



ELIAS MOTSOALEDI LOCAL MUNICIPALITY  
**INTEGRATED DEVELOPMENT PLAN**  
2016/17 REVIEW

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## ABBREVIATIONS

<b>ASGISA</b>	ACCELERATED AND SHARED GROWTH INITIATIVE OF SA
<b>CDF</b>	CAPITAL DEVELOPMENT FUND
<b>CDW</b>	COMMUNITY DEVELOPMENT WORKER
<b>DORA</b>	DIVISION OF REVENUE ACT
<b>EMLM</b>	ELIAS MOTSOALEDI LOCAL MUNICIPALITY
<b>GAMAP</b>	GENERALLY ACCEPTED MUNICIPAL ACCOUNTING
<b>GRAP</b>	GENERALLY RECOGNISED ACCOUNTING PRACTICE
<b>IDP</b>	INTEGRATED DEVELOPMENT PLAN
<b>IGR</b>	INTERGOVERNMENTAL RELATIONS
<b>JIPSA</b>	JOINT INITIATIVE FOR PRIORITY SKILLS ACQUISITION
<b>LED</b>	LOCAL ECONOMIC DEVELOPMENT
<b>LIBSA</b>	LIMPOPO BUSINESS SUPPORT AGENCY
<b>LIGF</b>	LIMPOPO INTERGOVERNMENTAL FORUM
<b>LIMDEV</b>	LIMPOPO ECONOMIC DEVELOPMENT ENTERPRISE
<b>LUMS</b>	LAND USE MANAGEMENT SYSTEM
<b>MEC</b>	MEMBER OF EXECUTIVE COUNCIL
<b>MFMA</b>	MUNICIPAL FINANCE MANAGEMENT ACT
<b>MSA</b>	MUNICIPAL SYSTEMS ACT, 2000
<b>MTAS</b>	MUNICIPAL TURN AROUND STRATEGY
<b>NCOP</b>	NATIONAL COUNCIL OF PROVINCES
<b>NSDP</b>	NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE
<b>NT</b>	NATIONAL TREASURY
<b>PCF</b>	PREMIER'S CO-ORDINATING FORUM
<b>PMS</b>	PERFORMANCE MANAGEMENT SYSTEM
<b>PT</b>	PROVINCIAL TREASURY
<b>SALGA</b>	SOUTH AFRICAN LOCAL GOVERNMENT ASSOCIATION
<b>SDBIP</b>	SERVICE DELIVERY & BUDGET IMPLEMENTATION PLAN
<b>SDF</b>	SPATIAL DEVELOPMENT FRAMEWORK
<b>LDP</b>	LIMPOPO DEVELOPMENT PLAN
<b>NDP</b>	NATIONAL DEVELOPMENT PLAN
<b>WSDP</b>	WATER SERVICE DEPARTMENT PLAN
<b>SDM</b>	SEKHUKHUNE DISTRICT MUNICIPALITY
<b>LEGDP</b>	LIMPOPO EMPLOYMENT GROWTH AND DEVELOPMENT PLAN
<b>SDGs</b>	SUSTAINABLE DEVELOPMENT GOALS

## VISION / MISSION AND VALUES

Strategic intent refers to the purposes the organisation strives for. These may be expressed in terms of a hierarchy of strategic intent or the framework within which an organisation operates, adopts a predetermined direction and attempts to achieve its goals provided by a strategic intent. The hierarchy of strategic intent covers the vision, mission, value system, strategic goals, impact, outcomes and targets.

The organisation's strategic intent is most important and focuses on the organisation's plans and objectives in its day to day business. It is of critical importance to realise that even if the values and strategies are well designed and enunciated, the success would depend upon their implementation by individuals in the organisation. The strategic intent compels an organisation to reconceptualise its current business practices and articulates how the future would be worth being in the future. In essence the vision and mission statements look into the future more rigorously.

Articulating a vision is the soul-searching activity, where an organisation tries to answer the critical questions like 'why are we here' and 'where are we today'? This analysis of the present is essential, because it provides the true picture of today from where we begin the journey towards the future. The vision is a compelling but not controlling force that shows us where we want to be. A strategic vision enables an organisation to focus on future success.

Vision

**"Thé agro-economical and ecotourism heartland"**

Mission

A mission statement reflects the way in which the municipality will conduct their everyday tasks. It describes the purpose of the municipality and the areas to focus on in order to achieve its vision. The mission addresses the objects of government as stipulated in Section 152 of the Constitution: Democratic and accountable governance, sustainable services, social and economic development, safe and healthy environment and encouraged community involvement<sup>1</sup>. The Elias Motsoaledi Local Municipality also reviewed its mission statement to reflect the new **vision statement and developed** the following mission statement that should provide everyone involved with the municipality (either as employee, stakeholder or community member) with the answer to justify the reason for its existence.

- To ensure provision of sustainable services
- To deepen democracy through public participation and communication
- Provision of services in a transparent, fair and accountable manner
- Provide public value for money
- To create a conducive environment for job creation and economic growth

Subsection 2 of section 152 goes further and directs the municipality further by prescribing what the municipality must strive to achieve, within its financial and administrative capacity, to achieve the objectives set out in subsection (1). The mission statement outlined above fully conforms to section 152 of the constitution as it guides the municipality towards ensuring that the mission statement adheres to the intent of the constitution for local government organisations.

The key fact about culture stands out, namely organisational value systems impact the way the organisation progresses and poses the following questions: What is important to our organisation? How are decisions made? Who is in charge? How do I relate to other employees and groups within our organisation? What behaviours are rewarded and

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<sup>1</sup>South Africa. 1996. Constitution of the Republic of South Africa, Act no 108 of 1996. Pretoria: Government Printers.

recognised? What is compensation based upon? These are cardinal questions of which if answered honestly will define the culture of the organisation.

The value system of Elias Motsoaledi Local Municipality is articulated in the table below as follows:

Value	Description
People first	Everybody is empowered within the whole community
Transparency	Invite and encourage public sharing and democratic participation in council's activities.
Commitment	Focus and concentrate on council's core activities in a consistent manner.
Integrity	Conduct council's business in a fair, responsible, flexible, equitable and honest manner.
Accountability	Report regularly to all stakeholders regarding council's actual performance.
Environmental Conscious	Taking care of the sensitive environment to ensure that the vision is achieved.
Empowerment	To be seen to be empowering our people, knowledge is power.
Service excellence	In all aspects of conducting ourselves and our mandate, we will focus on service excellence.
Change	In order to move to a better quality life, something different needs to be done from what is being done now. In this regard change will be the main driver of doing things differently



## **FOREWORD BY THE HONOURABLE MAYOR**

The 2016-2021 IDP serves as a five year developmental plan that will guide service delivery within the Elias Motsoaledi Local Municipality council and also serve as a five year strategic document of the municipality. As the sphere of government closest to the people, municipalities have a particular responsibility to achieve delivery of basic services through various programmes such as roads and storm water, waste management, electrification, job creation through LED, fight poverty as well as financial sustainability.

It is against this background that the municipality is embarking on a process to develop the current IDP for 2016 - 2021 to achieve these outcomes. The development of various sector plans and strategies represented the first step in broadening the long term planning horizon and to position the municipality in order to maximize the efficiency, effectiveness and impact of the municipality.

In framing this IDP, the municipality was guided by some of the enduring principles of the Limpopo Development Plan (LDP) as well as guided by the changing socio-economic context, political priorities, intergovernmental engagements, stakeholder consultations and internal processes.

The municipality is geared towards holding open and honest consultations with all stakeholders and would like to appreciate the role played by the traditional leaders in the entire process. We continue to enjoy their support all the times. We also appreciate the role played by our communities by providing the necessary input into the IDP and we take this opportunity to encourage more communities to be involved in the process of developing the IDP.

The municipality has in the previous five years of its council term of office embarked in various development projects that include the upgrading of roads and construction of storm water drainage that will contribute in the road infrastructure development. 1331 job opportunities have been created targeting the unemployed youth and women through the EPWP and CWP Programme.

We acknowledge the work of the Municipal Manager, Senior administration, IDP unit team, in developing a strategic integrated development plan that is aligned to our budget, service delivery implementation and monitoring and evaluation processes. The development of the 2016-2021 IDP will assist the municipality in ensuring that the long term vision and outcome is achieved.

I would like to thank council for their political leadership and guidance guiding and drafting and development of the IDP.

**Cllr Julia Lata Mathebe**  
**Mayor**

# CHAPTER 1

## 1. EXECUTIVE SUMMARY BY THE MUNICIPAL MANAGER

### 1.1. BACKGROUND

The Local Government Municipal Systems Act (MSA) No.32 of 2000 as amended, and other relevant supplementary legislative and policy frameworks require that local government structures prepare Integrated Development Plans (IDPs). In compliance with this legislation the Elias Motsoaledi Local Municipality's IDP provides the strategic framework that guides the municipality's planning and budgeting over the course of a political term.

The current IDP is a five year document that will be reviewed annually to re-assess and re-evaluate the municipality's development priorities and challenges and to accommodate new developments in the local governance processes. This document encapsulates the completed processes as part of the review of the IDP 2016 to 2021 for the Elias Motsoaledi Local Municipality.

The IDP development process identified a number of goals and objectives that are aimed at creating a pathway for the municipality to realise its vision. These goals and objectives are aligned to the six Local Government Key Performance Areas (KPA's) as prescribed by the National Department of Cooperative Governance and Traditional Affairs (CoGTA).

# CHAPTER 2

## 2. IDP REVIEW PROCESS

The Municipal Systems Act of 2000, Section 35 states that an integrated development plan (IDP) adopted by the Council of a municipality 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. The IDP process also provides an opportunity for the municipality to debate and agree on a long term vision for the development of the municipality. Among the core components of an IDP, the following matters must also be outlined in the IDP:

- the municipal Council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- the Council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- the Council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- the Council's operational strategies;
- applicable disaster management plans;
- a financial plan, which must include a budget projection for at least the next three years; and
- The key performance indicators and performance targets determined in terms of the Performance Management System.

There is a multitude of government policy frameworks, legislation, guidelines and regulations that seek to advocate for the path, pace and direction for the country's socio-economic development as depicted in the following table.

**Table 1: Legislations and policies that guide the development of the IDP**

<ul style="list-style-type: none"> <li>• The Constitution of the Republic of South Africa (1996)</li> <li>• White paper on Local Government (1998)</li> <li>• Municipal Demarcations Board of 1998</li> <li>• Municipal Systems Act of 2000</li> <li>• Municipal Structures Act of 1998</li> <li>• Municipal Finance Management Act (2003)</li> <li>• Development Facilitation Act (1995)</li> <li>• Municipal Property Rates Act (2004)</li> <li>• National Land Transport Transition Act (2000)</li> <li>• Empowerment Equity Act (2004)</li> <li>• Skills Development Act</li> <li>• White paper on Spatial Planning and Land Use Management</li> <li>• White paper on Safety and Security</li> </ul>	<ul style="list-style-type: none"> <li>• White paper on Environmental Management Policy</li> <li>• Millennium Development Goals</li> <li>• 12 Outcomes of Local Government</li> <li>• Integrated Sustainable Rural Development Strategy</li> <li>• Industrial Strategy for RSA (2001)</li> <li>• The National Youth Development Agency (2008)</li> <li>• Domestic Tourism Strategy (2004-2007)</li> <li>• National Development Plan 2030</li> <li>• Disaster Management Act 57 of 2002</li> </ul>
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In order to ensure that there is proper alignment between the strategic direction of the municipality, it is necessary to keep the National and Provincial priorities in mind during the review of the strategic intent of the municipality. Cognisance was taken of the following legislative guidelines and developmental plans during the process of formulating the review of the EMLM IDP document:

- Constitution of the Republic of South Africa
- Sustainable Development Goals
- National Development Plan – Vision for 2030
- National Government's Outcome 9
- Limpopo Employment Growth and Development Plan 2009-2014 (LEGDP)
- Sekhukhune Growth Development Strategy 2025 (SGDS)
- State of the Nation Address 2016
- State of the Limpopo Provincial Address 2016

Key points arising from these documents are summarised below.

### **2.1.1. BILL OF RIGHTS (CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA)**

- The Bill of Rights is a cornerstone of democracy in South Africa. It enshrines the rights of all people in the country and affirms the democratic values of human dignity; equality and freedom.
- The state must respect, protect, promote and fulfill the rights in the bill of rights.
- The rights in the bill of rights are subjected to the limitations contained or referred for in section 36, or elsewhere in the bill.

### **2.1.2. SUSTAINABLE DEVELOPMENT GOALS**

- 1) End poverty in all its forms everywhere
- 2) End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
- 3) Ensure healthy lives and promote wellbeing for all at all ages
- 4) Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- 5) Achieve gender equality and empower all women and girls
- 6) Ensure availability and sustainable management of water and sanitation for all
- 7) Ensure access to affordable, reliable, sustainable and modern energy for all
- 8) Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all
- 9) Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation
- 10) Reduce inequality within and among countries
- 11) Make cities and human settlements inclusive, safe, resilient and sustainable
- 12) Ensure sustainable consumption and production patterns
- 13) Take urgent action to combat climate change and its impacts (taking note of agreements made by the UNFCCC forum)
- 14) Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- 15) Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation, and halt biodiversity loss
- 16) Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- 17) Strengthen the means of implementation and revitalise the global partnership for sustainable development

### **2.1.3. NATIONAL DEVELOPMENT PLAN – VISION FOR 2030**

The National Development Plan<sup>2</sup> developed by the National Planning Commission and unveiled on 11 November 2011 states that:

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<sup>2</sup> National Development Plan is available at: <http://www.npconline.co.za>

*“South Africa can eliminate poverty and reduce inequality by 2030. It will require change, hard work, leadership, and unity. Our goal is to improve the life chances of all South Africans, but particularly those young people who presently live in poverty. The plan asks for a major change in how we go about our lives. In the past, we expected government to do things for us. What South Africa needs is for all of us to be active citizens and to work together – government, business, communities – so that people have what they need to live the lives they would like”*

The plan helps us to chart a new course. It focuses on putting in place the things that people need to grasp opportunities such as education and public transport and to broaden the opportunities through economic growth and the availability of jobs. Everything in the plan is aimed at reducing poverty and inequality. Our view is that government should shift the balance of spending towards programmes that help people improve their own lives and those of their children and the communities they live in.

South Africa can become the country we want it to become. It is possible to get rid of poverty and reduce inequality in 20 years. We have the people, the goodwill, the skills, the resources – and now, a plan.

This will be achieved by prioritising the following initiatives:

Enabling milestones are:

- 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 percent from 6 percent to 10 percent.
- 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.
- 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.
- An economy that will create more jobs
- Improving infrastructure
- Transition to a low-carbon economy
- An inclusive and integrated rural economy
- Reversing the spatial effect of apartheid
- Improving quality of education, training and innovation

- Quality health care for all
- Social protection
- Building safer communities
- Reforming the public service
- Fighting corruption
- Transforming society and uniting the country

#### **2.1.4. LIMPOPO DEVELOPMENT PLAN (LDP)**

The National Planning Commission believes that the following capital investments that are relevant to Limpopo, should be prioritised:

- The upgrading of informal settlements.
- Public transport infrastructure and systems
- The construction of a new coal line to unlock coal deposits in the Waterberg,
- Development of a number of key new water schemes to supply urban and industrial centres,
- Procuring about 20 000 MW of renewable electricity by 2030.

#### **2.1.5 NATIONAL GOVERNMENT'S OUTCOME 9**

Cabinet approved government performance monitoring and evaluation system and the management for outcomes.<sup>3</sup> This includes 12 outcomes that collectively address the main strategic priorities of government.

Outcome 9, "A responsive, accountable, effective and efficient local government system", specifically deals with local government and also needs to be aligned and integrated in other national, provincial, district priorities and strategies. The Delivery Agreement for Outcome 9<sup>4</sup> identifies the following 7 outputs with sub outputs that are linked to Outcome 9 and are as follows:

- Output 1: Implement a differentiated approach to municipal financing, planning and support
  - Policy framework for differentiation
  - More autonomy to six metros and top 21 municipalities in respect of infrastructure and housing delivery
  - A focused intervention for clearly defined smaller municipalities
- Output 2: Improved access to basic services
  - Increased access to basic services
  - Bulk infrastructure fund established
  - Established special purpose vehicle
- Output 3: Implement the community work programme and cooperatives supported
  - Job creation supported through the community work programme
  - Job creation supported through the establishment of cooperatives where feasible

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<sup>3</sup> Guide to the outcomes approach, Version: 1 June 2010

<sup>4</sup> Delivery Agreement for Outcome 9, 30 September 2010

- Output 4: Actions supported by the human settlement outcomes
  - Increased densities in Metro's and large town supported
  - Land acquisition for low income and affordable housing supported
  - Informal settlements in 45 priority municipalities upgraded
- Output 5: Deepened democracy through a refined ward committee model
  - Review and strengthen the legislative framework for Ward Committees and community participation
  - Support measures to ensure that 90% of ward are fully functional by 2014
- Output 6: Improved municipal financial and administrative capacity
  - Improved audit outcomes of municipalities
  - Reduced municipal debt
  - Municipal overspending on Opex reduced
  - Municipal under spending on Capex reduced
  - Municipalities spending less than 5% of Opex on repairs and maintenance reduced
  - Improved administrative and human resource management practices
- Output 7: Single window of coordination
  - Review local government legislation
  - Coordinated support, monitoring and intervention in provinces and municipalities

## **2.1.6 THE LIMPOPO EMPLOYMENT GROWTH AND DEVELOPMENT PLAN 2009-2014 (LEGDP)**

The Limpopo Provincial Government phased out the PGDS (Provincial Growth and Development Strategy) and created on space the LEGDP (Limpopo Employment Growth and Development Plan). This initiative is aimed at aligning the provincial growth and development with those of the municipalities and the private sector including other organs of civil society.

The LEGDP is considered a strategic document in as far as it ties provincial policies with national policies while it spells out strategies on a sectoral level. Moreover, the LEGDP also serves as guideline to provincial departments and local government/organisations when they lay out their budget allocations in the light of key growth and development priorities at the beginning of each budgeting cycle. It is thus essential that the issues and Programmes emanating from IDPs be compatible with the priority areas of the LEGDP.

Limpopo province identified several priority areas of intervention as part of the, Limpopo Employment Growth and Development Plan 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)
- Good governance (i.e. Effective and efficient public sector management and service delivery).

### **2.1.7. SEKHUKHUNE 2025 DEVELOPMENT STRATEGY (SGDS 2025)**

The SGDS 2025 identifies growth sectors to drive economic growth and social development in their entire District area. The SGDS is structured into three components:

- Baseline research which outlines trends analysis in various thematic issues that are considered as shaping the District's present and future. These include a whole range of social, economic, political and environmental trends.
- Four scenarios on different types of futures that might be experienced in Sekhukhune, depending on particular choice of policy positions.
- Investment plans which details short-to-medium term priority plans to be pursued by the District.

The SGDS seeks to outline the long-term development trajectory of the area. The SGDS highlighted development areas requiring significant and targeted focus. Key to the areas threatening development interventions is water scarcity. The report on the review and update of the SGDS alludes to the contestations and sustained pressure from industry, agriculture and domestic consumption on the already overstretched basins of the Olifants and Steelpoort Rivers running through the district.

The reviewed SGDS further identifies crime as a major concern. The review highlights the high prevalence of (1) violent crime and (2) vehicle accidents and deaths caused by drunken driving in the District. Incidents of crime pose a threat to the expansion of tourism in the District. Transport is another area of concern to the implementation of development programmes in the District area. Lack of rail in the District further compounds transport challenges in the District.

As noted in the SGDS, the lack of a rail link means that the growth of the economy of the district is highly dependent on road connectivity and on quality roads. On both scores, i.e. (1) the connectivity, and (2) the quality of roads, the situation is not good, and not only posing a serious challenge to the economic development of the district, but also contributing to road deaths in the district (see Department of Roads and Transport, 2008).

The SGDS outlined rural poverty as a threat to economic growth and development. It also acknowledged the threat of climate change. Notwithstanding the concerns raised in the SGDS, the District has endeavoured to explore various proposals to guide economic growth and development in the area. EMLM has recognised the proposals presented in the SGDS and attempted to align them to the strategies in this IDP. The section on intergovernmental framework and alignment outlines EMLM contributions to the District's IGR framework.

## **2.2 POWERS AND FUNCTIONS OF EMLM**

The EMLM municipality was established in 2000. EMLM is a category B municipality as determined in terms of Municipal Structures Act (1998). EMLM is a municipality with a Collective Executive System as contemplated in Section 2(a) of the Northern Province Determination of Types of Municipalities Act (2000). The establishment of the municipality fulfilled the local government transformation process as articulated by the White Paper on Local Government, 1998. The White Paper envisaged the form and nature of new local government structures in the country. The new local government structures are mandated to improve the quality of life of their citizens and resident

In terms of its category B status the Elias Motsoaledi municipality has been empowered to perform the following functions as bestowed upon it by the Constitution in terms of section 156(1) and the division of powers and functions.

**Table 2: Powers and Functions of EMLM**

<b>Municipal/Entity Functions</b>		
<b>Municipal Functions</b>	<b>Function Applicable To Municipality (Yes/No)*</b>	<b>Function Applicable To Entity (Yes/No)</b>
<b>Constitution, Schedule 4, Part B Functions</b>		
air pollution	yes	
building regulations	yes	
child-care facilities	yes	
electricity and gas reticulation	yes	
fire-fighting services	yes	
local tourism	yes	
municipal airports	no	
municipal planning	yes	
municipal health services	yes	
municipal public transport	yes	
municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this constitution or any other	yes	
pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and related matters	yes	
storm water management systems in built-up areas	yes	
trading regulations	yes	
water and sanitation services limited to potable water supply systems and domestic waste water and sewage disposal systems	no	Sekhukhune District Municipality
beaches and amusement facilities	no	
billboards and the display of advertisements in public places	yes	
cemeteries, funeral parlours and crematoria	yes	
Cleansing	yes	
control of public nuisances	yes	
control of undertakings that sell liquor to the public	yes	
facilities for the accommodation, care and burial of animals	yes	
fencing and fences	yes	
licensing of dogs	no	
licensing and control of undertakings that sell food to the public	yes	
local amenities	yes	
local sport facilities	yes	
Markets	yes	

Municipal/Entity Functions		
Municipal Functions	Function Applicable To Municipality (Yes/No)*	Function Applicable To Entity (Yes/No)
<b>Constitution, Schedule 4, Part B Functions</b>		
municipal abattoirs	yes	
municipal parks and recreation	yes	
municipal roads	yes	
noise pollution	yes	
Pounds	yes	
public places	yes	
refuse removal, refuse dumps, and solid waste disposal	yes	
street trading	yes	
street lighting	yes	
traffic and parking	yes	

### 2.3 MEC'S ASSESSMENT FINDINGS ON THE 2015/16 IDP

EMLM values the MEC's assessment on the IDP for 2015/2016. The office of the MEC Coghsta conducted the 2015/16 IDP assessments to determine credibility of IDPs in all the municipalities. EMLM was found to have maintained the improvements gained in previous financial years. The retention of improvement was produced through concerted efforts shown by all departments within the municipality including assistance from the Provincial sector departments.

*Table 3: MEC's Assessment trends*

Elias Motsoaledi			
Year	IDP Outcome	IDP-SDBIP Alignment	Overall Rating
2013/14	High	Aligned	High
2014/15	High	Aligned	High
2015/16	High	Aligned	High

The below table outlines the gaps identified during the assessment of the 2015-2016 IDP document.

*Table 4: 2015-2016 MEC findings*

KPA	IDP PHASE	FINDINGS	RECOMMENDATIONS
Spatial Rationale	<b>Strategies</b>	<p>The strategies phase for spatial rationale is not satisfactory. This is true for both category b and c municipalities. hereunder are a variety of findings:</p> <ul style="list-style-type: none"> <li>▪ In some idps, the spatial strategies</li> </ul>	<p>During the strategy phase, municipalities have to identify spatial development objectives and strategies to address the spatial challenges as highlighted in the analysis phase. here, the following should be considered:</p> <ul style="list-style-type: none"> <li>▪ The strategies should address key spatial challenges</li> </ul>

KPA	IDP PHASE	FINDINGS	RECOMMENDATIONS
		<p>formulated do not address all the challenges highlighted in the analysis phase;</p> <ul style="list-style-type: none"> <li>▪ There is a blanket approach to the formulation of strategies resulting in strategies that are not content specific;</li> <li>▪ There are inconsistencies in terms of formulating strategies that are short, medium to long term; and</li> <li>▪ There are also numerous shortcomings insofar as aligning the strategic objectives and strategies.</li> </ul>	<p>highlighted in the analysis phase;</p> <ul style="list-style-type: none"> <li>▪ Formulate short, medium and long term spatial strategies;</li> <li>▪ The spatial strategies have to be smart; and</li> <li>▪ The spatial strategies should correlate positively with the municipal development objectives.</li> </ul>
Basic service delivery and infrastructure development	<b>Strategies</b>	<p>The strategies of electricity and energy kpa is characterized by shortcomings. These include the following:</p> <ul style="list-style-type: none"> <li>▪ In some idps there are no strategies for electricity and energy;</li> <li>▪ The strategies tend to focus on electricity only thus negating alternative sources of energy; and</li> <li>▪ The lack of strategies to maintain and upgrade municipal electricity assets was noted in some idps.</li> </ul>	<p>Taking a cue from the electricity and energy challenges highlighted in the analysis phase, it is important to formulate strategies that seek to solve these challenges. Here, the following should be considered:the strategies should address all the spatial challenges as highlighted in the analysis;</p> <ul style="list-style-type: none"> <li>▪ Develop short, medium and long term spatial strategies;</li> <li>▪ The electricity and energy strategies needs to correlate positively with the municipal development objectives; and</li> <li>▪ The electricity and energy strategies have to be smart.</li> </ul> <p>In the case wherein the municipality is not an electricity service provider the strategies should be accessed from the relevant stakeholder(s).</p>
	<b>Strategies</b>	There are shortcomings in municipal idps with	In response to the public transport challenges highlighted in the analysis

KPA	IDP PHASE	FINDINGS	RECOMMENDATIONS
		regard to formulation of appropriate public transport strategies.	<p>phase, it is important for municipalities towards develop strategies to address these challenges. in this regard, the following should be considered:</p> <ul style="list-style-type: none"> <li>▪ The strategies should address the key challenges</li> <li>▪ As highlighted in the analysis phase; Formulate short, medium and long term spatial strategies;</li> <li>▪ The strategies have to correlate positively with the municipal development objectives; and</li> <li>▪ The strategies have to be smart.</li> </ul>
	<b>Integration</b>	The indication is that most municipalities have an integrated transport plan or are in the process of developing one.	<p>In the integration phase, municipalities should develop integrated transport plans with the following outputs:</p> <ul style="list-style-type: none"> <li>▪ Specify the changes on land transport policies and strategies (for previous 5 years);</li> <li>▪ Projects and projects segments to be carried out in five years period and the cost of each project;</li> <li>▪ All modes of transport and infrastructure;</li> <li>▪ Audget and funding resources (for relevant financial year);</li> <li>▪ Public transport plan including current public transport records (cptr) and operating licence strategy;</li> <li>▪ General strategy for travel demand management;</li> <li>▪ Set out a roads and transport infrastructure provision, improvement and maintenance strategy;</li> <li>▪ Set out a strategy or plan for the movement of hazardous substances.</li> </ul> <p>Responsibility: municipal official dealing with transport matters &amp; the</p>

KPA	IDP PHASE	FINDINGS	RECOMMENDATIONS
			transport authority
Local economic development	<b>Strategies</b>	In general the municipal strategies for local economic development are satisfactory.	In a quest to address the economic development challenges highlighted in the analysis phase, the municipalities should amongst others, develop strategies for: <ul style="list-style-type: none"> <li>▪ Nusiness attraction, expansion and retention;</li> <li>▪ Npromoting public-private partnerships;</li> <li>▪ Enhancing the dominant sector activities; and</li> <li>▪ Place marketing.</li> </ul>
Financial viability	<b>Strategies</b>	The financial viability strategies of municipalities are satisfactory.	Building on the financial viability challenges and opportunities in the analysis phase, municipalities should consider developing the following strategies: <ul style="list-style-type: none"> <li>▪ Strategies to improve the financial management of the municipality;</li> <li>▪ Strategies for cost recovery and debt collection;</li> <li>▪ Strategies to attract investors; and</li> <li>▪ Strategies for external financial resource Mobilization.</li> </ul>
Good governance and public participation	<b>Strategies</b>	The strategies on good governance and public participation in the province are satisfactory.	On the basis of the good governance and public participation analysis, the municipalities should develop , amongst others, strategies: <ul style="list-style-type: none"> <li>• To promote public participation;</li> <li>▪ to enhance good governance;</li> </ul>
Municipal transformation and organisational development	<b>Strategies</b>	The strategies phase of municipal transformation and organizational development in the province is satisfactory.	<ul style="list-style-type: none"> <li>▪ In response to the challenges in the analysis phase, municipalities should consider developing the following strategies: Capacity building (skills</li> </ul>

KPA	IDP PHASE	FINDINGS	RECOMMENDATIONS
			<ul style="list-style-type: none"> <li>development) strategy;</li> <li>▪ strategy to promote employment equity; and</li> <li>▪ Employee wellness strategy.</li> </ul>

## 2.4. NATIONAL AND PROVINCIAL PRONOUNCEMENTS

### 2.4.1. State of the nation address 2016

State of the Nation Address by His Excellency Jacob G Zuma, President of the Republic of South Africa on the occasion of the Joint Sitting of Parliament, Cape Town on the 12th February 2016

Good evening, sanibonani, molweni, dumelang, goeie naand, lotshani, riperile, ndimadekwana,

Thank you for the opportunity to address Parliament and the nation.

Today marks the 26<sup>th</sup> anniversary of the release of President Nelson Mandela from prison, which was one of the most remarkable episodes in the history of our country.

It is also the 50<sup>th</sup> anniversary of the declaration by the National Party regime that District Six would be a white's only area, leading to the forced removals of more than 60 000 residents.

The year 2016 also marks the 20<sup>th</sup> anniversary of the signing into law by Madiba, of the Constitution of the Republic. The signing took place in Sharpeville on 10 December 1996.

We are proud of our democracy and what we have achieved in a short space of time. Our democracy is functional, solid and stable.

Compatriots,

The Constitution, which has its foundation in the Freedom Charter, proclaims that South Africa belongs to all who live in it. A lot has been done to promote inclusion and a non-racial society.

However, the journey to a non-racial society has not yet been completed.

The nation was shaken last month when racism reared its ugly head on social and electronic media, causing untold pain and anger.

There is a need to confront the demon of racism. Human Rights Day, March 21, will be commemorated as the national day against racism this year. It will be used to lay the foundation for a long-term programme of building a non-racial society.

Compatriots, I would like to remind you of a few other important anniversaries.

The year 2016 marks 60 years since the women's march to the Union Buildings to demand an end to the pass laws. We are happy to have in our midst Ms Sophie de Bruyn, who was among the heroic leaders of that historic march.

We also acknowledge the former President of the Black Sash, Ms Mary Burton. We acknowledge the organisation's track record in fighting for human rights, justice and equality.

This year also marks 40 years since the landmark June 16 student uprising in Soweto.

We welcome the photographer who shot the famous photograph of Hector Peterson carried by Mbuyisa Makhubu with his sister Antoinette, Mr Sam Nzima.

We also salute the class of 1976 for their bravery in standing up against the brutal apartheid regime. We acknowledge one of the activists of that era, the Deputy Secretary of Parliament, Ms Baby Tyawa, who is in our midst.

This year we also mark 30 years since the ambush and brutal killing of the Gugulethu Seven by the apartheid police in March 1986.

The University of Fort Hare celebrates its centenary, which is a critical milestone in the liberation history of not only our country but the continent. The national celebrations will take place on the 20<sup>th</sup> of May.

Let me recognise uMntwana wakwaPhindangene, the leader of the IFP who is a former student of the university.

The year 2016 also marks the centenary of the battle of Deville Woods in France, which took place during the First World War.

Scores of Black soldiers fought in the war but were treated badly due to the colour of their skin.

A memorial that will restore their dignity and humanity is scheduled to be unveiled in July this year in France.

Compatriots, allow me as well to recognise three special guests who are also with us today,

- The chairperson of the National Church Leaders Forum and Archbishop of Cape Town, Archbishop Thabo Makgoba.
- Archbishop Daniel Matebesi, the President of the National Interfaith Council of South Africa and
- Bishop Ziphoh Siwa, the Presiding Bishop of the Methodist Church of Southern Africa and the President of the South African Council of Churches.

Madam Speaker and Madam Chairperson,

A resilient and fast growing economy is at the heart of our radical economic transformation agenda and our National Development Plan.

When the economy grows fast it delivers jobs. Workers earn wages and businesses make profits.

The tax base expands and allows government to increase the social wage and provide education, health, social grants, housing and free basic services - faster and in a more sustainable manner.

Our economy has been facing difficulties since the financial crisis in 2008. We embarked on an aggressive infrastructure development programme to stimulate growth.

Our reality right now is that global growth still remains muted. Financial markets have become volatile. Currencies of emerging markets have become weak and they fluctuate widely.

The prices of gold, platinum, coal and other minerals that we sell to the rest of the world have dropped significantly and continue to be low.

The economies of two of our partners in BRICS: Brazil and Russia - are expected to contract this year. The third, China, will not register the kind of robust growth that it is known for.

Because our economy is relatively small and open, it is affected by all of these developments.

Our economy is also affected by domestic factors such as the electricity constraints and industrial relations which are sometimes unstable.

The IMF and the World Bank predict that the South African economy will grow by less than one per cent this year. The lower economic growth outcomes and outlook suggest that revenue collection will be lower than previously expected.

Importantly, our country seems to be at risk of losing its investment grade status from ratings agencies. If that happens, it will become more expensive for us to borrow money from abroad to finance our programmes of building a better life for all especially the poor.

The situation requires an effective turnaround plan from us.

It is about doing things differently and also acting on what may not have been acted upon quickly before.

I will share a few points that we believe would make a difference.

First, our country remains an attractive investment destination. It may face challenges, but its positive attributes far outweigh those challenges.

We must continue to market the country as a preferred destination for investments. This requires a common narrative from all of us as business, labour and government.

If there are any disagreements or problems between us, we should solve them before they escalate. This is necessary for the common good of our country.

We have had fruitful meetings with business, including the high level meeting with CEOs on Tuesday this week.

We have heard the suggestions from business community on how we can turn the situation around and put the economy back on a growth path.

We have heard the points about the need to create the correct investment support infrastructure.

Government is developing a One Stop Shop/Invest SA initiative to signal that South Africa is truly open for business. We will fast-track the implementation of this service, in partnership with the private sector.

Such an initiative requires that government removes the red tape and reviews any legislative and regulatory blockages.

We have established an Inter-Ministerial Committee on Investment Promotion which will ensure the success of investment promotion initiatives.

Compatriots, we have heard the concerns raised about the performance of state owned enterprises and companies.

Many of our SOCs are performing well.

Sanral has built some of the best roads in Gauteng and in many parts of the country. These make us the envy of many parts around the globe.

The Trans Caledon Tunnel Authority has constructed dams of varied capacities, thus making it possible for our people to have access to safe drinking water.

Transnet has built rail infrastructure which has enabled our country's mines to move massive bulk of commodities through our ports to markets around the globe.

Eskom, in spite of the challenges, still manages to keep the economy going, against all odds.

Our development finance institutions such as the Industrial Development Corporation (IDC) or Development Bank of Southern Africa and others have provided finance for infrastructure, various industries and agricultural businesses without fail, even in the aftermath of the global financial crisis.

For the state owned companies to contribute to the successful implementation of the National Development Plan, they must be financially sound.

They must be properly governed and managed. We will ensure the implementation of the recommendations of the Presidential Review Commission on State Owned Enterprises, which outlines how the institutions should be managed.

The Deputy President chairs the Inter-Ministerial Committee which is tasked with ensuring the implementation of these recommendations.

We have to streamline and sharpen the mandates of the companies and ensure that where there are overlaps in the mandates, there is immediate rationalization.

Those companies that are no longer relevant to our development agenda will be phased out.

Government departments to which they report, will set the agenda and identify key projects for the State owned companies to implement, over a defined period. Proper monitoring and evaluation will be done.

These interventions are essential for growth and also for the reduction of national debt levels.

Compatriots,

We must take advantage of the exchange rate as well as the recent changes of visa regulations, to boost inbound tourism.

SA Tourism will invest one hundred million rand a year to promote domestic tourism, encouraging South Africans to tour their country.

We have heard concerns from companies about delays in obtaining visas for skilled personnel from abroad. While we prefer that employers prioritise local workers, our migration policy must also make it possible to import scarce skills.

The draft migration policy will be presented to Cabinet during the course of 2016.

We have heard the appeals for policy certainty in the mining sector, especially with regards to the Mineral and Petroleum Resources Development Bill.

The Bill was referred back to Parliament last year. We await Parliament to conclude the processing, which we trust will be done expeditiously.

Compatriots

We need to empower SMMEs to accelerate their growth. Access to high-quality, innovative business support can dramatically improve the success rate of new ventures.

The department of small business development was established to provide such targeted support to small business.

Economic transformation and black empowerment remain a key part of all economic programmes of government. One of our new interventions is the Black Industrialists Scheme which has been launched to promote the participation of black entrepreneurs in manufacturing.

We urge big business to partner the new manufacturers including businesses owned by women and the youth, as part of broadening the ownership and control of the economy.

Compatriots

We are proud of our Top 10 ranking in the World Economic Forum competitiveness report with respect to financial services.

Maintaining and indeed improving our ranking is important to our competitiveness as a country.

It is also fundamental to our ambition to become a financial centre for Africa.

The banks, through the Banking Association of South Africa, are to launch a project aimed at establishing a centre of excellence for financial services and leadership training.

This will ensure that as a country we can attract, nurture, develop and retain the best talent in financial services in our country and across our continent.

They will work with the Minister of Finance and the National Treasury to get this done. We believe that this will over time ensure that we can expand the pool of financial skills and broaden the job opportunities for many young people.

This strategic project from the banking sector is a positive and encouraging outcome of our engagement with business this week.

Together we move South Africa Forward!

Compatriots,

We have made an undertaking to spend public funds wisely and to cut wasteful expenditure, but without compromising on the core business of government and the provision of services to our people.

In 2013, the Minister of Finance announced a number of cost containment measures.

Excessive and wasteful expenditure has been reduced, but there is still more to be done to cut wastage.

I would like to announce some measures this evening.

Overseas trips will be curtailed and those requesting permission will have to motivate strongly and prove the benefit to the country.

The sizes of delegations will be greatly reduced and standardised.

Further restrictions on conferences, catering, entertainment and social functions will be instituted.

The budget vote dinners for stakeholders hosted by government departments in Parliament, after the delivery of budget speeches will no longer take place.

The Minister of Finance will announce more measures and further details in the budget vote speech on the 24<sup>th</sup> of February.

The executive management and boards of public agencies and state owned companies must undertake similar measures.

I also invite Premiers of all nine provinces as well as mayors to join us as we begin eliminating wasteful expenditure within government.

I trust that Parliament and the Judiciary will also be persuaded to consider the implementation of similar measures.

Compatriots

A big expenditure item, that we would like to persuade Parliament to consider, is the maintenance of two capitals, Pretoria as the administrative one and Cape Town as the legislative capital.

We believe that the matter requires the attention of Parliament soon.

Compatriots

We all have a lot to do to turn the economy around and to cut wastage. We will go through a difficult period for a while, but when the economy recovers, we will be proud of ourselves for having done the right thing.

Compatriots,

I would now like to report back on the undertakings made last year.

During the State of the Nation Address in February 2015

I announced the Nine Point Plan to respond to sluggish growth.

The nine point plan consists of:

- Revitalisation of the agriculture and agro-processing value-chain
- Advancing beneficiation adding value to our mineral wealth
- More effective implementation of a higher impact Industrial Policy Action Plan
- Unlocking the potential of SMME, co-operatives, township and rural enterprises
- Resolving the energy challenge
- Stabilising the labour market
- Scaling-up private-sector investment
- Growing the Ocean Economy

Cross-cutting Areas to Reform, Boost and Diversify the Economy:

- Science, technology and innovation
- Water and sanitation
- Transport infrastructure
- Broadband rollout
- State owned companies

We have made significant progress in the implementation of the plan.

Progress has been made to stabilise the electricity supply. There has been no load shedding since August last year which has brought relief for both households and industry alike.

Government has invested eighty three billion rand (R83 billion) in Eskom which has enabled the utility to continue investing in Medupi and Kusile, while continuing with a diligent maintenance programme.

Additional units from Ingula power station will be connected in 2017, even though some of them will begin synchronisation this year.

The multiple bid windows of the Renewable Independent Power Producer Programme have attracted an investment of one hundred and ninety four billion rand.

This initiative is a concrete example of how government can partner with the private sector to provide practical solutions to an immediate challenge that faces our country.

In 2016, government will select the preferred bidders for the coal independent power producer.

Request for Proposals will also be issued for the first windows of gas to power bids.

The nuclear energy expansion programme remains part of the future energy mix.

Our plan is to introduce nine thousand six hundred megawatts of nuclear energy in the next decade, in addition to running Koeberg Nuclear Power Plant.

We will test the market to ascertain the true cost of building modern nuclear plants.

Let me emphasise that we will only procure nuclear on a scale and pace that our country can afford.

Compatriots,

Our government through the Department of Trade and Industry introduced a number of incentives in the past few years to boost investments in the manufacturing sectors especially textiles, leather and the automotive sectors.

Progress has been made in these sectors.

The incentives for the automotive sector have attracted investments of over twenty five billion rand over the last five years. We welcome key investments from Mercedes, General Motors, Ford, Beijing Auto Works, and the Metair group, BMW, Goodyear and VW.

The clothing and textile sector has also been successfully stabilised after a difficult few years.

Multinational companies such as Nestle, Unilever Samsung and Hisense have also affirmed South Africa as a regional manufacturing hub.

They have retained and expanded their investments in new plants.

Indeed the progress made in manufacturing has certainly demonstrated that the incentive programmes are effective and attractive to investors.

Compatriots,

I announced programmes for the revitalisation of agriculture last year. We introduced the Agri-Parks programme, aimed at increasing the participation of small holder farmers in agricultural activities.

Construction has begun in at least five agriparks, which are: Westrand in Gauteng, Springbokpan in North West, Witzenberg in Western Cape, Ncora in the Eastern Cape and Enkangala in Mpumalanga.

The agricultural programmes must empower women farmers as well. Allow me to introduce the winner of the Female Entrepreneur of the Year 2015, Ms Julia Shungube, from Nkomazi municipality in Mpumalanga.

Honourable Speaker and Chairperson,

Land reform remains an important factor as we pursue transformation.

I spoke about the fifty/fifty policy framework last year, which proposes relative rights for people who live and work on farms.

Twenty seven proposals have been received from commercial farmers and four are being implemented in the Eastern Cape and the Free State.

I also announced the Regulation of Land Holdings Bill which would place a ceiling on land ownership at a maximum of 12 000 hectares and would prohibit foreign nationals from owning land. They would be eligible for long term leases. The draft Bill will be presented to Cabinet in the first semester of the year.

We also announced the re-opening of land claims for people who had missed the 1998 deadline. The number of new land claims that have been lodged stood at close to one hundred and twenty thousand as of December last year.

Compatriots,

As we are aware, five provinces have been seriously affected by drought, namely North-West, KwaZulu-Natal, Free State, Limpopo and Mpumalanga.

Government provides relief to affected communities. Isomiso sixakile impela ezifundazweni eziningi. Imfuyo iyafa kanti nezolimo zisele emuva. Isikhathi esinzima lesi.

Uhulumeni uzoqhubeka nokuxhasa abalimi kanye nokusiza imiphakathi ngezimoto ezithwala zamanzi.

Let me take this opportunity to commend the civil society initiative, Operation Hydrate and others for the provision of water relief to many communities in distress.

The building of water infrastructure remains critical so that we can expand access to our people and industry.

The first phase of the Mokolo and Crocodile Water Augmentation project in Lephalale area in Limpopo is fully operational. It will provide 30 million cubic meters of water per annum.

The raising of the Clan William Dam wall in the Western Cape entails raising the existing dam level by 13 metres to provide additional water supply.

To curb water wastage, the Department of Water and Sanitation has begun its programme of training fifteen thousand young people as artisans.

Madam Speaker

Madam Chairperson,

On improving labour relations, we welcome the agreement reached by social partners at NEDLAC on the principle of a national minimum wage.

Deliberations continue on the level at which the minimum wage must be placed.

It is important to emphasise that the national minimum wage should be implemented in a manner that does not undermine employment creation, the thriving of small businesses or sustained economic growth.

We are also encouraged by reports from NEDLAC that a framework to stabilize the labour market by reducing the length of strikes and eliminating violence during strike action is being finalized.

We have heard the concerns of labour about the Tax Amendment Act that I signed into law in December, following its passing by Parliament.

Government is in discussion with COSATU about the matter and a solution is being sought.

Discussions are also on-going within government, led by the Department of Social Development and National Treasury, with regards to finalising the comprehensive social security policy.

Compatriots,

Only a few years ago, our mining sector was in turmoil especially on the platinum belt.

The situation has improved and we commend business and labour for the progress made.

Another positive development in the mining sector was the Leaders' Declaration to Save Jobs which was signed by mining industry stakeholders in August 2015.

We urge the parties to implement the agreement and to continue seeking ways of saving jobs.

We appeal to business again that retrenchments should not be the first resort when they face difficulties.

Compatriots,

In 2014 we launched the popular operation Phakisa Big Fast results methodology and implemented it in the ocean economy, health, education and mining sectors.

Seven billion rand has been committed in new port facilities, following the adoption of a Public- Private-Partnership model for port infrastructure development by Transnet National Ports Authority.

Compatriots, we were concerned that South Africa did not own vessels while we are surrounded by about three thousand kilometres of a coastline.

Through the oceans economy segment of Operation Phakisa, we are trying to solve this challenge.

I am pleased that two bulk carrier vessels have been registered in Port Elizabeth, and a third tanker in Cape Town under the South African flag.

Another positive Operation Phakisa development has been the launch of a fuel storage facility here in Cape Town, bringing an investment of six hundred and sixty million rand.

Aquaculture appears to be an important growth area within the oceans economy segment of Operation Phakisa.

Close to three hundred and fifty thousand rand private sector investment has thus far been committed in the Aquaculture sector. Nine aquaculture farms are already in production. These farms are located within the Eastern Cape, KwaZulu-Natal, Western Cape and Northern Cape.

We continue to promote innovation within the Nine Point Plan programme.

The Department of Science and Technology will finalise the Sovereign Innovation fund, a Public private funding partnership aimed at commercialising innovations that are from ideas from the public and the private sectors.

Government will fast track the implementation of the first phase of broadband roll-out to connect more than five thousand government facilities in eight district municipalities over a three year period.

Funding to the tune of 740 million rand over a three year period has been allocated in this regard.

Compatriots

A lot of work was done in the social sector as well in the past year.

Government has responded to the financial shortfall arising from the zero per cent university fee increase, as agreed in meeting with students and vice-chancellors last year.

The Minister of Finance will provide the details of education shortfall funding in the Budget speech.

I have appointed a Judicial Commission of Inquiry into higher education. We urge all stakeholders to cooperate with the Commission and help ensure its success.

On the health front, the life expectancy of South Africans for both males and females has significantly improved and is currently 62 years across genders, which is an increase of eight and a half years since 2005.

The HIV policy turnaround in 2009 led to a massive rollout of HIV testing and treatment for 3.2 million people living with the virus.

This has contributed immensely to healthier and longer lives for those infected.

We acknowledge the contribution of partners in the South African National Aids Council which is chaired by the Deputy President.

Our next step is to revive prevention campaigns especially amongst the youth. The Minister of Health will soon announce a major campaign in this regard.

I am also happy to announce that the state-owned pharmaceutical company, Ketlaphela, has been established. The company will participate in the supply of anti-retroviral drug to the Department of Health from the 2016/17 financial year.

Meanwhile, the White Paper on National Health Insurance was released in December aimed at improving health care for everyone in South Africa.

Compatriots,

Local government elections will be held within three months after the 18<sup>th</sup> of May, the date of the last elections.

We urge all citizens who are over the age of 18 to register to vote during the first registration weekend, 5 and 6 March 2016.

We urge the youth in particular who are turning 18 years of age this year, to register in their numbers for this first ever opportunity to cast their votes.

Our Back to Basics local government revitalisation plan was launched in September 2014 and 2015 has been the year of intensive implementation.

In this second phase of implementation, national government will engage in more active monitoring and accountability measures.

This includes unannounced municipal visits, spot checks of supply chain management processes, the implementation of recommendations of forensic reports, site visits of Municipal Infrastructure Grant funded projects, and increased interventions to assist struggling municipalities.

A 10 point plan of Back to Basics priority actions has been developed to guide this next phase.

The plan includes the promotion of community engagement, which is absolutely critical to enable communities to provide feedback on their experience of local government.

I already undertook a walkabout at Marabastad taxi and bus rank in Pretoria on Monday to speak to informal traders and commuters.

The majority of complaints and issues raised related to municipal services.

They would like the Tshwane municipality to clean the area and also to fix some broken sewerage pipes. Traders said they needed and were prepared to pay.

They alerted me that many people in Elandspoort receive RDP houses but instead of occupying them, they either sell them or rent them out other people.

Mrs Baloyi who runs a stall complained about nyaope drug addicts who steal goods from traders.

Other commuters said I must visit Kwaggafontein in the former KwaNdebele and see the lack of service delivery. I will visit the area soon.

I was also able to speak to foreign nationals who said they queue daily to apply for documentation from the Department of Home Affairs. We will continue to visit communities to hear their concerns and suggestions. Issues raised during the visit will be followed up by the respective departments.

Compatriots

The South African Police Service is undergoing a turnaround and has adopted the Back to Basics approach to management to rebuild the organisation and to improve performance at all under-performing police stations.

We note sadly, as well that fifty seven police officers have been murdered to date during the 2015/16 financial year. We condemn this criminality strongly.

We urge the police to defend themselves when attacked, within the confines of the law.

Compatriots

The African continent remains central to our foreign policy engagements.

South Africa continued to support peace and security and regional economic integration through participation in the African Union and the Southern African Development Community initiatives.

We continued to assist sister countries in resolving their issues for example in Lesotho and South Sudan.

The South African National Defence Force represented the country bravely and remarkably well in peacekeeping missions on the continent. We are truly proud of our soldiers. They will be showcasing their capability in Port Elizabeth from the 13<sup>th</sup> to the 21<sup>st</sup> of February, the celebration of Armed Forces Day.

The Agreement by BRICS nations on the New Development Bank or BRICS Bank came into force and the bank is envisaged to approve its inaugural projects in April this year.

We participated in the India-Africa Summit as well as the Forum on Cooperation between Africa and China as we strengthened these important partnerships.

China announced investments of fifty billion US dollars of which South Africa will receive ten billion US dollars for infrastructure, industrialisation and skills development.

On North-South cooperation, we continued our engagements with the European Union as a bloc which is our largest trading partner and foreign investor.

Over 2000 EU companies operate within South Africa creating over three hundred and fifty thousand jobs.

South Africa's relations with the USA and Canada continue to strengthen, especially in the areas of economy, health, education, energy, water, safety and security, capacity building and the empowerment of women.

The renewal and expansion of the African Growth and Opportunity Act (AGOA) provides a platform for the enhancement of industrialisation and regional integration. All outstanding issues around AGOA are being attended to.

Compatriots

We extend good wishes to all athletes who have qualified for the Olympic Games to be held in Rio de Janeiro.

We encourage participation in several programmes aimed at promoting healthy lifestyles and nation building.

These include the National Recreation Day, the Nelson Mandela Sports and Culture Day; the World Move for Health Day, the Golden Games and the Andrew Mlangeni Golf Development Day.

Compatriots,

A committee has been established to coordinate the participation of our performing arts legends in nation building activities in the country.

The Living Legends committee is chaired by playwright Mr Welcome Msomi working with music icon, Ms Letta Mbulu, as deputy chairperson.

We are also happy that musicians and actors amongst others heeded our call to unite and have formed the Creative Industries Federation of South Africa. The Presidency has established the Presidential Creative Industries Task Team to support our artists.

Compatriots,

To achieve our objectives of creating jobs, reducing inequality and pushing back the frontiers of poverty we need faster growth.

In the National Development Plan, we set our aspirational target growth of five per cent per year, which we had hoped to achieve by 2019.

Given the economic conditions I have painted earlier on, it is clear that we will not achieve that growth target at the time we had hoped to achieve it.

The tough global and domestic conditions should propel us to redouble our efforts, working together as all sectors. In this regard, it is important to act decisively to remove domestic constraints to growth.

We cannot change the global economic conditions, but we can do a lot to change the local conditions.

Let us work together to turn the situation around. It can be done.

I thank you.

#### **2.4.2. State of the province address 2016**

It is my great pleasure to join all of you on this important occasion of the official opening of the provincial Legislature.

It gives me extra joy to note that so many of you take such an immense interest in the affairs of your government. Your presence here today is more than a living testimony that ours is a government of the people by the people and for the people.

In the same vein, I should commend our Provincial Legislature under the leadership of Madam Speaker, Mme. Polly Boshielo, for having decided to bring this session of today to this hall, Jack Botes.

We appreciate this effort of taking parliament to the people. This is consistent with what the late Chris Hani once said, that “**popular involvement is the essence of democracy**”.

Madam Speaker

This year marks the 40<sup>th</sup> anniversary of the 1976 Student Uprisings. Young people from Soweto and other parts of the country fought against the gutter apartheid education system, especially the introduction of Afrikaans as a medium of instruction in their schools.

In no uncertain terms, that historic march and the unwavering commitment of young people to the course of freedom accelerated the downfall of Apartheid regime. The bravery and tenacity with which they fought for free and compulsory quality education is worthy our accolades.

Today there is no child who can be denied access to education because of race or poor family background.

The befitting tribute we can pay to these young martyrs of 1976 is to jealously guard against the reversal of these milestone achievements.

We cannot afford to play with this freedom for it did not come free. We must defend it at all costs.

On our part as the provincial government, we re-commit ourselves to work together with the youth, both organised and unorganised, to put in place programmes that will make freedom and democracy more meaningful to our people.

The inputs that have been made by our people through various social media platforms have also been included in this speech. In this regard I would like to specifically thank the Speaker of our Legislature and the Youth League of the ruling party, the ANCYL, for creating a Facebook page for SOPA.

The majority of those who commented raised a whole range of issues including the acceleration of delivery of basic services, creation of decent jobs, skills development for youth, access to education, eradication of HIV/AIDS, and the fight against poverty, corruption, crass materialism and consumerism.

Madam Speaker

In response to these comments and also in view of the current era of **Knowledge Economy**, our government will commit more resources towards skills development and job creation.

More emphasis will be on technology, integration of digital systems and zero wastage in line with this much-talked about **Fourth Industrial Revolution**.

The former President of South Africa, President Nelson Mandela, once said, “**the youth of our country are a valued possession of our nation. Without them, there can be no Reconstruction and Development Programme. Without them there can be no future**”. It is with this understanding, that we have also assigned the Youth Development Directorate in the Office of the Premier to ensure that the youth empowerment programmes and policies are mainstreamed throughout the government departments and municipalities.

Youth empowerment is a non-negotiable imperative for this ANC government. It must be high on our developmental agenda.

Madam Speaker

It is also worth noting that over the past 22 years of freedom and democracy, young people have seized available opportunities to enhance their potential.

In this province we have South Africa’s newest singing sensation, a young girl from Moletlane in Zebediela, Ms. Mmatema Moremi.

She flew the Limpopo flag very high during last year’s Idols Competition. We are proud of her outstanding achievements.

Madam Speaker

We are also privileged to be graced by the presence of a highly accomplished young scientist who was born and bred in the dusty streets of Mokopane. His Doctorate was awarded with Bronte Stewart Research Prize for the most meritorious thesis.

He represented South Africa at the Annual Lindau Nobel Laureate meeting in Germany, at the Commonwealth Science Conference in India, and at the World Economic Forum New Champions meeting in China.

It is my singular honour to welcome here today Dr. Mohlopheni Jackson Marakalala.

Madam Speaker

As we mark the 60<sup>th</sup> anniversary of the 1956 women's march to Union Buildings, we must work much harder to restore the dignity of women as equal citizens in the land of their birth.

They must be empowered to play a meaningful role in all spheres of life. The same attitude must apply to other historically marginalised sectors of society, people living with disability in particular. They too have a role to play in our developmental agenda.

**Madam Speaker and Honourable Members;**

During the previous State of the Province Address, I referred to a newly adopted economic development blueprint of our province, the Limpopo Development Plan. I indicated that this plan is underpinned by 10 high-level targets to be attained by 2020.

Although I will report on progress we have made towards attaining these targets, a more detailed report is being finalised by the Planning Unit in the Office of the Premier.

We have since decided to convene a Provincial Economic Indaba in May this year, and the detailed progress report in question will serve as a basis for discussions.

This Indaba will finalise our Industrialisation Strategy, review the infrastructure budget priorities and, above all, assess the role of State-owned Enterprises in the mainstream economy of the province. The time has come for us to live within the means.

Our SOEs must be streamlined, rationalised, made cost effective, self sufficient and, above all, empowered to respond to the current realities of our economy and add the necessary value to our developmental agenda.

Madam Speaker

Mining, as one of the major competitive advantages for our economy, will also feature prominently during this Indaba. This is mainly because we must, in earnest, start to explore advanced measures to beneficiate our mineral deposits. The beneficiation must be throughout the entire value-chain, both upstream and downstream.

We must do this with the view to expand the **productive capacity** of our local economy, and more importantly, position the industry along a sustainable growth path.

We must also impress upon the national government to expedite the review of the current legislation to ensure that our communities are at the heart of mining matters.

Our people must play a critical role, including in the approval of mining licences. This will not only help in holding mining right-holders accountable, but will bridge the trust deficit between the host communities, mining companies and government

Mining has also become a driver of growth in many strategic economic sectors such as manufacturing and financial services, and it must therefore be central in the development of our industrialisation strategy.

Madam Speaker

However, as we meet here today, we are, unfortunately, confronted with the reality of a very unfriendly local and global economic climate.

As the President of the country said during the State of the Nation Address on the 11<sup>th</sup> of February, "**The International Monetary Fund and the World Bank predict that the South African economy will grow by less than 1% this year**".

The Reserve Bank has also adjusted the economic growth forecast for our country to 1.6% in 2017.

One of the reasons for the downgrade in anticipated growth is the slowing down of the Chinese economy. This situation impacts on South Africa by way of reduced demand for our commodities, such as coal, iron ore and platinum. Brazil and Russia which are our partners in BRICS are no exception.

Madam Speaker

As a province, we are directly affected by this reduction in demand because we are the primary exporter of these commodities. This drop in demand will negatively impact on our LDP average growth target of 3%.

We are therefore compelled by this global economic reality to become more innovative and not only rely on the tailwinds of favourable commodity markets.

It is in this context that the envisaged Economic Indaba must provide long-lasting solutions to these vexing questions.

**Madam Speaker;**

According to the Stats SA Labour Force Survey, Limpopo has created 147 000 jobs in the year 2015. In the third quarter of 2015 alone, we have created no less 59 000 jobs.

In the whole country, we are in the third position after KZN and Gauteng in terms of job creation. **“Ka nnetemošomo o tšhaba diatla”**

Whilst we are much better as compared to the national average of 25%, the rate of unemployment in our province remains unacceptably high at 18.9%.

Government Service and Trade, which includes tourism, remain the biggest employers in the province.

Madam Speaker

We have also reduced dependency index from 8 (eight) in 2006 to 6 (six) in 2014. This means that in our province, for every one person employed, there are, on average, 6 people who depend on the income of that person.

Although this drop in dependency signifies progress, it is still unacceptably high and we must therefore work much harder to reduce it to at least 3 (three). This will significantly improve household income.

Madam Speaker

Notwithstanding the slowdown in economic growth, the private sector investment into the mining has begun to see some improvements.

In the previous state of the province we announce a planned investment involving the South African Women Investment Holdings, Jidong Development Group and China Africa Development Fund.

This R1.65 billion investment was for a Mamba Cement Manufacturing Company in Thabazimbi.

It is with great pleasure to announce that the construction of the plant is now complete. It created 231 permanent jobs and 550 temporary jobs. The project has been commissioned with the final 30 day plant test due in March this year.

50 South Africans will be trained in China on how to operate this type of plant. They will be sent in groups once the commissioning of the plant is completed.

It's my pleasure therefore to welcome one of the investors in this plant, Mrs. Gloria Serobe and her entourage, who have graced this occasion.

Madam Speaker

Last year, I also announced another investment worth R38,8 billion for the establishment of a South African Energy Metallurgical Base Project in the Musina Special Economic Zone.

I am happy to announce that our SEZ application, one of the first in the country for that matter, has successfully been served before the National SEZ Advisory Board in January this year. We are awaiting the final approval by Cabinet before the end of next month.

We are also hopeful that our second application for the establishment of SEZ in Tubatse will enjoy similar support.

Once approved, these Special Economic Zones will attract more investments, and obviously put our province on a higher trajectory of economic development.

Our trade and investment mission to Russia in October last year was also a success. The Bashkortostan Province of Russia expressed keen interest to invest in our envisaged Special Economic Zones.

In this regard and in an effort to strengthen the existing economic relations with Russia, a cooperation agreement on areas of common interest between Limpopo and Bashkortostan Province is being finalised.

Madam Speaker

Last year I made a commitment to convene a Provincial Water and Sanitation Summit to deal with water management and related challenges in the province.

I am happy to announce that the Summit has since been convened. The summit, amongst others, resolved that a Limpopo Water Master Plan should be developed as a matter of urgency. The development of this plan is at an advanced stage and will be finalised before the end of April 2016.

Madam Speaker,

I must also hasten to indicate that the Minister of Public Works has convened a high-level technical team. This team will assist the province with the implementation of water reticulation to communities adjacent to mega-projects affecting the Sekhukhune District Municipality, Polokwane City and Mogalakwena Local Municipality.

The success of this intervention would also have a major impact on the economic potential of the identified municipalities. It will also go a long way towards responding to the challenges of drought in the province.

Madam Speaker

As part of the process to unlock the Northern Mineral Belt with Waterberg as a catalyst, Medupi Unit 6 achieved commercial operation last year in August.

We expect the first synchronisation of the 2nd Unit, that is, Unit 5, to take place in the 2nd half of this year and to achieve full commercial operation in the 1st half of next year.

The contribution of Medupi Power Station to the National Grid has brought much needed relief in terms of energy supply in the country. Load-shedding has indeed become a thing of the past.

**Madam Speaker;**

The tourism sector remains one of the strategic economic competitive advantages of our province.

Despite the economic challenges I have already alluded to, this sector has recorded a steady growth and managed to employ more people.

Limpopo is currently enjoying the number one spot in the domestic tourism market space. Most South Africans enjoy visiting Limpopo.

We are also happy to announce that we have since restructured Limpopo Tourism Agency to have an exclusive and focussed attention to tourism as an industry. Our natural scenic beauty and new tourism offerings are the necessary stimulants for the market.

All the role players in the sector, must therefore work together to ensure that Limpopo becomes a preferred destination of choice for many.

**Madam Speaker;**

The Limpopo Development Plan highlights the importance of SMMEs and Cooperatives as game-changers in job creation, redistribution of economic assets and poverty reduction.

We will continue to support SMMEs and Cooperatives to obtain growth, increase skills levels, and more importantly create more jobs.

We remain committed to ensuring that at least 10% of government procurement goes to SMMEs and Cooperatives. All major projects must have localisation procurement thrust to ensure that SMMEs and Cooperatives are developed into credible suppliers.

In this regard we have assigned LEDA to provide the necessary support to both these sectors. An emphasis should be on biasness to cooperatives in our villages and vast farmlands of Limpopo to stimulate the rural economy.

Madam Speaker;

On the issue of knowledge economy alluded to earlier on, we are in the process of implementing the broadband infrastructure project in line with the National Broadband Policy.

The planned rollout of the broadband infrastructure programme is expected to cover over 80% of the provincial population, including government institutions such as health and educational facilities.

LEDA has also been given a responsibility to establish a dedicated unit to rollout the programme in the province.

**Madam Speaker and Honourable members of the House;**

Road infrastructure continues to play a significant role in the economy of the province and the country as a whole.

In the previous state of the province address, we committed an amount of R1.2 billion to roll out more than 12 major road infrastructure projects across the province.

We are proud to announce that we made significant progress in this regard. The projects we have constructed include 4 bridges, the upgrade of 407 km gravel roads to tar, and the rehabilitation of 173 km of tarred roads.

It is also worth mentioning that we are in the process of upgrading the following roads from gravel to tar:

Ga-Phasha, Mampuru, Tukagomo to Makgabane

Mmotwane/Legolaneng, Mhlahlotwane, Moeding, Serithing to Ramogwerane

Makuya to Masisi  
Apel to Mmabulela  
Morebeng to Sekgosesa  
Matsakale, Altein to Shangoni Kruger National Park Gate  
Marken, Segole to Gilead; and  
Settlers to Witlaagte

It is also my pleasure to announce that by the 1<sup>st</sup> of April 2016 the contractors of some of the remaining “Bermuda” roads will be on site.

**Madam Speaker and the House;**

The Limpopo Development Plan identifies industrialisation as the backbone for economic development in the province. It is however important to note that this cannot be achieved without a thriving agricultural sector.

Agriculture is important both for the creation of the much needed jobs and for our food security.

However, as we all know, the current drought in the province has had unpleasant consequences on the sector.

This drought condition has also affected our **Fetsa Tlala** programme. As a result we had to revise down our targets and focus only on those areas where there is sufficient water for irrigation.

In this regard, it is important to emphasise two points. The first thing to note is that Limpopo is a water scarce province which faces challenges of drought from time to time; secondly, drought is a natural phenomenon that cannot be prevented.

It is in this context that we have declared our province a **disaster area** in November of 2015. Notwithstanding our limited resources, we have set aside an amount of R3 million to assist affected farmers through the provision of livestock feeds.

We believe this will go a long way towards relieving the burden and also help maintain the provincial food security and employment.

An additional amount of R51 million was also reprioritised from the Comprehensive Agricultural Support Programme, CASP, and **Illima/Letšema** allocations to catch up with the demand for fodder and livestock water required for the communal small scale and subsistence farmers in the Province.

**Madam Speaker;**

Last year we announced that we have managed to open Madzivhandlila and Tompi Seleka Agricultural Colleges. The student enrolment for both colleges has since increased from 140 in 2015 to 222 in 2016.

The colleges are indeed fully functional and have begun to make an impact in skills development in the agricultural sector. There is no doubt that we are well on track towards producing crop and animal scientists in the province.

This year, the focus will be on developing the infrastructure and administrative systems of the colleges to keep up with the standards set by the Council on Higher Education.

**Madam Speaker and honourable members;**

Over the past 22 years of freedom and democracy we have made significant inroads in increasing the literacy levels of our people, the African majority in particular.

This finds an expression in the number of historically marginalized individuals playing a meaningful role in the mainstream economy.

There is no doubt that we are on track towards fulfilling the dream of our forebears when they met in Kliptown in 1955 and said that, “**the doors of learning and culture shall be opened to all**”.

In 2015 Limpopo alone registered an unprecedented student enrollment of 101 575 sitting for Grade 12 examinations, an increase of 39.2% from 2014. This is a massive achievement, particularly for an under-resourced province such as ours.

Although in percentage terms our 2015 Grade 12 results have decreased by 7%, the actual numbers confirm that we have passed more learners than ever before. In qualitative terms, we have also increased the number of learners with bachelor pass from 16 325 in 2014 to 20 992 in 2015.

The focus this year will largely be on Sekhukhune and Waterberg Districts that have performed below both the national and provincial averages.

We have set ourselves a target of 80%, and we simply cannot afford to regress any further.

In this regard we call on all stakeholders, parents, educators, learners and organs of civil society alike, to join government in its efforts to provide an uninterrupted learning and teaching in all our schools.

All of us must have zero tolerance for any disruptive behaviour in our schools. However legitimate the demands could be, you must never interrupt and interfere with the education of our children.

**Madam Speaker;**

The creation of a conducive environment for learning and teaching is also high on the agenda of this government.

To that end, we have prioritised addressing such critical issues as the inappropriate school infrastructure, the repairs to storm damaged schools, the provisioning of additional classrooms to areas experiencing growth, and the provisioning of water and sanitation in all our schools.

**Madam Speaker;**

As part of a temporary relief, we are providing mobile classrooms where immediate accommodation is needed.

Over the past three years we have spent R2.9 billion on school infrastructure to address the areas I have already mentioned. We have also budgeted R2.4 billion over the next three years to continue with this infrastructure delivery work in our schools.

For this year the focus will be on teacher development, with more emphasis subject content, methodology and assessment in all of our districts. Priority attention will also be given to Maths, Science and technology subjects.

**Madam Speaker;**

The provision of integrated and sustainable quality services to the vulnerable groups such as children, people with disabilities, women and older persons is the centre-piece of our development agenda.

It is in this context that I have assigned the MEC for Social Development to establish a coherent and solid partnership with Community Based Organisations and other relevant stakeholders.

In this regard, we have capacitated 3 248 Community Based Organisations, thanks to our good working relationship with the National Department of Social Development.

In the same vein, an amount of R4 million was transferred to the National Development Agency in the province to capacitate no less than 200 Non-Profit Organisations.

I must also announce that in the next financial year, we will be providing similar training to another 200 Community Based Organisations. We firmly believe that this will go a long way towards making the Community Based Organisations adding the required value to the sustainable livelihood and safety nets of our people.

**Madam Speaker and honourable members;**

Our public health system has experienced significant improvement over the last two years. It is making a remarkable recovery from the widely-reported challenges of shortage of emergency vehicles, shortage of healthcare professionals, dilapidating infrastructure and general shortage of critical equipments.

**Our Health Turnaround Strategy** has indeed begun to take shape.

As we promised, we have bought no less than no less than 150 state-of-the-art ambulances in this financial year.

The next financial year will see us purchasing more ambulances, including Planned Patient Transport and mobile clinics to assist in those areas where we still have shortages.

These ambulances will bring much relief to Emergency Medical Services in the province and save more lives.

By December 2015 over 38 healthcare facilities had undergone major refurbishments. We will be continuing with this infrastructure development work across our hospitals, clinics and health centres.

To improve the availability and accessibility of medicines, we have approved direct deliveries of medicines to two tertiary institutions and four regional hospitals in the province.

**Madam Speaker;**

In 2014, His Excellency, President Jacob Zuma announced that Limpopo is going to have its own medical school. Subsequently, I committed the provincial government to offer bursaries to the first intake of these medical students.

Today I feel proud to announce to the people of Limpopo that a medical school in the province is no longer just a pipe-dream. It is a reality.

This medical school which is at University of Limpopo admitted its first group of 60 students last month.

As the provincial government, we have since offered these students full bursaries to the tune of R10 million for their studies.

I would like to take this opportunity therefore, to congratulate these students for making this history, especially the 15 year old Junior Mkhombo from Thulamahashe. Let me also take this opportunity to welcome Mr. Mkhombo who is with us in the gallery.

Madam Speaker

We are also delighted to announce that finally the province will have its own academic hospital. The process of appointing a developer is underway. The construction should commence by November this year.

These major developments will obviously go a long way towards improving access to primary healthcare in the province, and more importantly, the training of medical professionals.

These also complement successful programme of sending young people to Cuba to study medicine. In September last year we sent yet another group of 110 students to Cuba. To date we have 394 students who are at various levels of study in Cuba. We expect 19 of these students to return to the province next year for their final clinical training.

