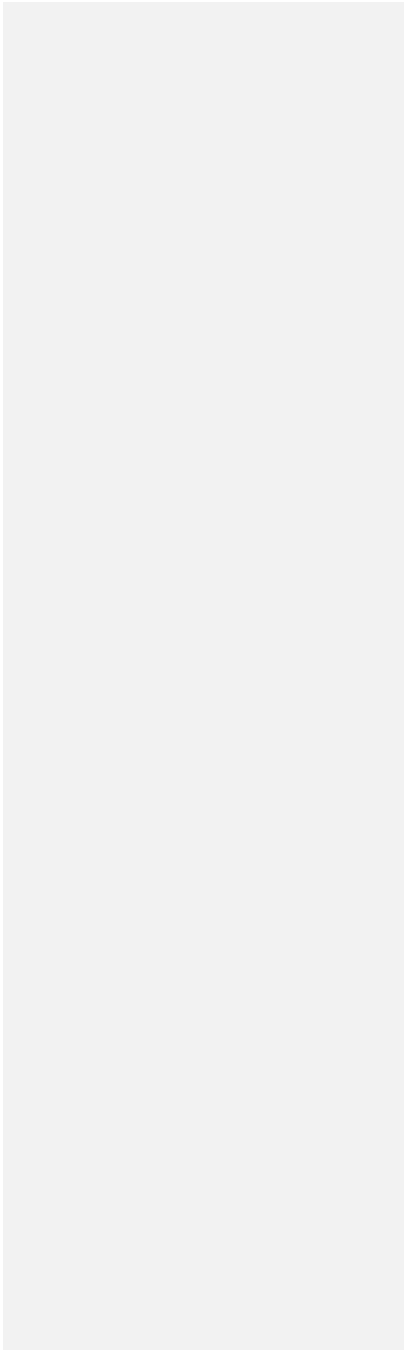
## **7.21 ADMINISTRATIVE STRUCTURE AND ORGANIZATIONAL DESIGN**

The top administrative structure for Lekwa consist of five Executive Managers; Corporate, Technical, Finance, Community Services and Development and Planning. Only the Municipal Manager position has been filled .The third tier level consists of two managers that are on a fixed term contracts i.e. Senior Manager Legal and Senior Manager Internal Audit.

<b>TOP ADMINISTRATIVE STRUCTURE</b>
<b>MUNICIPAL MANAGER</b> FILLED
<b>EXECUTIVE MANAGER: CHIEF FINANCIAL OFFICER</b> VACANT
<b>EXECUTIVE MANAGER: : CORPORATE SERVICES</b> VACANT
<b>EXECUTIVE MANAGER: TECHNICAL SERVICES</b> VACANT
<b>EXECUTIVE MANAGER: COMMUNITY SERVICES &amp; SAFETY:</b> VACANT
<b>EXECUTIVE MANAGER: DEVELOPMENT &amp; PLANNING:</b> VACANT



SAMPLE



The municipality prepared and submitted its Workplace Skills Plan based on the skills audit as required by the Skills Development Act. A number of Human Resources policies have been adopted. The HR profile of the municipality is reflective of the local community and the country. The HR component manages all activities relating to the rendering of a comprehensive human resource management function to Council by ensuring an efficient personnel administration system, recruitment and selection, sound labour relations, human resources development, employment equity, occupational health and safety of employees and compliance with relevant labour legislation.

The staff of the municipality is generally informed and supportive of the Municipality's vision and mission and strategic direction.

The function of human resource management within the municipality is administered as follows and includes: Human Resource Development, Employment Relations, Employment Equity, Human Resources Administration, Occupational Health and Safety and Personnel Administration

#### EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Total Employees	Vacancies
Professional (Managerial/Specialist)	14
Field (Supervisory/Foremen)	17
Office (Clerical/Administrative)	25
Non-professional (blue collar, outside workforce)	77
Temporary Staff	
Contract Staff	48

Department/Section	Positions	Filled	Vacant	Frozen
Office of the Municipal Manager	12	3	4	
Satellite – Corporate	4	2	0	
Satellite – Finance	8	4	1	
Satellite – Technical	30	12	2	
Satellite – MCSS	34	21	0	
Corporate - Office of the EMCS	3	2	1	
Corporate - Human Resources	6	4	0	
Corporate – Secretariat	14	6	3	3
Corporate – Secretariat	27	21	1	1
Corporate - Office of Executive Mayor – IGR	7	4	1	
Corporate – Library	8	5	0	1
Corporate - Office of the Speaker	6	3	1	
Corporate - Office of the Chief Whip	1	1		
Finance - Office of the CFO	3	2		1
Finance - Budget & Treasury	4	2	2	
Finance - Income	1	0	1	
Finance - Income	6	2	4	
Finance - Income Consumers	30	16	6	
Finance - Debt Collection Indigent	13	6	4	
Finance - Expenditure	8	8		
Finance – IT	6	4	2	

Finance - Supply Chain	9	7	1	
Office of the EMCSS	3	2	1	
EMCSS – Traffic	52	20	10	
EMCSS - Fire & Disaster Management	95	20	13	
EMCSS – Licensing	21	14	2	
EMCSS - Environment, Sport, Recreation, Arts & Culture	69	53	12	
EMD&P - Environmental Health	93	72	10	
Office of the EMTS	3	2	1	
Technical Services - Electricity & Transport	80	48	13	12
Technical Services - Water & Sanitation	106	71	19	1
Technical Services - Roads & Works	80	58	12	1
Technical Services - Project Management	14	7	3	
EMD&P - Land Development & Planning	9	4	2	2
EMD&P - Human Settlements	11	8	0	
Office of EMD&P	2	0	1	
EMD&P – IDP	2	1	0	
EMD&P – LED	2	0	0	
	<b>882</b>	<b>515</b>	<b>133</b>	<b>22</b>
	<b>767</b>	<b>519</b>	<b>115</b>	
			<b>882</b>	<b>767</b>
			<b>515</b>	<b>515</b>
			<b>133</b>	<b>115</b>
			<b>15.08</b>	<b>14.99</b>

**Filled** 882 767  
**Vacant** 515 515  
**Vacancy rate (%)** 133 115  
15.08 14.99

## 7.22 MANAGING THE MUNICIPAL WORKFORCE

### POLICIES

The following policies are developed and are being implemented.

- ✓ Cellphone Policy
- ✓ Overtime Policy
- ✓ Policy on Experiential Training
- ✓ Policy on Staff Provisioning
- ✓ Subsistence and Travel Allowance Policy
- ✓ Transport Allowance Policy
- ✓ Occupational Health and Safety Policy
- ✓ Smoking Policy

### Comment on workforce policy development (Draft Policies)

The following policies have been drafted:

- ✓ Attendance and Punctuality
- ✓ Employment Equity Policy
- ✓ Employment Practice Policy
- ✓ Training and Development Policy
- ✓ Transport Allowance Policy
- ✓ Sexual Harassment Policy
- ✓ Employees Under the Influence of Intoxicating Substances
- ✓ HIV/AIDS Policy

- ✓ Incapacity Due to Ill-Health/Injury Policy
- ✓ Incapacity Due to Poor Work Performance Policy
- ✓ Annual Leave Policy
- ✓ Whistle Blowing Policy
- ✓ Name Tags Policy

#### **INJURIES, SICKNESS AND SUSPENSIONS**

A dedicated Occupational Health and Safety Officer in the Human Resources division looks after the occupational health of employee. All injuries that occur on duty are reported on and handled by the Occupational Health and Safety Officer. For the financial year 2011/2012, the Occupational Health and Safety Office received and handled 12 cases of injuries on duty involving Lekwa employees.

80 days sick leave is granted for a period of three years per employee's cycle. Except section 57 or fixed term contract Executive Managers and Municipal Manager. They are entitled to 36 days for a period of 3 years. When 1 or 2 days are taken, a medical certificate or sick leave note from a medical practitioner is not required but more than 2 days it is required.

### **7.23 FINANCIAL PLAN AND CAPACITY**

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

- In order to achieve the above goal the finance department has committed itself to do the following; To implement council's financial policies and resolutions
- To properly administer credit and debt management system
- To have an effective accounting management system
- To provide legislated reports timeously
- To assist the Accounting Officer to compile and administer the budget
- To ensure proper management of the municipal assets and liabilities.
- To advice the Accounting Officer and Heads of Departments on financial matters

By;

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

#### **BUDGET RELATED POLICIES**

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

## **Tariff Policy**

Tariffs represent the charges levied by Council on consumers for the utilization of services provided by the Municipality and rates on properties. Tariffs may be calculated in various different ways, dependent upon the nature of the service being provided. Tariffs may be set in such a manner so as to recover the full cost of the service being provided or recover a portion of those costs, or to bring about a surplus that can be utilized to subsidize other non-economical services.

Section 74 of Local Government: Municipal Systems Act 2000 (Act 32 of 2000) as amended provides that: A municipal council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the Municipality itself or by way of service delivery agreements, and which complies with the provisions of this Act, the Municipal Finance Management Act and any other applicable legislation”

The objective of the tariff policy is to ensure the following:

- The tariffs of the Municipality conform to acceptable policy principles.
- Municipal services are financially sustainable.
- There is certainty in the Council, of how the tariffs will be determined.
- Tariffs of the Municipality comply with the applicable legislation; and
- Tariffs should take into consideration relief to the indigent.

## **Property Rates Policy**

Rates are levied in accordance with the Act as an amount in the rand based on the market value of all ratable property contained in the municipality’s valuation roll and supplementary valuation roll.

As allowed for in the Act, the municipality has chosen to differentiate between various categories of property and categories of owners of property as contemplated in clause 7 and 8 of this policy. Some categories of property and categories of owners are granted relief from rates as contemplated in clause 11 to 13 of this policy. The municipality however does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis. There would be no phasing in of rates based on the new valuation roll, except as prescribed by legislation and in accordance with clause 16 of this policy.

The rates policy for the municipality is based on the following principles:

- **Equity**- The municipality will treat all ratepayers with similar properties the same.
- **Affordability**- The ability of a person to pay rates will be taken into account by the municipality. In dealing with the poor/indigent ratepayers the municipality will provide relief measures through Exemptions, reductions or rebates.
- **Sustainability**- Rating of property will be implemented in a way that: Firstly; it supports sustainable local government by providing a stable and buoyant revenue source within the discretionary control of the municipality; and secondly; supports local social economic development
- **Cost efficiency**- Rates will be based on the value of all ratable property and will be used to fund community and subsidized services after taking into account surpluses generated on trading (water, electricity) and economic (refuse removal, sewerage removal) services and the amounts required to finance exemptions, rebates, reductions and phasing-in of rates as approved by the municipality from time to time.

## **Fixed Asset Management Policy**

A fixed asset is defined in GAMAP 17 as a tangible item of property, plant or equipment held by a municipality for use in the productions or supply of goods or services, for rental to others, or for administrative purposes, and which is expected to be used during more than one reporting period (financial year). A fixed asset is thus an assessment, either movable or immovable, under the control of the municipality, and from which the municipality



reasonably expects to derive economic benefits, or reasonably expects to use in service delivery, over a period extending beyond one financial year.

An asset held under a finance lease, shall be recognized as a fixed asset, as the municipality has control over such an asset even though it does not own the asset.

- Role of Municipal Manager
- Role of Chief Financial Officer
- Format of fixed Asset register
- Classification of fixed Asset
- Investment property
- Fixed asset treated as inventory
- Recognition of heritage assets in the fixed asset register
- Revision of donated Asset
- Safe keeping of Assets
- Identification of fixed Assets
- Procedure in case of loss, theft, destructions or impairment of fixed assets
- Capitalization criteria- material value
- Capitalization criteria- intelligent item etc.

### **Credit Control and Debt Collection Policy**

Debt collection/revenue management is inter alia a responsibility of all Municipalities as defined in the following sections of the Acts - 1. Local Government Municipal Systems Act, 32 Of 2000:

**Section 96-** A municipality – (a) Must collect all money that is due and payable to it, subject to this Act and any other applicable legislation; and for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of this Act.

