



DRAFT

**INTEGRATED DEVELOPMENT
PLAN (IDP)**

2012/13 – 2016/17

MARCH 2012

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LIST OF ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
AQMP	Air Quality Management Plan
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
BSC	Balanced Scorecard
CDW	Community Development Workers
CFO	Chief Financial Officer
CIDB	Construction Industry Development Board
COGTA	Department of Cooperative Governance and Traditional Affairs
CPF	Community Policing Forums
CPIX	Consumer Price Index
DBSA	Development Bank of South Africa
DEDP	Director: Economic Development and Planning
DPLG	Department of Provincial and Local Government
DME	Department of Mineral and Energy
DoRA	Division of Revenue Act
DRM	Disaster Risk Management
DODCS	Director: Organisational Development and Corporate Services
DSS	Director: Social Services
DTIS	Director: Technical and Infrastructural Services
DWA	Department of Water Affairs
EAP	Economic Active Population
EIA	Environmental Impact Assessment
EID	Economic and Infrastructure Development Cluster
EM	Executive Mayor
EPWP	Expanded Public Works Programme
ESKOM	Electricity Supply Commission
FMG	Financial Management Grant
GAC	Governance and Administration Cluster
GIS	Geographical Information Systems
GRAP	Generally Recognised Accounting Practices
HIV	Human Immunodeficiency Virus
HRD	Human Resources Development
HRDS	Human Resources Development Strategy
ICT	Information Communication and Technology
IDP	Integrated Development Plan
IGR	Intergovernmental Relations
KPA	Key Performance Areas
KPI	Key Performance Indicators
LED	Local Economic Development
LGTAS	Local Government Turnaround Strategy
LSM	Living Standard Measure
MAYCO	Mayoral Committee
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant
MIIF	Municipal Infrastructure Investment Framework
MMC	Member of the Mayoral Committee
MOU	Memorandum of Understanding
MPRA	Municipal Property Rates Act

MSA	Municipal Systems Act
MSIG	Municipal Systems Improvement Grant
MTAS	Municipal Turnaround Strategy
MTBC	Medium Term Budget Committee
MTREF	Medium Term Revenue and Expenditure Framework
MTSF	Medium Term Strategic Framework
NEMA	National Environmental Management Act
NERSA	National Electricity Regulator of South Africa
NKPI	National Key Performance Indicators
NSDP	National Spatial Development Perspective
NT	National Treasury
OHSA	Occupational Health and Safety Act
PGDS	Provincial Growth and Development Strategy
PHC	Primary Health Care
PI F	Premier's Inter-governmental Forum
PM	Performance Management
PMS	Performance Management System
PPP	Public Private Partnership
PT	Public Transport
PWD	People Living With Disability
RDP	Reconstruction and Development Programme
RED	Regional Electricity Distributor
SALGA	South African Local Government Association
SALGBC	South African Local Government Bargaining Council
SAPS	South African Police Service
SARS	South African Revenue Service
SCM	Supply Chain Management
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SETA	Sector Education and Training Authority
SGB	School Governing Body
SLA	Service Level Agreement
SMME	Small, Medium and Micro Enterprise
SPCD	Social Protection and Community Development Cluster
UIF	Unemployment Insurance Fund
WWTP	Waste Water Treatment Plant

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EXECUTIVE SUMMARY

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

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

This new five-year plan (2012/13 – 2016/17) which was developed after the 2011 Local Government elections is aligned to the local priorities reflected in election manifesto and is further based on the Medium Term Strategic Framework (MTSF) outcomes and the revised National Key Performance Indicators (NKPIs). This IDP therefore outlines the objectives and programmes that the municipality seeks to realise over the next five financial years.

The following is a summary of the contents of the 2012/13 IDP consisting of six chapters.

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

Chapter 2 (*Situational Analysis*) deals with the geographical context of the municipality, and an assessment of the municipal institution (political structure, administration and the community). This chapter focuses extensively on the outcomes of the 2010 Ward Profiles Study undertaken by the municipality and include detailed statistical, spatial and economic analyses.

Chapter 3 (*Development Strategies*) reflects on the national and provincial policy priorities such as the National Development Plan (Vision 2030), the New Growth Path and the Free State PGDS. It includes the new Vision, Mission and Value statements of the municipality, municipal development strategies and the detailed Five-Year Cluster strategic plans which was aligned to the national and provincial strategic priorities and outcomes.

Chapter 4 (*Financial Strategy and Plan*) is mainly based on the 2012/13 Draft Medium Term Revenue and Expenditure Framework (MTREF) of the municipality and outlines the

municipality's financial strategy, revenue and expenditure framework for the next three years, proposed tariff increases, capital funding requirements and allocations. This chapter therefore includes a detailed breakdown of the capital projects planned by the municipality for the next three financial years to address outstanding community needs and service delivery targets.

Chapter 5 (*Performance Management System*) outlines the salient features of the Revised Institutional Performance Management Framework to be submitted to Council for approval at the end of March 2012. The chapter reflects on the legislative framework for local government performance management, the new outcomes approach to performance management in government, the municipal scorecard approach to performance management, the elements of a performance management cycle and performance reporting and review requirements.

Chapter 6 (*2012/13 Annual Performance Plan-SDBIP*) details the components of the SDBIP as required by the MFMA and National Treasury Circulars. It outlines the monthly revenue and expenditure projections, quarterly service delivery targets and capital works plan for the 2012/13 financial year.

The IDP is the master plan for the municipality which provides a coherent, integrated and sound framework for the development of the municipal area. It is also envisaged that the 2012/13 Five-Year IDP will ensure improved coordination of the development programmes of the municipality and other spheres of government to ensure a better quality of life for all the people living in this areas and provide a sound basis for building better communities.

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

This new five-year plan (2012/13 – 2016/17) which was developed after the 2011 Local Government elections is aligned to the local priorities reflected in election manifesto and is further based on outcome 9 of the Medium Term Strategic Framework (MTSF) and the revised National Key Performance Indicators (NKPIs). This IDP therefore outlines the priorities, programmes, objectives and service delivery targets that the municipality seek to realise over the next five financial years.

The new IDP is based on lessons learned from the previous revision cycle (2011/12) and focuses on the following:

- Alignment with political, national and provincial priorities;
- Deepening the analysis and target-setting principles of strategic planning processes;
- Institutionalising a systematic process for addressing community needs; and
- Further strengthening performance management and monitoring systems.

It is important that the IDP developed by the Metsimaholo Local Municipality (MLM) aligns with the political, national and provincial intent. The aim of this IDP was to develop and coordinate a coherent plan to build on advances made during the previous term of Council and to continue improving the quality of life for all the people living in the area.

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

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

- National Development Plan – Vision 2030 (2011)
- The New Growth Path (2010)
- Green Paper on Improving Government Performance (2009)
- National Evaluation Policy Framework (2011)
- Development Facilitation Act of 1995
- National Spatial Development Perspective (NSDP)
- National Key Performance Indicators (NKPIs)
- Free State Growth and Development Strategy (FSGDS)
- Relevant sector plans, legislation and policy.

For the municipality, improved service delivery outcomes is directly related to the responsiveness of its departments to various service delivery and community challenges within the context of the effective and efficient management of resources.

1.2 BACKGROUND

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

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



FIGURE 1: MAP OF SOUTH AFRICAN PROVINCES

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

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

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

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

The Metsimaholo Local Municipality came into existence after the elections that took place on 5 December 2000. It is a Category B municipality and is one of the local municipalities in the Free State Province.

1.3 LEGISLATIVE CONTEXT

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

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

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

Integrated development planning is a process by which the planning efforts of different spheres and sectors of government and other institutions are coordinated at local government level. It combines the various economic, social, environmental, legal, infrastructural and spatial aspects applicable to development or provision of services and infrastructure and allocates the necessary budget thereto. This should take place in a way that enhances development and provides sustainable empowerment, growth and equity for the short, medium and long term.

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

Some of the benefits of IDP are:

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

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

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

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

- *Utilisation of scarce resources*
The IDP assists the municipality to focus on the most important needs of the communities taking into account the resources available. In the process, the municipality must find the most cost-effective and efficient ways of providing services and money spent on the causes of problems in its area of jurisdiction.
- *Expedite delivery of services*
The IDP identifies the least serviced and most impoverished areas and points to where municipal funds should be spent. It should provide mechanisms to ensure that projects and programmes are efficiently implemented and assists developing realistic project proposals based on the availability of resources.
- *Attract additional funds*
The IDP provides clear development direction and guidelines that in return will attract investors and additional funds to the municipal area.
- *Strengthens democracy*

Through the active participation of all the important stakeholders in the IDP and Budgeting process, decisions are made in a democratic and transparent manner.

- *Promotes co-ordination between local, provincial and national government*
The different spheres of government are encouraged to work in a coordinated manner to address the development needs in a local area.

The IDP of a Municipality may be amended if and when circumstances require the amendment but must be reviewed annually in terms of section 34 of the MSA. Both amendment and review of the plan must be in accordance with a prescribed process which process is described in the Process Plan.

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

1.4 INTER-GOVERNMENTAL PLANNING

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

1.All spheres of government and all organs of state within each sphere must -

- preserve the peace, national unity and the indivisibility of the Republic;
- secure the well-being of the people of the Republic;
- provide effective, transparent, accountable and coherent government for the Republic as a whole;
- be loyal to the Constitution, the Republic and its people;
- respect the constitutional status, institutions, powers and functions of government in the other spheres;
- not assume any power or function except those conferred on them in terms of the Constitution;
- exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere; and
- co-operate with one another in mutual trust and good faith by -
 - fostering friendly relations;
 - assisting and supporting one another;
 - informing one another of, and consulting one another on, matters of common interest;
 - coordinating their actions and legislation with one another;
 - adhering to agreed procedures; and
 - avoiding legal proceedings against one another.

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

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

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

In order to implement the principles on cooperative government set out in Chapter 3 of the Constitution, the *Intergovernmental Relations Framework Act, 2005* (IGR) was enacted. The Act seeks to set up mechanisms to coordinate the work of all spheres of government in providing services, alleviating poverty and promoting development. It also establishes a line of communication from municipalities to the provinces and directly to the Presidency.

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

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

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

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

These include:

- All spheres and organs of state should promote coordinated and integrated planning;
- National development priorities and principles should inform planning for all spheres;
- Each sphere has its own distinct development tasks and related planning tasks corresponding to the scale of operations and the area of jurisdiction; and
- The necessary mutual alignment between national priorities or guidelines, sectoral planning requirements and local needs, conditions and resources must be conducted in the spirit of cooperative governance whereby the plans of one sphere should support those in another.

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

“A spatial dimension to planning is critical to reversing the legacies of apartheid’s bantustan policies and our fragmented urban areas. International best practice suggests that spatial planning instruments are being increasingly used to pursue and achieve alignment. They include spatial development perspectives and guidelines for infrastructure investment and social spending.”¹

1.5 MLM POWERS AND FUNCTIONS

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

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

¹ Green Paper on National Strategic Planning. The Presidency. Sept. 2009

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

TABLE 1: MLM FUNCTIONS AND POWERS

OBJECTS OF LOCAL GOVERNMENT	MLM FUNCTIONS AND POWERS
<ul style="list-style-type: none"> • To provide democratic and accountable government for local communities 	<ul style="list-style-type: none"> • Developmental municipal planning
<ul style="list-style-type: none"> • To ensure the provision of services to communities in a sustainable manner • To promote a safe and healthy environment 	<ul style="list-style-type: none"> • Building regulations • Municipal airports • Storm water drainages • Cemeteries • Local amenities • Municipal roads • Water and sanitation services • Street lighting • Traffic and parking • Refuse removal and refuse dumps • Cleansing • Municipal health services • Fire fighting • Licensing of dogs • Pounds • Local sport facilities • Municipal parks and recreation
<ul style="list-style-type: none"> • To promote social and economic development 	<ul style="list-style-type: none"> • Local tourism • Street trading • Trading regulations • Sell food to the public • Public places
<ul style="list-style-type: none"> • To encourage the involvement of communities and community organisations in the matters of local government. 	<ul style="list-style-type: none"> • Community participation • Fair, equitable and transparent supply chain practices

1.6 OVERVIEW OF IDP PROCESS

1.6.1 INTRODUCTION

It should be noted that the current financial year (2011/12) was the final year of the current five-year IDP and the time schedule therefore reflects on the process to compile the new five-year IDP, which will cover the period 2012/13 to 2016/17. The new 5-year IDP will have to be aligned to the key localised priorities contained in the 2011 Election Manifesto, the key outputs reflected in Outcome 9 of the Medium Term Strategic Framework (MTSF) and the Draft National Key Performance Indicators (KPIs) for Local Government encapsulated in the Monitoring and Evaluation Framework in Support of Cooperative Governance (CoGTA, October 2010).

The time schedule and process plan will therefore outline the planning and budget preparation process to be undertaken, proposed institutional arrangements and timeframes attached to the different phases. The process plan will further illustrate the alignment of the IDP with the municipality’s Budget, Performance Management System (PMS) and Service Delivery and Budget Implementation Plan (SDBIP) processes.

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

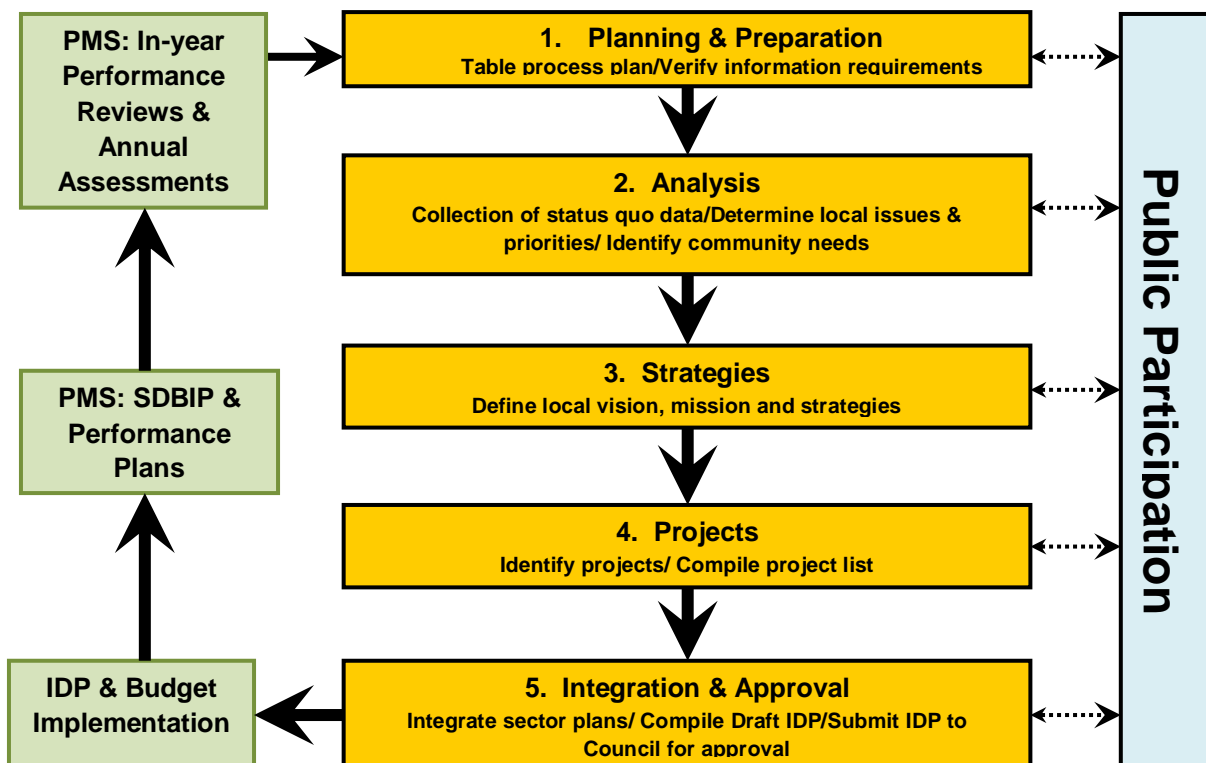


FIGURE 2: IDP AND PMS PHASES

Phase 1 (Planning and Preparation) entailed the preparation of the process plan for the compilation of the IDP and the setting up or confirmation of the required institutional arrangements.

Phase 2 (Analysis) included the registration and analysis of community needs collected during the public participation meetings to identify specific needs which have not yet been addressed by the municipality. Directorates was therefore requested to prioritise the said community needs in the compilation of their respective capital projects for the next medium term budget.

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

Phase 4 (Projects) included the development of a detailed project list based on the community needs analysis and identified strategic priorities.

Phase 5 (Integration and Approval) represents the final phase I which the 2012/13 Five-Year IDP will be tabled and adopted by Council after a second round of public participation meetings.

1.6.2 INSTITUTIONAL ARRANGEMENTS

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

TABLE 2: IDP INSTITUTIONAL ARRANGEMENTS

<p>The Executive Mayor</p>	<p>The Executive Mayor of MLM has the ultimate responsibility for the preparation and implementation of the IDP, Budget & Performance Management. In his executive capacity he has to:</p> <ul style="list-style-type: none"> • be responsible for the overall oversight, development and monitoring of the process or delegate IDP & PMS responsibilities to the Municipal Manager; • ensure that the budget, IDP & budget related policies are mutually consistent & credible; • submit the revised IDP & the Budget to the municipal Council for adoption; • submit the proposed Performance Management System to the municipal council for adoption.
<p>Municipal Council</p>	<p>The Council is the ultimate political decision-making body of the municipality and the Council has the responsibility to:</p> <ul style="list-style-type: none"> • consider and adopt the IDP Process Plan & time schedule for the preparation, tabling & approval of the annual budget; • consider and adopt the IDP and annual Budget; • ensure the municipal budget is coordinated with and based on the IDP;

	<ul style="list-style-type: none"> • adopt a Performance Management System (PMS) • Monitor progress, re. IDP implementation
Mayoral Committee	The role of the Mayoral Committee is to provide political and strategic guidance and direction to the IDP, Budget, Performance Management processes and IDP implementation. The Mayoral Committee is assisted by the Finance and IDP Portfolio Committee in this regard.
Ward Councillors & Ward Committees	<p>Ward Councillors are the major link between the municipality and the residents. As such, their role is to:</p> <ul style="list-style-type: none"> • link the planning process to their constituencies and/or wards; • ensure communities understand the purpose and the key mechanisms of the IDP, Budget process, Performance Management and are motivated to actively participate; • facilitate public consultation and participation within their wards.
IDP Representative Forum	<p>The IDP Representative Forum serves as the interface for community participation during the IDP process and therefore participates in the annual review of the municipality's IDP. The IDP Representative Forum is chaired by the Executive Mayor (or his delegate) and consists of the following role players:</p> <ul style="list-style-type: none"> • Members of the Mayoral Committee • Ward Councillors • Ward Committee members • Community Development Workers • NGOs/CBOs • Business chambers • Sector departments (district, provincial and national) • Religious organisations • Municipal officials
Municipal Manager	The Municipal Manager has the responsibility to provide guidance and ensure that the administration actively participates and supports the development and review of the IDP and Budget and works towards its implementation.
IDP Steering Committee	<p>The IDP Steering Committee is chaired by the Municipal Manager and comprises of the Directors and Managers of the various divisions and offices. The tasks of the Steering Committee are to:</p> <ul style="list-style-type: none"> • provide technical oversight and support to the IDP/ Budget review and its implementation; • consider and advise on IDP/ Budget content and process; • ensure inter-directorate co-operation, co-ordination, communication and strategic thinking to address priority issues • ensure sector and spatial co-ordination and alignment • ensure IDP & budget linkage • ensure Performance Management is linked to the IDP • ensure the organisation is oriented to implement the IDP • ensure time-frames set for the review are met. <p>It is proposed that the IDP Steering Committee meet at least once a month at the beginning of the Senior Management meeting for about a half an hour (as per the schedule).</p>
Directorates & Departments	<p>Directorates and Departments are responsible for sector planning and for the implementation of the IDP. The participation of all Departments is thus critical and they :</p> <ul style="list-style-type: none"> • provide technical / sector expertise and information, throughout the IDP Budget process; • ensure that the review process is participatory, integrated, strategic, implementation-oriented, budget linked and aligned with and satisfies sector planning requirements;
IDP Unit	The IDP Unit reports to the MM and is required to manage and co-ordinate the IDP process, ensure budget integration, the roll out of Performance Management and monitor the implementation of the

	<p>IDP, including:</p> <ul style="list-style-type: none"> • preparing the Process Plan for the development of the IDP; • undertaking the overall management and co-ordination of the planning and review process under consideration of time, resources and people • ensuring that the review process is participatory, strategic, implementation-oriented, integrated with the budget process, is horizontally and vertically aligned and satisfies sector planning requirements ; • linking the IDP to the SDBIP
Service Providers	<p>External Service Providers will be engaged, when necessary to:</p> <ul style="list-style-type: none"> • provide methodological/ technical guidance to the IDP process; • facilitate planning workshops; • undertake special studies; • ensure the IDP/ Budget/ PM is aligned with Provincial & National Department’s strategy and budget.