Madam Speaker;

According to the National Antenatal Sentinel HIV Prevalence Survey released in December 2015, Limpopo has in the last five years shown a slight yet very important decline in the prevalence of HIV/AIDS.

The prevalence rate in our province has decreased from 22.3% in 2012 to 20.35% in 2013. This means that our efforts have shielded thousands of our young people from contracting this disease.

To date a total number of 248 578 is on the ARV programme. This represents a massive increase of over 16 000 more patients.

We urge our youth not to rush into sexual relationships; those who are already in this type of relationships are encouraged to remain faithful to their partners and to condomise.

We are also happy that province is winning the war against maternal mortality. We have reduced incidents of maternal death from 226 in 2014 to 145 in 2015. Our aim is to completely eradicate these preventable deaths.

No woman should lose her life for simply bringing life to this world; on the contrary, they should live long enough to see their children grow. It is also with this understanding that we have recently converted about 20 ambulances to obstetrics ambulances.

**Madam Speaker and honourable members;**

In a few months time South Africans will participate in fourth democratic local government elections. This is yet another platform created by our freedom to elect government of our choice.

The Independent Electoral Commission has announced the 5<sup>th</sup> and 6<sup>th</sup> of March this year as voter registration dates. I therefore call on all eligible citizens, especially first time voters, to seize this opportunity to ensure that your names are on the voters roll.

In the same vein, the National Municipal Demarcation Board has announced the new municipal boundaries. These new boundaries have since been gazetted, and this has obviously changed the face of local government in our province. The affected areas are in Vhembe, Sekhukhune, Capricorn and Waterberg.

Some of the municipalities in these areas will amalgamate whilst others will be disestablished after the 2016 local government elections.

On our part as the provincial government, we have put in place a **Transition Committee** to help provide leadership and ensure a seamless transition from the old dispensation to the new.

**Madam Speaker;**

Over the past twelve months we have worked in partnership with South African Local Government Association (SALGA) to ensure successful implementation of Back-to-Basics Strategy in all our municipalities.

The focus was largely on the area of financial management, infrastructure delivery, institutional capacity, public participation and good governance.

Nevertheless, the recent audit outcomes in municipalities suggest that a lot still needs to be done.

Waterberg District Municipality continues to lead by example. The District Municipality together with Bela-Bela and Lephalale have received unqualified audit opinion.

We also have the Capricorn District Municipality leading by example. The District with its local municipalities of Polokwane and Molemole has also received unqualified audit opinions.

The Sekhukhune District Municipality and its local municipality of Makhuduthamaga have both received unqualified audit outcomes.

Nevertheless, we have noted that there are some municipalities that continue to get unacceptable audit opinions despite these concerted efforts to support them. I am particularly concerned that these municipalities continue to be qualified in the same issues.

These issues include poor record management, lack of proper asset management and non-compliance with supply chain policies.

Of particular concern are municipalities that continue to perform below par by receiving disclaimers and adverse opinions. These include Mopani District, Vhembe District, Ephraim Mogale, Thabazimbi, Mogalakwena, and Greater Tubatse.

This is unacceptable, and must come to an end.

In this regard I have directed the MEC for COGSTA to ensure that necessary remedial actions are taken.

I must emphatically stress that there must be consequences for poor performance.

**Madam Speaker;**

In the previous State of the Province Address I announced that we have assigned the Provincial Infrastructure Development Hub to develop a mechanism to help municipalities improve on the Municipal Infrastructure Grant expenditure.

We are pleased that most municipalities are beginning to increase their MIG expenditure. For an example, last year we only congratulated two municipalities that had spent above 50% by the end of the 2<sup>nd</sup> quarter of the financial year. These municipalities were Bela-Bela at 55% and Giyani at 78%.

Today we have a sizable number of our municipalities that have spent above the 50% mark at the end of the 2<sup>nd</sup> quarter.

I would therefore like to take this opportunity to congratulate the following municipalities:

Greater Tzaneen at 60.15%

Greater Giyani at 62.93%

Blouberg at 68.16%

Fetakgomo at 69.52%

Makhado at 71.91%

Ephraim Mogale at 73.32%

Bela-Bela at 74.285

Maruleng at 92.28%

Lephalale at 98.24%

Ba-Phalaborwa at 98.78%, and lastly;

Modimolle at 100%

I have directed the MECs for CoGHSTA and Provincial Treasury to provide hands-on comprehensive support on financial management and infrastructure project management to the municipalities that are still lagging behind.

**Madam Speaker;**

In the previous State of the Province Address, we reported on the challenges that affected our plan to build houses for our people.

We have since adopted a multi-year **Human Settlement Delivery Turnaround Strategy** that is anchored on four pillars. These pillars include **beneficiary management, geo-technical reports and foundation designs, partnership with material supplier, and contract management.**

Our capacity to deliver on human settlement has since increased phenomenally.

I am pleased to announce that as at the end of January this year, we have managed to build no less than **7740** houses for our people. This represents a 74.2% increase compared to 2000 houses we built in the previous financial year.

As promised, we have also handed over the Seshego Community Residential Units to deserving beneficiaries. By this we have ensured that these families have their dignity restored.

**Madam Speaker**

The government has listened to those of our people who are too rich for an RDP House yet too poor for a bond from a commercial bank (the gap market). The partnership between DPSA, CoGHSTA and RISIMA is ensuring that we are able to provide housing for the gap market.

We will ultimately not have people, who despite working, are unable to provide shelter to their families.

**Madam Speaker;**

The institution of traditional leadership has and continues to play an important role in nation building, reconstruction and development of our country.

The majority of our people are under the leadership of traditional leaders.

It is against this background that I announced last year the introduction of a Medical AID benefit to our traditional leaders. I also made a commitment to purchase vehicles for traditional leaders as a way of assisting them to carry out their responsibilities.

It is my pleasure to announce here today that we have since delivered on this commitment. 105 vehicles have since been purchased for our traditional leaders.

For the first time our kings will have a budget allocation to discharge their responsibilities. We have allocated no less than R5 million to two kingships in our province.

Other challenges relating to the institution of traditional leadership, including the appointment of headmen and the establishment of traditional councils, are receiving our priority attention.

I must also announce that we have extended the term of the Kgatla Commission on Traditional Leadership Disputes and Claims with another two years to deal with outstanding disputes and claims.

**Madam Speaker and honourable members;**

The National Development Plan visualises a society where people are living safely without fear of crime; a society where women, children and all vulnerable groups feel protected.

Our approach to fighting crime is through community mobilisation and cooperation. We continue to engage communities through outreach programmes which are necessary to foster the culture of trust and cooperation.

The SAPS in the province continues to engage in anti-crime community mobilisation programmes which include, crime awareness campaigns, Imbizos, exhibitions and schools visits.

**Madam Speaker;**

As we have said during the last State of the Province Address, the fight against corruption remain high on the agenda of this government.

We also called on all organs of civil society to join hands with government to fight and defeat this social ill that compromises the moral fibre of society.

It is in this context that we have re-launched the Anti-Corruption Forum in the province.

**Madam Speaker;**

When we met last year during the opening of this Legislature, the Cabinet had just taken a decision to move Limpopo from Section 100(1) (b) to Section 100 (1) (a).

As we meet here today, we are happy to announce that the Cabinet has just taken a decision to completely withdraw Section 100 administration from our province.

This is a sign and vote of confidence in our provincial administration.

By the end of next month there will no longer be Section 100 in this province. The only department where the Cabinet has considered conditional withdrawal is Education. This is mainly on account of the outstanding challenges in respect of supply chain and overall financial management.

Nevertheless, the Cabinet is happy with the progress we are making in this department since our intervention through Section 18 of the PFMA.

**Madam Speaker;**

If the comments of the Auditor General, Mr. Kimi Makwetu, are anything to go by, we are well on track towards reclaiming good corporate governance in our province.

In his words the AG says:

**"...there has been improvement in the area of consequence management where the provincial leadership took action against poor performance, which led to officials bearing consequences for poor performance and transgressions...."**

The AG went further to say that:

**"..There was notable reduction in reported irregular as well as fruitless and wasteful expenditure of 41% and 34% respectively.... (that)..the Provincial Treasury and the Office of the Premier play a critical role in the drive towards clean administration.."**

**Madam Speaker;**

In his State of the Nation Address, President Jacob Zuma urged all of us to undertake to spend public funds wisely and to cut wasteful expenditure.

The President further announced a package of measures tailored to assist government to curb unnecessary and wasteful expenditure. These measures, which we fully agree with and would be implementing in the province include:

Curtailing of overseas trips

Putting restrictions on conferences, catering, entertainment and social functions.

I must emphasize the point that these measures are not only directed at government departments. Our municipalities and State Owned Entities will also be subjected to these restrictions.

**Madam Speaker and honourable members;**

Young people of this province, particularly those in the art and entertainment business have been calling on us as government to create a platform for them to showcase their talent and skills.

I am happy to announce that the government has listened to the pleas of these young people; we have already secured a site for the construction of a Provincial Theatre.

We have allocated a budget to this project and we are currently busy with a feasibility study.

This Theatre which is expected to be constructed in Polokwane will not only assist in unleashing the potential of our youth but will also create job opportunities.

Mapungubwe Art Festival continues to play a major role in nation building and social cohesion. In this regard I would like to take this opportunity to thank the people of Limpopo and the rest of others from other regions who had joined us in the last year's week-long Mapungubwe festivities.

The Department of Sport, Arts and Culture will also resuscitate both the Literary Competition and the Literary Awards. This will encourage our young people to contribute towards knowledge production and preservation, through the art of writing.

The Department will also bring back to life the once popular **"I can sing project"**. This will assist to unearth raw singing talent amongst our young people.

Just like art and culture, sport also plays an important role in uniting our people.

I therefore wish to take this opportunity to congratulate Baroka FC who are doing exceptionally well in the National First Division. They are currently number one in the National First Division.

The Chairman and members of the technical staff have joined us in this chamber today.

I also wish Polokwane City well in their important fight to remain in the Premier Soccer League. We want to say to them that like true soldiers they must never retreat from the battle to remain in the PSL.

Also requiring our support is Black Leopards whose fight for survival in the NFD is just as important.

Our wish is to have all these teams enjoying a solid presence in the PSL.

**Honourable Members;**

Working together we have come this far; united in action we can do more.

Our collective efforts have accelerated the advance towards a dream of a better life for all.

This is not the time to be despondent; neither is it the time to relent.

As Comrade Moses Kotane has said:

**"At this hour of destiny, your country and your people need you. The future of South Africa is in your hands and it will be what you make of it".**

**In the same vein, Abraham Lincoln says;**

**“Fellow citizens, we cannot escape history. We of the Congress and this Administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The fiery trial through which we pass will light us down in honour or dishonour of the latest generation. We say we are for the Union, the world will not forget that we say this. We know how to save the Union. The world knows we do know how to save it. We, even, we here, hold the power and bear the responsibility. In giving freedom to the slave, we assure freedom to the free----honourable alike in what we give and what we preserve. We shall nobly save or meanly lose the last best hope of earth. Other means may succeed, this could not fail. The way is plain, peaceful, generous, just---a way which if followed the world will forever applaud and God must forever bless”.**

**There is no nobler a course than to serve humanity.**

**Mogoma ga o tsene temeng, gobane lehono go phala maabane, ka moswane go tla phala lehono**

**Molete Sekuba!**

## 2.5 INSTITUTIONAL ARRANGEMENTS [ROLES AND RESPONSIBILITIES]

It is critical that the various IDP stakeholders are not only consulted but also fully involved in the IDP process. To achieve this, the Elias Motsoaledi has approved the specific institutional arrangements as illustrated in the table below.

*Table 5: Internal Stakeholders*

Stakeholder	Roles and Responsibilities
<b>Council</b>	<ul style="list-style-type: none"> <li>• Prepare, decide on &amp; adopt the IDP Review Process Plan.</li> <li>• Ensure participation of all stakeholders.</li> <li>• Develop procedures for participation and consultation.</li> <li>• Ensure that that IDP Review is in line with all the Sector Plan requirements.</li> <li>• Verify the alignment of the reviewed IDP report with the District framework.</li> <li>• Approve and adopt the reviewed IDP.</li> </ul>
<b>Exco</b>	<ul style="list-style-type: none"> <li>• Decide on the process plan for the review.</li> <li>• Oversee the overall co-ordination, monitoring, management of the review process.</li> <li>• Identify internal officials and councillors for different roles &amp; responsibilities during the review process.</li> </ul>
<b>Municipal Manager</b>	<ul style="list-style-type: none"> <li>• Overall Accounting Officer.</li> <li>• Delegate roles and responsibilities for officials in the IDP Review Process.</li> <li>• Responds to public, district and provinces on the outcome and process of the review.</li> <li>• Ensure vertical and cross municipal co-ordination of the review.</li> </ul>
<b>Senior Managers</b>	<ul style="list-style-type: none"> <li>• Co-operate and participate fully in the IDP Review Process.</li> <li>• Provide relevant departmental info budgets in the review process.</li> <li>• Helps in the review of implementation strategies during the review.</li> <li>• Assist the Strategic Director and Municipal Manager in preparing detailed project implementation score cards for project evaluation process.</li> </ul>
<b>IDP/Budget Steering Committee</b>	<ul style="list-style-type: none"> <li>• To provide technical assistance to the Mayor in discharging the responsibilities as set out in Section 53 of the MFMA</li> </ul>

The IDP seeks to promote collaboration and coordination between all spheres of government. It provides the basis for alignment and harmonisation of all government programmes and projects in the municipal area. External roles players bring an external, objective view based on innate development experience of communities and sector departments to the planning process of the municipality. In this regard, EMLM has outlined the role of external stakeholders in the EMLM's IDP process.

**Table 6: External Stakeholders**

Stakeholder	Roles and Responsibilities
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Participate in the IDP Rep Forum.</li> <li>• Assist analyze issues and predetermine project priorities.</li> <li>• Give input and comment on the reviewed draft IDP document.</li> <li>• Assists in addressing weaknesses in the current project implementation programmes.</li> <li>• Serve as watch dog during the implementation of the reviewed projects &amp; programmes.</li> <li>• Any addition.</li> </ul>
<b>Provincial Government, Sector Departments and Parastatals</b>	<ul style="list-style-type: none"> <li>• Ensuring alignment of District and Local Municipalities' IDP's horizontally.</li> <li>• Ensure sector alignment between Provincial Sector Department Plans and the IDP Review Process.</li> <li>• Assist municipalities during the IDP Review Process.</li> <li>• Assist the municipality financially during the review process.</li> <li>• Provide support and monitor the municipality during the review.</li> <li>• Study comments on the reviewed report.</li> </ul>
<b>Private Sector</b>	<ul style="list-style-type: none"> <li>• Participate in the IDP Rep Forum</li> <li>• Provide support to the municipality's IDP proposed programmes</li> </ul>

### 2.5.1 THE IDP REVIEW PROCESS PLAN

Section 21 (1) (6) of the MFMA prescribes that the Mayor of a Municipality must at least 10 months before the start of a financial year, table in Council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and also the review of the Integrated Development Plan.

The municipality hopes to conclude the review process for the 2016/2017 IDP by the end of May 2016. . Below is the timetable for the IDP/ budget process for 2016/2017 Municipal fiscal year.

**Table 7: IDP/Budget Process Plan for the 2016/2017-2021 financial years**

MONTH	ACTIVITY	Target date
<b>PREPARATORY PHASE</b>		
July 2015	<ul style="list-style-type: none"> <li>• Review of previous year's IDP/Budget process with MTEF included.</li> </ul>	1-31 July 2015
	<ul style="list-style-type: none"> <li>• EXCO provides political guidance over the budget process and priorities that must inform preparations of the budget.</li> </ul>	1-31 July 2015
	<ul style="list-style-type: none"> <li>• IDP/Budget Steering Committee meeting.</li> </ul>	13 July 2015
	<ul style="list-style-type: none"> <li>• Consultation with established Committees and forums</li> </ul>	1-31 July 2015
	<ul style="list-style-type: none"> <li>• 4<sup>th</sup> Quarter Performance Lekgotla (2014/15)</li> </ul>	29 July 2015
August 2015	<ul style="list-style-type: none"> <li>• Ward-to-Ward based data collection</li> </ul>	03 -28 August 2015

	<ul style="list-style-type: none"> <li>Collate information from ward based data.</li> <li>Submit AFS (Annual Financial Statements) for 2014/15 to AG .</li> <li>Submit 2014/15 cumulative Performance Report to AG &amp; Council Structures</li> </ul>	1-31 August 2015
<b>ANALYSIS PHASE</b>		
September 2015	<ul style="list-style-type: none"> <li>Council determines strategic objectives for service delivery through IDP review processes and the development of the next 3 year budget (including review of sector departments plans).</li> <li>Determine revenue projections and propose tariffs and draft initial allocations per function and department for 2016/17 financial year.</li> <li>Consult with provincial and national sector departments on sector specific programmes for alignment (schools, libraries, clinics, water, electricity, roads, etc).</li> <li>Finalize ward based data compilation for verification in December 2015.</li> </ul>	1-30 September 2015
<b>STRATEGIES PHASE</b>		
October 2015	<ul style="list-style-type: none"> <li>Quarterly (1st) review of 2015/16 budget, related policies, amendments (if necessary), any related consultative process.</li> <li>Begin preliminary preparations on proposed budget for 2016/17 financial year with consideration being given to partial performance of 2015/16.</li> <li>1ST Quarter Performance Lekgotla (2015/16)</li> </ul>	14 October 2015  1-31 October 2015  14 October 2015
<b>PROJECTS PHASE</b>		
November 2015	<ul style="list-style-type: none"> <li>Confirm IDP projects with district and sector departments.</li> <li>Engage with sector departments' strategic sessions to test feasibility of attendance to planned sessions.</li> <li>Review and effect changes on initial IDP draft.</li> </ul>	1-30 November 2015
<b>* INTEGRATION PHASE</b>		
December 2015	<ul style="list-style-type: none"> <li>Consolidated Analysis Phase in place</li> <li>IDP/Budget Steering Committee meeting</li> </ul>	02 December 2015  04 December 2015

	<ul style="list-style-type: none"> <li>IDP Rep Forum.</li> </ul>	08 December 2015
January 2016	<ul style="list-style-type: none"> <li>Review budget performance and prepare for adjustment</li> <li>Table Draft 2014/15 Annual Report to Council.</li> <li>Submit Draft Annual Report to AG, Provincial Treasury and COGHSTA.</li> <li>Publish Draft Annual Report in the municipal jurisdiction (website etc.).</li> <li>Prepare Oversight Report for the 2014/15 financial year.</li> <li>Mid-Year Performance Lekgotla/Review/Strategic Planning Session, (review of IDP/Budget, related policies and consultative process)</li> </ul>	06-13 January 2016 29 January 2016
February 2016	<ul style="list-style-type: none"> <li>Table Budget Adjustment (if necessary).</li> <li>Submission of Draft IDP/Budget for 2016/17 to Management.</li> <li>Submission of 2016/17 Draft IDP/Budget to EXCO</li> <li>Submission of Draft IDP/Budget and plans to Portfolio Committees.</li> </ul>	10 February 2016 18 February 2016 25 February 2016
March 2016	<ul style="list-style-type: none"> <li>Council considers the 2016/17 Draft IDP/Budget.</li> <li>Publish the 2016/17 Draft IDP/Budget for public comments.</li> <li>Adoption of Oversight Report for 2014/15.</li> </ul>	30 March 2016
-	<b>APPROVAL PHASE</b>	
April 2016	<ul style="list-style-type: none"> <li>Submit 2016/17 Draft IDP/Budget to the National Treasury, Provincial Treasury and COGHSTA in both printed &amp; electronic formats.</li> <li>Quarterly (3rd) review of 2015/16 budget/IDP and related policies' amendment (if necessary) and related consultative process.</li> <li>Consultation with National and Provincial Treasury, community participation and stakeholder consultation on the draft 2016/17 IDP.</li> <li>Submission of IDP/Budget for 2015/16 to Council structures with incorporated comments from the consultative process and taking into account 3rd quarterly review of the current year</li> <li>3rd Quarter Performance Lekgotla (2015/16)</li> </ul>	07 April 2016 14 April 2016 07 – 30 April 2016 28 April 2016 14 April 2016
May 2016	<ul style="list-style-type: none"> <li>Submission of Final Draft IDP/Budget for 2016/17 to the Council for approval.</li> <li>Finalize SDBIP<sup>i</sup> for 2016/2017.</li> <li>Develop Performance Agreements (Performance Plans) of MM, Senior Managers and Middle Managers for 2016/17 performance year.</li> </ul>	27 May 2016
June 2016	<ul style="list-style-type: none"> <li>Submission of the SDBIP to the Mayor.</li> </ul>	1-30 June 2016

	<ul style="list-style-type: none"> <li>• Submission of 2016/17 Performance Agreements to the Mayor.</li> </ul>	
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## 2.5.2. IDP REVIEW PHASES

In terms of the MSA No.32 of 2000, section 34, a municipal council

(a) **must review** its integrated development plan

- (i) **Annually** in accordance with an assessment of its performance measurements in terms of section 41 (1); and
- (ii) to the extent that changing circumstances so demand; and

(b) **may amend** its integrated development plan in accordance with a prescribed process.”

The **annual review** process thus relates to the assessment of the Municipality’s performance against organisational objectives as well as service delivery, taking cognisance of internal / external 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 in Chapter 4 of the MSA (2000).

During this annual review process we need to collate a lot of information to guide us. It is therefore evident that we need to adopt a **structured approach** to ensure that we translate all this data and information in a cohesive manner that will ensure that we establish **strategic priorities / objectives** that will address the prevailing challenges and implement appropriate strategies and projects to address these problems

The process undertaken to review the comprises of five (5) phases namely

- **Phase 1: Analysis**
- **Phase 2: Strategies**
- **Phase 3: Project Identification**
- **Phase 4: Integration**
- **Phase 5: Approval**

### Phase 1: Analysis

The analysis phase deals with the existing situation and encompasses an assessment of the existing level of development.

It is important during this phase that the municipality understands not only the symptoms, but also the **root cause of the challenges** in order to make **informed decisions** on appropriate solutions

The importance of a comprehensive evaluation of the previous year’s **Annual Report is critical**, as it articulates what was achieved in the **previous IDP cycle** and the challenges that contributed to areas of underperformance. This provides a credible benchmark/reference for the current review process

It is important to determine the priority issues because the municipality will not have sufficient resources to address all the issues identified by different segments of the community.

### Phase 2: Strategies

During this phase, the municipality works on finding solutions to the problems assessed in the Analysis phase. In terms of its mandate the municipality may employ various methodologies such as a **SWOT analysis** to determine its strengths and weaknesses to leverage these factors to ensure the achievement of the **developed strategic objectives**.

### **Phase 3: Projects**

Once strategies are formulated, they result in the identification of projects. The municipality must make sure that the projects identified have a direct linkage to the priority issues and the objectives that were identified

### **Phase 4: Integration**

Once the projects are identified, the municipality must make sure that they are in line with the municipality's objectives and strategies, and also with the resource framework. Furthermore this phase is an opportunity for the municipality to harmonise the projects in terms of contents, location and timing in order to arrive at consolidated and integrated programme e.g. a local economic development. A very critical phase of the IDP is to link planning to the municipal budget (i.e. allocation of internal or external funding to the identified projects) because this will ensure that implementation of projects and hence development is directed by the IDP.

### **Phase 5: Approval**

Once the IDP has been completed, it has to be submitted to the municipal council for consideration and approval. The council must look at whether the IDP identifies the issues (problems) that affect the area and the extent to which the strategies and projects will contribute to addressing the problems. The council must also ensure that the IDP complies with relevant legislative requirements before it is approved.

Furthermore, before the approval of the IDP, the municipality must give an opportunity to the public to comment on the draft. Once the IDP is amended according to the input from the public, the council considers it for approval

One of the main features of the planning process is the involvement of community and stakeholder organisations in the process. Participation of affected and interested parties assures that the IDP addresses the real issues that are experienced by the citizens of a municipality.

## **2.5.3 COMMUNITY PARTICIPATION**

Community participation is an integral part and the heart of integrated development planning process; hence the municipality also embarks on a programme known as the Community Consultation Programme. The municipality undertakes its own community participation programme twice in a financial year cycle. The first consultation process is done during the analysis phase wherein municipal officials meet with various stakeholders at ward level to collect service delivery data. The second consultation is conducted after the adoption of the draft IDP document of the next financial year. In addition to this engagement there are various other stakeholder meetings such as IDP Managers' Forum, IDP Rep Forum, and District Development Planning Forum which comprise a wider representation of stakeholders, ranging from business, labour, civil society, Traditional leaders, Ward committees and Councillors as well as members of the public among others. The core processes are implementation, evaluation and monitoring of the IDP programmes/projects.

Print media, EMLM newsletters and electronic media are used to inform the community of the processes of the IDP. Dates of the meeting schedules of the IDP processes and other IDP related structures including the Community Outreach Programme are clearly outlined in Table Ref No 2 below.

**Table 8: Stakeholder Consultation Calendar**

	<b>Activity</b>	<b>Period</b>	<b>Time</b>	<b>Venue</b>
<b>1</b>	Visit All Wards (31 Wards ) For Community Needs Identification Through Completion Of The Ward Development Plans	01 – 31 August 2015	A Programme To Be Developed With Specific Timeframes	A Programme To Be Developed With Clear Indication Of Venues In All Wards
<b>2</b>	Consolidation Of Community Needs	01 – 15 December 2015	07 H 00 To 16 H 15	Office
<b>3</b>	Presentation Of The Situational Analysis To The IDP Steering Committee And 3 <sup>rd</sup> IDP Rep. Forum	04 and 09 December 2015	10 H 00	Committee Room
	Present The Strategic Priorities To The 4 <sup>th</sup> IDP Rep. Forum	11 December 2015	10 H 00	Chamber
<b>4</b>	Presentation Of Draft IDP/Budget To Council For Inputs and adoption	30 March 2016	14h00	Municipal Chamber
<b>5</b>	Public Notices For Inputs From The Public	31 March 2016		
<b>6</b>	Draft IDP-Budget Stakeholders Consultation (Magoshi's)	08 April 2016	10h00	Municipal Chamber
<b>7</b>	Draft IDP-Budget Ward Visits (Ward 1-30)	09-23 April 2016	10h00	In All Wards
<b>8</b>	Consolidation Of Report From Public Participation	25-26 April 2016		Municipal Manager
<b>9</b>	IDP Steering Committee To Discuss The Consolidation Of Projects	06 May 2016	10h00	Municipal Chamber
<b>11</b>	Consolidation Of Projects From Sector Departments	13 May 2016	10 H 00	Committee Room
<b>12</b>	Adoption Of 2016-2017 Reviewed IDP-Budget	31 May 2016	12h00	Municipal Chamber (Council)

#### **2.5.4 COMMUNITY PRIORITY NEEDS PER WARD**

The municipality's consultation process has culminated in the identification of various service delivery needs and priorities. The service delivery identified as priorities at various wards in the EMLM have been summarised to inform the IDP and budget processes.

EMLM would endeavour to engage with responsible national and provincial departments in ensuring implementation of projects aimed at attaining ward specific priorities. The below mentioned community needs emanates from the stakeholders engagement and community participation conducted when developing the 2016/17 IDP document. The needs tabled below are those emanating from the previous consultations including the 2015//6 consultations.

**Table 9: Community priority needs**

WARD	NEEDS PER WARD
1.	<p>Clinic at Moteti B  Storm water drainage all village  Electricity Oorlog, Moteti B &amp; Re-gravelling of roads in all village  Water reticulation Ramaphosa, Slovo, Oorlog and Moteti  High mast lights in all villages  Water at Ramaphosa, Moteti B and Walkraal C ext.  Electricity of Moteti B, Walkraal C ext. and Slovo  Sanitation/ VIP toilets in all villages &amp; in all graveyards  Emergency services required  Library and gymnasium  Satellite Police station  Storm water drainage  Completion of tar road 300m  RDP houses=125: Ramaphosa=25; Oorlog=30; Slovo=50; Moteti B=20  Low cost houses  Primary school at Waalkraal (RDP) &amp; Secondary school at Ramaphosa  Pre-school and crèche  Pension Pay point (Hall) and Old age home  Sports field and recreational facility  Title deeds in all villages and formalization of Waalkraal RDP  Low level bridge at Oorlog  Shopping complex  Cleaning of graveyards  Mobile police station  Putco buses are needed in Ramaphosa village.  Jojo tanks needed at Ramaphosa &amp; the billing system on water to be introduced at Slovo.  Shelters at bus stops  Regravelling of road from phase 1 to phase 2  Connected bridge phase 1-8  Dust bins needed  Sports field needed  Solar geysers needed  Community hall needed  Job creation  24hour pipeline of water  Pump operator needed  The ownership of R.D.P houses  Shortage of water while there are flushing toilets</p>
2.	<p>Land care  Upgrading of Moteti A bus route (5km) tar or paving  Clinic at Moteti A (urgent)  High mast lights in all villages of the ward  Paving or tarring of bus route at Moteti "C" and C1 (5 km)  Re-gravelling of roads &amp; sports grounds in all villages  Maintenance of cemeteries and fencing at Moteti A and C</p>

WARD	NEEDS PER WARD
	<p>Storm water drainage in all villages  RDP houses in all villages  Low level bridge at Mohlako primary school  Satellite police station and police patrolling in the ward  Recreation centre (community hall; library; sport field; gymnasium and etc.)  Secondary school within the ward&amp; school toilets at Nkadameng Primary  Low level bridge/ pedestrian bridge from Masakaneng to Mzimdala)  Shelters at bus stops&amp; at pension pay points  Quality and running water  VIP toilets/ sanitation  Shelter needed for all mobile clinics.  New residential sites demarcation  Establishment of waste management program in the ward.  Moteti bus road  Moteti A stone pitching  Water at Tshehla section  Water needed  Jojo tanks needed in other areas  Side walk pane is vandalized and need to be refurbished  Storm water control need to be patched at ZCC church site  Unfinished road in Moteti C need to be finished  Maintenance of cemeteries at Moteti A&amp; B  Stone pitching at Moteti A&amp;B  Recreation centre (sports facilities, gymnasium)  Bus stop shelters needed  Shelter needed at pension pay point  Waste Management (refuse removal)  Proper grading of the road  Ward committee need training</p>
3.	<p>Water and sanitation at Kgobokwane and Kgaphamadi  Community hall at Kgobokwane  Re- gravelling of roads, storm water control and a bridge at Kgaphamadi  High mast lights in both villages ( Kgobokwane and Kgaphamadi)  Job creation  Speed humps needed at Kgobokwane including road signs&amp; tarring of 3 km road at Kgaphamadi  Post office required at new stand  Fence erection for livestock  Primary school required at new stand&amp; secondary School needed in Kgaphamadi  Satellite Police station  Electrification of 135 stands at Kgaphamadi  120 RDP houses are needed &amp; some RDP houses' roofing are leaking  Refurbishment of the existing borehole  Fencing of borrow pit  Provision of jojo tanks</p>

WARD	NEEDS PER WARD
	<p>Initiate wetland programme  Complain about ward committee launching (geo, spread )  Community library  Construction of pay point for elders.  Establishment of parks.  Land use management  Jojo tanks needed in the ward  School patrol  Refuse collection needed (community is willing to pay for the services)  Road to moshate need to be tarred (Kgobokwane moshate)  Incomplete roads need to be completed  Ablution facilities in the schools  Grader needed</p>
4.	<p>Electrification of Mpheleng ( Ntswelemotse ),  VIP Toilets at Waalkraal &amp; ntswelemotse  Demarcation of stompo stands  Storm water control at Walkraal A and RDP  Tarring of 9 km access road from Stompo to Walkraal &amp; speed humps on the bus route.  Paving of 3 km and 8 km storm water control at Stompo,  House connections and Cost recovery at Mpheleng (Ntswelemotse)  High mast lights required  Fencing of cemeteries  Rebuilding of Ramatsetse Primary School  Mobile clinic needed/ proper clinic to be build  Construction of pre- school at Stompo.  New sport ground to be constructed at New Stands.  A need for a steel tank at Walkraal  Development of parking area  Community hall needed  Construction of skills development centre &amp; children's recreational parks  Fencing of Office  Roads and street maintenance &amp; Internal roads needed  Water needed within the ward &amp; Boreholes to be equipped  Residential site to be established  RDP houses or low cost houses  Shelter at pension pay points  Internal bridges and low level bridge from the village to primary and secondary school needed  Security and safety required  Sewer system needed  Electrification of Trust (Walkraal extension, Ntswelemotse extension )  Yard connections at Ntswelemotse  Tarring of bus route at Waalkraal  Rebuilding of Ramatsetse school  Construction of library at Ntswelemotse and Stompo  Construction of pre- school at Stompo.</p>

WARD	NEEDS PER WARD
	<p>New sport ground to be constructed at New Stands.  A need for a steel tank at Walkraal  Development of parking area.  Construction of skills development centre.  Speed humps on the bus route.  Title deed as a priority number one  High school is needed at Malaeneng  FET college is needed  Mobile police station is needed  Road to cemetery needed  Storm water control at Ntswelemotse  Library and gymnasium  Electricity needed  Satellite police station needed  Water needed  Speed humps on the road  Construction of skills development</p>
5.	<p>Water (additional boreholes &amp; reticulation)refurbishment of the existing boreholes in all villages  Erection of a clinic between Mpheleng and Magakadimeng  Paving of bus route and storm water control including a low level bridge  Sanitation in all villages  High mast lights  Admin. Block for Mpheleng Primary school, Ramonokane and additional classes at Mailankokonono  RDP in both villages ( Mpheleng and Magakadimeng )&amp;VIP Toilets in all villages  Construction of a bridge between Mpheleng and Uitspanning B  Tarring of access road from R25( Bloempoot ) to Uitspanning B  Educational bursaries  Renovation of schools and also construction of an admin. Block at Mailankokonono sec. school.  Pension pay points required  Additional class rooms at Sebakanaga  Fencing of borrow pits  Tarring of bus route  Developing community parks &amp; Constructing community hall.  The budget for Mpheleng road for 2015/2016 to be brought back to 2013/2014 financial year.  Fencing of cemeteries in Mpheleng and Magakadimeng.  Provincial road to be re-done and maintained.  Community willing to pay services in Mpheleng  Monitoring of projects  Sports fields needed  Grader not regravelling in Vezinyawo  Grader drivers must be trained</p>

WARD	NEEDS PER WARD
	Budget for Mpheleng and Matlala road Clinic and school needed National and Provincial criteria to implement projects Magakadimeng bus road Upgrading of multipurpose sports field Street name board Waste management, refuse removal Need for agripark
6	Re-gravelling of roads in all villages of the ward Electrification of Lusaka (50 households) and Five Morgan (20 households) VIP toilets in all villages High mast lights in all villages Water at five Morgan and Taereng Low level bridge at five Morgan Fencing of grave yard at Phucukani Storm water control and paving of roads Community hall Refuse removal Sewer system at Phucukani Recycling at Lusaka borrow pit F.E.T college Multipurpose centre& Community park
7.	RDP houses in all villages Refurbishment of the existing community hall Low level bridge at the road to Segolokwane Primary school& at Thejane school and Nyakorwane Re-gravelling of roads in all villages VIP toilets Recreation facilities High mast lights in all villages Electrification for ten (10) Morgan and Zuma-park Paving of all roads to and from schools Completion of Nyakorwane paving project Primary school at Moteti C2 Fencing of all cemeteries Storm water control in all villages Water ( ten Morgan) and sanitation in villages of the ward Community hall at ten Morgan& at Moteti Homeland In –fit houses at ten Morgan Formalization of Zenzele informal settlement Electrification& water at Liberty extension Renovation of community office at Ngolovane Completion of paving and tarring of road at Ngolovane Paving of all the roads leading to schools Low level bridge on the road to Hlogolokwane school Renovation of bridge between Ngolovane and Sibisi primary school

WARD	NEEDS PER WARD
	<p>Low level bridge, joining Matshipe to Goedereede  Establishment of parks/playing area  Library is required at Moteti or 10 Morgan  Bridge connecting Ngolovane and Phooko  Pension pay point for the elders  Special school for the disabled  Clinic needed  RDP houses needed  Library needed  Refuse removal  Community hall needed  Agripark needed  Water house connection at Five Morgan &amp; Taereng  Job creation</p>
8.	<p>Fencing of graveyard at Marapong and Elandsdoorn A  Electrification of Madiba ext.  Resurfacing of Marapong road Phase 2  Refurbishment of Mathale community hall  Extension of water pipes to Madiba  High mast lights in all villages  RDP houses&amp; VIP toilets in all villages  Irrigation scheme at Malaeneng and Sempupuru.  Marapong sports facility(Refurbishment)  Malaeneng community crèche  Ward industrial site  Community stadium  Marapong Bus Route ext&amp; small bridge access road to graveyard(Marapong)  Construction of access bridge Malaeneng  Community hall Marapong  Community crèche Uitspanning A  NESN structure (Mapule P. School) &amp; fencing  VIP Toilets Marapong, Malaeneng, &amp; Uitspanning  New sites at Marapong  Surfacing of access from Uitspanning A to Bloempoort  Clinic at Uitspanning A  Pension Pay point  Storm water control at Uitspanning A&amp; yard connections in all the village of the ward  Poor roads conditions  Job creation  Speed humps(Marapong bus road)&amp; regular re-gravelling of gravel roads in the ward  Repair of a bridge linking Tambo and Marapong  Title deed as a priority number one  FET college is needed  Mobile police station &amp; community library are needed</p>

WARD	NEEDS PER WARD
	<p>Mobile clinic is needed/proper clinic to be build  Children’s recreational parks  Electrification of Uitspanning A extension  Water reticulation for Uitspanning A extension  Security personnel at schools around Uitspanning A  Bursaries needed  Free basic electricity for indigent  That the budget allocated for speed humps be redirected for design for the main road at Uitspanning A</p>
9.	<p>Water provision  Re-gravelling of roads in all villages  High mast lights at Walter Sizulu and Jabulani&amp; extra 10 high mast lights sill need to be installed  Tambo bus route surfacing ( second phase)  Refurbishment of O.R Tambo Stadium  Establishment of a new graveyard and construction of road  Title deeds at Tambo Square.  Electrification D3 Phooko ext and Tambo extension and Walter Sizulu phase1 ext including the informal settlements  Tarring of Walter Sizulu bus route and storm water control  Speed humps at Tambo tar road  Tarring of access road and bridge at Phooko village&amp;tarring of the road to Ga-Kgaladi  Refuse collection facilities(skips)  Paving access road at Jabulani D3 2 km  Sanitation at Walter Sizulu  Clinic at Phooko and Jabulani  Community Hall at Tambo Square  Access bridge between Phooko and Phucukani  Access bridge from S&amp;S to Kgaladi 5,4 km  Access bridge to Sibisi Primary school  500 RDP unit and 1000 VIP toilets  Multi – sport center at Tambo Square  Emergency storm water drainage on the Provincial road  Upgrading of 2 boreholes at Phooko  Jabulani D3 bulk water supply  Extra One (1) borehole at Phooko&amp;Extra two boreholes at Jabulani D3  Upgrading of 3 boreholes at Tambo Square Pre-schools  Upper class houses in Elandsdoorn D  Yard connection and metering at Elandsdoorn C and E  Formalization of informal settlements(phase one extension in Walter Sizulu , D3 Jabulane Phooko and Tambo)  Clinic at Tambo square  F.E.T college and Library  Municipal satellite office  Sewer at Tambo and Walter Sisulu  Fencing of Ngolovane grave yard</p>

WARD	NEEDS PER WARD
	Development of new 1000 stands Tarring of Elandsdoorn E and C bus route Special school is needed Marapong bridge-feedback from SDM
10.	Water provision in all villages of the ward Replacement of the leaking Jojo tank at Ga-Phora Roads re-gravelling and construction of tar road at Lesehleng Sanitation (VIP toilets) refuse removal/ waste management/ dumping site landfill area. Electricity for Dithabaneng, Mashemong & Mohlamme section RDP houses in all villages of the ward Paving phase 2. Mohlamme road and Dithabaneng road Upgrading of sports fields Fencing of cemeteries High mast light Extra boreholes required for the ward: Dithabaneng; Mohlamme; Extension and Mashemong Tarring all main roads in the ward Re gravelling all access roads in the village Construction of speed humps on FKJ Tjiane School Storm water control Signage in all important areas within the ward Fencing the public road passing the village Construction of a bridge between Ntwane and Thabakhubedu at Koto river Cleaning current Lesehleng pay point; fencing the pay point and ablution facilities Building and servicing recreational facilities Erection of a hall and community office Fencing and servicing cemeteries in Ntwane Building offices for Home Based Care Finishing outstanding RDP houses and allocating new RDP houses Erection of police satellite office; post office and dropping point Building FET institution and a university Fencing the tribal authority house Building of old home age All the boreholes to be connected with electricity Water takers to assist in the delivery of water within the ward The generator at Lesehleng to be replaced by electric pump All the boreholes for ward 10 to reflect in the IDP of the municipality. Speed humps at Mohlamme road All the roads which are incomplete within the ward to be completed. Tshwaranang project to reflect in the municipal IDP Ntwane Traditional village project to reflect in the municipal IDP Temporary toilets needed at Lesehleng pay point during pay day All the sports ground within the ward to be regraveled. Stop sign at R25 Moutse mall

WARD	NEEDS PER WARD
	<p>Clearing of the road to the grave yard including bush clearing Patching of potholes at Loskop dam road</p>
11	<p>Storm water drainage at Elandsdoorn tar road leading to the main road RDP houses in all villages of the ward Paving of Jabulani road Low level bridging at the road to Sereme school Paving of inner streets at Elandsdoorn High mast lights at Taiwan and extra 3 high mast lights at Elansdoorn township Sewage system at Elandsdoorn Refuse removal Multipurpose centre around Moutse mall Fencing of cemeteries and daily maintenance Paving of sidewalks on the road leading to Moteti Electrification of Taiwan FET College/university Water and sanitation needed Fire station: The fire station from Groblersdal is far away from Moutse and as such it is difficult to be utilized by the community of Moutse. The access roads at Elandsdoorn should be graveled. Clinic needed at Elandsdoorn Job creation in the area of Moutse Incomplete road in Tambo village to be completed. There are challenges that require the office of the Speaker to deal with and finalize.</p>
12	<p>Paving of road to Nala High school and Fawcett combined school Water and sanitation at Thabakhubedu Electrification of new settlement at Fawcett and Nala and new household within the villages Construction of a bridge linking Thabakhubedu and Ntwane RDP houses in all the villages including Magagamatala Thabakhubedu road phase 2 Construction of a bridge at Nala high school and Lesehleng including Lekgwareng bridge to Nala Post office Cleaning of pay point Dumping site Fencing of cemeteries Building of Technical school and Library High mast lights Recreation facilities RDP houses: Thabakhubedu=55 Pedestrian side walk and speed humps required at the main bus route To put culverts at Koto and Dieplevel Environmental inspection at shops and Spaza shops To extend the main tar road to Tamong</p>

WARD	NEEDS PER WARD
	<p>To repair 14 boreholes at Thabakhubedu  Installation of Network points for cell phones  Grazing camp for livestock  Pension pay point to be constructed  Youth center required at Thabakhubedu  Culverts at Lekgwareng  Establishment of a new graveyard at Thabakhubedu  Completion of stone pitching at Thabakhubedu bus route  Speed humps needed at Thabakhubedu bus route  Need for agripark  Cleaning of dams for live stock  Construction of tar road from Loskop dam to Magagamatala village  Construction of Lekgwareng bridge</p>
13	<p>Traffic lights at all intersections in van Riebeeck street  Cultural Plaza  Resealing of roads  Enlargement of office space at license department  Upgrading of sewer lines and water network  Traffic study  Installation of Pre-paid meters (study)  Branding of the municipality  Renaming of streets and streets identification signs  Renovation of Public toilets  Up-grading of tennis cords  Budget for community Policing Forum  Install infrastructure services to the hawkers  CCTV cameras installation in town  Improve learning material in the library  To impose bylaws in all unoccupied sites and must be applied without racial favor, e.g. cutting of trees  Recreational facilities  Complete road master plan  A need for proper planning and preventative maintenance on all assets in town  To relocate hawkers from operating at pedestrian sidewalks  Renaming of the town to be included as part of the ward 13 needs  Policing forum need to be budgeted  Public consultation process on Saturday need to be concluded  Library to be opened after hours, more personnel needed in the library and Saturday hours to be extended  Research to be done on study material as per users  To intensify mechanism of cleaning our internal street  Community services must ensure that the internal streets are clean at all times  There is a need for a community hall</p>
14	<p>Dropping centre at Ga-Matlala Lehwelere and Naganeng including Masakaneng and Bloempoot</p>

WARD	NEEDS PER WARD
	<p>Upgrading of sports field in all villages</p> <p>Equipping of bore holes at Ga-Matlala and Bloempoot</p> <p>Construction of crèche at Masakaneng, Gamatlala Naganeng and Bloempoot</p> <p>Clinic required in all villages</p> <p>Re-gravelling of access roads in all villages including storm water control</p> <p>Upgrading of sports field in both villages</p> <p>VIP toilets in all the villages</p> <p>Tarring of road at Naganeng to Matlala Lehwelere&amp; Bloempoot and Mpheleng</p> <p>Recreational faculties in villages of the ward</p> <p>Construction of both secondary and Primary schools at Masakaneng and Naganeng primary school. Ga-Matlala Lehwelere primary school (foundation phase)</p> <p>Old aged homes required in all villages</p> <p>Electricity to be installed at agricultural scheme, Masakaneng and Naganeng extension and Ga-Matlala extension</p> <p>A need to deploy water pump operator at Matlala Lehwelere</p> <p>Community office required in all villages</p> <p>RDP houses =1550: Bloempoot=100;Naganeng=50;Ga Matlala Lehwelere=500;Masakaneng=900</p> <p>Construction of a secondary school at Naganeng and Masakaneng and also construction of administration block at Naganeng; Ga-Matlala and Masakaneng.</p> <p>Construction of a crèche at Masakaneng ; Naganeng and Bloempoot</p> <p>Bulk water supply required in all villages</p> <p>Establishment of a cemetery at Masakaneng village</p> <p>Fencing of cemeteries in all villages</p> <p>Libraries in all villages</p> <p>Installation of high mast lights in all villages</p> <p>Equipping of bore holes at Ga-Matlala</p> <p>Refuse removal in all villages</p> <p>Community halls in all villages</p> <p>Cleaning of Calvert (R 25 road)</p> <p>Fencing of road (R25)</p> <p>Funding of community projects</p> <p>Up-grading of Market stalls at Aquaville</p> <p>RDP needed at Aquaville and Vaalfontein</p> <p>The provision of water in all villages</p> <p>Maintenance of Dams</p> <p>Fencing of the main tar road from Toitskaal to Matlala Lehwelere</p> <p>Construction of tar road from Ga-Matlala to Groblersdal</p> <p>Funding of the established co-operatives within the ward</p> <p>2 low level bridge needed at Matlala Lehwelere</p> <p>Culverts at magoshi road</p> <p>Storm water drainage at Matlala Lehwelere</p> <p>Incomplete VIP toilets project</p>

WARD	NEEDS PER WARD
	<p>School transport needed at Naganeng  Youth centre needed at Naganeng and Matlala Lehwelere  Sports facilities  Shelter at pay point stations Naganeng and Matlala Lehwelere  Unemployment is a challenge in this ward  Water supply (urgent)  Increase RDP houses  Speed humps needed at Naganeng road  Agripark  Community parks</p>
15.	<p>Re-gravelling of access roads in all the villages  Electrification of few houses in Masoing and Holneck  Water reticulation in all villages  RDP houses in all villages  New site establishment  Tarring of J.J. road and Masoing road  Paving of Maragareng road  Storm water control in Holneck  Speed humps on road R579  Buildings for crèche in all villages  High mast lights  Community hall  Test station for drivers license  V.I.P toilets for every house  Clinic needed in the ward  Bridge from main road over Jeje river to Maraganeng sports ground  Renovation at Matailane high school  Pre-schools in all villages  Job creation within the ward  Budget to be fixed  Increase of water pipes for all villages (priority Masoing)  Pits in the cemetery should be closed  Cleaning of cemeteries</p>
16.	<p>Water at Oversea, Madala stands , Doorom and Masanteng  Formal opening of the One Stop Center  Strict occupation of RDP houses  Extention of the tarred road towards the Police station  Tarring of bus route and re-graveling of access roads in all sections  To convert Zaaiplaas clinic into a health centre  Community hall at Zaaiplaas  Community hall at Ga-sovolo  Storm water drainage needed on the road  RDP houses needed  Agricultural projects to be established  Paving for pedestrian walking on the road from main road to police station  High mast lights</p>

WARD	NEEDS PER WARD
	<p>Incomplete RDP houses since 2009 to be completed  Water tankers to re=instated  Projects which have collapsed to be re-established  Tare road from Doorom to Masanteng  Library needed  Re-gravelling of road to the cemetery  Shopping complex needed  Renovation on the traditional office  Re-gravelling of Saaiplaas road to Oversea  Re-gravelling of access road  Re-gravelling of sports grounds  Community office  Graveyard fencing  F.E.T or college needed  Low level bridge at Nkadimeng  Construction of hospital  Sovolo clinic (Building)  Cleaning of cemetery  Sports facilities  Home Affairs to visit the ward everyday of the week  Low level bridge at oversea/access road  Borehole at Sovolo new stands  Extra personnel needed at the clinic and 24 hours operation</p>
17.	<p>Re gravelling of internal roads in all villages and tarring of 4km Ga molo; Bapeding; Sedibeng; Matshelapata and New Stand  Water metering and sanitation in the whole ward  Electrification of 50 houses in New stand and 370 houses in Matshelapata  Mobil clinic at Matshela pata  Upgrading of sports facilities in all sections. 6 sports grounds  Storm water control in all wards and 8 bridges  Library  Land for RDP houses only  Boreholes required and low level bridge in the whole ward  RDP houses=135: Matshelapata=50;Matshelapata extension=25;Ga Moloji=20;Bapeding=20 and Sedibeng=20  Fencing of graveyards  Pre-school needed in all villages  Kopa high school: renovation and extra class rooms  Elias Masango: Extra class rooms and admin block  Mobile police station  Community hall  High mast lights  Sports grounds and recreation center  Speed humps on the main road from Ga-Chego to Dikgalaopeng road (urgent)  Fencing of sports ground  Youth center at Matshelapata</p>

WARD	NEEDS PER WARD
	<p>Police patrol Ga-Moloi Road signs on the main road</p>
18.	<p>Low level bridge at Makgopheng, Syferfontein and Magukubjane Electricity at Mosodi and Talane extension Pay point for social grants and community halls for all villages Re-gravelling of bus route between Hlogotlou and Syferfontein Fencing of cemeteries and Agricultural projects for all villages Schools, libraries and sport facilities VIP toilets, High mast lights and yard connections at Talane, Mmotwaneng, Makgopheng and Syverfontein RDP:houses:Mmotwaneng=20;Syferfontein=20;Talane=20;Magukubjane=20;magopheng=20 Water reticulation at some parts of Syferfontein Water reticulation at Talane extension Completion of tarring of the road from Monsterlus to Magopheng Comprehensive school Road from Perdeplaast viaSyverfontein, Talane to Magukubjane Fencing and support to agriculture projects Road from Mmotwaneng crossing to cemeteries Fishing projects to be established Recreational facilities for all five villages Water needed at new stands Water maintenance in all villages</p>
19.	<p>Water: water tankers at Dindela , Rondebosch , Nkosini and Mathula stands ( all extensions) Bridge between Rondebosch and Madongeni Tarring of 12 km road ( 4 km Tribal office road and 8 km bus route at Mathula stands RDP: houses=62:Mathula=10; Enkosini=8;Dindela=15;Rondeboch=6;Perdeplaas=12;Thabaleboto=11 Renovation of Jafta and Bantabethu schools High mast lights in all villages Community hall at Mathula; Dindela and Thabaleboto Yard connection ( water) in all villages Gravelling of main roads in all villages Fencing of all cemeteries within the ward Upgrading of sports fields in all villages Network general at Moshate and Khathazweni Repairs water pumps at Mathulala &amp; Enkosini Hlogotlou Brick works Road from Masimini to Dindela Job creation initiatives for people over 35 years Grading road at Mabele Grading of road from Taxi rank to Rondebosch Grader to service Perdeplaas A Repairs water pump at Rondebosch Pay point at Rondesbosch; Madongeni, Mathula and Perdeplaas</p>

WARD	NEEDS PER WARD
	<p>12km road to Mathulastand  4km road to Nkosini  Phase two of Thabaleboto road  Funding of HBC/NGO  VIP toilets for all villages  Storm water control at Perdeplaas, Thabaleboto and Mathula  Agricultural assistant ant Perdeplaas and Nkosini  Network aerial at Moshate  Renovation of school at Perdeplaas  Bridge at Nkosini  Water at Mabelestand (borehole)  Road at Mabelestands  Road at Khatazweni (grader)  Bridge at Hlogotlou  Food parcels for orphans  Funding of agricultural projects (HBC/NGO)  Borehole at Mathula  Renovation of Maphepha School at Enkosini  Access route at Mathula  Paving at Thabaleboto road  Crèche at Thabaleboto</p>
20.	<p>Paving and storm water control at Monsterlus and Jerusalem  Paving of streets at Monsterlus and Jerusalem  Include water and sanitation at Monsterlus  VIP Toilets at Stadium View and Matsitsi  Supply of skips at Monsterlus  Toilets and water taps in Graveyard  Community hall around Monsterlus Stadium and Library  High mast lights at Jerusalem;RDP;Matsitsi and Stadium View  Upgrading existing sewer system  Support to brick making cooperative  Water and electricity at stadium view.</p>
	<p>RDP houses=56: Matsitsi=09; Stadium View=14; Jerusalem=11;Monsterlus Unit A=09  Renovation of Mphezulu secondary school and upgrading of Monsterlus stadium  Standardized bridge and street surfacing at Stadium View and Matsitsi  Toilets in the graveyards  Additional jojo tanks at Matsitsi section  Tarring of road from taxi rank to Masoganeng  Speed humps in the following roads: Jerusalem road; and the main road passing police station to Zaiplaas.  Upgrading of purification plant  Funding of Agricultural projects  Maintenance transfer station  Storm water phase 3  Re-gravelling and tarring of roads at Monsterlus unit A,B &amp; C and</p>

WARD	NEEDS PER WARD
	<p>Jerusalem  Cancellation of service debt  Distribution of refuse bins for RDP beneficiaries  Electrification of Matsitsi,RDP,Jerusalem and Stadium View  Resurfacing of the main road  Electrification of stadium view  Monsterlus to Makgopheng road budget R6 million.  Upgrading of storm water &amp; drainage (Monsterlus)  Refuse truck must stay in Hlogotlou satellite office.  Potholes along main road to from Monsterlus to Groblersdal.  Shortage of water at unit B and RDP.  Poor sanitation in Hlogotlou Township.</p>
21	<p>Water at Kgaphamadi , Legolaneng, Motsephiri and Phomola;Mareleng; Makena and Katlegong  Sanitation at Kgaphamadi; Mareleng; Phomola; Motsephiri; Legolaneng and Makena for 2000 households  Electrification of 170 houses: Legolaneng =90; Makena = 40; Kgaphamadi =40  RDP houses 115: Kgaphamadi=40; Motsephiri=30; Legolaneng=45  Tarring of road : Motsephiri; Kgaphamadi; and Katlegong (D4298)  Tarring of Legolaneng—Makena road (D4311)  Bulk water supply at Motsephiri  Upgrading of reservoir at Motsephiri  Re-gravelling of streets in all villages  Fencing of graveyards in Legolaneng;katlegong;Kgaphamadi;Motsephiri and Makena  Maintaining all sports fields in all villages and schools: Legolaneng; Katlegong;Kgaphamadi;Mareleng;Makena; Phomola and Motsephiri  Community halls at Motsephiri and Legolaneng  Dropping centers at Kgaphamadi; Motsephiri and Legolaneng  Clinics at Motsephiri; Legolaneng and Kgaphamadi  Sports centers at Motsephiri;Kgaphamadi;Katlegong and Legolaneng  Renovations of schools at Motsephiri; Legolaneng; and Kgaphamadi  Building of new primary schools at Katlegong and Ga-Makena  Building of administration blocks at Legolaneng; Kgaphamadi; Makena and Motsephiri  High mast lights at Motsephiri; Kgaphamadi; Legolaneng; Katlegong; Makena; Phomola and Mareleng  Fencing of Kgaphamadi community hall  Multipurpose centre</p>
22.	<p>Electrification of 180 households at Phomolong and 60 Luckau A extension  RDP houses within the ward  Sports facilities within the ward  Re-gravelling of all streets and grounds including storm water control at Luckau A  Building of 3 blocks classrooms, Library and laboratory at Hlabi high school, ,,3 classroom block at Makeke P. school.</p>

WARD	NEEDS PER WARD
	<p>Construction of offices at Moshate  VIP toilets  High mast lights  Business development centre  Water  RDP houses=80: Mogaung=30; Phomola=18; Posa=22;Makeke=10 and 25  RDP houses at Phomolong.  Bridge at Posa  Mogaung road upgrading  Clinic at Mogaung  Cleaning and fencing of cemeteries  Construction of Primary school at Phomola  Fencing of pay point  Road signs at the main road  Satellite police station along the main road  Health center  New primary school at Phomolong village  Community hall needed  Signage board indicating Mogaung village  Low level bridge between Luckau and Mogaung.  Construction of road sign within the main road.  Establishment of municipal satellite office for ward 22;23;and 24.  Financial assistance on agricultural projects.</p>
23	<p>Paving of main street Sephaku/Vlakfontein  Master lights Sephaku/Vlakfontein  Closing of donga in Belfast/Sephaku new stand  Sephaku irrigation dam need renovation  1500 RDP houses needed in the ward  Sports grounds Sephaku and Vlakfontein  Borehole in Manyanga/Vlakfontein/ Belfast  VIP toilets for Sephaku and Vlakfontein  Establishment of satellite police station  Building for hawkers  Shelters at bus stops  Recreation facilities  Community hall for Sephaku and Vlakfontein  Pension Pay point for Sephaku and Vlakfontein  Speed humps in Vlakfontein road  Disability centre  Construction of Youth centre  Water reticulation at Vlakfontein  Cleaning and fencing of cemeteries  Primary school at Mahlwakgomo  Additional classrooms and toilets for Mzimhlophe primary school and Ngulu  Admin block for Mzimhlophe and Ngulu  Storm water control and re gravelling</p>

WARD	NEEDS PER WARD
	<p>Meter box for boreholes in Sephaku and Vlakfontein  Clinic for 24 hour operation  Community hall within the ward  Jojo tanks for water storage in Mzimhlophe S.S.School  Maintenance of borehole in Vlakfontein  Multipurpose centre needed (inclusive hall, sports ground, parks, etc)  Child hood development centre  Gravelling of access road to Kgoshi Maphepa  Construction of hospital.  Financial assistance to agricultural projects.  Fencing of wetland areas.  Paving of Belfast road &amp; the main street of Sephaku &amp; Vlakfontein</p>
24	<p>Community Hall in all villages  Tarring and re-graveling of roads in all villages  Water in all villages  Clinics in all villages  RDP houses in all villages  Sanitation and VIP toilets  Paving of roads from the main road viaPhokanoka high school road  Recreation facilities  Re gravelling of roads to all Meshate  Re gravelling of roads to all graveyards  Fencing of cemeteries. Six in number  Satellite police station in Luckau  Fencing of borrow pits at Nkadimeng  Funding of community projects  Cleaning of alien plants  Tarring of road from Mokumong via Ga-Mashabela to Maratheng taxi rank  Storm water control at Luckau and Sterkfontein  Luckau clinic needed  Speed humps needed on the main road</p>
25.	<p>Water and sanitation in all villages  Water and sanitation in all villages  Refuse removal at Dikgalaopeng and all other villages  Lower level bridge at Ramogwerane  Paving of roads in all villages  Fencing of cemetery in all villages  RDP houses in all villages: Dikgalaopeng=64; Ga  Matsepe=41Makaepea=12; Ramogwerane=50  Renovation of Dikgalaopeng P. school ,and secondary school  Community hall. Dikgalaopeng and Ga-Matsepe  Electricity. In all villages  High mast lights. In all villages  Construction of a royal house and royal office  Travelling and cell phone allowances for the chief and council  Agricultural support  Poverty alleviation programs and job creation for youth</p>

WARD	NEEDS PER WARD
	<p>Youth Information centre            280 household need electrification at Makaepea B            Refuse removal needed in Dikgalaopeng            Capital budget should be prepared by wards to ensure balance of service within EMLM            Electrification of all households without electricity at Dikgalaopeng            Progress report needed on the needs identified in the previous years            Up-grading Sport grounds            Job creation initiatives for people over 35 age            Food parcels by SASSA to be provided to all beneficiaries            Bridge at Puleng/ Ramogwerane            Foundations at Dikgalaopeng RDP houses            Clinic at Ramogwerane village            Access road to Moshate school            Access road to the clinic            Provision of medication at the clinic</p>
26.	<p>Water in the whole ward            Pedestrian crossing bridge between stadium and new stands            Paving of access roads and storm water control in all sections            Up-grading of sports grounds in all sections            Boreholes required            Low level bridge at stadium to Mgababa            Multipurpose centre            RDP houses            Job creation Programs required            Bridge between Ga-Kopa and Botloponya            Upgrading of reservoirs            Low level bridge between R and R and Stadium View            Fencing of graveyards            Skips needed            Satellite police station (urgent)            High mast lights (very urgent)            Library for five wards in Tafelkop            Sports facilities            Pre-school (crèche) at new stands            Road sign next to Rammupudu clinic            Municipal satellite offices needed in Tafelkop            Bridge between ward 26 &amp;28 &amp;Ward 26 and 27            Community hall            Admin block is needed at Abram Serote senior secondary school            Skills development            Job creation            Recreational center            Multipurpose center            Skills development            Pay point            Crèche at New Stands</p>

WARD	NEEDS PER WARD
	Upgrading of classrooms at Mphage School Sports Academy Food Parcels (SASSA to provide); Reviewal of the Policy for Food Parcels so that it accommodates the indigent
27.	Roads and storm water control in all villages of the ward Electrification of 120 houses at Nyakelang , 60 houses at Botloponya and 40 houses at Mountain view Library at Nyakelang Building of Mosebi and Matlabi Pre-school High-mast lights Grave yard fencing ( both new and old grave yards ) Paving at stadium view Refuse removal RDP houses VIP toilets Upgrading of sports ground Mobile clinic Tarring of road from stadium to Dipakapakeng
28	Re-gravelling of internal roads in all villages Re-gravelling of road from Ga-Chego to Sterkfontein Mokumong via Ga-Makudusa Water and sanitation in the whole ward Electricity of Dipakapakeng ME section Clinic at Dipakapakeng Paving of 1km road from Ga-Chego via Moilanong and Mogudi schools to Dipakapakeng bus route Tarring of 4km road from Mokumong via Ga-Mashabela to Sterkfontein Ga-Makudusa Completion of the existing RDP houses Upgrading of sports facilities in all sections Storm water control in the whole ward The extension and fencing of grave yards in the whole ward 24 hour service at Rammupudu clinic Pedestrian crossing bridge between R and R and Stadium View 126 RDP houses in the whole ward Tarring of 6Km road from Dipakapakeng fruit shop to stadium Extension of new blocks at Motjedi; Mogudi; Ramanare high schools and Moganetswa primary school Building of primary school at Stadium East Food parcels for indigents funerals Water tanker truck to deliver water to all projects within the ward High mast lights needed in the ward (urgent) Fencing of graveyard Servicing of electricity post connection system. Establishment of dumping site. Renovation of collapsing bridge at Tamati stop
29	Land and infrastructure development in Motetema

WARD	NEEDS PER WARD
	<p>Formalization of all informal settlements within Motetema</p> <p>Water and sanitation at Motetema</p> <p>RDP houses in the whole ward</p> <p>Electricity (extension) at Motetema</p> <p>Land tenure at Motetema</p> <p>Sporting facilities</p> <p>Renovation of community hall</p> <p>Parks and gardens</p> <p>Additional high mast lights</p> <p>Fencing; Cleaning and maintenance of cemetery</p> <p>Sidewalks</p> <p>Tarring of paving of roads</p> <p>Maintenance of sewer maintenance</p> <p>Electricity needed at Phumula Mqaxi</p> <p>Renovation on Motetema schools</p> <p>Continuous cleaning of Motetema cemetery</p> <p>Development of Motetema Primary Health Care</p> <p>Auxiliary training to be re-introduced</p> <p>Increase the budget for water extension project</p> <p>The total revenue expected from Motetema residents</p> <p>They should need a list of service which they should pay</p> <p>The money for Motetema phase road to construction to be re-allocated</p> <p>Motetema satellite office should be maintained</p> <p>Community hall needed</p> <p>Clean water needed</p> <p>Renovation of Ramohlokolo &amp; Refilwe Secondary School</p> <p>Filling of dangerous pits in Shushumela</p> <p>Erection of sidewalks for school pupils</p> <p>Building of library to cater for school pupils</p> <p>Paving of the cemetery</p> <p>Paving of Motetema internal streets</p> <p>Indigents should be catered for in full</p>
30	<p>Electrification of 200 houses in Makwane-Nkakaboleng; Tshehla Trust and prepaid electricity at Roosenekal town</p> <p>Water at Makwane-Nkakaboleng; zone 11 and Tshehla Trust</p> <p>Low level bridge in Tigershoek and upgrading medium bridge in Leeupershoek</p> <p>Clinic at Roosenekal</p> <p>Tarring road in Laersdrift and Makwane-Nkakaboleng</p> <p>Paving Roosenekal RDP streets</p> <p>Four high mast lights in Sango village</p> <p>Refuse removal in Makwane; Station and Sango</p> <p>Health center in Roosenekal</p> <p>New site establishment</p> <p>Extension of Roosenekal RDP section and extension of Station village</p>

WARD	NEEDS PER WARD
	<p>Secondary school in Laersdrift Electricity in zone 11 Services needed for people leaving in the farms The time frame for the promised services Shopping centre needed Electricity bill is very high. Sustainability of Roosenekal electricity. Construction of water reticulation at Laersdrift Construction of clinic at Laersdrift Patching of potholes on R555 Skip tanks needed. Renovation of both schools in Laersdrift. Extension of pre- school in Roosenekal. Water tanker to be stationed at Roosenekal permanently Boreholes needed in Makwana Nkakaboleng</p>

## **CHAPTER 3**

### **SITUATIONAL ANALYSIS**

#### **3.1. DEMOGRAPHIC ANALYSIS**

In this section an overview is provided of the important socio-economic indicators and trends of the EMLM highlighting issues of concerns in terms of challenges that the municipality currently experiences. As a basis of reference the municipality has considered the demographic information that was provided by the Stats SA census 2011.

##### **3.1.1 REGIONAL CONTEXT**

The Elias Motsoaledi Local Municipality (formerly Greater Groblersdal Local Municipality) is located in the Sekhukhune District Municipality of Limpopo province, South Africa and the seat of Elias Motsoaledi Local Municipality is Groblersdal. The Elias Motsoaledi Local Municipality (EMLM) was established in 2000 as a category B municipality as determined in terms of municipal structures act (1998). The EMLM has collective executive system as contemplated in section 2(a) of the Northern Province Determination of Types of Municipalities Act (2000).

The EMLM is predominantly rural in nature with a high unemployment rate resulting in high poverty levels and is linked with many other places through shared environmental, social and economic systems and structures. The most apparent of these links are with neighbouring and nearby municipalities across Sekhukhune District Municipality. The EMLM is also integral to the provinces of Limpopo and Mpumalanga and has significant development potential in sectors such as agriculture (both horticulture and livestock), tourism and mining.

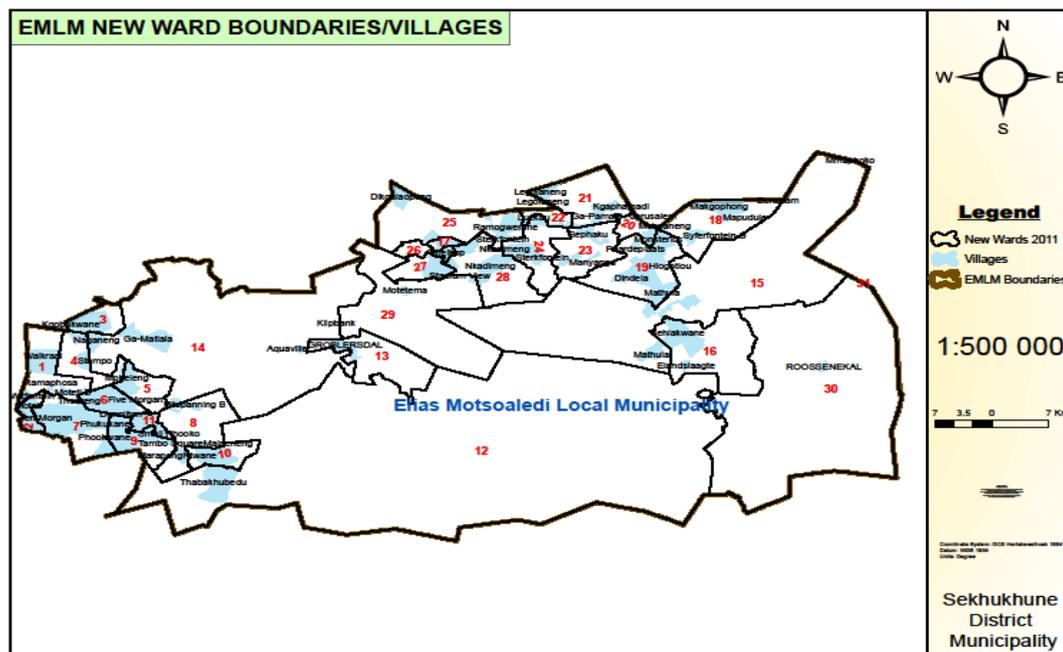
The municipality evolved as an amalgamation of the former Moutse Transitional Local Council (TLC), Hlogotlou (TLC), Tafelkop, Zaaiplaas, Motetema and other surrounding areas in the year 2000. The municipality is named after the struggle hero Elias Motsoaledi who was sentenced to life imprisonment on Robben Island with the former president of the Republic of South Africa, Nelson Mandela. The municipality borders Makuduthamaga Local Municipality in the south, Ephraim Mogale Local Municipality in the east, Greater Tubatse Local Municipality and Mpumalanga's Dr JS Moroka, Thembisile Hani, Steve Tshwete, Emakhazeni and Thaba Chweu local municipalities. It is situated about 180 kms from Polokwane, 135 km from Pretoria and 150 kms from Nelspruit.

Greater Tubatse Local Municipality and Mpumalanga's Dr JS Moroka, Thembisile Hani, Steve Tshwete, Emakhazeni and Thaba Chweu local municipalities. It is situated about 180 kms from Polokwane, 135 km from Pretoria and 150 kms from Nelspruit.

The municipality is the third smallest of the five (5) local municipalities in Sekhukhune District, constituting 27, 7% of the area with 3,668,334 square kilometers of the district's 13,264 square kilometers. Land ownership is mostly traditional and the municipality is predominantly rural with about sixty two settlements, most of which are villages.

The Groblersdal Magisterial District, Roosenekal and Laersdrift are pivotal to the economic growth of the municipality. Moutse Magisterial District population and its economic activities include the settlements in the western part of the Elias Motsoaledi Local Municipality. The settlements in the north eastern parts of the municipal area are located in the Hlogotlou and surrounding areas. It should thus be borne in mind that these four magisterial districts do not only form part of the Elias Motsoaledi Local Municipality but also partly comprises adjacent local municipalities. It does however provide an indication of the economic structure and characteristics in different parts of the EMLM.