**Section 97 -** Contents of policy and a credit control and debt collection policy must provide for –

- a. Credit control procedures and mechanisms;
- b. debt collection procedures and mechanisms;
- c. provision for indigent debtors that is consistent with its rates and tariff policies and any national policy on indigents;
- d. realistic targets consistent with – general recognized accounting practices and collection ratios; and the estimates of income set in the budget less an acceptable provision for bad debts;
- e. interest on arrears, where appropriate;
- f. extensions of time for payment of accounts;
- g. termination of services or the restriction of the provision of services when payments are in arrears;
- h. Matters relating to unauthorized consumption of services, theft and damages; and any other matters that may be prescribed by regulation in terms of section 104.

A credit control and debt collection policy may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters as long as the differentiation does not amount to unfair discrimination. The cost (Summons revenue stamp, sheriff service fee and interest) to implement and execute the legal process per above mentioned schedule will be recovered in full from the defaulter, including a administrative fee, that will be determined from time to time as per Council resolution.

### **Indigent Policy**

The purpose of the indigent policy is to ensure:

The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council; and to provide procedures and guidelines for the subsidization of basic charges to its indigent Households, using the Council's budgetary provisions received from central Government, according to

prescribed policy guidelines. The Council also recognizes that many residents can simply not afford the cost of full provision and for this reason the Council will endeavor to ensure affordability through: Settings tariffs in terms of the Council's Tariff Policy, which will balance the economic viability of continued service delivery; and determining appropriate service levels

In order to qualify for indigent support the following criteria must be met:

- Households where verified total gross monthly income of all occupants over 18 years of age does not exceed the level, as determined in Council's tariff policy from time to time, qualify for a subsidy.
- Subsidized services may include housing debt, sewerage, refuse removal and assessment rates, and consumption service charges.
- Only households where the account holder or property owner has applied as indigent, and whose application has been accepted shall qualify for the above concessions.
- For a household to qualify for subsidies or rebates on the major service charges, the registered indigent must be the full-time occupant of the property concerned, and if not also the owner of the property concerned, may not own any other property, whether in or out of the municipal area.
- The indigent household's consumption will be limited to a three month average of a maximum of 12 kilolitres of water and 250 units, excluding the free 50 units, of electricity per month, inclusive of the free basic service grant.
- Households must formally apply for relief on the prescribed documentation and satisfy the qualifying criteria/principles as determined by the Council.
- The status of indigent is conferred for a period of not more than twelve months after which re-application must be made.

#### **Budget Policy**

This policy consists of four Parts: Objectives, Legal requirements, Budgeting and principles to be followed and responsibilities of a Chief Financial Officer

To set out the budgeting principles which the municipality will follow in preparing each annual budget, as well as the responsibilities of the chief financial officer in compiling such budget.

This legal framework consist of sections in accordance with the appropriation of funds

- Section 15 Appropriation of funds for expenditure
- Section 16 Annual budgets
- Section 1 Contents of Annual budget and supporting documents
- Section 18 Funding of expenditures
- Section 19 Capital projects
- Section 20 matters to be prescribed
- Section 21 Budget preparation process
- Section 22 Publication of Annual budget
- Section 23 Consultation on tabled budget
- Section 24 Approval of Annual budget
- Section 25 Failure to approve budget before the start of financial year
- Section 26 Consequences of failure to approve budget before the start of financial year
- Section 27 Non compliance with provisions of this chapter
- Section 28 Municipal adjustment budgets
- Section 29 Unforeseen and unavoidable expenditure
- Section 30 Unspent funds
- Section 31 Shifting of funds between multi-year appropriations
- Section 32 Unauthorized, irregular and fruitless expenditure etc

Except in so far as capital projects represent a contractual commitment to the Municipality extending over more than one financial year, the annual capital budget shall be prepared from a zero base. The capital budget component of the annual or adjustments budget shall only be approved by the Council if it has been properly balanced, that is, if the sources of finance which are realistically envisaged to fund the budget equal the proposed capital expenses.

#### Revenue Raising Strategy

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

#### Operational Financing Strategy

The objectives are:

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

#### Cost Effectiveness Strategy

The objectives are:

- (i) To invest all surplus cash not immediately required.
- (ii) To as far as possible adhere to the following budget norms:

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

- (iii) To restrict capital and operating expenditure increases to the macro economic growth limited guideline.
- (iv) To monitor the investment in projects through a well-designed cost control system.

#### Financial Supervisory Authority

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

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

Two key concepts to consider when preparing the budget are:

1. The Annual Budget may only be funded from: Realistic anticipated revenues to be collected.
2. Cash backed accumulated funds from previous year's surpluses not committed for other purposes.

The Annual Budget must be credible. A credible budget is a budget that:

- Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality.
- Achievable in terms of agreed service delivery and performance agreements.
- Contains revenue and expenditure projections that are consistent with current and past performance.
- Does not jeopardize the financial viability of the municipality which ensures that the financial position is maintained with generally accepted prudential
- Limits and the obligations can be met in short, medium and long term.
- Provides managers with appropriate levels of delegation, sufficient to meet their financial management responsibilities.

IDP and Budget with their expected outcomes ensure that the Council is in the right direction to become This the best local municipality in rendering affordable, accessible, efficient and available services whilst at the same time maximizing infrastructural development through the utilization of all available resources.

## 7.24 ANNUAL BUDGET FOR THE FINANCIAL YEAR 2013/2014

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### Background

The municipality is currently experiencing severe cash flow challenges as a result of the past performance and past poor planning. The challenges include the municipality not being able to pay its Eskom Account, Water Affairs and Licensing amongst other creditors. These were further evident on the municipality's inability to repair its aging infrastructures such as, sewer treatment plant, water pump-station, roads amongst others. In an effort to combat this practice, during the 2012-13 Adjustment budget the expenditure was reduced to meet the current available revenue as the municipality was spending at a rate high than its ability to generate income which resulted in some votes exceeding their available budget. The municipality further adopted principles which will be used to prepare and implement the 2013-14 budget.

### Discussion

The following budget principles & assumptions were taken into consideration when the 2013-14 MTREF was prepared.

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Council Committee for Finance.

The primary aim of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in Lekwa Local Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of the municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

### Budget Principles Overview

In terms of section 18 of the MFMA the municipality may only fund its budget from realistically anticipated revenue to be collected as well as cash-backed surpluses. Therefore the municipality must provide for expenditure in line with the revenue that can be collected and don't overstate the revenue as this will result in cash flow challenges. The current collection rate is 70% and with the current programmes in place such as debt management and electricity loss control is estimated that the revenue will grow with an additional 10% therefore the revenue collected can only fund the expenditure up to 80% as a result none essential expenditures had to be reduced.

The budget has to be cash-backed in order for the municipality to be able to implement its Service Delivery Budget Implementation Plans, therefore the municipality should not have a budget that reflects a cash deficit. Due to the implementation of the GRAP 17 Standard it is permissible for the municipality to have a deficit that is equivalent to its depreciation amount as this is a non-cash item. But it should further be noted that the municipality should have in its reserves an amount equivalent to its depreciation in order for the municipality to have sufficient funds.

to replace the assets when it becomes obsolete and redundant. The current depreciation is provided for at R 134 mil and the operating deficit should not exceed the depreciation.

The municipality should provide between 5-8% (R28mil) of its budget to repairs & maintenance but due to cash flow challenges this will be phased in over the MTREF. Furthermore additional 40% of the capital project should be channelled towards the replacement of aging infrastructure.

National Treasury has issued guidelines circular 55,58,59, 66 &67 amongst others which emphasises that during this tough economical period the municipalities should tighten their spending and reduced unnecessary or nice to have expenditures and improve and prioritise service delivery

In preparation of the 2013/14MTREF it was pivotal ensuring that the budget is funded and affordable in terms of the municipal budget reporting regulation. The municipality had to reduce overtime by 60% and the filling of vacant will be halted until the municipality's cash flow improves but only critical positions that will also reduce overtime will be filled in the next financial year.

#### **Executive Summary**

The proposed budget of Lekwa Local municipality totals R650, 184, 086 comprising of R606, 875, 986 for Operating expenditure and R43,308, 100 for Capital expenditure (see table 1 below). Both operating budget and capital budget will be funded from own operating revenue to the tune of R362, 673, 246 and grants and subsidy to the tune of R128, 443, 000, which totals to R492, 651, 245.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2013/14 Medium-term Revenue and Expenditure Framework:

**Table 1.Consolidated Overview of the 2013/2014 MTREF**

MP305 Lekwa - Table A1 Budget Summary									
Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>Financial Performance</b>									
Property rates	33 284	33 260	33 815	36 885	20 261	20 261	41 789	43 879	46 073
Service charges	147 146	165 219	191 623	267 438	259 968	259 968	280 047	294 050	308 755
Investment revenue	450	767	729	818	577	577	606	637	669
Transfers recognised - operational	49 641	64 309	73 178	84 124	83 559	83 559	86 670	90 043	93 106
Other own revenue	24 493	21 565	34 383	28 421	25 332	25 332	40 231	42 276	44 419
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>255 015</b>	<b>285 120</b>	<b>333 727</b>	<b>417 685</b>	<b>389 697</b>	<b>389 697</b>	<b>449 343</b>	<b>470 885</b>	<b>493 022</b>
Employee costs	72 600	98 055	91 311	115 262	104 141	104 141	105 957	114 275	121 493
Remuneration of councillors	5 104	6 641	8 031	7 538	7 538	7 538	8 554	9 410	10 351
Depreciation & asset impairment	-	-	81 921	12 000	12 000	12 000	134 096	134 225	134 225
Finance charges	-	-	202	2 900	1 354	1 354	1 699	-	-
Materials and bulk purchases	94 804	129 092	169 270	170 772	170 216	170 216	200 936	87 018	93 650
Transfers and grants	1 535	6 798	8 466	7 558	17 863	17 863	20 290	21 305	22 370
Other expenditure	38 027	48 855	97 208	101 847	121 211	121 211	135 349	139 091	148 567
<b>Total Expenditure</b>	<b>212 070</b>	<b>289 441</b>	<b>456 408</b>	<b>417 877</b>	<b>434 323</b>	<b>434 323</b>	<b>606 881</b>	<b>505 324</b>	<b>530 657</b>
<b>Surplus/(Deficit)</b>	<b>42 945</b>	<b>(4 321)</b>	<b>(122 680)</b>	<b>(192)</b>	<b>(44 626)</b>	<b>(44 626)</b>	<b>(157 538)</b>	<b>(34 439)</b>	<b>(37 635)</b>
Transfers recognised - capital	-	-	-	-	-	-	-	-	-
Contributions recognised - capital &	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>42 945</b>	<b>(4 321)</b>	<b>(122 680)</b>	<b>(192)</b>	<b>(44 626)</b>	<b>(44 626)</b>	<b>(157 538)</b>	<b>(34 439)</b>	<b>(37 635)</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>42 945</b>	<b>(4 321)</b>	<b>(122 680)</b>	<b>(192)</b>	<b>(44 626)</b>	<b>(44 626)</b>	<b>(157 538)</b>	<b>(34 439)</b>	<b>(37 635)</b>
<b>Capital expenditure &amp; funds sources</b>									
<b>Capital expenditure</b>	<b>14 778</b>	<b>19 724</b>	<b>44 115</b>	<b>56 847</b>	<b>68 587</b>	<b>68 587</b>	<b>43 308</b>	<b>37 294</b>	<b>32 363</b>
Transfers recognised - capital	14 545	16 829	40 950	45 347	56 843	56 843	42 508	37 294	32 363
Public contributions & donations	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	233	2 895	3 165	11 500	11 744	11 744	800	-	-
<b>Total sources of capital funds</b>	<b>14 778</b>	<b>19 724</b>	<b>44 115</b>	<b>56 847</b>	<b>68 587</b>	<b>68 587</b>	<b>43 308</b>	<b>37 294</b>	<b>32 363</b>

The estimated Operating revenue for 2013/14 financial year has grown by 15.30% or R59,6m when compared to the 2012/13 Adjustments Budget. The estimated Operating expenditure for the 2013/14 financial year has grown by 39.73 % or R172m When compared to the 2012/13 Adjustments Budget.

The Capital budget of R43,3 m for 2013/14 is 5 per cent less when compared to the 2012/13 Adjustment Budget. The decrease is due to the fact that various projects will be finalised in the current financial and the municipality does not have sufficient reserves to do internally funded.