1.6.3 TIME SCHEDULE

The annual review of the IDP followed the phases below:

Phase	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Preparation												
<i>Review Provincial IDP assessment report</i>												
<i>Compile process plan and time schedule</i>												
Analysis												
<i>Determine local issues and needs</i>												
<i>Review status quo assessment</i>												
Strategies												
<i>Review Vision, Mission and Values</i>												
<i>Determine strategic priorities, KPAs, Programmes, KPIs and Performance targets</i>												
<i>Develop 5-Year Institutional Scorecard</i>												
Projects												
<i>Design & identify projects per strategic priority</i>												
<i>Develop list of IDP projects</i>												
Integration												
<i>Consolidate/integrate sector priorities and plans</i>												
<i>Compile draft and final IDP</i>												
Approval												
<i>Submit Draft IDP to Council</i>												
<i>Submit Final IDP to Council</i>												

FIGURE 3: IDP PHASES AND TIMELINES

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

TABLE 3: IDP AND BUDGET PROCESS PLAN

Dates	Activities	Comments/Progress
July-Aug. 2011	Preparations and Analysis: Review Provincial IDP assessment report Compile IDP process plan & Budget time schedule	Provincial IDP assessment report was reviewed and time schedule compiled
28-29 July 2011	1 st Municipal Strategic Planning Workshop (to review strategic priorities and confirm draft 5-year strategic planning framework)	Strategic Planning Workshop was held as scheduled
16 Aug. 2011	Submit draft process plan and time schedule to Mayoral Committee for approval	Draft Process Plan was submitted to the Mayoral Committee for approval
25 Aug. 2011	Submit final process plan and time schedule to Special Council for adoption <i>(At least 10 months before the start of the budget year – Section 21(1)(b) of the MFMA)</i>	Final Process Plan was approved by Council on the 28 th Sept. 2011
06 Sept. 2011	Meeting: IDP Steering Committee (to discuss detailed process plan)	Meetings was held as planned
13 Sept. 2011	Meeting: IDP Representative Forum (to discuss detailed process plan)	Meeting was held on 20 th Sept. 2011
Sept.-Oct. 2011	Public participation meetings in all 21 wards (part of the analysis phase of IDP process)	PP meetings were conducted from 3 rd Oct. to 5 th Nov. 2011
11 Oct. 2011	Meeting: IDP Steering Committee (to review report on analysis of community needs and project reconciliation)	Meeting did not take place
13 Oct. 2011	All directors submit 3 year capital budget to Finance	Directorate budgets were submitted
31 Oct. 2011	Meeting: IDP Representative Forum (to review report on analysis and project identification phases) Submit 2011/2 First Quarter Performance Report to Council <i>(Section 52(d) of MFMA)</i>	Meeting was held on 20 th Oct. 2011 Report was submitted late
1-4 Nov. 2011	Discussion meetings per Directorate on Capital Budget	Meetings did not take place as planned
11 Nov. 2011	Submit proposed Tariff increases to Finance	Not all tariffs were submitted on time
15 Nov. 2011	Meeting: IDP Steering Committee (to review progress to date)	Meeting did not take place
16 Nov. 2011	Submit 3 year personnel (staff) budget to Finance	Not all submissions were received on time
21 Nov. 2011	Submit 3 year operating budget to Finance	Not all submissions were received on time
24-25 Nov. 2011	2 nd Municipal Strategic Workshop on IDP & Budget	Workshop took place from 29 th Feb. To 2 March 2012
9 Dec. 2011	Finalisation of all sector plans and strategies	Sector plans were not finalised as planned
Dec. 2011 – Jan 2012	Compilation of Draft IDP	Process to compile draft commenced
16-20 Jan. 2012	Discussions with Directors on Tariffs, Salary and Operating Budget	Formal discussions did not take place
25 Jan. 2012	Meeting: IDP Steering Committee (to review progress to date, programme for consultations with sector departments)	Meeting was held on 31 st Jan. 2012

Dates	Activities	Comments/Progress
	Submit Mid-year budget and performance assessment report to the Mayor and Council (<i>section 72 of MFMA</i>)	Report was submitted to MAYCO on 25 th Jan. 2012; Approval by Council was delayed
26 Jan. 2012	Tabling of 2010/11 Annual Report in Council (<i>Section 127(2) of the MFMA</i>)	Report was submitted to MAYCO on 25 th Jan. 2012; Tabling to Council was delayed
31 Jan. 2012	Meeting: IDP Representative Forum (to review first draft IDP, outcomes of consultations with sector departments)	Meeting was held on 17 Feb. 2012
6-10 Feb 2012	Portfolio Committee meetings	Meetings did not take place as planned
14 Feb 2012	Submit feedback from Portfolio Committee meetings to Finance	Meetings did not take place as planned
Feb. 2012	IDP Consultations: National and Provincial Sector Departments, District and Local Municipalities	Attended IDP Provincial Planning Forum in Jan. 2012
7 March 2012	Meeting: IDP Steering Committee (to review Draft IDP)	Meeting did not take place as planned
14 March 2012	Budget meetings: Budget Steering Committee Management	Meetings did not take place as planned
14 March 2012	Meeting: IDP Representative Forum (to review Draft IDP)	Meeting did not take place as planned
22 March 2012	Informal Council meeting – Draft 2012/13 IDP and Budget	Scheduled
29 March 2012	Special Council for tabling of Draft 2012/13 IDP and MTREF (At least 90 days before the start of the budget year – <i>Section 16(2) of the MFMA</i>)	Scheduled
	Council considers report of Oversight Committee on the 2010/11 Annual Report (no later than 2 months after annual report was tabled – <i>Section 129(1) of the MFMA</i>)	Will not be achieved due to late tabling of Annual Report
2 April 2012	2012/13 Draft IDP and MTREF available to public for comments (<i>Section 22 of MFMA</i>)	
13 April 2012	Submit Draft MTREF and IDP to: National and Provincial Treasuries Provincial CoGTA and FDDM (<i>Section 22 of MFMA</i>)	
2 April-7 May 2012	Conduct public hearings and community consultations on Draft IDP and Budget (<i>Section 23 of MFMA</i>)	
28 April 2012	Submit 2011/2 Third Quarter Performance Report to Council (<i>Section 52(d) of MFMA</i>)	
10 May 2012	Executive Mayor responds to submissions (<i>Section 23(2) of MFMA</i>)	
1-15 May 2012	Finalise 2012/13 IDP and MTREF	
11 May 2012	Meeting: IDP Representative Forum (to review Final 2011/2012 IDP)	
22 May 2012	Informal Council meeting: To consider IDP and Budget	
31 May 2012	Council meeting: To approve 2012/13 IDP and MTREF (at least 30 days before the start of the budget year – <i>section 24(1) of MFMA</i>)	

Dates	Activities	Comments/Progress
13 June 2012	Submit 2012/13 Service Delivery and Budget Implementation Plan (SDBIP) and Performance Agreements to the Executive Mayor <i>(14 days after approval of the budget – section 69(3) of MFMA)</i>	
14 June 2012	Publish approved IDP and MTREF <i>(10 working days after approval of budget)</i>	
28 June 2012	Executive Mayor approves 2012/13 SDBIP <i>(28 days after approval of the budget – section 53(c)(ii) of MFMA)</i>	
29 June 2012	Submit approved 2012/13 IDP and MTREF to National Treasury, Provincial Treasury and CoGTA	
12 July 2012	Publish approved SDBIP and signed Performance Agreements <i>(10 working days after approval of SDBIP)</i>	

The process plan outlines the critical institutional arrangements and time frames to ensure that the municipality's 2012/13 IDP and MTREF are completed within the prescribed regulatory frameworks. It was therefore important that this process plan was formally adopted by the Council, IDP Steering Committee and IDP Representative Forum.

1.7 COMMUNITY PARTICIPATION

The MLM actively seeks community participation in matters affecting the community as directed by the MSA. Chapter 5 requires that a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose, encourage and create conditions for local community to participate in the affairs of the municipality, including the preparation, implementation and review of its integrated development plan.

The MLM has established participation of the community through a ward committee system of which there are 21 wards within the municipal area. The central role of ward committees is to facilitate local community participation in decisions which affect the local community, to articulate local community interests and to represent these interests within the municipal governing structures.

The following community participation meetings were held during the months of October and November 2011 as part of the IDP Road Show. During the meetings a comprehensive report pertaining to the IDP Projects implemented from the period 2007/08 to 2011/12 (previous five year term) was tabled to the public and the IDP Projects to be implemented in current financial year 2011/12. Community needs (per Ward) and challenges were registered and captured.

TABLE 4: SCHEDULE OF COMMUNITY PARTICIPATION MEETINGS

Ward	Dates	Time	Venue	Ward Councillor
1	12&13/09/2011 (Monday & Tuesday)	17h00	Zakwe's House	Cllr M. A Tamane
2	14/09/2011 (Wednesday)	17h00	Lehutso Primary School	Cllr M.D Nthebe
3&20	15/09/2011 (Thursday)	17h00	Refengkgotso Community Hall	Cllrs N. Mdola & P.S Poho
4	19/09/2011 (Monday)	17h00	Ntai Mokoena Library	Cllr D. Motloung
5	20/09/2011 (Tuesday)	17h00	Metsimaholo Community Hall	Cllr S. Moreki
5	21/09/2011 (Wednesday)	18h00	Orangeville Primary School	Cllr S. Moreki
5	22/09/2011 (Thursday)	18h00	Deneysville Primary School	Cllr S. Moreki
6	26/09/2011 (Monday)	17h00	Credo Primary School	Cllr N.M Sejake
7	27/09/2011 (Tuesday)	17h00	Theha Setjhaba Primary School	Cllr T. E Mosia
8	28/09/2011 (Wednesday)	17h00	Zamdela Arts & Culture Centre	Cllr L.S Semonyo
9	29/09/2011 (Thursday)	17h00	Lerato Hall	Cllr S.C Phoofolo
10	03/10/2011 (Monday)	17h00	Iketsetseng Secondary School	Cllr L. S Lempe
11	04/10/2011 (Tuesday)	17h00	Zamdela Hall	Cllr T. Mabasa

Ward	Dates	Time	Venue	Ward Councillor
12	05/10/2011 (Wednesday)	17h00	Boiketlong Hall	Cllr B.S Khunou
13	06/10/2011 (Thursday)	17h00	Open Space	Cllrs M.J Phepeng & Lelahla
14&18	10/10/2011 (Monday)	18h00	Vaalpark Primary	Cllrs I.D Viljoen & D.M.M Oswald
16&17	11/10/2011 (Tuesday)	18h00	Ettiene Rosouw Theatre	Cllr W. Grobber Cllr H. Moolman Cllr M. Van der Walt
19	12/10/2011 (Wednesday)	17h00	Amelia Sports ground	Cllr K.A Mare
21	13/10/2011 (Thursday)	17h00	Sports ground: Next to Roman Catholic Church	Cllr L. Chebase

A second round of public participation meetings is planned for April and May 2012 to consider submissions on the draft IDP and Budget. A detailed schedule will be made available as soon as possible.

1.8 CONCLUSION

As far as possible the intention of this IDP is to link, integrate and co-ordinate development plans for the municipality.

Resources and capacity are aligned with the implementation of the IDP, forming the basis for the annual Budget. The MLM also ensured that the IDP is compatible with community needs, national development plans and planning requirements binding on the municipality in terms of legislation.

The preparation process was furthermore strengthened by a concerted effort to strengthen the strategic planning processes. This approach of a better defined strategic intent linked to implementable and measurable development programmes will require an ongoing effort to ensure that service delivery initiatives impact where it is needed most.

CHAPTER 2: SITUATIONAL ANALYSIS

2.1 INTRODUCTION

Section 26 of the MSA indicates that an IDP must reflect amongst others an assessment of the existing level of development in the municipality. Therefore an analysis of the MLM with regards its ward-level demographic and socio-economic profiles as well as access to basic other services was conducted as part of the ward profiles study undertaken towards the end of 2010.

The following sources were utilised to compile this chapter:

- Stats SA information;
- 2010 Metsimaholo Ward Profiles Study Report;
- 2011/12 Annual Report;

This section deals mainly with the MLM as an institution, its components and functions as well its geographical context, spatial and economic analyses and assessment of the institution, community (demographic and socio-economic) and service delivery.

2.2 METSIMAHOLO LOCAL MUNICIPALITY IN PERSPECTIVE

2.2.1 GEOGRAPHICAL CONTEXT²

The area of jurisdiction of the Metsimaholo Local Municipality is situated in the northern part of the Fezile Dabi District Municipality Region. The former Sasolburg, Deneysville and Oranjeville Transitional Local Councils and a section of the Vaal Dam Transitional Rural Council are included in the Metsimaholo Region. The total estimated residents in the Metsimaholo Region, according to Council preferred data, is 134 410³. The largest urban unit is Sasolburg followed by Deneysville and Oranjeville. A number of small villages, in the vicinity of Sasolburg, also form part of the Metsimaholo Region. These villages are privately managed. The legal status of these villages is that of a single erf and mining related companies administer the majority.

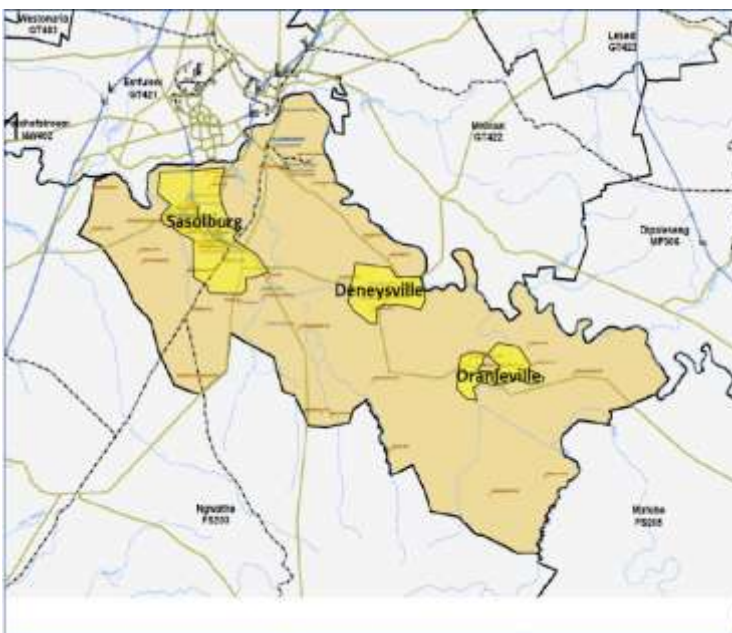


FIGURE 4: METSIMAHOLO MUNICIPAL AREA

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

Sasolburg is located in the heart of worldly renowned coalfields. This modern and predominantly industrial town is further located in close proximity (20km) to the nationally well-known industrial areas of Vereeniging/Vanderbijlpark. The Sasolburg / Zamdela urban area is 340km from Bloemfontein and 80km from Johannesburg. Apart from the internationally known SASOL “oil from coal refinery”, a vast number of by-products including olefins, waxes, alcohols, tar products, inorganic chemicals, rubber, gases, plastics, fertilizers, etc are manufactured in the area.

² Metsimaholo IDP: Spatial Development Framework, 2009-2010

³ According to the 2007 Community Survey the total population and number of households were estimated at 154 658 and 37 320 respectively

The Deneysville / Refengkgotso urban area is situated in the north-eastern section of the Metsimaholo Region, approximately 36km east of Sasolburg and 350km north-east of Bloemfontein. Other larger centres such as Vereeniging and Vanderbijlpark are all within 50km from Deneysville. There are non-worth mentioning industrial activities present in the community. Industrial activities are exclusively related to the boating industry. The town's close proximity to the coal mining and industrial activities in Sasolburg and its nearby location to the large industrial complexes of Vereeniging and Vanderbijlpark, definitely and perhaps negatively, influence economic activities in Deneysville. The strong recreational character of the town further enhances this phenomenon. The largest number of the inhabitants of Refengkgotso, is employed in Sasolburg and the adjacent industrial complexes of Vereeniging and Vanderbijlpark. Refengkgotso can thus be labelled as a typical satellite residential town to the surrounding industrial areas. These factors contribute to the relatively low level of economic activity in the Deneysville area.

The Oranjeville / Metsimaholo urban area is located within the former district of Heilbron. Oranjeville is situated on the riparian of the Vaal Dam in close proximity to the northern boundary of the Free State Province. The area is accessible by road and within 55km from Sasolburg, Vereeniging, Frankfort, Heilbron and Villiers. Although the prominent economic sector of the area is agriculture, it is subsequently strategically situated from a recreation and tourism point of view. This is in view of the fact that the town is bound on three sides by the Vaal Dam and located in close proximity to the Gauteng metropolitan area. It is also linked to several other towns in the vicinity.

The Vaal River and Vaal Dam form the northern boundary of the area, which also serve as the boundary between the Free State and Gauteng Province. A significant portion of the Metsimaholo Region is included in the Vaal River Complex Regional Structure Plan, 1996 (former Vaal River Complex Guide Plan, 1982). Vaal River Regional Structure Plan is a statutory land use control document, which is applicable to amongst other land located along important water resources such as the Vaal Dam, Vaal River and Barrage. All Guide Plans compiled in terms of the Physical Planning Act (Act 88 of 1967) were declared Regional or Urban Structure Plans in terms of Section 37 of the Physical Planning Act (Act 125 of 1991). The Vaal Dam often referred to as the Highveld's Inland Sea, is the most prominent topographical feature in the region. This vast expanse of water covers some 300 square kilometers. It serves as Gauteng's principal source of potable water and is a popular water sports and water related adventure venue.

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

TABLE 5: CHARACTERISTICS OF MAJOR MUNICIPAL AREAS⁴

TOWN / AREA			
Sasolburg / Zamdela	Deneysville/ Refengkgotso	Oranjeville/ Metsimaholo	Rural Areas
Approximate Location:	Approximate Location:	Approximate Location:	Approximate Location:
20 kilometers from Vereeniging and Vanderbijlpark	North-east of Sasolburg (approximately 36 km from Sasolburg)	Adjacent to Vaal Dam (approximately 55 km from Sasolburg)	
Economic Potential:	Economic Potential:	Economic Potential:	Economic Potential:
Coalfields dominant "SASOL"	Non-specific potential except the advantage of being close to Sasolburg and Vereeniging	Agriculture and Tourism	Agriculture

2.2.2 INSTITUTIONAL ASSESSMENT

The MLM is an organ of state within the local sphere of government exercising legislative and executive authority within its area of jurisdiction as determined in terms of the *Local Government: Municipal Demarcation Act 117 of 1998*. It consists of a political structure, an administration and the community.

POLITICAL STRUCTURE

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

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

- Municipal Council;
- Executive Mayor and Mayoral Committee;
- Portfolio Committees, including:
 - Section 80 Committees;

⁴ Source: Metsimaholo Local Municipality: Spatial Development Framework 2007/08

- Section 79 Committees;
- Officials with delegated powers.

The MLM Municipal Council currently consists of 42 Councillors, 21⁵ Ward Councillors and 21 Proportional Councillors. The following political parties are represented in the Council:

African National Congress (ANC)	26
Democratic Alliance (DA)	15
Freedom Front (FF)	1

MLM adopted the ward committee system. The municipality is currently divided into 18 wards, each with a Ward Councillor as Chairperson. Ward Committees meet once a month in order to discuss matters affecting its ward. In order to strengthen and improve the ward committee's capacity, a number of Community Development Workers have been appointed.

Mayoral Committee

The Mayoral Committee consists of eight (8) members, these are Councillors appointed by the Executive Mayor to perform functions for which the Mayor is responsible. All Members of the Mayoral Committee (MMCs) were allocated portfolios as per the functions of the municipality.

T L Soetsang (Ms)	MMC: Corporate Services
N J Kubheka (Ms)	MMC: Technical Services
A N Radebe (Ms)	MMC: Sports, Arts and Culture
L S Lempe	MMC: Cleansing, Parks and Graves
S Moreki (Ms)	MMC: Urban Planning and Human Settlements
M W Khonto	MMC: Public Safety and Security
L S Semonyo	MMC: Finance and IDP
K T Mabasa	MMC: LED, Tourism and Agriculture

⁵ In terms of the new ward delimitations as determined by the Municipal Demarcation Board, the number of wards in the MLM increased to 21 after the 2011 Local Government Elections

Section 80 Committees

Councillors serving on Section 80 Committees are from political parties represented in the Council. Each Section 80 Committee is chaired by a Member of the Mayoral Committee (MMC) and is responsible for ensuring effective political oversight of departmental activities through the consideration of reports from the Municipal Manager and Directors. Based on the said reports these committees make recommendations for consideration by the Mayoral Committee.

Below is a list of Portfolio Committees and Councillors who served on these committees during the year under review.

Portfolio Committee: Corporate Services

T L Soetsang (Ms)

S I Ramathesele

S L Tshongwe (Ms)

S B Khunou (Ms)

Vacant S C Phoofolo Passed on

J Duplessis

M G Ntoane

Portfolio Committee: Finance and Audit

L S Semonyo

D N Motloung

T E Mosia

M S Poho (Ms)

D M Oswald

J M Lelahla-Phepheng (Ms)

J D Viljoen

S Holt (Ms)

Portfolio Committee: Technical Services

N J Kubheka (Ms)

D N Motloung

T E Mosia

M A Tamane (Ms)

Vacant S C Phoofolo Passed on

D M Oswald

J J Geysers

Portfolio Committee: Public Safety

M W Khonto

M D Nthebe

M N Sejaki

D E Mokoena

K A Mare

H J Moolman

M M Mosia

Portfolio Committee: Cleansing, Parks and Graves

S L Lempe

S L Tshongwe (Ms)

M J Msimanga

A K Mare

L R Chebase

P J Mahlangu

M C van der Walt

T du Toit

Portfolio Committee: Urban Planning and Human Settlement

S Moreki (Ms)

N L Mdola (Ms)

M N Sejaki (Ms)

N M Mafika (Ms)

T J Mofokeng

J M Lelahla-Phepheng (Ms)

M M Mosia

M D Nthebe

Portfolio Committee: LED, Tourism and Agriculture

K T Mabasa

M J Msimanga

S I Ramathesele

M A Tamane (Ms)

N L Mdola (Ms)

F C COetzer

M F Machaea

Portfolio Committee: Sports, Arts and Culture

A N Radebe (Ms)

D E Mokena

M S Poho

S B Khunou (Ms)

L R Chebase

J J Grobbelaar

V J Maseko

ADMINISTRATION

The Municipal Manager is the head of the administration and is assisted by Directors, who manage the Departments of:

- 1 . Finance,
- 2 . Planning and Economic Development,
- 3 . Technical and Infrastructural Services,
- 4 . Social Services,
- 5 . Organisational Development and Corporate Services,
- 6 . Office of the Municipal Manager, and
- 7 . Office of the Executive Mayor.