Figure 1: boundaries of the municipality<sup>5</sup>



### 3.1.2. POPULATION DISTRIBUTION AND TRENDS ANALYSIS

The population of the municipality is 249,363, representing a population increase of 12.5% as compared to the 2001 population figures. The growth of the population from 221,647 in 2001 could be attributed to natural growth and job opportunities and the overall growth in economic activities in the municipal area. The population growth between 2001 and 2011 means 0.9% of the people are aged 0-14 years old and 3.2% of people are aged 15-65 years old. The sex ratio indicates that for every 100 females there are 86 males.

The growth in population is more prevalent in males as reflected in the following table.

Table 10: Total Municipal Population

Population	2011	2001	% Incr.
Males	115503	90655	27,4%
Females	133860	130992	21,9%
Total	249 363	221647	12,5%

Source: stats SA, Census 2011 and 2001

Of the total population of 249,363 (97,9%) is African black, with the other population groups making up the remaining (2,1%).

<sup>5</sup> Sekhukhune District Municipality GIS Unit

**Table 11: Population by Ethnic Group**

Group	Percentage
Black African	97,9%
Coloured	0,1%
Indian/Asian	0,2%
White	1,6%
Other	0,2%
<b>TOTAL</b>	<b>100%</b>

Source: Census 2011

**Table 12: Population by Age Group**

Age	Males	Females
0-4	6,7%	6,6%
5-9	5,8%	5,9%
10-14	5,7%	5,4%
15-19	6%	5,9%
20-24	4,9%	4,9%
25-29	3,3%	4%
30-34	2,5%	3,1%
35-39	2,1%	2,8%
40-44	1,7%	2,4%
45-49	1,6%	1,6%
50-54	1,4%	2%
55-59	1,2%	1,8%

**Table 13: Household by Ethnic and Gender Group**

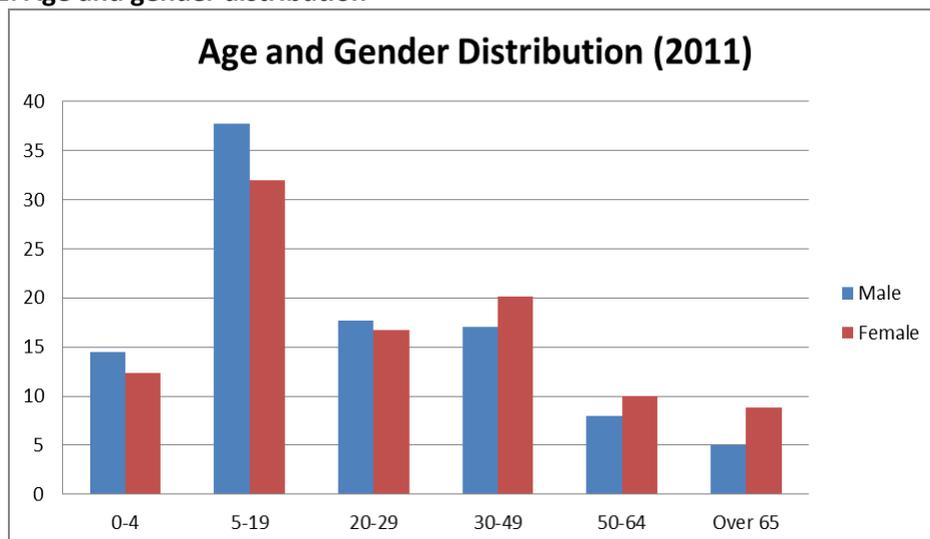
Population Group	Females	Male	Total
Black African	31,422	26,924	58 630
Colored	32	55	87
Indian or asian	99	150	161
White	597	917	1 208
Other	134	144	165
<b>TOTAL</b>	<b>32,284</b>	<b>28,190</b>	<b>60251</b>

Source: Stats SA census 2011

- There are 53.7% females and 46.3% males within the Municipality
- There is a large segment of youth (under 19 years) which comprises 47.9% of the total population

The “young” population is prevalent in a developing country. Therefore there is an increased pressure on the delivery of Housing, Social Facilities and Job Creation within the Municipality.

**Figure 2: Age and gender distribution**



Source : Stats SA Census 2011

The most prevalent language spoken is Sepedi (58,6%), spoken by approximately (58,6%) of the population, followed by Isindebele (14,9%) and Isizulu (8,8%2%). The largest variety of spoken languages occurs in the non-urban area.

**Table 14: Language Preference within the municipality**

Language	%
Afrikaans	1,8%
English	1,3%
Isindebele	14,9%
Isixhosa	0,4%
Isizulu	8,8%
Sepedi	58,6%
Sesotho	2%
Setswana	6,1%
Sign language	0,2%
Siswati	1,5%
Tshivenda	0,4%
Xitsonga	2,6%
Other	1%
Not applicable	0,6%

Source: Stats SA Census 2011

**Table 15: The marital status within the municipality**

Group	%
Married	18%
Living together	3,5%
Never married	73,6%
Widower/widow	4,2%
Separated	0,3%
Divorced	0,3%

The tables below indicate the tenure status in the municipal area. There is a clear indication that more of the land is occupied by individuals who have ownership than those that rent. The average household size has declined from 4.5 to 4.1 in 2001 and 2011 respectively.

**Table 16: Age structure**

Age	2011	%	2001	Percentage %
0-14	89 772	36	88 659	40
15-65	142 136	57	119 689	54
65+	17 455	7	13 296	6
Total	249 363	100	221 647	100%

Source: Stats SA 2011 and 2001

### 3.1.3. HOUSEHOLD DISTRIBUTION (SOURCE: STATS SA CENSUS 2011)

The average household size of 4.1 persons has been influenced by the fact that approximately (38,7%) of households have two (2) or less occupants. This phenomenon could be as a result of several factors including incorrect baseline data or that younger people have set up their own homes but this is contrary to the statistics with respect to Age which reflects that there is a large segment of youth (under 19 years) which comprises 47.9% of the total population.

**Table 17: Household Size**

Household Size	Number 2011
1	14,294
2	9,045
3	7,774
4	7,756
5	6,401
6	5,073
7	3,438
8	2,380
9	1,574
10+	2,517
TOTAL	60,251

Source: census stats SA 2011

Interesting to note that (58,1%) of all households are owned with the majority fully paid off.

**Table 18: Tenure Status**

Tenure Status	2011
Rented	5,828
Owned but not yet paid off	1,658
Occupied rent-free	16,506
Owned and fully paid off	33,324
Other	2,934
Total	60,251

Source: Stats SA Census 2011

Another notable feature of the household statistics is that approximately (87,4%) of all dwellings can be classified as formal structures as reflected in the following table.

**Table 19: Type of dwelling per household**

Type Of Dwelling	2011
House or brick/concrete block structure on a separate stand or yard or on a farm	51,893
Traditional dwelling/hut/structure made of traditional materials	2,274
Flat or apartment in a block of flats	325
Cluster house in complex	176
Townhouse (semi-detached house in a complex)	53
Semi-detached house	203
House/flat/room in backyard	1,152
Informal dwelling (shack; in backyard)	1,743
Informal dwelling (shack; not in backyard; e.g. In an informal/squatter settlement or on a farm)	1,398
Room/flat let on a property or larger dwelling/servants quarters/granny flat	702
Caravan/tent	82
Other	252
TOTAL	60,251

Source: Stats SA Census 2011

The information shows that formal dwellings has increased from 79.5% in 2001 to 90.5% in 2011

### **3.1.4. HUMAN DEVELOPMENT INDICATORS (HDIS)**

The Human Development Indicator (HDI) is a key measure to assess the level of socio-economic development in the population. It measures people's ability to have a long and healthy life, to communicate, participate in the community and to have sufficient means to be able to afford a decent living based on:

- per capita income
- level of education based on the adult literacy rate
- the average number of years of schooling of adults

An HDI of below 0.5 are considered to have a low level of human development, a score of 0.5 to 0.79 a medium level of development and those with values of 0.8 and above are considered to have a high level of human development. Clearly, the highest Human Development Index in the study area is prevalent in the Groblersdal Magisterial District where the Human Development Index increased from 0.53 in 1996 to 0.56 in 2005. This figure is significantly higher than the index for Moutse magisterial District (0.45) and the Hlogotlou Magisterial District (0.47). The comparative provincial Human Development Index in 2005 was 0.51.

Based on the fact that Elias Motsoaledi is largely rural in nature, the provision of infrastructure will be impacted by HDI of the Municipality

The income level per household is considered a better barometer of poverty and the statistics reflect that (56,9%) can be classified as Indigent as they earn less than R1,600 per month (R19,200 per annum), as per Stats SA 2011. Not all these households have registered to qualify for access to free basic services as provided in the Indigent Policy

guidelines. If these statistics are correct it will pose a serious challenge to the municipality both in the human context as well as the financial burden this will impose.

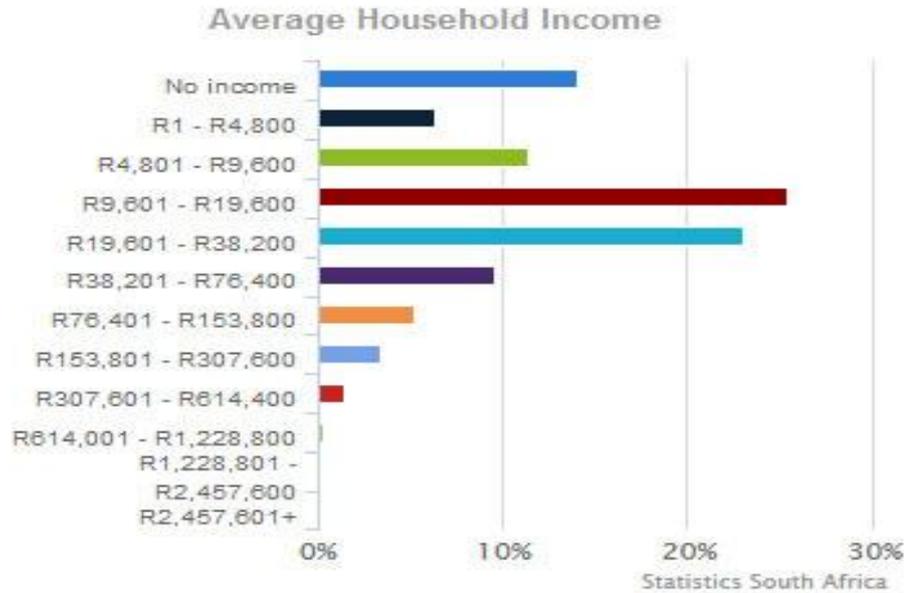
**Table 20: Gender and annual household income**

<b>Annual Household Income</b>	<b>Gender</b>	<b>Number Of Households</b>
<b>No Income</b>	<b>Male</b>	<b>5,236</b>
	<b>Female</b>	<b>3,221</b>
	<b>TOTAL</b>	<b>8,456</b>
<b>R 1 - R 4800</b>	<b>Male</b>	<b>1,322</b>
	<b>Female</b>	<b>2,445</b>
	<b>TOTAL</b>	<b>3,768</b>
<b>R 4801 - R 9600</b>	<b>Male</b>	<b>2,148</b>
	<b>Female</b>	<b>4,658</b>
	<b>TOTAL</b>	<b>6,806</b>
<b>R 9601 - R 19 600</b>	<b>Male</b>	<b>5,614</b>
	<b>Female</b>	<b>9,644</b>
	<b>TOTAL</b>	<b>15,258</b>
<b>R 19 601 - R 38 200</b>	<b>Male</b>	<b>6,497</b>
	<b>Female</b>	<b>7,347</b>
	<b>TOTAL</b>	<b>13,844</b>
<b>R 38 201 - R 76 400</b>	<b>Male</b>	<b>3,406</b>
	<b>Female</b>	<b>2,400</b>
	<b>TOTAL</b>	<b>5,806</b>
<b>R 76 401 - R 153 800</b>	<b>Male</b>	<b>1,858</b>
	<b>Female</b>	<b>1,246</b>
	<b>TOTAL</b>	<b>3,104</b>
<b>R 153 801 - R 307 600</b>	<b>Male</b>	<b>1,243</b>
	<b>Female</b>	<b>776</b>
	<b>TOTAL</b>	<b>2,019</b>
<b>R 307 601 - R 614 400</b>	<b>Male</b>	<b>659</b>
	<b>Female</b>	<b>230</b>
	<b>TOTAL</b>	<b>888</b>
<b>R 614 001 - R 1 228 800</b>	<b>Male</b>	<b>132</b>
	<b>Female</b>	<b>38</b>
	<b>TOTAL</b>	<b>170</b>
<b>R 1 228 801 - R 2 457 600</b>	<b>Male</b>	<b>45</b>
	<b>Female</b>	<b>32</b>
	<b>TOTAL</b>	<b>77</b>
<b>R 2 457 601 or more</b>	<b>Male</b>	<b>32</b>
	<b>Female</b>	<b>23</b>
	<b>TOTAL</b>	<b>55</b>
<b>Unspecified</b>	<b>Male</b>	<b>-</b>
	<b>Female</b>	<b>-</b>
	<b>TOTAL</b>	<b>-</b>
<b>Total</b>	<b>Male</b>	<b>28,190</b>
	<b>Female</b>	<b>32,061</b>

Annual Household Income	Gender	Number Of Households
	Total	60,251

Source: Stats SA census 2011

Figure 3: Average household income



### 3.1.5 EMPLOYMENT PROFILE

Based on the 2011 definition of Economically Active Population (EAP) the unemployment rate is reflected at 42,9 which although high and cause for concern is lower than both the District and Province levels.

Table 21: Economic indicators

Employment Category	Percentage
Employed	57,1%
Unemployed	42,9%
TOTAL	100%

Source: Stats SA Census 2011

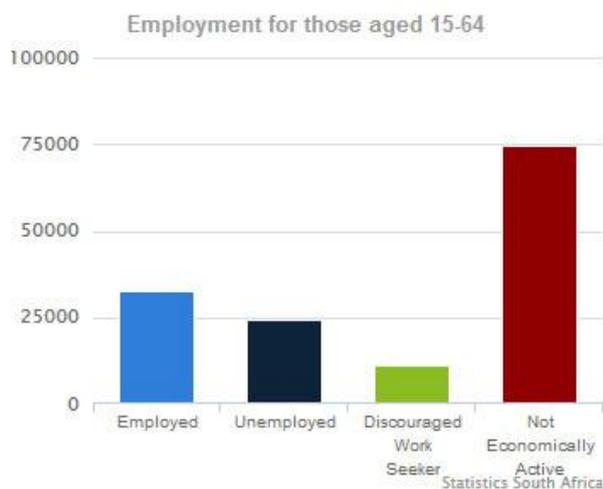
The above table indicates that:

- 42,9% of the population is unemployed
- The unemployment rate (expanded definition of unemployment) of the Limpopo Province increased from 44.6% in 1996 to a high of 48.3% in 2002, thereafter it declined to 45% in 2005
- The unemployment rate in the Sekhukhune District Municipality is significantly higher and peaked at 64.6% in 2002 where after it decreased to 59.7% in 2005

### 3.1.6 DEPENDANCY RATIOS

According to the United Nations, the total dependency ratio is the number of persons under age 15 plus persons over the age of 65 divided by the working group (aged 15 to 65). It is the sum of the youth dependency ratio and the old-age dependency ratio illustrated in the following bar chart.

**Figure 4: Employment of ages 15-64**

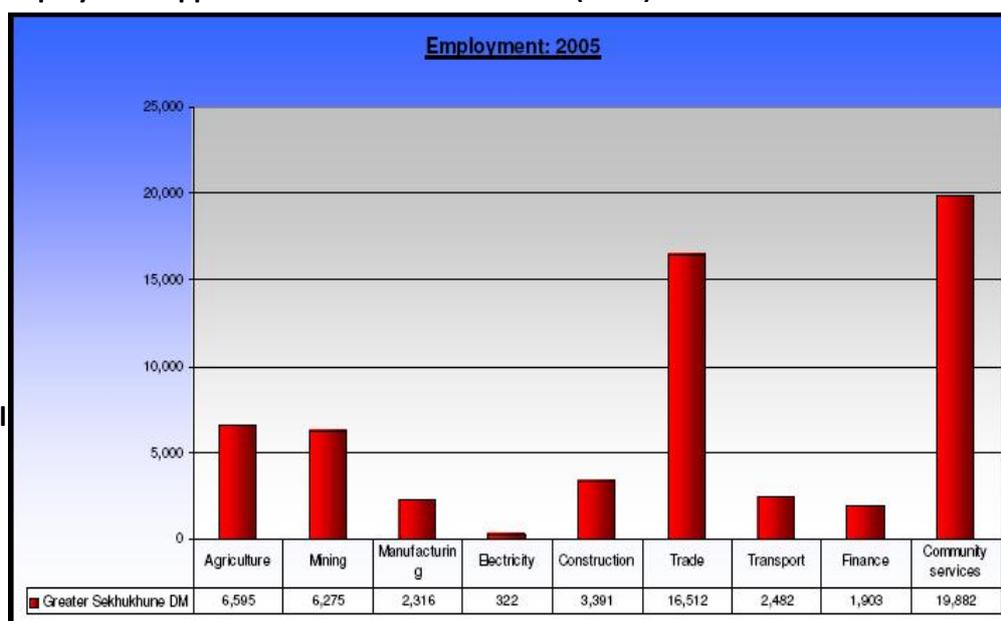


EMLM dependency ratio dropped from 86.5% in 2001 to 76.0% in 2011. This is an indication of a remarkable improvement. The working group has increased and the elderly has decreased. The municipality should intensify efforts to manage the decline of dependency ratio. It is vital that existing municipal policies and their interventions should be designed to address groups most affected by dependency. EMLM's LED strategy is targeting all affected groups. The strategy promote the inclusion of not only the young unemployed but also the aged and those affected by various disabilities

### 3.1.6.1 EMPLOYMENT OPPORTUNITIES

The largest number of employment opportunities in the Sekhukhune District Municipality is concentrated in the community, social and personal services sector (19 882), wholesale and retail trade (16 512), agriculture (5 959) and mining (6 275).

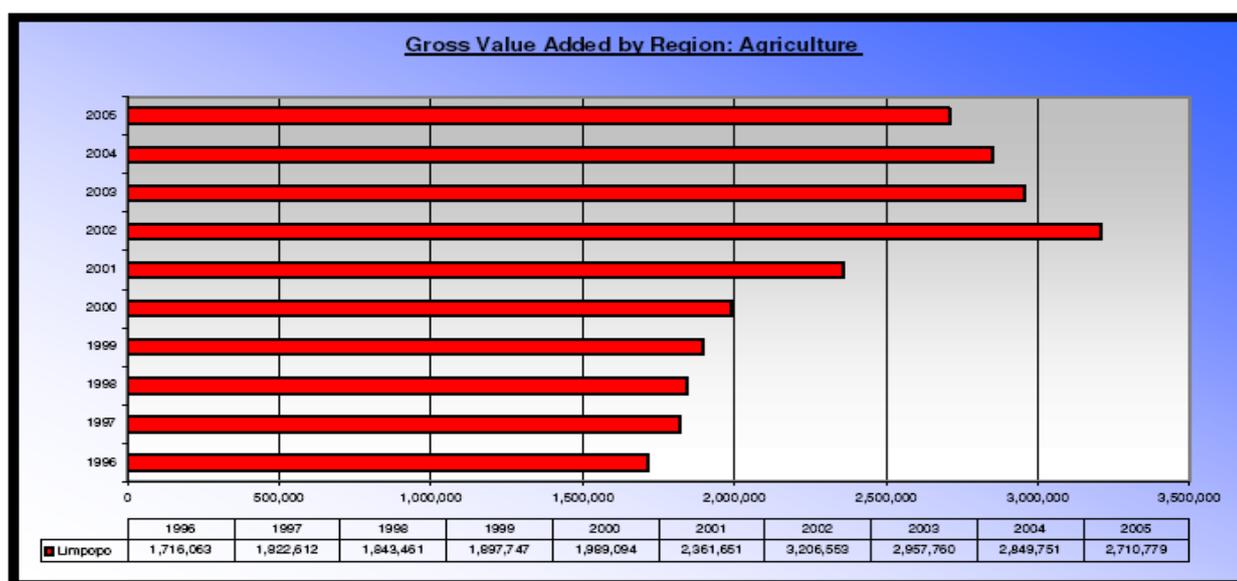
**Figure 5: Employment opportunities in Sekhukhune DM (2005)**



Source: EL

The percentage growth in total employment in the three magisterial districts, which forms part of the EMLM, is depicted in figure above. This information indicates that the number of employment opportunities in the wholesale and retail trade sector has increased by as much as 127% over the period 1996 to 2005. Other strongly growing sectors have been the construction sector (83%) and the community, social and personal services sector (42%). An aspect of concern is that the total number of employment opportunities in the agricultural sector has decreased by 17.8% over the same period.

**Figure 6: % growth in employment between 1996 and 2005 (Groblersdal, Moutse and Hlogotlou Magisterial Districts)**



Source: Elias Motsoaledi Local Municipality LED Strategy.

### 3.1.6.2 UNEMPLOYMENT RATE

The high unemployment rate in the municipality has culminated in to high levels of poverty wherein most of the households depend on grants as means of income. According to the latest statistics 2011, the unemployment rate within the municipality has dropped to 42.9% 2011 as compared to 54.3% in 2001. The municipality in conjunction with the provincial sector departments has initiated short term employment programme through the EPWP. 600 hundred people were employed for a period of 12 months with the possibility of their contracts being extended in the next financial. The youth unemployment rate has declined from 64.1% in 2001 to 52.7% in 2011.

**Table 22: Labour force within EMLM**

Sector	Gender		Total
	Male	Female	
In the formal sector	11,332	9,942	21,274
In the informal sector	3,842	2,742	6,584
Private household	2,214	1,922	4,135
Do not know	513	373	885
Unspecified	-	-	-
Not applicable	97,602	118,882	216,484
Total	115,503	133,860	249,363

Source: Stats SA, Census 2011

### 3.1.7 EDUCATION

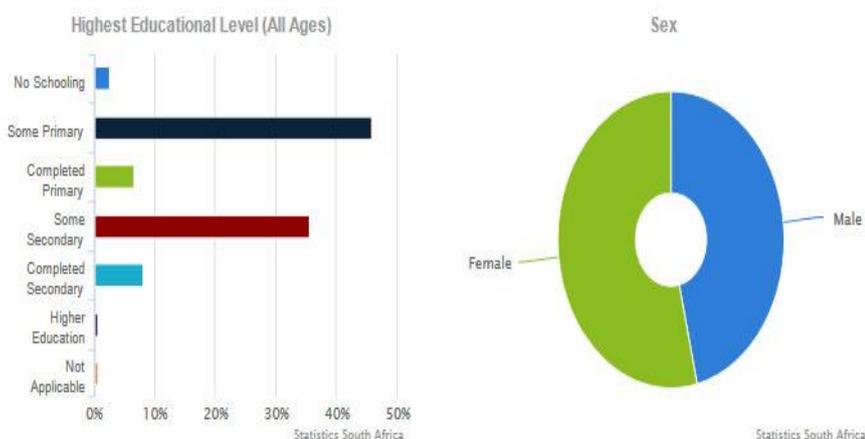
Outcome 1 of the Delivery Agreement requires the improvement of the quality of basic education in general and in Maths and Science in particular. The EMLM has an inherited problem namely that the low income levels per household in the community correlate to the low education levels in the area. Statistics show that approximately (48,4%) of the population above 15 years of age has had no schooling, the majority of which did not complete primary school. This translates into a major challenge for the municipality as even in a economic growth cycle future meaningful employment prospects are minimal. Only (9,5%) of the total population completed the schooling curriculum at matric level. The municipality is serviced by one (1) Further Education Training (FET) located in Sekhukhune.

**Table 23: The level of education**

Group	%
No schooling	2,6%
Some primary	45,8%
Completed primary	6,6%
Some secondary	35,5%
Completed secondary	8,1%
Higher education	0,7%
Not applicable	0,7%

Source: Stats SA Census 2011

**Figure 7: Educational levels**



From information extrapolated from Table 22, the functional literacy rate within the Elias Motsoaledi Local Municipality ranges between 57.7% in the Moutse Magisterial District to 59.9% in the Nebo District which although extremely low within the stNo index entries found.udy area are lower than the comparative Provincial literacy rate of 64.8% in 2005. There was also a significant increase in the overall functional literacy rates in all three magisterial districts between 1996 and 2005.

Education facilities available to the municipality are reflected in the following table.

**Table 24: Educational Facilities**

Description	Number
FET colleges	01
Universities	n/a
Secondary schools	85
Primary schools	115
Early Childhood centers/pre-schools	126
Schools with infrastructure backlog	58

Source: Community Development Workers, 2011

The major challenges facing the municipality taking cognisance that Education is a Provincial matter include, but not limited to:

- Inadequate provision of learning materials
- Renovation of old schools including the construction of administration blocks
- Additional classrooms in some of the schools
- Infrastructure backlogs with respect to the provision of water and sanitation services to schools
- Inadequate sports facilities

### **3.1.8 ECONOMIC PERSPECTIVE**

There are certain opportunities because of the spatial landscape within the municipal area.

Groblersdal is a provincial growth point and a number of important arteries connect it with other towns (i.e. Middelburg, Marble Hall, Bronkhorstpruit and Stofberg) through the N11 and R25. These arteries can create social and economic viability and diversified development in the area. In addition, as per provision of the Groblersdal Town Planning Scheme (2006), other economic opportunities could flourish in co-existence with agriculture as the main economic base. It is possible to use the area for industrial purposes and this poses business opportunities. That in turn could lead to job creation for the local community. This will improve quality of life for the community.

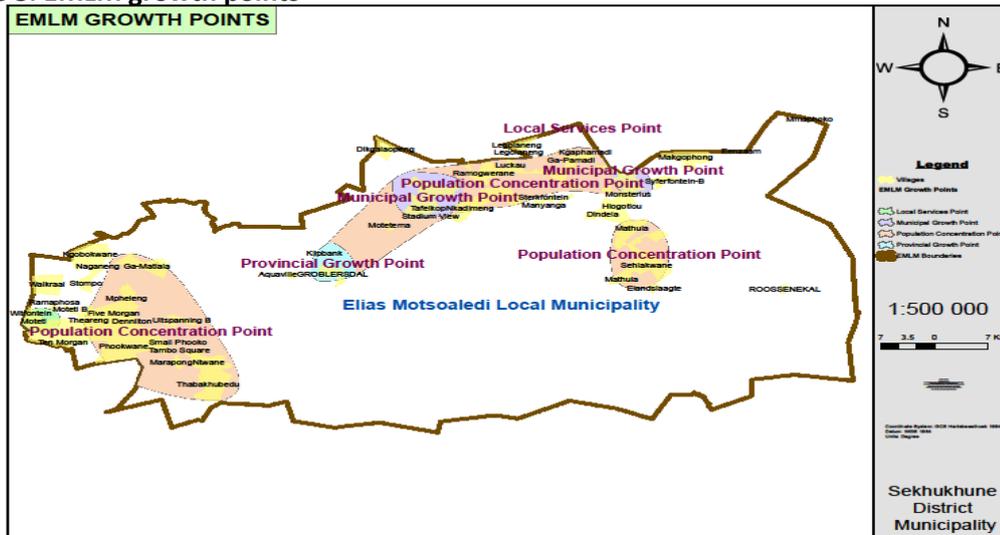
Furthermore, there are strategically located parcels of land in close proximity to already existing developments. Most of the latter parcels of land are under utilised or not used at all. With utilisation of this land the surrounding settlement will benefit. The construction of the De Hoop dam is also likely to unleash spatial opportunities that will benefit both Elias Motsoalei and Greater Tubaste municipalities. The dam will improve water provision to mines and the settlements. Mining could then flourish and it will co-exist with human settlement.

The municipality has a great opportunity to grow economically, socially and infrastructural through investment opportunities. The focus areas are in the sectors as stated:

- Mining
- Agricultural land
- Tourism opportunities
- Land for development

With regards to business development, Groblersdal, Dennilton, Monsterlus and Tafelkop are the main business nodes within EMLM. The remaining business development occurs mainly scattered along arterial routes or within settlement areas.

**Figure 8: EMLM growth points**



**Source: Sekhukhune District Municipality GIS unit**

The Elias Motsoaledi Local Municipality comprises of the following urban Provincial and Municipal Growth Points

**3.1.8.1 GROBLERSDAL (PROVINCIAL GROWTH POINT)**

This Urban Concentration Point is located within the northern section of the municipal area and is the larger of the 2 urban concentration points. This urban centre is located along N11/R25 and is ±28km from Marble Hall and has been identified as a provincial growth point. It provides a higher order service to the largely rural and urban population concentration point and has the higher order service related to complimentary activities associated to the agricultural and mining sector, and includes retail, social and financial services

There is a total of 1639 registered erven found within Groblersdal. The Municipality collects rates and taxes from these registered erven. Vacant land located directly west and east of Groblersdal vests with the EMLM, while vacant land towards the south east and south west vests with the National Government. These pieces of land are strategically located along the R25 and N11 therefore making them easily accessible for potential development.

**3.8.1.2. ROOSSENEKAL (MUNICIPAL GROWTH POINT)**

This Urban Concentration Point is located within the south east of the municipal area and is the second largest urban area. It is located close proximity to the R555 along D1526.

Some of the characteristics of this urban area are:

- Other business activities are focussed towards addressing the day to day needs of the larger communities and to provide a service to the agricultural sector
- Higher order social and economic is being obtained from Groblersdal and further north from Marble Hall

There is a total of 662 registered erven found within Roosenekal. The Municipality collects its rates and taxes from these registered erven:

- Vacant land to the North, East and South vest with the private sector
- Vacant land to the West of Roosenekal vests with the Sekhukhune District Municipality
- This land is strategically located along the R555

### 3.8.1.3 MOTETEMA (MUNICIPAL GROWTH POINT)

Motetema Municipal Growth Point encompasses Motetema and Tafelkop. It is located along D1547 and is ±10km from Groblersdal, which is the nearest town. Tafelkop is ±18km from Groblersdal.

There are a total of 990 registered erven found within Motetema. There are no registered erven found within Tafelkop. This could be attributed to the traditional authority found within the area.

**Table 25: Motema registered and unregistered erven**

Settlement	Registered and Unregistered Erven
Motetema	990 Registered
Tafelkop	8047 Unregistered
TOTAL	9037

Source: EMLM SDF 2013

## CHAPTER 4

### STATUS QUO

#### 4.1 OVERVIEW

Section 153 of the Constitution states that a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community; promote the social and economic development of the community; and participate in national and provincial development programmes<sup>6</sup>.

This implies that local government must comply with the national strategic plan that defines the framework for detailed planning and action across all spheres of government. Strategic priority areas identified by national and provincial government will therefore guide the strategic priority areas identified by municipalities for the purpose of:

- ensuring cohesive focus in terms of building a developmental government that is efficient, effective and responsive
- strengthening accountability and striving for accountable and clean government
- accelerating service delivery and supporting the vulnerable
- fostering partnerships, social cohesion and community mobilisation

Within the above framework, municipalities are required to manage its own strategic focus to embrace and reflect the strategic priorities identified by national government. In a proactive step to comply with national requirements, the EMLM has embarked on a strategic planning review process to align its IDP to Provincial and National strategic priority areas. This approach supports full integration between spatial planning, community needs, strategic development,

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<sup>6</sup>South Africa. 1996. Constitution of the Republic of South Africa, Act no 108 of 1996. Pretoria: Government Printers.

measurement and budgeting as is required by organisational performance management methodology as well as ultimately sound unqualified governance.

The Performance Management Guidelines for Municipalities of 2001<sup>7</sup>, paragraph 5.1 states that, “The Integrated Development Planning process and the Performance Management Process should appear to be seamlessly integrated. Integrated development planning fulfils the planning stage of performance management. PM fulfils the implementation management, monitoring and evaluation of the IDP process.”

The PM guidelines state the following guidelines regarding the setting of priorities:

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

- An assessment of development in the municipal area, identifying development challenges, marginalised and vulnerable citizens and communities
- A long term development vision for the municipal area that overcomes its development challenges
- A set of delivery priorities and objectives, based on identified needs, achievable in the current term of office, that would contribute significantly to the achievement of the development vision for the area
- A set of internal transformation strategies, priorities and objectives, whose achievement would enable the delivery and realisation of the development vision
- Additional projects identified which contribute to the achievement of the above objectives
- A financial plan and medium term income and expenditure framework that is aligned with the priorities of the municipality
- A spatial development framework
- Disaster management plans
- Operational strategies

Priorities are essentially the issues that a municipality focus on in order of importance to address the needs that exists within the communities. Municipalities are also the “face of government” in as much as it has close contact with communities and therefore should channel all other service delivery related needs to the relevant provincial or national sector departments.

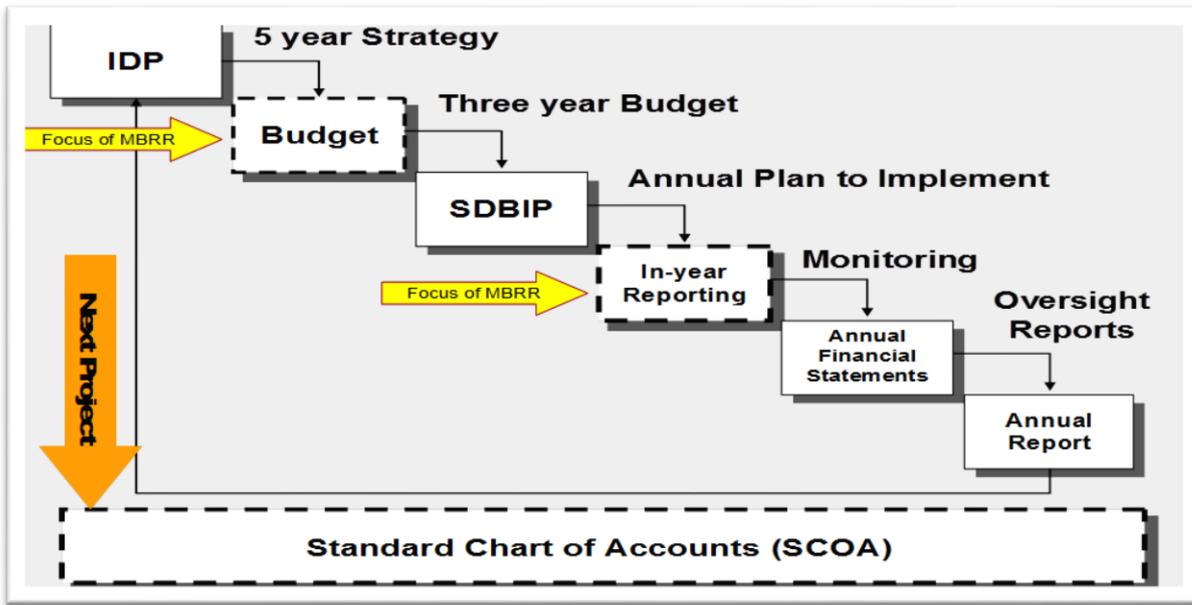
The purpose of Strategic Planning is:

- An organisation’s process of defining its strategy or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people
- The formal consideration of an organisation’s future course. All strategic planning deals with at least one of three key questions:
  - What do we do?
  - For whom do we do it?
  - How do we excel?

Figure 9: The Integrated Accountability cycle as prescribed by National Treasury

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<sup>7</sup> The Performance Management Guide for Municipalities is available on: [www.thedplg.gov.za](http://www.thedplg.gov.za)



- Provision of services in a transparent, fair and accountable manner
- Provide public value for money
- To create a conducive environment for job creation and economic growth

#### 4.1.1. KPA 1: SPATIAL RATIONALE

The Elias Motsoaledi Local Municipality is primarily rural in nature with high levels of Agricultural land. The urbanising structure of the local municipality is characterised by two Urban Concentrations and Seven Rural Concentration Points which are located along R25/N11/R33, R573 and R555 and which are provincial and national roads. These urban concentrations are:

- Groblersdal (Provincial Growth Point) - Urban
- Roosenekal (Municipal Growth Point) – Urban
- Motetema (Municipal Growth Point) – Rural
- Monsterlus (Municipal Growth Point) – Rural
- Ntwane (Population Concentration) – Rural
- Elandslaagte (Population Concentration Point) – Rural
- Sephaku (Population Concentration Point) – Rural
- Moteti/Zoetmelksfontein (Local Service Point) – Rural
- Walkraal (Local service Point) - Rural

The Elias Motsoaledi Municipality measures approximately 3782.4km<sup>2</sup> in size and is divided into 30 wards and 5 traditional authorities. The Municipality consists of the following Traditional Authorities:

**Table 26: Tribal Authorities**

Tribal authority	Name of chief	Location	Tribal authority needs
Bakwena Traditonal	Chief B.R. Matsepe Kopa	Ward 25 Tafelkop Ga-Matsepe	Water and Office furniture

authority			
Bantwane Traditional authority	Chief M.P. Mathebe	Ward 10 Ntwane	Communication services Fencing of the office Electrification of the office
Ndebele Traditional authority	Chief P.J. Mahlangu Maphepha 2 <sup>nd</sup>	Ward 19	Tarring of road to the tribal office Construction of Public toilets Fencing of the tribal office Security room Renovation of the office and hall
Bakgaga ba Kopa Traditional authority	Chief B.H.. Rammupudu	Ward 26 Tafelkop	Renovation of the Tribal authority offices Office equipment's
Matlala Lehwelere Tribal authority	Chief S.F. Matlala	Ward 14 Ga- Matlala Lehwelere	Tribal authority offices and equipments at Blompoort and Naganeng (INDUNA)
Manthole Tribal authority	chairperson P.J. Phetla There is no chief at Manthole tribal authority. The community elects a chair on three year cycle.	Ward 24 Ramogwerane	Salaries for the acting chief and the headmen (indunas)

The history of Elias Motsoaledi Local Municipality is similar to that of many South African rural municipalities. The poorest part of the community lives in the denser settlements in the western (Moutse) and northern (Hlogotlou) margins of the municipality. These two areas are least developed, since the bulk of economic activity is concentrated around the commercial farms in the vicinity of Groblersdal Town.

The Moutse and Hlogotlou areas are the former homeland areas of Lebowa (north) and KwaNdebele (west), and represent the formerly designated 'black' areas of Apartheid South Africa.

The population in these two areas tends to concentrate in the large cluster settlements of Hlogotlou and Dennilton respectively, as well as in the numerous small settlements (many with less than 1 000 people) that are dispersed around these areas. Elias Motsoaledi comprises a dualistic socio-economic system characterized by a formal, well-developed formerly designated 'white area' which co-exists with an extensive, poorly developed range of "black areas" on the periphery.

The municipal area is also characterized by variations in relief, climate and vegetation. The undulating grassy plains of the Highveld give way to the lower-lying Bushveld areas and the Olifants and the Moses River systems bisect the mountainous terrain. Rainfall is seasonal, and is distributed mostly in the summer months between November and April, while the winters are generally cool and dry. The areas within the catchments of the Olifants and Moses Rivers have abundant surface and ground water supplies for commercial irrigation, tourism, industrial and domestic uses.

The EMLM area exhibits the following spatial characteristics:

- A relatively large land area extending approximately 3 713km<sup>2</sup>
- A fragmented residential component consisting of 82 Settlements
- Two (2) significant clusters of villages, one to the west of Groblersdal and one central and north east of Groblersdal

- There is a clear distinction between high and low potential agricultural land being utilized for intensive or extensive agricultural activities
- Environmental sensitive areas are mainly along stream areas

The prevailing spatial pattern can be attributed to the following:

- Historic policies and development initiatives;
- Economic potential of land;
- Land ownership and management;
- Culture
- Topography

#### 4.1.1.1 SETTLEMENT PATTERNS (HIERARCHY OF SETTLEMENT)

The Limpopo Province Spatial Rationale, 2007 identified a settlement hierarchy for Limpopo and the hierarchy for the SDM area is also described in terms of this hierarchy. A settlement hierarchy is usually based on the classification of individual settlements (e.g. towns and villages). The settlement hierarchy as contained in the Limpopo Province Spatial Rationale and confirmed by the SDF is as follows:

- **First order settlement** - made up of provincial growth points, district growth points and municipal growth points via Groblersdal, Monsterlus, and Motetema/Tafelkop.
- **Second order settlements** – made up of villages that are densely populated and have vibrant economic activities at unplanned settlements. This includes smaller urban towns as well via Ntwane, Elandslaagte, and Sephaku.
- **Third order settlement** – made up of local service points that are showing signs of growth via Moteti and Zoetmelksfontein.
- **Fourth order settlement** – made up of village service areas whose growth is stagnant.
- **Fifth order settlement** – made up of villages that are showing signs of not growing.

The settlement order determines the type of services to be provided e.g. shopping malls would be located in settlement order 1 and settlement order 2 manufacturing industries would be located mainly in settlement order 1 and to a limited extent settlement order 2.

#### 4.1.1.2. LAND USE MANAGEMENT

The municipality as provincial growth point has identified the areas where economic activities could be initiated. Amongst other areas, the following space is earmarked:

- Groblersdal game farm reserved for residential purpose
- Groblersdal industrial site
- Roosenekal town establishment site
- Tafelkop shopping complex

The table below indicates Land ownership and description. The information has been consolidated into one table. A full analysis of the report is clearly captured on the ward based analysis report that was tabled to council.

**Table 27: Land ownership**

Communal	Private	Government	Any other	Challenges	Land reserved for economic activities
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Communal	Private	Government	Any other	Challenges	Land reserved for economic activities
109 villages	20 villages	21	None	There is need to formalise all the informal settlements	Land reserved for economic activities is clearly indicated in the municipal spatial development framework

### Land use challenges

The municipality is faced with following land use challenges:

- **Topography:** A large percentage of land area within the municipal area cannot be considered for urban development due to the mountainous nature of the terrain, although this situation has other advantages in respect of water catchment areas, tourism value, climate, etc.
- **Urban Sprawl /** Spatial separations and disparities between towns and townships have caused inefficient provision of basic services, and transport costs are enormous. It further hinders the creation of a core urban complex that is essential for a healthy spatial pattern.
- **High Potential Agricultural Land** – the most central area and eastern parts of the municipality can be regarded as high potential agricultural land (irrigation), which will influence the spatial development of the area.
- **The dependence of the local economy on Agriculture,** and the current location of high potential agricultural land in relation to existing development and service networks, ensures that this factor will thus also influence future development initiatives. It is imperative that this resource be protected for the economic well being of the area.
- **Environmental Sensitive areas** - The mountainous area and hydrological pattern to the central and eastern parts of the municipal area can be considered as development constraints and can also influence the design of a future spatial pattern, in that their position is fixed. The areas along major rivers, as indicated on the mapping documentation, can however encourage a greenbelt effect.
- **Huge backlogs in service infrastructure and networks** in the underdeveloped areas require municipal expenditure far in excess of the revenue currently available within the local government system.
- **The constant increase of informal settlement** areas and skewed settlement patterns, are functionally inefficient and costly. It further bears the threat of neutralizing development alternatives by the reduction of land availability, and the problems associated with relocation of communities once they have established.

#### 4.1.1.3 LAND INVASIONS

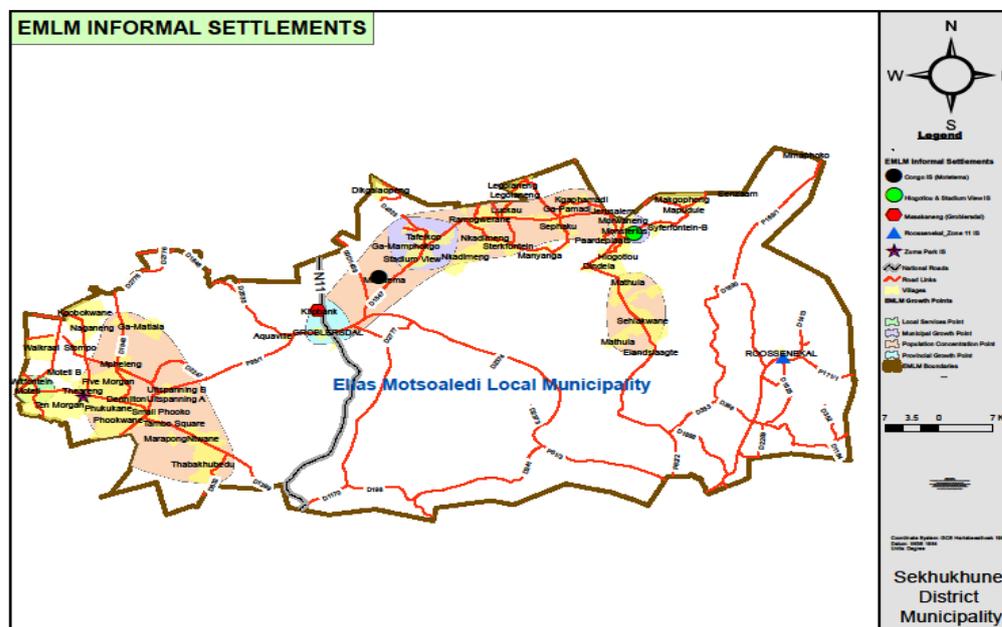
There are informal settlements in the municipality that make planning difficult and also increase the municipal burden of providing services to the communities. A process of formalising the areas mentioned in Table 31 has resumed. The National Department of Rural Development, through the Housing Development Agency, was appointed as consultant to the formalisation process.

**Table 28: Wards were affected by settlements that are not formalised:**

Area	Formalisation Progress
Zone 11 in Roosenekal Ward 30	Feasibility study completed
Zuma Park in Dennilton Ward 07	Feasibility study completed

Congo in Motetema Ward 29	Draft layout
Hlogotlou Stadium Ward 20	Process finalised and handover done
Masakaneng Village (ward 14 ) next to Groblersdal	Feasibility study completed

Figure 10: Informal Settlements in EMLM



Soure: Sekhukhne District Municipality GIS unit

Restricted access to land by the Municipality is due to inhibitive land cost (privately owned land). Statutory deterrents (state-owned land under tribal custodianship) would exacerbate attempts by the Council to orchestrate and encourage the development of a beneficial spatial pattern within the municipal area.

Construction of the new De Hoop dam in the north eastern part of the municipal area will have a significant influence on the spatial characteristics of the surrounding area.

Land use management and planning problems are:

- contradictory legislation and procedures caused by cross-border issues
- disparate land use management systems (up to 2006) in formerly segregated areas
- overlap between requirements for planning permissions and environmental impact management
- lack of a uniform land use management system for the whole area
- lack of a spatial development framework to guide and manage land use management

The land cover profile of the Elias Motsoaledi Local Municipality is indicated in Strategic vacant land in terms of ownership identified for different growth points.

Table 29: Land cover

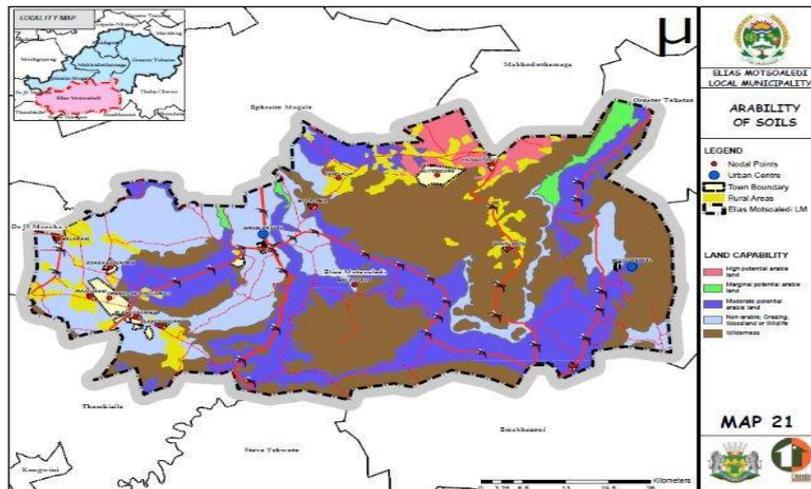
Description	Area (ha)	Percentage
Cultivated: permanent - commercial irrigated	231.4798	0.06

Cultivated: temporary-commercial dryland	14467.64	3.9
Cultivated: temporary- commercial irrigated	27308.12	7.3
Cultivated: temporary-semi-commercial/subsistence dry land	25714	6.9
Degraded: forest and woodland	20797.899	5.6
Degraded: thicket and bush land	1035.96	0.3
Degraded: unimproved grassland	8715.025	2.3
Forest and woodland	151860.732	40.8
Forest plantations	626.7495	0.2
Mines and quarries	1926.279	0.5
Thicket and bush land	51972.7276	14
Unimproved grassland	56215.189	15.1
Urban/built-up land-commercial	34.795	0.01
Urban/built-up land-residential	10718.76	2.9
Waterbodies	325.686	0.1
<b>Total</b>	<b>371950.99 ha</b>	<b>100%</b>

**Source: SA Land Cover**

- The majority of the Municipality is covered by forest and woodlands (40.8%)
- Thicket and bush land and unimproved grassland account for 29.1% of the area;
- Cultivated land accounts for 18.16% of the total area
- Only a small percentage of the area accounts for degraded lan

**Figure 11: Arability of soil**



**Source: EMLM SDF 2013**

In summary, the following spatial challenges were identified

- Land invasions ( Roosenekal,Laersdrift, Walkraal,Masakaneng ,Motetema, Elnsdoorn(Tambo,Walter Sizulu) and R25 T-junction Groblersdal
- Mushrooming of informal settlement
- Illegal small scale-mining (sand-harvesting, un-rehabilitated borrow pit etc.)
- Non-compliance of planning tools(land use schemes and SDF)with SPLUMA
- Ownership of municipal land by other municipalities( Nkangala District)

#### **4.1.2 SPATIAL DEVELOPMENT FRAMEWORK**

The spatial development framework of the municipality outlines the critical areas that need to be considered when dealing with land development within the municipal area. Amongst others, the SDF stipulate the following:

- **Objectives**

The following objectives should be adhered to when addressing residential development:

- Correction of historically distorted spatial patterns;
- Promotion of spatial integration;
- Promotion of a diverse combination of land uses in support of each other;
- Discouragement of urban sprawl and the promotion of more compact settlements;
- Protection of environmental attributes;
- Optimization of the use of existing resources, including bulk infrastructure; and
- The introduction of different housing typologies.

- **Guidelines**

The establishment of townships and densification within the existing nodal points is conducted in terms of a legal framework regardless of income or race. The difference between the respective residential typologies vests primarily with the funding organization, where middle to higher income residential developments are funded by the private sector and the lower income developments funded by the public sector (BNG).

Densification within existing urban structure is primarily conducted by way of rezoning (change of zoning from Residential 1 to Residential 2/3 – Townhouses) or subdivision (subdivision of an Erf as dictated by the density requirements of the Town Planning Scheme). Township Establishment is conducted on Farm land in terms of the Town Planning and Townships Ordinance, 1986.

The provision of affordable housing is the responsibility of National, Provincial and Local Government. Although the primary responsibility vests with the Public Sector, a number of agreements have been entered into with the Private Sector (Financial Sector), to assist with the delivery of Integrated Housing Developments. The challenge is to go beyond the provision of mass housing but to build communities and create conditions which will promote economic and community sustainability. In addressing new developments, the following criteria need to be considered:

- Availability of bulk infrastructure;
- Ownership of land;
- Access to social amenities and economic opportunities;
- Access to public transport; and
- Integration of the urban structure.

Community Residential Units (CRU's) need to be considered to provide stable rental tenure for lower income persons (Below R3 500) who are not able to access private rental and social rental market. This program replaces the National Hostel Re-Development Program and is a coherent program dealing with different forms of public residential accommodation in good locations with public support.

From a spatial point of view the best localities for CRU's is in the immediate vicinity of economic activity nodes which normally offers a variety of business/social services as well as movement corridors.

This type of housing can also be aligned with the Neighbourhood Development Partnership Grant (NDPG) for the certain areas in order to further strengthen the identified activity nodes namely:

- Supporting node in Roosenekal;
- Supporting node in Motetema/Tafelkop.

All these nodes are situated on the main movement corridors which also forms the main public transport routes. CRU's can also be integrated in new land development projects in localities adjacent to future development nodes based on BNG projects.

## **B) Commercial and Industrial Development**

### **• Principles**

With the respective urban nodes linked to functionality, it is imperative that these areas be promoted as such.

However, notwithstanding the above, all of the urban nodes have Central Business Districts (CBD's) and industrial areas which vary in nature and extent. In the development of these areas, the following elements need to be considered:

- The majority of the CBD's are underdeveloped in terms of bulk, and future development should rather focus to maximize undeveloped buildings and vacant land. Rather strengthen existing CBD's as opposed to encourage sprawl;
- Some higher order retail and commercial activities need to be developed in historically disadvantaged areas (where required), without compromising existing undeveloped CBD's;
- Vacant industrial sites (if owned by the Municipalities) need to be marketed by way of introducing incentive schemes; and
- Where industrial stands are required new areas need to be identified.

### **• Incentives**

In order to promote and facilitate economic growth within the respective urban nodes, it is proposed that an incentive scheme be investigated and submitted to the Municipality for consideration. Some of the incentives to be investigated will entail:

- Tax Incentives (Municipal Tax Rebates);
- Land Incentives (where Municipal owned land can be made available to the Developer);
- Bulk Infrastructure (where developer will obtain reduction to bulk services contribution); and
- Development Rights (where higher land use rights are allocated in specific areas).

### **• Informal Trade**

Although the informal traders play a vital function within the economic domain by providing jobs and generating a basic income, a number of guiding principles need to be set and implemented to reduce conflict situations with the public-and private sector. These principles are as follows:

- Identified trading areas need to be demarcated within the CBD and other areas (taxi ranks) in order to minimize pedestrian and traders conflicts;
- Informal traders should not occupy space in front of formal business shop windows or under overhangs/balconies as this would cause inconvenience to pedestrian movement and passive shopping;
- Informal traders should not conduct trade at the intersections of roads as it impedes on traffic regulations (sight distance);
- Narrow sidewalks should not be used for informal trading;
- Informal traders should be registered and managed in terms of an Association;
- No formal business should sell goods outside it's premises on the sidewalks;
- Certain types of goods which are being sold should not be mixed, for example, the cutting of hair next to cooked food stalls; and
- Proper storage, cleaning and toilet facilities should be investigated and implemented by the Local Municipality.

Although the above guidelines are only a directive, it is proposed that detailed “Hawkers By-Laws” be prepared in conjunction with all stakeholders (Local Municipality, Formal Business and Informal Traders).

### **4.1.3 ENVIRONMENTAL PROFILE**

#### **4.1.3.1. GEOLOGY**

The site consists of shallow to moderate sandy loam with underlain rocks such as granophyre’s and a mixture of granite and granophyre, intruded by dolerite/lamprophyre dykes. Acock Veld Types are the vegetation for this area. During the construction phase of the dam, certain procedures such as the use of explosives might affect the (structural) geology of the region.

#### **4.1.3.2. TOPOGRAPHY**

The municipality’s topography is characterized by undulating slopes interrupted by koppies, mountains and valleys. The main mountains are Mapule, Boshalala, and Phooko in the south and southwest of the municipality, Thabaleboto in Monsterlus in the west and Ramohlokolo in the north in Motetema. The Olifants river valley bisects the municipality and forms a haven of agricultural development.

#### **4.1.3.3. CLIMATE CHANGE**

Climate change is one of the most fundamental aspects that continuous to confront humanity. The municipality has implemented two projects that are geared towards contributing to climate change namely: installation of solar powered robots/traffic lights and the planting of 400 trees. It remains the aim of the institution to contribute in the elimination of climate change.

#### **4.1.3.4 RAINFALL**

The area is in the summer rainfall (October to March) region of South Africa and has an approximated annual rainfall of 878mm. An average of 123.1mm was recorded for January, the month with the highest average rainfall. Approximately 25 days of the year, during March through to October, frost is expected<sup>8</sup>.

#### **4.1.3.5 TEMPERATURE**

The area has warm summers and cold winters with average maximum and minimum temperatures of 20.3 and 7.3 degrees Celsius, respectively.

#### **4.1.3.6 WATER**

The depth of the ground water could be affected by the construction of a large dam. The dam may also influence the flow of nearby rivers which might also be affected by the ground water depth. Steelpoort has a harvest potential of 10 000 – 15 000 m<sup>3</sup>/km<sup>2</sup> per annum. The harvest potential of the environment is directly related to the water in the region (ground water, rivers and streams). The impact of the upper reservoir (during the construction, filling and operational phases) must be considered.

#### **4.1.3.7 ENVIRONMENTAL CONSERVATION AND SENSITIVE AREAS**

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<sup>8</sup>Soil and Irrigation Research Institute, 1987

The following are the proclaimed nature reserves in the EMLM area:

- Mantrombi Nature Reserve
- Kwaggavoetpad Nature Reserve
- Maleoskop Nature Reserve
- Moutse Nature Reserve

Special reference should be made to the portions of land adjacent to the proposed De Hoop Dam. The mountainous area should ideally be protected as a nature reserve, promoting Eco-Tourism and Eco-Estate development, according to a Master Development Plan that should be established for this area.

Wetlands were found to exist near the preferred site, but not in its footprint. It is however necessary that boundaries and barriers be put up to ensure that the wetlands are not adversely affected during the construction and operational phase of the project.

#### 4.1.3.8 AIR QUALITY AND POLLUTION

The main sources of air pollution are the operations at the mines whose impact is at an acceptable level as per the environmental impact studies done before the operations started. The municipality is also developing a comprehensive environmental analysis in order to obtain a better understanding of the current state of its environment. This report will serve in Council and would include interventions to address environmental challenges. It would further align to the approved SDF.

#### 4.1.3.9 ENVIRONMENTAL CHALLENGES

**Table 30: Environmental challenges**

Category	Challenge	Intervention
Climate change	Climate change remains a serious challenge for the municipality. Taking into consideration what the municipality has done to contribute in the reduction of climate change, more efforts are still required to ensure total elimination of climate change effects. Some of the effects include amongst others the following: <ul style="list-style-type: none"> <li>➤ Water pollution</li> <li>➤ Waste management and recycling</li> <li>➤ Expansion of settlements and clearing of natural vegetation</li> </ul>	Provide interventions of the municipality
Soil erosion	Most of the villages particularly in the moutse area are located in mountainous areas. During heavy rains the areas experience lot of soil erosion which makes it difficult for the communities to sufficiently use the land.	
Wetlands	The hostile alien plants continue to reproduce	

Category	Challenge	Intervention
	itself and poses a serious danger to the environment in the municipal area.	
Rainfall	The municipality is frequently experiencing heavy rains during summer summer season which sometimes causes disaster in some villages.	
Emissions / Air quality pollution	The R25 route links the municipality with other provinces and used by abnormal trucks that carries various machineries to mines and industries. This contributes negatively in the air quality within the municipal area.	
Water pollution	The lack of acceptable sanitation in the rural areas of the municipality continuous to undermine the right of the communities to have good health. The existing rivers and ponds are being contaminated and that on its own poses a serious threats.	
Deforestation and fire	Communities continue to deforest and also destroy the natural resources.	
Bylaws	The lack of adequate environmental bylaws continues to undermine the importance of the environment in the municipal area.	
Awareness	Lack of knowledge by communities on how to conserve nature and take care of the environment.	

## 4.2. KPA 2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

### 4.2.1 GENERAL OVERVIEW

Access to social and economic services enables people to participate fully in the economy and their communities. The EMLM with respect to basic social services is not responsible for Water and Sanitation, but fulfils its legislative mandate for all other services with the exception of Provincial related Health and Education.

#### 4.2.1.1 PROVISION OF WATER SERVICES

The Sekhukhune district municipality (SDM) is a water authority. EMLM's role is to provide water as per the signed water service level agreement with the District. Sekhukhune District Municipality has upgraded the water treatment plant in Groblersdal which will be used to bulk water supply in the area of Moutse. This area is currently being supplied with water from the Weltevrede Purification Plant which is under Dr J.S Moroka Municipality.

Approximately 14,052 (23,3%) households have access to water on site based on the minimum service level standard of piped water on stand. This fact highlights the extremely rural topography of the municipality and the challenges faced to provide bulk infrastructure in these areas. This implies that affected households rely on natural sources (such as rivers

and springs) for their water supply. The current state of affairs does not augur well for a developmental oriented municipality that seeks to improve the quality of life of its residents.

Census 2011 revealed that the EMLM households increased by 9, 6% which culminated into an increase in the water backlog. **The water backlog is 66, 6% (40110 households)**

The District Municipality provides free basic water to all villages in the Municipality except Groblersdal, Motetama and Roosenekal. Provision of free basic water is being conducted at District level as the WSA and most indigents are in rural areas where the district is providing the water services. The District municipality is providing free basic water to all villages. Approximately, 20141 households receive free basic water in EMLM.

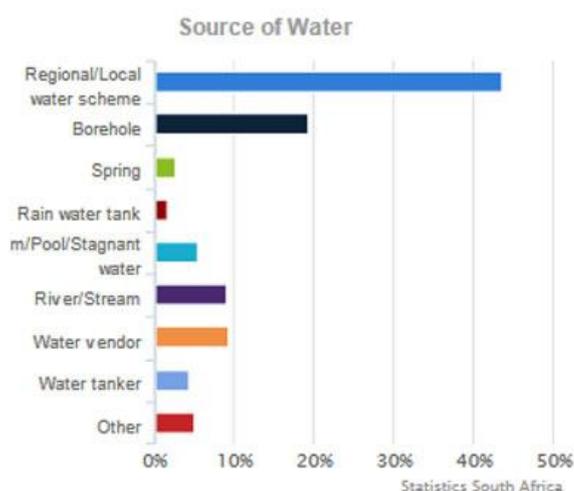
The surface water resources in the municipality are comprised of two rivers: Oilfants and Tonteldos rivers. There are a total of 71 Boreholes in the municipality with 44 of them not operational. These boreholes are Minor Aquifer types that supply communities of 1800 people from a single borehole.

**Table 31: Water sources in EMLM**

Source of water	Percentage
Regional/local water scheme (operated by municipality or other water services provider)	43,5%
Borehole	19,3%
Spring	2,7%
Rain water tank	1,6%
Dam/pool/stagnant water	5,4%
River/stream	9%
Water vendor	9,2%
Water tanker	4,3%
Other	5%

**Source:** Stats SA census 2011

**Figure 12: Water sources**



#### 4.2.1.2 PROVISION OF SANITATION SERVICES

Sekhukhune District Municipality is providing sanitation services as outlined in their powers and functions. The role of EMLM is to co-ordinate and ensures that the service is provided adequately to the deserving citizens. Free basic sanitation is provided in all rural areas in the form of VIP toilets.

Sanitation remains a key development challenge in the municipal area. Only an average of 3 % of households have access to waterborne sanitation services. The majority of households have access to sanitation services below RDP standards. 7,6% of households have access to pit latrines without ventilation, while only 2,8% have access to septic tanks.

**Table 32: EMLM Sanitation Supply to Households**

Category	2001		2011	
	households	percentage	households	percentage
Flush toilet connected to sewerage	2865	5.8%	6085	10%
Flush toilet (with septic tank)	532	1%	942	1.6%
Chemical toilet	725	1.5%	766	1.3%
Pit latrine with ventilation (VIP)	4153	8.5%	4949	8.2%
Pit latrine without ventilation	37139	75.9%	42683	71%
Bucket latrine	400	0.8%	460	0.8%
No toilet	3131	6.4%	2680	4.4%
Other	3	0.006%	1687	2.8%
<b>Total</b>	<b>48948</b>	<b>100%</b>	<b>60251</b>	<b>100%</b>

- There has been an increase of 4.6% flush toilets (connected to a sewerage system) per households between 2001 and 2011
- Although pit latrines (without ventilation) have decreased by 4.9% between 2001 and 2011, this is still the most widely used system within the municipality (71%)
- The number of households without a toilet system has been reduced
- **The current sanitation backlog is 89,8%**

**Table 33: Existing Sanitation Systems**

Waste Water Treatment Works (WWTW)		Intervention
EMLM has two waste water treatment works (WWTW) that treats waste water in their area of jurisdiction.	1. Groblersdal Waste Water Treatment Works (GWWTW) ➤ Capacity: 5ml per day ➤ Type: conventional plant	2. Monitoring of the plant as a designated EMI's
	3. Roosenekal Waste Water Treatment Works (RWWTW) ➤ Capacity: 0.4 ml per day - to be upgraded to ml Per Day ➤ Type: conventional plant	4. Monitoring of the plant as a designated EMI's
<b>Ponds</b>		
These ponds are in a very bad	1. MotetemaPonds	2. Monitoring of the plant as

Waste Water Treatment Works (WWTW)		Intervention
condition and urgently need to be refurbished.	<ul style="list-style-type: none"> <li>➤ Waste Water Treatment Plant: Motetema</li> <li>➤ Capacity: 0.4ml per day</li> <li>➤ Type: pond system</li> </ul>	a designated EMI's
	2.Dennilton Ponds <ul style="list-style-type: none"> <li>➤ Waste Water Treatment Plant: Motetema</li> <li>➤ Capacity: 0.2ml per day</li> <li>➤ Type: pond system</li> </ul>	Monitoring of the plant as a designated EMI's

#### 4.2.1.3 PROVISION OF ENERGY/ELECTRICITY

The municipality and ESKOM are the main electricity supply authorities. The Municipality has a licence for Groblersdal town and Roosenekal town only, with all other areas falling under the jurisdiction of Eskom.

Approximately 97, 5% of all the towns and villages comprising the EMLM have access to electricity supply. The Municipality rely on Eskom to supply all other areas within EMLM whereby mostly the challenge is capacity on the network as certain areas could not be electrified until Eskom upgrade the networks.

The municipality has implemented a smart metering project in the Roosenekal town. This project was performed in collaboration with Invirohub and a total number of 465 smart meters have been installed to-date. The main objective of this project is to reduce illegal connections and enforce community members to pay for the electricity provided, thus improving payment levels. We are also having those villages amongst other like Makwana, Monsterlus, New stands and others that are still without electricity and the processes are underway. We are also looking at other alternatives sources like Solar system to those communities that are living in poverty and deficient in this basic service. **The electricity backlog is 3.5 % (3268)**

EMLM has developed a lighting master plan for all municipal areas to establish the financial implications of providing high mast lights in the entire municipal area and reduce possible incidence of crime in unlighted areas and also urbanise the townships. This is proven by the high mast lights projects in Elansdoorn Township, Walter Sizulu and Thambo Square (ward 9 and 11).

**Table 34: Types of energy sources**

Geography Energy or fuel for cooking	Elias Motsoaledi
None	138
Electricity	37,830
Gas	666
Paraffin	3,732
Wood	13,069
Coal	4,483
Animal dung	215
Solar	102
Other	16
Total	60,251

**Source:** Stats SA census 2011

**Table 35: Types of energy for heating and lighting**

Energy or fuel for heating	Energy or fuel for lighting	Number of households
None	None	59
	Electricity	7,167
	Gas	10
	Paraffin	48
	Candles (not a valid option)	1,313
	Solar	16
	Total	8,614
Electricity	None	29
	Electricity	30,246
	Gas	16
	Paraffin	16
	Candles (not a valid option)	56
	Solar	70
	Total	30,433
Gas	None	4
	Electricity	369
	Gas	28
	Paraffin	2
	Candles (not a valid option)	57
	Solar	2
	Total	462
Paraffin	None	10
	Electricity	565
	Gas	4
	Paraffin	87
	Candles (not a valid option)	712
	Solar	5
	Total	937
Wood	None	49
	Electricity	9,288
	Gas	24
	Paraffin	95
	Candles (not a valid option)	2,288
	Solar	44
	Total	11,789
Coal	None	4
	Electricity	7,019
	Gas	5
	Paraffin	18
	Candles (not a valid option)	223
	Solar	27
	Total	7,296
Candles (not a valid option)	None	-
	Electricity	-
	Gas	-

Energy or fuel for heating	Energy or fuel for lighting	Number of households
	Paraffin	-
	Candles (not a valid option)	-
	Solar	-
	Unspecified	-
	Not applicable	-
	Total	-
Animal dung	None	
	Electricity	163
	Gas	
	Paraffin	
	Candles (not a valid option)	7
	Solar	1
	Unspecified	
	Not applicable	
Total	171	
Solar	None	2
	Electricity	81
	Gas	
	Paraffin	
	Candles (not a valid option)	5
	Solar	12
	Unspecified	-
	Not applicable	-
	Total	99
Other	None	-
	Electricity	4
	Gas	-
	Paraffin	-
	Candles (not a valid option)	-
	Solar	-
	Unspecified	-
	Not applicable	-
Total	4	
Unspecified	None	-
	Electricity	-
	Gas	-
	Paraffin	-
	Candles (not a valid option)	-
	Solar	-
	Unspecified	-
	Not applicable	-
	Total	-
Not applicable	None	-
	Electricity	-
	Gas	-
	Paraffin	-

Energy or fuel for heating	Energy or fuel for lighting	Number of households
	solar	-
	Unspecified	-
	Not applicable	-
	<b>Total</b>	<b>107</b>
<b>Total</b>	Electricity	54,902
	Gas	87
	Paraffin	268
	Candles (not a valid option)	4,661
	Solar	177
	Unspecified	-
	Not applicable	-
	<b>Total</b>	<b>60,251</b>

Source: Stats SA census 2011

Illegal connections remain a threat to expanding access to electricity to all residents and communities. Land claims are also impacting negatively to the implementation electrification programmes.

#### 4.2.1.4FREE BASIC ELECTRICITY AND CHALLENGES

- The municipality approved an indigent policy (council resolution number) which guides the development of the indigent register (council resolution number).
- The Municipality is providing free basic electricity to the beneficiaries as per the approved register.
- The current collection varies from month to month as not all the beneficiaries collect their free units due to illegal purchase of electricity.
- The municipality is unable to completely eradicate electricity backlog due to the mushrooming extensions in various villages.
- Insufficient financial resources to eradicate the backlog
- Eskom electricity supply capacity to electrify the extensions

Table 36 : Energy reticulation

Households	Numbers	%
Grid connection:	58750	97,5
Solar:	60	0.1%
No electricity:	1441	2,3%
<b>Total</b>	<b>60251</b>	<b>100%</b>

Source: EMLM, Infrastructure department (Electrical unit)

#### 4.2.1.5PROVISION OF ROADS AND STORM WATER

Roads and storm water management are key municipal functions. The roads and storm water section is responsible for upgrading and regravelling of both streets and roads in the municipal area. Most roads within the municipal area are in a state of decay, with provincial routes in dire need of rehabilitation. This has had a very negative impact on the local economy, as easy access is not available to potential investors.

The EMLM has addressed this challenge through an intervention plan to ensure that critical roads and access routes are restored to safer status levels for usage by our communities. The program is ongoing with focus on the improvement of collector roads, access and internal streets within communities.