#### Operating Revenue Framework

Lekwa Local Municipality continues improving the quality of services provided to its residents 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.

MP305 Lekwa - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)							
Standard Classification Description	2010/11	2011/12	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
	R thousand	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>Revenue - Standard</b>							
<b>Governance and administration</b>	115 385	127 535	141 261	116 934	143 421	150 108	156 524
Executive and council	62 888	69 971	79 087	79 091	81 454	85 064	88 267
Budget and treasury office	18 556	22 999	23 406	16 375	18 908	19 829	20 779
Corporate services	33 942	34 565	38 768	21 469	43 059	45 215	47 478
<b>Community and public safety</b>	714	1 590	1 962	1 893	2 998	3 159	3 327
Community and social services	371	(783)	378	338	361	387	413
Sport and recreation	26	54	75	50	53	56	59
Public safety	318	2 320	1 510	1 506	2 584	2 716	2 855
Housing	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	3 394	12 444	6 309	10 450	22 399	23 059	23 876
Planning and development	12	10	1 758	1 785	2 115	1 755	1 501
Road transport	3 382	12 434	4 552	8 665	20 284	21 304	22 375
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	165 627	192 158	268 152	260 419	280 525	294 559	309 295
Electricity	121 647	134 881	205 771	195 412	209 154	219 615	230 599
Water	16 848	26 231	28 340	31 109	35 403	37 174	39 034
Waste water management	18 042	21 248	22 473	21 695	22 924	24 072	25 277
Waste management	9 089	9 798	11 568	12 203	13 044	13 698	14 385
<b>Other</b>	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>285 120</b>	<b>333 727</b>	<b>417 685</b>	<b>389 697</b>	<b>449 343</b>	<b>470 885</b>	<b>493 022</b>
<b>Expenditure - Standard</b>							
<b>Governance and administration</b>	58 649	178 593	139 878	155 134	294 063	296 229	308 388
Executive and council	27 502	111 242	50 393	54 253	192 000	195 434	198 916
Budget and treasury office	16 875	56 439	73 475	85 812	86 700	84 518	92 229
Corporate services	14 272	10 911	16 010	15 069	15 362	16 277	17 243
<b>Community and public safety</b>	31 419	38 005	36 249	37 433	30 991	33 127	35 477
Community and social services	3 838	3 668	4 619	3 490	2 621	2 802	2 992
Sport and recreation	6 641	6 982	5 765	7 304	5 580	5 949	6 348
Public safety	20 750	26 556	23 537	26 098	20 020	21 427	22 994
Housing	10	6	2 327	9	2 769	2 949	3 143
Health	179	792	-	532	-	-	-
<b>Economic and environmental services</b>	22 623	21 316	25 743	21 318	35 271	38 817	39 732
Planning and development	342	615	5 451	235	2 401	2 524	2 693
Road transport	22 281	20 701	20 293	21 083	32 870	36 293	37 039
Environmental protection	-	-	-	-	-	-	-
<b>Trading services</b>	176 753	218 493	216 032	220 447	246 551	137 199	147 109
Electricity	140 953	178 675	180 259	180 584	204 587	90 648	97 583
Water	14 895	17 116	17 118	17 227	21 815	22 995	24 240
Waste water management	8 879	9 651	5 502	9 237	7 481	7 950	8 450
Waste management	12 025	13 051	13 153	13 400	12 668	15 606	16 836
<b>Other</b>	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>289 444</b>	<b>456 408</b>	<b>417 902</b>	<b>434 332</b>	<b>606 876</b>	<b>505 371</b>	<b>530 706</b>
<b>Surplus/(Deficit) for the year</b>	<b>(4 324)</b>	<b>(122 680)</b>	<b>(217)</b>	<b>(44 635)</b>	<b>(157 533)</b>	<b>(34 486)</b>	<b>(37 684)</b>



The table indicate that the municipality is unable to generate sufficient revenue from trading services in order for it to operate the service while subsidising other service that are not cash generating. Its evident that electricity contributes a huge amount to the municipal revenue but due to illegal connection of electricity by the consumers the municipality is as result indirectly subsidising those households that have connected electricity illegally whilst the municipality must still service the Eskom account.

Before the implementation of GRAP Standards no provisions were made for the depreciation of assets as well as capital replacements as a result this has placed an enormous strains on the municipality's operating budget. Refer to Table A34d

MP305 Lekwa - Table A4 Budgeted Financial Performance (revenue and expenditure)							
Description	2010/11	2011/12	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>Revenue By Source</b>							
Property rates	33 260	33 815	36 885	20 261	41 789	43 879	46 073
Service charges - electricity revenue	121 250	134 367	205 070	194 982	208 700	219 135	230 093
Service charges - water revenue	16 845	26 218	28 335	31 103	35 396	37 165	39 023
Service charges - sanitation revenue	18 041	21 248	22 473	21 692	22 920	24 067	25 271
Service charges - refuse revenue	9 083	9 790	11 561	12 192	13 031	13 683	14 368
Service charges - other							
Rental of facilities and equipment	791	(345)	862	749	792	838	885
Interest earned - external investments	767	729	818	577	606	637	669
Interest earned - outstanding debtors	16 048	18 450	20 269	13 487	15 585	16 365	17 184
Dividends received							
Fines	361	2 352	1 567	1 622	2 705	2 842	2 986
Licences and permits	3 288	12 396	4 494	8 649	20 263	21 278	22 344
Agency services							
Transfers recognised - operational	64 309	73 178	84 124	83 559	86 670	90 043	93 106
Other revenue	1 077	1 530	1 229	826	886	953	1 020
Gains on disposal of PPE							
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>285 120</b>	<b>333 727</b>	<b>417 685</b>	<b>389 697</b>	<b>449 343</b>	<b>470 885</b>	<b>493 022</b>
<b>Expenditure By Type</b>							
Employee related costs	98 055	91 311	115 262	104 141	105 957	114 275	121 493
Remuneration of councillors	6 641	8 031	7 538	7 538	8 554	9 410	10 351
Debt impairment	-	29 911	40 081	55 469	57 133	59 990	62 990
Depreciation & asset impairment	-	81 921	12 000	12 000	134 096	134 225	134 225
Finance charges	-	202	2 900	1 354	1 699	-	-
Bulk purchases	125 663	165 129	167 828	166 784	198 020	83 622	90 060
Other materials	3 429	4 141	2 945	3 431	2 916	3 396	3 590
Contracted services	11 217	21 846	21 818	24 761	20 322	16 790	21 341
Transfers and grants	6 798	8 466	7 558	17 863	20 290	21 305	22 370
Other expenditure	37 638	45 451	39 947	40 981	59 723	59 552	62 460
Loss on disposal of PPE							
<b>Total Expenditure</b>	<b>289 441</b>	<b>456 408</b>	<b>417 877</b>	<b>434 323</b>	<b>608 710</b>	<b>502 565</b>	<b>528 881</b>
<b>Surplus/(Deficit)</b>	<b>(4 321)</b>	<b>(122 680)</b>	<b>(192)</b>	<b>(44 626)</b>	<b>(159 367)</b>	<b>(31 680)</b>	<b>(35 859)</b>

The table indicated that revenue from sale of electricity is R 208 700 000.46% followed by grants & subsidies of R 86 669 900 19% while property rates contribute R 41 789 000 9% to total revenue. The revenue generated from revenue water & sewerage could increase drastically as it was discovered that business are charged at the same tariff as domestic users as a result there is a significant revenue loss on the provision of this services. The revenue from rental of facilities will also increase as the agreements for rental will be put in place. A service provider will be

appointed as well as designated technician to deal specifically with electricity tempering, illegal connection of electricity. This will yield a significant increase in electricity revenue. Between January & March close to 600 households illegally connected to electricity have been disconnected by the municipality and were penalised for the illegal connection.

In an effort to implement credit control and generate sufficient revenue the municipality has commenced issuing defaulters with notices for intention to terminate electricity and soft block other households and failure by the consumers to pay their accounts or make payment arrangements results in the electricity being disconnected or soft blocked till such time the consumers come to pay their arrears accounts or make payments arrangements. The municipality is striving to collect at least up to 90 days of arrears amounts on all consumers that are in arrears and this equate to at least R51 mil and this will improve when consumer gets used to the culture of paying for their services. During the public participation the municipality embarked on campaigns seeking to raise awareness on the importance of consumers paying for their services as well as regaining public confidence.

The employee related cost will increase as a result of vacant positions especially of Heads of Departments been filled. The municipality will also fill other critical positions that will reduce overtime while ensuring optimal productivity by employees. The reality is that most consumers are unable to pay for their services as they are unemployed (indigent) while other consumers may no longer be located therefore the municipality should provide for their bad debt and currently the municipality can collect up to 80% of its debt therefore provision should also be made for those debt that it is unable to collect. It should further be noted that the current unemployment rate for Lekwa is at 42%

In the previous financial years the provisions for bad debt were not made but the municipality will phase it in over a number of years. Prior to the implementation of GRAP/GAMAP/GRAAP the municipality did not make provision for depreciation or capital replacement as a result the municipality are still using old infrastructure and is unable to replace or repair them optimally, as a result the assets are not performing optimally and the municipality having major service infrastructure backlogs. The municipality has commenced providing for depreciation and is investigating innovating ways to have sufficient funds in reserves to either replace, acquire additional assets or repair the assets when required and this will be phased in over the 2013/14MTREF.

The municipality has commenced with strategies to ensure that the bulk electricity account is settled and this will include the municipality collecting all revenue from electricity sales. The municipality is investigating if whether if the electricity tariffs are in line with the cost of providing such services.

The municipality's budget implementation strategy is built around the following key components:

**Policy Review**

Ensure that all relevant policies are reviewed which includes tariffs, credit & debt collection, indigent etc.

**Data purification**

Purify the debtor's data to ensure data integrity, accuracy and completeness of debtor's information. This will also ensure that correct tariffs are levied on all debtors. Classify debtors according to their various categories.

**Valuation**

Complete the import of the supplementary valuation roll on to the municipal system. Implement the requirements of MPRA

**Meter reading**

Ensure that all meters are read accurately on a monthly basis whilst ensuring that all queries are attended promptly, preferably resolved within 2 working days.

**Tariffs**

Benchmark the municipal tariffs with other local municipality's tariffs. Ensure that tariffs are cost reflective while ensuring that they remain affordable. Ensure that all properties are levied at the correct tariffs for all various services

**Illegal Electricity Connection**

All tempered or illegally connected meter will be disconnected and the offender will be liable to a fine of R 5000 if they are first time offenders and this will increase to R 10 000 if the commit the act again (second time) and

ultimately all connections will be disconnected with no possibilities of reconnection if the commit the act for the third time.

***Credit Control & Debt Collections***

All customers that are in arrears for more than 90 days will have their electricity disconnected unless they come forward and have a payment arrangement that they honor the terms on a monthly basis

***Salary Bill***

Restructure the personnel and in courage other employees to take early retirement. Check if there are no repeating duties (similar functions but performed by more than one individual). Fill only critical and strategic position. Reduce and monitor vigorously overtime. Audit the municipal payroll for accuracy and completeness.

***Bulk Purchases***

Install bulk meters to measure the accuracy and completeness of the bulk purchase accounts. Pay a minimum of at least the current account plus arrears in order to reduce the account over time.

***Contracted Services***

All expenditures on contracted services must be halted until a clear contract management is in place which will indicate clearly the service rendered the cost of the service, measurable deliverables, and the duration of the contract.

***Other Operating Expenditure***

All other expenditures must be linked to the availability of funds as well as the source of funding before they are incurred.