Organisational Structure

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

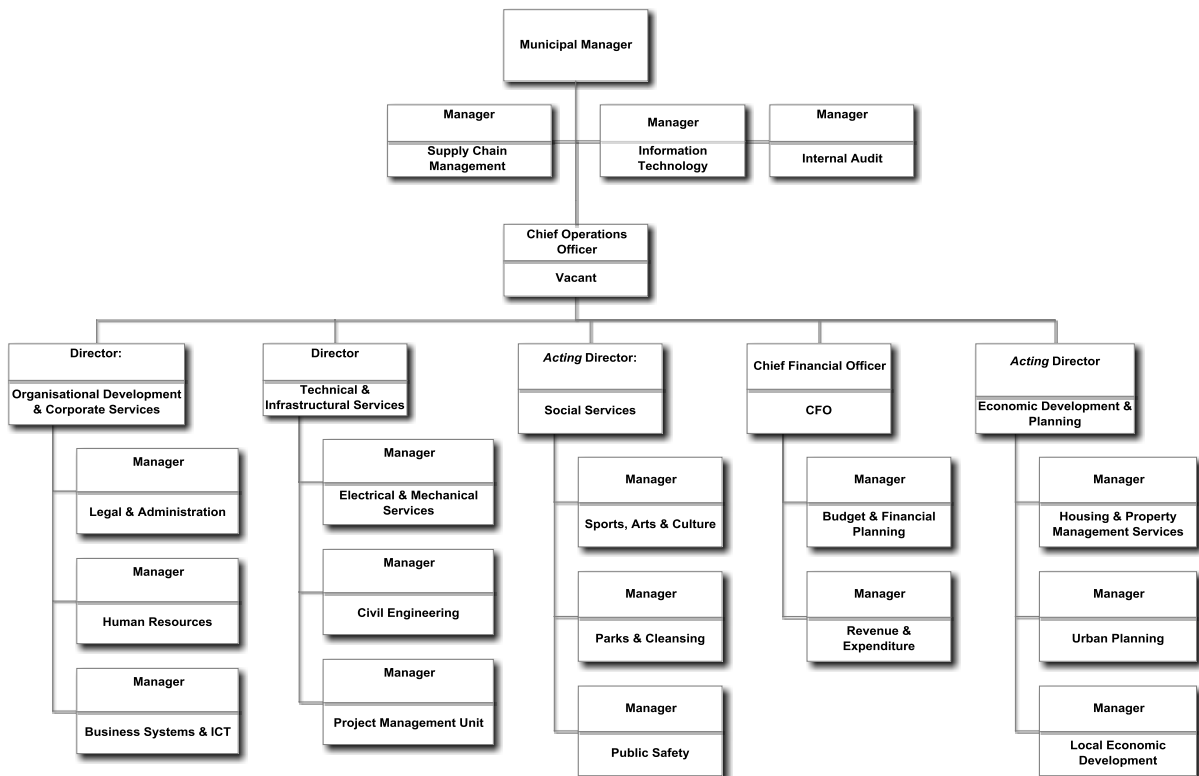


FIGURE 5: MLM MANAGEMENT STRUCTURE

Staff Establishment

TABLE 6: STAFF ESTABLISHMENT AS AT 30 JUNE 2011

Function	Total no. of approved posts	No. of filled posts	Vacancies	
			Number	Rate
Office of the Executive Mayor	8	6	2	25.0%
Office of the Speaker	6	4	2	33.3%
Office of the Municipal Manager	7	5	2	28.5%
Finance	105	95	10	9.5%
Corporate Services	64	45	19	29.7%
Economic Development and Planning	36	27	9	25.0%
Social Services	509	394	115	22.6%
Technical Services	344	272	72	20.9%
Total	1 079	848	231	21.4%

The number of filled posts excludes 42 Councillors and any new appointments made after 30 June 2011. It should also be noted that approved posts can only be filled if it is funded or budgeted. The total vacancy rate in the municipality as at 30 June 2011 was 21.4%.

The MLM had a total vacancy rate of 31.2% at the end of the 2009/10 financial year. The highest vacancy rates were observed in Social Services (33.3%) and Technical Services (33.1%).

Trends in personnel expenditure

The personnel expenditure as a total of the municipality's total operating expenditure showed a slight increase to 27.5% compared to the previous financial year's percentage of 26.9%. However, employee costs have remained below the National Treasury benchmark of 30% over the last six year since 2005/06.

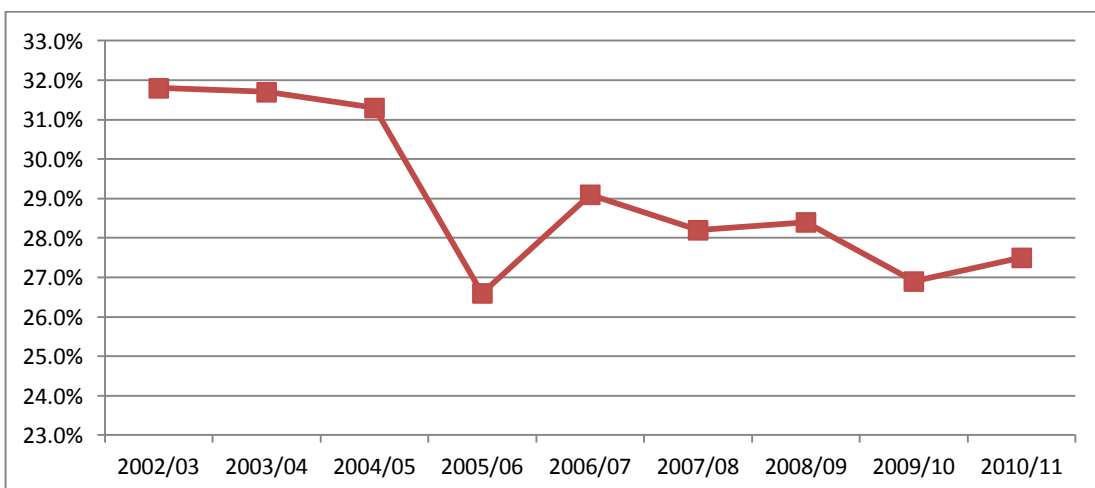


FIGURE 6: PERSONNEL EXPENDITURE AS A PERCENTAGE OF TOTAL EXPENDITURE

Skills Development

In terms of human resource development a total number of 101 employees underwent skills development training during the 2010/11 financial year and a further 7 employees were granted bursaries to further their tertiary education.⁶

TABLE 7: TRAINING PROGRAMMES IMPLEMENTED

Date	Course (<i>Skills priority</i>)	Number of delegates
02 – 03 August 2010	SHE Representative (Occupational Health and Safety)	30
11 – 13 August 2010	Annual Labour Law Conference (Corporate, legal and support)	3
08 – 10 September 2010	<i>Advanced Electronic Records Management (Specialist Technical)</i>	2
13 – 17 September 2010	Facilitation Community Development Programme (Social/community/economic development and planning)	4
08 – 10 November 2010	Workshop on HR Policies (Corporate, legal and support)	3
18 – 19 November 2010	Handling of Disciplinary Hearings (Corporate, legal and support)	23
17 – 21 January 2011 14 – 18 February 2011 14 – 18 March 2011	Training programme on Human Settlement Policies ((Social/community/economic development and planning)	2
14 – 15 April 2011	Training programme on Risk Based Auditing (Financial)	2
11 – 13 April 2011	Training programme on Risk based primary emergency care (Occupational Health and Safety)	30
29 June – 01 July	Annual Labour Law Conference	2
		101

⁶ 2010/11 Metsimaholo Annual Report

Employment Equity

Workforce profile 2010/11

TABLE 8: MLM WORKFORCE PROFILE-2011

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	9	0	0	0	5	0	0	0	0	0	14
Senior management	21	1	1	5	5	1	0	1	0	0	35
Professionally qualified and experienced specialists and mid-management	15	0	0	3	7	0	0	7	0	0	32
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	158	0	0	18	65	0	0	21	0	0	262
Semi-skilled and discretionary decision making	168	1	0	0	46	0	0	1	0	0	216
Unskilled and defined decision making	134	0	0	0	62	0	0	0	0	0	196
TOTAL PERMANENT	505	2	1	26	190	1	0	30	0	0	755
Temporary employees	204	0	0	0	117	0	0	0	0	0	321
GRAND TOTAL	709	2	1	26	307	1	0	30	0	0	1076

Total number of employees (including employees with disabilities) in each of the occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

The gender profile of the workforce in 2010/11 comprised of 68.6% males and 31.4% females compared to 72.1% males and 27.9% females in 2009/10.

Africans made up 94.4% of the workforce in 2010/11 compared to 89.7% in 2009/10. Whites accounted for 5.2% in 2010/11 compared to 9.6% in 2009/10.

2.2.3 COMMUNITY ASSESSMENT

The third component of the MLM is its community (population). The community comprises of 154 658 persons and 37 320 households.⁷ The table below reflects the growth in population and households in the municipality between 2001 and 2007

TABLE 9: MLM POPULATION AND HOUSEHOLD GROWTH

	2001 ⁸	2007 ⁹	Growth: 2001-2007
Population	115 955	154 658	33.4%
Households (HHs)	32 260	37 320	15.7%
Average HH size	3.59	4.14	15.3%

The figures in the table below are based on the STATSSA Community Survey 2007 population figures. These were the latest population figures provided by STATSSA and hence the only population figures against which the 2010 Ward Profiles Study could be benchmarked.

TABLE 10: POPULATION AND HOUSEHOLD PER WARD

Ward	Population	Households	Average HH size
1	7 329	2 351	3.1
2	15 231	3 514	4.3
3	15 468	2 525	6.1
4	6 806	1 098	6.2
5	5 057	1 478	3.4
6	2 512	1 046	2.4
7	7 073	834	8.5
8	20 565	2 479	8.3
9	3 949	754	5.2
10	14 337	2 771	5.2
11	11 111	1 661	6.7
12	4 376	678	6.5
13	3 604	1 394	2.6
14	7 738	3 175	2.4
15	4 433	1 318	3.4
16	5 316	2 698	2.0
17	7 605	3 235	2.4
18	1 575	588	2.7
19	2 157	599	3.6
20	4 368	1 381	3.2
21	4 046	1 743	2.3

⁷ Statistics South Africa. Community Survey 2007

⁸ Statistics South Africa. National Census 2001

⁹ Statistics South Africa. Community Survey 2007

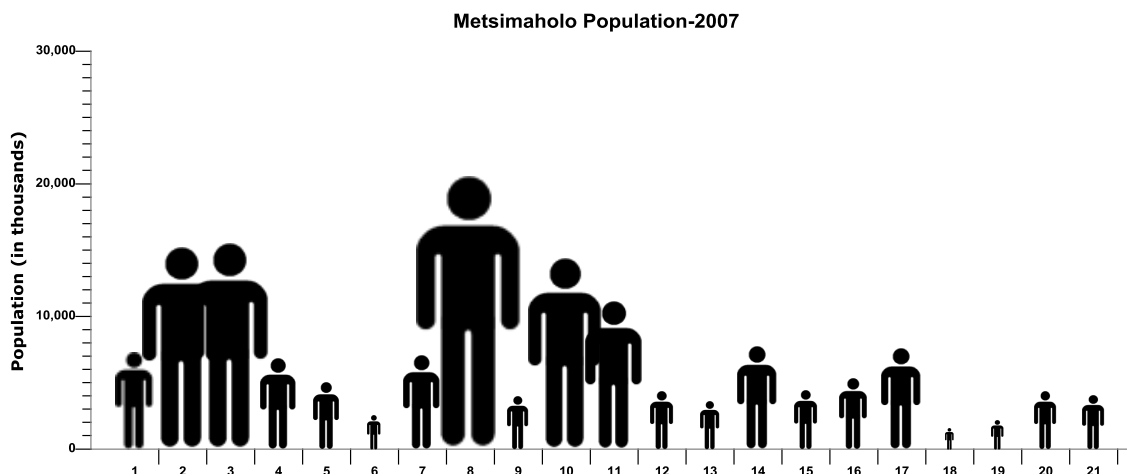


FIGURE 7: METSIMAHOLO POPULATION PER WARD (2007)

The total number of voters on the municipal segment of the national common voters roll on 12 February 2009 was 70 575.¹⁰ The breakdown per ward of the number of registered voters is reflected in the table below.

TABLE 11: NUMBER OF REGISTERED VOTERS PER WARD

Ward	1	2	3	4	5	6	7
No. of registered voters	3 698	3 155	3 773	3 152	2 859	3 189	3 257
Ward	8	9	10	11	12	13	14
No. of registered voters	3 676	2 881	2 956	3 564	3 160	3 813	3 741
Ward	15	16	17	18	19	20	21
No. of registered voters	3 722	3 532	3 694	3 583	3 230	2 945	2 995

¹⁰ Municipal Demarcation Board. Delimitation of municipal wards in terms of the Local Government: Municipal Structures Act, 1998. 2011 Local Government Elections. Province: Free State. Municipality: Metsimaholo Local Municipality (FS204)

Over three quarters (77%) of the Metsimaholo municipality is Black, with almost a quarter (23%) being White. The Asian or Indian and Coloured population account for less than 1% of the total population of the municipality.¹¹

The next table indicates the percentage distribution of the population groups across the 21 wards as per the 2010 Ward Profiles Study Report.

TABLE 12: POPULATION BY RACE PER WARD

Ward	Black African	Coloured	Asian/Indian	White
1	76%	8%	-	16%
2	99%	-	-	-
3	100%	-	-	-
4	100%	-	-	-
5	91%	-	-	9%
6	100%	-	-	-
7	100%	-	-	-
8	100%	-	-	-
9	97%	-	-	3%
10	100%	-	-	-
11	99%	-	-	-
12	100%	-	-	-
13	100%	-	-	-
14	33%	2%	3%	63%
15	65%	-	-	35%
16	44%	2%	-	54%
17	80%	3%	1%	16%
18	47%	-	5%	48%
19	100%	-	-	-
20	98%	-	-	2%
21	100%	-	-	-

Most wards are predominantly Black, with the exception of Ward 14 and 17 where there are representation of all four population groups. Notably, about half of the residents of ward 14, 16 and 18 are White.

About 48% of the population is below 24 years old. A further 40% is aged between 25 and 54 years old, 17% between 45 and 64 years and 5% is 65 years and older. The distribution of population by age and Ward is reflected in the table below. Notably, the 0-9 age group is highly represented in Ward 21.

Sesotho (69%) appeared to be the most commonly used language used within the municipality. Although to a lesser extent, other commonly used languages are Afrikaans (14%), isiXhosa (6%) and English (3%). All other languages such as Setwana, Sepedi, Siswati, IsiNdebele, isiZulu, Xitsonga, Tshivenda, other European languages, Indian languages, or other languages were reported by a percent or less as main languages used in these households.

¹¹ Metsimaholo Local Municipality. Ward Profiles Study. 2010

In terms of the highest level of education completed by household members it is evident that most of the residents had some form of education. Nearly a third (29%) has Grade 8 or an equivalent qualification, whilst exactly the same proportion had primary education. Twenty percent have matric or an equivalent qualification whilst a further 7% have tertiary education¹². Residents with tertiary education were more prevalent in Ward 14, 15, 16, 17, and 18. The highest proportions of those with primary education were likely to be found in Ward 2, 3, 4, 5, 6, 7 and 8. The table below indicates the percentage distribution of education categories per ward.

TABLE 13: EDUCATION PROFILE PER WARD

Ward	No schooling	Primary	Gr 8-11 or equivalent	Matric or equivalent	Tertiary
1	13%	32%	34%	18%	2%
2	13%	40%	35%	12%	1%
3	13%	36%	33%	16%	3%
4	14%	37%	28%	19%	2%
5	15%	38%	26%	17%	4%
6	10%	37%	38%	13%	1%
7	14%	37%	37%	11%	2%
8	16%	31%	31%	20%	2%
9	12%	35%	30%	16%	7%
10	10%	31%	28%	22%	9%
11	8%	27%	35%	23%	7%
12	7%	41%	28%	20%	6%
13	15%	37%	30%	15%	2%
14	5%	17%	18%	35%	25%
15	7%	19%	16%	37%	22%
16	3%	14%	13%	46%	24%
17	7%	15%	26%	34%	19%
18	10%	17%	17%	20%	36%
19	11%	22%	28%	39%	1%
20	9%	39%	35%	15%	3%
21	18%	38%	36%	9%	0%
Total	11%	31%	30%	21%	7%

¹² 1%= Don't know

Only 24% indicated to be employed (full time and part time), whilst a sizeable 48% were unemployed. About 26% are either students or pensioners (economically inactive group) whilst a further 2% indicated to be sick or disabled. The table below indicates the employment status by ward and shows that 13 of the municipal wards reflecting unemployment rate of 50% and above except for wards 5, 9, 11, 14, 16, 17, 18 and 19.

TABLE 14: EMPLOYMENT PROFILE PER WARD

Ward	Employed	Unemployed	Sick/ Disabled	Pensioner/ Student	Total
1	11%	50%	5%	34%	100%
2	15%	60%	3%	22%	100%
3	13%	55%	1%	31%	100%
4	12%	57%	2%	30%	100%
5	18%	49%	2%	31%	100%
6	6%	66%	4%	24%	100%
7	13%	68%	0%	19%	100%
8	23%	53%	4%	20%	100%
9	21%	40%	0%	38%	100%
10	23%	57%	2%	18%	100%
11	22%	44%	4%	30%	100%
12	12%	60%	0%	28%	100%
13	12%	67%	0%	21%	100%
14	47%	25%	1%	28%	100%
15	29%	50%	0%	21%	100%
16	41%	32%	1%	26%	100%
17	36%	37%	2%	25%	100%
18	29%	35%	0%	36%	100%
19	59%	25%	1%	15%	100%
20	13%	63%	1%	22%	100%
21	10%	72%	2%	15%	100%
Total	24%	48%	2%	26%	100%

A large majority (72%) of the residents is employed in the private sector, and a further 22% is employed by the public sector. About 4% is self employed, whilst one percent is involved in either paid or unpaid family work.

According to the results of the 2010 Metsimaholo Ward Profiles Study most respondents (17%) indicated that their *household income* is between R1001-1500. Overall, about 51% of the households receive less than R3000 per month; 15% receives between R3001-R10 000 a month. About 9% receives between R10 001 and R50 000 per month. About 6% said they do not receive any household income, and this means none of the family members actually works for a pay. Notably, 201(12%) people refused to give an answer to this question.

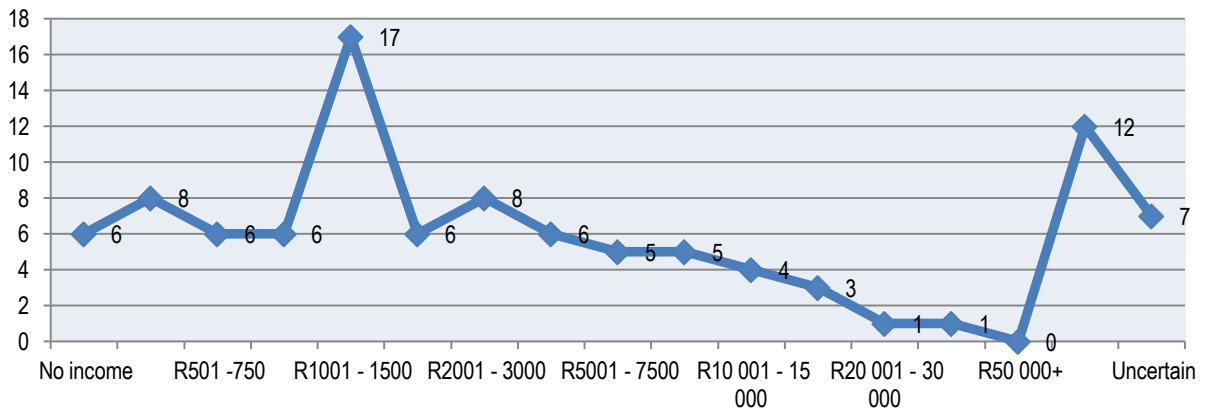


FIGURE 8: HOUSEHOLD INCOME

An overwhelming majority (72%) of the households were located within the average Living Standards Measure (LSM)¹³, whilst only just over a quarter were in the high LSM group. Very few (1%) were in the low LSM group.

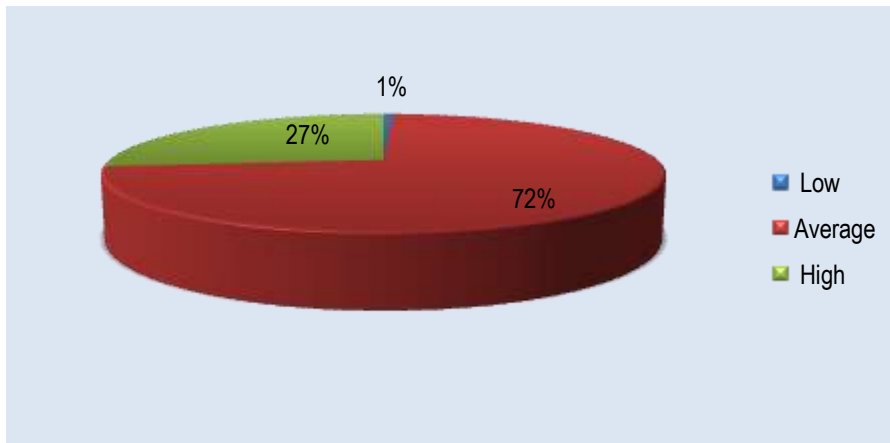


FIGURE 9: DISTRIBUTION OF HOUSEHOLDS BY LSM CATEGORIES

¹³ The South African Advertising Research Foundation (SAARF) Living Standards Measure (LSM) has become the most widely used marketing research tool in Southern Africa. It divides the population into 10 LSM groups, 10 (highest) to 1 (lowest). The SAARF LSM is a unique means of segmenting the South African market. It cuts across race and other outmoded techniques of categorising people, and instead groups people according to their living standards using criteria such as degree of urbanisation and ownership of cars and major appliances. (www.saarf.co.za/LSM/lsm.htm)

When looking at the distribution by wards, most wards were located within the average LSM¹⁴ measure.