The long term strategy of the Municipality is to surface roads within the municipal area even though our Municipality relies on Grants for roads projects. Based on high road backlog different strategies are implemented, including preventative maintenance of the road Infrastructure whereby some of the roads like Monsterlus and Groblersdal were resurfaced. To improve accessibility to villages, 108.15km has been regravelled

The municipality has established the roads construction and storm water management unit in an attempt to address some of the challenges identified. It is crucial to note that the municipality does not have sufficient budget to adequately rehabilitate the existing roads

**Table 37: Road Infrastructure**

<b>Gravel Road Infrastructure</b>					
	<b>Kilometres</b>				
	<b>Total gravel roads</b>	<b>New gravel roads constructed</b>	<b>Gravel roads upgraded to asphalt</b>	<b>Gravel roads graded /maintained</b>	
2011/12	1352km	6 km	17.2 km	560km	
2012/13	1343.75 km	0km	8.25km	21.3 km	
2013/14	1335.51	0km	5.6km	101.25km	
2014/15	1328.61	0km	6.9	135km	
<b>Asphalted Road Infrastructure</b>					
	<b>Kilometres</b>				
	<b>Total roads (backlog)</b>	<b>New asphalt roads</b>	<b>Existing asphalt roads re-asphalted</b>	<b>Existing asphalt roads re-sheeted</b>	<b>Asphalt roads maintained</b>
2011/12	1352.1km	17.2km	2km	560km	1352km
2012/13	1334.9km	8.25 km	0km	0km	0 km
2013/14	1335.51	5.6KM	0km	6km	6km
2014/15	1328.61	0km	6.9	135km	1.2km

**Table 38: Roads and their status**

<b>Ward</b>	<b>Description of road condition</b>				
	<b>Main road</b>	<b>To school</b>	<b>To grave yard</b>	<b>To moshate</b>	<b>Other</b>
1	Tarred	Gravel (bad)	Gravel & muddy	Gravel	Gravel (bad)
2	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
3	Tarred	Gravel	Gravel	Gravel	Gravel (bad)

Ward	Description of road condition				
4	Tarred	Gravel & rocky	Gravel & rocky	Gravel	Gravel (bad)
5	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
6	Tarred	Gravel	Gravel	Gravel	Gravel (bad)
7	Tarred	Gravel & rocky	Gravel & rocky	Gravel	Gravel (bad)
8	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
9	Tarred	Gravel	Gravel	Gravel	Gravel (bad)
10	Tarred	Gravel & rocky	Gravel & rocky	Gravel	Gravel (bad)
11	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
12	Tarred	Gravel	Gravel	Gravel	Gravel (bad)
13	Tarred	Tarred	Tarred	Tarred	Tarred
14	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
15	Tarred	Gravel	Gravel	Gravel	Gravel (bad)
16	Tarred	Gravel & rocky	Gravel & rocky	Gravel	Gravel (bad)
17	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
18	Tarred	Gravel	Gravel	Gravel	Gravel (bad)
19	Tarred	Gravel & rocky	Gravel & rocky	Gravel	Gravel (bad)
20	Tarred	Gravel	Gravel (bad)	Gravel (fair)	Gravel (bad)
21	Tarred	Gravel & rocky	Gravel	Gravel	Gravel (bad)
22	Tarred	Gravel & rocky	Gravel & rocky	Gravel (bad)	Gravel (bad)
23	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
24	Tarred	Gravel & rocky	Gravel	Gravel	Gravel (bad)
25	Tarred	Gravel & rocky	Gravel & rocky	Gravel	Gravel (bad)
26	Tarred	Gravel & rocky	Gravel (bad)	Gravel (fair)	Gravel (bad)
27	Tarred	Gravel & rocky	Gravel / tarred	Gravel	Gravel (bad)
28	Tarred	Gravel & rocky	Gravel & rocky	Gravel	Gravel (bad)
29	Tarred	Gravel/tarred	Gravel & rocky	Gravel	Gravel (bad)
30	Tarred	Gravel/tarred	Gravel/tarred	Gravel	Gravel

**Table 39: Backlog: Roads and stormwater**

Description	Baseline	Current	Backlog
Surfaced roads/stormwater (km)	117	125 km	
Gravel roads (km)	1367	1242	
Total (km)	1452		1242 (remaining)

**Source: Infrastructure department (Roads and stormwater master plan)**

The average state of the roads network can be regarded as fair, with 9% of the surfacing and 11% of the structure in poor to very poor category.

#### Roads and storm water challenges

- The backlog on the surfacing of roads is at 1242 km
- Shortage of machinery and plant
- Outdated road infrastructure master plan
- Maintenance of the existing surfaced roads
- Insufficient budget for maintenance of the surfaced roads

**Table 40: Strategic roads of municipality**

Road name	Description	Status	Ownership
-----------	-------------	--------	-----------

N 11	Groblersdal, Loskop Dam, Mokopane	Good	Sanral
R 25	Groblersdal, Johannesburg	Under construction	Ral
R 33/ r555	Groblersdal, Stoffberg, Roosenekal	Bad	Ral
D 1547	Groblersdal, Motetema, Monsterlos	Bad	Ral

**Source: Elias Motsoaledi Road master plan**

Roads and storm water management in rural areas fall under the control of the Limpopo Department of Roads and Public Transport. This is, however, largely confined to storm water control on the provincial main roads. There is also no clarity on the management responsibility of the rural roads between the local municipality, the district municipality and the provincial authorities.

Traffic services are strained as they lack capacity to render required services. Traffic management outside Groblersdal is provided by the Provincial Road Traffic Inspectorate and the South African Police Services

In summary, these are the basic service delivery and infrastructure challenges

- Sector Plans to be updated and Reviewed
- Eskom network Capacity
- Roads and storm water
- Illegal electricity connections
- Water leakages
- Water shortage and illegal connections
- Sanitation backlog

#### **4.2.1.6 PROVISION OF TRANSPORT SERVICES**

The municipality has developed a comprehensive **Local Integrated Transport Plan (LITP)** which is currently under review to obtain a better understanding of the road infrastructure and develop strategies to address identified challenges. Currently, the institution is developing the transport master plan.

The main modes of public transport that serve the EMLM area are buses and taxis, with the bus services being the secondary mode of transport. At present the services are uncoordinated and both the bus and taxi services follow the same routes which lead to extensive duplication of services. Whereas the bus service is subsidised by government to provide an affordable passenger transport service, the taxi industry is not subsidised. Buses are available in all 30 wards to commute people to their destination. Lot of the community members rely on bus services because of their accessibility to remote areas as compared to taxis that use main roads only. The service of the Great North Buses is available the whole day, for the entire week. There is also one PUTCO bus that transports people from Groblersdal to Pretoria. This service is available only in the morning and afternoon. The service helps many community members because it is cheap as compared to taxis. Municipality has no transport master plan and road master plan in place.

Only a fraction of the community (4, 7%) utilises minibus taxi as a mode of transport to places of work and schools, and 3, 5% indicated bus transport as their main mode of transport. More than 85% of people have indicated that they walk as their main mode of travel.

The travel modes for the EMLM are indicated on the below table. It is clear from the data that 94% of the EMLM population walks to their various destinations due to a lack of public transport or a lack of money to pay for public transport or private transport. Minibus taxis are the most popular form of transport with 3% of commuters making use

of taxis, while 2% of commuters make use of bus transport. Only 2% of commuters use private vehicles as mode of transport.

There are no commercial airports in the municipality; however there is one registered airfield in Groblersdal Town. This is used as an emergency airfield. It is utilised mainly by the business and tourism sectors, as well as local farming wishing to spray their cultivated fields. There is no commuter rail service currently provided for passengers in Elias Motsoaledi municipality, although a freight railway line towards the east linking the Roossenekal towards the south.

190 (approximately 50% outwards-bound) taxi routes are in the SDM and 15% are in the EMLM. Of the subsidized bus routes in the district, 57% are in the EMLM. The route utilisation survey noted 1462 taxis in the district area. Furthermore 1372 taxis were noted in the Elias Motsoaledi municipality.

#### **4.2.1.6.2 LINKING STRATEGIC ROADS AND PUBLIC TRANSPORT**

- Priority is to be given to upgrading of main road (R25) between Groblersdal, Tafelkop and Monsterlus (Provincial road) as it is the road carrying the highest vehicle traffic, and because it is a main public transport route.
- Priority should be given to construction, upgrading and rehabilitation of link roads between central business areas, community centres, municipal service centres, schools and hospitals, tourism areas, and streets according to assessment and priority.
- Although market forces tend to concentrate development along movement corridors, the high ability function of these corridors may not be compromised.
- The municipality may require developers to make financial contributions towards the upgrading of road infrastructure and traffic control measures if necessitated by new developments.
- The development of land use concentrations along these corridors must be accompanied by the provision of sufficient public transport facilities.

#### **4.2.1.6.3 PUBLIC TRANSPORT CHALLENGES**

The Municipal Integrated Transport Plan indicates amongst other challenges the following aspects as key:

- Poor access roads to rural communities
- Insufficient commuter transportation
- Inadequate signage on public roads
- Road accidents caused by animals
- No bus stop shelters.
- Non-motorised transport ,Pedestrian side walks and , cyclists
- Hawkers stalls or illegal settlements along the road side
- Non-compliance of the existing air strip

#### **4.2.1.7 PROVISION OF WASTE MANAGEMENT SERVICES**

EMLM has a total household of 60 251 and 9538 (15.3%) households receive full kerbside collection; the remaining 50713 (84 .7%) households do not receive refuse service removal. The refuse removal service has been extended to Walter Sizulu (RDP) and Tambo villages in Dennilton.

Most people who reside within rural areas dig their own refuse dump within their yard or unoccupied land or borrow pits. The Community Service Department has introduced Free Basic Refuse Removal service in ten villages utilising communal skips.

Norms and standard for waste management within the municipality are:

- The municipality has the authority to deliver waste management services including waste service, collection, storage and disposal
- Separation at source, waste minimisation, reuse, recycling and recovery of waste
- Provide waste management service at a cost effective tariff
- Treatment and disposal of waste, including the planning waste collection, waste storage and waste disposal service
- Approval of by –law so prosecute environmental offenders

Refuse removal service vehicles:

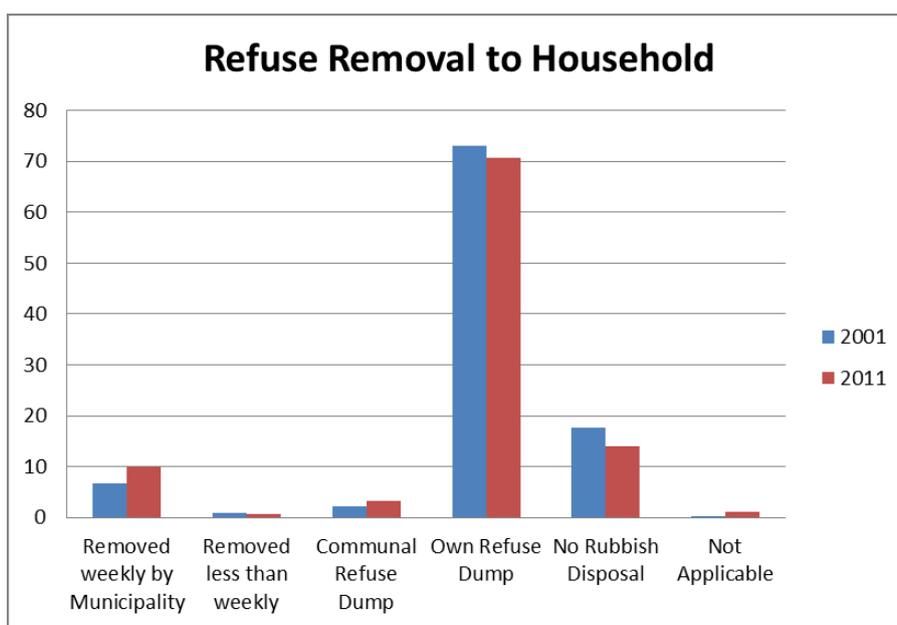
- Seven (7) Refuse removal vehicles
- Five (5) runs the service on daily basis in Groblersdal, Motetema, Hlogotlou, Elandsdoorn, Walter sisulu and Tambo square
- One (01) runs the service on daily basis in Roosenekal
- One (01) skip loader runs the service on daily basis in Groblersdal, Motetema, Elandsdoorn, Walter sisulu and Tambo square

**Table 41: Refuse Removal to Households Category**

	2001		2011	
	Households	Percentage	Households	Percentage
Removed weekly by municipality	3247	6.6%	6122	10%
Removed less than weekly	442	0.9%	405	0.7%
Communal refuse dump	1039	2.1%	1993	3.3%
Own refuse dump	35626	73%	42524	70.6%
No rubbish disposal	8596	17.6%	8504	14.1%
Not applicable	3	0.01%	703	1.2%
<b>Total</b>	<b>48953</b>	<b>100%</b>	<b>60251</b>	<b>100%</b>

Source: Stats SA Census 2011

**Figure 13: Refuse removal statistics**



The levels of service for business (477 inclusive of Roosenekal and Moutse mall) are:

- Three times a week, with additional collections when need arise.
- Daily on fast food outlets

The number of households with access to weekly refuse removal has increased from 6.6% in 2001 to 10.2% in 2011.

**Table 42: Waste management issues as provided by LEDET**

	Name Of Facility		Findings	Action Required		
<b>Elias Motsoaledi LM</b>	1. Total Waste	120 of cardboard	<ul style="list-style-type: none"> <li>• No waste management license</li> <li>• Storage area and office available</li> <li>• No operational plan</li> <li>• No reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Need to develop an Operational plan.</li> <li>• Need to report quantities monthly to the Department</li> </ul>		
		150 of plastic				
	2. Poverty Combaters	10 of cardboard			<ul style="list-style-type: none"> <li>• No waste management license</li> <li>• No three phase electricity for operation of the bailing machine</li> <li>• No support from the municipality</li> <li>• Operational equipment available</li> <li>• No operational plan</li> <li>• No reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Three phase electricity should be installed</li> <li>• Need to report quantities monthly to the Department</li> <li>• Need to develop an operational plan</li> </ul>
		12 of plastic				

	Name Of Facility		Findings	Action Required
	3. Pieterse Scrap Metals	50 of steel	<ul style="list-style-type: none"> <li>Well fenced with lockable gate and security guard</li> <li>Operational equipment available</li> <li>Not reporting</li> </ul>	<ul style="list-style-type: none"> <li>Need to develop an operational plan</li> <li>Need to report quantities monthly to the Department</li> </ul>
		8 of non-ferrous		
	4. J.H Metals	53 of steel	<ul style="list-style-type: none"> <li>Operational equipment available</li> <li>No storage area</li> <li>Not reporting</li> </ul>	<ul style="list-style-type: none"> <li>Need to keep records</li> <li>Need to report quantities monthly to the Department</li> </ul>

Source: Final recycling status quo report by LEDED

#### 4.2.1.8 LANDFILL SITES

The municipality has two (2) Landfill sites, namely Groblersdal, Roosenekal and one (1) transfer station Hlogotlou. They are fully permitted as from May 2011. The challenge is that there is non-compliance as per the permit of the disposal sites. The municipality will be operationalising the permitted landfill site in the new financial plan. EIA report is available for the Groblersdal landfill site buy-back centre thus the Community Services Department is engaging other stakeholders to construct buy-back centre for recycling purposes. The municipality view the importance of establishing a land fill site in the Dennilton area in order to avoid the use of borrow pits by communities as land fill sites.

Table 43: Landfill sites

Disposal site	Permitted/not permitted and permit no.	Absolute location	Access	Operational hours	Security and shifts	Cover	Compaction	Comments
Rosenekal landfill site	Permitted as a gcb <sup>+</sup> Permit no: 12/4/10-a/15/gs1	S25°12'03" e29°55'14"	The site is well fenced with a lockable gate Access is restricted during working hours only	06h00am - 18h00pm Monday - Sunday	Security is available from 06h00 to 18h00	Cover material stockpiled	No compaction done	Waste is disposed of on an unlined area
Philadelphia dumping site	Not licensed	North 25°15'23" east 29°08'22"	Not fenced	Site is abandoned	No personnel on site	No covering waste is disposed	No compaction	The dumping site is mainly used by the Philadelphia hospital

Disposal site	Permitted/not permitted and permit no.	Absolute location	Access	Operational hours	Security and shifts	Cover	Compaction	Comments
						d of randomly and then burnt		
Hlogotlou transfer station	Licensed as a gcb Licence no: 12/14/10 - a/1/gs2	S25°03'6.52" e29°73'4.25"	Not fenced	Operational hours are not set	No personnel onsite	Waste is dumped and left unattended	Not applicable	Waste is dumped and burnt
Elandsdoorn landfill site	12/4/10 - a/12/gs9 Closure permit	S25°16'44.6" e29°11'49.5"	Not fenced	Operational hours are not set	No personnel onsite	Waste is dumped and left unattended	No compaction	The site should be rehabilitated
Groblersdal landfill site	Permitted as a gmb. Licence no: 12/4/10 - b/10/m3	25°09'22.7" 29°25'29.17"	The site is not yet developed but waste is disposed of randomly and left unattended site fence although but vandalised	Operational hours are not set.	None	Waste is randomly disposed of and left unattended	No covering nor compaction	The site need to be developed as a matter of urgency

#### 4.2.1.9 WASTE MANAGEMENT CHALLENGES

The following are the challenges identified with waste management:

- The municipality provides waste management services to 9934 which constitute 16.5% of the entire population.
- The current waste management backlog is 50317 households (83.5%)
- The institution is unable to extend the provision of refuse removal services to other rural areas in the municipality due to limited resources.
- Illegal dumping
- Climate change

#### 4.2.1.10 DISASTER MANAGEMENT SERVICES

Sekhukhune District Municipality is mainly assisting Disaster Management within the district. EMLM is also responsible for disaster management to a particular scale such as Disaster Awareness Campaigns, relief response and mitigations. The municipality is capable of conducting an assessment report for reported disasters in our area of jurisdiction.

The vulnerability assessment for Elias Motsoaledi Local Municipality to disasters is as follows:

##### 4.2.1.10.1 VULNERABILITY ANALYSIS

EMLM faces many different types of risk on a daily basis, including health risks, environmental risks, financial risks and security risks. Disaster risk refers specifically to the likelihood of harm or loss due to natural hazards or other external threats to vulnerable structures, services, areas, communities and households.

A Risk assessment was undertaken and the following Priority Risk (Hazards) were identified as a high risks:

- Veld fires
- Storms
- Sewerage and drainage infrastructure
- Land degradation

Simultaneously with the above-mentioned, the municipality also has to address the following issues as a high priority in order to develop community resilience and in order to cope with disasters:

- Poverty
- Health
- Water
- Road infrastructure
- Telecommunication

**Table 44: List of hazards identified**

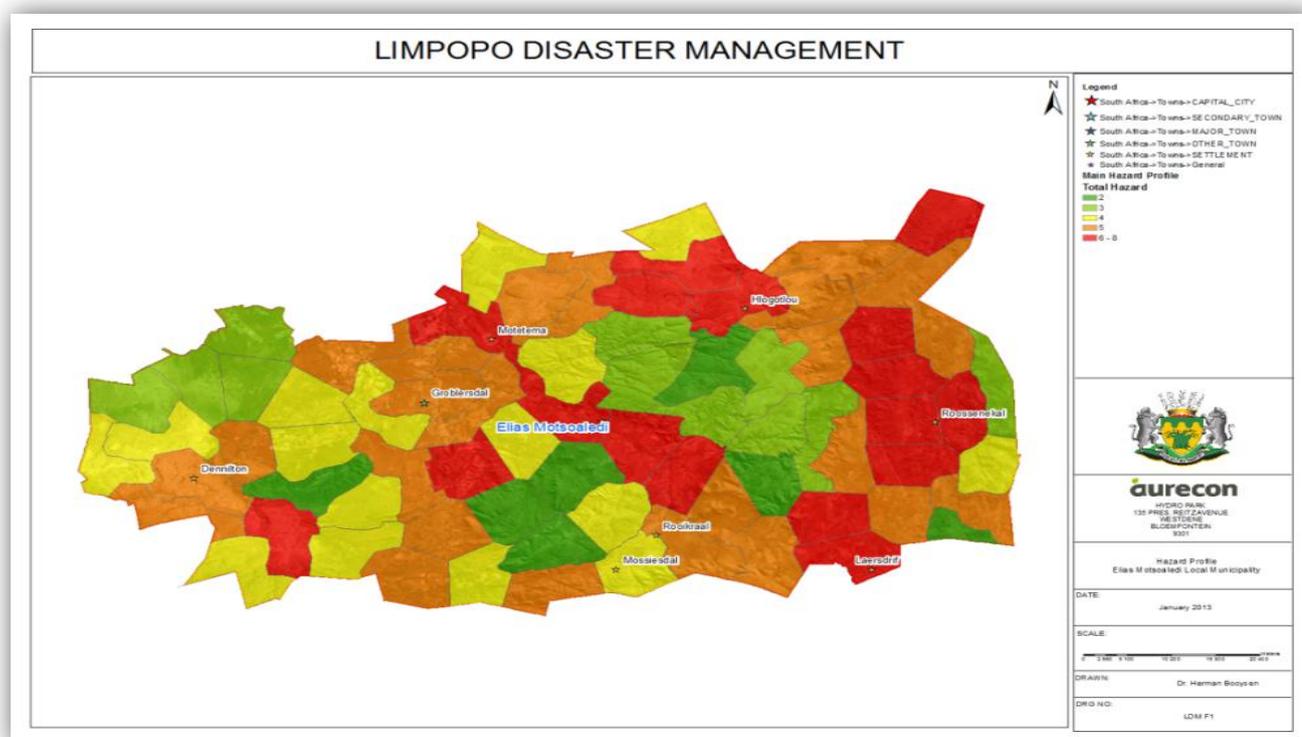
Hazard Category	Hazard	Affected Areas
Hydro-meteorological		
Water related	Riverine flooding	Olifantsriver from Loskop & Moosriver
Atmosphere related	Severe storms	Entire area (Roosenekal/Sehlakwane Tafelkop)
	Drought	
	Hail storms	Saaiplaas/Bloempoot/Kgobokwane/Mathula Stand/Dindela/Keerom (especially 2012)
Biological		
	Human diseases	Can handle
	Pest infestation	Green bush ( <i>Lopholane coriifolia</i> )

Hazard Category	Hazard	Affected Areas
	Veld fires (communal land)	Whole area
Geological		
	Subsidence	Kwarrielaagte ( Ntwane clinic)
	Erosion/Land degradation	ward 10, 3, 14, 23

#### 4.2.1.10.2 HAZARD PROFILE

After the completion of the hazard identification and mapping a hazard profile of the municipality were compiled. The map shows the number of hazards for a specific geographical area. For example the **red areas** indicate that there are between 6 and 8 hazards for that area. Therefore the **more red** the area, the **more hazards** are present. **Green** indicates **low** vulnerability and **red** indicates **higher** vulnerability.

**Figure 14: Hazards within the province and the state of hazards in the municipality**

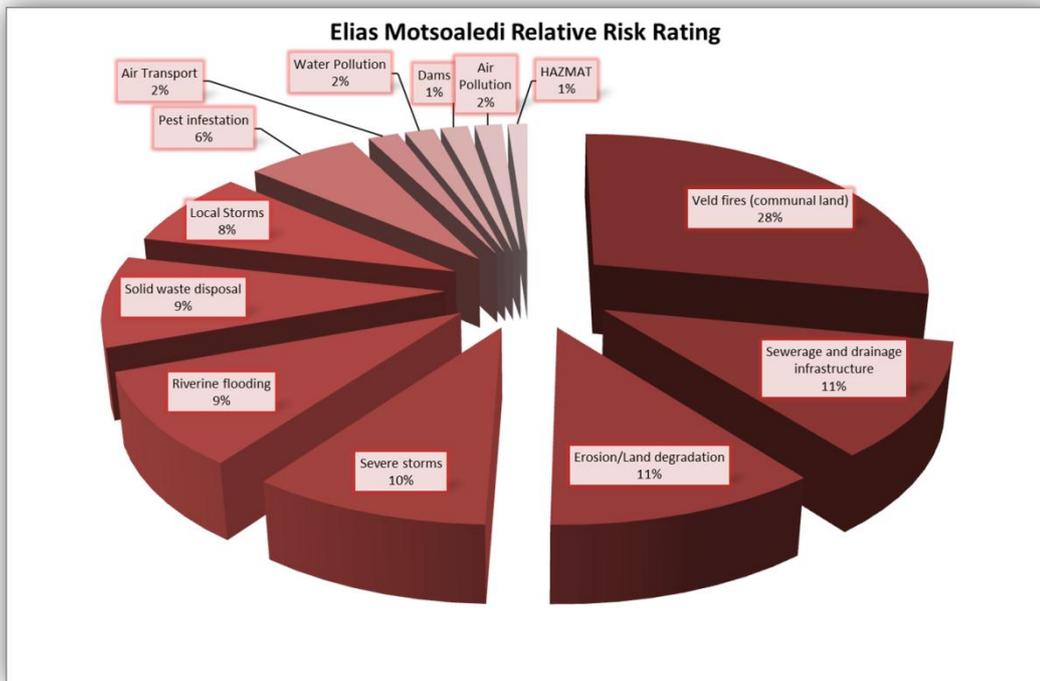


		Severity		
		Low	Medium	High
Probability	High			
	Medium			
	Low			

■ Low risk   
■ Medium risk   
■ High risk

Source: EMLM Disaster Management plan

The hazards were ranked according the risk rating. Veld fire, sewerage and drainage infrastructure, land degradation and storms are the highest ranked for the municipality. This can be seen in the figure below:



Source: EMLM disaster Management plan

#### 4.2.1.11 PROVISION OF HOUSING

Housing delivery remains a key government intervention to redress the ills of the past and restore the dignity of the poorest of the poor. This is clearly reflected in the Housing Policy and Strategy (1994) that focuses on stabilising the

environment to transform the extremely fragmented, complex and racially-based financial and institutional framework inherited from the previous government. New systems are being established to address the housing backlog.

Housing remains one of the few visible signs of government's success to address the needs of the poor. It is therefore critical that local municipalities play their role in facilitating the delivery of houses in their areas. This role is adequately outlined in the Housing Act (1997). Local government is expected to:

- Conduct adequate planning to promote housing
- Ensure access to adequate housing on progressive basis
- Provide services that support sustainable settlements
- Ensure that the health and safety of the citizens living in the municipality are protected
- Sets its own housing delivery goals
- Identify land for housing development

There is no doubt that delivering “well-managed entities in which economic growth and social development are in balance with the carrying capacity of the natural systems on which they depend for their existence and result in sustainable development, wealth creation, poverty alleviation and equity”, will improve the quality of life of housing beneficiaries.

Aligning the legislative and policy notions require municipalities to elevate housing as a key development priority. Municipalities need to set clearly defined housing delivery targets and allocate requisite infrastructure investments to realise the objectives of the comprehensive plan for the development of sustainable human settlements.

In the period of 2002-2005, the municipality had delivered 273 houses. In the second quarter of the 2007/2008 financial year, the municipality reported to have completed 24 foundations and 14 houses at the wall plate level against a target of 500 housing units.

Currently, the municipality has a backlog of **5510** houses.

#### **4.2.1.11.1 HOUSING DEVELOPMENTAL CHALLENGES**

The type of housing information available in the municipal area makes it difficult to make any definitive conclusions about the status of housing delivery. What is very obvious is that there is a problem with project completion within timeframes. The reason for this may include poor planning on the part of the authorities, or lack of capacity by contractors. Whatever the case, housing delivery has to be given serious attention. At the core of the problem is the fact that there is no formal Housing Master Plan for the municipal area which defines and determines the housing backlog in the municipal area which provides a strategy towards addressing the housing needs by way of an implementation programme, and which put in place mechanisms to monitor implementation. It is critical that the municipality develops a housing strategy that will accelerate housing delivery in an integrated manner within the context of national, provincial and district imperatives. This strategy should form the basis of a housing charter to be included in the IDP and lay the foundation to building the necessary capacity to apply for accreditation.

#### **4.2.1.12 CEMETERIES**

Adequate provision is made for cemeteries for Groblersdal Town. The same does not apply to the rest of the municipal area. Currently there are graves on residential and agricultural stands and especially on communal land due to the lack of formal, central cemeteries. Various private graveyards are established on agricultural land.

Priority should be given to the establishment of cemeteries at Tafelkop, Hlogotlou and Dennilton to prevent ad hoc burials. The cemeteries are to adhere to Environmental Impact Assessment (EIA), Geo-technical Assessment and requirements of Department of Water Affairs.

#### 4.2.1.12.1 CEMETERIES CHALLENGES

- Fencing of community cemeteries and construction of ablution facilities
- Establishment of new cemeteries where existing cemeteries are full to capacity

#### 4.2.1.13 HEALTH AND SOCIAL DEVELOPMENT

There are a total of 19 health facilities(17 primary health care clinics and 2 hospitals) within the area of jurisdiction of EMLM. According to CSIR planning standards there should be 1 hospital per 25 000 people and 1 clinic per 5 000 people.

The total population in EMLM is 249 363 therefore 10 hospitals should have been provided, however, only two hospitals are provided. Whilst the figure shows a deficit of 8 hospitals there could be a disparity between the standards, the character of rural settlements and the norms applicable within the Department of Health and Welfare.

The Department has a hierarchy of hospitals from Provincial, Regional and District hospitals. This means the two existing hospitals could be adequate to service the municipality. Where a need for a new hospital arises, it should be considered in the light of the hospital classification elucidated upon above. Where it becomes apparent that a new hospital must be built, the distribution of the rural settlements and centrality should be some of the main determining factors.

#### 4.2.1.13.1 HEALTH AND SOCIAL DEVELOPMENT ISSUES

Table 45: Health and social development issues

Ward	Clinic/mobile	frequency of visit	Challenges/comments
01	Mobile Clinic at Moteti A&B	Once in two weeks	The duration of the clinic should be extended.
16	Conversion of Zaaiplaas Clinic into Health Centre	Operates from Monday to friday	Lack staff and working equipments
19	Clinic	Operates from Monday to Sunday	Staff shortage , ambulances and doctors
24	Clinic at Sterkfontein	Mondays to Sundays	Lack of staff and ambulances
10	Clinic at Ntwane village	Mondays to Sundays	Lack of staff
03	Clinic at Marapong	Mondays to Sundays	Lack of staff
08	<i>Clinic at Kgobokwane</i>	<i>Mondays to Sundays</i>	<i>Lack of staff</i>
13	Clinic in Groblersdal Town	Mondays to Sundays	N/A
30	Clinic at Rossenekal	Mondays to Fridays	Lack of staff and working equipment's
29	Clinic at Motetema	Mondays to Saturdays	Lack of staff and poor service

Ward	Clinic/mobile	frequency of visit	Challenges/comments
26	Clinic at Tafelkop	24 hours service	Shortage of staff
20	Hlogotlou Clinic	Mondays to Fridays	Lack of staff and security

#### 4.2.1.13.2 HEALTH AND SOCIAL FACILITIES

**Table 46: Breakdown of Health Facilities**

Facility	Number
Hospitals	2
Clinics	17
Mobile clinics	0
Pension Pay Points	53
Social work services	15
Drop- in – centers	17
Emergency services	5

**Source:** Community Development Workers

#### 4.2.1.13.3 HEALTH AND SOCIAL WELFARE CHALLENGES

- Inadequate health facilities such as clinics and hospitals
- Insufficient staffing in hospitals and clinics
- Community based clinics to operate for 24 hours
- Construction of pension pay points including installation of facilities

#### 4.2.1.14. EDUCATIONAL CHALLENGES

The major challenges facing the municipality taking cognisance that Education is a Provincial matter include, but not limited to:

Inadequate provision of learning materials

Renovation of old schools including the construction of administration blocks

Additional classrooms in some of the schools

Infrastructure backlogs with respect to the provision of water and sanitation services to schools

Inadequate sports facilities

##### 4.2.1.14.1. EARLY CHILD DEVELOPMENT (ECD)

Centers for early child development have been established in most of the villages. Some of these centers get support from the Social Development department whilst others depend on contributions by beneficiaries. The office of the Mayor is constantly meeting with representatives of these centres with an aim to give support where necessary. The municipality has to develop programmes that will help alleviate challenges the ECD centres are faced with.

##### 4.2.1.14. 2. CHALLENGES FACING ECDS

- Lack of proper learning centers or facilities
- Funding

- Inadequate support by National, Provincial and both local and district municipalities

#### 4.2.1.15 WELFARE

As far as welfare is concerned the main issues are the following:

- There is a general need for the provision of facilities and services for the aged, the disabled, AIDS orphans and other orphans, the homeless street children, mentally ill and all the vulnerable groups afflicted by poverty in the Elias Motsoaledi Local Municipality area.
- Pension pay outs are generally in a poor state and where applicable there is a need to combine them with Multi-purpose Community Development Centres and to properly equip them with shelter, water, seating and toilet facilities.
- There is a growing dependency on the welfare system in EMLM. This is demonstrated by the number of various grants that are accessed by beneficiaries in the municipal area. The table below depicts information on these grants:

**Table 47: Government Grants and paypoints facilities**

No. of Pay Points Existing	Backlogs on pay points	No. of people receiving grants per category	Basic services Supplied for each pay point (e.g. Yes/No)
70 Paypoints With buildings=21 Without =49	No backlogs	O/A- DG- CSG FG	YES=21 No=49

**Table 48: Statistics on grants beneficiaries**

TOTAL												
O/A	D/G	W/V	CO M	GIA	FCG BEN	FCG CHIL	CDG BEN	CDG CHIL	CSG BEN	CSG CHIL	BENEFICIARIES	CHILDREN
19859	3948	01	36	217	2235	3483	493	538	29103	54793	55892	58814

The Community Home Based Care facilities need to be mobilised, capacitated and resourced in order to help address the above community challenges/anomalies. It is in the Elias Motsoaledi Local Municipality interest to collaborate with the Department of Health and Social Development in its efforts to address these social ills and create an enabling environment that invest in human capital including the impact of HIV and Aids.

#### 4.2.1.16 COMMUNITY SERVICES STRUCTURES

**Table 49: Aged service centres that were funded**

Name of center	Physical address	Contact person	Contact number	Status
Kgakgabane luncheon group	Zaaiplaas next to clinic	Mthimunye Nonhlanhla	0824360 062	Funded
Kodumela	Hlogotlou Monsterlus	Nhlapho TM	082 0849 706/078 3955	Funded

Moepathutse aged	unit a		215	
Moriri o Moshweu aged group	219 Majakaneng sec	Tshehlo S	073 4201 885	Funded
Motetema old age	Motetema next to Lutheran	Ntuli RA	082 6916 347	Funded
Mpheleng service centre	Mpheleng village	Nhlapho BP	078 4656 493/076 1922 966	Funded
Ratanang service centre	Elansdoorn next to traffic office	Thekane Athalia Ngele	071 4977 308	Funded

**Table 50: HIV Prevalence on ANC Clients Tested Per**

#### Local Municipality

2009	2010	2011
16.2	26.3	20.5
0	14.3	24.7
33.3	23.4	16.5
18.5	22	19.7
12.2	13.6	13.8

#### 4.2.1.16 SAFETY AND SECURITY

Poor safety and security conditions undermine the efforts of creating a democratic society that respects and value the right to life, ownership of property, and other rights enjoyed by all persons in this country. EMLM local municipal traffic division has only enough traffic officers to cover limited hours and have to work overtime to cover the essential after hours when accidents occur.

##### 4.2.1.16.1 SAFETY AND SECURITY FACILITIES

There are police stations in the following areas:

- Dennilton
- Groblersdal
- Hlogotlou
- Laersdrif
- Motetema
- Zaaiplaas
- Roossenekal

It is critical that the municipality galvanises community structures to assist the police services to prevent and combat crime. At the local level the EMLM should focus on ensuring the effective enforcement of by-laws including traffic violations, whistle-blowing on corruption and fraud, and encouraging the participation of council and residents in Community Policing Forums and other initiatives aimed at eliminating criminal tendencies and implement a Digital Eye Witness System that monitors the Central Business Area for criminal activities.

**The contributing factors for criminal activity include, but are not limited to the following:-**

- Taverns drugs and Undocumented immigrations

Most areas have a number of taverns which do not comply with the requirement of the liquor act. The time of closure of the taverns plays a big role in cases of Rape –Assault –Murders and Robberies.

- Drugs like dagga and nyaope affects most youth of our society

Properties are burgled with the sole purpose of selling stolen item to fund the purchase of drugs. Electrical cables are also stolen for the same purpose

- The businesses of foreigners were targeted as most of them were reluctant to attend courts and they found it difficult in identifying the suspects.
- Protests about service delivery also contributed to cases like malicious damage to properties and assault.
- **Poor infrastructures** like roads. Some of the villages are not accessible for patrols, and immediate attention of their complaints.
- No street lights in most villages and people got robbed, raped and killed in the evening when they return from work.
- Bushes and tall grasses and unattended houses is where criminals hide and attack their victims
- Lack of enforcement of by-laws in our towns. Everywhere in towns and even on the streets people are selling clothes, vegetables, fruit and some are selling drugs like nyaope and dagga.
- Those who commit shoplifting and bag snatching easily mixing with other peoples and the victims left vulnerable.

#### **Proposed action steps**

- By-laws be implemented in our towns
- Availability of streets lights and Apollo lights in the villages
- Improvement of infrastructure like roads
- Sports facilities for the youth
- Reviewing of the liquor Act.
- Awareness campaigns for protesters .Protest must be peaceful.
- Improvement of service delivery and engagement of communities by the municipality
- Participation of the municipalities in stake holders meetings like Rural Safety and Community Police Forums.

#### **4.2.1.17 POST OFFICES**

Postal facilities can comprise fully-fledged post offices, postal agencies (satellites) or mobile units. There are approximately 15 postal facilities in the entire Elias Motsoaledi Municipal Area. Of the 15 postal facilities about 5 are fully-fledged postal outlets and 10 are agencies or satellites. The 5 main **post offices** in the Elias Motsoaledi Local Municipality are located in Groblersdal, Hlogotlou, Moutse, Roosenekal and Tafelkop. Mail collection points are also used in remote areas as another form of providing postal service to communities Telkom and private service providers

are the main suppliers of **telephone services**. Most people (96%) in the municipal area have access to some form of telephone services (telephone and cell phone in dwelling, telephone only in dwelling, cell phone, neighbour, public telephone, other nearby).

#### 4.2.1.17.1 INTERNET SERVICES

**Table 51: Access to internet services**

Households	2011
From cell phone	7741
From work	847
No access to internet	46,943
<b>Total</b>	<b>60 251</b>

**Source:** Stats SA, Census, 2011

According to Census 2011, most of the households use mobile phone as a means of communication. There is a shortage of internet services within the communities of EMLM.

#### 4.2.1.18 SOCIAL COHESION

The following factors disturb the required social cohesion among communities and individuals in the municipality namely:

- Low per capita income levels
- High illiteracy rates
- Hunger
- Crime
- Unemployment and other social ills

The inability of the municipality to deal with the above usually results in unrests and social challenges. A multi-pronged approach is required to deal with the situation.

##### 4.2.1.18.1. SOCIAL DEVELOPMENT CHALLENGES

- Insufficient council land for cemeteries
- Non maintenance and upgrading of the recreational facilities such as community halls
- Inability to develop sporting facilities within rural areas of EMLM
- Most stadia were vandalised
- Late submission of the Sport, Art and Recreation Year Programme by the Provincial Department
- Relegation of responsibility (Sport Development) by the Provincial Department
- Inability to develop Parks Development Plan in all 104 villages (30 Wards) within EMLM
- Inadequate maintenance of existing parks
- Insufficient resources for the procurement of Playing Equipment's
- Development of Housing Master Plan
- 5510 Housing backlog
- Indigent Policy which does not conform to other Constitutional imperatives.
- No network connections for the E-natis in the back-office for Traffic Officers
- Inability to deploy full-time Traffic Officers to all 30 Wards

- Disaster management and solid waste management

#### **4.2.1.19. SPORTS, ARTS AND CULTURE**

There are 6 formal sports and recreational facilities comprising a rugby field in Groblersdal, a cricket and soccer field in Tafelkop, and four soccer stadiums in Elandsdoorn, Groblersdal, Hlogotlou and Tafelkop respectively. In addition to the above there are 30 informal sports fields in the Moutse, Hlogotlou, Zaaiplaas and other parts of the municipality. The current focus of the municipality is to maintain the existing sports facilities rather than providing any significant expansions or new facilities. Cultural Historic Sites and Tourist Attractions in the EMLM area are also not actively formalised or promoted.

##### **4.2.1.19.1. SPORTS, ARTS AND CULTURE CHALLENGES**

- Initiation of various sporting codes within the municipality
- Financial resource to assist in sports development
- Dilapidated stadiums
- Inadequate of support by National and Provincial

### **KPA 3: LOCAL ECONOMIC DEVELOPMENT**

#### **4.3.1. THE ECONOMIC PROFILE OVERVIEW**

The Groblersdal Magisterial District plays an important role in the local economy of Elias Motsoaledi Local Municipality, in terms of agriculture and manufacturing sectors. The total Gross Value Added (GVA) of these two sectors in the Groblersdal Area is significantly higher than the other parts of the municipality.

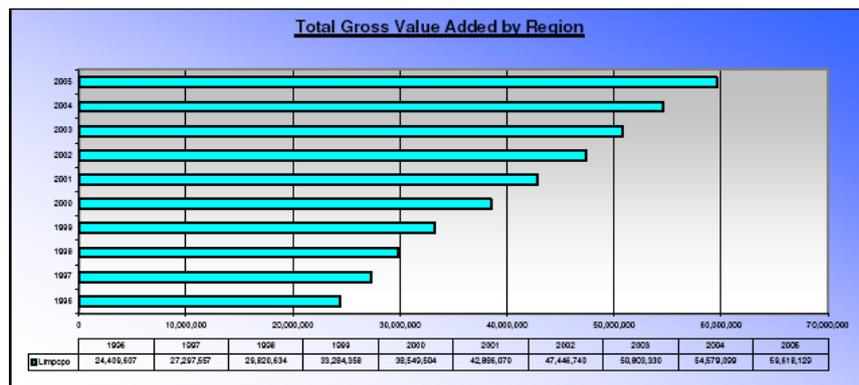
The municipality developed an LED strategy to obtain a better understanding of its economic features and develop strategies geared towards stimulating sustained economic growth in the municipal area. The results of this study are used to outline the economic situation as part of the IDP review, however; the strategy needs to be reviewed to capture the current economic situation of the municipality.

The economic analysis provides an overview of the economic structure and performance of the EMLM area within the context of both the District and Provincial economy. It starts off by providing a comparative overview of the economic performance and the importance and contribution of various economic sectors and a detailed analysis of each individual sector of the local economy.

#### **4.3.2. MACRO-ECONOMIC INDICATORS**

The information depicted in the figures below indicates that the total size of the economy at both provincial and district level has more than doubled over the decade between 1996 and 2005. The total provincial Gross Value Added (GVA) increased from R24.4 billion in 1996 to R59.6 billion in 2005. Over the same period the total GVA of the Sekhukhune district economy increased from just over R2 billion in 1996 to R4.9 billion in 2005.

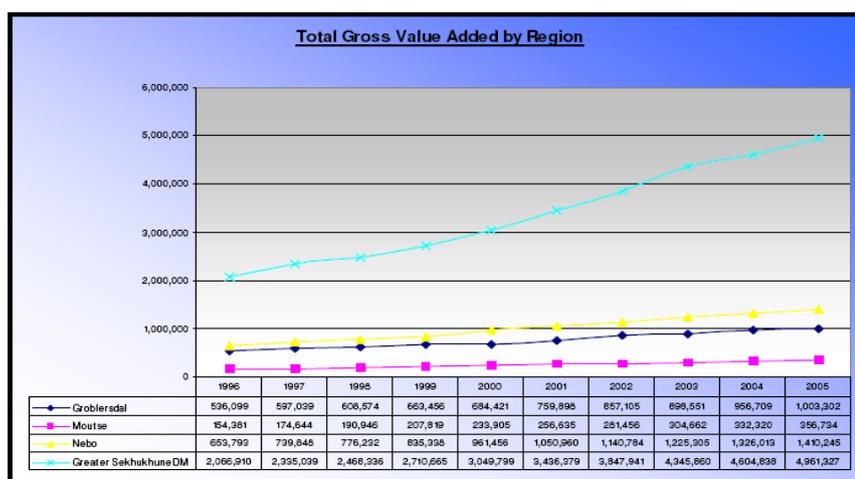
**Figure 15: Total Gross Value Added (current prices, 2005)**



Source: EMLM's LED Strategy (2007)

At a local municipal level it is clear that the Groblersdal Magisterial District has the largest impact on the local economy. The total GVA of the Groblersdal Magisterial District increased from R536 million in 1996 to just over R1 billion in 2005. The total size of the economy of the Moutse Magisterial District (which comprises parts of the Western region of the Elias Motsoaledi municipality) is relatively small in the District context, accounting for approximately R356 million GVA in 2005. Although the total GVA of the Hlogotlou Magisterial District accounted for R1.4 billion of GVA in 2005, only approximately 20% of this magisterial district actually forms part of the Elias Motsoaledi Local Municipality

**Figure 16: Total GVA (current prices, 2005)**



Source: Elias Motsoaledi Local Municipality

The overall average economic growth rate over the period 1997 to 2005 is represented in the table below. This information indicates that the provincial economic growth rate has increased significantly from 2003 onwards with annual growth rates of 5.7% attained in 2003 and 3.9% in 2005.

The magisterial district, which comprises the Elias Motsoaledi Local Municipality, has generally experienced growth rates below the comparative provincial and district figures.

The highest average growth rate has been recorded in the Moutse District at 3.8%, 3.2% and 4.0% between 2003 and 2005. It should however be noted that this growth took place from a relatively small base. The average annual growth

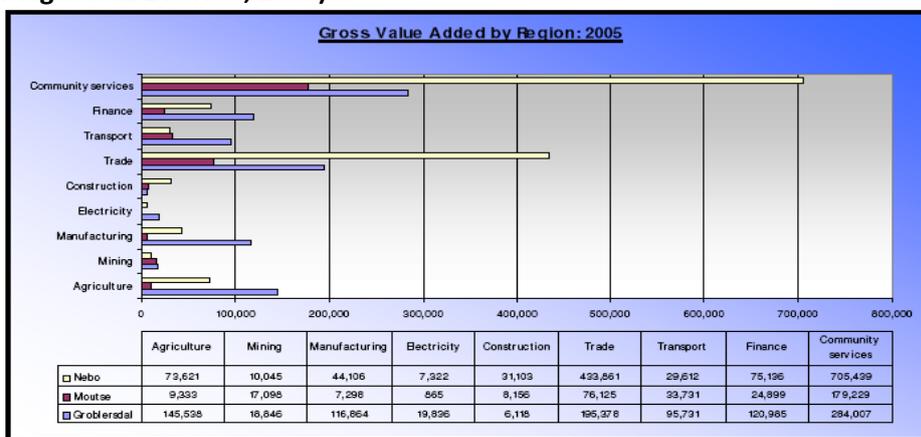
rates in the Hlogotlou and surrounding areast ranged between 2% and 3.1% from 2003 to 2005 and that of the Groblersdal Magisterial District between 1.8% and 3.6%.

The following aspects are significant in terms of the local economy of the three magisterial districts which partly comprises the Elias Motsoaledi Local Municipality:

- The community, social and personal services sector is the major contributor to GVA in all three of these magisterial districts
- The size of the Moutse Magisterial District economy is fairly small and dominated by the community, social and personal services sector
- The wholesale and retail trade sector (including components of the tourism sector) is the second largest economic sector in all three magisterial districts

The Groblersdal Magisterial District plays an important role in the local economy of the Elias Motsoaledi Local Municipality, in terms of the agricultural and manufacturing sectors. The total GVA of these two sectors in the Groblersdal Magisterial District is significantly higher than that of the Hlogotlou and Moutse magisterial districts

**Figure 17: GVA per Sector, (Magisterial Districts, 2005)**

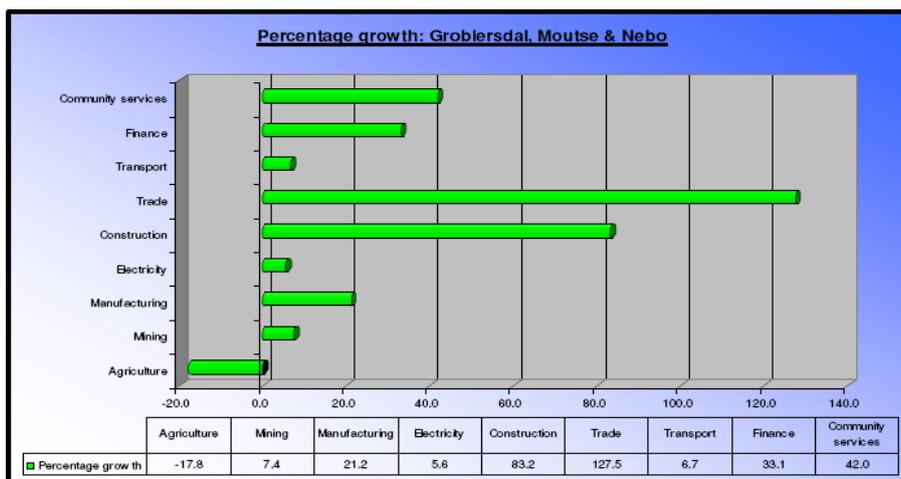


Source: Elias Motsoaledi Local Municipality - LED strategy

### 4.3.3. AGRICULTURE

The total contribution of the agricultural sector to the Limpopo provincial economy peaked in 2002 with a total GVA of R3.2 billion. It has however subsequently decreased somewhat to R2.7 billion in 2005. This trend has also been prevalent in the Sekhukhune District Municipality where the total GVA from the agricultural sector decreased from R283 million in 2002 to a figure of R238 million in 2005.

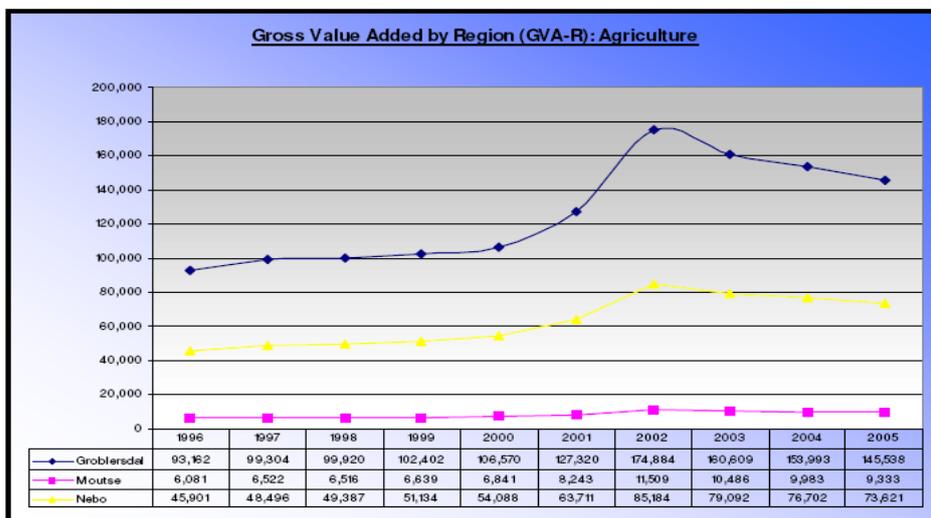
**Figure 18: Total GVA (agriculture) in Limpopo (2000 current prices)**



**Source:** Elias Motsoaledi Local Municipality LED Strategy

Total economic production in the agricultural sector within Elias Motsoaledi is clearly concentrated within the Groblersdal Magisterial District with a total estimated GVA from this district of R145 million in 2005. The comparative figures of the Moutse and the Hlogotlou and surrounding areas (R9.3 million and R73.6 million) have been very moderate. It should also be borne in mind that only parts of these two magisterial districts are located within the Elias Motsoaledi Local Municipality. These figures also imply that the Groblersdal Magisterial District accounted for more than 60% of the total agricultural sector GVA on the SDM in 2005.

**Figure 19: Total GVA (agriculture sector) in Sekhukhune DM**



**Source:** Elias Motsoaledi Local Municipality LED strategy

Currently there are intensive agricultural activities under five irrigation schemes in and around Groblersdal which covers a total surface area of 28 800 ha. Groblersdal is the centre of a partly progressive farming community. The total economic production in the agricultural sector within Elias Motsoaledi is mostly concentrated within the town of Groblersdal. The following products are cultivated here:

- Grapes
- Wheat
- Tobacco
- Maize
- Soya Beans
- Citrus Fruits
- Cotton
- Vegetables

There appears to be agricultural activity that often goes unnoticed as a significant contributor to the local GVA, especially at the community level. There is growing informal economy which is not part of the main stream agricultural economy.

Groblersdal is the center of a **progressive farming** community because of the town's fortunate location in the Olifants River irrigation area below Loskop Dam. Intensive agricultural activities (under 5 irrigation schemes) cover a total surface area of 28 800 ha. The gross agricultural production of the district is estimated at R250 million per annum. The agricultural produce includes grapes, wheat, tobacco, maize, soya beans, citrus fruits, cotton and vegetables.

#### 4.3.4 AGRI-PARK FARMING

Agriculture is a key industry to the economy and its relevance should not be under-estimated

Despite the fact that South Africa's agricultural producers are currently facing numerous challenges, it is clear that producers, agri-businesses and political decision makers have the will to tackle these challenges head-on in order to ensure the stability and future sustainability of this strategic industry.

The Limpopo Department of Agriculture (LDA) hosted consultative processes at Bolivia Lodge on 17 April 2015 with various stakeholders in a bid to establish an Agri-Park and agree on strategic location thereof in each district. The move for its establishment is in line with the President's 2015 State of the Nation Address. Agriculture is the relevant sector to stimulate the growth of rural economies and thus trigger enterprise and industrial development to improve the livelihoods of the communities living in these areas.

Limpopo Province is known to be the agricultural production hub for most high value agricultural commodities and with diverse agro-ecological regions, characterised by significant variation in natural endowments such as soil, rainfall, and access to water. In the same context, more than 45% of the R2-billion annual turnover of the Johannesburg Fresh produce comes from Limpopo<sup>9</sup>.

Agri-Park is a viable economic model aimed at encouraging the development of farmers in terms of expertise, ability to supply quality products and sustain the market and community development through income generated by the value addition capability of the Agri-Park (profits reinvested in the community through an Investment Financing Facility). Agri-Park would further:

- benefit existing state land with agricultural potential in the Province;
- improve access to markets to all farmers, with bias to emerging farmers and rural communities;
- maximize the use of high value agricultural land (high production capability);
- optimise the use of existing agro-processing infrastructure, including having availability of water, energy and roads, and support a growing-town with high economic potential that would benefit from small town revitalization.

Investment opportunities will exist in the areas of processing and packaging of fruits and vegetables as well as for the export of beef, pork, chicken eggs, fruits and vegetables. However, jobs will be created through down and upstream agricultural activities throughout the value chain. Emerging farmers working in joint ventures will participate in supplying the Agri-Park. Private farmers can also benefit from this lucrative investment opportunity.

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<sup>9</sup>extract from presentation of The Limpopo Department of Agriculture at Bolivia Lodge on 17 April 2015

Potential areas to sustain the Agri-Parks in each District were identified at the event. The Department of Agriculture will develop partnerships with other stakeholders to develop critical economic infrastructure such as roads, energy, water, ICT and transportation logistics.

Agri-Park is an agglomeration of agricultural cultivation, packing, processing, storage and marketing of agricultural commodities in a central location, such as an economic hub. They are designed for multiple uses that accommodate small farms, public areas and natural habitat.

#### 4.3.5 CHALLENGES FACING THE AGRICULTURAL SECTOR

- Lack of funding
- The lack of water for emerging farmers
- Unskilled labour force
- Lack of farming infrastructure/implements
- None compliance with labour laws by commercial farmers
- Lack of bylaws enforcement

#### 4.3.6 COMPETITIVE AND COMPARATIVE ADVANTAGES

Groblersdal is the centre of a progressive farming community because of the town's fortunate location in the Olifants River irrigation area below Loskop Dam. Intensive agricultural activities (under 5 irrigation schemes) cover a total surface area of 28 800 ha and is the biggest area under irrigation in the district. The gross agricultural production of the district is estimated at R250 million per annum. The agricultural produce includes grapes, wheat, tobacco, maize, soya beans, citrus fruits, cotton and vegetables.

#### 4.3.7 TOURISM

Tourism is a dynamic and competitive industry that requires the ability to constantly adapt to customers changing needs and desires, as the customer satisfaction, safety and enjoyment are particularly the focus of tourism business. The tourism sector has significant potential for development but is currently under developed as far as the infrastructure and the marketing thereof is concerned.

Currently tourism is limited to small scale uncoordinated projects, some of them are not visible to the potential tourists. The municipality is doing well in terms of hunting due to the number of game farms which are always fully booked during the hunting season. The municipality attends and exhibits tourism promotional material annually at the tourism indaba which in Durban.

The Elias Motsoaledi Municipality has about 577 tourism beds serving two distinct markets. Guest Houses and Game Lodges serve business visitors, which are the dominant markets and Game Lodges serve Hunters and Weekend visitors

**Table 52: District tourism comparisons**

Municipal Area	No of facilities	No of beds	Occupancy rate	Turnover	Staff employed
Tubatse	20	1 278	67%	R 47.2m	432
Elias Motsoaledi	24	577	59%	R 20.2m	222
Marble Hall	29	677	54%	R 23.0m	260

Fetakgomo	1	20	N/a	R 0.2m	12
Makhuduthamaga	6	75	62%	R 2.6m	36
Sekhukhune	81	2627	62%	R 93.2m	962

**Source:  
SDM  
Tourism**

## **Development Strategy (2005)**

### **4.3.7.1 TOURISM PROJECTS**

- Marketing and development of the proposed De Hoop Dam Nature Reserve as Eco- Tourism and recreational destination
- Sustainable tourism development at Loskop Dam, Mantrombi, Kwaggavoetpad and Moutse Nature Reserves, but all land development and usages to conform to related legislation, such as National Environmental Management Act, 1998 (NEMA) Regulations, 2006
- The support of village tourism
- All developments within the areas earmarked for conservation or eco-tourism must enhance the rural character of the surrounding area
- Developments that promote water sport and recreation need to submit as part of the environmental management plan the rules associated with the use of the water resource for water sport and recreation

### **4.3.7.2 CHALLENGES FACING THE TOURISM SECTOR**

The main challenge facing tourism is the lack of an anchor tourism attraction which makes it difficult to market Elias Motsoaledi as a tourist destination.

## **4.3.8 MINING**

The mining sector plays a relatively limited role in the local economy of the Elias Motsoaledi Local Municipality. The total GVA from the mining sector in the jurisdiction of EMLM accounted for less than R20 million in 2005. The implementation of Social and Labour Plan by Mapoch's mine created seventeen (17) permanent jobs

### **4.3.8.1. CHALLENGES FACING THE MINING SECTOR**

Currently there is only one mine which is in operation in EMLM but there is a potential for other mining houses to start mining in the area as a result of the EMLM location on the platinum belt.

## **4.3.9 MANUFACTURING**

The total economic output from the manufacturing sector at both provincial and district level showed moderate growth between 1996 and 2005. The manufacturing sector G4A at provincial level increased from 1.7 billion in 1996 to just over 3 billion in 2005.

At the district level the total GVA increased from R133 million to R215 million over the same period. Groblersdal Magisterial District plays a prominent role in the manufacturing sector within the district economy.

The total manufacturing GVA of the Groblersdal Magisterial District in 2005 was nearly R117 million which accounted for approximately 54% of the total district GVA in the manufacturing sector. These figures also indicate that very little manufacturing takes place in the Moutse magisterial district.

The manufacturing sector thus plays a very insignificant role in the economies of the Moutse, Hlogotlou and surrounding areas, accounting for only 2% and 3.1% of the total GVA in 2005. The manufacturing sector plays a more prominent role in the Groblersdal Magisterial District accounting for 11.6% of the total GVA in this district in 2005.

One of the most notable trends in the district economy has been the increase in total employment opportunities in the construction sector from 2002 onwards. The total figure increased from 2 427 in 2004 to 3 391 in 2005. This upward trend since 2003 has also been prevalent in the three magisterial districts located within the EMLM.

#### 4.3.9.1 WHOLESALE AND RETAIL SECTOR

Within the three magisterial districts which form part of the EMLM, the wholesale and retail trade sector accounts for as much as R433 million of total GVA in the Nebo Magisterial District.

This is related to the relatively large population concentration in this area and it should be borne in mind that only a portion of this magisterial district is located within EMLM. The total GVA in the Groblersdal Magisterial District has been approximately R195 million and in Moutse R76 million. The wholesale and retail trade sector is particularly important in the Nebo Magisterial District where it accounted for 30.8% for total GVA by 2005. The comparative district figure was 22.1% and at provincial level 13.5%.

The total number of employment opportunities in the wholesale and retail trade sector showed a considerable increase, both within the SDM as well as within the EMLM. At the District level the total number of employment opportunities increased from 7 407 to 16 512 in 2005. This growth has been most notable over the period 1996 to 2000, where after it has stagnated somewhat. The total estimated number of employment opportunities in the wholesale and retail trade sector in 2005 was 3 814, 3 867 and 5 187 in the Groblersdal, Moutse and Nebo Magisterial Districts respectively.

A further particularly notable aspect is the significant increase in the total number of informal sector employment opportunities in the trade sector. This figure has more than tripled in all three the magisterial districts under consideration.

**Table 53: Priority sectors of local municipalities**

Local municipality	Agriculture and agro-processing	Mining	Construction	Tourism	Other sectors	Public sector
Elias Motsoaledi	X		x	X		X
Fetakgomo	X	X (platinum)	X	X		X
Makhuduthamaga	X	X (concrete)		X	X (retail)	X
Marble Hall	X		X	X		
Tubatse	X	X (various)		X		X

**Source:** Limpopo Employment Growth and Development Plan

While the detailed economic sector analysis presented in this section does not cover information on other sectors such transport and communication, financial and business services, community and personal services and the tourism sectors it encapsulated in a number of key characteristics, which include the following:

- Economic growth rates in the EMLM are generally lower than provincial average.
- Agricultural sector prominent in Groblersdal district (strong comparative advantage in provincial economy).
- Manufacturing sector only making significant contribution in Groblersdal district (relative contribution decreasing).
- Community, social and personal services main economic activity in rural areas/settlements.
- Important role of wholesale and retail trade sector across EMLM.
- Tourism sector has significant development potential but currently underdeveloped.

From a strategy development point of view, these characteristics have a number of important implications, such as:

- The agricultural sector has a strong comparative advantage in the study area and associated development opportunities such as agro-processing and agri-tourism should be strongly promoted.
- The identification and implementation of appropriate agro-processing strategies and projects will result in a meaningful positive impact on the manufacturing sector.
- Government activity (e.g. education, health, etc.) is currently the only notable source of economic activity in many of the remote rural areas and these facilities could thus play key role in initiatives such as entrepreneurial and skills development programmes.
- The wholesale and retail trade sector, including the informal sector, is a prominent sector across all parts of the district municipality and should be supported and promoted.
- The tourism sector has significant potential for development but is currently under developed as far as the infrastructure and the marketing thereof is concerned.

#### **4.3.10. DEVELOPMENT CORRIDORS**

##### **4.3.10.1. LED AND POVERTY REDUCTION**

Local government is mandated to encourage economic growth in order to address poverty and unemployment. This mandate is outlined in the Constitution of the RSA (1996) and the White Paper on Local Government (1998). Local economic development (LED) has been identified as an instrument to address unemployment, poverty and redistribution in local municipal areas. The poverty rate is currently at 66, 3%.

COGHTA has defined LED as an outcome based local initiative that should be driven by local stakeholders. LED involves identifying and using primarily local resources, ideas and skills to stimulate economic growth and development (Slabbert, 2004). Local economic development is critical government intervention to create employment opportunities and reduce incidence of poverty. Local economic development is fundamental government strategy to create a climate conducive to stimulate economic growth. Local economic development initiatives are even more important for municipality confronted by significant levels of employment, poverty and HIV/AIDS.

Municipalities are expected to develop local economic development interventions, which are aligned to the NSDP, LEGDP and other policy directives that seek to guide interventions that will make a significant impact in stimulating local economies.

The SDM's LED strategy attempts to support the national priorities by outlining strategic thrusts that are derived from the national imperatives. The SDM's LED strategy outlines seven main strategic thrusts to guide LED interventions in the district area. These include:

- Maximize economic development from mining growth
- Support development of agriculture and agro-processing
- Develop competitive tourism attractions
- Speed up infrastructure development
- Remove barriers to land for development
- Refocus education and skills development
- Organise LED to work better on a large scale

In view of the critical national, provincial and district imperatives informing local economic development and growth, the EMLM has identified a number of key strategic thrusts that seeks to inform municipal interventions aimed at creating economic opportunities, job creation and reduction of poverty:

- Improved institutional framework and capacity to support local economic development
- Development of agricultural sector and agro-processing
- Linkages to opportunities from mining sector
- Tourism development
- Business support, entrepreneurial development and second economy interventions
- Infrastructure and transport development in support of economic development
- Education, training and skills development
- Place marketing and industrial recruitment

Local economic development strategies are to be undertaken in a manner that seeks to give effect to identified focus areas or key sectors such as agriculture, mining, tourism and manufacturing and other areas identified in the EMLM LED strategy.

The municipality has also through its LED strategy recognised a number of limitations and pitfalls that undermine the success of LED interventions. These are but not limited to:

- Expensive untargeted foreign direct investment marketing campaigns
- Supply-led training programs
- Excessive reliance on grant-led investments
- Over-generous financial inducements for inward investors (not only can this be an inefficient use of taxpayers' money; it can breed considerable resentment amongst local businesses that may not be entitled to the same benefit)
- Business retention Reliance on "low-road" techniques, e.g. cheap labor and subsidised capital

The EMLM LED strategy has a number of implementation strategies that will increase the efficiency and impact of the local economic development initiatives and the capacity of the municipality to effectively support LED initiatives.

Such interventions and strategies should lead to the implementation of LED projects with greater enthusiasm. The strategy needs to go to the next level which is the planning stage. This will be coupled with the number of LED projects that have been implemented, employment statistics thereof and future developments.

#### **4.3.11. LED SKILLS BASE FOR EMLM**

For both public infrastructure and private investment programmes, the single greatest impediment is shortage of skills, including professional skills such as engineers and scientists, financial managers, human resource specialists, project managers, technical skills etc. There is a high rate of people who do not reach tertiary education due to lack of household income.

It is therefore important for the municipality to embark on the coordination of skills development programmes such as those which are been offered by the department of Labour and other government agencies and those that can be offered by the department of agriculture seeing that the EMLM is a pro-agriculture area.

According to the recent economic trends, the municipality strives to engage private sector and the community in pursuing and encouraging partnership (PPP) that will ensure business skills transfer and retention.

#### **4.3.11 LOCAL ECONOMIC DEVELOPMENT CHALLENGES**

- insufficient financial support to LED initiatives
- Inability to attract potential investors
- Inadequate marketing of the municipality as a tourist destination
- Lack of infrastructure capacity
- Unresolved land claims that impacts negatively to development

### **KPA 4: FINANCIAL VIABILITY**

#### **4.4.1 FINANCIAL OVERVIEW**

One of the key issues identified for the sustainability of Elias Motsoaledi local Municipality is “expanding its revenue in relations to its costs and its financial viability, whilst implementing its mandate”.The responsive key is “effective, efficient, coordinated financial management and increased revenue – enabling EMLM to deliver its mandate”.The plans and strategies detailed in this chapter will contribute to the achievement of this objective.

##### **4.4.1.1. Executive Summary**

The application of sound financial management principles for the compilation of the municipality’s financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

Section 17 of Municipal Finance Management Act (MFMA) requires the municipality to prepare an annual budget in the prescribed format.

National Treasury's MFMA circular 78 and 79 have been used as guidance for the compilation of the 2016/17 MTREF. The main challenges experienced during the compilation of the 2016/17 MTREF can be summarized as follows

- Ageing and poorly maintained roads and electricity infrastructure
- The need to re-prioritize projects and expenditure within the existing resource-base given the cash flow realities and declining cash position of the municipality.
- The increased cost of bulk electricity due to tariff increases (9.5%) from ESKOM which is placing upwards pressure on service tariffs to residence and other consumers.
- Salaries and Wage increases for municipal staff as well as the need to fill all active vacant positions and the implementation of organizational re-engineering that was undertaken during the 2014/15 and 2016/17 financial years.
- Affordability of capital projects - original allocations on certain capital projects had to be reduced and some projects had to be shifted to the outer years of the 2016/17 MTREF.
- Limited and/or very minimal surplus anticipated to be realized from operating budget makes it difficult to accommodate all the wards within the area of jurisdiction of the municipality.

The following budget principles and guidelines directly informed the compilation the 2016/17 MTREF:

- The 2016/17 adjustment budget priorities and targets as well as the base line allocations contained in that adjustment were adopted as the upper limits for the new base lines for the 2016/17 annual budget.
- Tariffs and property rates increases should be affordable and should generally not exceed the inflation as measured by the CPI except where there are price increases in the inputs of services that are beyond the control of the municipality, for example: cost of bulk electricity. In addition, we had to ensure that our tariffs remained or moved towards being cost reflective, and had to take into account the need to address infrastructure backlogs.
- Capital projects and activities funded from external grants are budgeted as per the gazetted amount as outlined in 2016/17 Division of Revenue Act (DoRA).
- In addition to cost containment to be implemented by the municipality, the following items and allocations thereof had to be kept at minimum level:
  - Consultants and Professional Fees;
  - Special Projects and Events;
  - Refreshments and Entertainment (R2 000 allocated per directorate for the entire financial year);
  - Ad hoc travelling;
  - Subsistence, Travelling and conference fees;

- Telephone and cell phone subscriptions;
- Issuing of Material and Store items, and
- Overtime.

#### **4.4. 1.2. Operating Revenue Framework**

For Elias Motsoaledi Local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of this 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 setting of tariff increases and balancing expenditures against realistically anticipated revenues and prioritization of capital projects as contained in the Integrated Development Plan (i.e. the needs of all wards within Elias Motsoaledi Local Municipality).