***Investment in Infrastructure***

All managers & hod's must prepare business plans that indicate their infrastructure needs as well as funding to eradicate service backlogs from other sector departments

Program/Project description	Project number	Total Project Estimate	2013/14 Medium Term Revenue & Expenditure Framework			Project information Ward location
			Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
Standerton Waste Water Treatment Works Upgrade	MIG 1/2013/14	60 000 000.00	14 800 000.00	10 000 000.00	8 280 000.00	4
Gravelling of Roads within Lekwa Municipality	MIG 2/2013/14	24 000 000.00	2 000 000.00	2 000 000.00	3 000 000.00	
Sanitation services for 53 households in Rooikopen	MIG 3/2013/14	1 600 000.00	1 200 000.00			11
Construction of Multi-Purpose Sporting Facilities in Lekwa LM(Criccket Field Ward 15)	MIG 4/2013/14	7 000 000.00	7 000 000.00			11
MIG 5/2013/14		33 174 981.46	2 000 000.00	3 000 000.00	2 000 000.00	15
Replacement of AC pipes with PVC pipes in Lekwa Municipality	MIG 6/2013/14	40 000 000.00	6 252 100.00	4 000 000.00	5 000 000.00	Various
Installation of VIP toilets in Rural Areas of lekwa Municipality	MIG 7/2013/14	24 000 000.00	3 000 000.00	2 000 000.00	2 000 000.00	9,12,13
Installation of Boreholes with windmills in Rural Areas of lekwa Municipality	MIG 8/2013/14	30 000 000.00	3 000 000.00	2 000 000.00	2 082 850.00	9,12,13
Conduct ground water study in the rural areas of lekwa LM(For the approval of technical reports for VIPs and Boreholes for the rural areas)	GWP/2013/14	800 000.00	800 000.00			9,12,13
Beautification of Parks(Azalea)	EPWP 1/2013/14	1 056 000.00	1 056 000.00			4
Electrify 92 Rural Farm Worker Houses	INER 1/2013/14	2 200 000.00	2 200 000.00			9,12,13
Installation of High Mast Lights in Lekwa LM	MIG 1/2014/15	29 865 599.23		2 000 000.00		Various
Upgrade of Standerton Water Treatment Works	MIG 3/2014/15	50 000 000.00		4 294 300.00	3 000 000.00	10
Standerton Landfill Site Phase 3 upgrade and refurbishment	MIG 2/2014/15	5 000 000.00		2 000 000.00		8
<b>Total</b>		<b>308 696 580.69</b>	<b>43 308 100.00</b>	<b>31 294 300.00</b>	<b>25 362 850.00</b>	

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

Vote Description	2010/11	2011/12	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>Capital Expenditure - Standard</b>							
<b>Governance and administration</b>	23	2 632	6 500	-	-	-	-
Executive and council		13	6 500				
Budget and treasury office	23	74					
Corporate services		2 544					
<b>Community and public safety</b>	724	6 587	13 045	18 208	10 056	3 000	2 000
Community and social services		6 565	5 000	8 796	7 000	-	-
Sport and recreation	364		8 045	9 412	3 056	3 000	2 000
Public safety	360	22	-	-	-	-	-
Housing							
Health							
<b>Economic and environmental services</b>	14 848	29 896	8 757	13 794	2 000	2 000	5 000
Planning and development							
Road transport	14 848	29 896	8 757	13 794	2 000	2 000	5 000
Environmental protection							
<b>Trading services</b>	4 128	5 000	28 545	30 084	31 252	32 294	25 363
Electricity	1 236	2 102	3 900	2 913	2 200	2 000	2 000
Water	2 646	832	10 000	6 500	10 052	7 000	7 083
Waste water management		1 973	7 701	10 201	19 000	17 294	13 280
Waste management	245	93	6 944	10 470	-	6 000	3 000
<b>Other</b>							
<b>Total Capital Expenditure - Standard</b>	19 724	44 115	56 847	62 087	43 308	37 294	32 363
<b>Funded by:</b>							
National Government	16 829	40 950	45 347	56 843	42 508	37 294	32 363
Provincial Government							
District Municipality							
Other transfers and grants							
<b>Transfers recognised - capital</b>	16 829	40 950	45 347	56 843	42 508	37 294	32 363
<b>Public contributions &amp; donations</b>							
<b>Borrowing</b>							
Internally generated funds	2 895	3 165	11 500	11 744	800		
<b>Total Capital Funding</b>	19 724	44 115	56 847	68 587	43 308	37 294	32 363

It is evident that most of the municipal infrastructure assets are funded by grants from National Government and the municipality will implement a strategy over the MTREF which will enable to utilise other means of funding to fund its infrastructure assets.

MP305 Lekwa - Table A6 Budgeted Financial Position							
Description	2010/11	2011/12	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>ASSETS</b>							
<b>Current assets</b>							
Cash	1 427	15 605	18 069	18 069	52 409	4 850	3 150
Call investment deposits	7 534	11 316	15 500	15 500	34 000	32 000	28 000
Consumer debtors	44 760	39 449	53 941	53 941	31 563	38 413	34 022
Other debtors	399	10 980	500	500	10 378	10 000	10 000
Current portion of long-term receivables			6 107	6 107			
Inventory	1 540	2 322	2 975	2 975	2 843	2 300	2 480
<b>Total current assets</b>	<b>55 660</b>	<b>79 673</b>	<b>97 092</b>	<b>97 092</b>	<b>131 193</b>	<b>87 563</b>	<b>77 652</b>
<b>Non current assets</b>							
Long-term receivables							
Investments							
Investment property							
Investment in Associate							
Property, plant and equipment	46 220	1 937 690	73 836	73 836	1 885 866	1 905 716	1 690 716
Agricultural							
Biological							
Intangible			361	361			
Other non-current assets							
<b>Total non current assets</b>	<b>46 220</b>	<b>1 937 690</b>	<b>74 197</b>	<b>74 197</b>	<b>1 885 866</b>	<b>1 905 716</b>	<b>1 690 716</b>
<b>TOTAL ASSETS</b>	<b>101 880</b>	<b>2 017 363</b>	<b>171 289</b>	<b>171 289</b>	<b>2 017 059</b>	<b>1 993 280</b>	<b>1 768 368</b>
<b>LIABILITIES</b>							
<b>Current liabilities</b>							
Bank overdraft							
Borrowing	1 716	36 641	655	655	1 699	-	-
Consumer deposits	2 542	2 592	2 500	2 500	2 609	2 700	3 000
Trade and other payables	90 997	121 269	78 007	78 007	160 126	129 891	135 841
Provisions	11 551	348	14 250	14 250	348	348	348
<b>Total current liabilities</b>	<b>106 806</b>	<b>160 850</b>	<b>95 412</b>	<b>95 412</b>	<b>164 782</b>	<b>132 939</b>	<b>139 189</b>
<b>Non current liabilities</b>							
Borrowing	2 276	33 346	2 595	2 595	-	-	-
Provisions	-	-	-	-	32 309	32 309	32 309
<b>Total non current liabilities</b>	<b>2 276</b>	<b>33 346</b>	<b>2 595</b>	<b>2 595</b>	<b>32 309</b>	<b>32 309</b>	<b>32 309</b>
<b>TOTAL LIABILITIES</b>	<b>109 082</b>	<b>194 197</b>	<b>98 007</b>	<b>98 007</b>	<b>197 091</b>	<b>165 248</b>	<b>171 498</b>
<b>NET ASSETS</b>	<b>(7 202)</b>	<b>1 823 167</b>	<b>73 282</b>	<b>73 282</b>	<b>1 819 968</b>	<b>1 828 031</b>	<b>1 596 870</b>
<b>COMMUNITY WEALTH/EQUITY</b>							
Accumulated Surplus/(Deficit)	(7 202)	1 811 850	57 782	57 782	1 758 029	1 796 031	1 568 870
Reserves	-	-	-	-	-	-	-
Minorities' interests							
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>(7 202)</b>	<b>1 811 850</b>	<b>57 782</b>	<b>57 782</b>	<b>1 758 029</b>	<b>1 796 031</b>	<b>1 568 870</b>

It is evident from the table that during the previous financial years the municipality's current liabilities exceeded the current assets of the municipality and no provisions were made for working capital. Because no provisions were made for working capital this place strains on the municipality's ability to implement its budget, service its debt and provisions for services. Outstanding creditors contributed highly to the high current liabilities. The municipality will phase in the provision for working capital over the MTREF and this will be done realistically while ensuring that it's funded.

MP305 Lekwa - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2013/14												
	R thousand	July	August	Sept.	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
<b>Cash Receipts By Source</b>													
Property rates	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542	2 542
Service charges - electricity revenue	14 748	14 748	14 748	14 748	14 748	14 748	14 748	14 748	14 748	14 748	14 748	14 748	14 748
Service charges - water revenue	2 153	2 153	2 153	2 153	2 153	2 153	2 153	2 153	2 153	2 153	2 153	2 153	2 153
Service charges - sanitation revenue	1 394	1 394	1 394	1 394	1 394	1 394	1 394	1 394	1 394	1 394	1 394	1 394	1 394
Service charges - refuse revenue	793	793	793	793	793	793	793	793	793	793	793	793	793
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	66	66	66	66	66	66	66	66	66	66	66	66	66
Interest earned - external investments	51	51	51	51	51	51	51	51	51	51	51	51	51
Interest earned - outstanding debtors	948	948	948	948	948	948	948	948	948	948	948	948	948
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	225	225	225	225	225	225	225	225	225	225	225	225	225
Licences and permits	1 689	1 689	1 689	1 689	1 689	1 689	1 689	1 689	1 689	1 689	1 689	1 689	1 689
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	43 440	-	-	-	-	-	17 286	-	-	25 929	-	-	(224)
Other revenue	74	74	74	74	74	74	74	74	74	74	74	74	74
<b>Cash Receipts by Source</b>	<b>68 122</b>	<b>24 682</b>	<b>24 682</b>	<b>24 682</b>	<b>24 682</b>	<b>41 968</b>	<b>24 682</b>	<b>24 682</b>	<b>50 611</b>	<b>24 682</b>	<b>24 682</b>	<b>24 682</b>	<b>24 458</b>
<b>Other Cash Flows by Source</b>													
Transfer receipts - capital	19 554	-	-	-	-	-	17 003	-	-	5 951	-	-	-
<b>Total Cash Receipts by Source</b>	<b>87 676</b>	<b>24 682</b>	<b>24 682</b>	<b>24 682</b>	<b>24 682</b>	<b>58 972</b>	<b>24 682</b>	<b>24 682</b>	<b>56 563</b>	<b>24 682</b>	<b>24 682</b>	<b>24 682</b>	<b>24 458</b>
<b>Cash Payments by Type</b>													
Employee related costs	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830	8 830
Remuneration of councillors	713	713	713	713	713	713	713	713	713	713	713	713	713
Finance charges	143	143	143	143	143	143	143	143	143	143	143	143	143
Bulk purchases - Electricity	15 835	15 835	15 835	15 835	15 835	15 835	15 835	15 835	15 835	15 835	15 835	15 835	15 835
Bulk purchases - Water & Sewer	667	667	667	667	667	667	667	667	667	667	667	667	667
Other materials	243	243	243	243	243	243	243	243	243	243	243	243	243
Contracted services	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694	1 694
Transfers and grants - other municipalities	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and grants - other	191	191	191	191	191	191	191	191	191	191	191	191	191
Other expenditure	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538	4 538
<b>Cash Payments by Type</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>	<b>32 853</b>
<b>Other Cash Flows/Payments by Type</b>													
Capital assets	3 609	3 609	3 609	3 609	3 609	3 609	3 609	3 609	3 609	3 609	3 609	3 609	3 609
Repayment of borrowing	-	-	500	-	-	-	-	-	500	-	-	-	-
Other Cash Flows/Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Cash Payments by Type</b>	<b>36 462</b>	<b>36 462</b>	<b>36 962</b>	<b>36 462</b>	<b>36 462</b>	<b>36 462</b>	<b>36 462</b>	<b>36 462</b>	<b>36 962</b>	<b>36 462</b>	<b>36 462</b>	<b>36 462</b>	<b>36 462</b>
Cash/cash equivalents at the month end	36 708	87 923	76 144	63 864	52 085	40 306	62 816	51 037	39 258	58 859	47 080	35 300	35 300
Cash/cash equivalents at the month start	87 923	76 144	63 864	52 085	40 306	62 816	51 037	39 258	58 859	47 080	35 300	23 297	23 297

The municipal current payment rate on average is 70% as a result the cash inflow from ratepayers for 2013-14 MTREF is projected on a collection rate of 80% taking into consideration the current programmes in place which includes data cleansing & electricity disconnection from none paying household for services.