TABLE 15: LSM PER WARD

Ward	Low	Average	High
1	0.9	74.5	24.7
2	0.0	97.9	2.1
3	0.3	91.8	7.9
4	1.0	90.6	8.4
5	3.1	79.6	17.3
6	0.1	86.8	13.1
7	0.0	95.8	4.2
8	0.1	88.8	11.1
9	0.0	80.1	19.9
10	2.8	68.2	29.0
11	0.0	70.3	29.7
12	0.0	68.5	31.5
13	0.0	85.9	14.1
14	3.9	13.0	83.1
15	0.2	32.3	67.5
16	0.0	7.8	92.2
17	0.0	5.7	94.3
18	0.0	0.0	100.0
19	0.7	58.1	41.2
20	0.0	90.4	9.6
21	0.0	89.6	10.4

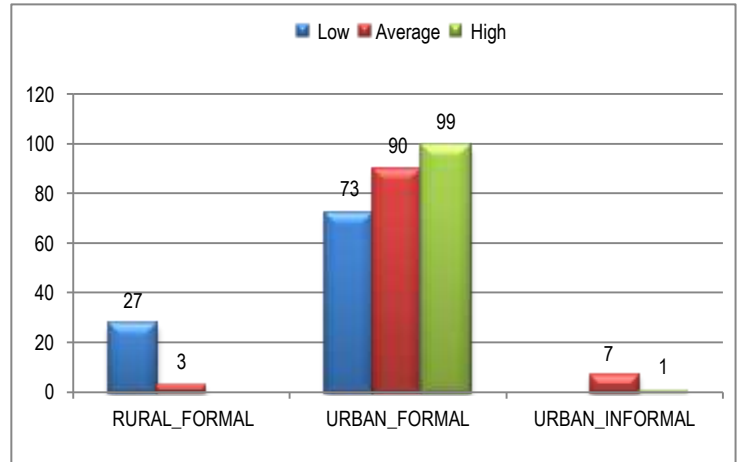


FIGURE 10: LSM BY GEOTYPE

Residents of the rural formal areas were likely to be in the low and average LSM categories. Urban formal areas had high proportions of people from various LSM categories (High: 99%, medium: 90%, and low: 73%). Almost all those in the high LSM were found in the urban formal areas.

Linked to the issues of household income and LSM is access to government social grants by communities in the MLM. According to the results of the 2010 Ward Profiles Study it is shown that 6 out of 10 respondents reported that they do not receive any type of a social grant, a fifth (20%) reported that they received a Child Support Grant; nearly a tenth (9%) received an old age grant whilst just over 5% (7%) received a disability grant.

¹⁴ LSM categories used in the 2010 Ward Profiles Study included the following questions. Does the household have: Hot running water, fridge/freezer combination, microwave oven (in working order), VCR in household, vacuum cleaner/floor polisher, a washing machine, a computer at home, an electric stove, a television, a tumble dryer, a Telkom home telephone, Hi-fi or music centre, built-in kitchen sink, home security service, a deep freezer (in working order), M-Net and/or DSTv, a dish washing machine, a sewing machine, DVD player, one or more motor vehicles, full-time domestic worker, one or more cell phones in household, a radio, more than one radio in household

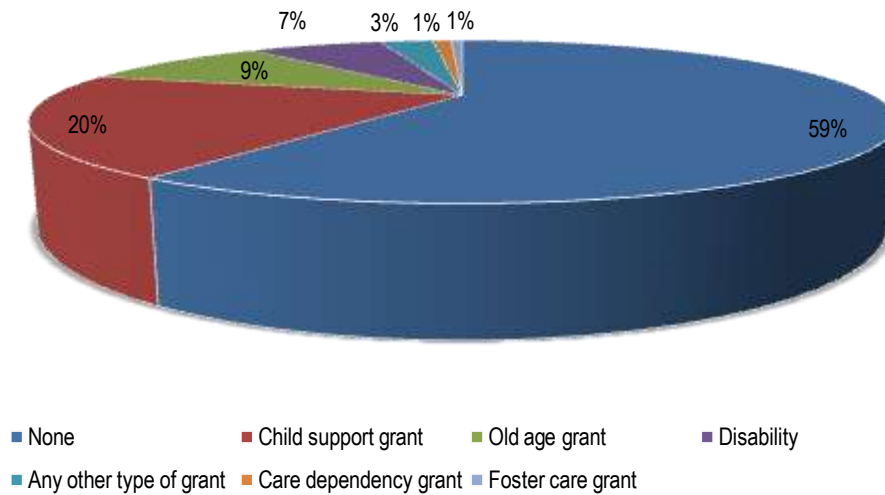


FIGURE 11: TYPES OF SOCIAL GRANTS RECEIVED

The Child Support Grant is widely accessible throughout all the wards, notably more by people in ward 17 and 20 (41%) compared to other wards. Likewise, people receiving old age are also spread across the various wards but highly represented in ward 17 (48%). Recipients of the Disability grant are commonly found in ward 1 (20%), ward 7 (16%) and ward 11(14%).

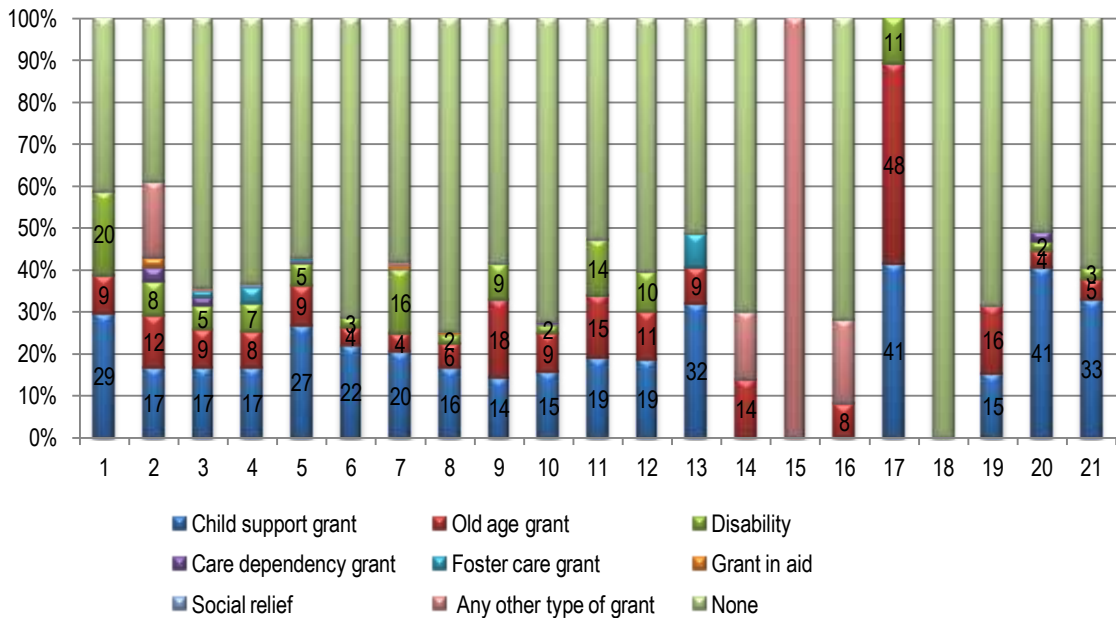


FIGURE 12: SOCIAL GRANTS RECEIVED BY WARD

2.2.4 COMMUNITY NEEDS

IDP Ward-Based Public participations were conducted from 03 to 26 October 2011 in all Wards within the jurisdiction of Metsimaholo Local Municipality. This was in line with the approved Process Plan (by the Council) with intention to develop Five year IDP Plan (2012/13 to 2016/17) as mandated Chapter 4, section 16 read together with Chapter 5, section 25 of Municipal Systems Act 32 of 2000.

During the process, a comprehensive report pertaining to the IDP Projects implemented from the period 2007/8 to 2011/12 (previous five year term) was tabled to the Public and the IDP Projects to be implemented in current financial year 2011/12. Community needs (per Ward) and challenges were taken and captured as reflected in the tables below (it should be taken into cognisance that existing community needs are also consolidated in the tables).

A detailed action plan indicating how these community needs and challenges have been and are being addressed is being compiled and will be included in the final IDP document.

TABLE 16: WARD 1 - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Completion of RDP Houses- slab foundations left for many years	Poor quality of RDP Houses
Electricity connections from shacks to RDP houses	Improper handing over of RDP Houses
Sewer Connection and flashing toilets	Uncontrollable storm water from farm lands during rainfall
Community Library	Electricity cuts
Storm water channels	Illegal dumping
Clinic/Mobile Clinic	Delay in beneficiaries to benefit RDP Houses
New residential sites	Leaking water taps
Paving /tar of internal roads	Irregular refuse removal
Electricity Vending Machine	Electricity Meters which are not connected to RDP Houses and hazardous to children
High Mast Lights	
Shopping Complex	
Community Hall	
New Sports Facilities and Parks	
SASSA Pay point	
Speed humps on the road to Koppies	
Solar Geysers	
Taxi rank	
Old age centre/home	
Electricity connection to RDP House stand no: 9902	

TABLE 17: WARDS 2 & 7 - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Street Names	Slab foundations on RDP Houses left for many years
New residential sites to address illegal occupancy and reduce renting	Illegal dumping
Maintenance of roads	Unsafe storm water channel moving next to Transnet & Cargo via ward 7,8 &10
Speed humps on the road next to Lehutso Primary School	Ineffective/poor services delivery by members on stand-officials
Storm water channels/drainage	
Improved emergency services &Complaints centre	
Solar geysers	
Satellite police station	
New sports facilities	
LED Projects	
Shopping complex (ward 2)	
Maintenance of high mast lights	
Community hall	
Completion of incomplete RDP Houses	
Mobile clinic (ward7)	
Upgrade House main sewer for blockages (ward 7)	
Electricity Vending Machine (ward 2)	
Upgrade Electricity Vending Machine at Chris Hani pay point (ward 7)	
Convert open spaces into gardening projects (ward 2)	
Enforcement of By-laws to eradicate illegal dumping (ward 7)	
RDP House (ward 2)	
Library with sufficient resources (ward 7)	
Speed humps and traffic officers near schools (ward 7)	
Taxi rank, public transport (ward 2)	

TABLE 18: WARD 5 (DENEYSVILLE) - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Maintenance of roads: tarring of Union from main road, Hospital from Horace, Main street and Mc Kenzie.	No proper traffic control
Resurfacing of Main and Island streets	Grass cutting
Realignment of West street and upgrade storm water drainage	Not enough personnel to clean/maintain Parks
Repair potholes	Lack of staff supervision for work to be done(cleansing)
Fire protection services(access to fire hydrants)	Cleaning equipment(grass cutters, tractors be housed in Deneysville)
Provide Ambulance services	Unfinished houses illegally occupied
Upgrade water supply	building without proper Municipal inspection/approval
Maintain/repair existing storm water drainage	No regular street lighting
Need waterborne sewerage system	Dangerous electricity connections to poles
Street names and signs(road markings)	
New Street lights and repair existing ones	
Fencing of Dumping site	
Community Hall	
Sports and recreation facilities(squash court, swimming pool, rugby /soccer fields	

TABLE 19: WARD 5 (METSIMAHOLO) - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Sports Facilities	High billing(rates and tax)
Toilets with sewer system	No medical doctor visits local clinic to attend to patients
New residential sites	Lack of recreational facilities for youths
Taxi rank	Lack of Library with sufficient resource/material
Upgrade of Orangeville bridge	Limited access to Home Affairs services
Speed humps in the local main roads/streets	No sufficient staff (nurses) in the clinic
Commonage-enforcement of bi-laws	
Fencing of graveyard	
Upgrade resorts	
Upgrade storm drainage/channels	
Maintenance of roads(potholes ,paving & tar internal streets)	
Street names	
Maintain High Mast Lights& new street lights	
Water connections, particularly to newly developed areas	
Upgrade electricity supply, new location	
Storm water drainage/channels	
Electricity Vending Machine	
Provide access to Ambulance and Fire Protection services	
Provision of RDP Houses	
Library with sufficient resources	
Schools	
Upgrade/Extend Municipal offices	
Fencing of grave yard	

TABLE 20: WARDS 3, 4 & 20 (REFENKGOTSO) - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Sports facilities	Illegal Dumping
Extension of Clinic/New Clinic for new section	Gravel roads with big stones and damage cars
Storm water channels	Refuse removers who break dustbins
Maintenance of roads	
Electricity Vending Machine	
Toilets in the graveyard	
Post Office	
Street names	
Tar road to the grave yard	
Maintenance of High Mast Lights	
Gravelling of roads	
Cooperatives	
Upgrading of Public sports and recreation facilities	
Establish social service centre	
Electricity house connections(from shacks) to 200 RDP Houses	
Fencing of graveyard and dumping site	
Water connection to 416 RDP House(Phomolong)	
Building for Arts exhibitions	
Satellite Police Station	
Turn hostels into CRU's	
Provided with dustbins	
Name board for Ntai Mokoena	
Old Age/Orphanage Centre	
Shopping Centre	
Land for residential sites	

BUSINESSS AND NGO's

The meeting not materialise due to programme for the inauguration of the Executive Mayor.

WARD 5 (ORANGEVILLE)

Did not materialize due to lack of communication to the members of the community .However, these are the existing needs which have been captured in the previous years:

TABLE 21: WARD 5 (ORANGEVILLE) - COMMUNITY NEEDS

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Planning/Upgrading of sewer system; completion of sewer network in town	
Repair/resurfacing of roads in Deneysville	
Resealing of roads/Potholes	
Upgrade storm water drainage	
Road markings	
Upgrade Electricity supply	
Street Lights in the main road from Deneysville to Orangeville	
Fire protection services	
New Sports centre/Stadium in Deneysville	

TABLE 22: WARDS 8 & 9: COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS :WARD 8	COMMUNITY NEEDS :WARD 9
Build shelters(to protect against sun and rain) in graveyard	Upgrade roads in Hostels
Upgrade local sports fields to be user friendly	Storm water drainage/channels
Street names	Upgrade Hostel (Masakhane) into family units
RDP Houses with toilets inside	Electricity house connections in Phomolong
Tar internal streets	High Mast Light in Berlin Park
High Mast Lights	Repair leaking roofs in the built RDP
Turn dumping sites into Sports and recreational sites	Upgrade sewer network behind stand no: 6440
Maintain a passage between Ward 8 & 9	Upgrade a passage between ward 8 &9
Multi Purpose Sports Centre	Tar the street next to the passage and stand no:6440
Old Age /Orphanage centre	High Mast Lights
Land for Agricultural purposes	Provision of Ambulance services
Graveyard	New Clinic
Electricity Vending Machine	School for disabled children
Street Names	Community school and Library
Upgrade grave roads	Demolition of Hostel 2,3 & 4 and build family units
Speed humps next to Zamdela Arts and Culture Centre	Need RDP Houses
Fire Protection services	
CHALLENGES	CHALLENGES
Tariff increase	Billing system(inconsistent)
	Negative attitude of Municipal workers
	Rental issues in Thembaletu Units: illegal access to electricity and water by residents in those units

TABLE 23: WARD 10 - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Roads in Somersport (Block 6 & 7)	Illegal dumping
Containers for dumping(next to Cashbuild)	Appointment of inexperienced contractors
Upgrade of electricity supply in Somersport	Refuse collection not regular
Storm water drainage at open space next to Presbyterian Church	Storm water channels are not regularly cleaned
Shopping complex to create employment for youths	Proper communication is not kept to notify community on water/electricity cuts during technical works
Residential sites to reduce renting/tenants	Ward 10 is ignored for projects allocation/implementation
Maintenance for High Mast Lights	
Speed humps on the road to Railway station	
Paved roads with storm water drainage/channels	
Street lights/High Mast Lights	
Maintain roads with potholes	
Eradicate illegal dumping sites and bi-laws enforcement	
Sport & Facilities (Parks)	
Completion of Passage in Somersport	
Tar and Pave internal streets	
Upgrade golf park	

TABLE 24: WARDS 11 & 12 - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS(WARD 11)	COMMUNITY NEEDS(WARD 12)
Upgrade Zamdela Swimming Pool	Speed humps near schools and assign Traffic officers
Establish Information and Complaints Centre	Paved road for cyclists
Street Lights/High Mast Lights	New roads with storm water drainage/channels and maintain existing ones
Maintenance of the roads: Cnr. AME Church ,Old road leading to Ebenezer Church	Tar internal streets
Speed humps on roads next to schools & assign Traffic Officers	High Mast Lights
Maintenance of Electricity Vending Machine at Municipal Offices and Offices to be opened during Weekends.	Maintenance of Electricity Vending Machine
Utilize local contractors to reduce unemployment	Filling Station
Upgrade shopping centre	Upgrade a Building next to Tsatsi to be a centre for Skills Development projects i.e. sewing
Communal land for grazing and livestock keeping	Upgrade Metsimaholo Hospital
Need hospital in the Township	New Sports and recreation facilities(parks)
Upgrade Metsimaholo Hospital	Upgrade Park next to Methodist church
Improved service delivery at the local Clinic	Container for dumping and distribution of dustbins to all households
Improved Ambulance services	Upgrade Hostels into Family Units/CRU
New sport and recreation facilities(parks)	
Provide legal/formal dumping site to avoid illegal dumping	
Distribution of dustbins	
Roofing of Houses in Zamdela	
Need toilets in graveyard	
Upgrade sms electricity purchase system	
Solar geysers	
COMMUNITY CHALLENGES	
Refuse removal not collected regularly from Tsatsi Primary School	Removal of informal settlement next to Methodist Church
Waterfall/storm water at stand no: 3341 Taylorpark	Removal and closure of illegal taverns around residential area
Water(resurfacing) falls in graveyard	Demolition of old building walls around the area
Tarred road with big hole next to stand 3341	

TABLE 25: WARDS 6 & 21 - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS (WARD 6)	COMMUNITY NEEDS (WARD 21)
Speed humps in the main streets	Speed humps in the main roads
Cleaning/maintaining Storm water drainage(long drainage next to Khulu's place)	Cleaning/Maintenance of storm water drainage and channels
Sport and Recreational Parks	Sport and Recreational Facilities
Satellite Police Station	Swimming pool
Clean/maintain storm water channel next to Transnet	Centre for disabled and aged people
New Residential sites	Electricity Vending Machines
Centre for disabled and aged people	Enforcement of By-laws
Bi-laws enforcement	High Mast Lights
High Mast Lights	Multi Purpose Centre
Sites for crèches and churches	Graveyard closer to people
Roads to accommodate disabled people	
Upgrading of sewer connections	
Electricity Vending Machine	
Upgrade electricity system/supply: power failure	
Multi Purpose Centre	
Provision of RDP Houses	
Library with education centre for after hours	
Taxi rank	
Tarring/Paving internal streets	
Repair of leaking pipes	
Graveyard closer to people	

TABLE 26: WARD 13 - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	CHALLENGES
New Sports Facilities	Uncontrollable aloe which grows around the area
Storm water drainage	Gravel roads which are not properly maintained and damage community's vehicles
Maintenance of roads(proper gravelling, paving or tarring)	Leaking water taps
Electricity Vending Machine	Ineffective CPF to combat crime
Fencing of Graveyard	There are houses still without electricity boxes
LED Project and appointment of local contractors	Unsafe passages
Upgrade electricity system	
Electricity Vending Machine	
Satellite Police Station	
Old Age Home/Centre	
Residential sites	
Library with sufficient resources	
Schools	
RDP Houses	
Turn open spaces into Recreational Parks	
Multi Purpose Centre	
Shopping Complex	
New/Mobile Clinic in Amelia	
High Mast Lights	
Upgrade sewer connection to RDP Houses	

WARDS 14 & 18

In this meeting Community members were given an opportunity to make inputs/comments on the report presented by IDP Manager, especially projects implemented in the previous 5 Council five Year term (2007/8 to 2011/12).

The proceedings of this meeting were disrupted whereby community was complaining of when (timeframes) the projects of this current financial year (i.e. resurfacing of roads and taxi rank) will start as the year is already gone. They felt that a meeting must be cancelled.

However, the community needs from previous financial years were captured as follows:

TABLE 27: WARDS 14 & 18: COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS WARD 14 & 18	COMMUNITY CHALLENGES
Upgrading of sewer and water reticulation infrastructure necessitated by rapid growth of the area and vast water loss.	A bad smell in the storm water channel behind Welgelegen
Maintain street Lights	
Maintain roads(potheoles)	
Municipal pay point and Electricity Vending Machine	
Upgrade electricity sub-stations	
Instsall street light on the intersection at Paardeberg and Jan Haak streets.	
Straighten the curve(buldge)north of Paardeberg and Oliviershoek streets	
Taxi rank	
Extension of garden refuse dumping site	
New Clinic	
New Sports and recreation facilities(parks & swimming pool)	
Library with sufficient resources	
Robot at Naledi entrance	

TABLE 28: WARDS 15, 16 & 18: COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Improved/change method of road resealing	Upgrading of Abrahamsrust
Speed humps next to all schools and traffic officers	Ineffective Municipal website
Fencing of graveyard	
Upgrading of sewer infrastructure(pump station near Highveld garden	
Public toilets near Conney Island Shopping Complex	
Day care centre for elderly	
Fencing and upgrading of sport and recreation near Nic Ferreira	
Upgrading of sport facility (Showground)	
Upgrade and outsourcing of all fountains in town (near Edgars and ABSA)	
Buildings for crèches	
Sites for residential purposes	
Resealing of roads	
Upgrading of paving in De Villiers Stadium	
Upgrading open paving next to De Villiers for quad bikes and scramblers	
Maintain street Lights	
Pedestrian crossing next to Conney Islands shopping centre	
Enforcement of By-Laws	
Road markings and street names boards	
Upgrading and cleaning of a dam next to checkers	

TABLE 29: WARD 19 - COMMUNITY NEEDS AND CHALLENGES

COMMUNITY NEEDS	COMMUNITY CHALLENGES
Shopping Complex	Water lock sites
Filling station	Improper roofing of Houses that leads to leaking during rainfall
Street names	Unoccupied residential sites used for criminal activities
Cooperatives and SMME's to promote local contractors	Install ceiling to RDP Houses
Stop signs	Residential sites turned into business sites
RDP House	
Industrial Area	
Residential sites	
Electricity provision and connection	
Speed humps/robot on the road to Koppies	
Schools and crèches	
Clinic/Mobile clinic	
Tar internal streets	
Graveyard	

2.2.5 SERVICE DELIVERY ASSESSMENT

This section will provide information on and analysis of the community's access to municipal services and will include free basic services and backlog data.