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

- National Treasury's guidelines and macroeconomic policy;
- Efficient revenue management, which aims to ensure a 93% annual collection rate for property rates and other key service charges;
- Electricity tariff increases that are still to be approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

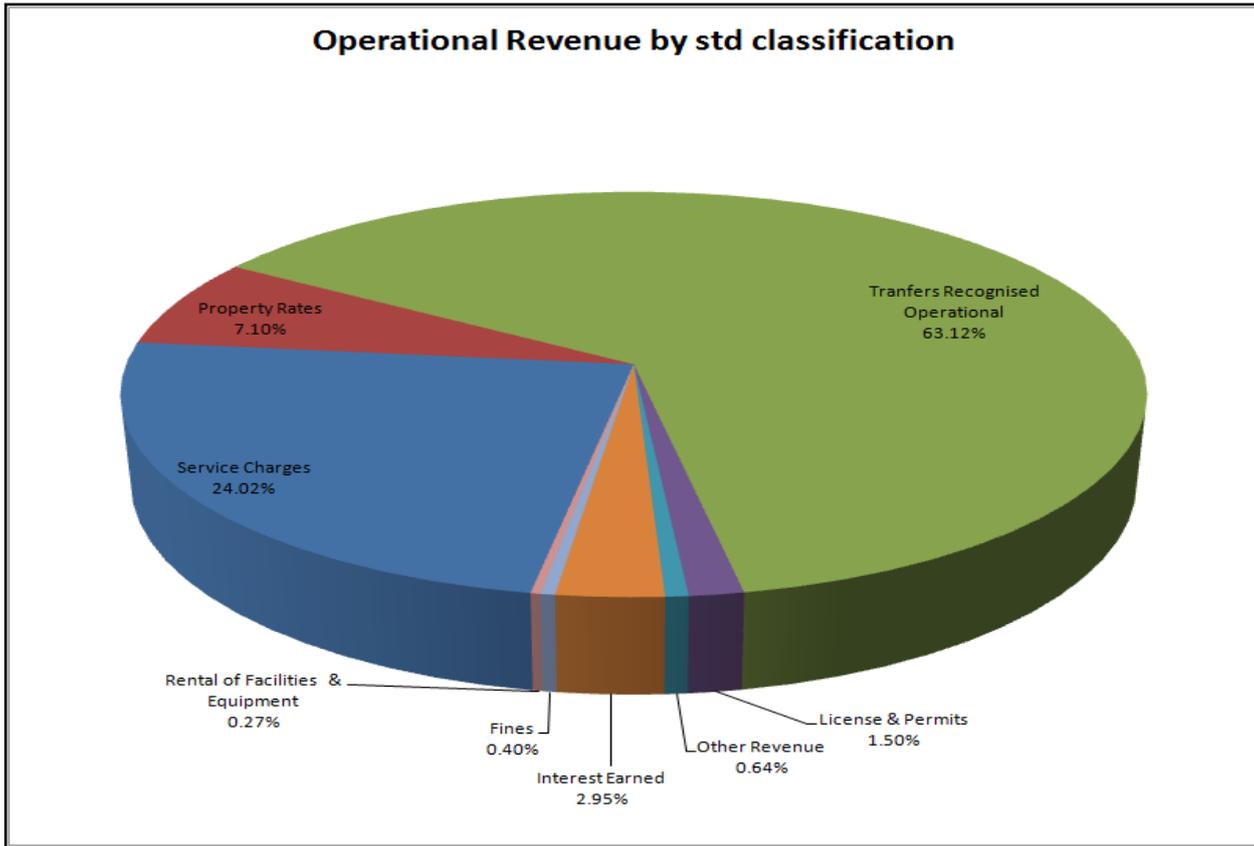
The following table is a summary of the 2016/17MTREF (classified by main revenue source):

#### **Table 1 Summary of revenue classified by main revenue source**

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Revenue By Source</b>										
Property rates	17 900	20 450	19 271	26 182	24 797	24 797	18 747	23 981	25 468	26 971
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	47 884	53 899	56 385	62 973	62 620	62 620	52 654	73 328	77 874	82 469
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	2 721	3 483	4 628	3 717	3 717	3 062	7 774	8 256	8 743
Service charges - other	2 578	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	771	1 125	1 199	3 290	1 000	1 000	713	912	969	1 026
Interest earned - external investments	878	3 598	3 965	4 600	3 300	3 300	2 993	3 829	4 066	4 306
Interest earned - outstanding debtors	3 733	5 225	5 861	4 500	6 500	6 500	4 787	6 123	6 503	6 887
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	792	1 666	2 584	635	1 800	1 800	1 049	1 342	1 425	1 509
Licences and permits	5 249	4 669	5 081	6 348	4 400	4 400	3 955	5 060	5 373	5 691
Agency services	3 187	2 653	-	-	-	-	-	-	-	-
Transfers recognised - operational	132 856	146 878	170 641	216 652	216 652	216 652	216 264	213 105	227 853	243 113
Other revenue	4 625	2 210	7 548	1 415	260	260	1 682	2 152	2 285	2 420
Gains on disposal of PPE	508	-	-	-	-	-	-	-	-	-
<b>Total Revenue excluding capital transfers</b>	<b>220 960</b>	<b>245 095</b>	<b>276 019</b>	<b>331 224</b>	<b>325 046</b>	<b>325 046</b>	<b>305 906</b>	<b>337 606</b>	<b>360 073</b>	<b>383 133</b>

**Table 2 Percentage Growth in revenue by main revenue source**

Description	2015/16		2016/17 Medium Term Revenue & Expenditure					
	Adjusted Budget	%	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
<b>Revenue By Source</b>								
Property rates	24 797	7.6%	23 981	7.10%	25 468	7.07%	26 971	7.04%
Service charges - electricity revenue	62 620	19.3%	73 328	21.72%	77 874	21.63%	82 469	21.52%
Service charges - refuse revenue	3 717	1.1%	7 774	2.30%	8 256	2.29%	8 743	2.28%
Rental of facilities and equipment	1 000	0.3%	912	0.27%	969	0.27%	1 026	0.27%
Interest earned - external investments	3 300	1.0%	3 829	1.13%	4 066	1.13%	4 306	1.12%
Interest earned - outstanding debtors	6 500	2.0%	6 123	1.81%	6 503	1.81%	6 887	1.80%
Fines	1 800	0.6%	1 342	0.40%	1 425	0.40%	1 509	0.39%
Licences and permits	4 400	1.4%	5 060	1.50%	5 373	1.49%	5 691	1.49%
Transfers recognised - operational	216 652	66.7%	213 105	63.12%	227 853	63.28%	243 113	63.45%
Other revenue	260	0.1%	2 152	0.64%	2 285	0.63%	2 420	0.63%
<b>Total Revenue excluding capital transfers</b>	<b>325 046</b>	<b>100.00%</b>	<b>337 606</b>	<b>100.00%</b>	<b>360 073</b>	<b>100.00%</b>	<b>383 133</b>	<b>100.00%</b>
<b>Total Revenue From Rates and Service Charges</b>	<b>91 134</b>	<b>28.04%</b>	<b>105 083</b>	<b>31.13%</b>	<b>111 598</b>	<b>30.99%</b>	<b>118 182</b>	<b>30.85%</b>



**Figure 20 Main operational revenue categories for the 2016/17 financial year**

In line with the formats prescribed by the Municipal Budget and Reporting Regulations (MBRR), transfer recognized - capital is excluded from the operating revenue statement, as inclusion of this revenue source would distort the calculation of the operating surplus/deficit.

Revenue generated from operating grants amounts to 63, 12% (2016/17 financial year) making it clear that the Municipality is grants dependent. In addition, revenue generated from rates and services charges amounts to 7, 10% and 24, 02% respectively. In the 2015/16 financial year, revenue from rates and services charges adds up to R87, 417 million or 26, 89%. This increases to R105, 083 million, R115, 598 million and R118, 182 million in the respective financial years of the MTREF.

Service charges – Electricity is the second largest revenue source totaling 21, 72% or R73, 328 million and increases to R77, 874 million and R82, 469 million respectively in the outer years. The third largest source is property rates that amount to R23, 981 million in 2016/17 financial year and R25, 468 million and R26, 671 million respectively in the outer years.

**Table 3 Operating Transfers and Grants Receipts**

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	<b>132 856</b>	<b>146 878</b>	<b>170 641</b>	<b>216 652</b>	<b>216 652</b>	<b>216 652</b>	<b>213 105</b>	<b>227 853</b>	<b>243 113</b>
Local Government Equitable Share	129 556	143 438	166 920	212 959	212 959	212 959	210 385	226 153	240 397
Finance Management	1 500	1 550	1 600	1 600	1 600	1 600	1 625	1 700	1 955
Municipal Systems Improvement	800	890	934	930	930	930	-	-	761
EPWP Incentive	1 000	1 000	1 187	1 163	1 163	1 163	1 095	-	-
<b>Provincial Government:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A	-	-	-	-	-	-	-	-	-
<b>District Municipality:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
N/A	-	-	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>132 856</b>	<b>146 878</b>	<b>170 641</b>	<b>216 652</b>	<b>216 652</b>	<b>216 652</b>	<b>213 105</b>	<b>227 853</b>	<b>243 113</b>

Table 4 outlines the operating grants and transfers allocated to Elias Motsoaledi local municipality for 2016/17 MTREF and these grants are contributing significantly towards the revenue-base of the municipality.

#### 4.4.1.3. 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.

National Treasury's MFMA Circular No. 51 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 conforms to the stipulations of the above mentioned regulations more especially on the ratio thereof.

The following stipulations in the Property Rates Policy are highlighted:

- The first R30 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this exemption, the following additional rebates on the market value of a property will be granted in terms of the Municipality's own Property Rates tariffs;

Description	Rebate
Residential Property	20%
Business,commercial and mining	25%
Agricultural Property	0%
Stat Owned Property	75%
Public Service Infrastructure	75%
Public Benefit Organization Property	75%
Municipal Property	Not Levied
Unidentified	Not Levied

The following owners may be granted a rebate on, or a reduction in the rates payable on their property:

- Pensioners that meet the following criteria:
  - Registered owner of property,
  - Applicant must reside on the property,
  - Income not exceeding an amount set by Council,
- Ratable property registered in the name of the Council., if such property is used in supplying electricity, water, and gas or sewerage services;
- Hospitals, clinics, and institutions for mentally ill persons, which are not operated for gain;
- Ratable property registered in the name of an agricultural society affiliated to or recognized by the South African Agricultural Union, which is used for the purpose of such society;
- Cemeteries and crematoriums, which are registered in the names of private persons and which are used exclusively for burials and cremations;
- Museums, art galleries, libraries and botanical gardens which are open to the public, whether admission fees are charged or not;
- Sports grounds used for the purpose of amateur sports and any social activities, which are connected with such sports;
- Ratable property registered in the name of benevolent or charitable organizations, or any ratable property let by the Council to any of the named organizations
- Owners of a property situated in an area affected by a disaster within the meaning of the Disaster Management Act, 2002 or in any other serious adverse social or economic conditions;
- Owners of residential properties with to which Section 17(1)(h) of the Act applies on the market value of the property less the amount stated in that Section or higher amount as determined by Council;
- State or public infrastructure and their rates may be reduced to a percentage which is contemplated in Section 11 of the Act.

- Owners of agricultural properties who are bona fide farmers.

#### **4.4.1.4. Sale of Electricity and Impact of Tariff Increases**

NERSA has announced the revised bulk electricity pricing structure. A 7.86 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2016 .

Considering the Eskom increases, the consumer tariff had to be increased by 7.86 per cent (maximum) to offset the additional bulk purchase cost from 1 July 2016. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will continue to get 50 kWh allocated to them and this will result in indigents receiving 50 kWh per 30-day period free of charge.

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2016. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidize the lower consumption users (mostly the poor).

#### **4.4.1.5. Waste Removal and Impact of Tariff Increase**

Service charge refuse removal is currently not doing fairly well since the revenue generated is currently less than the anticipated expenditure to be incurred and the municipality will therefore, 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 for the function not to break-even are repairs and maintenance on vehicles and landfill site, increases in general expenditure such as petrol and diesel and the cost of contracted service provider for refuse removal.

#### **4.4.1.6. Overall impact of tariff increases on households**

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services

**Table 4 MBRR Table SA14 – Household bills**

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
							% incr.			
<b>Monthly Account for Household - 'Middle Income Range'</b>										
<b>Rates and services charges:</b>										
Property rates	230.00	230.00	259.00	264.00	264.00	264.00	6.0%	279.84	284.00	286.00
Electricity: Basic levy	110.00	118.00	126.26	141.41	141.41	141.41	5.0%	150.00	160.00	170.00
Electricity: Consumption	439.00	669.00	834.00	1 194.75	1 194.75	1 194.75	12.0%	1 400.00	1 500.00	1 600.00
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal	56.62	60.02	72.67	75.29	75.29	75.29	6.0%	79.80	82.00	85.00
Other										
<b>sub-total</b>	<b>835.62</b>	<b>1 077.02</b>	<b>1 291.93</b>	<b>1 675.45</b>	<b>1 675.45</b>	<b>1 675.45</b>	<b>14.0%</b>	<b>1 909.64</b>	<b>2 026.00</b>	<b>2 141.00</b>
VAT on Services	84.79	118.58	144.61	197.60	197.60	197.60		228.17	243.88	259.70
<b>Total large household bill:</b>	<b>920.41</b>	<b>1 195.60</b>	<b>1 436.54</b>	<b>1 873.05</b>	<b>1 873.05</b>	<b>1 873.05</b>	<b>14.1%</b>	<b>2 137.81</b>	<b>2 269.88</b>	<b>2 400.70</b>
<b>Monthly Account for Household - 'Affordable Range'</b>										
<b>Rates and services charges:</b>										
Property rates	259.06	259.06	276.94	294.80	294.80	294.80	6.0%	300.80	300.80	300.80
Electricity: Basic levy	110.00	118.00	126.26	141.41	141.41	141.41	5.0%	150.00	160.00	170.00
Electricity: Consumption	381.00	642.00	1 008.64	1 234.30	1 234.30	1 234.30	12.0%	1 500.00	1 600.00	1 700.00
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal	56.62	60.02	72.67	75.29	75.29	75.29	6.0%	79.80	82.00	85.00
Other										
<b>sub-total</b>	<b>806.68</b>	<b>1 079.08</b>	<b>1 484.51</b>	<b>1 745.80</b>	<b>1 745.80</b>	<b>1 745.80</b>	<b>16.3%</b>	<b>2 030.60</b>	<b>2 142.80</b>	<b>2 255.80</b>
VAT on Services	76.67	114.80	169.06	203.14	203.14	203.14		242.17	257.88	273.70
<b>Total small household bill:</b>	<b>883.35</b>	<b>1 193.88</b>	<b>1 653.57</b>	<b>1 948.94</b>	<b>1 948.94</b>	<b>1 948.94</b>	<b>16.6%</b>	<b>2 272.77</b>	<b>2 400.68</b>	<b>2 529.50</b>
<b>% increase/decrease</b>		<b>35.2%</b>	<b>38.5%</b>	<b>17.9%</b>	<b>-</b>	<b>-</b>		<b>16.6%</b>	<b>5.6%</b>	<b>5.4%</b>
<b>Monthly Account for Household - 'Indigent' Household receiving free basic services</b>										
<b>Rates and services charges:</b>										
Property rates	35.70	37.80	39.00	41.00	41.00	41.00	6.0%	50.00	52.00	53.00
Electricity: Basic levy	110.00	118.00	126.26	141.41	141.41	141.41	5.0%	150.00	160.00	170.00
Electricity: Consumption	65.00	166.00	208.00	140.00	140.00	140.00	12.0%	186.00	186.00	186.00
Water: Basic levy										
Water: Consumption										
Sanitation										
Refuse removal	56.62	60.02	72.67	64.63	64.63	64.63	6.0%	66.00	67.00	68.00
Other										
<b>sub-total</b>	<b>267.32</b>	<b>381.82</b>	<b>445.93</b>	<b>387.04</b>	<b>387.04</b>	<b>387.04</b>	<b>16.8%</b>	<b>452.00</b>	<b>465.00</b>	<b>477.00</b>
VAT on Services	37.42	53.45	62.43	54.19	54.19	54.19		63.28	65.10	66.78
<b>Total small household bill:</b>	<b>304.74</b>	<b>435.27</b>	<b>508.36</b>	<b>441.23</b>	<b>441.23</b>	<b>441.23</b>	<b>16.8%</b>	<b>515.28</b>	<b>530.10</b>	<b>543.78</b>
<b>% increase/decrease</b>		<b>42.8%</b>	<b>16.8%</b>	<b>(13.2%)</b>	<b>-</b>	<b>-</b>		<b>16.8%</b>	<b>2.9%</b>	<b>2.6%</b>

#### 4.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2016/17 budget and MTREF is informed by the following:

- The renewal of existing assets and the repairs and maintenance needs;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The alignment of capital programme to the asset renewal requirement as per MBRR;
- Operational surplus will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of no project plans no budget. If there is no business plan no funding allocation will be made.

The following table is a high level summary of the 2016/17 budget and MTREF (classified per main type of operating expenditure):

**Table 5 Summary of operating expenditure by standard classification item**

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Expenditure By Type</b>										
Employee related costs	69 573	87 146	102 669	115 256	106 109	106 109	84 459	109 053	115 814	122 648
Remuneration of councillors	14 719	16 037	18 844	18 543	17 659	17 659	14 781	18 908	20 081	21 265
Debt impairment	3 597	10 245	11 357	11 000	11 000	11 000	(2)	12 688	13 474	14 269
Depreciation & asset impairment	32 894	32 828	32 042	35 000	35 000	35 000	–	35 796	38 016	40 259
Finance charges	113	–	–	–	–	–	–	60	12	–
Bulk purchases	46 120	48 014	51 853	60 000	61 270	61 270	50 862	64 961	68 988	73 059
Other materials	1 224	1 677	1 687	5 430	6 492	6 492	5 312	3 945	4 190	4 437
Contracted services	7 289	9 800	11 259	21 950	31 758	31 758	28 756	20 550	18 638	19 738
Transfers and grants	2 483	2 287	1 832	3 300	1 900	1 900	768	2 128	2 260	2 393
Other expenditure	28 990	58 640	106 070	69 552	77 437	77 437	65 559	60 826	60 495	61 379
Loss on disposal of PPE	–	–	–	400	–	–	–	–	–	–
<b>Total Expenditure</b>	<b>207 004</b>	<b>266 675</b>	<b>337 613</b>	<b>340 431</b>	<b>348 624</b>	<b>348 624</b>	<b>250 495</b>	<b>328 915</b>	<b>341 969</b>	<b>359 446</b>

The budgeted allocation for employee related costs for the 2016/17 financial year totals R109, 053 million, which equals 33, 15% of the total operating expenditure. Based on MFMA circular 79, the three year salary increases have been factored into this budget at a percentage increase of 7, 0% for the 2016/17 financial year and annual increase of 7, 2% and 6, 9% have been included in the two outer years of the MTREF.

The cost associated with the remuneration of Councilors 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). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 93 per cent and the Debt Write-off Policy of the Municipality. For the 2016/17 financial year this amount equates to R12, 688 million and escalates to R14, 269 million by 2018/19. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate for asset consumption. Budget appropriations in this regard total R35, 796 million for the 2016/17 financial year and equates to 10.88% of the total operating expenditure. Cognizance should be taken that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. Note should therefore be taken that depreciation and asset impairment as well as debt impairment constitute non-cash items and as a result they are excluded when determining surplus to be expended for funding capital projects.

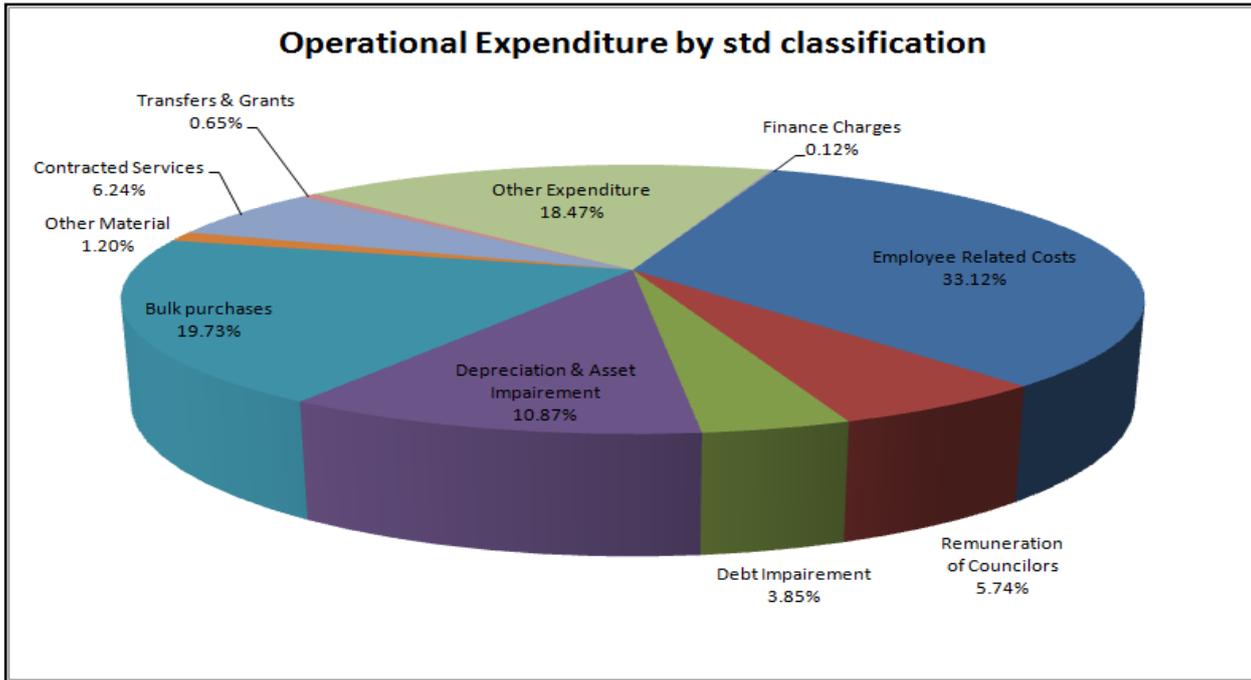
Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditure includes distribution losses. The 2016/17 budget has been increased as compared to 2016/17 financial year and this is due to Nersa annual increase of 7, 86%.

Other material comprises of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals. In line with the municipality's repairs and maintenance plan this group of expenditure has been prioritized to ensure sustainability of the municipality's infrastructure.

Contracted services comprise of 6. 25 % or R20, 550 million of the total operational budget for the 2016/17 financial year and declines to R18, 638 million and then escalates to R19, 738 million in the two respective outer years.

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.

The following diagram gives a breakdown of the main expenditure categories for the 2015/6 financial year.



**Figure 2 Main operational expenditure categories for the 2016/17 financial year**

#### 4.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality’s current infrastructure, the 2016/17 budget and MTREF provide for budget appropriations in the area of asset maintenance, as informed by the asset renewal and repairs and maintenance needs. 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.

During the compilation of the 2016/17 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality’s infrastructure and historic deferred maintenance. To this end, repairs and maintenance is however sitting at R14, 715 million to R13, 132 million and R16, 396 million and the fluctuation is attributed to maintenance of landfill site as the contract thereof is lapsing in 2016/17 financial year. In addition, the municipality is still experiencing budgetary constraints to can meet the required 8% that repairs and maintenance should contribute towards the total operating expenditure budget. In relation to the total operating expenditure, repairs and maintenance comprises of 4, 47% for the 2016/17 years and this percentage is however way below the set norm of 8% as stipulated by National Treasury.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

**Table 6 Repairs and maintenance per asset class**

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repairs and Maintenance by Asset Class									
Infrastructure - Road transport	2 636	2 448	1 125	3 000	2 418	2 418	3 300	3 505	4 000
Infrastructure - Electricity	606	973	1 271	-	1 000	1 000	1 800	1 912	2 024
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	1 107	1 110	1 500	2 100	2 100	2 350	-	-
Community	1 874	13	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	5 043	7 481	7 320	4 395	4 395	7 265	7 715	10 372
<b>Total Repairs and Maintenance</b>	<b>5 116</b>	<b>9 584</b>	<b>10 988</b>	<b>11 820</b>	<b>9 913</b>	<b>9 913</b>	<b>14 715</b>	<b>13 132</b>	<b>16 396</b>

For the 2016/17 financial year 50, 63% or R 7, 450 million of total repairs and maintenance will be spent on infrastructure assets. Of the total infrastructure assets R3, 300 million has been allocated to road transport, R1, 800 million to infrastructure electricity, R2, 350 to other infrastructure assets waste management. Other assets category has been allocated R7, 265 million of total repairs and maintenance equating to 49, 37%.

#### 4.5.2 Free Basic Services: Basic Social Services Package

The social package assists of households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. Details relating to free services, cost of free basis services, revenue lost owing to free basic services as well as basic service delivery measurement is contained in Table 10 MBRR A10 (Basic Service Delivery Measurement) on.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act and this package covers all the basic services provided by EMLM and these services include, property rates rebates, service charges electricity, and refuse removal.

#### 4.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

**Table 7 2016/17 Medium-term capital budget per vote**

LIM472 Elias Motsoaledi - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding								
Vote Description	2015/16		2016/17 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2016/17	%	Budget Year +1 2017/18	%	Budget Year +2 2018/19	%
<b>Capital expenditure - Vote</b>								
Multi-year expenditure to be appropriated								
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	1 734	1.39%	650	0.69%	-	-	-	-
Vote 5 - Community Services	6 500	5.22%	2 780	2.94%	1 000	1.25%	500	0.57%
Vote 6 - Technical Services	116 221	93.38%	91 019	96.37%	79 212	98.75%	87 386	99.43%
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-
Vote 8 - Development Planning	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>124 455</b>	<b>100.00%</b>	<b>94 449</b>	<b>100.00%</b>	<b>80 212</b>	<b>100.00%</b>	<b>87 886</b>	<b>100.00%</b>

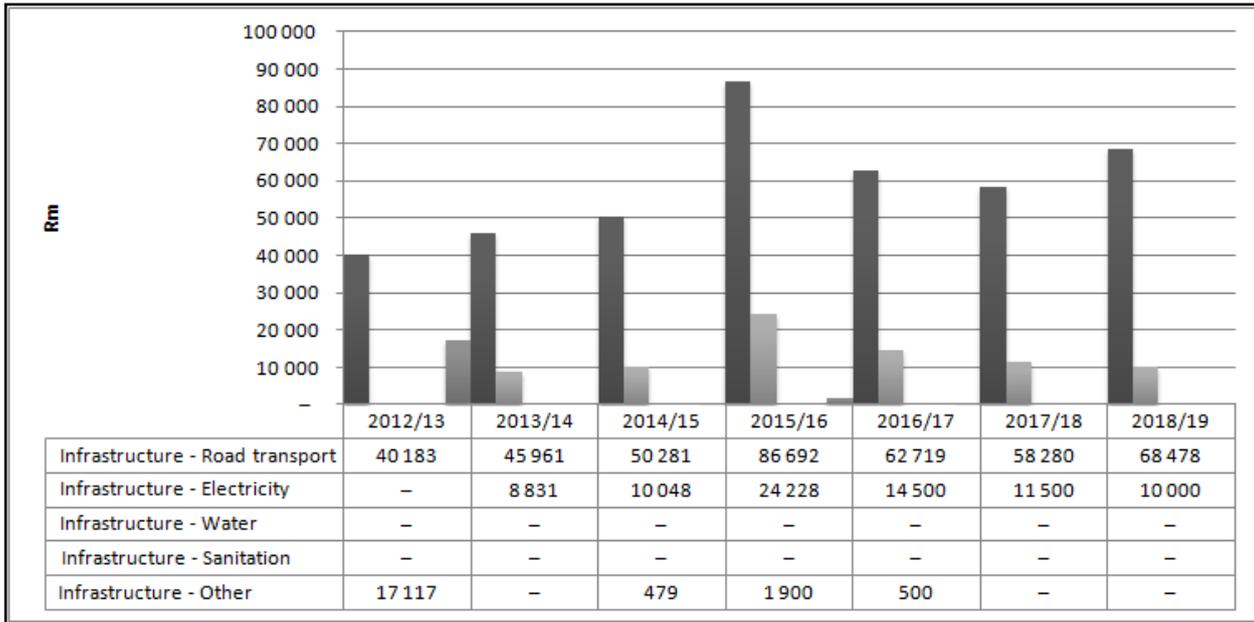
For 2016/17 an amount of R91, 019 million has been appropriated for vote 6 - Infrastructure which represents 96, 37% of the total multi - year capital budget. In the outer years this amount totals R79, 212 million (98, 75%) and R87, 386 million (99, 43%) respectively for each of the financial years. The other departments', *id-est* Corporate Services appropriations are mainly for procurement of operational equipment such as ICT equipment, Office furniture, and other equipment while Community Services' appropriations are for Upgrading of the testing center, license offices, development of control room, Cemeteries and development of transfer station and procurement of fire arms and machinery and equipment..

Total new assets represent 44, 18% or R41, 730 million of the total capital budget while asset renewal equates to 55, 81% or R52, 719 million. The appropriation for asset renewal has significantly improved relative to 2014/15 appropriation. The allocation is above the required norm of 40% that the renewal of existing assets must contribute to the total capital budget. Further detail relating to asset classes and proposed capital expenditure is contained in Table 15 MBRR A9 (Asset Management).

Some of the salient projects to be undertaken over the medium-term includes, amongst others:

- Electricity related projects – R14, 500 million
- Roads related projects – R64, 479 million
- Operational equipment – R4, 870 million
- Recreational Facilities – R600 thousand
- Sports and Stadiums – R 10 000 Million

The following graph provides a breakdown of the capital budget to be spent on infrastructure related projects over the MTREF.



**Figure 3 Capital Infrastructure Programme**

## 4.7 Annual Budget Tables

The following tables present the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/17 draft budget and MTREF. Each table is accompanied by explanatory notes thereof.

**Table 8 MBRR Table A1 - Budget Summary**

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Financial Performance</b>										
Property rates	17 900	20 450	19 271	26 182	24 797	24 797	18 747	23 981	25 468	26 971
Service charges	50 462	56 621	59 869	67 601	66 337	66 337	55 716	81 102	86 130	91 212
Investment revenue	878	3 598	3 965	4 600	3 300	3 300	2 993	3 829	4 066	4 306
Transfers recognised - operational	132 856	146 878	170 641	216 652	216 652	216 652	216 264	213 105	227 853	243 113
Other own revenue	18 864	17 549	22 272	16 188	13 960	13 960	12 186	15 589	16 555	17 532
<b>Total Revenue excluding capital transfers</b>	<b>220 960</b>	<b>245 095</b>	<b>276 019</b>	<b>331 224</b>	<b>325 046</b>	<b>325 046</b>	<b>305 906</b>	<b>337 606</b>	<b>360 073</b>	<b>383 133</b>
Employee costs	69 573	87 146	102 669	115 256	106 109	106 109	84 459	109 053	115 814	122 648
Remuneration of councillors	14 719	16 037	18 844	18 543	17 659	17 659	14 781	18 908	20 081	21 265
Depreciation & asset impairment	32 894	32 828	32 042	35 000	35 000	35 000	–	35 796	38 016	40 259
Finance charges	113	–	–	–	–	–	–	60	12	–
Materials and bulk purchases	47 344	49 691	53 540	65 430	67 762	67 762	56 173	68 906	73 178	77 495
Transfers and grants	2 483	2 287	1 832	3 300	1 900	1 900	768	2 128	2 260	2 393
Other expenditure	39 876	78 685	128 686	102 902	120 195	120 195	94 313	94 063	92 608	95 386
<b>Total Expenditure</b>	<b>207 004</b>	<b>266 675</b>	<b>337 613</b>	<b>340 431</b>	<b>348 624</b>	<b>348 624</b>	<b>250 495</b>	<b>328 915</b>	<b>341 969</b>	<b>359 446</b>
<b>Surplus/(Deficit)</b>	<b>13 956</b>	<b>(21 580)</b>	<b>(61 594)</b>	<b>(9 207)</b>	<b>(23 578)</b>	<b>(23 578)</b>	<b>55 411</b>	<b>8 690</b>	<b>18 104</b>	<b>23 687</b>
Transfers recognised - capital	35 223	44 723	58 967	63 102	77 739	77 739	68 940	75 419	66 212	69 386
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>124 351</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>124 351</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>57 412</b>	<b>62 095</b>	<b>72 212</b>	<b>99 981</b>	<b>124 455</b>	<b>124 455</b>	<b>80 238</b>	<b>94 449</b>	<b>80 212</b>	<b>87 886</b>
Transfers recognised - capital	35 223	50 665	51 462	63 102	77 739	77 739	65 555	75 419	66 212	69 386
Public contributions & donations	–	–	–	–	–	–	–	–	–	–
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	22 189	11 430	20 750	36 879	46 716	46 716	14 683	19 030	14 000	18 500
<b>Total sources of capital funds</b>	<b>57 412</b>	<b>62 095</b>	<b>72 212</b>	<b>99 981</b>	<b>124 455</b>	<b>124 455</b>	<b>80 238</b>	<b>94 449</b>	<b>80 212</b>	<b>87 886</b>
<b>Financial position</b>										
Total current assets	45 820	90 618	78 138	66 715	74 542	74 542	127 445	72 418	101 544	149 037
Total non current assets	892 847	813 499	830 215	886 793	969 866	969 866	830 754	993 473	1 031 658	1 080 018
Total current liabilities	(52 051)	82 178	68 432	34 500	27 100	27 100	63 263	31 896	30 823	28 755
Total non current liabilities	28 457	34 693	79 033	40 000	32 512	32 512	76 694	90 513	89 473	94 752
Community wealth/Equity	962 260	787 245	760 887	879 008	984 796	984 796	818 242	943 481	1 012 906	1 105 549
<b>Cash flows</b>										
Net cash from (used) operating	20 114	76 508	57 728	94 962	104 998	101 283	117 684	119 326	121 716	132 680
Net cash from (used) investing	(38 870)	(56 618)	(70 369)	(99 981)	(89 369)	(122 609)	(59 194)	(89 449)	(80 212)	(87 886)
Net cash from (used) financing	142	22	2 361	500	2 597	2 597	1 302	(8 857)	(5 733)	562
<b>Cash/cash equivalents at the year end</b>	<b>(11 138)</b>	<b>35 247</b>	<b>24 967</b>	<b>25 631</b>	<b>43 192</b>	<b>6 238</b>	<b>84 360</b>	<b>27 259</b>	<b>63 030</b>	<b>108 387</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	32 090	35 247	24 967	25 631	40 190	40 190	84 360	36 616	63 102	108 459
Application of cash and investments	(68 461)	(4 237)	20 680	(293)	(1 504)	(1 504)	(27 402)	(3 696)	(7 505)	(11 875)
<b>Balance - surplus (shortfall)</b>	<b>100 551</b>	<b>39 484</b>	<b>4 287</b>	<b>25 924</b>	<b>41 694</b>	<b>41 694</b>	<b>111 762</b>	<b>40 311</b>	<b>70 607</b>	<b>120 334</b>
<b>Asset management</b>										
Asset register summary (WDV)	892 847	802 774	819 565	886 793	969 866	969 866	981 775	981 775	1 019 235	1 066 862
Depreciation & asset impairment	32 894	32 828	32 042	35 000	35 000	35 000	35 796	35 796	38 016	40 259
Renewal of Existing Assets	–	12 432	18 633	42 879	35 407	35 407	35 407	52 719	40 091	43 908
Repairs and Maintenance	5 116	9 584	10 988	11 820	9 913	9 913	14 715	14 715	13 132	16 396
<b>Free services</b>										
Cost of Free Basic Services provided	–	–	–	1 000	1 000	1 000	1 000	1 000	–	–
Revenue cost of free services provided	17 253	8 144	–	10 253	10 253	10 253	8 725	8 725	7 331	7 701
<b>Households below minimum service level</b>										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	2	2	2	2
Refuse:	–	–	–	–	–	–	54	54	54	54

## **Explanatory notes to MBRR Table A1 - Budget Summary**

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts contained in the draft budget for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus/deficit (after Total Expenditure net of non-cash items) is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognised is reflected on the Financial Performance Budget;
    - ii. Internally generated funds are financed from a combination of the current operating surplus. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that the municipality is not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This place the municipality in a very vulnerable financial position with regards to replacement of assets since no capital replacement reserve is in place. Notwithstanding the absence of capital replacement reserve, EMLM appear to be doing well since it is not operating on overdraft nor funding some of its capital projects through borrowings. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality dropped significantly and this is attributed to offering free basic services only to indigents. In addition, the municipality continues to make progress in addressing service delivery backlogs.

## **Table 9 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**

Standard Classification Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Revenue - Standard</b>									
<b>Governance and administration</b>	155 890	176 282	204 510	250 105	250 238	250 238	246 631	264 620	282 049
Executive and council	1 419	1 611	934	930	930	930	-	-	761
Budget and treasury office	154 194	174 529	203 514	248 806	249 298	249 298	246 619	264 608	281 276
Corporate services	276	142	62	369	11	11	11	12	13
<b>Community and public safety</b>	8 455	6 414	2 942	772	1 840	1 840	1 384	1 470	1 557
Community and social services	54	46	341	74	37	37	39	42	44
Sport and recreation	-	2	18	63	3	3	3	3	4
Public safety	5 815	6 366	2 584	635	1 800	1 800	1 342	1 425	1 509
Housing	-	-	-	-	-	-	-	-	-
Health	2 586	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	37 395	41 165	63 708	64 347	74 370	74 370	70 558	63 692	67 308
Planning and development	15	22	1 317	1 670	1 230	1 230	1 167	76	81
Road transport	37 380	41 142	62 392	62 677	73 139	73 139	69 391	63 616	67 227
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	54 437	65 957	63 825	79 101	76 337	76 337	94 452	96 502	101 605
Electricity	54 437	60 588	60 334	73 973	72 620	72 620	86 328	87 874	92 469
Water	-	2 006	-	-	-	-	-	-	-
Waste water management	-	617	-	-	-	-	-	-	-
Waste management	-	2 746	3 491	5 128	3 717	3 717	8 124	8 627	9 136
<b>Other</b>	6	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>256 183</b>	<b>289 817</b>	<b>334 986</b>	<b>394 326</b>	<b>402 785</b>	<b>402 785</b>	<b>413 025</b>	<b>426 285</b>	<b>452 519</b>
<b>Expenditure - Standard</b>									
<b>Governance and administration</b>	122 198	158 566	188 442	164 839	174 851	174 851	158 368	165 001	174 736
Executive and council	41 217	48 179	42 769	46 223	48 095	48 095	45 635	48 464	51 324
Budget and treasury office	53 731	66 069	98 858	70 927	83 900	83 900	71 054	72 273	76 537
Corporate services	27 250	44 317	46 815	47 689	42 856	42 856	41 679	44 263	46 875
<b>Community and public safety</b>	20 452	14 735	27 466	22 540	21 477	21 477	23 423	24 875	26 342
Community and social services	3 428	3 364	17 387	9 005	9 050	9 050	9 521	10 112	10 708
Sport and recreation	18	-	-	579	719	719	1 431	1 520	1 610
Public safety	9 208	11 372	10 079	12 956	11 709	11 709	12 470	13 243	14 024
Housing	-	-	-	-	-	-	-	-	-
Health	7 799	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	17 919	31 570	48 863	63 638	58 493	58 493	50 267	51 726	52 079
Planning and development	6 256	10 273	14 116	14 507	10 580	10 580	10 031	10 653	11 281
Road transport	11 663	21 297	34 747	49 131	47 913	47 913	40 236	41 073	40 798
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	46 434	61 804	72 841	89 414	93 803	93 803	96 858	100 367	106 289
Electricity	46 434	51 150	60 619	72 315	73 872	73 872	78 171	83 017	87 915
Water	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-
Waste management	-	10 654	12 223	17 099	19 931	19 931	18 687	17 350	18 374
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>207 004</b>	<b>266 675</b>	<b>337 613</b>	<b>340 431</b>	<b>348 624</b>	<b>348 624</b>	<b>328 915</b>	<b>341 969</b>	<b>359 446</b>
<b>Surplus/(Deficit) for the year</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.

**Table 10MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year+1 2017/18	Budget Year+2 2018/19
<b>Revenue by Vote</b>									
Vote 1 - Executive & Council	–	340	–	–	–	–	–	–	–
Vote 2 - Office of the Municipal Manager	800	890	934	930	930	930	–	–	761
Vote 3 - Budget & Treasury	154 197	174 529	203 514	248 806	249 298	249 298	246 619	264 608	281 276
Vote 4 - Corporate Services	276	142	62	369	11	11	11	12	13
Vote 5 - Community Services	8 894	9 541	11 515	12 248	9 957	9 957	14 568	15 471	16 384
Vote 6 - Technical Services	92 001	104 353	117 644	130 302	141 359	141 359	150 659	146 117	154 006
Vote 7 - Strategic Development	–	–	–	–	–	–	–	–	–
Vote 8 - Development Planning	15	22	1 317	1 670	1 230	1 230	1 167	76	81
Vote 9 - Executive Support	–	–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>	<b>256 183</b>	<b>289 817</b>	<b>334 986</b>	<b>394 326</b>	<b>402 785</b>	<b>402 785</b>	<b>413 025</b>	<b>426 285</b>	<b>452 519</b>
<b>Expenditure by Vote to be appropriated</b>									
Vote 1 - Executive & Council	21 554	25 983	28 444	27 732	30 179	30 179	27 109	28 789	30 488
Vote 2 - Office of the Municipal Manager	5 349	6 193	14 324	20 660	21 100	21 100	18 526	19 675	20 836
Vote 3 - Budget & Treasury	53 731	66 069	98 858	70 927	83 900	83 900	71 054	72 273	76 537
Vote 4 - Corporate Services	27 250	44 317	46 815	28 962	18 506	18 506	27 391	29 089	30 805
Vote 5 - Community Services	34 154	41 393	44 130	46 799	47 395	47 395	47 723	48 186	51 029
Vote 6 - Technical Services	58 709	72 446	90 924	114 286	115 798	115 798	112 793	118 129	122 400
Vote 7 - Strategic Development	–	4 730	6 423	–	–	–	–	–	–
Vote 8 - Development Planning	6 256	5 543	7 693	14 041	7 396	7 396	10 031	10 653	11 281
Vote 9 - Executive Support	–	–	–	17 023	24 350	24 350	14 288	15 174	16 070
<b>Total Expenditure by Vote</b>	<b>207 004</b>	<b>266 675</b>	<b>337 613</b>	<b>340 431</b>	<b>348 624</b>	<b>348 624</b>	<b>328 915</b>	<b>341 969</b>	<b>359 446</b>
<b>Surplus/(Deficit) for the year</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>

**Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organizational structure of the Municipality.

**Table 11 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)**

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Revenue By Source</b>										
Property rates	17 900	20 450	19 271	26 182	24 797	24 797	18 747	23 981	25 468	26 971
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	47 884	53 899	56 385	62 973	62 620	62 620	52 654	73 328	77 874	82 469
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	-	2 721	3 483	4 628	3 717	3 717	3 062	7 774	8 256	8 743
Service charges - other	2 578	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	771	1 125	1 199	3 290	1 000	1 000	713	912	969	1 026
Interest earned - external investments	878	3 598	3 965	4 600	3 300	3 300	2 993	3 829	4 066	4 306
Interest earned - outstanding debtors	3 733	5 225	5 861	4 500	6 500	6 500	4 787	6 123	6 503	6 887
Dividends received	-	-	-	-	-	-	-	-	-	-
Fines	792	1 666	2 584	635	1 800	1 800	1 049	1 342	1 425	1 509
Licences and permits	5 249	4 669	5 081	6 348	4 400	4 400	3 955	5 060	5 373	5 691
Agency services	3 187	2 653	-	-	-	-	-	-	-	-
Transfers recognised - operational	132 856	146 878	170 641	216 652	216 652	216 652	216 264	213 105	227 853	243 113
Other revenue	4 625	2 210	7 548	1 415	260	260	1 682	2 152	2 285	2 420
Gains on disposal of PPE	508	-	-	-	-	-	-	-	-	-
<b>Total Revenue excluding capital transfers</b>	<b>220 960</b>	<b>245 095</b>	<b>276 019</b>	<b>331 224</b>	<b>325 046</b>	<b>325 046</b>	<b>305 906</b>	<b>337 606</b>	<b>360 073</b>	<b>383 133</b>
<b>Expenditure By Type</b>										
Employee related costs	69 573	87 146	102 669	115 256	106 109	106 109	84 459	109 053	115 814	122 648
Remuneration of councillors	14 719	16 037	18 844	18 543	17 659	17 659	14 781	18 908	20 081	21 265
Debt impairment	3 597	10 245	11 357	11 000	11 000	11 000	(2)	12 688	13 474	14 269
Depreciation & asset impairment	32 894	32 828	32 042	35 000	35 000	35 000	-	35 796	38 016	40 259
Finance charges	113	-	-	-	-	-	-	60	12	-
Bulk purchases	46 120	48 014	51 853	60 000	61 270	61 270	50 862	64 961	68 988	73 059
Other materials	1 224	1 677	1 687	5 430	6 492	6 492	5 312	3 945	4 190	4 437
Contracted services	7 289	9 800	11 259	21 950	31 758	31 758	28 756	20 550	18 638	19 738
Transfers and grants	2 483	2 287	1 832	3 300	1 900	1 900	768	2 128	2 260	2 393
Other expenditure	28 990	58 640	106 070	69 552	77 437	77 437	65 559	60 826	60 495	61 379
Loss on disposal of PPE	-	-	-	400	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>207 004</b>	<b>266 675</b>	<b>337 613</b>	<b>340 431</b>	<b>348 624</b>	<b>348 624</b>	<b>250 495</b>	<b>328 915</b>	<b>341 969</b>	<b>359 446</b>
<b>Surplus/(Deficit)</b>	<b>13 956</b>	<b>(21 580)</b>	<b>(61 594)</b>	<b>(9 207)</b>	<b>(23 578)</b>	<b>(23 578)</b>	<b>55 411</b>	<b>8 690</b>	<b>18 104</b>	<b>23 687</b>
Transfers recognised - capital	35 223	44 723	58 967	63 102	77 739	77 739	68 940	75 419	66 212	69 386
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>124 351</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>
Taxation	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>124 351</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>
Attributable to minorities	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>124 351</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>49 179</b>	<b>23 143</b>	<b>(2 627)</b>	<b>53 895</b>	<b>54 161</b>	<b>54 161</b>	<b>124 351</b>	<b>84 109</b>	<b>84 316</b>	<b>93 073</b>

#### **Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)**

1. Operating revenue is R337, 066 million in 2016/17 and escalates to R383, 133 million by 2018/19. This represents an increase of 6, 65% in 2017/18 financial year and 6, 40% for the 2018/19 financial year. Revenue to be generated from property rates is R23, 981 million in the 2016/17 financial year and increases to R26, 971 million by 2018/19 which represents 7, 10% of the operating revenue base of the Municipality for 2016/17 financial year and therefore remains a significant funding source for the municipality and the budget remained relatively constant over the medium-term.
2. Services charges relating to electricity and refuse removal also contribute to the revenue basket of the Municipality totaling R81, 102 million for the 2016/17 financial year and increasing to R86, 130 million in 2017/18 and increasing to R91, 212 million in 2018/19 financial year. For the 2016/17 financial year, services charges amount to 24, 02% of the total revenue base in 2016/17 financial year and grows by 12, 46% respectively in the outer years.
3. Transfers recognized – operating includes the local government equitable share and other operating grants from national. It should be noted that in real terms the grants receipts from national government has reduced by R3, 547 million in 2016/17 financial year, increased by R14, 748 million in 2017/18 financial year and again increased by R15, 260 million in 2018/19 financial years. Cognizance should be taken that the reduction in 2016/17 is attributed to non – allocation of Municipal Systems Improvement Grant (MSIG) and the reduced allocation for Equitable share.
4. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

**Table 12 MBRR Table A5 - Budgeted Capital Expenditure by standard classification and funding source**

Vote Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital Expenditure - Standard										
<b>Governance and administration</b>	-	2 001	2 579	1 100	1 734	1 734	921	650	-	-
Executive and council	-	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	75	-	-	-	-	-	-	-	-
Corporate services	-	1 926	2 579	1 100	1 734	1 734	921	650	-	-
<b>Community and public safety</b>	112	-	159	6 500	1 600	1 600	21	1 380	1 000	500
Community and social services	-	-	159	6 500	600	600	21	1 200	1 000	500
Sport and recreation	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	1 000	1 000	-	180	-	-
Housing	-	-	-	-	-	-	-	-	-	-
Health	112	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	40 183	46 952	61 667	79 381	96 993	96 993	68 506	77 019	67 712	77 386
Planning and development	-	-	1 009	-	-	-	-	-	-	-
Road transport	40 183	46 952	60 657	79 381	96 993	96 993	68 506	77 019	67 712	77 386
Environmental protection	-	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	-	13 142	7 807	13 000	24 128	24 128	10 789	15 400	11 500	10 000
Electricity	-	13 142	7 752	13 000	23 228	23 228	10 789	14 500	11 500	10 000
Water	-	-	-	-	-	-	-	-	-	-
Waste water management	-	-	-	-	-	-	-	-	-	-
Waste management	-	-	55	-	900	900	-	900	-	-
<b>Other</b>	17 117	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	<b>57 412</b>	<b>62 095</b>	<b>72 212</b>	<b>99 981</b>	<b>124 455</b>	<b>124 455</b>	<b>80 238</b>	<b>94 449</b>	<b>80 212</b>	<b>87 886</b>
<b>Funded by:</b>										
National Government	35 223	50 665	51 462	53 102	77 739	77 739	65 555	75 419	66 212	69 386
Provincial Government	-	-	-	-	-	-	-	-	-	-
District Municipality	-	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	10 000	-	-	-	-	-	-
<b>Transfers recognised - capital</b>	<b>35 223</b>	<b>50 665</b>	<b>51 462</b>	<b>63 102</b>	<b>77 739</b>	<b>77 739</b>	<b>65 555</b>	<b>75 419</b>	<b>66 212</b>	<b>69 386</b>
<b>Public contributions &amp; donations</b>	-	-	-	-	-	-	-	-	-	-
<b>Borrowing</b>	-	-	-	-	-	-	-	-	-	-
<b>Internally generated funds</b>	22 189	11 430	20 750	36 879	46 716	46 716	14 683	19 030	14 000	18 500
<b>Total Capital Funding</b>	<b>57 412</b>	<b>62 095</b>	<b>72 212</b>	<b>99 981</b>	<b>124 455</b>	<b>124 455</b>	<b>80 238</b>	<b>94 449</b>	<b>80 212</b>	<b>87 886</b>

**Table 13 MBRR Table A5 - Budgeted Capital Expenditure by vote**

Vote Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Capital expenditure - Vote</b>										
<b>Multi-year expenditure to be appropriated</b>										
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	-	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	-	1 280	1 100	1 434	1 434	921	-	-	-
Vote 5 - Community Services	-	-	214	4 200	4 700	4 700	2 977	600	1 000	500
Vote 6 - Technical Services	-	43 439	41 058	57 735	76 398	76 398	49 524	63 619	66 471	83 886
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-	-
Vote 8 - Development Planning	-	-	-	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	<b>-</b>	<b>43 439</b>	<b>42 551</b>	<b>63 035</b>	<b>82 533</b>	<b>82 533</b>	<b>53 423</b>	<b>64 219</b>	<b>67 471</b>	<b>84 386</b>
<b>Single-year expenditure to be appropriated</b>										
Vote 1 - Executive & Council	-	-	-	-	-	-	-	-	-	-
Vote 2 - Office of the Municipal Manager	-	-	-	-	-	-	-	-	-	-
Vote 3 - Budget & Treasury	-	75	-	-	-	-	-	-	-	-
Vote 4 - Corporate Services	-	1 926	1 299	-	300	300	-	650	-	-
Vote 5 - Community Services	1 067	-	-	2 300	1 800	1 800	-	2 180	-	-
Vote 6 - Technical Services	53 761	16 655	27 352	34 646	39 822	39 822	26 815	27 400	12 741	3 500
Vote 7 - Strategic Development	-	-	-	-	-	-	-	-	-	-
Vote 8 - Development Planning	2 584	-	1 009	-	-	-	-	-	-	-
Vote 9 - Executive Support	-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>	<b>57 412</b>	<b>18 656</b>	<b>29 660</b>	<b>36 946</b>	<b>41 922</b>	<b>41 922</b>	<b>26 815</b>	<b>30 230</b>	<b>12 741</b>	<b>3 500</b>
<b>Total Capital Expenditure - Vote</b>	<b>57 412</b>	<b>62 095</b>	<b>72 212</b>	<b>99 981</b>	<b>124 455</b>	<b>124 455</b>	<b>80 238</b>	<b>94 449</b>	<b>80 212</b>	<b>87 886</b>
<b>Total Capital Funding</b>	<b>57 412</b>	<b>62 095</b>	<b>72 212</b>	<b>99 981</b>	<b>124 455</b>	<b>124 455</b>	<b>80 238</b>	<b>94 449</b>	<b>80 212</b>	<b>87 886</b>

**Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. In relation to multi-year appropriations, for 2016/17 R64, 219 million has been allocated of the total R94, 449 million capital budget which totals 67, 99%. This allocation escalates to R67, 471 million in 2017/18 and to R84, 386 million in 2018/19.
3. Single-year capital expenditure has been appropriated at R30, 230 million for the 2016/17 financial year and declines over the MTREF at levels of R12, 741 million and R3, 500 million respectively in the two outer years.
4. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the

two outer-years. The capital programme is funded from capital grants and transfers and internally generated funds from current year surpluses.

**Table 14 MBRR Table A6 - Budgeted Financial Position**

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>ASSETS</b>										
<b>Current assets</b>										
Cash	21 690	2 910	1 203	10 631	15 190	15 190	3 046	3 247	3 448	3 651
Call investment deposits	10 400	32 337	23 764	15 000	25 000	25 000	81 314	33 369	59 654	104 807
Consumer debtors	13 899	20 229	18 744	24 184	24 184	24 184	26 713	18 947	20 728	21 997
Other debtors	(211)	32 854	31 791	14 400	7 232	7 232	12 997	13 855	14 714	15 582
Current portion of long-term receivables		-		-	-	-	-	-	-	-
Inventory	42	2 288	2 636	2 500	2 936	2 936	3 375	3 000	3 000	3 000
<b>Total current assets</b>	<b>45 820</b>	<b>90 618</b>	<b>78 138</b>	<b>66 715</b>	<b>74 542</b>	<b>74 542</b>	<b>127 445</b>	<b>72 418</b>	<b>101 544</b>	<b>149 037</b>
<b>Non current assets</b>										
Long-term receivables	-	644	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Investment property	189 890	85 382	89 472	90 000	85 382	85 382	89 472	89 472	89 472	89 472
Investment in Associate	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	691 386	694 407	729 129	796 793	884 484	884 484	729 669	891 663	929 123	976 750
Agricultural		-	-	-	-	-	-	-	-	-
Biological	12	311	323	-	-	-	-	-	-	-
Intangible	11 560	22 674	640	-	-	-	640	640	640	640
Other non-current assets	-	10 081	10 650	-	-	-	10 974	11 698	12 423	13 156
<b>Total non current assets</b>	<b>892 847</b>	<b>813 499</b>	<b>830 215</b>	<b>886 793</b>	<b>969 866</b>	<b>969 866</b>	<b>830 754</b>	<b>993 473</b>	<b>1 031 658</b>	<b>1 080 018</b>
<b>TOTAL ASSETS</b>	<b>938 667</b>	<b>904 116</b>	<b>908 353</b>	<b>953 508</b>	<b>1 044 408</b>	<b>1 044 408</b>	<b>958 199</b>	<b>1 065 891</b>	<b>1 133 202</b>	<b>1 229 056</b>
<b>LIABILITIES</b>										
<b>Current liabilities</b>										
Bank overdraft	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Consumer deposits	3 348	4 211	5 531	5 500	5 600	5 600	5 107	5 444	5 781	6 123
Trade and other payables	(55 399)	42 917	61 539	29 000	21 500	21 500	58 156	25 000	23 500	21 000
Provisions	-	35 049	1 362	-	-	-	-	1 452	1 542	1 632
<b>Total current liabilities</b>	<b>(52 051)</b>	<b>82 178</b>	<b>68 432</b>	<b>34 500</b>	<b>27 100</b>	<b>27 100</b>	<b>63 263</b>	<b>31 896</b>	<b>30 823</b>	<b>28 755</b>
<b>Non current liabilities</b>										
Borrowing	-	-	-	-	-	-	-	6 264	-	-
Provisions	28 457	34 693	79 033	40 000	32 512	32 512	76 694	84 249	89 473	94 752
<b>Total non current liabilities</b>	<b>28 457</b>	<b>34 693</b>	<b>79 033</b>	<b>40 000</b>	<b>32 512</b>	<b>32 512</b>	<b>76 694</b>	<b>90 513</b>	<b>89 473</b>	<b>94 752</b>
<b>TOTAL LIABILITIES</b>	<b>(23 593)</b>	<b>116 871</b>	<b>147 465</b>	<b>74 500</b>	<b>59 612</b>	<b>59 612</b>	<b>139 957</b>	<b>122 409</b>	<b>120 296</b>	<b>123 507</b>
<b>NET ASSETS</b>	<b>962 260</b>	<b>787 245</b>	<b>760 887</b>	<b>879 008</b>	<b>984 796</b>	<b>984 796</b>	<b>818 242</b>	<b>943 481</b>	<b>1 012 906</b>	<b>1 105 549</b>
<b>COMMUNITY WEALTH/EQUITY</b>										
Accumulated Surplus/(Deficit)	962 260	787 245	760 887	879 008	984 796	984 796	818 242	943 481	1 012 906	1 105 549
Reserves	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>962 260</b>	<b>787 245</b>	<b>760 887</b>	<b>879 008</b>	<b>984 796</b>	<b>984 796</b>	<b>818 242</b>	<b>943 481</b>	<b>1 012 906</b>	<b>1 105 549</b>

**Explanatory notes to Table A6 - Budgeted Financial Position**

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
4. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

**Table 15 MBRR Table A7 - Budgeted Cash Flow Statement**

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>										
<b>Receipts</b>										
Property rates, penalties & collection charges	21 074	14 099	19 271	24 349	23 557	23 557	15 404	22 302	23 685	25 083
Service charges	54 469	56 621	52 686	62 869	63 020	63 020	57 401	74 803	79 440	84 127
Other revenue	14 472	12 324	10 037	10 523	7 100	7 100	96 174	8 463	8 987	9 517
Government - operating	132 856	146 878	170 641	216 652	216 652	216 652	215 904	213 105	227 853	243 113
Government - capital	35 223	44 723	65 518	63 102	77 739	77 739	57 509	75 419	66 212	69 386
Interest	4 611	8 437	9 257	4 600	5 153	5 153	4 048	5 666	6 017	6 372
Dividends	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Suppliers and employees	(239 995)	(204 285)	(267 851)	(283 833)	(286 323)	(290 038)	(327 987)	(278 243)	(288 207)	(302 525)
Finance charges	(113)	-	-	-	-	-	-	(60)	(12)	-
Transfers and Grants	(2 483)	(2 287)	(1 832)	(3 300)	(1 900)	(1 900)	(768)	(2 128)	(2 260)	(2 393)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>20 114</b>	<b>76 508</b>	<b>57 728</b>	<b>94 962</b>	<b>104 998</b>	<b>101 283</b>	<b>117 684</b>	<b>119 326</b>	<b>121 716</b>	<b>132 680</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>										
<b>Receipts</b>										
Proceeds on disposal of PPE	-	-	-	-	1 846	1 846	-	5 000	-	-
Decrease (Increase) in non-current debtors	-	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	-	-	-	-	33 239	-	30 267	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-	-
<b>Payments</b>										
Capital assets	(38 870)	(56 618)	(70 369)	(99 981)	(124 455)	(124 455)	(89 461)	(94 449)	(80 212)	(87 886)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(38 870)</b>	<b>(56 618)</b>	<b>(70 369)</b>	<b>(99 981)</b>	<b>(89 369)</b>	<b>(122 609)</b>	<b>(59 194)</b>	<b>(89 449)</b>	<b>(80 212)</b>	<b>(87 886)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>										
<b>Receipts</b>										
Short term loans	-	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in consumer deposits	142	22	2 361	500	2 597	2 597	1 302	500	531	562
<b>Payments</b>										
Repayment of borrowing	-	-	-	-	-	-	-	(9 357)	(6 264)	-
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>142</b>	<b>22</b>	<b>2 361</b>	<b>500</b>	<b>2 597</b>	<b>2 597</b>	<b>1 302</b>	<b>(8 857)</b>	<b>(5 733)</b>	<b>562</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>(18 614)</b>	<b>19 912</b>	<b>(10 280)</b>	<b>(4 519)</b>	<b>18 225</b>	<b>(18 729)</b>	<b>59 792</b>	<b>21 020</b>	<b>35 771</b>	<b>45 357</b>
Cash/cash equivalents at the year begin:	7 476	15 334	35 247	30 150	24 967	24 967	24 567	6 238	27 259	63 030
Cash/cash equivalents at the year end:	(11 138)	35 247	24 967	25 631	43 192	6 238	84 360	27 259	63 030	108 387

### Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash level of the Municipality fell slightly from the 2015/16 to 2016/17 period owing directly to a net decrease in cash and cash equivalent for the 2016/17 financial year.
4. The approved 2016/17 MTREF however present fluctuating cash and cash equivalent of R27, 259 million and R63, 030 million and R108, 387 million in the three financial years of the MTREF period.
5. The 2016/17 MTREF has been informed by the planning principle of ensuring adequate cash and cash equivalent over the medium-term and as a result, the Cash and Investment management policy has been accordingly revised.

### Table 16 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>Cash and investments available</b>										
Cash/cash equivalents at the year end	(11 138)	35 247	24 967	25 631	43 192	6 238	84 360	27 259	63 030	108 387
Other current investments > 90 days	43 228	0	–	0	(3 002)	33 952	–	9 357	72	72
Non current assets - Investments	–	–	–	–	–	–	–	–	–	–
<b>Cash and investments available:</b>	<b>32 090</b>	<b>35 247</b>	<b>24 967</b>	<b>25 631</b>	<b>40 190</b>	<b>40 190</b>	<b>84 360</b>	<b>36 616</b>	<b>63 102</b>	<b>108 459</b>
<b>Application of cash and investments</b>										
Unspent conditional transfers	(108)	–	16 212	1 108	1 108	1 108	10 200	1 108	–	–
Unspent borrowing	–	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–	–
Other working capital requirements	(68 353)	(4 237)	4 468	(1 401)	(2 612)	(2 612)	(37 602)	(4 804)	(7 505)	(11 875)
Other provisions	–	–	–	–	–	–	–	–	–	–
Long term investments committed	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–	–	–	–	–	–	–
<b>Total Application of cash and investments:</b>	<b>(68 461)</b>	<b>(4 237)</b>	<b>20 680</b>	<b>(293)</b>	<b>(1 504)</b>	<b>(1 504)</b>	<b>(27 402)</b>	<b>(3 696)</b>	<b>(7 505)</b>	<b>(11 875)</b>
<b>Surplus(shortfall)</b>	<b>100 551</b>	<b>39 484</b>	<b>4 287</b>	<b>25 924</b>	<b>41 694</b>	<b>41 694</b>	<b>111 762</b>	<b>40 311</b>	<b>70 607</b>	<b>120 334</b>

### Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the above table, it is clearly indicated that the municipality has surplus over MTREF.

### Table 17 MBRR Table A9 - Asset Management

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>CAPITAL EXPENDITURE</b>									
<b>Total New Assets</b>	<b>57 412</b>	<b>49 663</b>	<b>53 579</b>	<b>57 102</b>	<b>89 048</b>	<b>89 048</b>	<b>41 730</b>	<b>40 121</b>	<b>43 978</b>
Infrastructure - Road transport	40 183	39 322	43 328	45 602	65 120	65 120	23 000	27 621	33 978
Infrastructure - Electricity	-	5 038	6 075	11 500	23 228	23 228	13 000	11 000	10 000
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	17 117	-	-	-	400	400	500	-	-
Infrastructure	<b>57 300</b>	<b>44 360</b>	<b>49 402</b>	<b>57 102</b>	<b>88 748</b>	<b>88 748</b>	<b>36 500</b>	<b>38 621</b>	<b>43 978</b>
Community	-	2 683	3 112	-	-	-	700	500	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	112	2 620	1 065	-	300	300	4 530	1 000	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	<b>-</b>	<b>12 432</b>	<b>18 633</b>	<b>42 879</b>	<b>35 407</b>	<b>35 407</b>	<b>52 719</b>	<b>40 091</b>	<b>43 908</b>
Infrastructure - Road transport	-	6 639	6 953	26 779	21 572	21 572	39 719	30 659	34 500
Infrastructure - Electricity	-	3 792	3 974	1 500	1 000	1 000	1 500	500	-
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	-	-	479	2 500	1 500	1 500	-	-	-
Infrastructure	<b>-</b>	<b>10 431</b>	<b>11 406</b>	<b>30 779</b>	<b>24 072</b>	<b>24 072</b>	<b>41 219</b>	<b>31 159</b>	<b>34 500</b>
Community	-	-	-	-	600	600	10 000	8 932	9 408
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	2 001	7 227	12 100	10 736	10 736	1 500	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>									
Infrastructure - Road transport	40 183	45 961	50 281	72 381	86 692	86 692	62 719	58 280	68 478
Infrastructure - Electricity	-	8 831	10 048	13 000	24 228	24 228	14 500	11 500	10 000
Infrastructure - Water	-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation	-	-	-	-	-	-	-	-	-
Infrastructure - Other	17 117	-	479	2 500	1 900	1 900	500	-	-
Infrastructure	<b>57 300</b>	<b>54 791</b>	<b>60 808</b>	<b>87 881</b>	<b>112 819</b>	<b>112 819</b>	<b>77 719</b>	<b>69 780</b>	<b>78 478</b>
Community	-	2 683	3 112	-	600	600	10 700	9 432	9 408
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	112	4 620	8 292	12 100	11 036	11 036	6 030	1 000	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	<b>57 412</b>	<b>62 095</b>	<b>72 212</b>	<b>99 981</b>	<b>124 455</b>	<b>124 455</b>	<b>94 449</b>	<b>80 212</b>	<b>87 886</b>

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue &		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>									
Infrastructure - Road transport	471 856	694 407	729 129	455 293	405 293	405 293	444 058	518 472	571 872
Infrastructure - Electricity	29 982	–	–	31 332	28 332	28 332	41 230	58 703	70 656
Infrastructure - Water	–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation	–	–	–	–	–	–	–	–	–
Infrastructure - Other	134 570	–	–	1 468	1 468	1 468	4 000	5 093	9 020
<b>Infrastructure</b>	<b>636 409</b>	<b>694 407</b>	<b>729 129</b>	<b>488 093</b>	<b>435 093</b>	<b>435 093</b>	<b>489 288</b>	<b>582 268</b>	<b>651 548</b>
Community	54 977	–	–	41 006	41 006	41 006	45 180	46 180	46 180
Heritage assets	–	–	–	362	362	362	362	362	362
Investment properties	189 890	85 382	89 472	90 000	85 382	85 382	89 472	89 472	89 472
Other assets	–	–	–	267 332	408 023	408 023	356 834	300 313	278 660
Agricultural Assets	–	–	–	–	–	–	–	–	–
Biological assets	12	311	323	–	–	–	–	–	–
Intangibles	11 560	22 674	640	–	–	–	640	640	640
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	<b>892 847</b>	<b>802 774</b>	<b>819 565</b>	<b>886 793</b>	<b>969 866</b>	<b>969 866</b>	<b>981 775</b>	<b>1 019 235</b>	<b>1 066 862</b>
<b>EXPENDITURE OTHER ITEMS</b>									
<b>Depreciation &amp; asset impairment</b>	<b>32 894</b>	<b>32 828</b>	<b>32 042</b>	<b>35 000</b>	<b>35 000</b>	<b>35 000</b>	<b>35 796</b>	<b>38 016</b>	<b>40 259</b>
<b>Repairs and Maintenance by Asset Class</b>	<b>5 116</b>	<b>9 584</b>	<b>10 988</b>	<b>11 820</b>	<b>9 913</b>	<b>9 913</b>	<b>14 715</b>	<b>13 132</b>	<b>16 396</b>
Infrastructure - Road transport	2 636	2 448	1 125	3 000	2 418	2 418	3 300	3 505	4 000
Infrastructure - Electricity	606	973	1 271	–	1 000	1 000	1 800	1 912	2 024
Infrastructure - Water	–	–	–	–	–	–	–	–	–
Infrastructure - Sanitation	–	–	–	–	–	–	–	–	–
Infrastructure - Other	–	1 107	1 110	1 500	2 100	2 100	2 350	–	–
<b>Infrastructure</b>	<b>3 242</b>	<b>4 528</b>	<b>3 506</b>	<b>4 500</b>	<b>5 518</b>	<b>5 518</b>	<b>7 450</b>	<b>5 416</b>	<b>6 024</b>
Community	1 874	13	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Other assets	–	5 043	7 481	7 320	4 395	4 395	7 265	7 715	10 372
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	<b>38 010</b>	<b>42 412</b>	<b>43 030</b>	<b>46 820</b>	<b>44 913</b>	<b>44 913</b>	<b>50 511</b>	<b>51 147</b>	<b>56 655</b>
<i>Renewal of Existing Assets as % of total capex</i>	0.0%	20.0%	25.8%	42.9%	28.4%	28.4%	55.8%	50.0%	50.0%
<i>Renewal of Existing Assets as % of deprecn"</i>	0.0%	37.9%	58.2%	122.5%	101.2%	101.2%	147.3%	105.5%	109.1%
<i>R&amp;M as a % of PPE</i>	0.7%	1.4%	1.5%	1.5%	1.1%	1.1%	1.7%	1.4%	1.7%
<i>Renewal and R&amp;M as a % of PPE</i>	1.0%	3.0%	4.0%	6.0%	5.0%	5.0%	7.0%	5.0%	6.0%

### Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE.
3. The renewal of existing assets target has been met throughout the MTEF period, however, the achievement of repairs and maintenance target still remains a challenge

### Table 18 MBRR Table A10 – Service Delivery

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets									
<b>Energy:</b>									
Electricity (at least min.service level)	0	0	59	59	59	59	59	59	59
Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total	0	0	59	59	59	59	59	59	59
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	-	-	2	2	2	2	2	2	2
Below Minimum Service Level sub-total	-	-	2	2	2	2	2	2	2
Total number of households	0	0	60	60	60	60	60	60	60
<b>Refuse:</b>									
Removed at least once a week	7	7	6	6	6	6	6	6	6
Minimum Service Level and Above sub-total	7	7	6	6	6	6	6	6	6
Removed less frequently than once a week	-	-	0	0	0	0	0	0	0
Using communal refuse dump	45	45	2	2	2	2	2	2	2
Using own refuse dump	-	-	43	43	43	43	43	43	43
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	9	9	9	9	9	9	9	9	9
Below Minimum Service Level sub-total	53	53	54	54	54	54	54	54	54
<b>Total number of households</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	0	0	0	2	-	-	-	-	-
Sanitation (free minimum level service)	0	0	0	6	-	-	-	-	-
Electricity/other energy (50kwh per household per month)	0	0	0	1	1	1	1	1	1
Refuse (removed at least once a week)	0	0	0	6	6	6	10	10	10
<b>Cost of Free Basic Services provided (R'000)</b>									
Electricity/other energy (50kwh per household per month)	1 130	1 300	2 000	1 300	1 300	1 300	828	879	931
Refuse (removed once a week)	-	-	-	500	500	500	300	319	337
<b>Total cost of FBS provided (minimum social package)</b>	<b>1 130</b>	<b>1 300</b>	<b>2 000</b>	<b>1 800</b>	<b>1 800</b>	<b>1 800</b>	<b>1 128</b>	<b>1 198</b>	<b>1 269</b>
Highest level of free service provided									
Property rates (R value threshold)	30	30	30	30	30	30	30	30	30
Electricity (kwh per household per month)	0	0	0	0	0	0	0	0	0
Refuse (average litres per week)	0	0	0	0	0	0	0	0	0
Revenue cost of free services provided (R'000)									
Property rates (R15 000 threshold rebate)	5 825	14 102	4 725	5 000	5 000	5 000	5 700	6 053	6 411
Property rates (other exemptions, reductions and rebates)	-	-	-	-	-	-	-	-	-
Electricity/other energy	1 130	-	2 000	1 300	1 300	1 300	4 900	5 900	6 900
Refuse	90	100	109	500	500	500	200	338	477
Municipal Housing - rental rebates	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	2 990	3 151	3 419	-	-	-	-	-	-
<b>Total revenue cost of free services provided (total social package)</b>	<b>10 035</b>	<b>17 353</b>	<b>10 253</b>	<b>6 800</b>	<b>6 800</b>	<b>6 800</b>	<b>10 800</b>	<b>12 291</b>	<b>13 788</b>

#### 4.8. FINANCIAL CHALLENGES

The municipality is currently with the following financial management challenges however, some of these challenges are being addressed.

- Supply chain problems in complying with requirements
- BEE certificates
- Increase in municipal debt
- Disconnections are not done on time as we are dependent on the electricians
- To extend revenue collection to other areas within the municipality.

#### 4.9 AUDITOR GENERAL OPINION

The municipality has developed an audit action plan in response to the raised AG issues as represented below in an extract from the report.

**Table 54: Auditor’s General opinion trends**

2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Disclaimer	disclaimer	qualified	qualified	qualified	qualified

### KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

#### 4.5.1. INTRODUCTION TO EXECUTIVE AND COUNCIL

The Elias Motsoaledi Local Municipality is a Category B municipality. It has a collective executive system combined with a ward participatory system in terms of the Local Government Municipal Structures Act 117 of 1998.