MP305 Lekwa Supporting Table SA10 Funding measurement

Description	2010/11	2011/12	Current Year 2012/13		2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Total billable revenue	199 270	225 093	305 185	280 978	322 628	338 767	355 713
Service charges	198 479	225 438	304 323	280 229	321 836	337 929	354 828
Property rates	33 260	33 815	36 885	20 261	41 789	43 879	46 073
Service charges - electricity revenue	121 250	134 367	205 070	194 982	208 700	219 135	230 093
Service charges - water revenue	16 845	26 218	28 335	31 103	35 396	37 165	39 023
Service charges - sanitation revenue	18 041	21 248	22 473	21 692	22 920	24 067	25 271
Service charges - refuse removal	9 083	9 790	11 561	12 192	13 031	13 683	14 368
Rental of facilities and equipment	791	(345)	862	749	792	838	885
Capital expenditure excluding capital grant funding	2 895	3 165	11 500	11 744	800	-	-
Cash receipts from ratepayers	221 789	321 649	280 586	280 586	284 207	347 006	363 247
Ratepayer & Other revenue	220 045	259 821	332 743	305 561	362 067	380 205	399 247
Change in consumer debtors (current and non-current)	4 772	5 271	10 119	10 119	(18 607)	6 472	(4 392)
Operating and Capital Grant Revenue	64 309	73 178	84 124	83 559	86 431	90 262	93 681
Capital expenditure - total	19 724	44 115	56 847	68 587	43 308	37 294	32 363
Change in consumer debtors (current and non-current)	4 772	5 271	(50 429)	(18 607)	-	-	-
<b>Total Operating Revenue</b>	<b>285 120</b>	<b>333 727</b>	<b>417 685</b>	<b>389 697</b>	<b>449 104</b>	<b>471 104</b>	<b>493 597</b>
<b>Total Operating Expenditure</b>	<b>289 441</b>	<b>456 408</b>	<b>417 877</b>	<b>434 323</b>	<b>608 341</b>	<b>501 719</b>	<b>527 991</b>
<b>Operating Performance Surplus/(Deficit)</b>	<b>(4 321)</b>	<b>(122 680)</b>	<b>(192)</b>	<b>(44 626)</b>	<b>(159 237)</b>	<b>(30 615)</b>	<b>(34 394)</b>
<b>High Level Outcome of Funding Compliance</b>							
Total Operating Revenue	285 120	333 727	417 685	389 697	449 104	471 104	493 597
Total Operating Expenditure	289 441	456 408	417 877	434 323	608 341	501 719	527 991
Surplus/(Deficit) Budgeted Operating Statement	(4 321)	(122 680)	(192)	(44 626)	(159 237)	(30 615)	(34 394)
Surplus/(Deficit) Considering Reserves and Cash Back	(40 840)	(165 914)	3 784	(36 566)	(182 119)	(42 524)	(50 388)
MTREF Funded (1) / Unfunded (0)	0	0	1	0	0	0	0
MTREF Funded ✓ / Unfunded ✗	✗	✗	✓	✗	✗	✗	✗

This table indicate that the municipality has been operating with a deficit during the previous financial period as a result this has been affecting the municipality to implement is budget adequately. The municipality has to implement a strategy in order to reduce the deficit over the MTREF and ultimately have operations that are funded & realistic.



The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

**Table 1 Operating Transfers and Grant Receipts**

	2013/14 Medium Term Revenue & Expenditure Framework			
	Proposed	Budget	Proposed	Proposed
	Year		Budget Year	Budget Year
	2013-14		1+ Year 2014-15	2+ Year 2015-16
EQUITABLE SHARE	R 81 428 000.00		R 85 036 000.00	R 88 237 000.00
MSIG	R 890 000.00		R 934 000.00	R 967 000.00
FINANCIAL MUNICIPAL GRANT	R 1 550 000.00		R 1 600 000.00	R 1 650 000.00
EPWP	R 1 056 000.00			
MIG	R 41 318 000.00		R 33 994 000.00	R 28 803 000.00
INEP	R 2 201 000.00		R 1 000 000.00	R 3 000 000.00
	<b>R 128 443 000.00</b>		<b>R 122 564 000.00</b>	<b>R 122 657 000.00</b>

### 1.2. Tariff-Setting

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 Lekwa Local 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 6percent 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 increase of Eskom 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 tariffs are largely outside the control of the Lekwa Local Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Lekwa Local 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, petrol, diesel, chemicals, cement etc. The current challenge facing the Lekwa Local Municipality is managing the gap between these 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 Lekwa Local Municipality has undertaken the tariff setting process relating to service charges as follows. The municipality will review all of its tariff structures to ensure that they are cost reflective taking into consideration the fact that electricity and refuse removal are provided at loss when they should at least break-even or have an operating surplus of at least 10%

## **Property Rates**

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The tariffs for property rates will be increased with 5.6%.

National Treasury's MFMA Circular No. 58, 59, 66 & 67 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0, 25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly. The municipality has been granted extension in the implementation of the Municipal Property Rates Act until the end of June 2014. During the financial year of 2013-2014 the municipality has to do a General Valuation which will be implemented as from 1<sup>st</sup> July 2014.

## **Sale of Water and Impact of Tariff Increases**

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure, new dam construction and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

A tariff increase of 5.6% from 1 July 2013 for water is proposed. This is based on the CPI assumption of 6percent increase in costs and another 2.05 percent increase to gradually move towards the target of cost reflective tariffs in 2014. In addition 6 kℓ water per month will again be granted free of charge to all households. The municipality will phase in a process where only registered indigent households will have access to 6 kℓ of free water.

## **Sale of Electricity and Impact of Tariff Increases**

NERSA has announced the revised bulk electricity pricing structure. An 8% increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2013.

The consumer tariffs had to be increased by 7.3% to offset the additional bulk purchase cost from 1 July 2013. Indigent households will again be granted 50 kWh per month free of charge.

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for Lekwa Local Municipality. The upgrading of Lekwa Local Municipality's electricity network has become a strategic priority, especially the substations and transmission lines.

The repairs and maintenance budget for 2013/14 for the Electricity Division can only be utilised for certain committed maintenance projects.

Owing to the high increase in electricity tariffs, it is clearly not possible to fund these necessary upgrades through more increases in the municipal electricity tariffs. The municipality is currently providing electricity on a loss amounting to 24% as a result this service is subsidised directly by water & sewerage which are operating at a substantial surplus.

#### **Sanitation and Impact of Tariff Increases**

A tariff increase of 5.6% for sanitation from 1 July 2013 is proposed. This is based on the input cost assumptions related to water. The following factors also contributed to the proposed tariff increase:

- Registered indigent households will enjoy the benefit of free sanitation on basic charges
- The proposed move to cost reflective tariffs by 2014.

#### **Waste Removal and Impact of Tariff Increases**

It is widely accepted that the rendering of this service should at least break even, which is currently the case. Lekwa Local Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of this service, as well as the other services be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle. The tariff increase of 5.6% for waste removal is proposed.

#### **Operating Expenditure Framework**

Lekwa Local Municipality's expenditure framework for the 2013/14 budget and MTREF is informed by the following:

- Repairs and maintenance backlogs;
- Balancing the budget (operating expenditure should not exceed operating revenue unless there are existing uncommitted cash-backed reserves to fund any deficit);
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme and backlog eradication; and
- Funding the capital budget and other core services by operational gains and efficiencies.

The increase in employee related costs for the 2013/14 financial year have been budgeted at a rate of 6.85% for the 2013/14 financial year.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). In compiling the salary budget for Councillors, a 10 percent increase was provided based on the most recent proclamation which came into effect in July 2011.

Note that the application of Directive 4 with regard to the phasing in of depreciation (GRAP 17) has resulted in a significant decrease in depreciation this charge will however increase significantly in the ensuing years, but it will not have an effect on tariffs as this charge is excluded when determining tariffs. The budgeted amount for depreciation amount to R134m

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been accounted for in the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 5 for 2013/14.

Included in this cost component is the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the Lekwa Local Municipality's intentions to increase repairs and maintenance of its assets, this group of expenditure has been prioritised to ensure sustainability of the Lekwa Local Municipality's infrastructure.

**Priority given to repairs and maintenance**

In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services.

Under spending on repairs and maintenance – Often seen as a way to reduce spending in the short term, under spending on maintenance can shorten the life of assets, increase long-term maintenance and refurbishment costs, and cause a deterioration in the reliability of services

MP305 Lekwa - Supporting Table SA34c Repairs and maintenance expenditure by asset class									
Description	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	5 158	8 823	8 852	8 709	7 217	7 217	10 422	7 258	7 612
Infrastructure - Road transport	108	1 882	1 448	1 334	710	710	3 585	76	67
Roads, Pavements & Bridges	108	1 882	1 448	1 334	710	710	3 585	76	67
Storm water									
Infrastructure - Electricity	3 754	4 001	4 205	4 910	3 442	3 442	3 617	3 800	3 992
Generation									
Transmission & Reticulation	3 563	3 552	3 880	4 210	3 030	3 030	3 184	3 345	3 514
Street Lighting	192	449	324	700	412	412	433	455	478
Infrastructure - Water	811	2 277	2 067	1 935	2 235	2 235	2 348	2 466	2 591
Dams & Reservoirs									
Water purification	811	2 277	2 067	1 935	2 235	2 235	2 348	2 466	2 591
Reticulation									
Infrastructure - Sanitation	485	662	1 132	530	830	830	872	916	962
Reticulation	485	662	1 132	530	830	830	872	916	962
<b>Other assets</b>	4 935	7 882	6 439	5 570	4 230	4 230	5 384	5 643	5 977
General vehicles	1 908	3 349	3 585	2 395	2 357	2 357	2 415	2 514	2 678
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	1 131	2 696	1 640	1 384	1 330	1 330	1 415	1 488	1 572
Computers - hardware/equipment	108	104	253	200	50	50	53	56	59
Furniture and other office equipment	112	135	7	14	6	6	14	15	16
Civic Land and Buildings									
Other Buildings	350	1 191	437	913	357	357	1 240	1 306	1 375
Other Land	1 253	299	356	526	22	22	150	162	170
Surplus Assets - (Investment or Inventory)									
Other	73	108	162	139	107	107	97	102	107
<b>Intangibles</b>	734	747	449	291	301	301	350	335	356
Computers - software & programs	734	747	449	291	301	301	350	335	356
Other (list sub-class)									
<b>Total Repairs and Maintenance Expenditure</b>	<b>10 827</b>	<b>17 452</b>	<b>15 739</b>	<b>14 570</b>	<b>11 748</b>	<b>11 748</b>	<b>16 156</b>	<b>13 236</b>	<b>13 945</b>

## RECOMMENDATIONS

- (1) That the report of the Executive Mayor (Municipal Manager) regarding the annual budget for the 2013/2014 financial year and the Medium Term Revenue and Expenditure Framework (MTREF) 2013/2014 – 2015/2016 financial years **BE NOTED** including the following:
  - (a) The principles upon which both the Operating Budget and Capital Budget have been based;
  - (b) Operating Revenue amounting to R 449, 343, 145;
  - (c) Operating Expenditure amounting to R 606, 875, 986 and Capital expenditure amounting to R 43, 308, 100;
  - (d) A provision of R 600 000 has been made for the leasing of vehicles
  - (e) That the 2013/2014 budget for both Operating Expenditure and Capital Expenditure totalling R 650, 184, 086;
  - (f) It is envisaging that credit control measures that have been put in place will ensure that the revenue budget on electricity sales is realized which will be utilized to cross subsidise other municipal services,
  - (g) The 8% increase on electricity bulk-purchase approved for ESKOM by NERSA;
  - (h) Pending approval by NERSA of the application made by Lekwa Local Municipality on the proposed 7.03% increase on electricity tariffs;
  - (i) The proposed 5.6% increase on property rates tariffs and water, refuse, sanitation and other service;
  - (j) National Treasury Circular 58, 59, 66 & 67 of the MFMA which encourage municipality to eliminate non-priority spending as well as indicating the available funding models of the municipal budget;
- (2) That the budget proposals for the financial year 01 July 2013 to 30 June 2014 as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2013/2014 to 2015/2016, **BE APPROVED**;
- (3) That Council's Medium Term Revenue and Expenditure Forecasts for the financial years 2013/2014 to 2015/2016, as amended, **BE APPROVED AND BE SUBMITTED** to the National – and Provincial Treasuries;
- (4) That provision **BE MADE** for an 8.5% estimated increase in remuneration of councillors which still have to be announced in terms of the Public Office Bearers Act;
- (5) That the annual salary increase of 6.85% **BE APPROVED**, as per the multi years collective salary agreement between SALGA and labour unions;
- (6) That the tariffs increase as indicated in **BE MADE PUBLIC**;
- (7) That Heads of Department Ensure that the revenue and expenditure of their relevant department/section is monitored regularly, and, should it be found that the estimate revenue would not be realised, the Budget and Treasury Office **BE ADVISED** accordingly in order for the revenue budget to be adjusted during the budget adjustment process;
- (8) That the proposed capital budget **BE ENTIRELY BASED** on the IDP priorities in order to achieve National targets on service provision;
- (9) That the Budget related policies as amended after public consultation, **BE APPROVED AND IMPLEMENTED** with effect from 01 July 2013;

## CHAPTER 8

### 8. LOCAL ECONOMIC DEVELOPMENT

This strategy is also supported by the Spatial Development Framework to give effect to the following SDF principle:

- SDF Development Principle: To investigate and exploit the opportunities of the municipal resources such as agriculture, tourism, mining and power stations.