FREE BASIC SERVICES

The table below shows the free basic services, which constitute the basic social package offered by the municipality to indigent households. There was an increase of 9.3% in the registered indigents from 7 657 in 2009/10 to 8 371 in the 2010/11 financial year.

TABLE 30: FREE BASIC SERVICES

	2008/09	2009/10	2010/11
Free water:			
- residents	6kℓ	6kℓ	6kℓ
- indigent residents	10kℓ	10kℓ	10kℓ
Basic water - all residents	Free	Free	Free
Free Electricity:			
- all resident	50kWh	50kWh	50kWh
- non Municipal supply	Agreement with Eskom	Agreement with Eskom	Agreement with Eskom
Basic Electricity	Free	Free	Free
Sewerage Basic	Free	Free	Free
Free Refuse removal - indigents	Free	Free	Free
Indigent subsidy (property rates)	R50.00	R50.00	R50.00
Income level for registration of indigents	R2 000.00 per month	R2 300.00 per month	R2 400.00 per month
Number of registered indigents	7 543	7 657	8 371 [#]

There were 2 106 pending indigent applications as at 30 June 2011.

BASIC SERVICES RENDERED AND BACKLOGS

Basic services rendered

TABLE 31: BASIC SERVICES RENDERED

	2008/09	2009/10	2010/11
Number of new houses built in municipal areas	1 800	900	1 000
Number of households provided with water	2 204	2 500	0*
Number of households provided with electricity	1 760	1 004	0*
Number of households provided with sanitation	1 475	0	266#

*The focus during the year under review was on bulk infrastructure projects

#Sanitation provided in Gortin

Summary of service delivery backlogs

TABLE 32: SERVICE DELIVERY BACKLOGS-30 JUNE 2011¹⁵

	Water	Electricity	Sanitation	Refuse removal	Housing
Number of households ¹⁶	37 320	37 320	37 320	37 320	37 320
Minimum standard of service	6kl ¹⁷	50kWh ¹⁸	VIP ¹⁹	Removed once a week ²⁰	45m ²¹
Number of households not receiving the minimum standard of service at the beginning of the financial year	2 100	2 560	12 104	3 500	1 900
Number of households provided with minimum standard of service during the financial year	0	0	266	0	1 000
Number of households not receiving the minimum standard of service at end of the financial year	2 100	2 560	11 838	3 500 ²²	900 ²³
Percentage backlog – 30 June 2011	5,6%	6,9%	31,7%	9,4%	2,4%

¹⁵ Source: MLM Draft 2010/11 Annual Report

¹⁶ According to the Statistics South Africa Community Survey (2007)

¹⁷ The minimum standard of service for metered households is a yard connection with 6 kilolitres per household per month and in un-metered areas it is the provision of a communal standpipe within 200 meters from dwelling

¹⁸ The minimum standard of service for metered households is 50 kilowatt hours per household per month

¹⁹ The minimum standard in urban areas is a flush toilet and for non-urban areas is a ventilated improved pit latrine (VIP).

²⁰ The backlog in so far as refuse removal is concerned in terms of the minimum standard of service agreed to by the municipality is based on the removal of refuse once a week by the municipality

²¹ The minimum standard of service for a RDP house was increased from 40m² to 45m²

²² In newly proclaimed and informal areas

²³ The housing backlog excludes the estimated 5 500 even which will be created with the formalization and establishment of Mooiplaats and Mooidraai.

MUNICIPAL SERVICES RENDERED (STATUS QUO ANALYSIS)

Water provision

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

TABLE 33: PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY WATER SOURCE

	Census 2001	CS 2007
Piped water inside the dwelling	41,7	73,0
inside the yard	39,3	16,3
from access point outside the yard	17,8	10,5
Borehole	0,2	-
Other	0,9	0,2
Total	100,0	100,0

According to the 2010 Metsimaholo Municipality Wards Profiles Study (WPS) most respondents who indicated that they used piped tap water on site/yard meter were in the high LSM category. The same situation obtained for respondents whose often used source of drinking was piped tap water within the dwelling. Only a few respondents with an average or low LSM indicated these sources as their most often used source of drinking water. Notably, an equal proportion of a tenth (10%) of those in low LSM category relied on public communal taps which supplies free water and on dams for water.

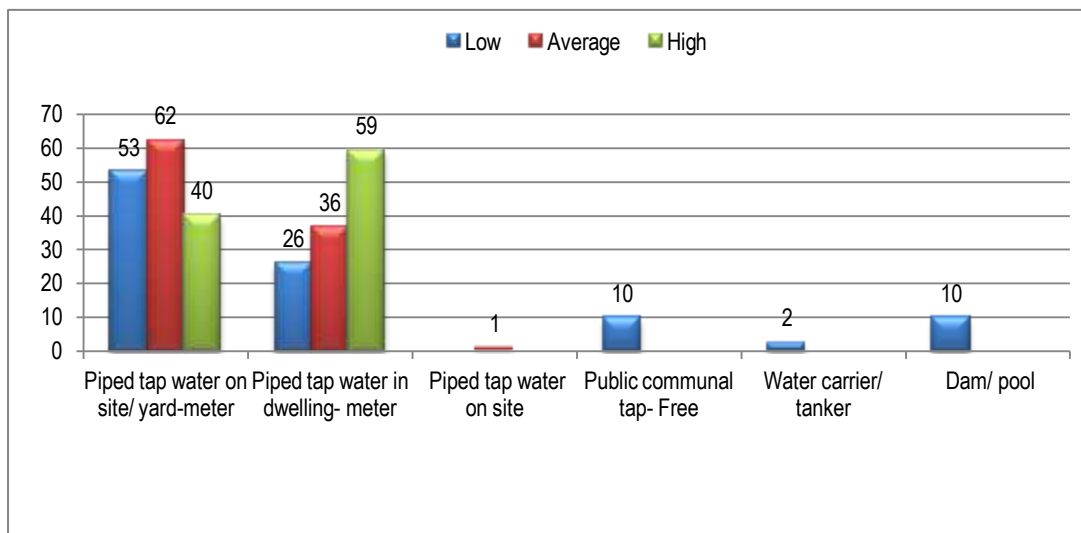


FIGURE 13: MOST OFTEN USED SOURCE OF DRINKING WATER DISAGGREGATED BY LSM

In terms of water quality, most respondents described it as free from bad smells (95%), good to taste (94%), Clear (93%) and safe to drink (93%). In all instances, more than 9 out of 10 respondents agreed with these sentiments. Also, in all instances, only a few

respondents described the quality of water as either having bad smells (5%), bad to taste (6%), less clear (7%) and unsafe to drink (7%). There were no considerable differences when this question was disaggregated by geotype. That means they rated the quality of water highly.

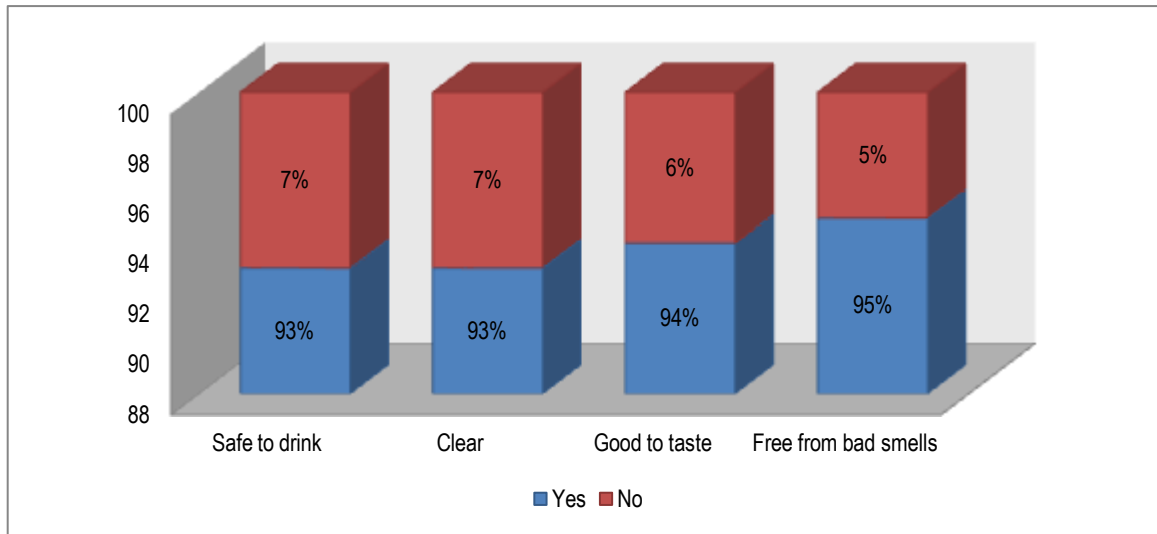


FIGURE 14: WATER QUALITY

During the 2010 WPS respondents were asked whether they had experienced interruptions to their water service in the past. Most respondents, nearly three quarters (73%) indicated that they had not experienced any interruptions in their water service. Just over a quarter (27%) of respondents indicated that they had experienced such interruptions in their water service.

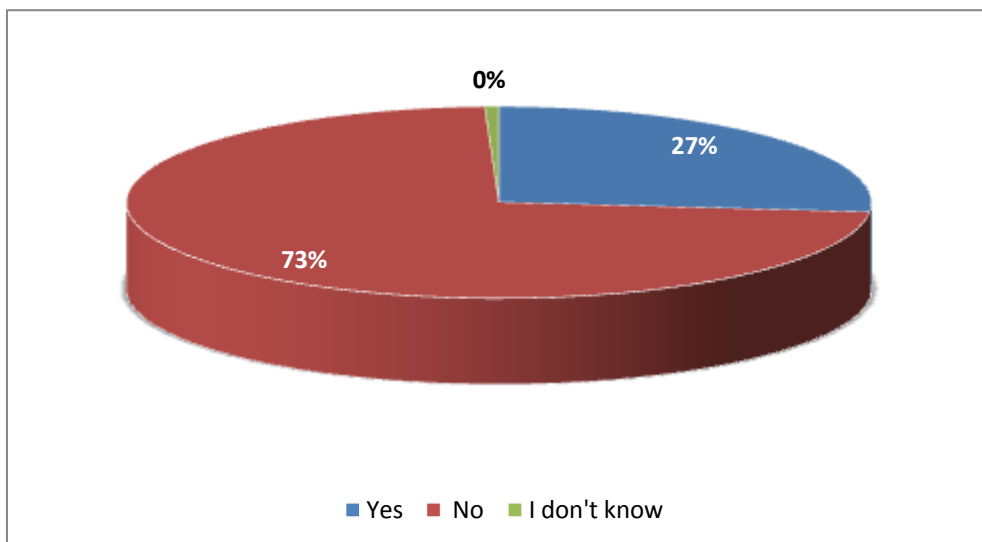


FIGURE 15: INTERRUPTIONS TO WATER SUPPLY

When asked about length of these interruptions, particularly, a large (42%) urban informal segment of the population reported to have experienced interruption to the water service, compared to the rural (33%) and urban (26%) formal.

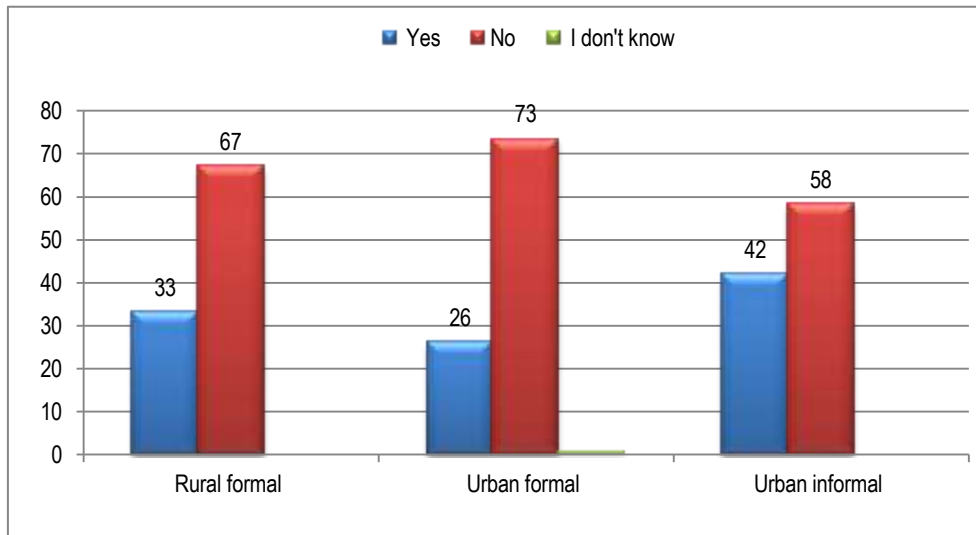


FIGURE 16: INTERRUPTIONS TO WATER SUPPLY BY GEOTYPE

Of those respondents who had experienced water interruptions (27%), just over a quarter (28%) had experienced such interruptions for a few hours or less, whilst nearly a fifth (19%) had experienced such interruptions for a period ranging for a few hours to one day. Around 15% experienced water interruptions for a period of more than a week. In summary, even in the event of water interruptions; these interruptions were of short duration; lasting only for a few hours or less.

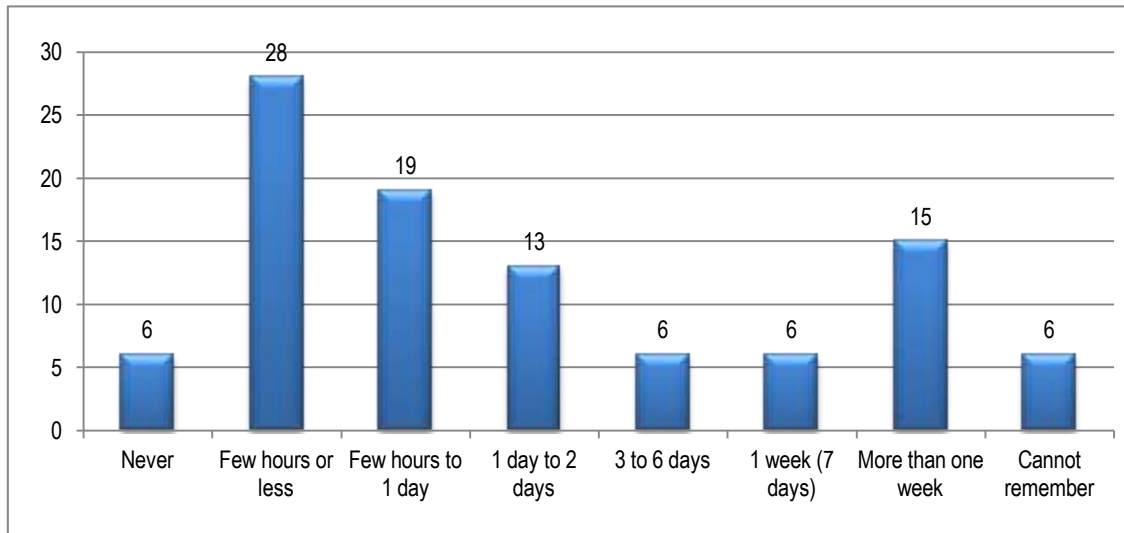


FIGURE 17: LENGTH OF WATER INTERRUPTIONS EXPERIENCED

Asked to give the main reasons for water interruptions, just over a quarter (27%) said burst pipes were the main reason for such water interruptions. Also, nearly a fifth (19%) indicated that water cut-offs due to non-payment of services was the main reason for their water interruptions. Together these two reasons comprised nearly half (48%) of the reasons for water interruptions. Notably, about 15% attributed the interruptions to lack of or poor general maintenance.

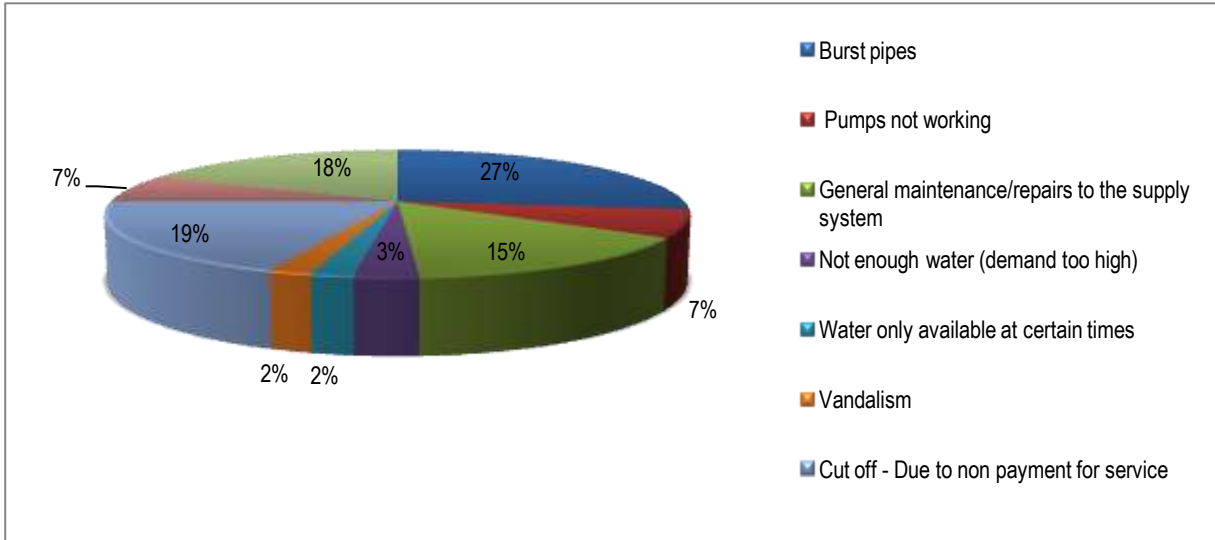


FIGURE 18: MAIN REASONS FOR WATER INTERRUPTIONS

Waste water management (sanitation)

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

TABLE 34: PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF TOILET FACILITY (SANITATION)

	Census 2001	CS 2007
Flush toilet (connected to sewerage system)	68,1	87,5
Flush toilet (with septic tank)	1,8	0,7
Dry toilet facility	-	0,9
Chemical toilet	0,1	0,3
Pit latrine with ventilation (VIP)	1,5	8,7
Pit latrine without ventilation	13,5	-
Bucket latrine	4,7	1,4
None	10,4	0,5
Total	100,0	100,0

During the 2010 Metsimaholo Municipality Wards Profiles Study (WPS) respondents were asked to indicate the type of toilet facility available for the household. Almost every respondent (96%) used a flush toilet connected to a municipality sewage system. Only about 2% have a flush toilet that is connected to a septic tank. Not many of the other types of toilet facilities are used to a significant level in these households.

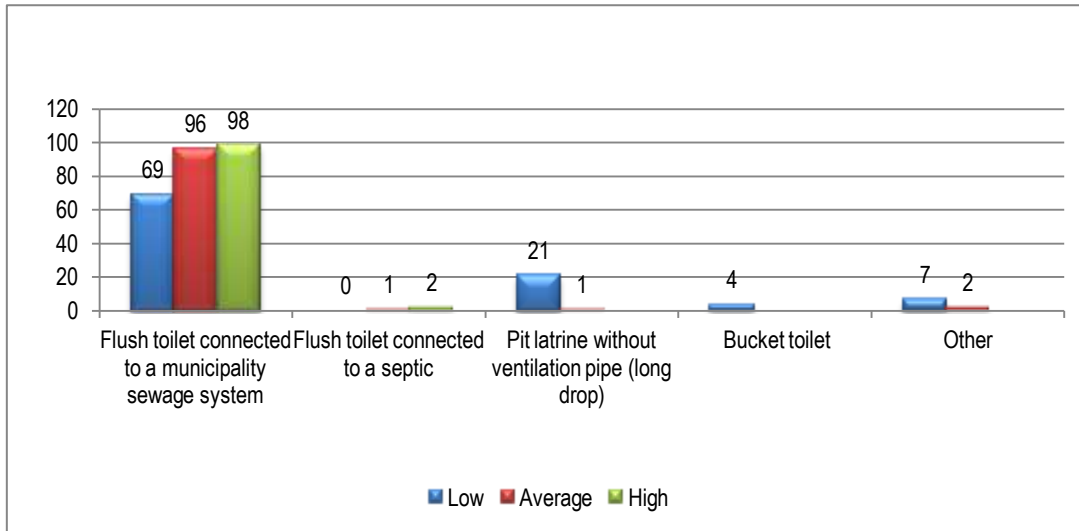


FIGURE 19: TYPE OF TOILET FACILITY BY LSM

Almost all wards had a flush toilet that is connected to the municipality sewage system. Only respondents in ward number 5 reported fewer connections to the municipality sewage system, though not in large numbers. Three quarters (75%) of toilet facilities are located within the dwelling itself. A quarter (25%) is located on site, within the yard itself.