The municipality has **(30)** thirty wards with the municipal council comprising of **(60)** sixty members elected by mixed-member proportional representation. Of the **(60)** councillors **(53)** are part-time councillors and **(7)** are full-time councillors. **(30)**Thirty councillors were duly elected; one from each Ward, while the remaining **(30)** thirty were chosen from party lists so that the total number of party representatives is proportional to the number of votes received. By way of the election of 18th May 2011 the African National Congress was awarded **(41)** forty-one seats on the council with **(12)** twelve to the Mpumalanga Party, **(7)** seven to the Democratic Alliance and **(1)** each to the Congress of the People, African People’s Convention and Azanian People’s Organisation<sup>10</sup>. The total number of registered voters within the municipality is **112022**<sup>11</sup>

All decisions within the municipality are taken through Council through Council resolutions. Council resolutions are recorded in a register referred to as the “Finalisation of Council Resolutions” and circulated to the relevant Directorate for implementation. These forms are then returned to Corporate Services for submission to Council.

#### 4.5.2 POLITICAL GOVERNANCE

<sup>10</sup> Wikipedia

<sup>11</sup>EMLM Independent Electoral Commission(IEC) and Municipal Demarcation Board

A municipal Council is the backbone of good governance and comprises of initiatives to strengthen the institutions of government and civil society with the objective of making government accountable, open and transparent, democratic and participatory, and promotes the rule of law. It is further stated that in promoting governance, a range of societal relationships must be addressed, which includes the relationship between governments and citizens; between politicians and public servants; between the different spheres of government; and between the legislature and the executive (Van Rooyen and Naidoo, 2006).

Councillors are servants of the local communities and are elected to govern the municipal area with the sole purpose of improving the quality of life of communities. The municipal area of EMLM was proclaimed in terms of the Municipal Demarcation Act, 1998 per Provincial Gazette Extraordinary, Notice No. 719 of 2001.

The political structures of the Elias Motsoaledi Local Municipality provide political leadership while the administration structure is responsible for the day-to-day implementation and management of the municipality and its activities. The Council of EMLM consists of 30 proportionally elected councillors and 30 ward councillors. The Council of the local municipality may designate any of the following office-bearers as full time councillors in terms of section 18(4) of the Municipal Structures Act, 199:

- The Council
- The Mayor
- The Executive Committee
- Speaker
- Section 79 and 80 Committees
- Ward Committees

The Council is the highest policy making structure in the municipality and it also provides political leadership and Council retains both the Executive and Legislative authority. The municipal Council is under the stewardship of the Speaker, while the Mayor leads the Executive Committee. The Office of the Mayor is established in the administration whose responsibility it is to coordinate activities of the Mayor, the Executive Committee and other committees of the Executive.

The Council Executive comprises of the Mayoral Committee, supported by three (3) Mayoral Committee members. In terms of the Municipal Structures Act, section 43, members are elected to the Mayoral Committee by, and are responsible to the Council chaired by the Mayor who has various functions and powers as set out in section 44 of the Act.

To assist the Council and Mayoral Committee to exercise their role and responsibility in overseeing the activities of the municipality, certain committees have been established to perform a monitoring, oversight and report-back role to either the Mayoral Committee or Council directly, determined by the type of committee constituted. These committees report back on either a monthly or quarterly basis.

The following committees were established:

- Executive Committee (EXCO)
- Municipal Public Accounts Committee (MPAC)
- Programming committee
- Corporate services Portfolio committee
- Infrastructure services Portfolio committee
- Financial services Portfolio committee

- Community Services Portfolio committee
- Development planning Portfolio committee
- Strategic Management Portfolio committee

These committees meet on a scheduled basis as per the approved Council resolution pertaining to the “Calendar of Events.”

#### **4.5.3 SECTION 79 PORTFOLIO COMMITTEES**

In order to enhance good governance and accountability, Municipality adopted the separation of powers model which separates the legislative from the executive arm. This is in line with the governance approach that seeks to put in place an independent oversight mechanism to ensure that democracy is deepened and that effective public service delivery takes place to benefit EMLM communities. Council has established section 79 committees to play an oversight role and monitor the work of the executive and administration. The established Committees are aligned to administrative departments of the municipality and are chaired by non-executive councilors.

The following committees were established:

- Corporate Services
- Infrastructure
- Budget and Treasury
- Community Services
- Strategic
- Planning and LED

#### **4.5.4 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)**

As previously noted The EMLM has established a Municipal Public Accounts Committee (MPAC). The main responsibility of MPAC is to provide oversight on operational performance and other related management aspects of the Municipality as delegated by Council. The MPAC can recommend or undertake any investigation in its area of responsibility. The primary function of MPAC was originally to provide comment on the Annual Report through the oversight report, but can be mandated to perform ad-hoc investigations as requested. The Annual oversight report provides guidance to Council on whether to adopt the Annual Report.

#### **4.5.5 WARD COMMITTEES**

To further strengthen community engagement the municipality the EMLM has established (30) ward committees in terms of Municipal Structures Act of 1998. Each ward committee comprises of (10) members per ward and thus serve as a vital link between the municipality and the community. All the established committees are functional and submit their reports to the office of the speaker on monthly basis. The effectiveness of these committees is negatively impacted through lack of knowledge on the role and responsibilities and insufficient work resources such as cell phones. Requisite training will be provided through Coghsta to address the former.

#### **4.5.6 COMMUNITY DEVELOPMENT WORKERS**

Institutional capacity building will be needed to empower communities to maintain infrastructure, and business training will be required to enable communities to sustain economic initiatives. The system of Community Development Workers could support this initiative extensively and the Elias Motsoaledi Local Municipality should investigate ways and means to implement this concept in the municipal area.

Community participation on the part of Elias Motsoaledi Local Municipality is not a choice, but a constitutional obligation and legal requirement. The Elias Motsoaledi Local Municipality should strive to narrow the current chasm between policy and practice.

Challenges facing Community Development Workers are:

- Lack of office space
- Transport to attend workshops and other important activities
- Non functionality of IGR structures

#### **4.5.7 INTERGOVERNMENTAL COORDINATION AND FORUMS**

The municipality takes advantage of the established platforms created to foster relationship between all three spheres of government. The overall aim for consultation with various interest groups and all other key stakeholders is to:

- Create a platform for dialogue where all stakeholders would discuss and agree on the development route
- Ensure that all key sectoral issues are well reflected in the IDP
- Ensure that all projects and programmes of all key stakeholders are well captured within the IDP

To this end, the Municipality has established Intergovernmental Forum between the Municipality and local sector departments to enhance relationship between all three spheres of government.

In terms of Section 16 of the Intergovernmental Relations Framework Act of 2005, the Premier's intergovernmental forum was established to promote and facilitate sound relations between the Province and Local municipalities. To this end the municipality participates in the following forums:

- Provincial intergovernmental forum
- Premier/Mayor's forum
- Provincial monitoring and evaluation forum
- Provincial government communicators' forum

In terms of Section 24 of the above Act, a District is advised to establish certain forums to promote and facilitate sound relations between District and Local municipalities. This forum is chaired by the District mayor and serves as a consultative forum to discuss matters of common interest. The Elias Motsoaledi Local Municipality participates in following Sekhukhune District held structures.

- Municipal managers forum
- Mayors forum
- Communicators forum
- HR forum
- Internal auditors forum
- IDP managers forum
- LED forum

- Provincial Planning and Development forum
- PMS foru

#### 4.5.8 TRADITIONAL LEADERSHIP

The following traditional leaders were identified in terms of Section 81(2) (a) Structures Act, 1998 and published in Provincial Government Notice No. 55 of 2001 to participate in the proceedings of the EMLM municipal Council:

Traditional authorities are playing a vital role as they serve as custodians of some of the Municipal villages. Each Traditional authority has an office where it operates from. The traditional leaders are very co-operative and participating in all programmes that the institution initiates. During community consultations, traditional leaders are invited by the office of the Mayor to consult on developmental issues pertaining the enhancement of cultural values and believes that communities share.

The relationship between Traditional leaders and the municipality is acknowledged. There are only minor challenges on issues regarding spatial and land use.

**Table 55: Traditional authorities, their needs and their locations**

Tribal authority	Name of chief	Location	Tribal authority needs
Bakwena Traditional authority	Chief B.R. Matsepe Kopa	Ward 25 Tafelkop Ga-Matsepe	Water and Office furniture
Bantwane Traditional authority	Chief M.P. Mathebe	Ward 10 Ntwane	Communication services Fencing of the office Electrification of the office
Ndebele Traditional authority	Chief P.J. Mahlangu Maphepha 2 <sup>nd</sup>	Ward 19	Tarring of road to the tribal office Construction of Public toilets Fencing of the tribal office Security room Renovation of the office and hall
Bakgaga ba Kopa Traditional authority	Chief B.H.. Rammupudu	Ward 26 Tafelkop	Renovation of the Tribal authority offices Office equipment's
Matlala Lehwelere Tribal authority	Chief S.F. Matlala	Ward 14 Ga-Matlala Lehwelere	Tribal authority offices and equipments at Blompoort and Naganeng (INDUNA)
Bantewane Tribal authority	Chief. Mathebe	Ward 3 Kgobokwane village	Tribal authority office and office equipments
Manthole Tribal authority	chairperson P.J. Phetla There is no chief at Manthole tribal authority. The	Ward 24 Ramogwerane	Salaries for the acting chief and the headmen (indunas)

Tribal authority	Name of chief	Location	Tribal authority needs
	community elect a chair on three cycle.		

Source: EMLM Corporate services

The municipality enjoys a good working relationship with the traditional leadership and attempts will be made to harness this relationship to accolade service delivery. This will include encouraging the traditional leadership to support the planning processes of the municipality in order to limit the allocation of land in ways that hamper coordinated and planned public and private infrastructure investments in the areas under traditional leadership.

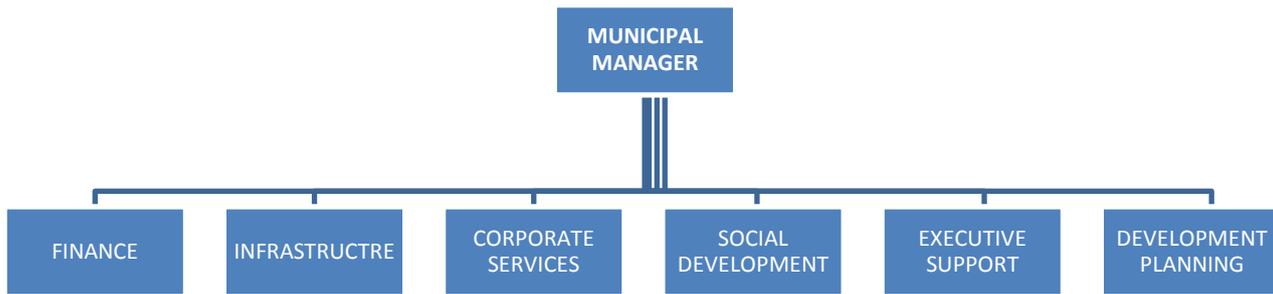
#### 4.5.9 ADMINISTRATIVE GOVERNANCE

The administrative part of the EMLM is headed by the Municipal Manager who reports directly to the Mayor and Speaker of Council. There are six fully fledged departments that perform the technical, financial and administrative functions assigned to the municipality, while Strategic Management sits in the office of the Municipal Manager.

There are six fully fledged departments in the municipality. These are:

- Executive support
- Corporate Services
- Infrastructure department
- Development and Planning
- Social Development
- Finance

The current organogram:



Elias Motsoaledi Local Municipality has a staff compliment of 373. The Municipality has within its financial means focused on filling all vacant and budgeted posts prioritising posts which have an impact directly on service delivery. The Municipal Manager as the Accounting Officer is the administrative head of the municipality supported by the directorates as reflected in the following table:

**Table 56: Administrative Heads of Departments**

Function	Post	Name	Department
Municipal Manager	Filled	Ms R.M Maredi	Office of the Municipal Manager
Manager	Filled	Mr. A. Mayimela	Corporate Services
Chief Financial Officer	Filled	Mr. G. Mapheto	Budget & Treasury
Acting Manager	Vacant	Mr. K. Mametsa	Technical Services
Manager	Filled	Ms.Ellen Kegopotsemang	Community Services
Manager	Filled	Mr. M.M Kgwale	Executive Support
Manager	Filled	Mr. W.N Phala	Development Planning

#### 4.5.10 CORE DEPARTMENTAL FUNCTIONS

The following table outlines the core functions of each Department.

**Table 57: Departmental Core Functions**

Department	Core Fuction
<b>Executive support</b>	Strategic Planning IDP development Performance Management, monitoring and evaluation Intergovernmental relations Public participation Communications, marketing and publicity. Special programmes and events Risk and audit functions
<b>Development Planning</b>	Spatial Planning Human settlement Building inspections Property valuation Rural development EPWP coordination Local Economic Development ( LED )
<b>Community Services</b>	Traffic Law enforcement (public safety) Environmental management (refuse collection,disposal sites and litter picking and street cleansing Cemeteries,parks and open spaces management Manage drivers and vehicle licensing center. Public facilities (stadia,halls and Thusong centers Coordinate Disaster management and Emergency services Coordinate Sports,Art and recreation and library services
<b>Infrastructure Department</b>	MIG projects management support Infrastructure and capital project management services. Electrical and workshop managemnt services Roads and storm water construction and maintenance Fleet management services
<b>Corporate Services</b>	Human resource management and development Organisational development Records management Bylaws development Legal services ITC Occupational health and safety
<b>Budget and Treasury office</b>	Financial management and planning Revenue collection and management Asset management Expenditure management Supply chain management Liability management Budgeting and financial reporting

#### 4.5.11 MAYORAL OUTREACH PROGRAMMES

Apart from the Ward Committees the only other mechanism in place in the municipal area is the Mayoral Outreach Programme. The Mayoral Committee outreach at the moment does not ensure that communities and beneficiaries ultimately take ownership of infrastructure and assets the Elias Motsoaledi Local Municipality invest in their communities. In establishing partnerships with communities, the municipality need to ensure that participation is formalised and strengthened.

The Elias Motsoaledi Local Municipality will also have to work with existing organised groupings in the community, the Moshate (Magoshii), social movements like NGOs/CBOs, youth and women formations, businesses, farmers (both subsistence and commercial), disabled and many other organised civil society organs.

#### 4.5.12 COMMUNICATION

The municipality has established a fully functional communication unit. A communication strategy was developed to guide the communication internally and externally. The below diagram indicate systems of communication administratively and politically

**Figure 21: Communication system**

##### Administrative



##### Political



#### **4.5.12.1 COMMUNITY PARTICIPATION**

The medium for communication includes Municipal newsletters, Annual Report, local and National Newspapers, Ward committee system, Community Development workers (CDW's), as well as loud-hailing. The Elias Motsoaledi Local Municipality has been incrementally increasing public participation, however there is a need to increase the number of residents and communities.

The present reliance on the intermitted and often fragmented processes of consultation and participation orchestrated through IDPs and budgeting processes are inadequate. The municipality would be revising its public participation and communication strategies. The municipality would further enhance existing IGR structures to improve public participation.

The municipality sustained a good relationship with its internal and external stakeholders. Traditional leaders participate in the council meetings and also take part in the IDP consultation process through the office of the Mayor. Other structures that participate in the IDP development are as follows:

- SANCO
- CPF ( Community Policing Forum)
- NGO's and CBO's
- Farmers associations
- Taxi associations
- CDW's ( Community Development Workers)
- NAFCOC
- ESKOM
- Sector departments and the District municipality
- Local youth Council
- Traditional leaders
- Traditional healers
- Moral Regeneration Charter
- Early Childhood Development Centres
- The Aged centres
- Women Caucus
- Local Aids Council
- Disability forum
- Provincial and National sector departments

#### **4.5.12.1 COMMUNITY PARTICIPATION CHALLENGES**

- Lack of budget for communications
- Shortage of communication personnel
- Lack of working resources- branding material
- Capacity building
- No enough coverage of municipal good news- units do not submit for both newsletter, website, print media in general

#### **4.5.13 AUDIT**

The municipality has not achieved the clean audit as expected; Audit opinion expressed was a "Qualified Opinion" however, the AG's report indicated an improvement compared to the previous 2012/13 financial year. The institution

is working hard to achieve the 2014 clean audit target. The municipality has appointed an audit committee to assist and guide the institution in running its affairs.

#### **4.5.13.1 Audit Action Plan**

Audit action Plan has been developed to deal with issues raised by the Auditor General.

#### **4.5.14 Risk management**

The municipality established a risk management unit which is located in the municipal manager's office. The unit deals specifically with institutional risk management related matters.

##### **4.5.14.1 Risk management challenges**

The municipality developed a risk management strategy that responds to risk related matters. The strategy is effectively used and implemented.

#### **4.5.15 Anti-corruption**

Anti- corruption strategy was developed to ensure that the institution adheres to compliance related legislations. The main challenge with the strategy is that it is no used effectively.

### **KPA 6: Municipal Transformation and Organisational development**

#### **4.6.1 OVERVIEW**

The Constitution recognises a Municipality's right to govern on its own initiative, the affairs of its Community, subject to the National and Provincial Legislation as provided for in the Constitution. It also emphasises the responsibility of Municipalities to utilise this Constitutional space prudently and in the interest of development locally. Municipalities must provide democratic and accountable government without favour or prejudice. They must furthermore use their Constitutional space by exercising their Legislative and Executive Authority, and use the resources of the Municipality in the best interest of the Municipality and communities therein.

Human capital refers to the stock of skills and knowledge embodied in the ability to perform labour so as to produce economic value optimising Human Capital within the context of EMLM this relates to the development of skills and improvement of knowledge of employees through education and gaining relevant experience.

#### **4.6.2 EMPLOYMENT EQUITY**

The institution has improved its employment equity as required by legislation. There are two females in top management positions out of five filled positions.

### 4.6.3 INSTITUTIONAL POLICIES

EMLM has approved a number of municipal policies geared at assisting the municipal organisation to administer its affairs in a manner that complies with legislation and implement the developmental mandate of the municipality. The municipality continues to review and amend its policies to reflect changing legislative framework and policy environment. EMLM has approved the following institutional policies:

**Table 58: Approved Institutional Policies**

Approved EMLM Institutional Policies			
Annual Leave	Anti- Corruption	Community Participation	Employment Equity
Conflict Of Interest	Debt/Credit Control	Delegation Of Powers	Grievance Policy And Procedure
Disciplinary Policy And Procedure	Electronic Communications: E/Mail/Internet	Employee And Political Office Bearers Code Of Conduct (Rules & Regulations)	HIV/AIDS
Municipal Rates	Placement	Key Control	Policy On Advertisement
Exit Interviews (Guidelines & Regulations)	Family Responsibility Leave	Performance Management Policy and Guidelines	Policy On Appointment Of Fulltime Councillors
Harassment	Health, Safety & Reporting Policy & Procedure	Policy On Acting Allowance For Officials Of The EMLM	Ward Committees & Community Participation
Indigent	Investment	Rendering Of A Security Service	Policy On Experiential Training
Maternity Leave	Mayoral Vehicle	Sick Leave	Attendance Of Conferences, Workshops, Meetings, Training, Etc-Delegates Representing The Greater Groblersdal Municipality
Official Housing	Overtime	Tariff	
Public Holiday	Recruitment Selection & Appointment	Property Rates	Supply Chain Management
Smoking	Training	Travel & Subsistence	Fixed Asset Management

The municipality has as organisational structure that was approved by council wherein more than 50% of the vacant posts were filled. The following policies and plans were developed and approved by council viz:

- Work Skills Plan (WSP)
- Performance Management Framework
- Travelling and subsistence allowance Policy
- IT policy
- Anti- corruption Policy

Employees were enrolled to participate in various courses that will enhance and improve their skills in order to effectively execute their daily duties.

#### 4.6.4 INSTITUTIONAL PLAN

The municipality has developed a plan that will guide institutional activities in all the departments. The table below illustrates amongst others issues that the municipality will focus on in ensuring organisational development and sustainability.

**Table 59: Institutional Plans**

Employment equity plan	The municipality developed employment equity policy that complies with the Labour Relations Act
Retention of staff	Retention policy was developed and approved by council in order to ensure the retention of skilled personnel within the institution
Placement of staff	The municipality developed a placement policy including a committee that comprises of labour movements and management including the political component.
Recruitment of staff	Recruitment and selection policy is in place to guide the institution on issues of new employees' recruitment. There is an approved organisational structure that indicates filled and vacant posts.
Management of assets	Asset management policy is developed and approved by council
Establishment of committees	The municipality established committees that will deal with both administrative and political issues. Amongst others the committees established are Section 79 and 80 committees that will play an oversight role

#### 4.6.5 SKILLS PROFILE

The municipality conducted a skills audit in the previous financial year. The main objective was to determine which skills the municipality still needs to improve on. Employees were enrolled in various courses depending on their specific developmental/competency needs.

**Table 60: The number of personnel and trainings offered**

Training courses	Number of personnel
Municipal finance management	14
Occupational health and safety management	13
Fraud investigation	2
Professional development certificate practitiona	1
High certificate on ODETDP	1
Asset management	3
Investigation of cyber crime	1
Population Environment Development for IDP	2
CPMD	3
Municipal Performance Management	1
Operators	21
Customer care	30
Computer literacy	25
Traffic examiners	2

#### **4.6.6 SKILLS REQUIRED**

The municipality has embarked on a process of training employees as required by their specific developmental/competency needs. The training that the municipality offered during the 2013/14 financial year are those of financial management, computer literacy and ABET (Adult Basic Education and Training).

The municipality encounters major financial challenges to meet the skills training required by both councillors and officials.

#### **4.6.7 LABOUR RELATIONS**

It is upon the institution to ensure that it complies with labour standards set out in the Labour Relations Act 66 of 1995. The municipality has employed personnel from diverse cultures and religions. It remains essential for the institution to treat its employees equally as one family not withstanding its core functions and responsibilities.

#### **4.6.8 INFORMATION TECHNOLOGY**

There's a great improvement with regard to IT functions in the municipality. An IT Unit is well established and functional. The unit also has intern officials who rotate within all offices of the municipality on a daily basis to ensure that the municipality at large does not experience technological breakdown. The unit has been involved in the process to reduce the manual system from 90% to 20%.

There are still a few challenges with regards to Information technology. The municipality intends to construct a server room that will serve as a backup should the existing server breaks down. However, the institution does not have sufficient financial resources to implement the Programme.

#### **4.6.9 CUSTOMER SATISFACTION AND COMPLAINS MANAGEMENT SYSTEM**

The municipality has employed an official to deal with issues that are raised in communities. A help desk has be established for communities to submit their complaints with regard to the level of service that the municipality provides. Complaints are directed to relevant departments through the office of the municipal manager and responses are given to the complainant.

#### **4.6.10 OCCUPATIONAL HEALTH AND SAFETY**

The occupational health and safety functions are located in the corporate services department. The unit is mainly dealing with the following:

**Table 61: Issues dealt with by Occupational Health and Safety Unit**

Function	Description
Employee support Programme	Employees of the municipality differ in character and behaviour. Some of the employees have challenges at work whilst other have family problems. The OHS unit gives support to such employees by either providing counselling or sending the affected employees to the recognised victims support centers.
Employee wellness	It remains the responsibility of the municipality to ensure that employees are medically well and fit. The OHS unit work in partnership with the department of health and labour in ensuring that safety and medical services are accessible to all employees.
Safety workshops	The institution takes safety matters of employees as a fundamental priority. Employees are being taken through training workshops that relates to their respective types of work in order to promote safety measures.
Institutional safety	EMLM is working closely with the department of labour in ensuring that the institution complies with safety legislations and regulations

#### 4.6.11 BY-LAWS

**Table 62: Approved Bylaws**

By-laws	Status	Date of Approval	Council Resolution
Parking Area Draft Bylaw	Approved	12-06-2007	C07/016
Draft Management, Maintenance and Control of Taxi Rank Facilities Bylaw	Approved	11-04-2007	C07/009
Credit Control Draft Bylaw	Approved	12-06-2007	C07/015
Parking Area Draft Bylaw	Approved	12-06-2007	C07/016
Street Vending Bylaw	Approved	11-04-2007	C07/017
Standard Building Regulation and Miscellaneous Bylaw	Approved	11-04-2007	C07/011
Draft Building Regulation Bylaw	Approved	14-10-2008	C08/013
Draft EMLM Rates and Taxes	Approved	14-10-2008	C08/025
Draft EMLM Advertising and Hoarding Bylaws	Approved	14-10-2008	C08/027

The IDP for the 2016-2021 financial years commits to develop various key municipal by-laws to create the necessary regulatory framework to improve governance.

At the local level the EMLM should focus on ensuring the effective enforcement of bylaws including traffic violations, whistle-blowing on corruption and fraud, and encourage the participation of council and residents in Community Policing Forums and other initiatives aimed at eliminating crime. In addition, a new strategy for overall bylaw enforcement would be developed. The bylaw enforcement coordination would ensure that municipal bylaws are implemented in a coordinated and coherent manner and appropriate resources are identified for such implementation.

## **4.7 TRANSVERSAL/SPECIAL PROGRAMMES (OFFICE OF THE MAYOR)**

### **4.7.1 YOUTH AND THE AGED**

The municipality has established a youth desk in the office of the Mayor. The desk will solely focus on youth development and also ensuring greater involvement of the young people in economic activities. A youth council was established and is currently functional. Amongst other responsibilities the council does the following:

- Organise and coordinate youth programmes within the municipality
- Initiate and run youth developmental programmes
- Organise seminars and educational workshops on various issues such as health, career guidance, business management etc.
- Network with National and Provincial and District agencies aimed at youth development
- The office of the Mayor is giving support to the old aged homes in Motetema and Moutse

Challenges facing the youth and the aged are:

- The youth are faced with a huge challenge of unemployment
- Inadequate educational facilities/institutions such as technikons, FET colleges and Universities
- Poverty alleviation programmes for the youth
- Pension pay-points for the aged
- Inadequate old aged homes for the elders

### **4.7.2 TRADITIONAL HEALERS**

The traditional healers' organisation has been established with the assistance of the office of the mayor. The relationship between the municipality and the traditional healers is gradually growing however; there are still issues that the municipality needs to engage the traditional healers on in order to improve their operating conditions. Currently, the participation of traditional healers in the Mayoral programmes is satisfying. Traditional healers are in need of a land to erect clinic.

### **4.7.3 WOMEN CAUCUS**

Women across the municipality are faced with a number challenges that needs the attention of government and the society to act on and ensure better living of women. The municipality, through the Office of the Mayor, established a Women Caucus Forum that will pay attention to issues of women. The role of the forum is to establish and co-ordinate programmes and also deal with problematic issues that impacts negatively on women.

### **4.7.4 THE DISABLED**

While there is limited information on employment rates for the disabled, low literacy, low employment rates and widespread social stigma are making it difficult for disabled people to participate in economic activities in the municipal area.

It is vital the municipality and other governmental agencies should create conditions for the disabled to access educational and employment opportunities. In addition, the municipality endeavours to facilitate:

- interventions that will include deepening preventative health programs
- screen all children at a young age
- empower disabled young adults with employable skills
- encourage the private sector to employ people with disabilities
- ensure full integration by overcoming stigma
- promote newer thinking and better coordination of programs
- improve the measurement of disability to ensure that the scale of disability is better understood.

In addition, the public participation processes in the municipality should actively encourage persons with disabilities to be visible and active participants in the development process.

**Table 63: Persons with Disabilities in EMLM**

Category	2001	2007
Sight	3677	1258
Hearing	2351	815
Communication	539	574
Physical	3144	928
Intellectual	1136	409
Emotional	1773	2282
Multiple	1768	154
Institution	-	893
<b>Total</b>	<b>14388</b>	<b>7313</b>

**Source: Census, 2001 and Community Survey, 2007**

The disabled persons of the municipality organised themselves and formulated a forum through engagement with the Mayor's office. The forum is responsible for coordinating the needs of the disabled with regard to their educational needs. Unemployment and business development and their daily well-being.

Challenges facing the disabled are:

- Unemployment
- Poverty alleviation programmes
- Funding for programmes initiated by the disabled

#### **4.7.5 MORAL REGENERATION CHARTER**

There is a global observation that people have gone astray from their cultural norms and values, religion and believes. The municipality has in conjunction with the traditional healers, various church ministries and traditional leaders established a moral regeneration charter that will ensure that the history and culture of the society is conserved. The role of the forum is to establish village base structures that will assist making co-ordination much easier. The office of the Mayor will play a major role by developing programmes that will realise the objectives of the forum

Identified special groups needs are:

- Transport to attend meetings
- Skills development programme

- Employment opportunities that will help meet 2% target
- Brail machine for the visual impairment ( Disabled group)
- Stationary for all special schools and centres
- Provision of water and electricity in needy centres
- Financial assistance to the youth
- HIV/AIDS council co-ordination
- Old-aged centre requires a building

#### **4.7.6EARLY CHILD DEVELOPMENT (ECD)**

Centres for early child development have been established in most of the villages. Some of these centres get support from the Social Development department whilst others depend on contributions by beneficiaries. The office of the Mayor is constantly meeting with representatives of these centres with an aim to give support where necessary. The municipality has to develop programmes that will help alleviate challenges the ECD centres are faced with.

Challenges facing ECDs are:

- Lack of proper learning centers
- Funding
- Inadequate support by National, Provincial and both local and district municipalities

#### **4.7.7CHILDREN’S RIGHTS**

The municipality was chosen along with two (2) other to participate in a sponsored programme conducted by Save the Children South Africa (Scsa) for the purpose of mainstreaming children’s rights into local government. The project aimed to address the absence of municipal action plans for children or child rights strategy, absence of a dedicated budget for children’s issues, minimal participation of children in decisions that affect them; lack of coordination forums for children’s issues, and no policy for children’s issues.

All three municipalities have now developed municipal action plans for children which will service as a guide to mainstream children’s and prioritise children’s issues within the integrate development plans and budget. A focal point to this initiative is the establishment of Ward-based children’s committees to create a platform for children to participate in Municipal decision-making processes.

South Africa is a signatory to the United Nations Convention on the Rights of the Child (UNCRC) following the inception of the democratic dispensation and has ratified the Convention in 1995. At national level, the South African Constitution is the supreme law. Chapter 2 (Bill of Rights) of the Constitution, is specifically dedicated to human rights, including the rights of children. The whole Bill of Rights applies to children and adults alike. Section 28(2) of the Constitution applies across all government departments and related entities in ensuring that “a child's best interests are of paramount importance in every matter concerning the child”.

Though the pilot was limited to three Municipalities, SCSA in partnership with SALGA organised a National Workshop for all the SALGA Provincial Offices. One of the key output of this workshop was the development of the Action Plan to guide SALGA Provincial Offices on how to support other Municipalities to start to prioritise children’s rights within their respective budgets and plans.

#### **4.7.8 TRADITIONAL HEALERS**

A formation of traditional healers was established in the office of the Mayor to serve the aspirations and interests of the traditional healers. As a forum, traditional healers submitted the following needs:

- Clinics
- Offices
- Fencing of sites
- Heritage site
- Refurbishment of Moutse show ground

## **CHAPTER 5**

## **5.1 ELIAS MOTSOALE LM, DEVELOPMENT PRIORITIES, OBJECTIVES, STRATEGIES, KPI PER KPA AND PROJECTS.**

### **5.1.1 OVERVIEW**

The municipality held its Strategic Planning Workshop during the period of the 18th-19th January 2016 inclusive to review the current 2015/16 IDP and align the proposed 2016/17 IDP taking cognisance of both the 2014/15 Annual and 2015/16 midyear performances assessment as well as other influencing factors. The purpose of this process was to review and re-align the current strategies to assist the institution in dealing with various service delivery challenges and other related factors. Based on the evaluation of all the relevant analysis input the EMLM has developed the following strategies contained within their developmental programmes. This will ensure that all challenges have been prioritized and will be addressed through the appropriate allocation of resources.

According to Section 53 of the Constitution a municipality must structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community, and participate in national and provincial development programmes.

The above implies that local government must comply with the national strategic plan that defines the framework for detailed planning and action across all spheres of government. Strategic priority areas identified by national and provincial government will therefore guide the strategic priority areas identified by municipalities to build a developmental government that is efficient, effective and responsive; to strengthen accountability and to strive for accountable and clean government; to accelerating service delivery and supporting the vulnerable; and to foster partnerships, social cohesion and community mobilisation.

Municipalities in South Africa use integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sustainable long-term development. An Integrated Development Plan (IDP) is a strategic plan for an area that gives an overall framework for development. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those involved in the development of a municipal area . The IDP enables municipalities to use scarce resources most effectively and efficiently to speed up delivery.

The focus of the Elias Motsoaledi Local Municipality is on shaping the future of the municipality to become, as the vision statement reflects “Thé agro-economical and ecotourism heartland.” In this journey the municipality is intent on aligning its goals and strategies to that of the National Development Plan – Vision 2030 (NDP) as well as other relevant National and Provincial strategies. The NDP prioritises, that closely link to Elias Motsoaledi, focus on:

- an economy that will create more jobs;
- improving infrastructure;
- transition to a low-carbon economy;
- an inclusive and integrated rural economy;
- reversing the spatial effects of apartheid;
- improving the quality of education;
- training and innovation;
- quality health care for all;
- social protection;
- building safer communities;

- reforming the public service, and
- fighting corruption and transforming society and uniting the country.

The strategies of the municipality, which are linked to programmes and projects must therefore focus on and be aligned to these priorities.

In most organisations, strategic planning is conducted to define the strategy or direction of the organisation and thus make decisions on resource allocations to pursue the vision of that organisation. The Green Paper on National Strategic Planning (2009) [this green paper led to the development of the NDP] states that strategic planning in government organisations is imperative to ensure growth and development, strengthening of institutions, nation building and the establishment of a developmental state. The main outputs of [strategic] planning include a long-term vision, a five-year strategic framework, annual programme of action and spatial perspectives that will ensure ongoing leadership in the management of major social dynamic and key drivers of social development.

To achieve the aim of strategic planning, it should encompass a set of concepts, procedures and tools designed to assist leaders and managers with achieving set goals and objectives through the application of strategies with clear plans of action that are measurable. Therefore, this strategic plan sets out the main goals, desired impacts, outcomes, measurements and targets to be achieved, with clear strategies to achieve the vision of the municipality.

The continued focus of the National Government is economic growth and socio-economic transformation through the provision of governance structures to optimise basic service delivery at all spheres of government. In terms of this focus, municipalities are mandated to give effect to the objects of local government as contained in section 152 of the Constitution, namely:

- Democratic and accountable governance;
- Sustainable services;
- Social and economic development;
- Safe and healthy environment; and
- Encourages community involvement.

Moreover, it is the National Government's priority area, to ensure a better life for all by providing basic services to all communities, which amongst others includes creating sustainable jobs, poverty alleviation and relevant skills transfer through successful implementation of government programmes and lastly, by encouraging the transformation of community participation and involvement.

It has been shown that where there has been State intervention in the economy through direct public investment in infrastructure, there has been economic growth and more job creation. Therefore, the Elias Motsoaledi Local Municipality seeks to position itself to relate directly to the Millennium Development Goals, National Development Plan, National Outcomes, in particular the outputs from Outcome Nine, and the Provincial Employment Growth and Development Plan (PEGDP).

To this end, the Elias Motsoaledi Local Municipality will continue to focus on, agriculture and tourism as its primary economic core pillars whilst actively pursuing other economic investment opportunities to optimise its socio-economic priorities aimed at improving the lives of all people of Elias Motsoaledi by reducing the unemployment rate within the region.

As a result of the spatial challenges, huge backlogs in service infrastructure and networks in underdeveloped areas exist that requires municipal expenditure far in excess of the revenue currently available. It is therefore necessary that strategies be developed and implemented to counter negative and encourage positive outcomes to ensure that the municipality will be able to deliver on its mandate and achieve its vision.

### 5.1.2 SWOT ANALYSIS AND CRITICAL SUCCESS FACTORS

A SWOT analysis is often conducted as a major part of a situation analysis. SWOT is an acronym that refers to Strengths, Weaknesses, Opportunities and Threats.

SWOT analysis is one of the most used forms of business analysis. A SWOT examines and assesses the impacts of internal strengths and weaknesses, and external opportunities and threats. An important part of a SWOT analysis involves listing and evaluating the organisation’s strengths, weaknesses, opportunities, and threats. Each of these elements is described:

**Strengths:** Strengths are those factors that make an organisation more competitive than its marketplace peers. Strengths are attributes that the organisation has as a distinctive advantage or what resources it has that can be leveraged to its benefit. Strengths are, in effect, resources, capabilities and core competencies that the organisation holds that can be used effectively to achieve its strategic objectives.

**Weaknesses:** A weakness is a limitation, fault, or defect within the organisation that will keep it from achieving its objectives; it is what an organisation does poorly or where it has inferior capabilities or resources as compared to other organisations.

**Opportunities:** Opportunities include any favourable current prospective situation in the organisation’s environment, such as a trend, market, change or overlooked need that supports the demand for a product or service and permits the organisation to enhance its competitive position.

**Threats:** A threat includes any unfavourable situation, trend or impending change in an organisation’s environment that is currently or potentially damaging or threatening to its ability to compete. It may be a barrier, constraint, or anything that might inflict problems, damages, harm or injury to the organisation.

Critical success factor (CSF) as defined by Wikipedia, is the term for an element that is necessary for an organization or project to achieve its mission. It is a critical factor or activity required for ensuring the success of a company or an organization.

The table below outline the elements of the SWOT for the municipality conducted during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

**Table 64: SWOT Analysis**

Strengths	<ul style="list-style-type: none"> <li>● Functional machinery and plant for road maintenance</li> <li>● Functional political structure</li> <li>● MFMA calendar compliance</li> <li>● Strategic location - access to the major cities</li> <li>● Provincial nodal point (socio-economic development)</li> <li>● Senior Critical positions filled</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>● Reporting systems and standards</li> <li>● Integrated costed long term planning</li> <li>● Monitoring and implementation of plans (Management of service providers)</li> <li>● Revenue collection and limited base</li> </ul>

	<ul style="list-style-type: none"> <li>● MIG funding management</li> <li>● Challenges with SCOA implementation</li> <li>● Review and enforcement of policies, by-laws and procedures</li> <li>● Internal controls</li> <li>● Staff and councillors skills and capacity</li> <li>● Insufficient resources (funding, office space, human resources)</li> <li>● Critical vacancies at management level</li> <li>● Ageing infrastructure</li> <li>● Landfill site licenses</li> <li>● Land Use Management and SDF</li> <li>● Risk management and implementation of audit plan</li> <li>● Lack of infrastructure maintenance plan</li> <li>● Lack of sector and master plans</li> <li>● Lack of documented and implementable procurement plan</li> <li>● Lack of Local Economic Development strategy</li> <li>● Poor security environment</li> <li>● Poor information or document management</li> <li>● Alignment between IDP, Budget and SDBIP</li> <li>● Poor (interdepartmental) communication</li> <li>● Overreliance on grants</li> <li>● Lack of Quality management system</li> <li>● Misuse of Council resources</li> <li>● Backlog on infrastructure services</li> <li>● Control of business licenses</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>● Increased MIG funding</li> <li>● Tourism and recreational activities related to De Hoop and Loskop dam</li> <li>● Upgrading of strategic roads (R25 and N11)</li> <li>● Availability of mineral resources (platinum and iron ore)</li> <li>● Regional mall and proposed Groblersdal town establishment</li> <li>● Climate conducive for agriculture and tourism (Agriculture hub of SA)</li> <li>● Available land owned by municipality</li> <li>● Extension of electricity licence</li> <li>● Agri-eco tourism</li> <li>● Moloto corridor related activities</li> <li>● External technical support from other stakeholders</li> <li>● Safe and secure CBD</li> <li>● Existing airstrip</li> </ul>
Threats	<ul style="list-style-type: none"> <li>● Community unrest / service delivery protest by communities</li> <li>● Non-paying culture by residents</li> <li>● Immigration of labour and illegal migrants</li> <li>● Xenophobia</li> <li>● Crime levels</li> <li>● Substance abuse and drugs</li> <li>● Increasing indigents</li> <li>● High rate of poverty, unemployment and illiteracy</li> <li>● Chronic diseases (HIV and Aids, HAST, diabetes, high bloods pressure)</li> </ul>

- |  |   |
|--|---|
|  | <ul style="list-style-type: none"><li>• Land invasion and mushrooming of informal settlements</li><li>• Vandalism and illegal electrical connections</li><li>• Drought and climate changes</li><li>• Disaster vulnerability</li><li>• Malicious vandalism of government assets</li><li>• Theft of municipal assets</li><li>• Inflation / Currency increase on materials</li><li>• Infrastructure to accommodate influx of trucks</li><li>• Support and buy-in of traditional leaders with regard to land management issues</li><li>• Environmental management and pollution</li><li>• Reliance on Eskom Electricity</li></ul> |
|--|---|

The SWOT analysis was taken into consideration when reviewing the strategic goals and developing strategies for programmes to ensure that challenges identified in the SWOT analysis were addressed.

### **5.1.3 STRATEGY MAP**

A strategy map creates a picture of the strategic intent of the municipality. It depicts the outcome orientated goals in support of the strategy in terms of different perspectives based upon the Balanced Scorecard (BSC) methodology as developed by Kaplan and Norton, namely the learning and growth perspective, institutional perspective, the financial

and the customer perspectives as articulated as a measurement system. This step in strategy formulation acts as the integration of strategy and operational planning.

Strategy is about those broad priorities that are to be pursued in order to achieve the vision and mission. Once the high level strategic goals are developed, the BSC serves as the device for effective translation and implementation of manageable strategic objectives, outcomes, programmes and developmental strategies. The Strategy map of Elias Motsoaledi Local Municipality is articulated in the diagram below and clearly indicates two different strategies - growth and excellence:

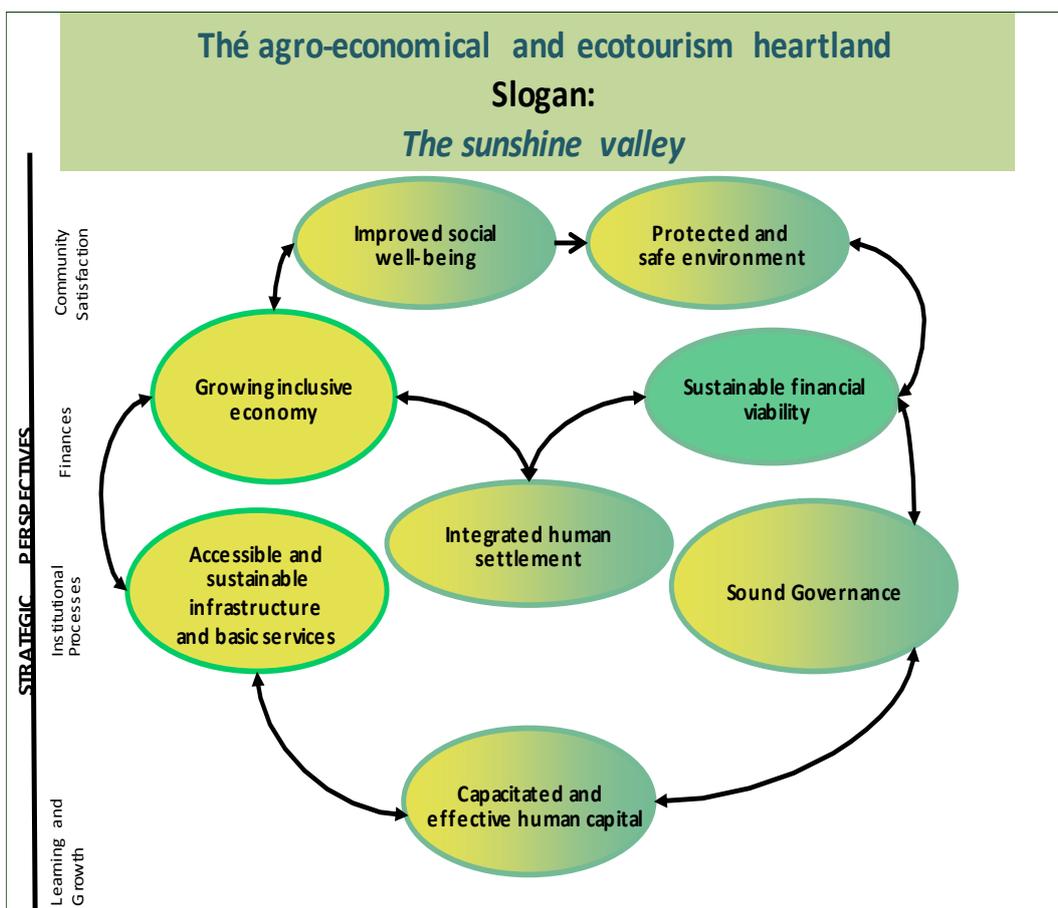


Figure 22: Strategy Map

The above-mentioned outcome orientated goals are aligned to developmental objectives that were developed by the municipality, and are depicted in the table below:

**Table 65: Outcome Oriented Goals**

Developmental objectives	Outcome orientated goals
To ensure proper land use and human settlement	Integrated human settlement
To provide high level infrastructure and basic services	Accessible and sustainable infrastructure and basic services
To ensure municipal economic growth through job creation and investor attraction	Growing inclusive economy
Inculcate and improve financial sustainability and management	Sustainable financial viability
To improve intergovernmental relations and public participation	Sound governance
To ensure institutional viability through effectiveness and efficiency	Capacitated and effective human capital
To improve the social livelihood	Improved social well-being
	Protected and safe environment

Taking into account the agricultural and tourism environment of the municipal area, an outcome orientated goal was added to ensure that the protection of the environment is addressed.

The municipality must ensure that it aligns its goals with the National and Provincial goals and priorities. The table underneath indicates the EMLM outcome orientated goals' alignment to Local Government Key Performance Areas

**Table 66: KPA Alignment**

CoGHTA Key Performance Areas	EMLM Outcome Orientated Goals
KPA 1: Spatial Rationale	Integrated human settlement
KPA 2: Service Delivery and Infrastructure	Improved social well-being
	Protected and safe environment
	Accessible and sustainable infrastructure and basic services
KPA 3: Financial Viability	Sustainable financial viability
KPA 4: Local Economic Development	Growing inclusive economy
KPA 5: Transformation and Organisational Development	Capacitated and effective human capital
KPA 6: Good Governance and Public Participation	Sound governance

The *Framework for Strategic Plans and Annual Performance Plans* (2010) states that a goal should encompass a statement of the intent that focuses on impacts to be achieved. The goal statement must clearly state '*what you intend to change (Impact) and what it is that you want to achieve (outcome)*'. Strategic objectives equivalent in meaning to high level outputs for each programme clearly state what the municipality intends doing (or producing) to achieve its goals. Strategies devised from the strategic objectives relate to careful plans or methods for achieving particular goals. '*You cannot manage what you do not measure*' is a well known proverb, therefore indicators and targets were identified to measure the achievement of outcomes and strategies. Proposed projects to be implemented over the next three financial years were identified as well as human resource requirements for the next financial year in order to implement

the immediate term strategies. A summary of the developed strategies and their respective purpose statement and outcome is detailed in the following table

**Table 67: Strategic Goals, Goal Statements and Outcomes**

<b>Ref No</b>	<b>Strategic Goal</b>	<b>Goal Statement</b>	<b>Outcome</b>
1	Improved social well-being	Provision of services for Social, Educational and Recreational needs that are accessible to all communities regardless of age, gender and disadvantaged	Safe, healthy empowered communities. This means ensuring safety of the community, promoting education, health and wellness
2	Protected and safe environment	Enforcement of By –law to protect the environment	Protected environment and ensuring compliance for sustainable eco-tourism and agro-economy. This means eradicating informal settlements, monitoring and managing environment
3	Growing inclusive economy	To ensure municipal economic growth through job creation and investor attraction	Improved economic conditions of the community. This means that the municipality intends to facilitate processes for the creation of a prosperous and poverty free community
4	Sustainable financial viability	Increased revenue generation to ensure sufficient funds are available to invest into projects for the communities. The municipality must be able to pay commitments and have sufficient reserves and investments. The intention is for the municipality to become less grant depended and be in a financial position to fund infrastructure	Increased generation of own revenue and sufficient reserves for investment into communities.  Reduced grant dependency

Ref No	Strategic Goal	Goal Statement	Outcome
		projects from own funds	
5	Accessible and sustainable infrastructure and basic services	Implementation of bulk infrastructure to support the provision of basic services to an approved level of standards in a sustainable manner as a core mandate	Satisfied community members. This means the provision of quantitative, good quality, sustainable and affordable infrastructure and services to all community members. (Quality will be prescribed by the specific specifications pertaining to that stage of the project)
6	Integrated Human Settlement	formalized human settlement by 2025 with sustainable basic services	Improved living condition of communities. This means rationally developed and sustainable integrated human settlements
7	Sound Governance	Improved and effective enforcement of internal controls and systems. Increased engagement with relevant sectoral stakeholders and communities. Empowering communities to become actively involved in public participation processes. Improved turnaround time and adherence to service delivery standards	Public confidence through an unqualified audit opinion. This means to be an organisation that practices responsible, accountable, effective and efficient corporate governance
8	Capacitated and effective human capital	To ensure that the municipality has responsive, effective and capable workforce. The municipality must attract and retain skilled personnel. The municipality must provide WSP and skills audit related training in support of the strategic intent of the municipality	Efficient workforce. This means to leverage the municipality's staff capacity to drive efficiency and effectiveness

Elias Motsoaledi Local Municipality's strategic goals are discussed in more detail in the section that follows. The goals are dealt with per Key Performance Area (KPA) and the respective measurements are reflected in the Strategic Scorecard at the end of this section.

#### 5.1.4 STRATEGIC OBJECTIVES AND PROGRAMMES

The Strategic Objectives and Programmes were developed taking cognizance of the vision/mission statements of the municipality and are reflected in the following table.

**Table 68: Strategic Objectives and Programmes**

KPA	Strategic Goal	Strategic Objective	Programme	Ref No
KPA 1 Spatial Development Analysis And Rationale	Integrated Human Settlement	To Provide a Systematic Integrated Spatial / Land Development Policy	Land Use Management	1
			Spatial Development	2
			Building Plans Administration	3
			Housing	4
KPA 2 Institutional Development And Municipal Transformation	Capacitated And Effective Human Capital	Improved Efficiency and Effectiveness of the Municipal Administration	ICT	5
			Performance Management	6
		To Attract, Develop and Retain Ethical and Best Human Capital	Organisational Development	7
			Workplace Health, Safety & EAP	8
			Labour Relations	9
KPA 3: Local Economic Development: Development	Growing Inclusive Economy	To Facilitate Economic Growth and Sustainable Job Creation	Economic Growth And Development	10
			extended Public Works Programme (EPWP)	11
KPA 4: Basic Service Delivery And Infrastructure Development	Accessible And Sustainable Infrastructure And Basic Services	Reduction In the Level of Service Delivery Backlogs	Electrification	12
			Water and Sanitation	13
			Roads and Storm Water	14
			Waste Management	15
			Project Management	16
			Facilities Management	17
	Fleet Management	18		
	Protected and Safe Environment	To ensure communities are contributing toward climate change and reduction of carbon footprint	Environmental Management	19
	Improved Social Well-Being	Facilitate Promotion Of Health and Well-Being	Sports And Recreation	20

KPA	Strategic Goal	Strategic Objective	Programme	Ref No
		of Communities	Health Services	21
			Cemeteries	22
			Arts and Culture	23
			Mayoral Programmes	24
			Transversal Programmes	25
		Facilitate Promotion Of Education Upliftment Within Communities	Education / Libraries	26
KPA 4: Basic Service Delivery And Infrastructure Development	Improved Social Well-Being	Facilitate Safe and Secure Neighbourhoods And Traffic Law Enforcement	Safety and Security	27
			DLTC	28
		Increase The Accessibility of Emergency Services to The Community	Disaster Management	29
KPA 5: Municipal Financial Viability And Management	Sustainable Financial Viability	Compliance to MFMA Legislation	Legislative Compliance	30
		To Implement Sound Financial Management Practices	Financial Management	31
			Revenue	32
			Expenditure	33
		SCM	34	
To Provide Free Basic Services to Registered Indigents	Indigents	35		
KPA 6: Good Governance And Public Participation	Sound Governance	To Strengthen Participatory Governance Within the Community	Good Governance and Oversight	36
			Community Participation	37
			IDP Development	38
			Customer/ Stakeholder Relationship Management	39
		To Create a Culture of Accountability and Transparency	Legal Services	40
			Polices	41
			Risk Management	42
			Audit	43
		To Ensure Promulgation of all Applicable Municipal By Laws	By-Laws	44

In planning, it is imperative that the collective do not only address the rest of the current term of office, but should also consider planning for the next political term. The strategic planning session was all about conceptualising the end result

and the need to clearly identify the developing strategic purpose and intent by converting the achievements of the Elias Motsoaledi into actions.

The following was achieved during the strategic planning session:

- Re-confirmation and mutual understanding of the Elias Motsoaledi Vision and Mission statements as well as the Values that support these statements
- Unified political and administrative understanding to bring in synergy in service delivery
- Leadership strategy
- Clear mandate to implement
- Identifying an effective measuring mechanism which would indicate a changed approach towards best service delivery and satisfaction

The confirmation of the current developmental strategies will serve to galvanise management in a concerted effort to implement the strategic intent as outlined in this document for the current and forward years of the five year (5) cycle. The Balanced Scorecard approach must enable the municipality to measure financial management, client value proposition, institutional processes (efficiencies and effectivity) and the skills and competency levels of its people. It should contribute to the disbanding of the institutional silos; identifying the integrative programme for service delivery and that the budget should support the initiatives as stipulated through the processes.

## **5.2 STRATEGIES, PURPOSE AND OUTCOMES PER KEY PERFORMANCE AREA**

### **5.2.1 KPA 1: SPATIAL RATIONALE**

#### **Strategic Goal: Integrated Human Settlement**

The National Development Plan advocates the following regarding reversing the spatial effects of apartheid and human settlements:

- Increasing urban population density, while improving the liveability of cities by providing parks and other open spaces and ensuring safety
- Providing more reliable and affordable public transport with better coordination across municipalities and between different modes
- Moving jobs and investment towards dense townships that are on the margins of cities. Building new settlements far from places of work should be discouraged, chiefly through planning and zoning regulations responsive to government policy
- Strong and efficient spatial planning system, well integrated across the spheres of government
- Upgrade all informal settlements on suitable well-located land by 2030
- More people living closer to their places of work
- Better quality public transport
- More jobs in or closer to dense, urban townships

The Limpopo provincial strategy mentions the following regarding rural development, food security and land reform:

- Approximately 40% of the households in Limpopo live in areas that are characterized by extreme poverty and underdevelopment.
- Recognizing the diversity of our rural areas, the overall objective is to develop and implement a comprehensive strategy of rural development that will be aimed at improving the quality of life of rural households, enhancing the country's food security through a broader base of agricultural production, and exploiting the varied economic potential that each region of the country enjoys.

National Outcomes 8 and 10 relates to this goal where sustainable human settlements and improved quality of household life are promoted. This goal is cross-cutting with the outcome orientated goal "Protected and safe environment". It is important to take into consideration environmental assets and natural resources that are well protected and continually enhanced in line with the development of integrated human settlement. The outputs relate to the reversion of the spatial effect of apartheid and to ensure a low carbon economy.

This goal responds to the institutional priority issue that relates to integrated developmental planning.

The municipality aims to have formalised human settlements by 2025. This entails the development of residential and business sites, provision of shopping centers, schools, religious institutions and clinics, taking cognisance of flood line areas as well as the development of parks and recreation facilities. The municipality owns land and it should be investigated how best that land can be utilised for integration and upliftment of communities. Further investments and establishment of industries and enterprises should be investigated and established to diversify the economy of the municipal area. The municipality must create an environment conducive for economic growth through investments in socio-economic infrastructure to trigger local economic growth and forge partnerships with stakeholders to invest in the local economy. This also includes the priority of moving people closer to economic activities and opportunities.

The spatial positioning and related possibilities to link with and benefit from other growing economies around the municipal area should be exploited through extensive marketing and branding of the municipality as "Thé agro-economical and ecotourism heartland".

The use of land should continuously be monitored and the land use management scheme must be enforced in order to secure orderly utilisation of land and to prevent disorderly development. For purposes of keeping abreast of the rapid growth of the municipal area, it is imperative that land use and township establishment applications are thoroughly scrutinised and speedily processed.

The development of a credible IDP is the cornerstone for sustainable integrated human settlement; hence the municipality must give effect to the development and implementation thereof to improve service delivery through planning, monitoring, reporting and evaluation of processes on service delivery.

The outcome to be achieved through this goal is improved living conditions of communities. This means rationally developed and sustainable integrated human settlements.

Key projects/ initiatives to achieve this goal are the following:

- Formalisation of informal settlements
- Township establishment
- Provision of infrastructure bulk services

The following programmes are linked to the above strategic goal:

- Spatial Development
- Land Use Management
- Building Plans Administration
- Housing

The following strategies per programme were developed for KPA1 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

### Programme 1: Spatial Development

Programme Description	Spatial planning is an integral component of the IDP process, providing a municipal perspective of spatial challenges and interventions. The different levels of plans seek to guide, direct and facilitate both public and private development, investment and growth within the province and EMLM in a manner that will expand opportunities and contribute towards the visible upliftment of all communities.
Programme Objective Outcome	To provide a systematic integrated spatial development plans by 2017
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• SDF review aligned with SPLUMA</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Development of nodal zones</li> </ul>
	<ul style="list-style-type: none"> <li>• SDF review and update</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Protection of prime and unique agricultural land</li> <li>• SDF review and update</li> </ul>

### Programme 2: Land use management

Programme Description	To provide a systematic integrated spatial / land development policy
Programme Objective Outcome	Promote harmonious and compatible land use patterns
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Sustainable development and densification</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Social and economic inclusion</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Inclusion of cultural customs and practices of traditional communities in land use management.</li> </ul>

### Programme 3: Building Plans Administration

Programme/Function	Building Plans Administration
Programme/Strategic Objective (SMART)	Compliance with National Building Regulations and Building Standard Act 103 Of 1977
Programme Objective Outcome	Increase regularization of built environment
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Enforce Building control regulations</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Enforce Building control regulations</li> <li>• Sustainable build environment</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Enforce Building control regulations</li> <li>• Sustainable build environment</li> </ul>

Key projects / initiatives for successful implementation of this programme are:

- Building inspection and Building plans assessment
- Issuing of occupation certificates

### Programme 4:Housing

Programme/Function	Housing
Programme/Strategic Objective (SMART)	Although not a core function this programme focuses on the establishment of sustainable integrated human settlements as well as the identification of areas suitable for settlement development and the sourcing of appropriate funds to secure the land for development. Another priority is the eradication of informal settlements through the proclamation of Formal settlements
Programme Objective Outcome	Ensures provision of sustainable integrated human settlements
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Conduct Land Audit</li> <li>• Identification and acquisition of suitable affordable land</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Sustainable integrated human settlements development</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Sustainable integrated human settlements development</li> </ul>

## **5.2.2 KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION**

### **Strategic Goal: Capacitated and Effective Human Capital**

The NDP priority of Building a capable and developmental State advocates the following:

- A state that is capable of playing a developmental and transformative role.
- A public service immersed in the development agenda but insulated from undue political interference
- Staff at all levels has the authority, experience, competence and support they need to do their jobs
- Relations between national, provincial and local government are improved through a more proactive approach to managing the intergovernmental system

- Clear governance structures and stable leadership enable state-owned enterprises (SOEs) to achieve their developmental potential

National Outcome 12 that deals with an efficient and development oriented public service targets the following outputs:

- Business processes, systems, decision rights and accountability management
- The institutional capacity and effectiveness of municipalities is increased
- Clean, Responsive and Accountable Administration

This goal responds to the institutional priority issues that relate to training and development that will ensure a responsive and performing workforce and resources that will create a customer-focused, friendly and helpful working environment. The municipality must attract and retain skilled personnel and provide WSP & skills audit related training in support of the strategic intent of the municipality.

The outcome to be achieved through this goal is an efficient workforce. This means to leverage the municipality's staff capacity to drive efficiency and effectiveness.

The following programmes are linked to the above strategic goal:

- Performance Management
- ICT
- Organisational Development
- Workplace Health, Safety and EAP
- Labour Relations

The following strategies per programme were developed for KPA 2 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

### Programme 7: Organisational Development

Programme/Function	Organisational Development
Programme Objective (SMART)	To ensure the Improved efficiency and effectiveness of the Municipal Administration by 2017 by capacitating existing and new staff and by the selection and appointment of competent staff
Programme Objective Outcome	Capacitated, motivated and effective staff
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Review the organisational structure and ensure alignment to IDP and organisational needs</li> <li>• Conduct skills needs audits and align it to the WSP</li> <li>• Ensure filling of all critical positions</li> <li>• Conduct an employee satisfaction survey</li> <li>• Follow up on survey to improve relations</li> <li>• Implement employee assistance programme (EAP)</li> <li>• Develop employee retention strategy</li> <li>• Review and update the Employment Equity Plan</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• To review the organisational structure and ensure alignment to IDP and organisational needs</li> <li>• Maintain short term strategies</li> </ul>

	<ul style="list-style-type: none"> <li>• Implementation of employment equity targets</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• To review the organisational structure and ensure alignment to IDP and organisational needs</li> </ul>

### Programme 6: Performance Management

Programme/Function	Performance Management
Programme Objective (SMART)	Performance management is a systematic approach to management, which equips leaders, managers, workers and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the municipality in terms of indicators, to determine its efficiency, effectiveness and impact; thereby ensuring improved cost effective service delivery to the community
Programme Objective Outcome	Monitoring and evaluation of the organisation's implementation of its strategic objectives, programmes and projects in line with the approved IDP through the SDBIP framework
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Compliance to all relevant legislation and the Municipal PMS Framework</li> <li>• Reviewal of PMS framework and procedure manual</li> <li>• Capacitation of all staff members in terms of PMS</li> <li>• Cascading of individual performance management to lower levels</li> <li>• Convene PMS stakeholder feedback sharing</li> <li>• Implementation of the automated performance management system</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Cascading of individual performance management to all staff members</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Effective and efficient performance management system</li> <li>• Effective and efficient performance management system for the benefit of optimizing organisational performance and improved service delivery</li> </ul>

Critical projects/initiatives to achieve this programme are:

- Implement and cascade performance management system
- Implementation of an automated Performance Management System

### Programme 5: ICT

Programme/Function	ICT
Programme Objective (SMART)	Integration of computer and network hardware and software which enable users to access, store, transmit, and manipulate

	information.
Programme Objective Outcome	Implementation of effective ICT systems and availability of secured information and data by 2017.
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Implementation of ICT master systems plan</li> <li>• Securing of adequate funding to support ICT projects</li> <li>• Maintain software and hardware to keep abreast with developing technology</li> <li>• Implementation of disaster recovery plan</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Securing of adequate funding to support ICT projects</li> <li>• Maintain software and hardware to keep abreast with developing technology</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Securing of adequate funding to support ICT projects</li> <li>• Maintain software and hardware to keep abreast with developing technology</li> </ul>

### Programme 8: Workplace Health, Safety & EAP

Programme/Function	Workplace Health and Safety & EAP
Programme Objective (SMART)	Occupational health is concerned with the health and safety of employees at work. The aim of the programme is to promote a healthy, safe and legislative compliant work environment, and a healthy, active and productive worker
Programme Objective Outcome	To improve the health and safety of the employees in compliance with SHE Act
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Appointment of qualified safety officer</li> <li>• Establish status quo i.t.o municipality's health and safety plan</li> <li>• Development of health and safety policy</li> <li>• Appointment of all legislative posts</li> <li>• Provision for training of above posts</li> <li>• Promote health and safety in the workplace</li> <li>• Provide qualified counselling with respect to the Employment Assistance Programme</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Ensure health and safety programme is sustained</li> <li>• Provide qualified counselling with respect to the Employment Assistance Programme</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Ensure health and safety programme is sustained</li> <li>• Provide qualified counselling with respect to the Employment Assistance Programme</li> </ul>

### Programme 9: Labour Relations

Programme/Function	Labour Relations
Programme Objective (SMART)	To ensure fair labour practices that comply with the Labour

	Relations Act at all times
Programme Objective Outcome	To ensure fair labour practices that comply with the Labour Relations Act are systematically applied at all times
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• To conduct training workshops on internal labour policies</li> <li>• Follow up on quarterly LLF meetings</li> <li>• Ensure implementation of approved labour relation policies and procedures</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Maintain sound and effective labour practices and stability</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Review and monitoring of the labour policies and acts</li> </ul>

### 5.2.3. KPA 3: LOCAL ECONOMIC DEVELOPMENT

Strategic Goal: Growing Inclusive Economy

The National Development Plan aims for an economy that will create more jobs by:

- Realising an environment for sustainable employment and inclusive economic growth
- Promoting employment in labour-absorbing industries
- Raising exports and competitiveness
- Strengthening government's capacity to give leadership to economic development
- Mobilising all sectors of society around a national vision

It further aims to achieve the following targets by 2030:

- Unemployment rate should fall to 14% by 2020 and 6% by 2030 –requiring an additional 11 million jobs
- Proportion of adults working should increase from 41% to 61%
- Proportion of adults in rural areas working should rise from 29% to 40%
- Labour force participation should rise from 54% to 65%
- Gross Domestic Product (GDP) should increase by 2.7 times in real terms
- Proportion of national income earned by the bottom 40% should rise from about 6% to 10% in 2030
- Broad ownership of assets by historically disadvantaged groups to increase
- Public Employment programmes should reach 1 million by 2015 and 2 million by 2030

The NDP further aims to have an inclusive and integrated rural economy. It is envisaged that by 2030, South Africa's rural communities should have greater opportunities to participate fully in the economic, social and political life of the country. A million jobs to be created through agricultural development based on effective land reform and the growth of irrigated agriculture and land production. The focus is also on basic services that enable people to develop the capabilities they need to take advantage of economic opportunities throughout the country and so contribute to the development of their communities through remittances and the transfer of skills. Food security and the empowerment of farm workers is also a priority. Industries, tourism and small enterprises should be developed where potential exists.

National Outcome 4 and 7 relate to decent employment through inclusive economic growth and vibrant, equitable and sustainable rural communities with food security for all. The outputs of these two outcomes refer to the implementation of community work programmes.

Elias Motsoaledi Local Municipality strives towards contributing to the priorities set out in the NDP and National Outcomes through the implementation of the goal: Inclusive growing economy.

This goal responds to the institutional priority issue that relates to economic growth.

Elias Motsoaledi Local Municipality seeks to compile programmes and formulate policies and by-laws that encourage entrepreneurship and thereby monitor and evaluate performance of the local economy and investment trends. Project

specifications need to be developed that they will incorporate labour intensive methods and identify opportunity areas and expose SMMEs to incubation projects which will stimulate development and thereby enhance job creation. Through the aforementioned initiatives the municipality strives to positively reduce the unemployment rate.

Existing policies should be reviewed or new policies developed to become more enabling and focussed on establishment of partnerships and networks that will enhance and expand the SMME value chain.

The outcome to be achieved through this goal is improved economic conditions for the community. This means that the municipality intends to facilitate processes for the creation of a prosperous and poverty free community.

The following projects / initiatives will assist successful implementation of this goal:

- Cooperatives and enterprise support initiatives
- Implementation of LED strategy
- Training of SMMEs
- Support to Agri-park initiatives

The following programmes are linked to the above strategic goal:

- Economic Growth and Development
- Extended Public Works Programme (EPWP)

The following strategies per programme were developed for KPA 3 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

### **Programme 10: Economic Growth and Development**

Programme/Function	Economic growth and development
Programme/Strategic Objective (SMART)	To facilitate economic growth and sustainable job creation
Programme Objective Outcome	Reduce the level of unemployment
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Create conducive condition for economic growth and job creation</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Investment attraction and retention</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Sustainable economic development and job security</li> </ul>

### **Programme 11: Extended Public Works Programme (EPWP)**

Programme/Function	Extended Public Works Programme (EPWP)
Programme Objective (SMART)	The establishment and promotion of opportunities that create job opportunities through the mechanism of EPWP,

	both in Capital labour intensive projects and LED initiatives
Programme Objective Outcome	To create job opportunities
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Ensure that the procurement process recognizes the role of awarding tenders to contractors who employ or sub contract work to emerging SMME's</li> <li>• Establish labour intensive projects such as cleaning, waste re-cycling etc.</li> <li>• Partner through the Corporate Social Investment (CSI) and Social Labour Plan (SLP) programmes to leverage FTE work opportunities</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Continue with above</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Continue with above</li> </ul>

## 5.2.4 KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

### Strategic Goal: Accessible and Sustainable Infrastructure and Basic Services

The NDP states that to grow faster and in a more inclusive manner, the country needs a higher level of capital spending in general and public investment in particular. The focus is on financing, planning and maintenance of infrastructure. The priorities that are relevant to Elias Motsoaledi listed in the NDP are amongst others the following:

- The upgrading of informal settlements
- Public transport infrastructure and systems supported by facilities upgrades to enhance links with road-based services
- The construction of a new coal line to unlock coal deposits in the Waterberg, extension of existing coal lines in the central basin, through private partnership
- The timely development of a number of key new water schemes to supply urban and industrial centres, new irrigation systems
- The establishment of a national water conservation programme with clear targets to improve water use and efficiency
- Accelerated investment in demand-side savings, including technologies such as solar water heating

The NDP targets are:

- All people have access to clean potable water and there is enough water for agriculture, industry
- Reduce water demand in urban areas to 15% below the business-as-usual scenario by 2030
- Proportion of people with access to electricity grid should rise to at least 90% by 2030
- Additional electricity required and at least 20 000 MW of the required capacity should come from renewable sources

National Outcome 6 is: An efficient, competitive and responsive economic infrastructure network with the following outputs:

Output 1: Improving Competition and regulation

Output 2: Ensure reliable generation, distribution and transmission of electricity

Output 3: To ensure the maintenance and strategic expansion of our road and rail network, and the operational efficiency, capacity and competitiveness of our sea ports

Output 4: Maintenance and supply availability of our bulk water infrastructure

Output 5: Communication and information technology

Output 6: Develop a set of operational indicators for each segment

Outcome 9 is: A responsive, accountable, effective and efficient local government system and output 2 refers to:

- Improving access to basic services
- Meet the basic needs of the population

In response to the abovementioned priorities and strategies, the municipality intends to respond, as far as their powers and functions are concerned, as follows with regard to its goal of accessible and sustainable infrastructure and basic services:

To achieve this goal it is important to focus on the following:

- Maintenance and upgrading of infrastructure
- Infrastructure development
- Quality services in all municipal areas

Significant backlogs exist in terms of basic service delivery, the municipality needs to refurbish its existing ageing infrastructure. It is therefore critical for the municipality to consider the development of infrastructure as well funding options to support the serious investments that is required to refurbish and maintain these assets.

To address the challenge of ageing infrastructure it is of critical importance that the municipality should implement its Infrastructure Master Plan. The plan should assist the municipality to indicate the current state of infrastructure, assist with integrated planning to ensure planning for provision and refurbishment of infrastructure.

The outcome to be achieved through this goal is satisfied community members. This means the provision of quantitative, good quality, sustainable and affordable infrastructure and services to all community members. (Quality will be prescribed by the specific specifications pertaining to that stage of the project)

Key projects / initiatives to achieve this goal are:

- Development of SHEQ Management (Corporate to champion)
- Develop Infrastructure Master Plan (Roads, Electricity, Water and Sanitation)
- Develop Infrastructure Maintenance Master Plan
- Develop Quality Management System (ISO 9000)
- Develop Fleet Management Plan

The following programmes are linked to the above strategic goal:

- Water and Sanitation
- Facilities Maintenance
- Electrification
- Roads and Storm Water
- Project Management
- Fleet Management

The following strategies per programme were developed for this Strategic Objective within KPA 4 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

### **Programme 13:Water and Sanitation**

Programme/Function	Water and Sanitation
Programme Objective (SMART)	Although not a core function the municipality will provide sustainable uninterrupted supply of quality potable water at the projected minimum service level standard to be defined
Programme Objective Outcome	Eradication of Water and Sanitation backlogs
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Develop a Water Master Plan</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Application to become a Water Authority</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Application to become Water Authority. Implement</li> </ul>

	projects from water master plan in annual SDBIP
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A key project for the achievement of the above programme is the development of a Water and Sanitation Master Plan.