The strategy should cover inter alia the following:

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

Responsibility: Lekwa LM: Development and Planning Department;

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

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

Examples of LED initiatives are:

- Supporting micro enterprises;
- Supporting small business development;
- Providing skill training;
- Encouraging domestic or foreign investment by providing infrastructure like roads or the reduction of crime;
- Providing municipal services such as transport, education or regulations which support local economic development.

There is no single solution to LED that will work in every local area. Each local area has a unique set of opportunities and problems, and must develop an approach to LED that is specific to that area. For example, some local areas have physical fea harbour like Durban) that can be used to help economic development through tourism or as a

freight distribution hub. Other local areas may draw on different resources for LED, such as the presence of coal and gold, infrastructure like mines, or a well-educated and skilled workforce. In the case of Lekwa LM, it has the following strengths to build on in order to achieve local economic development and these are the priority areas that should be addressed:

- **Tourism:** Natural features such as the Vaal River and Grootdraai Dam.
- **Local Businesses and industries:** Standerton which has a strong business sector and is home to a number of industries.
- **Mining and Power stations:** New Denmark Colliery and Tutuka Power Station as well as its locality within coal fields and proximity to industrial hubs such as the TEKS area.

As part of the LED the following strategies should be drafted.

**Mining and Industry Framework:** This framework would be vital to assist the municipality in future planning as it will give an indication whether these industries could contribute towards development of the municipality. What is

lacking at this stage is information pertaining to the growth and development of mining sectors, specifically mining exploration data. The framework should ideally address the following:

- Current and future plans of mines in and around Lekwa LM.
- Mining exploration data.
- Opportunities of the petrochemical industries, wood processing and the development of industry specific development nodes.
- Explore and facilitate the beneficiation of down streaming of products within the petro-chemical mining, agriculture and mining, and forestry industries.

**Agricultural Development and Management Strategy:** This strategy should deal with the future development and management of the various agricultural sectors, the related Agrieconomies and downstream products as well as commercial farming.

**Tourism Development Strategy**

SAMPLE



## 8.2 LOCAL ECONOMIC DEVELOPMENT STRATEGY IMPLEMENTATION FRAMEWORK

To become the tourism and recreational hub of Mpumalanga through the development and promotion of water sport related activities to attract both local and foreign tourists to the area thereby stimulating the development of SMMEs by 2015.

Objectives	Strategy	Project	Indicator	Outcome	Risks	Target	
Encourage water craft related industries (e.g. ski boats, canoes and fishing boats) in the Municipality by 2012	Water tourism Development programme	Business Development Incubator	Number of Boating, Fishing, Yachting, surfing, Super tube, Swimming, Kayaking industries on Vaal River,	Empowered number of water craft industries	Lack of buy-in politically  Lack of buy-in from key stakeholders  Lack of Funding  Inefficient M&E	SMME's and Co-operatives	
To investigate viable economic linkages by 2010 in order to promote tourism and SMME development	Economic Research and Planning Program	Develop a Responsible Tourism Strategy  SMME/Co-ops Strategy	Built access roads	Improved key economic linkages	Lack of Funding  Inefficient M&E	Access roads	
To provide world class services (for the community and tourists) by 2012	Infrastructure Development Programme  Waste Management Program	Maintenance and Upgrade of road network  Upgrade of bulk infrastructure  Upgrading existing reticulation  IWMP	Improved key access roads.  Increased availability of industrial and potable water and sewerage disposal system by 2012	Improved bulk infrastructure, accessibility and safe roads between areas	Lack of buy-in from key stakeholders	Dilapidated infrastructure	

To develop institutional arrangements and stakeholder support for the development and implementation of water tourism by 2012	Institutional development programme	Appoint LED Officer and administrator  Establish functional LED Forum  PMS Framework	Fully functional LED Unit	Improved development and implementation of water tourism	Lack of buy-in politically  Lack of Funding	LED Unit within the Municipality	
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Develop Eco-Tourism and cultural villages along the Vaal River by June 2009	Upgrading to a Golf Estate  Restoration of River Park include privatization, construction of a new entrance, improvement of security, erection of water based activities such as a super tube and swimming pool, and setting up an administration office for entrance fees and customer services.  Accommodation facilities be renovated and marketed.  Designated fishing areas can be allocated to cater for the fishing market	Camping sites, ablation facility, information centre, chalets.  Fishery building and infrastructure services.  Storage or processing building	River Park to provide locals and tourists with a tranquil setting for leisure activities	Lack of funding  Limited participation of HDI Groups due to financial resources  Lack of interest in black majority	River Park and the Vaal River along	
Provide Residential and Tourism Accommodation Zones	Develop Eco Estate at the Dam, Safe environment for children to Play, Family activities, Play ground activities, cycling and jogging Golf Estate, River Cottages, Dam Resort, Kiting, Horse trails, Mountain bike trails, Hiking trails, 4x4	Residential and Tourism Accommodation Zones developed	Promotion of Residential and Tourism Accommodation Zones	Lack of buy-in politically  Lack of Funding  Vandalism  High jacking and Rape Hotspot	River park, Golf Estate Vaal river	

	routes, Motorbike & quad bike routes.					
Provision of Dry land activity Zones and Water Activity Zones	<p>Develop the Golf course, Picnic areas, Play ground at River Park, Kayaking on Vaal River, Boating &amp; Fishing in the River and Dam, Yachting and surfing at the Dam.</p> <p>Super tube at River Park Swimming pool at River Park Kayaking on Vaal River, Boating &amp; Fishing in the River and Dam, Yachting and surfing at the Dam</p>	Dry land activity Zones and Water Activity Zones developed	Promotion of Dry land activity Zones and Water Activity Zones	<p>Lack of buy-in politically</p> <p>Lack of Funding</p> <p>Vandalism</p> <p>High jacking and Rape Hotspot</p>	A limited number of <b>women to access employment and self-employment programs</b>	

Attract inward investment							
Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
Investment promotion & marketing by December 2013	Develop promote investment and marketing strategies	Market positioning Targeting/Segmentation Prospect profiling Marketing Mix Promotion	No of investment attracted to the area  No of sector industries locating into the area	Improved Tax base and investment	Ineffective & Inefficient marketing strategies  Lack of a website	Potential investors  Sector industries	
Existing business retention and expansion by June 2013	<b>Business retention visits and surveys every quarter</b>	Establish the Business Retention and Expansion (BR&E) Visitation Programme  Cost reduction  Capital Improvement  Market Expansion	Number of Business Retention and Expansion (BR&E) Visitation Programme conducted per Quarter/year  Expanded market  Improve investment  Number of Industries retained	% Reduction in unemployment rate	Inability to convince existing business to stay  Low rate of returns  Better offers from other neighboring municipalities	Existing businesses	
Targeted investment incentives strategy January 2012	Provide investment incentives	Tax incentive  Research and Development incentives  Enterprise Development Incentives	Employee Housing allowance  Depreciation  Urban development allowance  Infrastructure allowance  Support	Increased number of newly developed residential areas and Agglomeration	Lack of political-buy-in  Loss of revenue by the municipality  Lack of willingness to pay for rates and	New residential areas and industrial sites	

			programme for industrial Innovation  Partnership in Industrial Innovation		taxes		
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Encouragement of Local Business Growth and development							
Objectives	Strategy	Projects	Indicator	Outcome	Risk	Target	Estimated Budget
<b>Technical assistance to business every year</b>	Provide more specialized export training or research and development support	Broad-based management and marketing programs, quality and environmental standards training and advice	Every business receiving technical assistance.	Sustainable businesses	Closure of businesses due to mismanagement	SMME's and Co-operatives	
<b>Financial advice and assistance every year</b>	Encourage Investment in modern technology	Small grant or loan programs	Grants and loans secured to invest in modern technology	Financial Autonomy of businesses	Inability to service loans	SMME's and Co-operatives	
<b>Public procurement policies and 'buy local' campaigns on yearly basis</b>	Induce the procurement policies to encourage participation by small contractors in accessing contracts	Implement a sustainable BEE programme  Broad based BEE facilitation	SMME's and Co-operatives procuring contracts with bigger businesses such as Anglo-coal etc.	Profitable returns on employees, Business, Industries, Municipality	Corruption and irregularities in tender processes	SMME's and Co-operatives	

**Promote and support Investment in Soft Infrastructure**

Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
<b>Enabling or providing skills training on an ongoing basis</b>	Implementation of needs driven Learner ships	Adult Basic Education for community members  Facilitate the implementation of co-operative education programmes	ICT Skills Portal  Consolidated Workplace Skills Plan (WSP) for the Municipality quarterly Implementation Reports  Annual skills training schedule in line with the WSP.	Redistribution of wealth, Poverty alleviation  Improved quality of life and standard of living	Mismatching of skills versus jobs	Illiterate groups	
<b>Continuously providing increased business focused education and access to education</b>	Identify additional ways of enhancing Maths and science provision in selected schools and implement where possible	Maths/Science/Technology careers awareness raising workshops for teachers and pupils	Increased number of Maths and Science students  Increased number of schools specializing in Maths and Science	Enhanced job opportunities	Supply versus Demand	Teachers and pupils	
<b>Work experience and teacher/pupil placement schemes by September 2008</b>	Teachers and Students working for short periods of time	Teachers and Students working for short periods of time in businesses to gain work experience and a work ethic skills	Number of people retrained and placed to jobs	Redistribution of wealth, Poverty alleviation  Improved quality of life and stan	Ageing Teachers and abuse of drugs and alcohol	Teachers and pupils	

Promote and Support Agricultural development							
Objectives	Strategy	Project	Indicator	Outcome	Risk	Target	Estimated Budget
Promotion of urban agriculture		Commercial Hydroponics Farming	400 Ton production facility and live fish processing facility	128 new full time jobs created	Animal Diseases Health hazards	Export market to Japan	
Promotion of small-scale and intensive farming		Commercial Pig Farming	500 Pig production facility 90 Ton feed plant facility	32 new full time jobs created	Animal Diseases Health hazards	Escort (local market)	
Organic products cultivation		Vegetable garden and Technical production package (seeds, fertilizers, basic gardening tools. etc	Improved water supply through borehole and irrigation scheme. Improved production through technical production support	8 Families sustained, if land is used productively.	Availability of land Water pollution	Local families	
: Promotion of Agro-processing industries		Technical production and market linkages support.	On Farm management, Administrative, marketing and production training support	Producers meeting the required production, quantities and production consistently.	Political buy-in	Local Farmers	
		Commercial Inland Fish Farming	20 tunnels 10.5x.8x4.1m production facility, pack house and office block Local markets	49 new full time jobs initiated	Water pollution Extinction of fauna	Local market	
		Commercial Hydroponics Farming	400 Ton production facility and live fish processing facility	128 new full time jobs created	Animal Diseases Health hazards	Export market to Japan	

		Commercial Pig Farming	500 Pig production facility  90 Ton feed plant facility	32 new full time jobs created	Animal Diseases  Health hazards	Escort (local market)	
		Vegetable garden and Technical production package (seeds, fertilizers, basic gardening tools. etc	Improved water supply through borehole and irrigation scheme.  Improved production through technical production support	8 Families sustained, if land is used productively.	Availability of land  Water pollution	Local families	
		Technical production and market linkages support.	On Farm management, Administrative, marketing and production training support	Producers meeting the required production, quantities and production consistently.	Political buy-in	Local Farmers	



## Sector (Business cluster) Development

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

## CHAPTER NINE

### 9. SECTOR PLANS AND/OR PROGRAMMES FOR EFFECTIVE IMPLEMENTATION OF IDP

The following are some of the significant sector plans or programmes that are available in the Municipality in order to ensure the effectiveness and efficient implementation of the IDP.