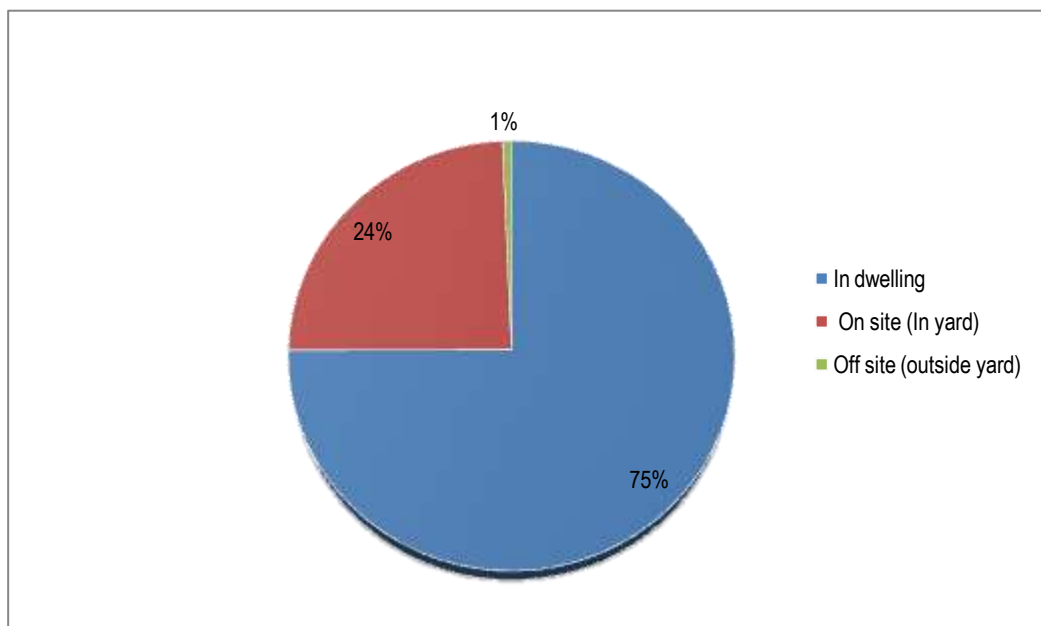


FIGURE 20: TOILET FACILITY LOCATION

Electricity provision

During the 2010 Metsimaholo Municipality Wards Profiles Study (WPS) respondents were also asked whether their households had access to an electricity supply or not. Almost all households (99%) had access to electricity. Only 1% of households did not have such access. There were again no noticeable differences by geo-types as over 90% of the residents in the various geo-types indicated to be connected to some electricity supply.

To note is that nearly a third (28%) of those in low LSM category do not have access to electricity, whilst almost everyone in the average and high LSM category had access to electricity.

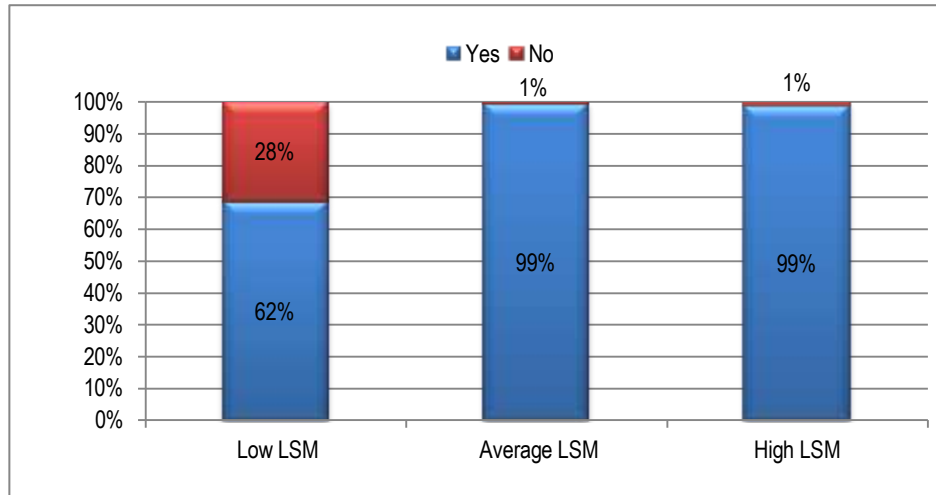


FIGURE 21: ACCESS TO ELECTRICITY BY LSM

Type of household electricity connection: In slightly more than three quarters of households (76%), an in-house pre-paid meter was installed. A fifth (21%) of households used an in-house meter. Only 1% stated that they used some type of illegal connection (e.g. connected to Eskom line).

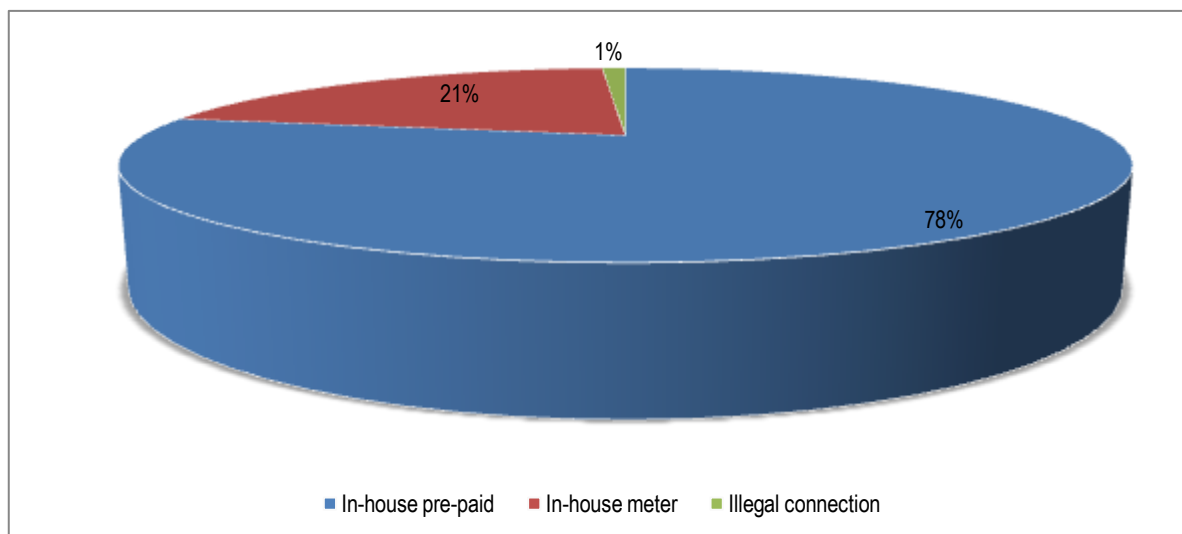


FIGURE 22: TYPE OF HOUSEHOLD ELECTRICITY CONNECTION

Those in rural formal areas were less likely to have an in-house meter, but instead relied on in-house prepaid electricity. Although to a lesser extent, they also utilised generators (8%) for electricity supply.

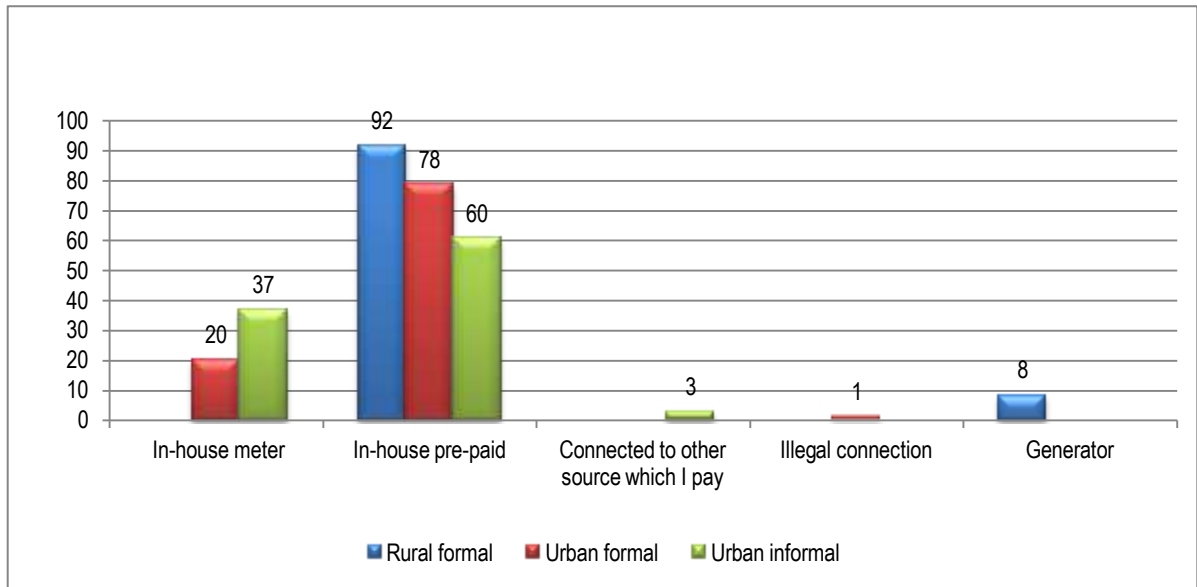


FIGURE 23: TYPE OF HOUSEHOLD ELECTRICITY CONNECTION BY GEOTYPE

Main source of energy for household for cooking: Almost all houses use *electricity* derived from mains for cooking. There is still a sizeable 3% that relies on paraffin for cooking as well as other sources that accounted for less than 2%.

TABLE 35: MAIN SOURCE OF ENERGY FOR COOKING

Main source of energy for cooking	Percentage
Electricity from mains	69%
Electricity from generator	0%
Gas	4%
Paraffin	2%
Wood	4%
Coal	5%
Candles	0%
Solar energy	0%
Other	0%
None	13%
Total	100%

Main source of energy for household heating: Electricity is again the main source of energy for heating (69%), followed by coal (5%). An equal proportion of 4% relies on gas or wood for heating.

TABLE 36: MAIN SOURCE OF ENERGY FOR HEATING

Main source of energy for heating	Percent
Electricity from mains	92%
Paraffin	3%
Gas	2%
Coal	1%
None	1%
Wood	1%
Electricity from generator	0%
Other	0%
Total	100%

Main source of energy for household lighting: Again, electricity is used by the majority for lighting. Candles at 5% are used to a lesser extent. Candles are likely to be used by those in the LSM group (62%).

TABLE 37: MAIN SOURCE OF ENERGY FOR LIGHTING

Main source of energy for lighting	Percentage
Electricity from mains	94%
Electricity from generator	0%
Gas	0%
Paraffin	0%
Wood	0%
Candles	5%
Solar energy	0%
None	0%
Total	100%

Nearly half (46%) of respondents had never experienced interruptions in their electricity services. In contrast, just over a quarter (28%) had experienced such interruptions in electricity services several times a year. Nearly 15% of respondents indicated that they experienced such interruptions at least once a month.

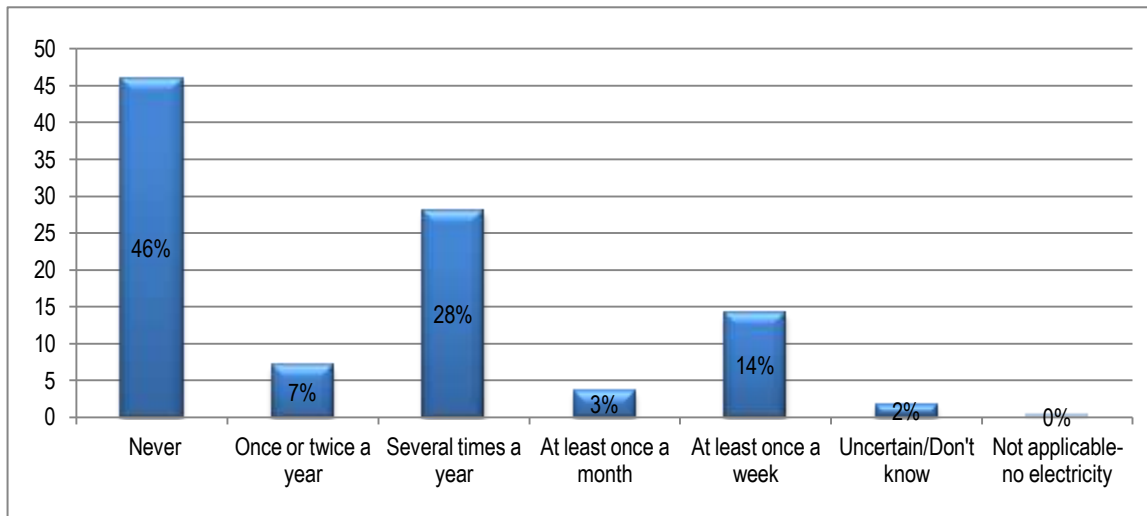


FIGURE 24: FREQUENCY OF ELECTRICITY INTERRUPTIONS

Upon being asked how often in the past year respondents had experienced interruptions of longer than one day to their electricity services, about 16% of respondents indicated that they had such interruptions once or twice a year. Just over a tenth (13%) indicated that they had such electricity interruptions more often than once a month. Exactly a tenth (10%) had such interruptions on a monthly basis. The most interruptions are experienced by those in rural formal areas (57%); this being at least once a week.

Roads and storm water

According to the 2010 Metsimaholo Municipality Wards Profiles Study (WPS) most local streets have streetlights whilst the absence of pavements (66%), kerbs (70%), speed humps (70%), good storm water drainage systems (57%) and bridges (70%) is cause for concern.

TABLE 38: AVAILABILITY OF ROAD INFRASTRUCTURE

Type of infrastructure	Yes	No
Pavement	34%	66%
Kerbs	30%	70%
Good bridge	21%	79%
Good storm water drainage system	43%	57%
Street lights	70%	30%
Speed Humps	30%	70%

Pavements, kerbs and good bridges were not found in the neighbourhood of the low LSM category residents.

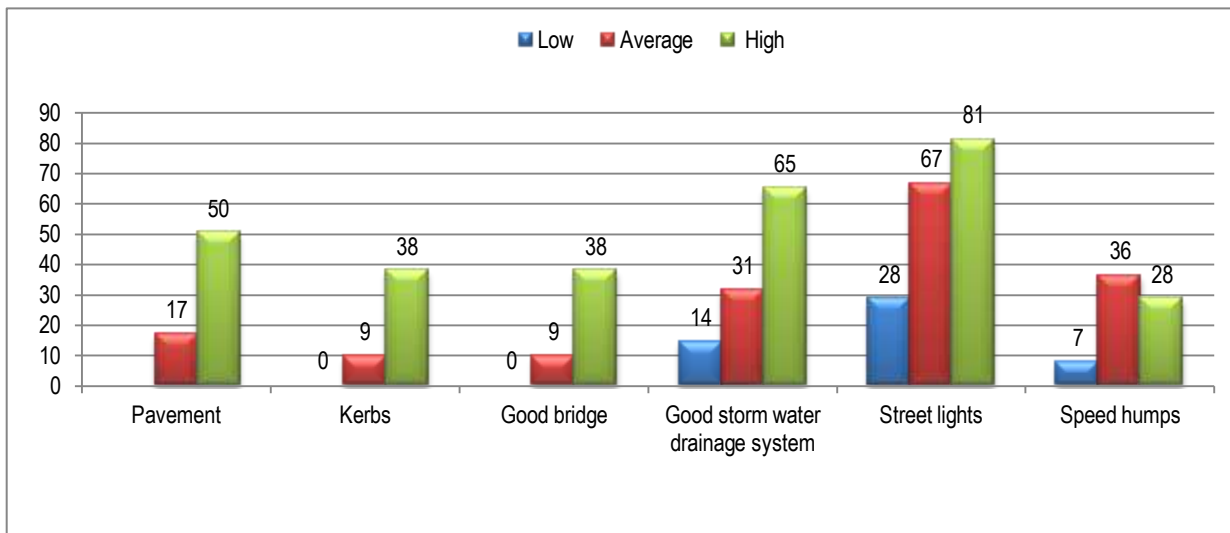


FIGURE 25: AVAILABILITY OF ROAD INFRASTRUCTURE BY LSM

There is a higher level of satisfaction with the highways, with three-fifths (60%) of respondents indicating their satisfaction with their quality. The second highest level of satisfaction was with the main road. Though nearly a third (32%) of respondents expressed a degree of satisfaction with community roads or local streets, it is evident that there was the highest level of dissatisfaction with community roads, with nearly two-thirds (64%) of respondents indicating their dissatisfaction compared to highways and main roads.

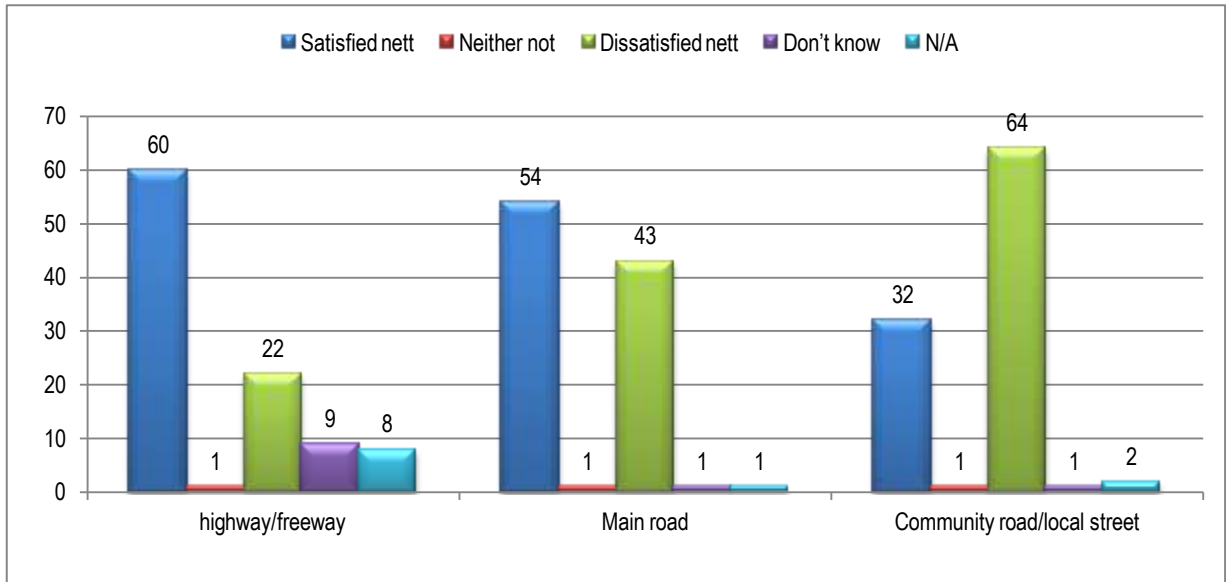


FIGURE 26: LEVEL OF SATISFACTION WITH THE QUALITY OF ROAD INFRASTRUCTURE

Most of those in the average and high LSMs were the most likely to be satisfied with the high ways, probably because they are the main users.

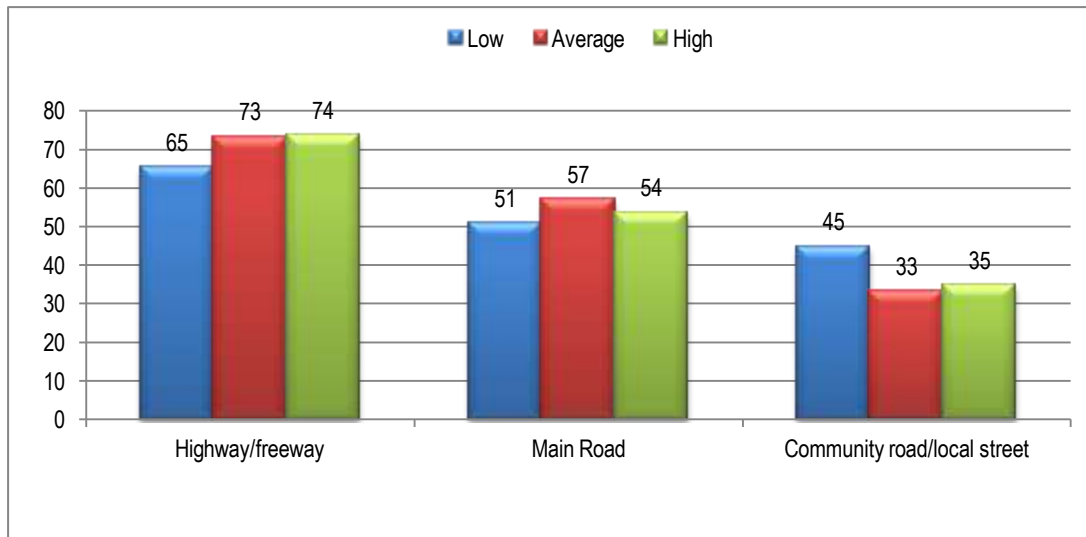


FIGURE 27: LEVEL OF SATISFACTION WITH THE QUALITY OF ROAD INFRASTRUCTURE BY LSM

The main reason for dissatisfaction with the road infrastructure seems to be the existence of potholes, as was cited by more than a quarter (30%) of respondents.

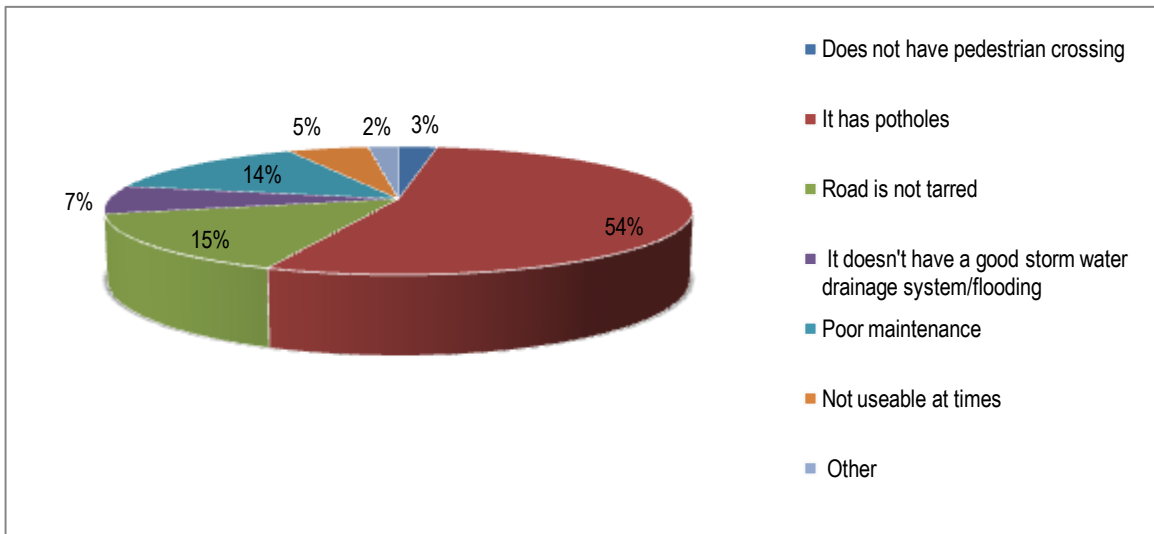


FIGURE 28: REASON FOR DISSATISFACTION WITH QUALITY OF ROAD INFRASTRUCTURE

The main reason for poor roads seems to be the misuse of funds by the municipality, cited by slightly more than a third (34%) of respondents. Just over a quarter of respondents (28%) cited lack of good service providers to do maintenance as a reason for poor roads in their area. Just over a fifth (21%) cited lack of funds for maintenance as the reason for poor roads in their area.