### Programme 17:Facilities Management

Programme/Function	Facilities Maintenance
Programme Objective (SMART)	To provide accessible municipal service facilities
Programme Objective Outcome	Well maintained structural facilities
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>Conduct status quo analysis of existing facilities</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>Secure adequate funding to support maintenance and refurbishment programmes</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>Maintain facilities at desired levels</li> </ul>

### Programme 12: Electrification

Programme/Function	Electrification
Programme Objective (SMART)	To provide all communities with access to sustainable and reliable electricity supply or alternative economic measures for domestic households use e.g. solar panels
Programme Objective Outcome	Eradication of Electricity backlogs
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>Develop Electricity Master Plan</li> <li>Explore alternative energy uses</li> <li>Implementation of high mast lights based on community needs</li> <li>Address issue of illegal connections</li> <li>Introduction of SMART metering systems</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>Implement initiatives identified in master plan</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>Eradicate backlog and ensure provision of electricity to all households by 2025</li> </ul>

### Programme 14:Roads and Storm Water

Programme/Function	Roads and Storm water
Programme Objective (SMART)	Construct and maintain roads and storm water systems including the sealing of roads that meet the minimum levels of service standards with respect to the establishment and provision of an effective transport infrastructure
Programme Objective Outcome	<ul style="list-style-type: none"> <li>Ensure that all roads are accessible to stimulate economic activities and provide safe transport infrastructure routes</li> <li>Ensure 100% spending of MIG funds</li> </ul>
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>Develop Roads / Storm water Master Plan</li> <li>Maintenance of existing road infrastructure</li> <li>Construction of new roads as prioritised by economic</li> </ul>

	needs
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Maintenance of existing road infrastructure</li> <li>• Construction of new roads as prioritised by economic needs</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Maintenance of existing road infrastructure</li> <li>• Construction of new roads as prioritised by economic needs</li> </ul>

### Programme 16:Project Management

Programme/Function	Project Management
Programme Objective (SMART)	Discipline of planning, organizing and managing resources to bring about the successful completion of specified projects to achieve goals and objectives
Programme Objective Outcome	Effective implementation of all Capital projects within the parameters of budget, time and specification
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Training on MS Project and relevant programmes (Auto Cad)</li> <li>• Employment of additional qualified and competent staff</li> <li>• Address challenges of project prioritization taking cognizance that all projects must be cash backed</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Implementation of GIS</li> <li>• Implementation of project management system, e.g. Prince 2</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Continuation of above</li> </ul>

### Programme 18:Fleet Management

Programme/Function	Fleet Management
Programme Objective (SMART)	To ensure that processes and control are effectively managed
Programme Objective Outcome	Optimum availability of municipal vehicles
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Develop Fleet Management Plan</li> <li>• Employment of additional staff</li> <li>• Secure adequate funding for replacement of ageing fleet</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Implementation of Fleet Management Plan</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Implementation of Fleet Management Plan</li> </ul>

## 5.2.4 KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

## Strategic Goal: Protected and Safe Environment

The National Development Plan, under its priority to transition to a low-carbon economy, it promotes that there is a need to move away from the unsustainable use of natural resources. It warns that changes in energy generation, water conservation and the uses of both are likely to be challenging and potentially disruptive for society and that competent institutions, innovative economic instruments, clear and consistent policies and an educated and understanding electorate will be required. Key proposals to support the transition to low-carbon economy include:

- Support for a carbon budgeting approach, linking social and economic considerations to carbon reduction targets
- Introducing an economy-wide price for carbon complemented by a range of programmes and incentives to raise energy efficiency and manage waste better
- A target of 5 million solar water heaters by 2030
- Building standards that promote energy efficiency
- Simplifying the regulatory regime to encourage renewable energy, regional hydroelectric initiatives and independent power producers
- Set of indicators for natural resources accompanied by publication of annual reports on health of identified resources to inform policy
- Target for the amount of land and ocean under protection
- Achieve the peak, plateau and decline trajectory for greenhouse gas emission with the peak being reached about 2025
- By 2030 an economy-wide carbon price should be entrenched
- Zero emission building standards by 2030
- Absolute reduction in total volume of waste disposed to landfill each year
- At least 20 000MW of renewable energy should be contracted by 2030
- Improved disaster preparedness for extreme climate events
- Increased investment in new agricultural technologies, research and the development of adaption strategies to protect rural livelihoods and expansion of commercial agriculture

National Outcome 10 promotes environmental assets and natural resources that are well protected and continually enhanced and the output of sustainable environmental management. This is to be achieved through solid waste management to ensure waste minimization, improved collection and disposal and recycling by ensuring that the percentage of households with basic waste collection and disposal facilities.

This goal responds to the institutional priority issue that relates to environmental management

The municipality needs to be creative on how it can increase community awareness and participation in environmental management activities and initiatives if we consider that the municipality is rich in agriculture and has a wealth of culture and ecotourism focus points that should be protected to ensure future sustainability. A further critical aspect that needs to be addressed and/or avoided is unplanned development and informal settlements that put a strain on the sensitive environment in terms of deforestation, erosion, fires, air-, water- and ground pollution.

This advent therefore necessitates the need to identify and protect the environment. The municipality needs to develop an environmental management plan which ought to give rise to intensifying recycling initiatives. Lastly environmental by-laws with appropriate punitive mechanism and action plan need to be developed, promulgated and enforced to strengthen compliance thereof.

The outcome to be achieved through this goal is protected environment and ensuring compliance for sustainable eco-tourism and agro-economy. This means eradicating informal settlements, monitoring and managing environment

The following programme is linked to this strategic goal:

- Environmental Management

The following strategies per programme were developed for this Strategic Objective within KPA 4 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

### Programme 19: Environmental Management

Programme/Function	Environmental Management
Programme Objective (SMART)	To ensure communities are contributing toward Climate Change and reduction of Carbon footprint
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Develop Environmental Master Plan</li> <li>• Monitor implementation waste management programme</li> <li>• Enforcement of relevant by-laws</li> <li>• Implementation of strict pollution control</li> <li>• Monitoring of water quality, air quality management, noise management</li> <li>• Awareness campaigns on environmental issues</li> <li>• Hosting of events on environmental calendar</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Monitor implementation waste management programme</li> <li>• Enforcement of relevant by-laws</li> <li>• Implementation of strict pollution control</li> <li>• Monitoring of water quality, air quality management, noise management</li> <li>• Awareness campaigns on environmental issues</li> <li>• Hosting of events on environmental calendar</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Monitor implementation waste management programme</li> <li>• Enforcement of relevant by-laws</li> <li>• Implementation of strict pollution control</li> <li>• Monitoring of water quality, air quality management, noise management</li> <li>• Awareness campaigns on environmental issues</li> <li>• Hosting of events on environmental calendar</li> </ul>

Key projects for achieving this programmes are the following:

- Environmental Awareness Campaigns
- Greening Initiatives

## 5.2.4 KPA 4: BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

### Strategic Goal: Improved Social Well-Being

Improvement of social well-being entails a whole spectrum of services – health, education, libraries, safety and security, including community and road safety. The NDP states that when people feel unsafe it makes it harder for them to develop their capabilities, pursue their personal goals and to take part in social and economic activities. South Africans need to feel safe everywhere and have confidence in the criminal justice system to protect them and to act speedily and effectively when required to do so. By 2030 people should feel safe and have no fear of crime. They should feel safe at home, at school and at work, and they must enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside. The police service is a well-resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence, and respect the rights of all to equality and justice.

On the priority of health care for all, the NDP targets the following:

- Increase average male and female life expectancy at birth to 70 years
- Progressively improve TB prevention and cure
- Reduce maternal, infant and child mortality
- Significantly reduce prevalence of non-communicable chronic diseases
- Reduce injury, accidents and violence by 50 percent from 2010 levels
- Deploy primary healthcare teams provide care to families and communities
- Everyone must have access to an equal standard of care, regardless of their income
- Fill posts with skilled, committed and competent individuals

In improving education, training and innovation, the NDP targets the following:

- All children should have at least two years pre-school education
- About 90% of learners in grades 3, 6 & 9 must achieve 50% or more in the annual national assessments in literacy, maths and science
- Between 80 – 90% of learners should complete 12 years of schooling and or vocational education with at least 80% successfully passing the exit exams
- Eradicate infrastructure backlogs to ensure that all schools meet the minimum standards by 2016
- Expand the college system with a focus on improved quality
- Provide 1 million learning opportunities through Community Education and Training Centres
- Improve the throughput rate to 80% by 2030
- Produce 30 000 artisans per year
- Increase enrolment at universities by at least 70% by 2030
- Increase the number of students eligible to study towards maths- and science-based degrees to 450 000 by 2030
- Increase the percentage of PhD qualified staff in the higher education sector from the current 34% to over 75% by 2030
- Produce more than 100 doctoral graduates per million per year by 2030
- Expand science, technology and innovation outputs by increasing research and development spending by government and through encouraging industry to do so

The Limpopo Provincial strategy focuses on improved health care and advocates the following: In the current MTSF period the aim is to transform the public health system so as to reduce inequalities in the health system, improve quality of care and public facilities, boost human resources and step up the fight against HIV

and AIDS, TB and other communicable diseases as well as lifestyle and other causes of ill health and mortality. The plan includes the phasing in of a National Health Insurance system over the next 5 years and increasing institutional capacities to deliver health system functions and initiate major structural reforms to improve the management of health services at all levels of healthcare delivery, including particularly hospitals.

With regards to access to quality education, the Provincial Strategy states that: Education has enjoyed the largest share of the national budget throughout the past 15 years. This significant investment in building human capital and capabilities has gradually improved the country's human resource and skills base. However, progress has not been optimal and the achievements have not taken place at the required scale. The objective is to focus on skills and education system towards the delivery of quality outcomes. The focus will be on, amongst others, learner outcomes, early childhood development (ECD), improving schools management and M&E systems and supporting and developing a high quality teaching profession.

Although education is not a function of local government, the municipality does contribute to improving quality of education through the provision of library services and programmes that provide access to research through the internet, reading material and the implementation of programmes that encourage reading and education.

The provision of primary health care is not a municipal competency, but the municipality should support health care facilities with municipal services such as water, sanitation and refuse removal and support awareness programmes in the promotion of healthy living. Provision of safe water and sanitation as well as refuse removal to all communities, also contributes to healthy living conditions of community members.

Another facet of improved social well-being is the protection and upliftment of disadvantaged groups. Social protection is the NDP priority that is being addressed through this goal. The NDP mandates the following objectives:

- Reforming the public service
- Ensure progressively and through multiple avenues that no one lives below a defined minimum social floor.
- All children should enjoy services and benefits aimed at facilitating access to nutrition, health care, education, social care and safety.
- Address problems such as hunger, malnutrition and micronutrient deficiencies that affect physical growth and cognitive development, especially among children.
- Address the skills deficit in the social welfare sector.
- Provide income-support to the unemployed through various active labour market initiatives such as public works programmes, training and skills development, and other labour market related incentives.
- Provide income support to the unemployed through various active labour-market initiatives such as public works programmes, training and skills development, and other labour-market related incentives.
- All working individuals should make adequate provision for retirement through mandated savings. The state should provide measures to make pensions safe and sustainable.
- Social protection systems must respond to the growth of temporary and part-time contracts, and the increasing importance of self-employment and establish mechanisms to cover the risks associated with such.
- Create an effective social welfare system that delivers better results for vulnerable groups, with the state playing a larger role compared to now. Civil society should complement government initiatives

The NDP also advocates nation building and social cohesion and makes the following commitment: Our vision is a society where opportunity is not determined by race or birth right; where citizens accept that they have

both rights and responsibilities. Most critically, we seek a united, prosperous, non-racial, non-sexist and democratic South Africa.

It also addresses gender matters by prioritising the promotion of gender equality and to empower women and sets the target to eliminate gender disparity in primary and secondary education.

National Outcomes 2 and 8 want to achieve a long and healthy life for all South Africans as well as sustainable human settlements and improved quality of household life. The outputs and sub-outputs that are aimed to be achieved are:

- Increasing life expectancy
- Combating HIV/AIDS and decreasing the burden of disease from Tuberculosis
- Strengthening health system effectiveness
- Improve health and social status of the population
- Meet the needs of specific communities, women, elderly, youth, disabled, pensioners and the marginalised
- Average life expectancy
- Provide life skills education to youth and increase the implementation of youth friendly services
- Decrease number of reported TB cases
- Revitalise primary health care
- Youth development; Services to the disabled; Gender mainstreaming; MCHW&N (DoH&SD)

The municipality can contribute in a great way to the overall improved social well-being by managing Thusong Centers, where all community members, regardless of gender, age or disadvantaged, can access crucial services in one place e.g. social, educational and recreational services.

The outcome to be achieved through this goal is safe, healthy empowered communities. This means ensuring safety of the community, promoting education, health and wellness.

The following programmes are linked to this strategic goal:

- Sports and Recreation
- Health Services
- Cemeteries
- Arts and Culture
- Education / Libraries
- Safety and Security
- Driver’s License and Testing Centre
- Waste Management
- Mayoral Programmes
- Transversal Programmes
- Disaster Management

The following strategies per programme were developed for this Strategic Objective within KPA 4 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

**Programme 20:Sports and Recreation**

Programme/Function	Sports and Recreation
Programme Objective (SMART)	Reduce social ills such as crime, drug abuse social disorder, teenage pregnancy as well as HIV/AIDS through the use of

	sports and recreation activities and the provision of adequate and accessible recreational facilities by 2018
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Establish status quo on existing facilities</li> <li>• Establishing community needs with regard to sporting and recreational facilities in conjunction with ward committees</li> <li>• Develop business plan to identify funding sources and prioritise implementation</li> <li>• Utilisation of 15% of MIG funding to support above</li> <li>• Dialogue with local and sector sporting federations, etc. to garner support and funding</li> <li>• Leverage existing forum platforms to assist in matters of HIV/Aids, teenage pregnancies and drug abuse</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Develop business plan to identify funding sources and prioritise implementation</li> <li>• Utilisation of 15% of MIG funding to support above</li> <li>• Dialogue with local and sector sporting federations, etc. to garner support and funding</li> <li>• Implementation of business plan</li> <li>• Maintenance and upgrading of new and existing facilities</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Implementation of business plan</li> <li>• Maintenance and upgrading of new and existing facilities</li> </ul>

### Programme 21:Health Services

Programme/Function	Health Services
Programme Objective (SMART)	Coordinate the provision of Health services as facilitated through the Provincial and District offices.
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Maintain dialogue and report back to District municipality and appropriate sector departments</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Maintain dialogue and report back to District municipality and appropriate sector departments</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Maintain dialogue and report back to District municipality and appropriate sector departments</li> </ul>

### Programme 22: Cemeteries

Programme/Function	Cemeteries
Programme Objective (SMART)	The establishment and maintenance of cemeteries in accordance with applicable by-laws and legislation
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Conduct cemetery audit to establish status quo</li> <li>• Develop Cemetery Master plan</li> <li>• Procure automated cemetery record management system</li> <li>• Develop cemetery maintenance plan</li> </ul>

	<ul style="list-style-type: none"> <li>• Identification of suitable land for cemeteries</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Develop land suitable for new cemeteries</li> <li>• Implementation of the Cemetery Master plan</li> <li>• Maintain cemeteries</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Implementation of the Cemetery Master plan</li> <li>• Maintain cemeteries</li> <li>• Construction of a crematorium</li> </ul>

### Programme 23: Arts and Culture

Programme/Function	Arts and Culture
Programme Objective (SMART)	Maintain and promote arts and cultural heritage for the benefit of future generations
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Support /promote Arum Lilly festival and King Nyabela Commemoration</li> <li>• Commemorate Heritage Day celebration</li> <li>• Promoting craft market</li> <li>• Engage with Provincial Sports, Arts and Culture Department</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Support cultural Villages</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Facilitate declaration of heritage site</li> <li>• Develop heritage site as a tourism attraction</li> </ul>

### Programme 26: Education / Libraries

Programme/Function	Libraries
Programme Objective (SMART)	<p>Facilitate promotion of education upliftment within communities</p> <p>To provide ancillary educational support through the provision of library services to create a learning environment for all sectors of the community</p>
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Conduct status quo on existing library facilities</li> <li>• Develop business plan on needs</li> <li>• Dialogue with Provincial Department Sports, Arts and Culture</li> <li>• Investigate alternative funding sources</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Circulation and update information</li> <li>• Provide mobile Library</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Facilitate the Construction of new Libraries</li> </ul>

## Programme 27: Safety and Security

Programme/Function	Safety and Security
Programme Objective (SMART)	Facilitate safe and secure neighbourhoods and ensure that all legislated road ordinance and local by-laws are enforced to provide a safe environment for all road users and minimise traffic violations and road accidents traffic law enforcement
Programme Objective Outcome	Safe and secure neighbourhoods
Short Term Strategies (1-2 Yrs.)	Enforcement of all local by-laws Skills and infrastructure development Filling of critical budgeted vacant posts Implement Law enforcement projects to improve the safety and security of the public in general
Medium Term Strategies (3-4 Yrs.)	Enforcement of all local by-laws Implement Law enforcement projects to improve the safety and security of the public in general.
Long term Strategies (5 Yrs. +)	Enforcement of all local by-laws Established Control room monitoring the whole CBD via cameras

Key projects/initiatives to achieve this programme are as follows:

- Speed cameras
- Digital eye witness cameras
- Centralised control room
- Speed calming measures
- Arrive alive campaigns
- Training

## Programme 28:DLTC

Programme/Function	Driving Licence and Testing Centre (DLTC)
Programme Objective (SMART)	The provision of a level of service to ensure that all applicants for both driver and learner licences' s are declared competent and proficient as per legislative requirements

	To ensure that an uninterrupted and corrupt free services is maintained
Programme Objective Outcome	Competent and safety conscious drivers
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Capacitate and train officials</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Training of officials</li> <li>• Development of DLTC</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• All in one DLTC</li> </ul>

### Programme 29:Disaster Management

Programme/Function	Disaster Management
Programme Objective (SMART)	To focus on ways and means to prevent and/or mitigate the risks and/or results of disasters and to maximise preparedness for potential emergencies and disasters, thus optimising the safe guarding of life and property
Programme Objective Outcome	Mitigate the risks and/or results of disasters
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Capacity building and filling of vacant posts</li> <li>• Develop a Disaster Management Plan</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Capacity building of communities</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Risk reduction &amp; Disaster Management Control Centre</li> </ul>

Key aspects to be taken into account to achieve success with this programme are the following:

- Awareness campaigns
- Training
- Filling of vacant positions
- Risk reduction
- Response and mitigation to disasters
- Development of Disaster Management Centre

### Programme 15:Waste Management

Programme/Function	Waste Management
Programme Objective (SMART)	To provide all communities with an effective waste collection and disposal management system that is environmentally compliant and raises public awareness about minimising waste generation and effective waste recycling.
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Review of Integrated Waste Management Plan</li> <li>• Audit waste collection methods and Development of Recycling Strategy</li> <li>• Develop a composting strategy to divert garden waste to landfill</li> <li>• Minimise illegal dumping</li> <li>• Maintain existing facilities</li> <li>• Promote establishing of waste recycling hubs (EPWP)</li> </ul>

	<ul style="list-style-type: none"> <li>• Establishment and formalization of landfill site.</li> <li>• Establish waste disposal facilities (Transfer stations)</li> <li>• Establish mechanisms for promoting separation at source</li> <li>• Awareness campaigns</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Minimise illegal dumping</li> <li>• Maintain existing facilities</li> <li>• Promote establishing of waste recycling hubs (EPWP)</li> <li>• Establishment and formalization of landfill site.</li> <li>• Establish waste disposal facilities (Transfer stations)</li> <li>• Establish mechanisms for promoting separation at source</li> <li>• Awareness campaigns</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Minimise illegal dumping</li> <li>• Maintain existing facilities</li> <li>• Promote establishing of waste recycling hubs (EPWP)</li> <li>• Establishment and formalization of landfill site.</li> <li>• Establish waste disposal facilities (Transfer stations)</li> <li>• Establish mechanisms for promoting separation at source</li> <li>• Awareness campaigns</li> </ul>

#### Programme 24: Mayoral Programmes

Programme/Function	Education (Mayoral Programmes)
Programme/Strategic Objective (SMART)	The implementation of projects / initiatives focused on community involvement and participation
Programme Objective Outcome	<ul style="list-style-type: none"> <li>• To create an environment of community well being</li> </ul>
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Schedule bi-annual forums for the Mayor to address the community on progress</li> <li>• Select appropriate projects / initiatives to leverage optimum impact on community satisfaction needs</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• As above</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• As above</li> </ul>

#### Programme 25: Transversal Programmes

Programme/Function	Transversal Programmes
Programme Objective (SMART)	To comply with the National Outcomes 2 and 8 to achieve a long and healthy life for all South Africans as well as sustainable human settlements and improved quality of household life.
Programme Objective Outcome	To Improve the quality of life through addressing the needs of specific communities, women, elderly, youth, disabled, pensioners and the marginalised
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Combating HIV/AIDS and decreasing the burden of disease from Tuberculosis through educational and promotional initiatives</li> </ul>

	<ul style="list-style-type: none"> <li>• Provide life skills and health education programmes to the youth</li> <li>• Provision of awareness campaigns conducted with respect to Children's Rights</li> <li>• Host frequent moral regeneration meetings</li> <li>• Solicit a more equitable allocation from the municipal budget to fund programmes and initiatives</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• As above</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• As above</li> </ul>

## 5.2.5. KPA 5: MUNICIPAL FINANCIAL VIABILITY and MANAGEMENT

### Strategic Goal: Enhance Revenue and Financial Management

This goal relates directly to the National Outcome 9 which is: A responsive, accountable, effective and efficient local government system. Under this outcome, outputs 1 and 6: Administrative and financial capability as well as Implement a differentiated approach to municipal financing, planning and support relate directly to the goal under discussion. The following sub-outputs are advocated:

- The average monthly collection rate on billings to rise to 90%
- The percentage of municipalities with debtors more than 50% of own revenue to be reduced from 24% to 12%
- The percentage of municipalities that are overspending on opex to improve from 8% to 4%
- The percentage of municipalities under-spending on capex to be reduced from 63% to 30%  
The percentage of municipalities spending less than 5% of opex on repairs and maintenance to be reduced from 92% to 45%
- Improve national and provincial policy, support and oversight to local government
- The percentage of municipalities that are overspending on OPEX to improve from 8% to 4%
- The percentage of municipalities spending less than 5% of opex on repairs and maintenance to be reduced from 92% to 45%
- The percentage of municipalities' under-spending on capex to be reduced from 63% to 30%

As indicated previously, the NDP states that to grow faster and in a more inclusive manner, the country needs a higher level of capital spending in general and public investment in particular.

This goal responds to the institutional priority issue that relates to revenue enhancement.

The municipality needs to increase revenue generation to ensure sufficient funds are available to invest into projects for the communities. The municipality must be able to pay commitments and have sufficient reserves and investments. The intention is for the municipality to become less grant dependent and be in a financial position to fund infrastructure projects from own funds.

The outcome to be achieved through this goal is Increased generation of own revenue and sufficient reserves for investment into communities and reduced grant dependency

The following key strategic projects/initiatives have been identified that will assist the municipality to achieve this goal:

- Consumer data cleansing
- Optimisation of DLTC
- SMART metering
- Community based waste management

- Revenue enhancement strategy

The following programmes are linked to this strategic goal:

- Legislative Compliance
- Financial Management
- Revenue
- Expenditure
- Supply Chain Management
- Indigents

The following strategies per programme were developed for this Strategic Objective within KPA 5 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

### Programme 30:Legislative Compliance

Programme/Function	Legislative compliance
Programme Objective (SMART)	Compliance to MFMA, other relevant legislation, internal policy and procedural requirements within prescribed timelines Programme Objective Outcome
Programme Objective Outcome	Legislative compliance within defined time frames
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Retain qualified and competent staff</li> <li>• Regularly review legislative amendments and update polices / procedures accordingly</li> <li>• Maintain processes and procedures currently in operation</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Retain qualified and competent staff</li> <li>• Regularly review legislative amendments and update polices / procedures accordingly</li> <li>• Maintain processes and procedures currently in operation</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Retain qualified and competent staff</li> <li>• Regularly review legislative amendments and update polices / procedures accordingly</li> <li>• Maintain processes and procedures currently in operation</li> </ul>

### Programme 31:Financial Management

Programme/Function	Financial Management
Programme Objective (SMART)	To implement sound Financial management practices
Programme Objective Outcome	Obtain a Clean Audit opinion from the office of the AG
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Resolve all financial issues raised in internal and external audit action plans.</li> <li>• Attainment of Unqualified Audit opinion.</li> <li>• Preparation of AFS internally.</li> <li>• Rotation of suppliers in supplier database</li> <li>• Retention of qualified competent staff</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Resolve all financial issues raised in internal and</li> </ul>

	external audit action plans. <ul style="list-style-type: none"> <li>• Attainment of Clean Audit opinion.</li> <li>• Retention of qualified competent staff</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Resolve all financial issues raised in internal and external audit action plans.</li> <li>• Maintain Clean Audit opinion.</li> <li>• Retention of qualified competent staff</li> </ul>

### Programme 32:Revenue

Programme/Function	Revenue
Programme Objective (SMART)	To increase revenue generated from own sources to 50% by 2020
Programme Objective Outcome	To reduce Grant dependency
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Develop revenue enhancement strategy</li> <li>• To implement data cleansing processes to ensure revenue database is accurate</li> <li>• To increase the revenue base by identifying areas that municipality is not billing for services</li> <li>• Enforce debt control policies and procedures</li> <li>• Conduct awareness campaigns to instil a culture of payment within the municipality</li> <li>• Review tariff structures to be cost effective</li> <li>• Review by-laws pertaining to revenue collection</li> <li>• Introduction of SMART metering systems</li> <li>• Reduction of illegal connections</li> <li>• Introduction of prepaid electricity vending machines linked to debtor's book.</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• To increase the revenue base by identifying areas that municipality is not billing for services</li> <li>• Review of tariff structures to be cost effective</li> <li>• Review by-laws pertaining to revenue collection</li> <li>• Partner with Eskom database to collect outstanding debt</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Extension of municipal electricity licensed areas.</li> <li>• Apply to obtain the water services authority status.</li> </ul>

Key projects / initiatives for the successful implementation of this programme are:

- Consumer data cleansing
- Prepaid electricity vending machines and SMART Metering

### Programme 33:Expenditure

Programme/Function	Expenditure
Programme Objective (SMART)	The effective management of operational and capital

	spending patterns in line with budget mandates and projected cash flow requirements
Programme Objective Outcome	Financial Liquidity
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Implementation of proper documents management system.</li> <li>• Provision of data management system.</li> <li>• Compliance to internal financial controls processes by user departments</li> <li>• Education of departments in correct financial procedures</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Compliance to internal financial controls processes by user departments</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Compliance to internal financial controls processes by user departments</li> </ul>

### Programme 35:Supply Chain Management

Programme/Function	Supply Chain Management
Programme Objective (SMART)	To effectively procure goods and services for the organisation in a timely and cost effective manner in full compliance to legislative requirements
Programme Objective Outcome	Effective and efficient procurement of goods and services
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Implementation of documented departmental procurement plan</li> <li>• Compliance with supply chain management acts and regulations</li> <li>• Implementation of proper documents management system.</li> <li>• Provision of adequate filing storage facility.</li> <li>• Improvement of internal controls on payments.</li> <li>• Introduction of the system where prospective supplier database is rotated.</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Implementation of documented departmental procurement plan</li> <li>• Compliance with supply chain management acts and regulations</li> <li>• Introduction of the system where prospective supplier database is rotated.</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Implementation of documented departmental procurement plan</li> <li>• Compliance with supply chain management acts and regulations</li> <li>• Introduction of the system where prospective supplier database is rotated.</li> </ul>

### Programme 35:Indigents

Programme/Function	Indigents
Programme Objective (SMART)	To ensure that all qualifying indigent beneficiaries are registered to obtain free basic services
Programme Objective Outcome	Provision of free basic services
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"><li>• Re-validation of the registered indigents.</li><li>• Conduct awareness campaign on indigent benefits</li></ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"><li>• Re-validation of the registered indigents.</li><li>• Implement a rehabilitation programme to make existing indigents financially self-sustainable</li></ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"><li>• Re-validation of the registered indigents.</li><li>• Implement a rehabilitation programme to make existing indigents financially self-sustainable</li></ul>

Key to the successful implementation of the above programme is:

- Verification of the validity of the indigent register

## 5.2.6. KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### Strategic Goal: Sound Governance

Related to this goal are the following NDP priorities:

- Reforming the public service
- Fighting corruption
- Transforming society and uniting the country

In light of the abovementioned priorities, the NDP states that a plan is only as credible as its delivery mechanism is viable. A capable state is an essential precondition for South Africa's development. A capable state does not materialise by decree, nor can it be legislated or created from conference resolutions. It has to be painstakingly built, brick by brick, institution by institution, and sustained and rejuvenated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems and consistent and fair application of rules.

High corruption levels frustrate society's ability to operate fairly and efficiently and the state's ability to deliver on its development mandate. Political will is essential to combat the scourge of corruption. The fight against corruption has to be fought on three fronts: deterrence, prevention and education. Deterrence helps people understand that they are likely to be caught and punished. Prevention is about systems (information, audit and so on) to make it hard to engage in corrupt acts. The social dimension of corruption can only be tackled by focussing on values, through educations. International experience shows that with political will and sustained application of the right strategies, corruption can be significantly reduced and public trust restored.

National Outcome 12 that deals with an efficient and development oriented public service targets the following outputs:

- Business processes, systems, decision rights and accountability management
- The institutional capacity and effectiveness of municipalities is increased
- Clean, Responsive and Accountable Administration

This goal responds to the institutional priority issue that relates to internal controls. This means improved and effective enforcement of internal controls and systems. Increased engagement with relevant sectoral stakeholders and communities. Empowering communities to become actively involved in public participation processes. Improved turnaround time and adherence to service delivery standards.

The outcome to be achieved through this goal is public confidence through an unqualified audit opinion. This means to be an organisation that practices responsible, accountable, effective and efficient corporate governance.

Programmes linked to this strategic goal are:

- Audit
- Risk Management
- Performance Management
- Good Governance and Oversight
- Legal Services
- Policies
- By-laws
- Customer / Stakeholder Management
- Community Participation

The following strategies per programme were developed for this Strategic Objective within KPA 6 during the Strategic Planning Workshop during the period of the 18th-19th January 2016.

### Programme 43: Audit

Programme/Function	Audit
Programme Objective (SMART)	Internal auditing is a catalyst for improving an organization's governance, risk management and management controls by providing insight and recommendations based on analyses and assessments of data and internal business processes
Programme Objective Outcome	To provide oversight and sound governance within the Institutions administrative and financial processes
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Capacitate internal audit unit</li> <li>• Implement 90% of Internal Audit and Auditor General's recommendations</li> <li>• Effective implementation of risk based audit plan</li> <li>• Annual review of internal audit charter</li> <li>• Coordination of audit committee meetings and other assurance providers</li> <li>• Review effectiveness of PMS</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Obtain unqualified audit opinion</li> <li>• Functional internal audit system</li> <li>• Fully capacitated internal audit unit</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Effective internal controls, risk management and governance</li> </ul>

### Programme 42: Risk Management

Programme/Function	Risk Management
Programme Objective (SMART)	The identification, assessment, and prioritisation of risk; defined in ISO 31000 as the effect of uncertainty on objectives, whether positive or negative, followed by

	coordinated and economical application of resources to minimise, monitor, and control the probability and/or impact of unfortunate events or to maximise the realisation of opportunities
Programme Objective Outcome	To have a risk management system at optimized maturity level by 2019
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Development, implementation and assessment of municipal risk register</li> <li>• Capacitate the risk committee members and all municipal staff</li> <li>• Resolving identified risks</li> <li>• Review effectiveness of risk management processes</li> <li>• Review Risk Management Plan, strategy and policy</li> <li>• Facilitation of departmental risk registers</li> <li>• Appointment of risk champions</li> <li>• Enforcement of policies and procedures</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Maintain and enhance risk management systems</li> <li>• Monitor and optimize risk implementation</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Maintain and enhance risk management systems</li> <li>• Monitor and optimize risk implementation</li> </ul>

#### Programme 40:Legal Services

Programme/Function	Legal Services
Programme Objective (SMART)	To provide legal support to all departments and mitigation of legal risks
Programme Objective Outcome	Compliance to all applicable legislation
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Budget and recruit additional competent staff</li> <li>• Ensure timelines with respect to processing of legal documents are adhered to</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Ensure timelines with respect to processing of legal documents are adhered to from all operational departments</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Review and enforcement of HR legislation.</li> </ul>

#### Programme 41:Polices

Programme/Function	Polices
Programme Objective (SMART)	To give guidance, advice and support on the daily work activities that affect employees and the organisation as a whole
Programme Objective Outcome	Ensure that all existing/new policies are reviewed and updated on an annual basis and approved by Council.
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Ensure that policies exist for all activities in the municipality</li> <li>• Review all existing policies and amend as appropriate</li> <li>• Develop new policies as appropriate</li> </ul>

	<ul style="list-style-type: none"> <li>To provide access to all approved policies to all staff</li> <li>Ensure amended/new policies are communicated to employees</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>Ensure that policies exist for all activities in the municipality</li> <li>Review all existing policies and amend as appropriate</li> <li>Develop new policies as appropriate</li> <li>To provide access to all approved policies to all staff</li> <li>Ensure amended/new policies are communicated to employees</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>Ensure that policies exist for all activities in the municipality</li> <li>Review all existing policies and amend as appropriate</li> <li>Develop new policies as appropriate</li> <li>To provide access to all approved policies to all staff</li> <li>Ensure amended/new policies are communicated to employees</li> </ul>

#### Programme 44:By-Laws

Programme/Function	By-laws
Programme Objective (SMART)	To enforce policies of the municipalities
Programme Objective Outcome	By-law enforcement
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>Review existing by-laws</li> <li>Develop new by-laws as appropriate</li> <li>Enforcement of by-laws</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>Review existing by-laws</li> <li>Develop new by-laws as appropriate</li> <li>Enforcement of by-laws</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>Review existing by-laws</li> <li>Develop new by-laws as appropriate</li> <li>Enforcement of by-laws</li> </ul>

#### Programme 36:Good Governance and Oversight

Programme/Function	Good Governance and Oversight
Programme/Strategic Objective (SMART)	<p>To provide transparency and openness in the daily administration of the Institution for the benefit of all stakeholders</p> <p>To create a culture of accountability and transparency as per the National Development Plan (NDP) priorities of</p> <ul style="list-style-type: none"> <li>Reforming the public service</li> <li>Fighting corruption</li> <li>Transforming society and uniting the country</li> </ul>
Programme Objective Outcome	An accountable and transparent administration
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>Develop sound business processes, policies, systems and</li> </ul>

	<p>accountable management</p> <ul style="list-style-type: none"> <li>• Capacitate all levels of management in sound governance practices</li> <li>• Implement effective risk management and internal audit systems</li> <li>• Obtain an Unqualified Audit Opinion from the Office of the AG</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Develop sound business processes, policies, systems and accountable management</li> <li>• Maintain effective risk management and internal audit systems</li> <li>• Implement effective risk management</li> <li>• Obtain a Clean Audit Opinion from the Office of the AG</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Maintain all Medium Term Strategies</li> </ul>

### Programme 37:Community Participation

Programme/Function	Community Participation
Programme/Strategic Objective (SMART)	The creation of structures to enable communities to effectively participate in the development and economic growth of their respective communities
Programme Objective Outcome	To strengthen participatory governance within the community
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• The establishment of effective Ward Committee's</li> <li>• Capacitate Ward committee members</li> <li>• Implement quarterly Ward operational plans</li> <li>• Ensure that monthly Ward committee meetings are held as scheduled</li> <li>• Ensure Councillor participation at all meetings</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Capacitate Ward committee members</li> <li>• Maintain quarterly Ward operational plans</li> <li>• Ensure that monthly Ward committee meetings are held as scheduled</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• As above</li> </ul>

### Programme 39:Customer/ Stakeholder Relationship Management

Programme/Function	Customer/Stakeholder Relationship Management
Programme/Strategic Objective (SMART)	Create positive relationships with all relevant stakeholders through the appropriate management of their expectations and agreed objectives To strengthen participatory governance within the community
Programme Objective Outcome	Support an organisation's strategic objectives by interpreting and influencing both the external and internal environment
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Establish effective Ward committee structures</li> <li>• Establish appropriate forums and meet not less than once per quarter</li> </ul>

	<ul style="list-style-type: none"> <li>• Train all employees on the principles of Batho Pele</li> <li>• Establish a Customer Relations unit</li> <li>• Ensure effective communication channels using all available mediums</li> <li>• Conduct both employee / customer satisfaction surveys at least every second year</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Maintain the above disciplines</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Maintain the above disciplines</li> </ul>

### Programme 38:IDP Development

Programme/Function	IDP Development
Programme/Strategic Objective (SMART)	The Local Government Municipal Systems Act (MSA) No.32 of 2000 as amended, and other relevant supplementary legislative and policy frameworks require that local government structures prepare Integrated Development Plans (IDPs). In compliance with the relevant legislation
Programme Objective Outcome	To provide the strategic framework that guides the municipality's planning and budgeting over the course of a political term to address the needs of the community within acceptable budget parameters
Short Term Strategies (1-2 Yrs.)	<ul style="list-style-type: none"> <li>• Ensure that all phases of the development of an IDP as legislated are complied with</li> <li>• Ensure alignment of IDP and Budget</li> <li>• Review the IDP annually taking cognizance of budget and internal/ external factors according to approved process plan</li> <li>• Ensure that the strategic mandate (intent) of the IDP is effectively delivered through the mechanism of the SDBIP</li> <li>• Effective communication to the community through Ward committee participation</li> </ul>
Medium Term Strategies (3-4 Yrs.)	<ul style="list-style-type: none"> <li>• Maintain above</li> </ul>
Long term Strategies (5 Yrs. +)	<ul style="list-style-type: none"> <li>• Maintain above</li> </ul>



## 5.2.7 STRATEGIC SCORECARD

To measure the progress in achieving the abovementioned strategic goals, programmes strategies and outcomes, a strategic scorecard was developed.

### DEPARTMENT: DEVELOPMENT PLANNING & LOCAL ECONOMIC DEVELOPMENT

#### KPA 1: SPATIAL DEVELOPMENT ANALYSIS AND RATIONALE

##### Strategic Goal: Integrated Human Settlement

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To provide a systematic integrated spatial / land development policy	Land Use Management	# of Land Audits conducted by the 30 Jun 2017	1.3	Opex	5	N/A	N/A	N/A	1	1	1	1	1

**KPA 3: LOCAL ECONOMIC DEVELOPMENT**

**Strategic Goal: Growing Inclusive Economy**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To facilitate economic growth and sustainable job creation	EPWP	# of EPWP job opportunities provided through EPWP grant by 30 June 2017 (GKPI)	3.3	EPWP	421	N/A	60	N/A	N/A	60	60	60	60

**DEPARTMENT: OFFICE OF THE MUNICIPAL MANAGER**

**KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION**

**Strategic Goal: Capacitated and Effective Human Capital**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
Improved efficiency and effectiveness of the Municipal Administration	Performance Management	% of KPIs and projects attaining organisational targets (total organisation) by 30 June 2017	2.5	Opex	New	100%	100%	100%	100%	100%	100%	100%	100%
		Final SDBIP approved by the Mayor within 28 days after approval of Budget	2.2	Opex	1	N/A	N/A	N/A	1	1	1	1	1

## KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

### Strategic Goal: Sustainable Financial Viability

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To implement sound Financial management practices	Expenditure	% spend of the Total Operational Budget by the 30 June 2017	5.7	Opex	98%	N/A	N/A	N/A	100%	100%	100%	100%	100%
		Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure per quarter	5.8	Opex	36%	<39%	<39%	<39%	<39%	<39%	<35%	<34%	<33%

## KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### Strategic Goal: Sound Governance

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To strengthen participatory governance within the community	Good Governance	Submission of Final audited consolidated Annual Report to Council on or before 31 March 2017	6.1	Opex	1	N/A	N/A	1	N/A	1	1	1	1
		% of Council meetings resolutions resolved within the prescribed timeframe (3 months)	6.2	Opex	New	100%	100%	100%	100%	100%	100%	100%	100%
	IDP Development	Final IDP tabled and approved by Council by the 31 May 2017	6.3	Opex	1	N/A	N/A	1	N/A	1	1	1	1

## KPA 6: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### Strategic Goal: Sound Governance

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To create a culture of accountability and transparency	Audit	Obtain an Unqualified Auditor General opinion for the 2015/16 financial year	6.4	Opex	Qualified Opinion	N/A	1	N/A	N/A	Unqualified Opinion	Cean Audit	Cean Audit	Cean Audit
		% of Auditor General matters resolved as per the approved audit action plan by 30 June 2017 (Total organisation)	6.5	Opex	100%	N/A	N/A	50%	100%	100%	100%	100%	100%
	Risk Management	% execution of identified risk management plan within prescribed timeframes per quarter (Total organisation)	6.6	Opex	100%	N/A	50%	70%	80%	80%	95%	100%	100%

**KPA 3: LOCAL ECONOMIC DEVELOPMENT**

**Strategic Goal: Growing Inclusive Economy**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To facilitate economic growth and sustainable job creation	EPWP	MOU signed between Mayor and the MEC Public Works stipulating the EPWP Targets by 30 September 2016	3.4	Opex	New	1	N/A	N/A	N/A	1	1	1	1

**DEPARTMENT: INFRASTRUCTURE DEVELOPMENT**

**KPA 4 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

**Strategic Goal: Accessible and Sustainable Infrastructure and Basic Services**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source 000's	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
Reduction in the level of Service Delivery backlogs	Electricity	% of households with access to basic levels of electricity by the 30 June 2017 (GKPI)	4.1	INEP 15500	96%	N/A	N/A	N/A	100%	100%	100%	100%	100%
	Roads and Storm Water	Kms of new tarred roads constructed by the 30 June 2017	4.2	MIG 66200	8.3kms	N/A	N/A	N/A	7kms	7kms	7.5kms	7.5kms	7.5kms



**KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

**Strategic Goal: Sustainable Financial Viability**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source 000's	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
Reduction in the level of Service Delivery backlogs	Project Management	% of Capital budget spend in terms of new IDP identified projects (own spend/revenue) by the 30 June 2017 (GKPI)	4.10	Capex 100999	0w	N/A	N/A	N/A	100%	100%	100%	100%	100%
		% spending on MIG funding by the 30 June 2017	4.4	MIG 39314	100%	N/A	N/A	N/A	100%	100%	100%	100%	100%

**DEPARTMENT: CORPORATE SERVICES**

**KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION**

**Strategic Goal: Capacitated and Effective Human Capital**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To attract, develop and retain ethical and best human capital	Organisational Development	% of approved positions processed within three months of post being vacant (task13 and above)	2.1	Opex	100%	100%	100%	100%	100%	100%	100%	100%	100%
		% of employees from previously disadvantaged groups appointed in the three highest levels of management as per the approved EE plan plan by the 30 June 2017 (GKPI)	2.3	Opex	100%	N/A	N/A	N/A	100%	100%	100%	100%	100%

## KPA 2: INSTITUTIONAL DEVELOPMENT AND MUNICIPAL TRANSFORMATION

### Strategic Goal: Capacitated and Effective Human Capital

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To attract, develop and retain ethical and best human capital	Organisational Development	% of budget spent implementing the Workplace Skills Plan by the 30 Jun 2017 (GKPI)	2.4	Opex	100%	N/A	N/A	N/A	100%	100%	100%	100%	100%
		Review organisational structure and align to the IDP and Budget by 30 June 2017	2.6	Opex	1	N/A	N/A	N/A	1	1	1	1	1

**DEPARTMENT: COMMUNITY SERVICES**

**KPA 4 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

**Strategic Goal: Accessible and Sustainable Infrastructure and Basic Services**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
Reduction in the level of Service Delivery backlogs	Waste management	% of households with access to a minimum level of basic waste removal by 30 June 2017 (once per week) (GKPI)	4,5	Opex	16,5%	N/A	N/A	N/A	17,6%	17,6%	18,8%	20,0%	21,1%

**DEPARTMENT: BUDGET AND TREASURY OFFICE**

**KPA 4 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

**Strategic Goal: Improved Social Well-Being**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
Facilitate promotion of health and well-being of communities	Facilitate promotion of health and well-being of communities	% of (indigents) households with access to free basic electricity services by 30 Jun 2017 (GKPI)	4.9	N/A	1281 (2.1%)	N/A	N/A	N/A	1500 (2.5%)	1500 (2.5%)	>1500 (2.5%)	>1500 (2.5%)	>1500 (2.5%)

## KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

### Strategic Goal: Sustainable Financial Viability

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
To implement sound Financial management practices	Financial Viability	Cost coverage ratio by the 30 June 2017 (GKPI)	5.1	N/A	3:1	N/A	N/A	N/A	4:1	4:1	4:1	4:1	4:2
	Revenue	% outstanding service debtors to revenue by the 30 June 2017 (GKPI)	5.2	N/A	7%	N/A	N/A	N/A	5%	5%	5%	5%	5%
		% Debt coverage ratio by the 30 June 2017 (GKPI)	5.3	N/A	New	N/A	N/A	N/A	200%	200%	200%	200%	200%
	Compliance to MFMA legislation	Submission of MTRE Budget to Council for approval by the 31st May	5.4	N/A	1	N/A	N/A	N/A	1	1	1	1	1

**KPA 5: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

**Strategic Goal: Sustainable Financial Viability**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
Sustainable financial growth/viability	Compliance to MFMA legislation	Draft Annual Financial Statements (AFS) submitted on or before the 28 August 2016	5.5	N/A	1	1	N/A	N/A	N/A	1	1	1	1
	SCM	# of monthly SCM deviation reports submitted to the MM	5.6	N/A	12	3	3	3	3	12	12	12	12

**DEPARTMENT: EXECUTIVE SUPPORT**

**KPA 4 - BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT**

**Strategic Goal: Improved Social Well-Being**

Strategic Objective	Programme	KPI	IDP Ref	Budget Source	Audited Baseline 2014/15	2016/17					Outer Year Targets		
						1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Annual	2017/18	2018/19	2019/20
Facilitate promotion of education upliftment within the communities	Education	# of Transversal programmes implemented in terms of mainstreaming with respect to HIV/AIDS, Gender, Disabled, Woman and Children Rights by the 30 Jun 2017	4.7	Opex	New	1	2	1	2	6	6	6	6





## Chapter 6

### 6.1 Project Phase (Capital Project)

The Municipality is faced with serious financial constraints to cater for all KPAs in terms of capital allocations. The institution has developed a three year infrastructure development capital project that will be funded through MIG allocation. Some of the projects have been registered whilst others are still in the process of registration.

The list of projects indicated below is from all municipal departments including projects from sector departments, however budget allocation is not sufficient. Projections for the outer years have been made although they will be reviewed when developing the 2017/18 IDP document.

#### KPA 1: Spatial rationale

Projects	Source of funding	Ward	Implementing Agent	2016/17	2017/18	2018/19
Municipal land audit	Revenue	All wards	EMLM	500,000	-	-
SPLUMA Implementation	Revenue	All wards	EMLM	300,000	400,000	500,000
Site Demarcation( Ba-Kopa, Ntwane and Ga-Matlala Lehwelere)	Revenue	Ward 26,10 and 14	EMLM	1000,000	-	-
Demarcation of Groblersdal industrial site	Revenue	Ward 13	EMLM	700,000	-	-
Mapochsgront township development	Revenue	Ward 30	EMLM	1000,000	-	-

## KPA 2: Basic Service Delivery and Infrastructure Development

### Strategic Objective: Improved Social Well-Being

#### Accessible and Sustainable Infrastructure and Basic Services

#### Protected and Safe Environment

Projects	Source of funding	Implementing agent	Ward	2016/17	2017/18	2018/19
Development of Cemeteries	Revenue	EMLM	All wards		500,000	500 000
Recreational facility development	Revenue	EMLM	Ward 13	600,000	500,000	-
Grass Cutting Industrial Machine (Lawnmowers, chain saw, brush cutters, pole pruner & blowers)	Revenue	EMLM	All wards	500,000	-	-
Borehole for Hlogotlou Satellite office	Revenue	EMLM	Ward 20	100,000	-	-
Electrification of Monsterlus Stadium View	INEP	EMLM	Ward 20	1,000,000	-	1,000,000
Electrification of households in Makaepa village	INEP	EMLM	Ward 25	1,500,000	-	-
Electrification of Tambo village	INEP	EMLM	Ward 09	1,000,000	1,790,000	-
Electrification of Masakaneng	INEP	EMLM	Ward 14	2,000,000	1,790,000	-
Electrification of Jabulani D3	INEP	EMLM	Ward 09	2,000,000	1,300,000	-
Electrification of Waalkraal A Ward 4	INEP	EMLM	Ward 4	1,500,000	-	3,000,000
Electrification of Elandsdoorn A	INEP	EMLM	Ward 8	1,000,000	-	2,000,000
Electrification of Tshela Trust	INEP	EMLM	Ward 30	1,000,000	-	1,000,000
Electrification of Dipakapakeng	INEP	EMLM	Ward 28	1,500,000	-	1,000,000

Projects	Source of funding	Implementing agent	Ward	2016/17	2017/18	2018/19
Electrification of Matsitsi (Ward 18)	INEP	EMLM	Ward 18	500,000	-	1,000,000
Electrification of Zaaiplaas	INEP	EMLM	Ward 16	-	-	1,000,000
Electrification of Motetema (Ward 29)	INEP	EMLM	Ward 29	-	4,120,000	-
Electrification of Makwana Village	INEP	EMLM	Ward 30	-	1,000,000	-
Fencing (Main substation)	Revenue	EMLM	Ward 13	-	500,000	-
Bulk Metering Project - Groblersdal	Revenue	EMLM	Ward 13	1,500,000	-	-
Electrification of Zumapark	Revenue	EMLM	Ward 7	-	1,000,000	-
Fire Arms	Revenue	EMLM		180,000	-	-
Hlogotlou Street and Stormwater water control	Revenue	EMLM	Ward 20	2,000,000	2,000,000	2,000,000
Karnaal Street	Revenue	EMLM	Ward 13	1,500,000	-	-
Kgaphamadi construction of bus road, bridge and stormwater control PH 1C (1km)	MIG	EMLM	Ward 21	5,000,000	-	12,500,000
Kgoshi Matlala construction of access road and stormwater control PH 1A	MIG	EMLM	Ward 14	5,000,000	-	5,978,100
Kgoshi Rammupudi construction of access road and stormwater	MIG	EMLM	Ward 26	5,000,000	8,568,00	6,000,000

Projects	Source of funding	Implementing agent	Ward	2016/17	2017/18	2018/19
control PH 1C						
Kgoshi-Matsepe construction of access road and stormwater control PH 1A	MIG	EMLM	Ward 25	3,091,000	3,091,000	1,500,000
Kgoshi-Mathebe construction of access road and stormwater control PH 1A	MIG	EMLM	Ward 10	3,800,000	-	-
Laersdrift bus route PH 1A	Revenue	EMLM	Ward 30	5,000,000	-	-
Rehabilitation of Dikgalaopeng road and storm water control	Revenue	EMLM	Ward 25	-	1,500,000	2,500,000
Rehabilitation of Ramogwerane to Nkadimeng road & stormwater	Revenue	EMLM	Ward 25	-	1,500,000	2,000,000
Upgrading of Legolaneng Bus Route Phase 1.	Revenue	EMLM	Ward 21	-	1,500,000	2,000,000
Marapong bridge	Revenue	EMLM	Ward 8	3,800,000	-	-
Groblersdal - Roads & Streets	Revenue	EMLM	Ward 13	-	1000,000	1,000,000
Development of Parking - mark Street	Revenue	EMLM	Ward 13	-	-	1,500,000
Mathula construction of road and stormwater control PH 1B	Revenue	EMLM	Ward 19	4,528,000	7000.000	-
Mogaung construction of road and storm water PH 1B	MIG	EMLM	Ward 24	5,000,000	6,000,000	7,500,000
Monsterlus to Makgopheng road	MIG				-	-

Projects	Source of funding	Implementing agent	Ward	2016/17	2017/18	2018/19
phase 1G		EMLM	Ward 20	5,000,000		
Naganeng construction of bus road and storm water control PH 1A	MIG	EMLM	Ward 14	1,000,000	12,000,000	10,000,000
Mpheleng construction of bus road and stormwater control PH 1C	MIG	EMLM	Ward 05	5,000,000	6,000,000	-
Upgrading of Hlogtlou Stadium	MIG	EMLM	Ward 20	10,000,000	8,432,800	8,908,900
Nyakoroane Road construction	Revenue	EMLM	Ward 7	1,000,000	1,000,000	2,000,000
Roosenekal Streets	Revenue	EMLM	Ward 30	2,000,000	1,000,000	3,500,000
Tambo Road Construction	MIG	EMLM	Ward 9	-	5,121,000	-
Zaaiplaas construction of JJ road and stormwater control PH 1C	MIG	EMLM	Ward 16	5,000,000	-	7,000,000
Development of Transfer Station: Ntwane	Revenue	EMLM	Ward 10	500,000	-	-
Monitoring Borehole (Landfill site) Groblersdal and Roosenekal (8)	Revenue	EMLM	Ward 13 & 30	400,000	-	-
Upgrading of Driving License Testing Centre	Revenue	EMLM	Ward 13	500,000	-	-
Development of workshop	Revenue	EMLM		1,000,000	-	-
Laersdrift road	Revenue	EMLM	Ward 30	5,000,000	-	-

Projects	Source of funding	Implementing agent	Ward	2016/17	2017/18	2018/19
Motetema street upgrade	Revenue	EMLM	Ward 29	-	1,000,000	1,500,000

#### KPA 4. Local Economic Development

##### Strategic Objective: Growing Inclusive Economy

Project Name	Source of Funding	Implementing Agent	Revised 2016/17	Revised 2017/18	Revised 2018/19
Tourism Centre	Revenue	EMLM	-	1,000,000	-
SMME Support initiatives	Revenue	EMLM	500,000		

**KPA6: Good Governance and Public Participation**

**Strategic Objective: Improved Social Well-Being**

Projects	Source of funding	Implementing Agent	2016/17	2017/18	2018/19
Outreach Programme (Mayor's office)	Revenue	EMLM	1000,000	1,6 20,000	1,124,658
Outreach Programme (Speaker's office)	Revenue	EMLM	800,000	849,600	899,726
Outreach Programme (MPAC)	Revenue	EMLM	300,000	318,600	337,397

**KPA 6: Municipal Transformation and Organisational Development**

**Strategic Objective: Capacitated and Effective Human Capital**

Project Name	Source of Funding	Implementing Agent	Revised 2016/17	Revised 2017/18	Revised 2018/19
Mobile Offices	Revenue	EMLM	300,000	-	-
Furniture	Revenue	EMLM	300,000	-	-
Computer equipments	Revenue	EMLM	350,000	-	-
Purchasing of Vehicles	Revenue	EMLM		-	-

		EMLM	2,500,000		
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## PROJECTS BY SECTOR DEPARTMENTS THAT SHOULD REFLECTED IN THE 2016/17 IDP

The following sector departments have not submitted lists of projects for implementation

1. LIMPOPO TOURISM AGENCY
2. PROVINCIAL TREASURY
3. NATIONAL DEPARTMENT OF ENVIRONMENTAL AFFAIRS

## ESKOM PROJECTS

District	Municipality	Project Name	Proposed Connections	CAPEX
Sekhukhune	Elias Motsoaledi	Sterkfontein	23	R 409,400
Sekhukhune	Elias Motsoaledi	Sephaku Mzansi	180	R 3,204,000
Sekhukhune	Elias Motsoaledi	Makena	35	R 623,000
Sekhukhune	Elias Motsoaledi	Tafelkop Botloponya & Nyakelang	144	R 2,563,200

## DEPARTMENT OF AGRICULTURE

Type of infrastructure			Targeted number of jobs for 2016/17	Total project cost	MTEF Forward estimates		
School - primary/secondary/specialised; admin block; water; electricity; sanitation/toilet; fencing etc)	Project category	Units (i.e. number of classrooms or facilities or square meters)			2016/17	2017/18	2018/19
	Aquaculture Facility	1	10	18,300	3,915	0	2,000
	Planning budget	16	0		470		1,500

## DEPARTMENT OF SOCIAL DEVELOPMENT

PROJECT	LOCATION	AMOUNT
Construction of community care center	Elansdoring	R6 363 000

**DEPARTMENT OF HEALTH**

Facility Name	Project Name	Projects Activities (All activities to be performed under this project should be listed)
<b>Philadelphia hospital</b>	Philadelphia Hospital: Upgrade Electrical System and provide Certificate of Compliance	Appoint PSP to inspect and report on electrical installations at the hospital, determine & cost the remedial measures required to issue Certificate(s) of Compliance, technical documentation, procurement process
<b>Groblersdal &amp; Philadelphia Hospitals</b>	Groblersdal & Philadelphia Hospitals: Purchase of residential accommodation	Health Brief, Obtain Provincial Treasury; Valuations, Procurement Process; Purchase Agreement Approved.
<b>Groblersdal Clinic</b>	Groblersdal Clinic: Replacement of existing clinic on a new site	Compliance certificates, Final account, Final fee account
<b>Moutse East Clinic</b>	Moutse East Clinic: Addition of Staff Accommodation (5 x single rooms) and renovation of existing clinic facilities. Furniture & Equipment.	Health Brief compiled and approved. Appoint PSP's, Design, Technical Documentation and Tender Advertisement.

**LIMPOPO ECONOMIC DEVELOPMENT AGENCY (LEDA)**

PROJECT NAME	THE BUSINESS	LOCATION	LOCAL MUNICIPALITY	COST ESTIMATES	NAME OF INVESTOR	CURRENT STATUS	REQUIRED FURTHER ACTION
Buffalo Beach Entertainment (PTY)LTD	Establishment of Buffalo Beach Water Theme Park		Elias Motswaledi Local Municipality	Unknown	Mr Smith Thomas		

**DEPARTMENT OF CO-OPORATIVE GOVERNANCE, HUMAN SETTLEMENTS & TRADITIONAL AFFAIRS**

**APPROVED BENEFICIARIES ON HSS**

MUNICIPALITY	APPROVED BENEFICIARIES
Elias Motsoaledi	107

**DEPARTMENT OF SPORTS, ARTS AND CULTURE**

No	Project name	Programme	Main appropriation	Adjusted Appropriation	Revised	Medium term estimates		
			2014/15	2014/15	2015/16	2016/17	2017/18	2018/19
3.17	Roosenekal	Library and Archives Services	0	0	0	R500 000	0	0

**DEPARTMENT OF WATER AND SANITATION**

Water Services Infrastructure (Regional Bulk, MWIG, WSOS (Refurbishment))	8,113,159
National Sanitation Program (RHIG)	70,000
<b>Total (MTEF)</b>	<b>36,049,649</b>

**REGIONAL BULK INFRASTRUCTURE GRANT**

<b>WSA</b>	<b>Project/Scheme Name</b>	<b>Project Code</b>	<b>Project Cost R'000</b>	<b>2016/17 Allocation R'000</b>
SDM	Moutse Bulk Water Scheme (Construction)	LPR019	720 000	17 228
SDM	Sekhukhune Bulk Water Supply (Moutse) (Construction)	LPR021	4 088 000	28 481

**RURAL HOUSEHOLD SANITATION INFRASTRUCTURE GRANT**

**ALLOCATIONS**

District Municipality (WSA)	Local Municipality	2015/16 (R '000)	2016/17 (R '000)
Greater Sekhukhune (DC47)	Elias Motsoaledi	4 500	5 000

**DEPARTMENT OF ROADS AND TRANSPORT**

PROJECT NAME	PROJECT DESCRIPTION	DISTRICT MUNICIPALITY	PROJECT DURATION		TOTAL BUDGET	STATUS
			DATE START	DATE FINISH		
Development of a Limpopo Integrated Transport Masterplan	Development of Limpopo Integrated Transport Master Plan	All District Municipalities	01 April 2016	31 March 2017	R4m	Commenced with the development
Development of a Limpopo Integrated Transport Masterplan	Development of Limpopo Integrated Transport Master Plan	<b>All District Municipalities</b>	01 April 2016	31 March 2017	<b>R4m</b>	<b>Commenced with the development</b>

## CHAPTER 7 – INTEGRATION PHASE

This phase of the IDP serve to integrate issues raised ranging from the Analysis Phase. It gives a synopsis of available sector plans that were developed to contribute in addressing challenges identified in all the institutional KPAs. The following Tables serve to detail the sector plans developed and their role in aligning institutional policy.

**Table 69: KPA 1: Spatial Rationale**

Sector Plan/ Bylaws	Description summary
Spatial Development Framework (SDF), 2007	<p>The purpose of a Spatial Development Framework is to provide general direction to guide Integrated Development Planning and decision-making as well as actions over a multi-year period, and to create a strategic framework for the formulation of an appropriate land use management system.</p> <p>The compilation of a Spatial Development Framework was identified as an important Land Use Management tool that is aligned to the District SDF, LEGDP, PSDF and NSDP.. The SDF addresses the most prevalent spatial needs in the municipal area will be addressed. It incorporates a spatial settlement strategy that promotes mixed land use and enhances service delivery. In addition, the SDF clearly outlines the current situation, as well as the desired form and composition of the municipal settlement development by addressing:</p> <ul style="list-style-type: none"> <li>➤ Current trends regarding development and service provision</li> <li>➤ Capital investment programmes/priority areas</li> <li>➤ Strategic Development Areas</li> <li>➤ Policy direction and objectives</li> <li>➤ Sustainable rural development</li> <li>➤ Urban development boundary</li> <li>➤ Movement</li> <li>➤ Nodal development</li> <li>➤ Density/settlements</li> <li>➤ Environmental management guidelines</li> <li>➤ Optimal location for Multi-Purpose Community Development Centres (MPCCs) where a range of social and economic services and facilities should be concentrated.</li> </ul> <p>The SDF seeks to inform the decisions of development tribunals and other decision-making bodies, as well as create a framework for investor confidence.</p>
Town Planning Scheme	The plan provides guidelines on conditions to be imposed regarding the payment contributions for the Provision of services, open spaces and Parks as envisaged in Section 20(2) (c ) of the Town Planning and Township Ordinance, 1986 ( Ordinance 15 of 1986 )
Land use management scheme	The then DPLGH( Department of Local Government and Housing currently known as COGHSTA appointed consultants to develop LUMS for the Municipality. There is a draft land use management in place.
Precinct Development Plan for Groblersdal town	The plan focuses on Groblersdal town in particular the primary business and agricultural nodes. It engulfs development in an integrated manner.. It aims to optimally deal with the following functions:

Sector Plan/ Bylaws	Description summary
	<ul style="list-style-type: none"> <li>➤ Spatial development issues ( environment, land use, built form, public space, transport and service infrastructure )</li> <li>➤ Social development issues</li> <li>➤ Economic development issues as well as</li> <li>➤ Institutional mechanisms that could be applied in implementing the planning proposal</li> </ul> <p>It is guiding tool for both public and private sector decision making and investment in the area.</p>

**Table 70: KPA 6: Municipal Transformation And Organisational Development**

Sector Plans/ Policies and bylaws	Description summary
Human Resource strategy	<p>The municipality's HR strategy is central to the delivery of the strategic objectives and would facilitate the core strategy of the municipality. The HR strategy suggest that the municipality invest in humanre resource development (HRD) and performance.</p> <p>HRD is the framework that focuses on the Municipality's competencies at the first stage, training and then then developing the employees.through education to satisfy the municipality's needs.</p>
Employment equity plan	<p>The employment equity policy is developed to promote equal opportunity, diversity and fair treatment in employment through the elimination of unfair discrimination regardless of race, gender, sex, pregnancy marital status, family responsibility, ethnic or social origin, colour etc.</p> <ul style="list-style-type: none"> <li>➤ Objectives of the Plan</li> <li>➤ The establishment and maintenance of workforce</li> <li>➤ Equal access to job opportunities</li> <li>➤ To identify barriers to employment</li> </ul>
Performance management framework	<p>The PMS framework is developed to guide and monitor performance of the municipality. Currently, the framework is applied only at senior officials (section 57) managers. The framework is currently under review to be cascaded to officials at lower levels.</p>
Succession Plan	<p>The municipality does not have a succession plan. The Municipality is currently in a process to develop the plan.</p>
Institutional plans	<p>The municipality developed policies that will ensure that institutional challenges identified in the analysis phase on human resource management. Amongst other policies, the municipality developed the following that will ensure stable and smooth running of the municipality's</p> <ul style="list-style-type: none"> <li>➤ Staff retention policy</li> <li>➤ Employment equity plan</li> <li>➤ Recruitment ,selection and appointment policy</li> </ul>

Sector Plans/ Policies and bylaws	Description summary
	➤ Succession Planning and career path Policy
Municipal Development Plan vision 2030	The municipality will develop the municipal Development plan vision 2030 that is aligned to the NDP (National Development Plan). The plan will focus mainly on development areas that the municipality will have to persuade.
Mayor bursaries policy	The policy is developed to assist learners who intent to persue their studies at tertiary institutions. It further stipulates criterion on how applications should be done. There are processes in place that guides selection of suitable candidates.
Employee assistance programme	<p>The Municipality is concerned with the health, safety, and welfare and job satisfaction of its employees.</p> <p>It is recognised that most human problems can be treated or resolved provided that each is identified in its early stages. This is true whether the problem is one of physical illness, mental or emotional stress, marital or family conflicts, chemical dependency, financial problems or other concerns. These are serious problems, which may have a profound impact upon the lives of those employees affected, their families, fellow employees and their job performance.</p> <p>The intent of the EAP is therefore to ensure the well being of the employee and appropriate job performance, not the termination of employment.</p>
Work skills plan	The municipality develops the WSP on annual basis. The purpose of the plan is to capacitate employees on skills they require to better perform their duties. A skill audit is done to identify scare skills that the institution need for its development and sustainability.
Occupational health and safety policy	The policy has been developed based on the provisions of the bill of rights as contained in the constitution of the Republic of South Africa Act 108 of 1996. The municipality is required to provide and maintain a reasonable and practical work environment that is safe and without risk to the health of the employees.

**Table 71: KPA 2:Basic Service Delivery and Infrastructure Development**

Sector Plan	Description summary
Refuse Removal bylaw	The purpose of the bylaw is to promote a safe and healthy environment to the residents of EMLM and also to provide procedures,methods and practices to regulate refuse dumping and removal
Waste bylaw	The bylaw covers issues around waste management information system, basic services, commercial services, transportation and disposal waste. Italso contains information regarding the administrative enforcement.
Electricity bylaw	The electricity supply bylaw was approved by council in terms of the Municipal Systems Act 32 of 2000. It provides conditions and also regulates supply of electricity in the municipal licensed areas (Groblersdal and Rossenekaal).Other areas of the municipality are supplied by ESKOM.