#### 9.2 LAND-USE MANAGEMENT SYSTEM

The objective of this plan is to formulate, develop and implement appropriate planning instruments to effectively guide and control land use and development, which will protect and enhance property ownership and value, and which will establish a balanced living environment.

The LUMS is a single and flexible system used to manage land within a municipal area. Land Use Management is a combination of all the tools and mechanisms used by a municipality to manage the way land is used and developed. These tools include inter alia: land use schemes; by-laws; licensing; rates and general property information. Municipalities are required to undertake land use planning in terms of the Municipal Systems Act No. 32 of 2000. A Land Use Management System is aimed at co-ordinating all land uses and their relationship to each other - ensuring certainty, order and compatibility of land uses - in order to:

- Create safe, healthy and liveable environments through appropriate design standard; promoting sustainable development and resource protection (e.g. protection of land assets);
- Promote viable services provision.
- There are several steps necessary to produce a LUMS:
- The translation of the existing TPS(s) zones into LUMS terminology.
- The introduction of appropriate new zones facilitated by the LUMS system (e.g. a series of mixed use and interface/buffer zones).
- The translation of the land use areas implicit in the General Plans of areas currently not in a TPS into LUMS terms.
- The extension of the LUMS into areas without any other form of control using the existing zones available or introducing new/additional zones (e.g. traditional settlement areas, agriculture, etc).

#### 9.3 WATER SERVICE DEVELOPMENT PLAN

This is a business plan which sets out the way in which the water services authority plans and delivers water services to individuals and businesses in its area of jurisdiction. It should be done as part of the IDP process and the summary of the housing planning undertaken becomes a chapter in the IDP. Therefore it is not a comprehensive, stand-alone plan resulting from a separate planning process.

With the publication of the Water Services Act 108 of 1997, all water services authorities are required to prepare a Water Services Development Plan (WSDP). This is a business plan which sets out the way in which the water services authority plans and delivers water services to individuals and businesses in its area of jurisdiction

It must also describe the current and future consumer profile, the type of services that are provided, the infrastructure requirements, a water balance, organizational and financial arrangements to be used, an assessment of the viability of the approach, and an overview of environmental issues.

Following these analyses, important issues that may impact on the provision of effective and sustainable water and sanitation services need to be identified and strategies must be formulated to improve service provision.

## 9.4 HOUSING CHAPTER PLAN

The Housing Sector Plan/ Housing Chapter is a summary of the housing planning undertaken by a municipality and should be used together with the IDP. The Housing Chapter is a 5 year plan which is reviewed annually. It should be done as part of the IDP process and the summary of the housing planning undertaken becomes a chapter in the IDP. Therefore it is not a comprehensive, stand-alone plan resulting from a separate planning process. The Housing Sector Plan/ Housing Chapter, and its contents, in the context of sustainable human settlements, would consist of:

- An analysis of the housing demand;
- A strategy for the supply of housing;
- A set of designed and prioritized housing projects;
- The integration of the housing strategies and projects with the other sectors to achieve sustainable human settlements; and
- An adopted IDP with a Housing Chapter.

The main purposes of the Housing Sector Plan are:

- To ensure the effective allocation of limited resources (specifically financial and human) to a large pool of potential development interventions.
- To provide a formal and practical method of prioritizing housing projects and obtaining political consensus for the sequencing of their implementation.
- To ensure more integrated development through bringing together the relevant cross-sectoral role players to coordinate their development interventions in one plan.
- To provide greater spatial linkages between the spatial development framework and the physical implementation of projects on the ground.
- To ensure that there is a definite housing focus for the IDP.
- To provide a critical link between integrated developments planning and the practical reality of delivering housing projects on the ground.
- To ensure effective subsidy budgeting and cash flows both at the local municipal and provincial levels.

The main expected outputs from the Housing Sector Plan are:

- A priority implementation list of the relevant housing projects in the municipal area.
- Preliminary assessment of the technical and social feasibility of all projects in the municipal area.
- Confirmation of IDP linkages for all prioritized projects.
- Coordination of MIG and other funding for projects.
- Confirmation of stakeholder involvement in the development process.
- Cash flows and broad project programmes.
- Transfer of skills to Local Municipalities.

In the case of Lekwa the Housing Sector Plan should include a Rural Housing Strategy. The general aim of the strategy is the eradication of rural housing backlog and the enhancement of the quality of housing. The strategy should address the following:

- Lack of reliable data on the nature and extent of the housing backlog.
- Identification of need of rural communities.
- The need to create new or adjust existing subsidy mechanisms to accommodate the challenges of farm worker accommodation.
- Identification of well located and suitable land for housing development.
- The provision of basic services could prove a challenge if houses are to be built on private property.
- The ability of farm workers and occupiers to sustain the cost of housing and associated rates and service charges that will arise in most off-farm settlement options.

- Identification of different housing typologies.
- The capacity of the municipality, within rural contexts, to manage planning of service provision.
- The strategy will contribute to poverty alleviation, infrastructure development, job creation and the absence of basic services.

In the case of Lekwa a Compaction and Densification Strategy should be developed for Standerton and Sakhile. It should deal with new densities, mixed use nodal forming, infill development and redevelopment of lower density areas. The strategy's more specific objective is to:

- Ensure optimal and efficient use of infrastructure, services, facilities and land.
- Support the development of a viable public transport system and improve levels of access, especially by the poor, to the City's resources and amenities.
- Provide a framework and guidelines for the assessment of development proposals that promote densification.
- Provide homeowners and property investors with certainty regarding the areas that will be targeted for various types of densification.
- Protect, manage and enhance the natural and built environment and significant cultural landscapes.
- Ensure that the scale and character (in terms of bulk, height, and architectural styling if necessary) of the higher density areas is appropriate to the immediate context.
- Support the development of mixed land uses providing for vitality, opportunities and integrated living environments.
- Contribute to place-making and the development of attractive and safe urban environments

## 9.5 LOCAL ECONOMIC DEVELOPMENT AND TOURISM STRATEGY

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

The main focus of the LED and Tourism is on the on the following aspect as envisaged in the SDF:

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

Examples of LED initiatives are:

- Supporting micro enterprises;
- Supporting small business development;
- Providing skill training;
- Encouraging domestic or foreign investment by providing infrastructure like roads or the reduction of crime;
- Providing municipal services such as transport, education or regulations which support local economic development.

There is no single solution to LED that will work in every local area. Each local area has a unique set of opportunities and problems, and must develop an approach to LED that is specific to that area. For example, some

local areas have physical features (such as a beautiful coastline, or a harbour like Durban) that can be used to help economic development through tourism or as a freight distribution hub. Other local areas may draw on different resources for LED, such as the presence of coal and gold, infrastructure like mines, or a well-educated and skilled workforce.

In the case of Lekwa LM, it has the following strengths to build on in order to achieve local economic development and these are the priority areas that should be addressed:

- Tourism: Natural features such as the Vaal River and Grootdraai Dam.
- Local Businesses and industries: Standerton which has a strong business sector and is home to a number of industries.
- Mining and Power stations: New Denmark Colliery and Tutuka Power Station as well as its locality within coal fields and proximity to industrial hubs such as the TEKS area.

As part of the LED the following strategies should be drafted.

Mining and Industry Framework: This framework would be vital to assist the municipality in future planning as it will give an indication whether these industries could contribute towards development of the municipality. What is lacking at this stage is information pertaining to the growth and development of mining sectors, specifically mining exploration data. The framework should ideally address the following:

- Current and future plans of mines in and around Lekwa LM.
- Mining exploration data.
- Opportunities of the petrochemical industries, wood processing and the development of industry specific development nodes.
- Explore and facilitate the beneficiation of down streaming of products within the petro chemical mining, agriculture and mining, and forestry industries.
- Agricultural Development and Management Strategy: This strategy should deal with the future development and management of the various agricultural sectors, the related Agrieconomies and downstream products as well as commercial farming.
- Tourism Development Strategy

## **9.6 INFRASTRUCTURE INVESTMENT PLAN**

The Municipal Infrastructure Investment Plan sets out a basis whereby Municipalities can plan programme and budget for meeting the infrastructure service needs in their areas. The Infrastructure Investment Plan seeks to provide a strategic direction in ensuring provision of sound, safe, environmentally friendly and sustainable infrastructure services to all residents. It also outlines the infrastructure investment plan for the next five years and the resources required meeting the plan objectives and National or Provincial policy guidelines.

The plan covers the maintenance, upgrading, refurbishment and provision of new electricity, water, sanitation, housing, buildings and road infrastructure within the Municipality's area of jurisdiction. This plan will assist the Municipality to:

- Determine the extent of infrastructure to be provided,
- Determine the capital expenditure required to provide this infrastructure,
- Methods of financing the capital expenditure,
- Determining the operational expenditure to operate and maintain the service delivery,
- Methods of raising revenue to cover the operating expenditure, and
- Develop monitoring and management systems.

## **9.7 INTEGRATED TRANSPORT PLAN**

An ITP serves as a guide for transportation planning. It sets out a collaborative, consistent and sustainable approach to transport planning.

## **9.8 COUNCIL PROPERTY ALIENATION STRATEGY**

To coordinate the alienation of vacant council owned land in terms of the section 14 of the MFMA

## **9.9 PERFORMANCE MANAGEMENT PLAN**

The Municipal System Act (2000) requires municipalities to develop a performance management system that is commensurate with its resources. The development and implementation of a performance management framework has the following benefits:

- Inform executive decision making processes;
- provide an early warning signal of problematic areas where the municipality is likely to under-perform; and
- Create a culture of organizational performance measurement.

An organization's strategic plan is its foundation, and it is the foundation for an effective performance measurement system. The City will take into consideration the need to continuously ensure the alignment of its performance management system with its IDP. This will be realized by always ensuring that whenever the IDP is reviewed, the performance targets and performance indicators of the revised programmes and projects also reviewed to cover new changes.

## **9.10 SOCIAL NEEDS ASSESSMENT PLAN**

A separate needs assessments should be done for:

- Education
- Health
- Sport, recreation and culture

It should include development of a plan and implementation to establish detailed status quo of all infrastructure, including mapping and establishing of current infrastructure.

Through the needs assessment, a clearer picture of the current situation, as well as existing gaps, can be obtained, which in turn will simplify the process of evaluation, planning and implementation of programmes and projects.

## **9.11 OPEN SPACE PLAN**

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

The objectives for such a framework are:

- To create a detailed data and information base on all Open Spaces within the municipal area, including conservation areas and strategically important Open Space resources;
- To establish the status of the open space resources as a vital and valuable physical and economic resource within the municipal area;

- To develop an Open Space network based on a defined vision, goals, principles, typologies and categories on municipal and regional scale;
- To develop Principles and Policy Statements as a basis for consistent and integrated decision making by the local authority regarding issues affecting Open Space resources;
- To provide Principles and Policy Statements as a basis for informing all scales of land use and infrastructure planning and development;
- To provide an Institutional and Management Framework to ensure the effective and collaborative planning, implementation and administration of the Open Space network;
- To inform the acquisition and disposal of Open Space; and
- To provide a Framework within which development activities within the city comply with the National Environmental Management Amendment Act, 2004 (Act 8 of 2004).