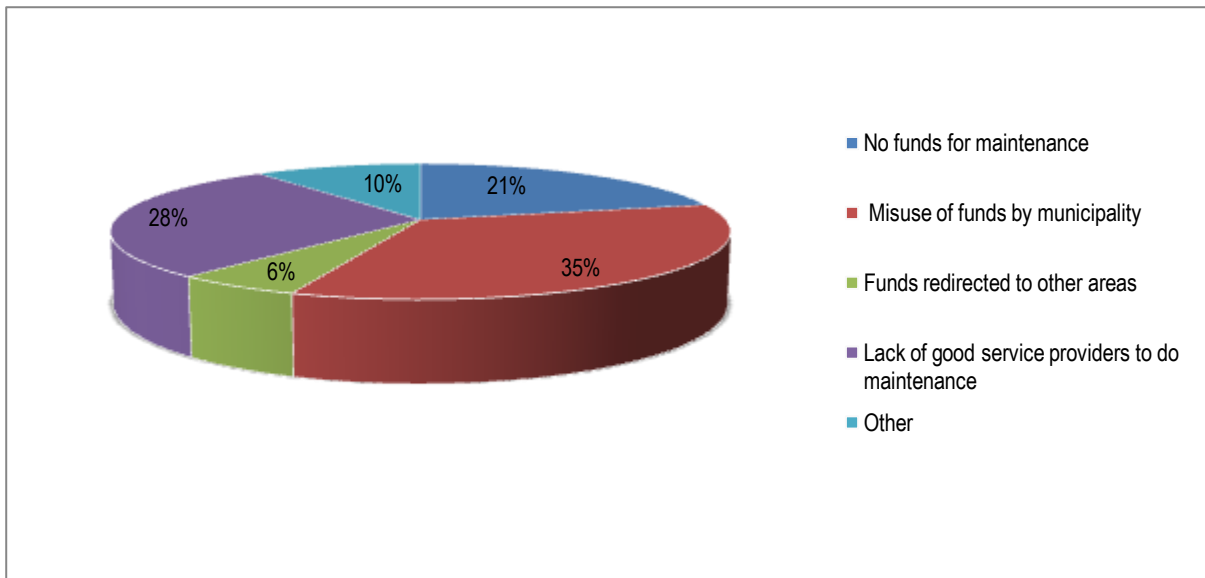


FIGURE 29: REASON FOR POOR ROADS

Those in the low LSM category were more likely to cite lack of funds for maintenance as the main reason for poor road infrastructure. Those in average LSM were likely to mention the misuse of funds by the municipality, whilst those in high LSM were more likely to cite lack of good service providers to do the maintenance as the main reason for poor roads.

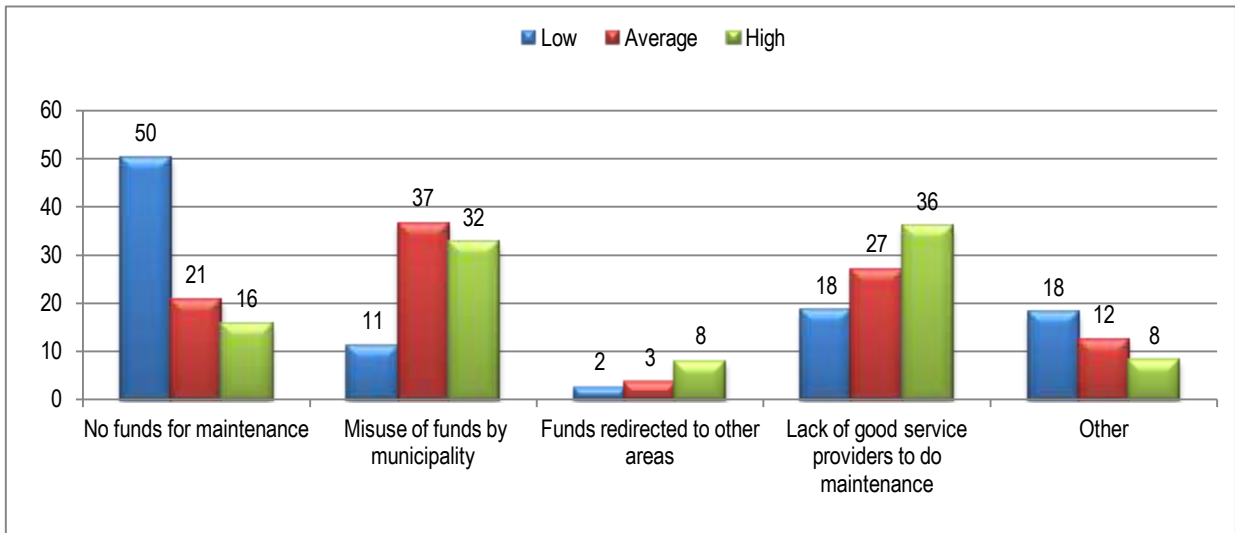


FIGURE 30: REASON FOR POOR ROADS BY LSM

From the graph, it can be ascertained that most respondents are not far from a community road or a local street, nor from a main road, travelling less than 1 kilometre to reach these roads. In contrast, a highway or freeway is between 2 and 5 kilometres away from home.

The respondents who travelled the average distance to the highway/freeway of 2 to 5 kilometres earned on average, between R1000 and R1 500 as a household income. In contrast, respondents earning more than this amount, say, R15 000 to R20 000, travelled shorter distances of less than one kilometre. More respondents at the lower income levels, that is, from R1 500 downwards, travelled shorter distances to the main road from their homes. Indeed, more people travelled less than 2 kilometres from the main road to their homes.

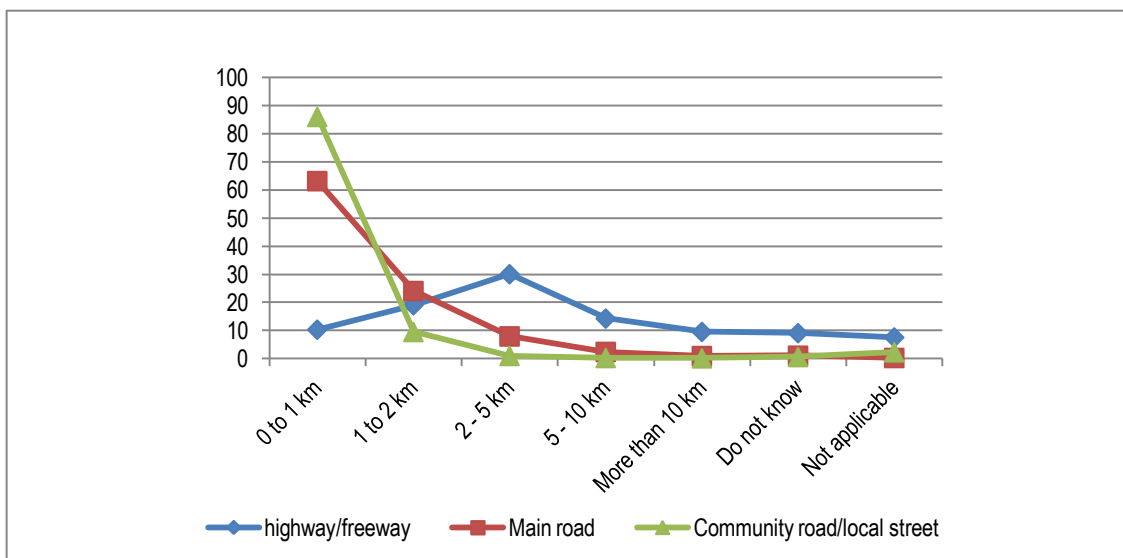


FIGURE 31: ACCESS TO ROAD INFRASTRUCTURE

Refuse Removal Services (Waste Management)

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

TABLE 39: PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF REFUSE REMOVAL

	Census 2001	CS 2007
Removed by local authority/private company at least once a week	60,2	94,5
less often	2,5	1,3
Communal refuse dump	9,8	0,3
On refuse dump	22,1	1,8
No rubbish disposal	5,4	2,1
Other	-	-
Total	100,0	100,0

According to the 2010 Metsimaholo Municipality Wards Profiles Study (WPS) Most of the households' (94%) refuse is removed by the municipality at least once a week. Less than 5% (3%) use their own refuse dump.

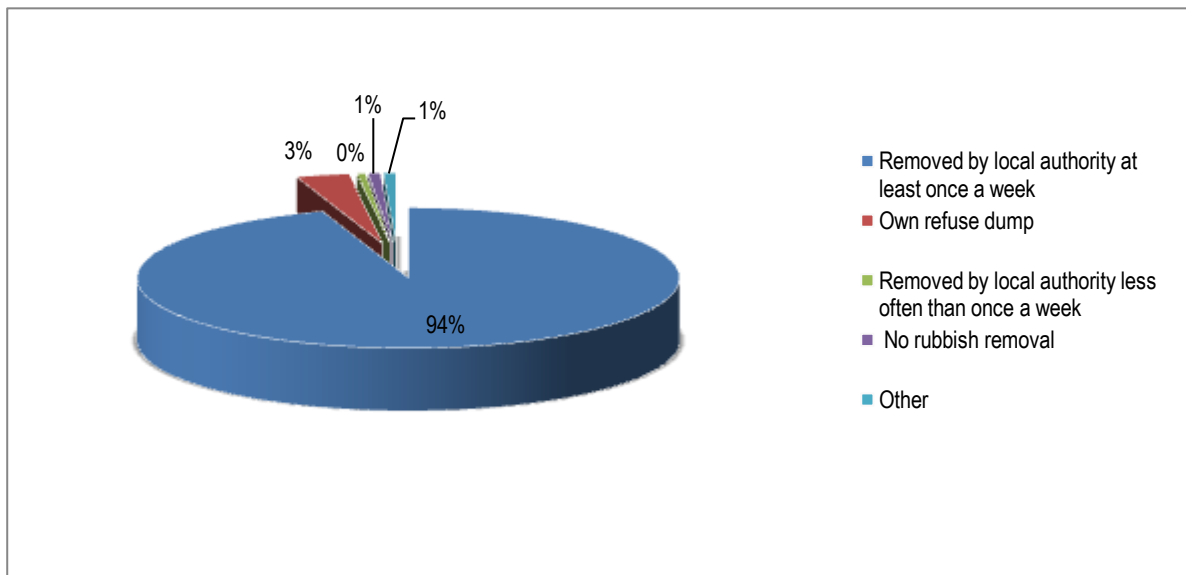


FIGURE 32: ACCESS TO REFUSE REMOVAL

Notably, a quarter (26%) of those in the low LSM use their own refuse dump, whilst those in the average and high LSM are fully reliant on local authorities to remove refuse at least once a week.

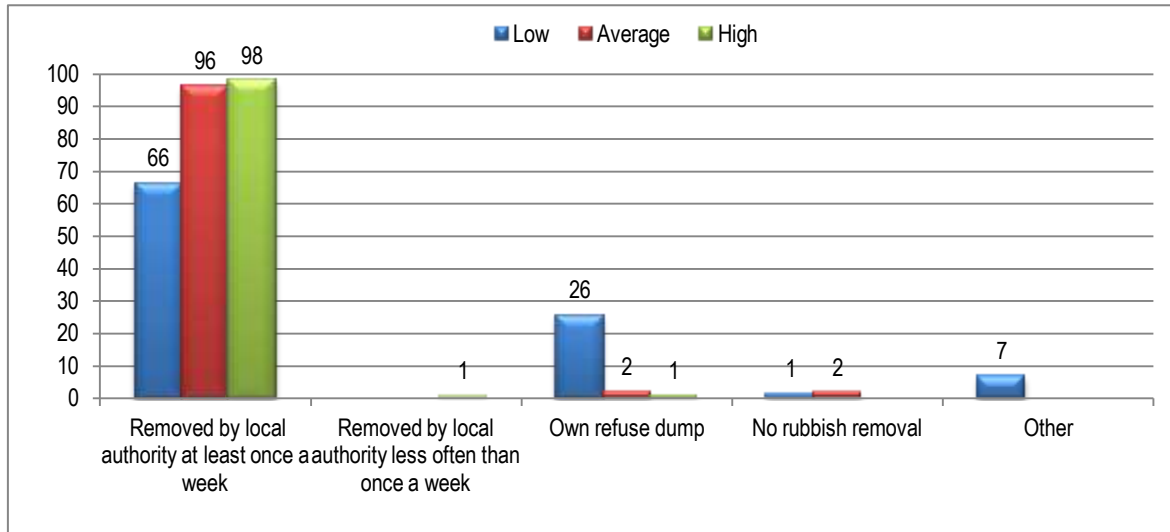


FIGURE 33: REFUSE REMOVAL BY LSM

Housing

According to the 2010 Metsimaholo Municipality Wards Profiles Study (WPS) the majority of houses in the municipality are stand-alone structures made of bricks (76%). To a lesser extent, there were back yard structures (16%) which also seemed to be commonly found.

TABLE 40: TYPE OF MAIN DWELLING

Type of main dwelling	Percent
Dwelling/ house or brick on a separate or yard on farm	76%
Dwelling house/ flat/ room in back yard	16%
Town/ cluster/ semi-detached house	3%
Informal dwelling/ shack in back yard	2%
Other	1%
informal dwelling/ shack not in back yard	1%
Room/ flat let	0%
Flat or apartment in a block of flats	0%
Unit in retirement village	0%
Traditional dwelling/ Hut/ Structure made of traditional materials	0%
Total	100%

As can be seen in the table below, most families live in RDP houses or subsidies. Just under a fifth (19%) either live in 'owner built houses with 6-10 rooms or formal houses built by government or municipality. About 9% said they live in owner built houses with 2-5 rooms.

TABLE 41: TYPE OF DWELLING

Type of dwelling	Percent
RDP house or subsidy not in backyard	37
Owner-built house, formal type, good quality, 6-10 rooms	19
Formal house built by government, municipality	19
Owner-built house, formal type, good quality, 2-5 rooms	9
Other	4
Formal backyard structure (including RDP)	3
Shack owned by resident	3
Rented room in formal house	2
PHP formal type house built by owner or owner builder with govt. assistance	2
Owner-built house, formal type, good quality, more than 10 rooms	1
Rented flat or space in flat or in cluster housing	1
Informal backyard structure/ backyard shack	0
Unfinished owner built housing, good quality	0
Shack rented by resident	0
Low- quality owner built house (better than shack)	0
Attached room in house or garage	0
Rented room in shack	0
Total	100

Health Care and Emergency Services

Just over a third (33%) of respondents had an operational municipality clinic that is less or equal to 1 kilometre away from home. Just over a quarter (29%) have a municipality clinic that is between 1 and 2 kilometres away from their homes. Just over a fifth (22%) has a municipality that is between 2 to 5 kilometres away from their homes. In short, respondents do not have to go far to reach an operational municipal clinic.

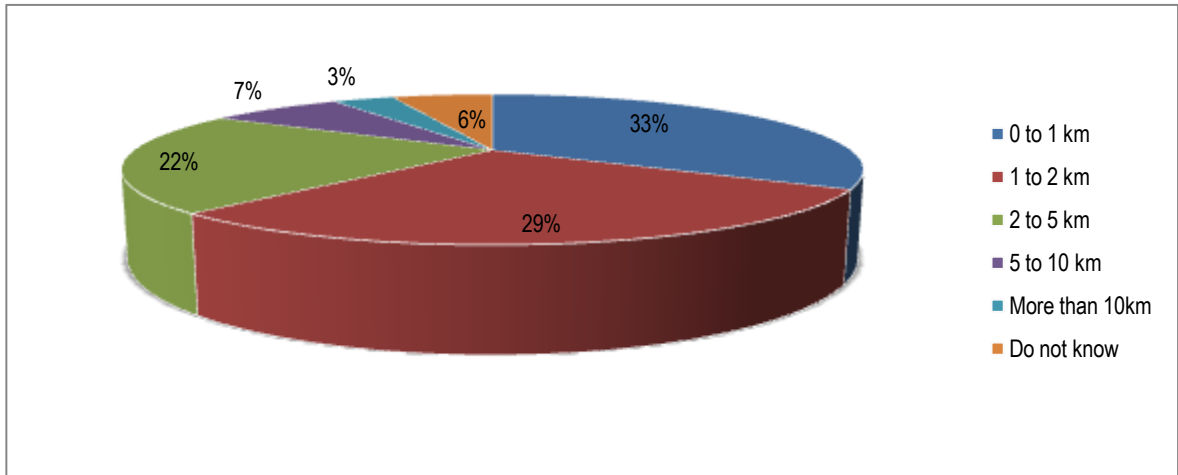


FIGURE 34: NEAREST OPERATIONAL CLINIC

Whilst for most respondents, clinics were a short distance away, government or private hospitals were far away. For respondents using government hospitals, just over a third (34%) reported that they had to travel more than 10 kilometres to reach this facility. In contrast, only a quarter (25%) of those using private hospitals had to travel more than 10 kilometres. Similarly, just over a fifth (22%) of respondents had a distance of between 5 and 10 kilometres between them to reach government hospitals, compared to just over a tenth (12%) who had the same distance to travel to reach a private hospital or clinic. Fewer respondents travelled shorter distances to reach either government or private hospitals.

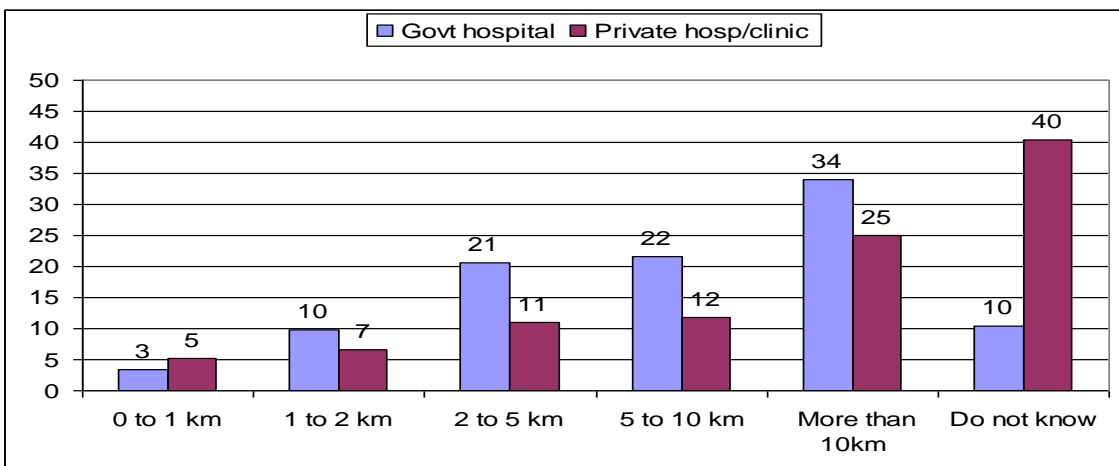


FIGURE 35: NEAREST OPERATIONAL GOVERNMENT HOSPITAL COMPARED TO PRIVATE HOSPITAL/CLINIC

Access to emergency services

Asked to indicate whether they or their family members made use of emergency services (e.g. ambulance, fire brigade, police), just over half (54%) agreed that they did, whilst just under half (46%) said they did not.

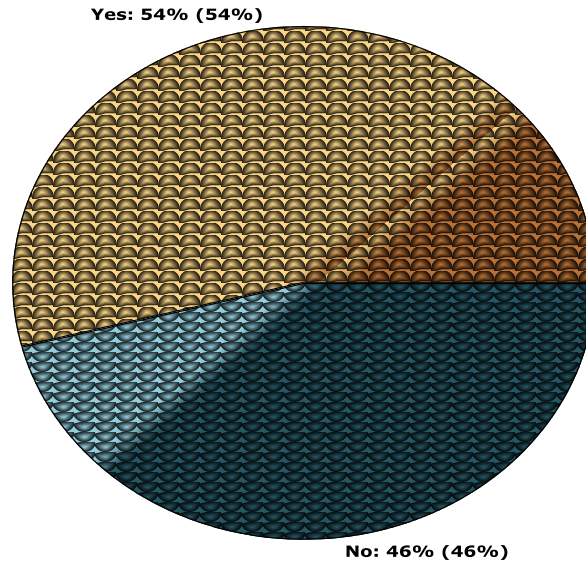


FIGURE 36: ACCESS TO EMERGENCY SERVICES

In general, respondents on an average living standard measure had more access to emergency services than either high or low LSM individuals.

Respondents with a household income of between R1000 and R1500 tend to be the ones to have made use of emergency services. Respondents with an average income seem to be ones having access to emergency services. However, this result needs to be interpreted with caution because respondents with relatively high incomes of say, R15 000 to R20000 seem not to have made use of emergency services. In fact, there are higher income respondents who have not made use of such emergency services as there is who have in fact used these services.

Of those respondents who (or their family members) use emergency services, almost half (46%) were satisfied or very satisfied with the response time from the ambulance services. Just over a quarter (27%) was satisfied or very satisfied with the police response time. Only a small fraction (6%) was either satisfied or dissatisfied with the fire brigade’s response time. However, nearly an equal number of respondents were as dissatisfied or very dissatisfied with the response time as were those who were satisfied or dissatisfied. Therefore, nearly half (44%) were dissatisfied or very dissatisfied with the ambulance services. Just over a fifth (23%) were as dissatisfied or very dissatisfied with the police response time. In short, there was no clear agreement about whether the ambulance, fire brigade or police response times were adequate or not. In fact, the majority of people either did not know about such response time or felt it not applicable to their situation.