Sector Plan	Description summary
Electricity Master Plan	The municipality developed the electricity master plan for both rural areas and towns. The plan is aimed at ensuring electrification of municipal rural areas as well as farm areas.
Environmental Management Plan	<p>The municipality has developed draft environmental Management Plan as per the requirements of the legislation. <sup>12</sup>The National Environmental Management Act (NEMA), (Act No. 107 of 1998) defines sustainable development as “the integration of social, economic and environmental factors into planning, implementation and decision-making so as to ensure the development serves present and future generations The main objectives is to:</p> <p>Identify environmental impacts, issues, risks and threats within the EMLM. Develop measures and strategies to minimize, mitigate and manage these impacts, risks and threats.</p> <p>The EMLM is committed to responsible environmental stewardship and sustainable development through an effective, appropriate resourced and harmonized institutional framework that:</p> <p>Integrates environmental consideration into planning and development;  Undertakes all activities in a sustainable manner to prevent minimize and mitigate negative environmental impacts and enhance positive impacts;  Remedies impacts on the environment that were caused through previous activities;  Promotes environmental awareness in communities;  Ensures accountability is taken for environmental degradation through monitoring and enforcement of all applicable legislation and other requirements.</p>
Integrated Waste Management Plan	The draft integrated waste management plan was developed in 2009 as required by the National Environmental Waste Act of 2008 coupled with the National Environmental Management Act (NEMA). The Plan encapsulate environmental issues ranging from climate and topography, waste surveys waste collection etc.
Disaster Management plan	<p>The municipality developed a disaster management plan that captures disaster related matters with the following emphasis:</p> <p>Disaster risk maps in the disaster risk assessment report indicate the location of high, medium and low risk areas in the municipality’s area of jurisdiction to be address by the local municipality. Therefore, in order to implement appropriate disaster risk reduction programmes, it will be deemed necessary to align all risk areas with the IDP and SDF of the municipality. It is very important not to duplicate projects, but rather to integrate disaster risk reduction into existing development initiatives. All</p>

Sector Plan	Description summary
	<p>potential risks, hazards and threats have to be dealt with, within each line department (integrate and align it with current existing processes) before it can go to the IDP manager.</p> <p>According to the results of the disaster risk assessment, the following aspects first have to be addressed:</p> <ul style="list-style-type: none"> <li>• Veld fires;</li> <li>• Infrastructure;</li> <li>• Land degradation and</li> <li>• Storms</li> </ul> <p>Simultaneously with the above-mentioned, Aganang also has to address</p> <ul style="list-style-type: none"> <li>• Poverty,</li> <li>• Health,</li> <li>• Water,</li> <li>• Road infrastructure,</li> <li>• Telecommunication as a high priority in order to develop community resilience in order to cope with disasters.</li> </ul> <p>The municipality must focus on the following risk reduction measures and budget for as part of the IDP process;</p> <ul style="list-style-type: none"> <li>• Appropriate poverty alleviation programmes</li> <li>• Bulk Service delivery <ul style="list-style-type: none"> <li>○ Water infrastructure</li> <li>○ Road infrastructure</li> <li>○ Telecommunication networks</li> <li>○ Clinics and Ambulance Services to contribute to health related issues.</li> </ul> </li> <li>• Natural Disasters <ul style="list-style-type: none"> <li>○ Veld fires <ul style="list-style-type: none"> <li>▪ Precaution and proactive measures</li> <li>▪ Equipment</li> <li>▪ Human Resources</li> </ul> </li> <li>○ Agricultural Management and Environmental Practices <ul style="list-style-type: none"> <li>▪ Protection of the environment</li> </ul> </li> </ul> </li> </ul>

Sector Plan	Description summary
	<p>(deforestation)</p> <ul style="list-style-type: none"> <li>▪ Farm Management Practices (to avoid wide spreading of agricultural diseases)</li> <li>▪ Drought management practices (optimal use of available water – ground- and irrigated water)</li> <li>▪ Farm Management Practices to avoid wide spreading of epidemics</li> </ul> <ul style="list-style-type: none"> <li>○ Storms <ul style="list-style-type: none"> <li>▪ Safe citing in cyclone/storm wind prone areas</li> <li>▪ Shelter plantation</li> <li>▪ Improving drainage</li> <li>▪ Resistant house designs and construction of cyclone shelters</li> </ul> </li> </ul>
Local Integrated Transport Plan	<p>The developmental role of transport is immense. The economic development of the EMLM is dependent on a number of factors, including transport. Transport is one of the essential elements capable of promoting economic growth and development.</p> <p>There is a huge problem of providing access to transport services and roads in most of the rural areas, including Groblersdal.</p> <p>One of the major roles of the EMLM is to establish a viable and appropriate transportation system in the EMLM area that would support the Local Economic Development (LED) objectives of the EMLM as a whole. The provision of accessible, affordable and acceptable local transport can therefore make a very important improvement in the quality of life for these people. It would therefore take an effective and efficient public passenger transport system to get people to access those social amenities of life such as education, health, recreation, etc.</p>
Infrastructure Road Master Plan	<p>The Plan indicates key strategic roads in the municipality including other National and Provincial roads that links with the municipality. It outlines state of all the roads and also infrastructural requirements that the municipality could implement in order to create better, accessible and well serviced road infrastructure.</p>
Water and sanitation sector Plan	<p>This sector was developed in 2010 when the water function was still performed by the municipality. Currently, SDM is the water authority.</p>
Pavement management	<p>Indicates priority roads that need to be upgraded.It provides various</p>

Sector Plan	Description summary
system	routes, their locations and number. Provincial and national roads are specified.
Roads and storm water infrastructure services(asset management Plan )	<p>The then Limpopo Department of Local Government and Housing currently known as COGSTA, appointed consultants to develop this Plan in 2008. The purpose of the Plan is to :</p> <ul style="list-style-type: none"> <li>➤ Identify existing and proposed levels of serviceto be achieved over a 20 year period as well as the expected changesin demand due to planned growth.</li> <li>➤ The life-cycle management needs of the infrastructure development, renewal, operations and maintenance</li> <li>➤ Identify infrastructureasset management improvement needs</li> </ul>

**Table 72: KPA 3: Local Economic Development**

Sector Plan	Description summary
Street vending bylaws	The bylaw provides restrictions on street vending. It further specifies areas where street vending can take place including processes to be followed when applying for street vending in town and the surrounding areas.
Tourism bylaw	Tourism development in one of the functions of the municipality. The policy has been developed to facilitate establishment of and maintain local tourism. The institution is also expected to give support to tourism initiatives.
LED Strategy	<p>The municipality developed the Strategy in 2007. The strategy is structuredto guide economic activitieswithin the Elias Motsoaledi Local Municipality, including District wide economic imperatives.</p> <p>The strategy provides an indication of Potential economic growth points and also gives an overview of how the municipality can improve its economy particularly within the agriculture, tourism and mining sectors. The strategy needs to be reviewed in order to align to the new growth path, LEGDPand NSDP</p>

**Table 73: KPA 4: Financial Viability**

Sector Plan	Description summary
Financial Plan	Financial plan that reflects three year financials has been developed and is clearly outlined in the analysis phase. This include an audit action plan that is aimed at responding to issues raised by the Auditor General. Issues that were raised by the AG reflect amongst others challenges that the municipality should attend to. Responses have been provided on challenges raised by the AG's report.
Revenue enhancements strategy	The strategy gives strategic ways and means that the institution could implement in ensuring that the revenue capacity is enhanced and the municipality remains sustainable.
Credit and debt control bylaw	There are nine chapters in this bylaw that covers services to customers of the municipality. Amongst others the bylaw speaks to the following:

Sector Plan	Description summary
	<ul style="list-style-type: none"> <li>➤ Assessment rates</li> <li>➤ Service to indigent customers</li> <li>➤ Emergencies</li> <li>➤ Unauthorized services and</li> <li>➤ offences</li> </ul>
Draft rates bylaw	<p>The bylaw was developed to ensure that all properties within EMLM particularly in towns are rated according to their services. It further indicates categories of properties and how rating should be effected.</p>
Investment Policy	<p>In terms of the Municipal Finance Management Act, Act 56 of 2003, Section 13(2) and the draft municipal investment regulations:“Each Municipal Council and Governing Body shall adopt by resolution an Investment Policy regarding the investment of its money not immediately required.</p> <p>Investments of the Municipality shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.The portfolio shall remain sufficiently liquid to enable the Municipality to meet daily cash flow demands and conform to all state and local requirements governing the investment of public funds.The preservation of principal is the foremost objective of the investment program.</p> <p>The Municipality will continue the current cash management and investment practices, which are designed to emphasize safety of capital first, sufficient liquidity to meet obligations second, and the highest possible yield third.</p> <p>Investment shall be made with care, skill, prudence and diligence.The approach must be that which a prudent person acting in a like capacity and familiar with investment matters would use in the investment of funds of like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Municipality.The standard of prudence to be used by the Investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall Investment portfolio.Investment officials are required to:</p> <ul style="list-style-type: none"> <li>➤ Adhere to written procedures and policy guidelines</li> <li>➤ Exercise due diligence</li> <li>➤ Prepare all reports timeously</li> <li>➤ Exercise strict compliance with all legislation</li> </ul> <p>The Municipality shall attempt to match its investments with anticipated cash flow requirements.Unless matched to a specific cash flow requirement, the Municipality will not directly invest in securities maturing more than two years from the date of issue.</p>
Asset management policy	<p>The objective of the Asset Management Policy is to prescribe the</p>

Sector Plan	Description summary
	<p>accounting and administrative policies and procedures relating to Property, Plant &amp; Equipment (PPE), which are fixed assets of Elias Motsoaledi Local Municipality.</p> <p>A summary of the Principles supported in this policy are:  A fixed asset shall mean an asset, 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 12 months.</p> <p>The fixed asset register shall comply with the requirements of Generally Recognized Accounting Practice (GRAP) and any other accounting requirements, which may be prescribed.  Fixed assets are classified under the following headings:</p> <ul style="list-style-type: none"> <li>➤ Land</li> <li>➤ Infrastructure Assets</li> <li>➤ Community Assets</li> <li>➤ Heritage Assets</li> <li>➤ Investment Properties</li> <li>➤ Other Assets</li> <li>➤ Intangible Assets</li> </ul> <p>PPE is carried at cost less accumulated depreciation and any impairment losses, except for land and buildings which are revalued. Heritage assets, which are culturally significant resources and which are shown at cost, are not depreciated due to the uncertainty regarding their estimated useful lives. Similarly, land is not depreciated as it is deemed to have an indefinite life.</p> <p>Subsequent expenditure relating to property, plant and equipment is capitalized if it is probable the future economic benefits or potential service delivery of the asset are enhanced in excess of the originally assessed standard of performance. If expenditure only restores the originally assessed standard of performance, then it is regarded as repairs and maintenance and is expensed. The enhancement of an existing asset so that its use is expanded or the further development of an asset so that its original life is extended is examples of subsequent expenditure which are capitalized.  The difference between the net book value of assets (cost less accumulated depreciation) and the sales proceeds is reflected as a gain or loss in the statement of financial performance.</p>
Supply chain management system/ policy	Section 11 of the Local Government Finance Management Act (MFMA) requires municipalities to develop and implement a Supply Chain Management Policy. The principle objective of the legislation has been to comply with Section 217 of the Constitution, which among other things states that when contracting for goods and services the system must be fair,

Sector Plan	Description summary
	<p>equitable, transparent, competitive and cost effective.  Supply Chain Management (SCM) generally refers to the management of activities along the supply chain.  The MFMA and its relevant regulations also identify processes/mechanisms which must be included in a SCM Policy.  The Supply Chain Management System is applicable for the:</p> <ul style="list-style-type: none"> <li>➤ Procurement by the Municipality of all goods and services or works</li> <li>➤ Selection of contractors to provide assistance in the provision of municipal services</li> <li>➤ Selection of external mechanisms for the provision of municipal services in circumstances contemplated in Section 83 of the Local Municipal Systems Act</li> <li>➤ Disposal of assets or goods no longer required</li> <li>➤ Letting or sale of Municipal property.</li> </ul> <p>Elias Motsoaledi Local Municipality Supply Chain Management Policy was last reviewed on 16 November 2011. It is currently again under review and will be tabled to Council for adoption in May 2012</p> <p>The specific objective of the SCM Unit is to ensure effective, efficient and transparent SCM systems, complemented by a strategy of coordinating and implementing comprehensive demand management plans as per the approved budget.</p> <ul style="list-style-type: none"> <li>➤ Audit action plan</li> <li>➤ Financial plan</li> <li>➤ Debt management plan</li> <li>➤ Audit committee appointed</li> </ul>

**Table 74: KPA 5: Good Governance and Public Participation**

Sector plan/ policies	Description summary
Communication Strategy	<p>The institution reviews its communication strategy on annual basis. The strategy is based on the following Communication Mandates:</p> <ul style="list-style-type: none"> <li>➤ The National GCIS framework</li> <li>➤ The Constitution of the Republic of South Africa, 1996</li> <li>➤ The State of the Nation Address 2009 (SONA).</li> <li>➤ State of the Province Address 2009 (SOPA)</li> <li>➤ State of the District Address 2009 (SODA)</li> <li>➤ SALGA resolutions on Communications Conference 2006.</li> <li>➤ Municipality Systems Act of 2000 on Public Participation</li> <li>➤ Limpopo Economic Growth and Development Plan</li> <li>➤ All other regulations, policies, acts that demand for more commitment on communicating government activities to</li> </ul>

Sector plan/ policies	Description summary
	<p>the citizenry.</p> <p>Objectives:</p> <ul style="list-style-type: none"> <li>➤ To enhance communication between Elias Motsoaledi Local Municipality and its stakeholders - Internal and External</li> <li>➤ To enhance coordination of communication activities between the National, Provincial, Local government and the parastatals</li> <li>➤ To encourage public participation through the empowerment of communities with information</li> <li>➤ To promote indigenous languages that represents and appreciates diversity in our Municipality</li> <li>➤ To project the positive image of the municipality locally, provincially, nationally and internationally</li> <li>➤ To forge links with the media houses</li> <li>➤ To develop and maintain correct public perceptions and build community's trust on Municipality's programmes</li> <li>➤ To effectively communicate democratic Government achievements, challenges and interventions</li> <li>➤ To intensify the struggle against poverty by implementing development communication and information to the communities.</li> </ul>
Audit charter	The internal audit charter and audit committee charter are available. The municipality is in a process of appointing both internal auditors and also audit committee.
Ward committees policy	The policy outlines roles functions of ward committees and also gives a guide on how ward committees are established. It further indicates the role communities in the establishment of these committees.
Ward committee system	Systems to manage and control ward committees has been developed. The office of the speaker is allocated with a function to monitor and develop programmes that ward committies will implement at ward level. The committees communicate through the ward coucillor in case they've issues to raise with the municipality
Anti-corruption and fraud strategy/Plan	<p>The policy is developed to govern the reporting investigation and handling of fraud and other crimes of dishonesty. The municipality is committed in ensuring that fraud and corruption are dealt with severely. The policy is therefore based on the following priciples:</p> <ul style="list-style-type: none"> <li>➤ To have high standard of business ethics</li> <li>➤ Maintain business control to protect all assets from crime and fraud</li> </ul>
Risk management Plan	The municipality is the process of the developing the risk management Plan

**Table 75: Sector plan/ bylaws**

Sector Plan/ Bylaws	Description summary
Disaster Management Framework	The municipality developed a Disaster Management framework in 2006. The Plan is currently under review. The development of the framework will be in line with the district disaster management.
Parking area bylaw	The bylaw entails parking conditions including various miscellaneous such as : <ul style="list-style-type: none"> <li>➤ Damage to vehicles</li> <li>➤ Responsibility for offence</li> <li>➤ Authorized persons</li> <li>➤ Obstructions</li> <li>➤ Abandoned vehicles</li> <li>➤ Refusal of admission</li> </ul>
Management , maintenance and control of taxi rank facilities bylaw	Council approved the bylaw in 2007. The purpose of the by- law is to control and manage taxi industry including facilities as per the road traffic regulations Act (National Road Traffic Act of 1996). Licensing of vehicles is being regulated including the following: <ul style="list-style-type: none"> <li>➤ Transfer of licenses</li> <li>➤ Maintenance and displaying of stand license and identification</li> <li>➤ Payment of license fees</li> <li>➤ Part three of the bylaw provides terms of establishing transport forum and the roles of that forum</li> </ul>
HIV/AIDS Policy	The policy was developed to ensure that employees are treated equally and fairly irrespective of whether they are affected by HIV/AIDS or any other life- threatening diseases at the workplace.
Building regulations bylaw	The bylaw has been developed as per the requirements of National Building Regulations and Building standards Act 103 of 1977. The purpose the bylaw is to provide for the promotion of uniformity in the law relating to the erection of buildings in the municipal jurisdiction.

**Table 76: KPA 6: Municipal Transformation And Organisational Development**

Sector Plans/ Policies and bylaws	Description summary
Human Resource strategy	The municipality's HR strategy is central to the delivery of the strategic objectives and would facilitate the core strategy of the municipality. The HR strategy suggest that the municipality invest in humanre resource development (HRD) and performance.  HRD is the framework that focuses on the Municipality's competencies at the first stage, training and then then developing the employees.through education to satisfy the municipality's needs.
Employment equity plan	The employment equity policy is developed to promote equal opportunity, diversity and fair treatment in employment through the elimination of unfair discrimination regardless of race, gender, sex, pregnancy marital status, family responsibility, ethnic or social origin, colour etc. <ul style="list-style-type: none"> <li>➤ Objectives of the Plan</li> </ul>

Sector Plans/ Policies and bylaws	Description summary
	<ul style="list-style-type: none"> <li>➤ The establishment and maintenance of workforce</li> <li>➤ Equal access to job opportunities</li> <li>➤ To identify barriers to employment</li> </ul>
Performance management framework	The PMS framework is developed to guide and monitor performance of the municipality. Currently, the framework is applied only at senior officials (section 57) managers. The framework is currently under review to be cascaded to officials at lower levels.
Succession Plan	The municipality does not have a succession plan. The Municipality is currently in a process to develop the plan.
Institutional plans	<p>The municipality developed policies that will ensure that institutional challenges identified in the analysis phase on human resource management. Amongst other policies, the municipality developed the following that will ensure stable and smooth running of the municipality's</p> <ul style="list-style-type: none"> <li>➤ Staff retention policy</li> <li>➤ Employment equity plan</li> <li>➤ Recruitment ,selection and appointment policy</li> <li>➤ Succession Planning and career path Policy</li> </ul>
Municipal Development Plan vision 2030	The municipality will develop the municipal Development plan vision 2030 that is aligned to the NDP (National Development Plan). The plan will focus mainly on development areas that the municipality will have to persuade.
Mayor bursaries policy	The policy is developed to assist learners who intent to persue their studies at tertiary institutions. It further stipulates criterion on how applications should be done. There are processes in place that guides selection of suitable candidates.
Employee assistance programme	<p>The Municipality is concerned with the health, safety, and welfare and job satisfaction of its employees.</p> <p>It is recognised that most human problems can be treated or resolved provided that each is identified in its early stages. This is true whether the problem is one of physical illness, mental or emotional stress, marital or family conflicts, chemical dependency, financial problems or other concerns. These are serious problems, which may have a profound impact upon the lives of those employees affected, their families, fellow employees and their job performance.</p> <p>The intent of the EAP is therefore to ensure the well being of the employee and appropriate job performance, not the termination of employment.</p>
Work skills plan	The municipality develops the WSP on annual basis. The purpose of the plan is to capacitate employees on skills they require to better perform their duties. A skill audit is done to identify scare skills that the institution need for its development and sustainability.

Sector Plans/ Policies and bylaws	Description summary
Occupational health and safety policy	The policy has been developed based on the provisions of the bill of rights as contained in the constitution of the Republic of South Africa Act 108 of 1996. The municipality is required to provide and maintain a reasonable and practical work environment that is safe and without risk to the health of the employees.

## **CHAPTER 8 – FINANCIAL PLAN**

### **8.1 THE FINANCIAL STRATEGY**

The financial framework wherein Council executes its mandate as a Category B, Grade 3 local authority finds its subsistence from the vision and mission statements of the municipality. The activities of Council are driven by their desire to fulfil the developmental role of a local authority and to maintain sustainable municipal services on a generally accepted standard to all its residents. Council endeavours to realise these aspirations within the essentiality of financial viability. Basic economic principles as well as good and sound business practices are taken into consideration when implementing operational activities as well as capital projects. In order to execute its mandate and fulfil its desires it is essential that the municipality have access to adequate sources of revenue from both its own operations, intergovernmental transfers and external investors.

### **8.2 CASH / LIQUIDITY POSITION**

The effective management of cash as well as the maintenance of a cash flow model to ensure that the municipality will fulfil its obligations towards service providers, personnel and other financial commitments is vital for both the short- and long-term survival of the municipality. In addition to budget control and management, a cash flow model is maintained to ensure that expenditure is incurred in line with the cash reserves available within the municipality.

### **8.3 SUSTAINABILITY**

The effective continuation of municipal services is determined by the sustainability of the service. The budgets related to the services are balanced in order to ensure that the expenditure will be covered by the income. Said income is generated through the implementation of Council's tariff structure, which is based on affordability. The level of the services is in line with the affordability level of the community it serves. Due to an unemployment level, in excess of 40% there are a substantial number of poor households, which are not financially equipped to pay for the basic services provided. Hence, subsidisation is supplied by means of a differentiated tariff structure in which case the shortfall is financed from the equitable share from national government.

### **8.4 EFFECTIVE AND EFFICIENT USE OF RESOURCES**

The utilisation of the Municipality's resources is guided by means of standard operating procedures or policy statements provided by the Council.

### **8.5 ACCOUNTABILITY, TRANSPARENCY AND GOOD GOVERNANCE**

Since the Municipality's activities are mainly financed from public resources, it remains essential to enable to be accountable by means of various forums and processes. As required by legislation, amongst others the

Municipal Finance Management Act, no 56 of 2003, the municipality endeavours to be accountable to all its stakeholders who are responsible for providing resources to the Municipality. The compilation of the Integrated Development Plan as well as the Budget is communicated by means of forum meetings and the ward committee system uphold by Council. Hereby all stakeholders can submit their needs and/or requirements for municipal services. As required by legislation, report back meetings are to be held and Council meetings are open for attendance by any stakeholder. The annual reports, including the annual report from the Office of the Auditor General, are compiled within the prescribed format and timeframes.

## **8.6 REDISTRIBUTION**

The Municipality endeavour to treat all people in terms of the Batho Pele principles. A basic level of municipal services is available to all the residents, regardless of their own financial capacity. In case where a basic municipal service is not affordable to a resident, it is financed from the equitable share from national government.

## **8.7 DEVELOPMENT AND INVESTMENT**

Due to the backlogs in basic services, it is essential that the Municipality continue to invest in the development and maintenance of infrastructure to address these backlogs. Council is addressing this matter by means of the Integrated Development Plan as well as the Capital Program.

## **8.8 BORROWING**

Through the various capital markets as well as other financial institutions, financial resources are available to address the backlog in infrastructure development. It is however, essential that a Loan Redemption Fund be maintained which is substantiated by means of a cash investment, in order to fulfil timorously in debt repayment without extra-ordinary fluctuations in tariffs.

## **8.9 FINANCIAL MANAGEMENT STRATEGIES AND PROGRAMMES**

The following financial management strategies and programmes were identified and implemented:

### **8.9.1 FIVE-YEAR STRATEGIC INFORMATION TECHNOLOGY PLAN**

Mainly for the maintenance of effective information technology systems within the Municipality. The development of an integrated Management Information System (MIS) together with a GIS is in progress.

### **8.9.2 ASSET MANAGEMENT PLAN**

A computerised bar-code asset management system is maintained in order to ensure accountable utilization and reporting on assets.

### **8.9.3 BUDGETARY OFFICE**

The establishing of a budget office in terms of the determination of the Municipal Finance Management Act, no 56 of 2003.

## **8.10 GROWTH AND DEVELOPMENT STRATEGY**

The following key strategies constitute a summary of the financial plan that has been identified for the EMLM in mapping out the way forward:

### **Short-Term Strategies**

- Development of a credible, balanced and cash-backed budget
- Effective cash-flow management, forecasting and monitoring
- Effective management of operating and capital expenditure
- Effective implementation of standard chart of accounts (SCOA) project by July 2015 financial year
- effective implementation of credit control and debt collection measures

### **Medium-Term Strategies**

Implementation of a revenue enhancement strategy, which includes the following:

- Existing fees, tariffs and charges must be reviewed annually to optimise unit cost recovery
- Identification of additional revenue streams
- Getting value for money - In short this speaks to procurement of goods.
- Ensure that there is financial accountability
- Ensure that over time we achieve financial sustainability and abolish our reliance on grants to operate.
- Enhancement of the current revenue base for the purpose of promoting initiatives aimed at sustainable revenue growth.
- Reduction in electricity and water losses to the absolute minimum

## **CHAPTER 9 – PERFORMANCE MANAGEMENT**

### **9.1 BACKGROUND OVERVIEW**

EMLM acknowledges the importance of performance management as a key driver to accelerate service delivery and improve accountability in local government. Improving accountability rests on the creating requisite structures, mechanisms and processes to create a culture of accountability and transparency. In this regard, EMLM is committed to implementing a performance management system (PMS) that is commensurate with its resources and best suite its circumstances in order to inculcate a culture of performance amongst in its administration.

In fulfillment of the commitment to improve accountability, the municipality has developed a Performance Management Procedure Management (PMPM) to guide the implementation of the PMS through-out the municipal administration. In this regard, the municipality has outlined a process on the development of performance measures, key performance areas (KPAs), key performance indicators (KPIs) and targets to drive performance management. The municipal performance measures will help to formulate simple, measurable, attainable and realistic KPIs and targets for all the strategies and projects identified.

Performance monitoring has always been a major tool in ensuring quality service delivery, however the municipality has not yet cascaded PMS to the lower levels except for the section 57 managers and will fulfill this mandate on the successful implementation of the automated PMS; known as Lebelela, provided by the service provider namely the Institute.

#### **9.1.1 Purpose**

The purpose of the framework is to customize the principles and framework of performance management for Elias Motsoaledi Local Municipality in order to provide policy measures and practical guidelines for the improvement of organisational and individual performance and service delivery. The Municipal Planning and Performance Management regulations of 2001, sec 7 (1) stipulates that a performance management system (PMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players.

#### **9.1.2 Scope of application**

The principles and framework of performance management in Elias Motsoaledi Local Municipality applies to section 57 employees as well as other staff categories. Hence these policy measures are applicable to all employees of the Elias Motsoaledi Local employees, subject to the relevant regulatory prescripts. This includes fixed-term contract and permanent employees who are governed by collective agreements stemming from the bargaining council process.

#### **9.1.3 Policy and Legislative Framework for Performance Management**

The Constitution of the RSA, 1996 (Act 108 of 1996)

The constitution (1996), section 152, dealing with the objects of local government, paves the way for performance management with the requirement for an “accountable government “. The democratic values and principles in terms of section 195(1) are also linked with the concept of, inter alia,: the promotion of efficient, economic and effective use of resources, accountable public administration, to be transparent by providing information, to be response to the needs of the community, and to facilitate a culture of public service and accountability amongst staff.

The Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

The major PMS policy instruments is the 1998 White Paper on Local Government supported by the Batho Pele Principles, which policies was given legal stature through the adoption of the Municipal Systems Act in 2000 (Act 32 of 2000).

The Act in reference requires the municipalities to:

- Develop a performance management system
- Set targets, monitor and review the performance of the municipality based on indicators linked to their Integrated Development Plan (IDP).
- Publish an annual performance report on performance of the municipality forming part of its annual report as per the Municipal Finance Management Act (MFMA).
- Conduct, on a continuous basis, an internal audit of all performance measures.
- Have their annual performance report audited by the Auditor – General.
- Involve the community in setting indicators and targets and reviewing municipal performance.

The municipality must compile an annual report, which must include a performance report compiled in terms of the Systems Act.

Local Government: Municipal Structures Act, 1998 (Act 117 of 1998)

- The needs of the community.
- Its priorities to meet those needs.
- Its processes for involving the community.
- Its organisational and delivery mechanisms for meeting the needs of the community; and
- Its overall performance in achieving the objectives referred to in subsection. Municipal Council must further develop mechanisms to consult the community and community organisations in performing its functions and exercising its powers.

The Municipal Planning and Performance Management regulations (No 796, 24 August 2001)

The Municipal Planning and Performance Management Regulations set out in detail requirements for municipal performance management systems. Each component of the proposed framework in this document is strongly informed by the Regulations. The Regulations deal with provisions for the following aspects of the Performance Management System:

- a) The framework that describes and represents the municipality's cycle and processes for the Performance management system and other criteria and stipulations, and the adoption of the Performance Management System;
- b) The setting of performance targets, and the monitoring, measurement and review of performance;
- c) Internal Auditing of performance measurements;
- d) Community participation in respect of performance management.

#### Regulations for Municipal Managers and managers reporting directly to Municipal Mangers, 2006

The regulation describing the process of how the performance of municipal managers will be, describing the process of how the performance of municipal managers will be uniformly directed and monitored. They address the job description, employment contract, as well as the performance agreement that is to be entered into between respective municipalities, municipal managers and managers directly accountable to municipal managers.

#### The Municipal Finance Management Act, No 56 of 2003

It requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP) with the service delivery targets and performance indicators. Whilst considering and approving the annual budget the municipality must also set measurable targets for each revenue source and vote. In terms of a circular issued by National Treasury, provision is also made to the compilation on an annual basis of department SDBIP'S.

#### Batho Pele (1998)

The White Paper on Transforming Public Service Delivery (Batho Pele) puts forward eight principles for good public service that should be encapsulated in a municipal performance management system, namely;

- a) Consultation: citizens should be consulted about the level and quality of public service they receive, and, where possible, should be given a choice about the services that are provided.
- b) Service standards: citizens should know what standard of service to expect.
- c) Access: all citizens should have equal access to the services to which they are entitled.
- d) Courtesy: citizens should be treated with courtesy and consideration.
- e) Information: citizens should be given full and accurate information about the public services they are entitled to receive.
- f) Openness and transparency: citizens should know how departments are run, how resources are spent, and who is in charge of particular services.

- g) Redress: if the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response.

“Importantly, the Batho Pele white Paper notes that the development of a service-oriented culture requires the active participation of the wider community. Municipalities need constant feedback from service-users if they are to improve their operations. Local partners can be mobilised to assist in building a service culture”- The White Paper on Local Government (1998).

## **9.2 OBJECTIVES OF THE PERFORMANCE MANAGEMENT FRAMEWORK**

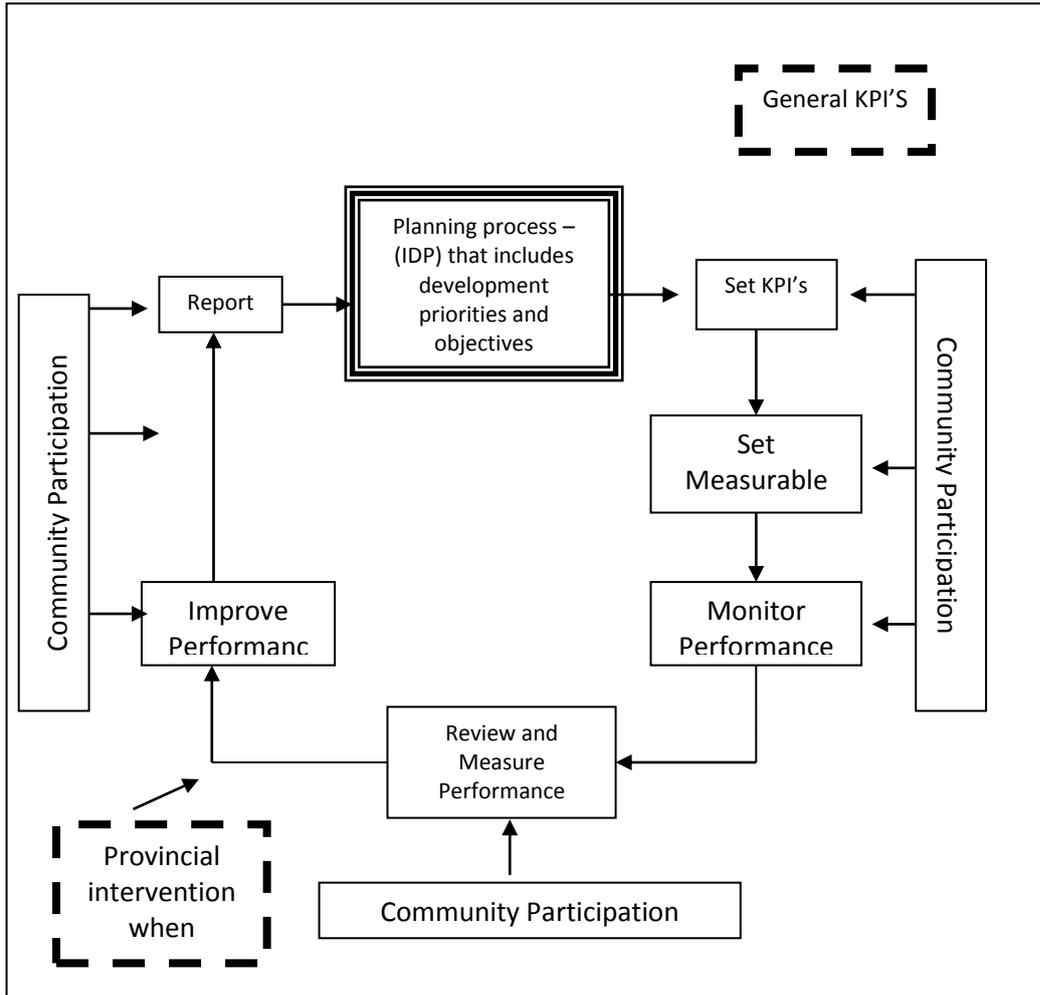
The objectives of institutionalising Performance Management System, beyond the fulfilling of legislative requirements, is to serve as a primary mechanism to monitor, review and improve the implementation of the municipality’s IDP. In doing so, it should fulfil the following functions:

- Achieve sustainable improvement in service delivery,
- To promote a culture of performance management among its political structures, political office bearers and councillors and its administration,
- To administer municipal affairs in an economical, effective, efficient and accountable manner,
- To align employee`s performance to the departmental strategic and operational goals,
- To provide a systematic framework for performance planning, performance monitoring and review and performance appraisal.
- To promote a shared sense of responsibility amongst staff for the achievement of strategic goals and objectives
- To promote a culture of transparency and participation through open dialogue about goals and the achievement thereof, personal development, and performance improvement,
- To encourage managers to effectively create conditions for staff to perform optimally,
- To provide a framework of assessment for identifying good and poor performance and to act appropriately through development and the recognition and rewarding of good performance and
- Encourage and reward good performance

## **9.3 INITIALIZING THE PMS**

Initialising a PMS in Elias Motsoaledi is a phase that involves the development of a framework within which performance management process will happen. It involves where performance management starts and what should be done to make it work as outlined in the figure below:

**Figure 23: Initialising the Performance Management System**



## 9.4 DELEGATION OF RESPONSIBILITIES

Municipal Systems Act of 2000, no 32 of 2000(sec 39) dictates apart from establishing a PMS system, how a municipality must develop and manage the system. The Act as in section 39 identifies the role-players that are mainly responsible for managing the system.

“The executive committee or executive mayor of a municipality or, if the municipality does not have an executive committee or an executive mayor, a committee of councillors appointed by the municipal council must:

- a) Manage the development of performance management system;
- b) Assign responsibilities in this regard to the municipal manager, and
- c) Submit the proposed system to the municipal council for adoption”.

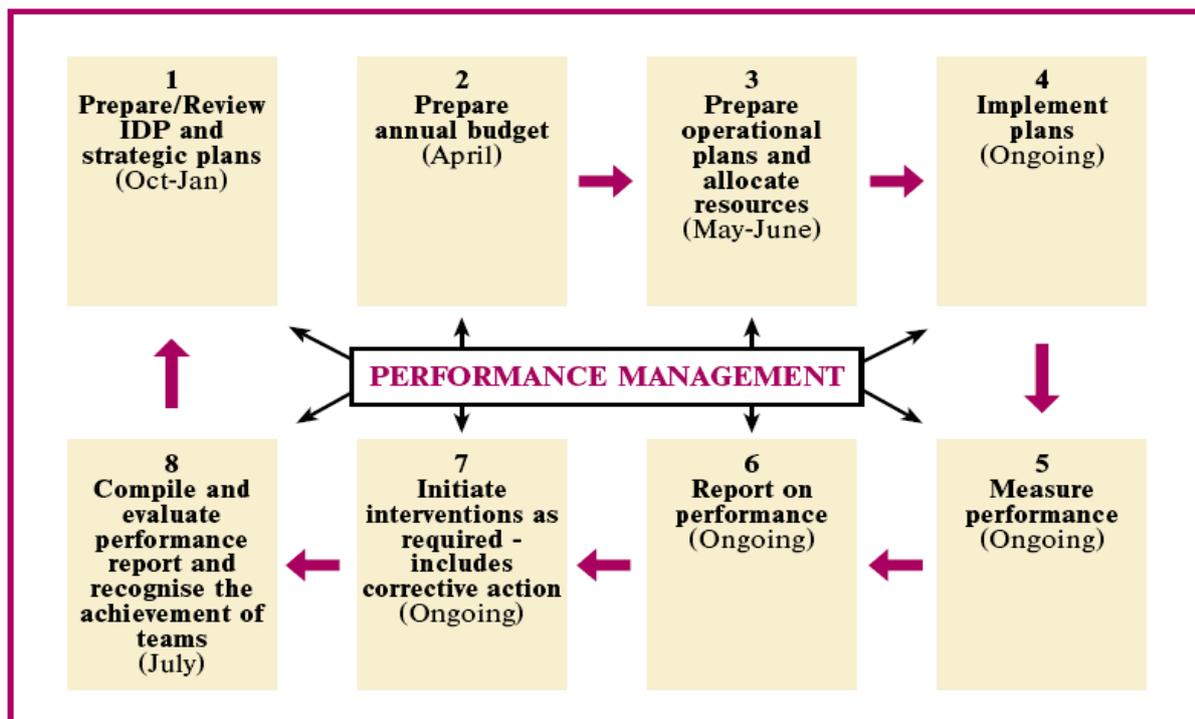
The Mayor is responsible for overseeing the implementation of the PMS of the municipality. The Mayor of Elias Motsoaledi Local Municipality therefore must officially delegate the relevant responsibilities to Municipal Manager.

## 9.5 DEVELOPMENT OF THE PMS

The Processes for developing PMS involves the assessment of how planning, implementation and monitoring and the gaps of IDP and PMS are dealt with.

### 9.5.1 Relationships between IDP and PMS

The Integrated Development Planning process and the Performance Management Process should appear to be seamlessly integrated. Integrated development planning fulfils the planning stage of Performance Management System. Performance Management System fulfils the implementation management, monitoring and evaluation of the IDP process. This is illustrated in the below figure:



As can be seen from the above, the cycle begins at the planning stage with the development and review of the existing IDP and strategic plans and ends with the compilation and evaluation of performance reports and recognises team achievements.

### 9.5.2 Assessments

The municipality/council need to conduct assessment on how planning, implementation and monitoring happen within the municipality; this will assist to identify gaps in terms of IDP and the requirements of the performance management.

### **9.5.3 Creating structures for public participation**

Elias Motsoaledi Local Municipality will use the IDP Representative Forum as the structure for stakeholder participation in Performance Management System. As far as possible; the Performance Management structures for Elias Motsoaledi Local Municipality should be the same as those of the IDP.

### **9.5.4 Publication of the system**

After the reviewal of the framework the municipality shall take the framework to the public for public comments together with the key performance indicators and targets in accordance with its Integrated Development Plan. This shall be done before the commencement of the financial year and also as part of the publication of the IDP review document of the following financial year.

### **9.5.5 Adoption of the system**

Public comments will be taken into consideration when adopting the final system. Following the incorporation of the public comments into the draft system, the final draft should be prepared for submission to Council. The Council should adopt the system when it is satisfied that the process was handled in accordance with the legislation and the proposed system complies with the requirements of the law.

## **9.6 PRINCIPLES GOVERNING PERFORMANCE MANAGEMENT**

The following are principles that inform the development and implementation of Performance Management System in Elias Motsoaledi Local Municipality.

### **9.6.1 Simplicity**

The system must be simple and user friendly that will assist the municipality to operate within the capacity of its financial, human resources and information management system.

### **9.6.2 Politically driven**

The above legislation clearly tasks the municipal council and the mayor as the owner of the PMS while the Executive management drive the implementation and improvement of the system.

### **9.6.3 Transparency and Accountability**

Members of the organization whose performance will be monitored and measured must ensure that the process of managing performance is inclusive open and transparent. This can only be achieved by taking effective participation in the design and implementation of the system within the municipality. Again, the process must involve and empower communities so that they are able to understand how the municipality and its departments are run, how resources are spent, and who is in charge of particular services. Similarly, all information on the performance of departments should be available for other managers, employees, the public and specific interest groups.

### **9.6.4 Integration**

The performance management system should be integrated into other management processes in the municipality, such that it becomes a tool for more efficient and effective management rather than an additional reporting burden. It should be seen as a central tool to the ongoing management functions.

### **9.6.5 Objectivity**

The system should be clear without any ambiguity; i.e. state what need to be measured to enhance objectivity and credibility.

## **9.7 COMPONENTS OF PMS FRAMEWORK**

### **9.7.1 Setting measures and targets**

The setting of measures and targets happens during the IDP process and is linked to the strategic objectives of the IDP. Performance measures and targets are used to show how the Municipality is performing on its objectives. This stage comprises setting measures and targets, and then gathering data and information on these measures to assess the progress of the Municipality. Performance measurement allows Municipalities to compare their actual performance to their intended performance, and against nationally defined minimum standards. It will also, in time, allow for the comparison of their performance against that of other Municipalities.

### **9.7.2 Performance planning**

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

### **9.7.3 Performance measurement**

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each key performance indicator and against the target set for such indicator. The setting of measures and targets happens during the IDP process and is linked to the strategic objectives of the IDP. To ensure the integrity of the targets set, baseline information based on backlog and current performance should be used as the basis for setting sound measures and targets. Performance measurement allows the Municipality to compare their actual performance in relation to backlog and current performance.

### **9.7.4 Performance monitoring**

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

### **9.7.5 Performance analysis**

Performance analysis involves the process of making sense of measurements. It requires interpretation of the measurements as conducted in terms of the previous step to determine whether targets have been met and exceeded and to project whether future targets will be met or not. Where targets have not been met performance analysis requires that the reasons therefore should be examined and corrective action recommended. Where targets have been met or exceeded, the key factors that resulted in such success should be documented and shared so as to ensure organizational learning.

The analysis of the organizational and SDBIP scorecards by management should also ensure that quality performance reports are submitted to executive Committee and that adequate response strategies are proposed in cases of poor performance. Only once management has considered the scorecards, agreed to the analyses undertaken and captured therein and have reached consensus on the corrective action as proposed, can the organizational and SDBIP scorecards be submitted to council for consideration.

## **9.8 PERFORMANCE MANAGEMENT CYCLE**

### **9.8.1 Organizational Level**

The organizational performance management system can be defined as the planning process whereby the organization set the strategic agenda, vision and mission, as well as strategic objectives for the upcoming financial year/s, and the desired performance results. Performance management at organizational level involves the following stages:

#### **9.8.2 Planning**

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

#### **9.8.3 Priority setting**

In setting priorities municipality should consider the following:

- An assessment of development in the municipal area, identifying development challenges, marginalized and vulnerable citizens and communities
- A long term development vision for the municipal area that overcomes its development challenges
- A set of delivery priorities and objectives, based on identified needs, achievable in the current term of office, that would contribute significantly to the achievement of the development vision for the area
- A set of internal transformation strategies, priorities and objectives, whose achievement would enable the delivery and the realization of the development vision
- Additional projects identified in contributing to the achievement of the above objectives
- A financial plan and medium term income and expenditure framework that is aligned to the priorities of the municipality
- A spatial development framework
- To be useful in the management of performance, the IDP must provide very clear objectives, indicators by which to measure the achievement of the objectives and unambiguous targets for those indicators.

#### **9.8.4 Setting objectives**

All components of the integrated development plan whether they are strategies or priority areas; need to be translated into a set of clear and tangible objectives. This is a crucial stage in ensuring that there is clarity on the IDP and that suitable indicators are found. A clear and concise construction of statement of objectives is needed. The statement requires a tangible, measurable and unambiguous commitment to be made. It is often useful to have a clear timeframe attached to this commitment in your objective statement.

#### **9.8.5 Setting key performance Indicators**

KPIs are measurements that tell us whether progress is being made in achieving our goals. Indicators should describe performance dimension considered key in measuring performance. The ethos of performance management as implemented in local governments and captured in the Municipal Systems Act and Municipal Planning and Performance Management Regulation rely centrally on the use of Key Performance Indicators.

#### **9.8.6 Incorporating the General Key Performance Indicators**

The following general key performance indicators are prescribed in Section 10 of the Municipal Planning and Performance Management Regulations, 2001 and must be reported on annually:

- The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- The percentage of households earning less than R1100 per month with access to free basic services;
- The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- The number of jobs created through municipality's local economic development initiatives including capital projects;
- The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- The percentage of a municipality's budget actually spent on implementing its workplace skills plan; and
- Financial viability as expressed by ratios that measure debt coverage, outstanding service debtors to revenue, and cost coverage

#### **9.8.7 Setting targets**

The municipality should have clear objectives for its IDP and identified appropriate indicators. Targets are purely goals or milestones for what we intend an indicator to measure at various timeframes. Performance targets are planned level of performance or milestones an organization sets for itself for each indicator identified. Targets are usually expressed in quantity or time terms.

#### **9.8.8 Monitoring**

Monitoring is a continuous process of measuring, assessing, analyzing and evaluating the performance of the organization and departments with regard to KPIs and targets. Mechanisms, systems and processes for monitoring should provide for reporting at least twice per annum to the municipal council and the community, it should enable detection of early indication of underperformance and provide for corrective measures.

### **9.9 PERFORMANCE REPORTING AND REVIEWS**

### **9.9.1 In year Performance Reporting and Review (frequency of reporting)**

The performance of the municipality will be reviewed on a quarterly basis. Management will review the report and submit it to executive committee. The executive committee in reviewing the institutional scorecard submitted to it on a quarterly basis will have to ensure that targets committed to in the scorecard have been met, where they have not, that satisfactory and sufficient reasons have been provided by senior management and that the corrective action being proposed is sufficient to address the reasons for poor performance. If satisfied with the corrective action as proposed it must be adopted as formal resolutions of the executive Committee, minutes and auctioned accordingly, then be taken to council.

The reporting will take place in October for first quarter, in January for second quarter and the review will coincide with the mid-year performance assessment as per section 72 of the MFMA. The said section determines that the accounting officer must by 25 January of each year assess the performance of the municipality and report to (council) the Mayor of the municipality; the national treasury and all relevant provincial offices on its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in its SDBIP. Third quarter report will be submitted in April. The fourth quarter report will be submitted in July. Fourth quarter report will be incorporated in the institutional annual report which will be prepared for submission to Auditor General by the end of August each year.

### **9.9.2 Departmental reviews**

It is intended that departments review their performance at least monthly and quarterly for early detection of none performance and come up with corrective measures. It is important that departments use these reviews as an opportunity for reflections on their goals and programme and whether these are being achieved.

### **9.9.3 Portfolio Committee Reviews**

Each portfolio committee will review the performance of their respective departments against, targets set in scorecard. Portfolio committees' should ensure that the reasons for poor performance are satisfactory and sufficient, to address the reason for poor performance.

### **9.9.4 Executive committee reviews**

On a quarterly basis, the Executive Committee should engage in an intensive review of municipal performance against the scorecard as reported by the municipal manager. Many of the indicators in the scorecard will only be measurable on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance. The review should reflect on the performance of services. The Executive Committee will need to ensure that targets in the scorecard are being met, where they are not, that satisfactory and sufficient

Reasons are provided and that the corrective action being proposed is sufficient to address the reasons for poor performance. The review should focus on reviewing the systematic compliance to the performance management system, by departments, portfolio committees and the municipal manager.

### **9.9.5 Council reviews**

At least twice annually, the council will be required to review municipal performance. It is proposed that this reporting take place using the strategic scorecard in an annual report. The Municipal Systems Act requires

that the annual report should at least constitute a performance report (the strategic scorecard), financial statements and an audit report.

### **9.9.6 Public reviews**

The Municipal Systems Act requires the public to be given the opportunity to review municipal performance.

It is proposed that in addition to the annual report mentioned above, a user-friendly community's report should be produced for public consumption. The communities' report should be a simple, easily readable and attractive document that translates the strategic scorecard for public consumption.

It is also proposed that a public campaign be annually embarked on to involve communities in the review of municipal performance. Such a campaign could involve the following methodologies:

- Ward committees be reported to and submit their review of the municipality to council. The performance management team should be used to summarise this input.
- Various forms of media including radio, newspapers and billboards can be used to convey the communities' report. The public should be invited to submit comment via telephone, fax, email and public hearings to be held in a variety of locations.
- The public reviews should be concluded by a review by the IDP Representative Forum.

### **9.9.7 Reporting to other Spheres of Government**

The municipality will report to other spheres of government stipulated in the MFMA and the Municipal systems Act. Those spheres of government are as follows:

Local government (all quarterly reports, SDBIP, IDP, revised SDBIP and annual report, mid-year performance assessment)

National treasury (SDBIP, Revised SDBIP and annual report, mid-year performance assessment)

Provincial treasury (SDBIP, Revised SDBIP and annual report, mid-year performance assessment)

Auditor General's office. (Annual report and Financial Statements)

Relevant documents will be submitted to relevant spheres of government as per legislations.

### **9.9.8 Line of accountability**

Municipal Manager will hold all Directors accountable for their performances. Mayor and Council will hold Municipal Manager accountable for the performance of the municipality. Communities will hold the council of the municipality for the performance of the institution.

## **9.10 AUDITING AND QUALITY CONTROL**

All auditing will comply with Section 14 of the Municipal Planning and Performance Management Regulations (2001).

### **9.10.1 Quality control and co-ordination**

The Office of the Municipal Manager, overseen by and reporting regularly to the PMS Management Team will be required on an ongoing basis to co-ordinate and ensure good quality of reporting and reviews. It will be its

role to ensure conformity to reporting formats and check the reliability of reported information, where possible.

### **9.10.2 Internal audit**

The municipality's internal audit function will be continuously involved in auditing the performance reports of SDBIPs and the organisational scorecard. As required by the regulations, they will be required to produce an audit report on a quarterly basis, to be submitted to the Municipal Manager and Audit Committee.

Auditing is necessary to prevent:

- Inconsistencies in performance management definition or methodology of data collection;
- Incorrect processing and poor documentation of performance management;
- Biased information collection and reporting by those whose image is at stake in the performance management process.

The Regulations specify that any auditing must include assessment of:

- The functionality of the municipality's performance management system;
- The compliance of the system with the legislation; and
- The extent to which performance measurements are reliable in measuring performance of the municipality

### **9.10.3 Performance audit committee**

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councilor may be a member of an audit committee. Council must also appoint a chairperson who is not an employee of the municipality. EMLM has established single audit committee which performs both duties financial and performance of the municipality.

The Regulations gives municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. The operation of this audit committee when dealing with performance management is governed by section 14 (2-3) of the Regulations which require that the audit committee must:

- Review the quarterly reports submitted to it by the internal audit unit
- Review the municipality's PMS and make recommendations in this regard to the Council of the Municipality
- At least twice during a financial year submit an audit report to municipal Council

In order to fulfill their function a performance audit committee may, according to the MFMA and the Regulations,

- Communicate directly with the council, Municipal Manager or the internal; and external auditors of the municipality concerned;

- Access any municipal records containing information that is needed to perform its duties or exercise its powers;
- Request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- Investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

## **9.11 PERFORMANCE INVESTIGATIONS**

The Audit Committee will be able to commission in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. Performance investigations should assess

- The reliability of reported information
- The extent of performance gaps from targets
- The reasons for performance gaps
- Corrective action and improvement strategies

## **9.12 ROLES OF STAKEHOLDERS [UPDATED INFORMATION]**

### **Identification of stakeholders**

The municipality has identified the following role players and their responsibilities in the development and implementation of performance management system.

- Citizens and communities, including community based organizations, non-governmental organizations, business and organized business.
- Councillors, including The Mayor, Portfolio Committees and Council.
- Officials, including Municipal Manager, management team, line management.
- General municipal staff
- Internal Audit
- Audit committee
- Auditor General

### 9.12.1 Municipal Council

Planning	Monitoring		
	Review	Reporting	Performance assessment
<ul style="list-style-type: none"> <li>Adopts priorities and objectives of the Integrated Development Plan.</li> <li>Adopts the PMS framework.</li> <li>Adopts the municipal measurable objectives that is priorities and objectives of the IDP.</li> <li>Establish an oversight committee for the purpose of the annual report.</li> </ul>	<ul style="list-style-type: none"> <li>Approves the annual review programme of the IDP.</li> <li>Approves changes to the SDBIP and adjustment Budget</li> <li>Approves any changes to the priorities, objectives, key performance indicators and performance targets of the municipality.</li> <li>Consider the oversight report from the oversight committee.</li> </ul>	<ul style="list-style-type: none"> <li>Receives externally audited performance reports from the Mayor twice a year.</li> <li>Reports the municipality performance to the community at least twice a year.</li> <li>Approves recommendations for the improvement of the performance management system.</li> <li>Annually receives the appraisal of the Municipal Manager and Strategic Managers' performance.</li> <li>Submits the municipal annual report to the Auditor General and the MEC</li> </ul>	<ul style="list-style-type: none"> <li>Approves the municipal annual audit plan and any substantial changes to it.</li> <li>Approves the implementation of the recommendations of the Performance Audit Committee with regard to both improvement in the performance of the municipality or improvement of the performance management system itself.</li> <li>Receives performance audit report from the Auditor General and approves implementation of its recommendations</li> </ul>

### 9.12.2 Mayor

Planning	Monitoring		
	Review	Reporting	Performance assessment
<ul style="list-style-type: none"> <li>• Submits priorities and objectives of the Integrated Development Plan to Council for approval.</li> <li>• Submits the PMS framework for approval.</li> <li>• Approves the Service Delivery and Budget Implementation Plans.</li> <li>• Enters into a performance agreement with the Municipal manager on behalf of Council.</li> <li>• Assigns the responsibility for the management of the PMS to the Municipal Manager.</li> <li>• Tables the budget and SDBIP to Council for approval.</li> </ul>	<ul style="list-style-type: none"> <li>• Proposes to Council, the annual review programme of the IDP, including the review of key performance indicators and performance targets.</li> <li>• Proposes changes to the priorities, objectives, key performance indicators and performance targets of the municipality.</li> <li>• Quarterly evaluates the performance of the municipality against adopted KPIs and targets.</li> <li>• Quarterly reviews the performance of departments to improve the economy, efficiency and effectiveness of the municipality.</li> <li>• Quarterly and annually evaluates</li> </ul>	<ul style="list-style-type: none"> <li>• Receives monthly budget statement.</li> <li>• Receives performance reports quarterly from the internal auditor.</li> <li>• Receives performance reports twice a year from the Audit Committee.</li> <li>• Receives monthly and quarterly reports from the Municipal Manager on the performance of Strategic Managers and the rest of the staff.</li> <li>• Report to council on the mid-term review and the annual report on the performance of the municipality.</li> <li>• Reports to Council on the recommendations for the improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Submits the municipal annual audit plan and any substantial changes to council for approval.</li> <li>• Approves the implementation of the recommendations of the internal auditor with regard to both improvement in the performance of the municipality or improvement of the performance management system itself.</li> <li>• Receives performance audit report(s) from the Auditor General and makes recommendations to Council.</li> </ul>

### 9.12.3 The Municipal Manager

Planning	Implementation	Monitoring		
		Review	Reporting	Performance assessment
<ul style="list-style-type: none"> <li>Coordinates the process of needs identification and prioritization among all stakeholders, including community structures.</li> <li>Coordinates the formulation and revision of the PMS framework.</li> <li>Leads the process of the formulation and revision of the Service Delivery and Budget Implementation Plans.</li> <li>Enters into a performance agreement with Strategic Managers on behalf of Council.</li> </ul>	<ul style="list-style-type: none"> <li>Manages the overall implementation of the IDP.</li> <li>Ensures that all role players implement the provisions of the PMS framework.</li> <li>Ensures that the Departmental scorecards and departmental annual programmes serve the strategic scorecard of the municipality.</li> <li>Ensures that annual programmes are implemented according to the targets and timeframes agreed to.</li> <li>Implements performance improvement measures approved by the Mayor and the Council.</li> <li>Ensures that performance objectives in the Strategic Managers' performance agreements are achieved.</li> </ul>	<ul style="list-style-type: none"> <li>Formulation of the annual review programme of the IDP, including the review of key performance indicators and performance targets for the consideration of Council Committees and the Mayor.</li> <li>Formulation of the annual performance improvement measures of the municipality as part of the new municipal strategic scorecard.</li> <li>Quarterly reviews the performance of departments to improve the economy, efficiency and effectiveness of the municipal</li> </ul>	<ul style="list-style-type: none"> <li>Receives performance reports quarterly from the internal auditor.</li> <li>Receives performance reports twice a year from the Performance Audit Committee.</li> <li>Receives monthly departmental performance reports.</li> <li>Reports once in two months to council committees and the Mayor on the performance of Departments.</li> <li>Annually reports on the performance of Strategic Managers.</li> <li>Submit the municipal annual</li> </ul>	<ul style="list-style-type: none"> <li>Formulates the municipal annual audit plan.</li> <li>Formulates a response to the recommendations of the internal auditor and the Audit Committee.</li> <li>Formulates a response to performance audit report of the Auditor General and makes recommendations to the Mayor</li> </ul>

#### 9.12.4 Council Committees

Planning	Monitoring		
	Review	Reporting	Performance assessment
<ul style="list-style-type: none"> <li>Advise the Mayor on priorities and objectives of the Integrated Development Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Participate in the formulation of the annual review programme of the IDP, including the review of key performance indicators and performance targets.</li> </ul>	<ul style="list-style-type: none"> <li>Reports to the Mayor on the recommendations for the improvement of the performance management system.</li> <li>Council adopts the over-sight report.</li> </ul>	<ul style="list-style-type: none"> <li>Advices the Mayor on the implementation of the recommendations of the internal auditor.</li> </ul>

#### 9.12.5 Section 57 Managers and Sub-component Managers and Line Function Supervisors

Planning	Monitoring			
	Review	Reporting	Performance audit	Performance assessment
<ul style="list-style-type: none"> <li>Participates in the formulation of the Top level SDBIP.</li> <li>Manages subordinates' performance measurement system.</li> <li>Enters into a performance agreement with the Municipal Manager.</li> </ul>	<ul style="list-style-type: none"> <li>Manages the implementation of the Departmental SDBIP.</li> <li>Ensures that performance objectives in the performance agreements are achieved.</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly and annually reviews the performance of the department to improve the economy, efficiency and effectiveness of the departments</li> </ul>	<ul style="list-style-type: none"> <li>Reports on the implementation of improvement measures adopted by the Mayor and Council.</li> <li>Annually reports on the performance of the department.</li> </ul>	<ul style="list-style-type: none"> <li>Participates in the formulation of the response to the recommendations of the internal auditor, Audit Committee and the Auditor General.</li> </ul>

#### 9.12.6 General Municipal Staff

Planning	Monitoring		
	Review	Reporting	Performance assessment

<ul style="list-style-type: none"> <li>• Participates in the development of the Technical SDBIP.</li> <li>• Participates in the development of their own performance measurement.</li> </ul>	<ul style="list-style-type: none"> <li>• Executes individual work plans.</li> </ul>	<ul style="list-style-type: none"> <li>• Participates in the review of departmental plans.</li> <li>• Participates in the review of own performance.</li> </ul>	<ul style="list-style-type: none"> <li>• Reports to line manager.</li> </ul>
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### 9.12.7 Internal Audit

Planning	Monitoring	
	Review	Reporting assessment
<ul style="list-style-type: none"> <li>• Develop a risk and compliance based audit plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Measures the performance of departments according to KPIs and performance targets set.</li> <li>• Ensures that the system complies with the Act.</li> <li>• Audit the performance measures in the municipal scorecard and departmental scorecards.</li> <li>• Conduct compliance based audit.</li> </ul>	<ul style="list-style-type: none"> <li>• Submit quarterly reports to the Municipal Manager.</li> <li>• Submit quarterly reports to the Performance Audit Committee.</li> </ul>

### 9.12.8 Audit Committee

Planning	Monitoring	
	Review	Reporting assessment
<ul style="list-style-type: none"> <li>Receives and approves the annual audit plan.</li> </ul>	<ul style="list-style-type: none"> <li>Review quarterly reports from the internal audit committee on quarterly bases</li> </ul>	<ul style="list-style-type: none"> <li>Reports quarterly to the municipal Council.</li> </ul>

### 9.12.9 Auditor General

Planning	Monitoring	
	Review	Reporting assessment
<ul style="list-style-type: none"> <li>Receives and approves the annual audit plan.</li> </ul>	<ul style="list-style-type: none"> <li>Review annual reports from the internal audit committee on quarterly bases</li> </ul>	<ul style="list-style-type: none"> <li>Reports quarterly to the municipal Council.</li> </ul>

### 9.12.10 The Community

Planning	Monitoring	
	Review	Reporting assessment
<ul style="list-style-type: none"> <li>Participate in the drafting and implementation of the municipality's IDP through established forums</li> <li>Participates in the setting of KPIs and targets for the municipality every year</li> <li>Make representations on the draft annual budget</li> </ul>	<ul style="list-style-type: none"> <li>Participate in the annual review of performance through their involvement in the development of the Oversight Report</li> <li>.</li> </ul>	<ul style="list-style-type: none"> <li>Receive annual performance and budget reports from council</li> <li>Participate in the development of the oversight report</li> </ul>

## **9.13 EMPLOYEE PERFORMANCE**

### **9.13.1. Issues relating to the implementation of regulations**

It is important to link the organisational performance and individual performance and how individual performance can be cascaded from the municipal manager down to the operational.

The performance of a municipality is integrally linked to that of the staff. If the employees do not perform, the municipality would fail, hence it is critical to manage both at the same time, but separately. The legislative requirement for measuring individual performance requires the municipal manager, and heads of department to sign performance contracts that must include:

- Performance objectives, targets and timeframes.
- Standards and procedures for evaluating performance with the interval for evaluation
- The performance objectives and targets must be practical, measurable and based on the key performance indicators set out in the IDP

### **9.13.2 Responsibilities for implementing the system**

The responsibility of the municipality is to draw up performance measures contracts of members of the top management team, consisting of the municipal manager and Directors. The contract is called the service delivery and budget implementation plan (SDBIP). The plan will flow out of the municipal manager's individual performance plan. It is necessary for all section 56 employees to sign formal performance contracts, and it is required that all employees have job descriptions. This job description must be aligned with individual performance plan of Directors. In this way all employees are working towards common goal. It is the responsibility of the employer to create a conducive environment in which the employees can deliver on the objectives and targets set for them in their performance contracts and job descriptions.

### **9.13.3 Employment contract**

The Municipal Systems Act (see section 57) provides that there must be a written employment contract between the municipality the municipal manager and managers directly accountable to municipal manager.

### **9.13.4 Applicable legislation**

The regulations (see sub-regulation 4(1)) provide that the employment contract must be subject to the terms and conditions of the Systems Act, the MFMA, and other applicable legislation. In the event that the employment contract does not refer to the applicability of other legislation, that omission will not affect the legal validity of the employment contract. The employment contract will, in any event, be subordinate to any legislation even in the case where the parties themselves are unaware of such legislation.

### **9.13.5 Validity of employment contract**

The regulations (see sub-regulation 4(4)(a)) further provide that employment in terms of an employment contract must be subject to the signing of a separate performance agreement within 60 calendar days after assumption of duty and annually within one month after the commencement of the financial year. It is important to bear in mind that both the employment contract and the performance agreement are entered into separately by the parties. In the event that the performance agreement has not been entered into after the expiration of the time limit, it amounts to a breach of the employment conditions and the party responsible for such breach must be put on terms. It is important to emphasise that the failure to enter into a performance agreement does not automatically render the employment contract invalid. The party

responsible for this breach must be given an opportunity to remedy the breach. Failure by the party responsible for the breach to remedy the breach may result in the other party initiating a contract termination process if it so feels.

#### **9.13.6 Performance agreement**

The performance agreement (see sub regulation 8(2) read with sub-regulation 23) provides the basis upon which the municipality will reward good performance on the part of the employee. Performance Agreements form the basis upon which the performance of Section 56 staff are measured and monitored against targets. The performance agreement is put in place to comply with the provisions of Section 57 (1)(b), (4A),(4B) and (5) of the Municipal Systems Act as well as the employment contract entered into between the parties. This agreement must be entered into for each financial year and be reviewed annually. According to the Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006), the performance agreements fulfil the following key purposes:

- specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- monitor and measure performance against set targeted outputs;
- use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;
- and in the event of outstanding performance, to appropriately reward the employee;
- Give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

It is understood that a performance agreement comprises a performance plan and a personal development plan.

#### **9.13.7 Performance plan**

The performance plan establishes:

- a detailed set of objectives and targets to be met by the Section 56 employee as well as;
- The time frames within which these should be met.

The specifics of the performance plan will be determined by the Executive Committee, in consultation with the employee, and will be based on the IDP, SDBIP and the Budget. It shall include the following elements:

- Key Objectives
- Key Performance Indicators
- Targets
- Weightings

In addition, the employee will be measured in terms of their contribution to the goals and strategic planning as set out in the Municipality's IDP.

#### **9.13.8 Personal development plan**

As part of the performance agreement, a personal development plan will be included. This section should state the activities, including training, that the employee wishes to undertake to improve themselves or is

required to take to better fulfill the needs of the job. It is the responsibility of the individual to ensure that development plan is implemented.

#### Evaluating performance

The Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers (2006) stipulates in detail how the evaluation process should be undertaken.

#### **9.13.9 Evaluators**

For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons will be established -

- Executive Mayor/ Mayor
- Chairperson of the performance audit committee;
- Any Member of the Executive Committee/ Mayoral Committee;
- Municipal manager from another municipality.
- Ward committee representative

For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons will be established

- Municipal Manager;
- Chairperson of the performance audit committee;
- Member of the Executive committee/ Mayoral committee
- Municipal manager from another municipality.

#### **9.13.10 Process & scoring**

Performance will be reviewed on a quarterly basis within two weeks after completion of the evaluation of a unit (department or section) to which the employee belongs or managing. The employer will keep a record of the mid-year review and annual assessment meetings. The performance plan will include a Personal Development Plan, in order to address any weaknesses or skills gaps which may have been identified. In summary, the annual performance appraisal will involve an assessment of results as outlined in the performance plan, discussed below. It is also important to note that during the 1<sup>st</sup> quarter assessment, the process will be informal to ensure implementation of corrections and remedies. The mid- year and annual assessment will be formal.

#### ***KPA assessment***

- Each KPA will be assessed according to whether performance indicators have been met.
- An indicative rating on a 5-point scale will be provided for each KPA
- The applicable assessment rating calculator will be used to add to the scores and calculate the final KPA score based on a weighted average score.
- The KPA's assessment will constitute of 80%

#### ***CCR assessment***

- Each CCR will be assessed according to performance indicators that have been met
- An indicative rating on a 5-point scale will be provided for each CCR
- The rating is multiplied by the weighting given to each CCR, to provide a score
- The applicable assessment-rating calculator will be used to add to the scores and calculate the final CCR score, based on a weighted average score.

- The CCR will form part of the personal development plan as per agreement
- The CCR will constitute 20%

### 9.13.11 Rewarding employee performance

In accordance with regulation 32, a performance bonus, based on affordability, may be paid to the employee after-

- The annual report for the financial year under review has been tabled and adopted by the municipal council.
- An evaluation of performance in accordance with the provision of regulation 23
- Approval of such evaluation by the municipal council as a reward for outstanding performances

The “outstanding” work performance of employees is to be rewarded as follows:

- The Five KPAs account for 80% of assessment while the CCRs make up the other 20% of the assessment.
- A score of 75% to 100% is awarded a performance bonus ranging from 10% to 14%; and
- A score of 65% to 74% is awarded a performance bonus ranging from 5% to 9%.

Rating		Description
5	Outstanding	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance Plan and maintained this in all areas of responsibility throughout the year.
4	Above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others throughout the year.
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.
2	Not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review / assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.
1	Unacceptable	Performance does not meet the standard expected for the job. The review / assessment indicate that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.

PERFORMANCE APPRAISAL OF KPAs AND CCRs

Level	DESCRIPTION	Rating	Assessment score	Performance bonus ratios
<p>Level 5:  Outstanding Performance</p>	<p>Performance far exceeds the standard expected for the job in all areas of the manager. The manager has achieved exceptional results against all performance criteria and indicators specified in the Performance Plan and maintained this in all areas of responsibility throughout the year.</p>	5	75 – 100	<p>Maximum bonus allowed is between 10% and 14% of person’s inclusive annual remuneration package</p> <p>The % as determined per Council Resolution is as follows:</p> <p style="text-align: right;">75 – 76% 77 – 78%     - 79 – 80%     - 81 – 84%     - 85 – 100%</p>
<p>Level 4: Performance significantly above expectations</p>	<p>Performance is significantly higher than the standard expected for the job in all areas. The manager has achieved above fully effective results against more than half of the performance criteria and indicators specified in the Performance Plan and fully achieved all others throughout the year.</p>	4	65 – 74	<p>Maximum bonus allowed is between 5% and 9% of person’s inclusive annual remuneration package</p> <p>The % as determined per Council Resolution is as follows:</p> <p style="text-align: right;">65 – 66% 67 – 68% 69 – 70% 72%     - 73 – 74%     - 9%</p>
<p>Level 3: Fully effective</p>	<p>Performance fully meets the standard expected for the job in all areas. The manager has achieved effective results against all significant performance criteria and indicators specified in the Performance Plan and may have achieved results significantly above expectations in one or two less significant areas throughout the year.</p>	3	51 – 64	No bonus

PERFORMANCE APPRAISAL OF KPAs AND CCRs					
Level	DESCRIPTION	Rating	Assessment score	Performance ratios	bonus
Level 2: Performance not fully satisfactory	Performance is below the standard required for the job in key areas. The manager has achieved adequate results against many key performance criteria and indicators specified in the Performance Plan but did not fully achieved adequate results against others during the course of the year. Improvement in these areas is necessary to bring performance up to the standard expected.	2	31 – 50		No bonus
Level 1: Unacceptable performance	Performance does not meet the standard required for the job. The manager has not met one or more fundamental requirements and/or is achieving results that are well below the performance criteria and indicators in a number of significant areas of responsibility. The manager has failed to demonstrate the commitment or ability to bring performance up to the level expected despite efforts to encourage improvement.	1	Less than 30		No bonus

### 9.13.12 Managing poor performance

#### 9.13.12.1 Early Warning Mechanisms

The municipality's quarterly reviews performance report should be used as early warning mechanisms to assess performance of a department or even the entire municipality, to determine whether the annual performance targets are likely to be achieved or not . The departments should have in place mechanisms to improve its performance and indicate to the internal audit and performance audit committee how they intend to achieve better.

#### 9.13.12.2 Addressing Poor Performance

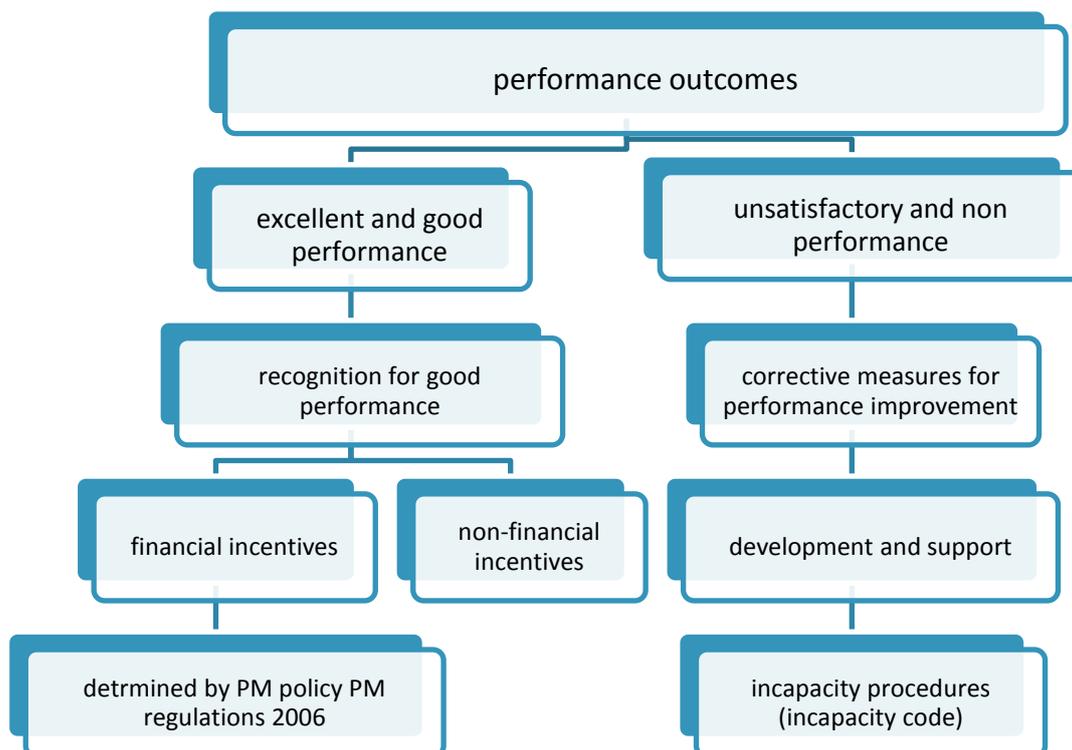
The management of poor performance should be seen as a corrective process, focusing on addressing issues that lead to performance related problems. Counseling is seen as the first corrective process, which should include the following:

- Identify and agree on the problem.
- Describe the impact of the poor performance.

- Establish reasons for performance
- Decide and agree on what actions are required, and set the necessary timeframes
- Resource the agreed actions

### 9.13.13 Performance outcomes

The performance evaluation process will identify whether individual performance was satisfactory, or above or below satisfactory. The regulations require that an employee's supervisor shall inform the employee in writing of the outcome of the assessment and if the employee's performance is unsatisfactory, of the reasons for that assessment. An employee, who is not satisfied with the outcome of her or his assessment, may refuse to sign it. The employee's supervisor must clearly identify the appeals route for an employee who is not satisfied with the outcome of her or his assessment. At any appeal against the outcome of her/his assessment, a fellow employee or a representative of her or his trade union may assist the employee. The nature of the outcome will identify what steps then need to be taken in relation to the staff member who has been evaluated. These outcomes are reflected in the diagram below:



In case of unacceptable performance, the municipality shall:

- Provide remedial and developmental support to assist the employee to improve the performance
- If the situation does not change, the municipality can consider termination of the contract based on poor performance or operational incapacity after due consideration of other applicable legislations.

### 9.14 Networking and knowledge sharing

Networking and sharing knowledge with other municipalities locally, regionally, nationally and internationally will enhance the usefulness and effectiveness of the municipal performance management system. A useful idea is the setting up learning networks, where municipalities of similar capacity share challenges and successes in implementing PMS.

## **9.10 CONCLUSION**

This policy framework of performance management supplies the necessary guidelines and directions for the development, implementation and management of Performance Management System of the Elias Motsoaledi Local Municipality. The ultimate objective of the performance management system is to introduce a new way of doing things and to become accountable on the use of resources and increasing customer value for ultimately creating better quality of life for its citizens.

The applications of this framework will integrate processes and will furthermore offer both employee and institutional solutions in its application. It is thus designed to advance the total performance of the municipality. Local Government is challenged through legislation to implement a performance management system that will improve and enhance quality, effectiveness, and to improve efficient service delivery. This framework addresses these requirements and through the implementation of the system, will set out to achieve what is required and should be able to address client needs and expectations.

The real challenge of “delivering more with less” can only be achieved through the introduction of a total change in behaviour and commitment. Elias Motsoaledi Local Municipality is passionate and committed to change its operations.

## **ANNEXURE A: MUNICIPAL ORGANISATIONAL STRUCTURE**

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