## 9.12 URBAN EDGE POLICY

The delineation of an urban edge in order to:

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

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

## 9.13 ENCROACHMENT ON PROPERTY POLICY

Lekwa Local Municipality hereby, in terms of Section 13(a) of the Local government: Municipal Systems Act, 2000 (Act No 32 of 2000), publishes the Encroachment on Property By-laws for the Lekwa Local Municipality, as approved by its Council, as set out hereunder. The content of this policy entail the following components;

- Council permission required
- Rules for the construction of projections
- Columns
- Balconies and bay windows
- Plinths, pilasters, corbels and cornices
- Verandas around corners
- Pavement openings
- Maintenance, removal and tenancy of projections
- Paving of footways or pavements under or in front of encroachment
- Projections
- Offences and penalties
- Repeal of by-laws
- Short title

## 9.14 INVESTMENT AND INCENTIVE STRATEGY

The aim of the Lekwa Investment promotion and incentive policy is to provide a framework for the uniform development of incentives in Lekwa Municipality that will assist to:

- Attract major national and international investors to Lekwa.
- Retain and boost existing investment in Lekwa.
- Support investment into projects identified in the IDP and the Lekwa SDF

An **investment** can be defined as “the warehousing of capital or assets in the open market for a defined period with the intention of declaring a yield at the end of the defined period.” (Gildenhuys,1997).In the complex world of risk, change, and different tax regimes, investment managers tend to rely more on the “satisfying behaviour” than the systematic evaluation of investment outcomes, when it comes to a decision to invest. The open market system

comprises mainly the Western hemisphere countries and Asia where the amount of capital inflows in these economic hubs determines the size and profitability of investments made. The rate of these capital flows is used as an indicator of confidence to invest. It is therefore not surprising that the dominant markets are found in Europe, United States and Asia as compared to the developing economies, of which South Africa is one. This phenomenon explains the importance of direct foreign investment for any developing economy.

An **incentive** can be defined as:

- Stimulus
- Motivating influence
- Serving to incite to action
- Something that arouses to effort or action
- In economics, additional payment offered to workers to boost production

In order for the policy to function in a proper manner the following principles are underlying the policy

#### **Affordability**

The introduction of an incentive should not create a cost to the municipality and the income forgone should not have a severe effect on the revenue stream of the municipality.

#### **Transparency and Uniformity**

The granting of an investment incentive will be done according to a set of predetermined criteria and information on the actual granted incentive will be open for public knowledge.

#### **Targeted sectors**

The investment incentive will only be applicable in specific areas, i.e. areas identified for incentivised economic growth in the IDP.

#### **Simplicity and continuity**

The structure and administration of the investment incentive have to be easily understandable and should not require a complex administration so as to minimise staff and financial impacts. This will ensure quick turnaround times for applications (urgency and speed is essential to attract and retain investment).

#### **Co-operative governance**

The incentive is intentionally modest so as to avoid an incentive and relocation war with other investment locations in South Africa.

#### **Continuous Review**

The investment incentive policy will be regularly reviewed to ensure relevance and effectiveness.

Investors are interested to invest in a framework that respects **economic fundamentals**. The city or country that satisfies the considerations of profitability will influence the “satisficing behaviour” of the investor. The Municipality must ensure that the following economic fundamentals are in place or are being improved in order to position itself as a possible investment destination:

- Trade and investment regime
- Good infrastructure
- Clear property rights
- Political stability
- Mature financial system
- Macroeconomic stability
- Skilled workforce



Municipal regions are competing for international investment in their areas. Some have travelled the extra mile to introduce incentives and cities must first ensure that they have competitive economies before deciding on introducing incentives. The Municipality's focus will be on putting the economic fundamentals in place.

## **9.15 DISASTER MANAGEMENT PLAN**

The purpose of a Disaster Management Plan is to enhance the capacity of the municipality to prevent and to deal with disasters and to avoid developments, which are subject to high risk of disasters.

Disaster Management Framework, Plan and Centre are interrelated. The scope of disaster management as required by the Act broadly entails three domains as outlined hereunder: -

### Disaster Planning

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

### Disaster Preparedness and Response

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

### Disaster Recovery

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

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

## **9.16 INTEGRATED ENVIRONMENTAL MANAGEMENT PLAN**

An EMP is a document created by Gert Sibande District Municipality to provide a framework for dealing with the pollution risks associated with the local municipal activities. In many cases, it simply formalizes practices already undertaken on projects sites by municipalities.

Integrated Environmental Management (IEM) is designed to ensure that the environmental consequences of development proposals are understood and adequately considered in the planning process. The term environmental is used in its broad sense, encompassing biophysical and socio-economic components.

The purpose of the IEM is to resolve or mitigate any negative impacts and to enhance positive aspects of development proposals.

The **definition** of IEM according to the Department of Environmental Affairs and Tourism, (1998) is: A philosophy which prescribes a code of practice for ensuring that environmental considerations are fully integrated into all stages of the development process in order to achieve a desirable balance between conservation and development.

The **vision** for IEM, according to the Department of Environmental Affairs and Tourism, (1998), is to lay the foundation for environmentally sustainable development based on integrated and holistic environmental management practices and processes.

**Gert Sibande District's IEM include the following basic principles of IEM**

The basic principles underpinning IEM are that there be:

- informed decision-making;
- accountability for information on which decisions are taken;
- accountability for decisions taken;
- a broad meaning given to the term *environment* (i.e. one that includes physical, biological, social, economic, cultural, historical and political components); GSDM Integrated Environmental Plan
- an open, participatory approach in the planning of proposals;
- consultation with interested and affected parties;
- due consideration of alternative options;
- an attempt to mitigate negative impacts and enhance positive aspects of proposals;
- an attempt to ensure that the 'social costs' of development proposals (those borne by society, rather than the developers) be outweighed by the 'social benefits' (benefits to society as a result of the actions of the developers);
- democratic regard for individual rights and obligations;
- compliance with these principles during all stages of the planning, implementation and decommissioning of proposals (i.e. from "cradle to grave"), and
- The opportunity for public and specialist input in the decision-making process. (Department of Environmental Affairs, 1992).

**9.17 IDP PROCESS PLAN FOR 2013/2014 FINANCIAL YEAR**

**Table 1: Major Activity: First Quarter**

	Activity	Responsibility	JULY				AUG				SEPT			
			1	2	3	4	1	2	3	4	1	2	3	4
Integrated Development Planning	PHASE 1 & 2: Implementation Monitoring, Review and confirmation of Development Priority Issues	MM	■	■	■	■	■	■	■	■	■	■	■	■
	Assess 2012/13 IDP Process/ Content	MM	■	■	■	■								
	Council Approval & Advertisement of the IDP & Budget Process	MM	■	■	■	■								
	Constitution of the IDP Structures: 1 <sup>st</sup> IDP RF	MM	■	■	■	■	■							
	Analysis, amendment and confirmation of Development issues from the 2012/13 IDP	MM					■	■	■	■				
	Review and Confirm objectives and Strategies	MM									■	■	■	■
Annual Budget	Monthly Financial Reports for June 2012 including expenditure on staff benefits and results of cash flow for 2012/13	CFO	■	■	■	■								
	Accounting Officer to prepare annual financial statements	CFO					■	■	■	■				
	Monthly Financial Report for July 2012	CFO					■	■	■	■				
	Monthly Financial Report for August 2012	CFO									■	■	■	■
Pe rf	Finalize the Fourth Quarter Performance Report	MM	■	■										



	Report of the Executive Mayor on implementation of Budget and Financial state of the Municipality	CFO	■	■	■														
	Monthly Financial Report for October 2012	CFO				■	■	■	■										
	AG to complete audit within 3 months of reviving financial statements	CFO				■	■	■											
Performance Management Systems	Quarterly meeting of the Performance Audit Committee	MM	■	■															
	First Quarter Performance Reports finalized and ready for Assessments	MM	■	■															
	1 <sup>st</sup> Quarter PMS Audit Report to MM and Performance Audit Committee	MM		■	■														
	Prepare annual performance report	MM			■	■	■	■	■										
	Compile half yearly assessments of Municipality's performance against performance of objectives	MM											■	■	■				

**Table 1: Major Activity: Third Quarter**

	Activity	Responsibility	JANUARY				FEBRUARY				ARCH			
			1	2	3	4	1	2	3	4	1	2	3	4
Integrated Development Planning	PHASE													
	Input IDP Review Projects (alignment of IDP Review) to the Municipal budgeting process – ensure alignment.	MM												
	Adoption of the 2012/13 Draft IDP:	MM												
	Local Municipality	MM												
	3 <sup>rd</sup> IDP Representative Forum to Consider Draft IDP, and consolidated inputs from Provincial and National Departments	MM												
	Convening of the Municipal Planning Alignment Summit	MM												
	21 Days advertisement for public comments	MM												
	Public Participation	MM												
Annual Budget	Monthly financial report for Dec 2012 including expenditure on staff benefits and results of cash flow for 2 <sup>nd</sup> quarter	CFO												
	Executive Mayor finalize and table the Draft Budget inclusive of the adjustment Budget and submit to Council for approval	CFO												
	Executive Mayor table Annual report, audited Financial Statements, Audit	CFO												

	Activity	Responsibility	JANUARY				FEBRUARY				ARCH			
			1	2	3	4	1	2	3	4	1	2	3	4
	Report and comments thereon to Council.													
	Publicize the Annual Report in terms of section 121(5) of the MFMA.	CFO												
	Monthly Financial Report for January 2013	CFO												
	Monthly Financial Report for February 2013	CFO												
	Alignment with the Draft IDP	CFO												
Performance Management Systems	2 <sup>nd</sup> Quarter Performance Reports finalized and ready for Assessments	MM												
	2 <sup>nd</sup> Quarter PMS Audit Report to MM and Performance Audit Committee	MM												
	Undertake Midyear Performance assessments against targets, indicators and Budget implementation plan	MM												
	Submit Annual Report to AG, Provincial Treasury and Department of Co-operative Governance and Traditional Affairs (DCG&TA)	MM												
	Council considers and adopts oversight report on 2012 / 2013 Annual Report (Minutes to AG, Provincial Treasury and DCG&TA)	MM												

**Table 1: Major Activity: Fourth Quarter**

	Activity	Responsibility	APRIL				MAY				JUNE			
			1	2	3	4	1	2	3	4	1	2	3	4
Integrated Development Planning	PHASE													
	Ensure IDP, Budget and PMS alignment	MM	■	■	■	■								
	Submit 2012/13 Draft IDP to DCG & TA for credibility assessments	MM	■	■										
	Consider inputs from the 2012/2013 IDP credibility assessments process	MM			■	■	■	■						
	4 <sup>th</sup> IDP RF to Final confirmation and amendment of Sector Plans, programmes and projects	MM			■	■	■	■						
	Executive Mayor table Final 2013/14 IDP before Council for approval	MM					■	■	■					
	Submit a copy of the Final 2013/14 IDP 10 days upon approval by Council to the MEC of DCG & TA	MM								■	■			
	Notify the Public of the approval of the Final 2013/2014 IDP Budget by Council within 14 days upon approval	MM									■	■		
Annual Budget	Mayor to get inputs from community on budget (between 30 and 90 days after approval)	CFO	■	■	■	■								
	Monthly financial report for March 2013 including expenditure on staff benefits and results of cashflow for 3 <sup>rd</sup> quarter	CFO	■	■										
	Report of Executive Mayor on implementation of budget and financial state of affairs of Council	CFO			■	■	■	■						



	Activity	Responsibility	APRIL				MAY				JUNE			
			1	2	3	4	1	2	3	4	1	2	3	4
	Monthly Financial Report for April 2012	CFO					■	■	■					
	Executive Mayor table 2013/14 Budget for approval before Council	CFO					■	■	■					
	Send copies of Final Budget to NT and PT upon approval by Council	CFO					■	■	■					
	MM to present SDBIP to the Executive Mayor 7 days upon approval of the 2013/14 Budget by Council	CFO								■	■			
	Monthly Financial Report for May 2012	MM									■	■		
Performance Management Systems	3 <sup>rd</sup> Quarter Performance Reports finalized and ready for Assessments	MM	■	■										
	3 <sup>rd</sup> Quarter PMS Audit Report to MM and Performance Audit Committee	MM	■											
	Annual Review of Organisational KPI's (Review of Organisational KPI's affected by the IDP Review Process)	MM	■	■	■	■	■	■	■	■	■	■	■	■