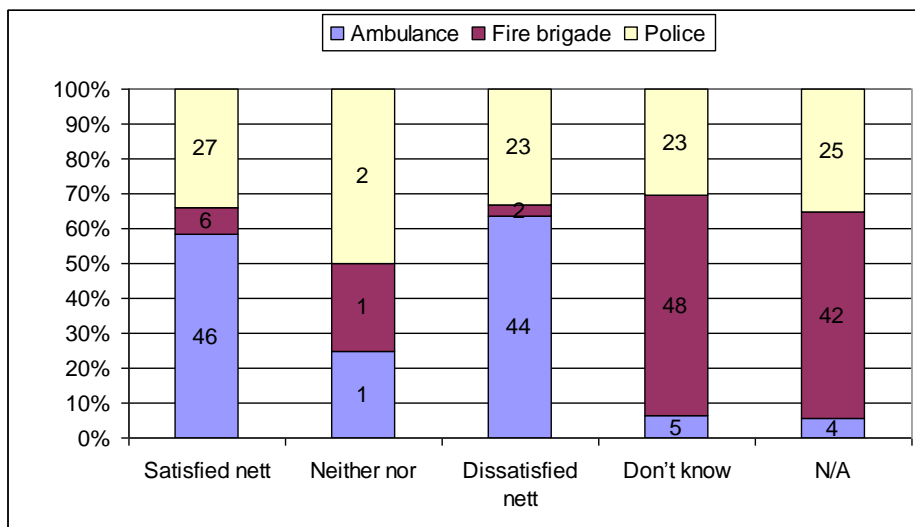


FIGURE 37: RESPONSE TIME TO EMERGENCY SERVICES

Access to various other services

From the graph, it can be seen that, on average, the nearest operational government post office, police station and municipal offices were between 2 to 5 kilometres away. In contrast, home affairs offices were a little farther, about 5 to 10 kilometres away from respondents' homes. In general, municipal offices, government offices and police stations were at shorter distances than home affairs offices.

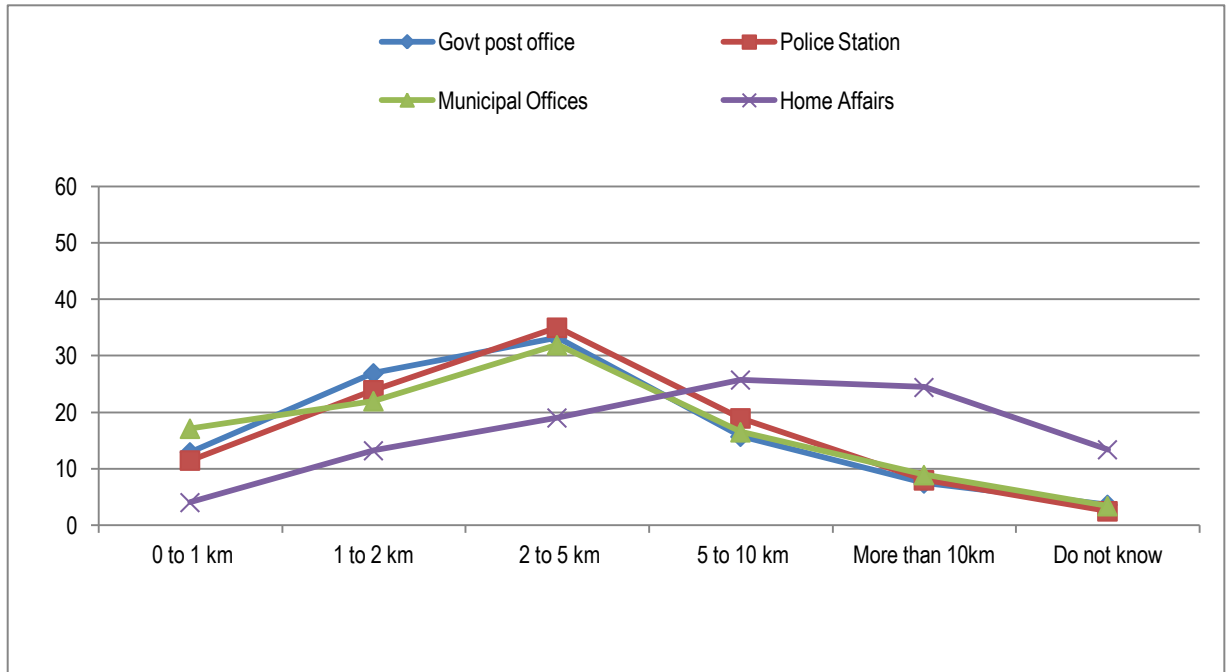


FIGURE 38: ACCESS TO VARIOUS OTHER SERVICES

The train stations as well as the bus station are usually 1km to 5kms from the respondents' home.

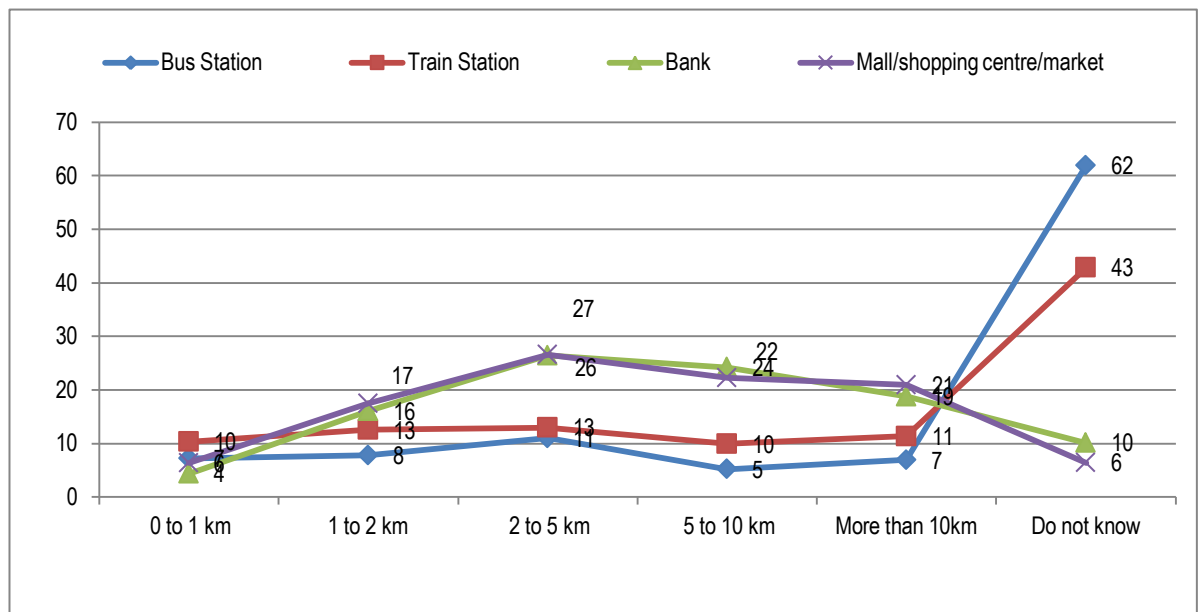


FIGURE 39: ACCESS TO TRAIN & BUS STATIONS, BANKS AND SHOPPING MALLS

Most of the facilities seem to be between a km to 5 km away from the respondent’s homes. Notably, a sizeable 43% did not know how far the recreational facilities were from their homes.

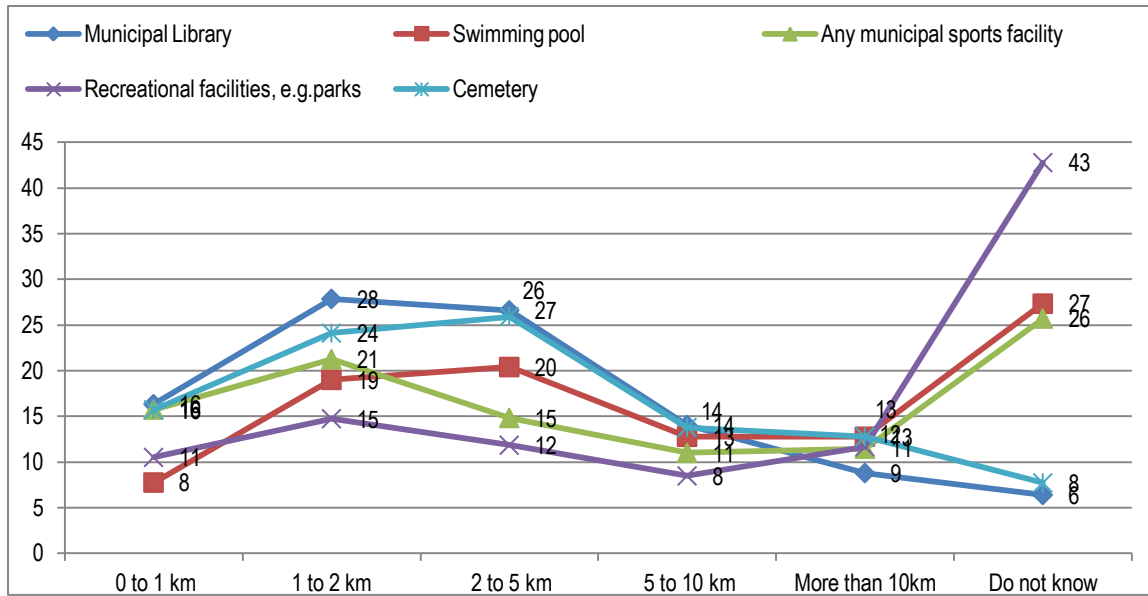


FIGURE 40: ACCESS TO COMMUNITY AND RECREATIONAL FACILITIES

It would appear that respondents seldom visit these facilities. If they do, they do so once a month, especially municipal services and to some extent, municipal library. Home affairs or a police station would be seldom visited, and if so, at least once a year.

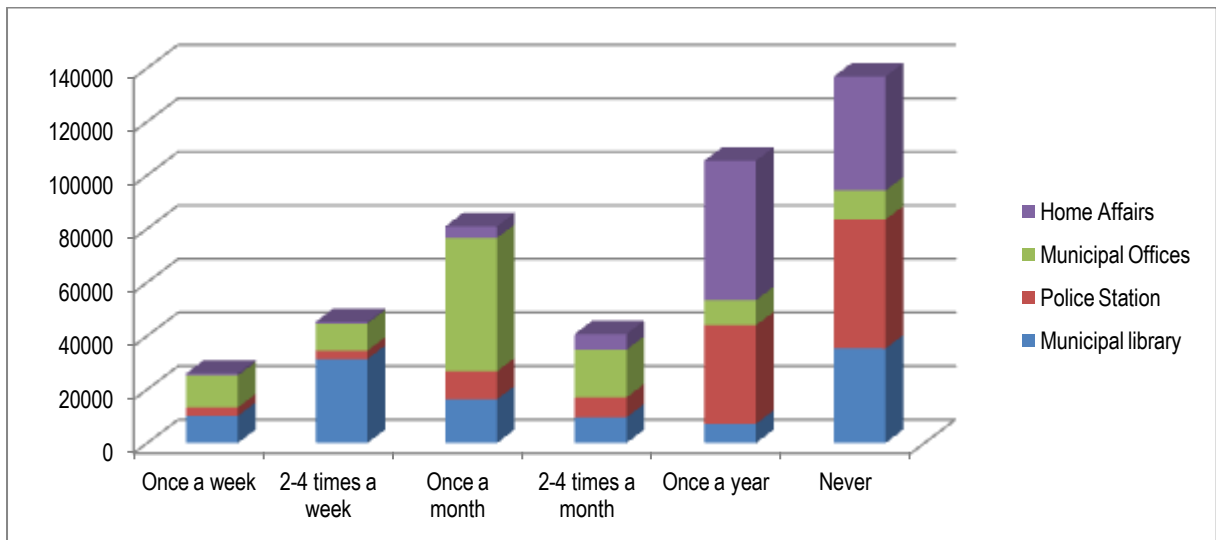


FIGURE 41: FREQUENCY OF FACILITIES' USAGE

2.2.6 SPATIAL ANALYSIS²⁴

Urban Development: Hierarchy of Towns

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

Urbanisation

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

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

Growth Points

- ☞ Sasolburg will remain a growth point in the region as indicated above.
- ☞ Deneysville and Oranjeville will continue to serve as small towns with limited economic growth potential focussing on tourism and providing a service to the agricultural community.

Influencing Factors

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

²⁴ Metsimaholo Municipality. Spatial Development Framework. 2009/2010

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

Land Use Management

The Local Municipality has endeavoured on a formal legislative process, in terms of the Free State Township Ordinance, in order to prepare an integrated land use management system. The Draft Metsimaholo Land Use Management Scheme is being prepared as a consequence of the process. The document is in the process of being finalized and will be in place and proclaimed during 2007. As a result of latter, further proposals in this respect are redundant.

CURRENT SPATIAL FRAMEWORK – Residential (Housing)²⁵

Sasolburg: There are currently a total of 9 167 residential sites in Sasolburg of which 697 are unoccupied. The unoccupied erven largely refers to the medium income residential erven in Welgelegen West and a large portion of the Vaal Park residential area.

The current status of the mining villages of Coalbrook and Kragbron is that of established towns although proclamation thereof never occurred. Upgrading of the existing internal service networks of these villages will, however, be a prerequisite.

²⁵ The Metsimaholo Local Municipality has not been accredited by the Provincial Department of Human Settlements. All housing construction projects in the municipality are therefore still being planned and managed directly by Province.

Zamdela: Zamdela has a total of 24 431 residential erven of which 3 000 newly planned erven are in the process of being formalised on the Farm Mooidraai 44. The establishment of an additional 3000 erven on the property appears to also be feasible.

TABLE 42: SUMMARY OF CURRENT HOUSING TRENDS-SASOLBURG/ZAMDELA URBAN AREA

RESIDENTIAL AREA	ERVEN			ERF & LAND REQUIREMENTS
	Residential erven OCCUPIED	Residential erven UNOCCUPIED	Residential erven TOTAL	
Sasolburg	8 470 ²⁶	697 ²⁷	9 167	-
Herron Banks Phase 1 & 2		360	360	2 000 ²⁸
Zamdela	7 156	-	7 156	
Harry Gwala (Leitrim)	3 147	-	3 147	
Walter Sisulu (Gortin)	5 307	-	5 307	
Amelia Extension	3 257	-	3 257	
Mooidraai Extension		3 000	3000	-
Hostel redevelopment into free hold stands	1 307 ²⁹	-	1 307	
Sub Total	28 644	4 057	32 701	3 000
Kragbron	519	Informal Villages ³⁰ : No cadastral data available (All erven are occupied)	519	
Clydesdale	182		182	
Coalbrook	34		34	
Viljoensdrif	185		185	
Bertha Village	117		117	
Wolwehoek	25		25	
ESCOM Vaal Village	200		200	
White City – No residents ³¹			22	
Hunters Village ³²	40 (of 180)		180	
New Vaal Village	574		574	
Groenpunt Correctional Services	165		165	
Richmond	unknown			
Sub Total	2 203		2 203	
TOTAL	30 847	4 057	34 904	3 000

(Source: Local Municipality, 2009)

Deneysville: The Greater Deneysville has a total of 5 508 residential erven of which Refengkgotso has 3 231 and Deneysville 2 277.

²⁶ Excluding 1341 flats

²⁷ To be redesigned to also accommodate middle income housing.

²⁸ 2000 families occupy land disorderly in the existing Zamdela. Land to accommodate this housing has been obtained.

²⁹ Only upgraded units of hostels 1 and 2 (707). Hostels 3 and 4 still need to be upgraded (600).

³⁰ Although most of these areas are not necessarily included within the Urban Fringe, the Council will support the formalisation of villages and, in the event, simplify administration related thereto. It follows naturally that formalisation of these areas would necessitate the following of all relevant legal procedures.

³¹ White City is, at present empty.

³² Only 40 of the 180 houses in Hunters Village are at present occupied and the area is becoming gradually derelict.

Refengkgotso: Refengkgotso has no unoccupied erven while Deneysville has 1 783. A need for 2 500 residential erven exists in Refengkgotso, which will have to be provided urgently.

TABLE 43: SUMMARY OF CURRENT HOUSING TRENDS - DENEYSVILLE/REFENGGOTSO URBAN AREA

RESIDENTIAL AREA	ERVEN			ERF & LAND REQUIREMENTS	REMARKS
	Residential erven OCCUPIED	Residential erven UNOCCUPIED	Residential erven TOTAL		
Deneysville	494	1 783	2 277	-	Immediate need 2500 erven Long term need 1000 erven
Refengkgotso	3 231	-	3 231	2 500	
TOTAL	3 725	1 783	5 508	2 500	

(Source: Local Municipality, 2009)

Vaal Dam and Vaal Barrage Riparian: Numerous subdivisions occurred adjacent the Vaal Dam and Vaal Barrage comprising of residential areas, some of which are in close proximity of Deneysville. The tendency to subdivide farmland adjacent the Vaal Dam will in all probability continue in according with the Vaal River Complex Guide Plan since these properties are becoming exceeding popular as holiday homes.

Vaal Dam Zoning Plan: All future developments, not located within the urban area, should take cognizance of the *Vaal Dam Zoning Map* which is being used by the Department of Water Affairs and Forestry to assess development applications adjacent to the dam.

2.2.7 ECONOMIC ANALYSIS

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

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

The **purpose** of the MLM LED Strategy includes the following:

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

The **objectives** of the MLM Strategy include the following:

- To beneficiate the existing manufacturing industry and diversify the local economy (that is, the ability to develop value chain in any industry)
- To develop and position the Metsimaholo economy as the most performing economy in the Free State Province.
- To develop and position the Metsimaholo economy as a leading leisure destination in the Free State Province
- To develop and position the Metsimaholo economy as a leading retail destination in the Fezile Dabi District.

The intended **impacts** include the following:

- The development of highly skilled people in the local economy
- The increase in employment of local people in the local economy
- The development of SMMEs and Co-operatives in various sectors of the local economy

THE METSIMAHOLO ECONOMY IN CONTEXT

According to the Global Insight Regional Explorer 2009, “the global economy is in the midst of the most severe recession since the Great Depression of the 1930s. Massive amounts of wealth have been and are being destroyed across many countries and industry sectors. The global financial sector continues to experience serious strains and many governments and monetary authorities are struggling to define the right combination of monetary and fiscal stimuli to jump start the global economy. Global growth projections continue to be adjusted downwards, with the most recent estimates pointing towards outright contractions in real gross domestic product (GDP) in the US, euro area and some other developed economies. The International Monetary Fund (IMF) downgraded its forecast for the global economy from the previous forecast of 2.2% and 3.8% for 2009 and 2010 respectively to 0.5% and 3.0% respectively. This year, the advanced economies are expected to contract by 2.0%, while the emerging markets will expand by just 3.3%. Among the major advanced economies, GDP is projected to decline by 1.6% in the US, 2.0% in the euro-zone and 2.6% in Japan. Among the major emerging markets, GDP is projected to rise by 6.7% in China, 5.1% in India and 1.8% in Brazil, but will slip 0.7% in Russia (SSGA, 2009).”

With global demand deteriorating rapidly, the prices of commodities fell sharply. For instance, the international price of crude oil declined from a peak of more than US\$147 per barrel in mid-2008 to levels around US\$50 per barrel at the end of December 2008, while international prices of food commodities receded by approximately 30% over the same period. Commodity prices, which have been trending higher since 2003, continued the robust rise that began in 2007 into the first half of 2008. As of mid-November, prices have fallen sharply, giving up most of their gains of the first half of the year. This contributed to significantly lower projected inflation rates (SARB, 2009). However, it seemed clear that Africa and other developing areas and countries would not be able to escape a slowing of economic growth in the wake of weaker global demand and declining prices of export commodities. The crisis in advanced economies will affect Africa via two channels. Firstly, the drop in commodity prices, combined with falling demand, will translate into weaker export earnings. Secondly, foreign direct investment will be sharply reduced; forcing businesses and governments to shelve much needed capacity expansion and infrastructure spending plans (Nedbank, 2009). Sub-Sahara Africa’s growth has been revised downwards from 5.1% and 5.7% in 2009 and 2010 respectively to 3.5% and 5.0% respectively (IMF, 2009).

Growth in the Republic of South Africa trailed growth in other African economies in 2008, slowing markedly to an estimated 3.4% from 5.1% in 2007. Power outages in 2008 plagued output growth in the mining sector, and household consumption slowed sharply, undercut by slower growth of credit, falling asset prices, and higher food and fuel prices (World Bank, 2009). The South African economy weakened considerably in the third quarter of 2008, recording the lowest quarterly growth rate in ten years. After a rebound in the second quarter of 2008, growth in real gross domestic production decelerated from a revised annualised rate of 5.1% in the second quarter of 2008 to a mere 0.2% in the third quarter. A substantial contraction in real value added was registered by the mining sector, which was directly affected by weaker international demand, falling commodity prices and interruptions due to maintenance, safety procedures and strikes. In a similar vein, the real output originating in the manufacturing sector declined significantly in the

third quarter. However, the harvesting of a bumper maize crop was reflected in a brisk positive growth rate recorded by the agricultural sector. Year-on-year CPIX inflation peaked at 13.6% in August 2008, more than double the upper limit of the inflation target range of 3% to 6%, decelerating somewhat to 10.3% in December. Headline producer price inflation amounted to a year-on-year rate of 19.1% in August 2008, the highest rate of increase in almost 22 years, before decelerating to 11.0% in December (SARB, 2009).

The Provincial Context

The Free State Province (the third largest in South Africa) lies in the heart of South Africa. Its surface area is 129480 km² [approximately 10,6% of South Africa's land area], with the Kingdom of Lesotho nestling in the hollow of its bean-like shape. It is further surrounded by the KwaZulu-Natal province to the east, the Eastern Cape to the south east, the Northern Cape to the south and west, North-West, Gauteng to the north and the further Northern Province, Mpumalanga and the Western Cape Province. In essence, the centrality of the province is perceived as an economic advantage nationally.



FIGURE 42: MAP OF FREE STATE PROVINCE

The biggest and more important cities / towns in the Free State, include (1) Bloemfontein, (2) Welkom, the dynamic pulsing heart of the goldfields - one of the few completely pre-planned cities in the world; (3) Kroonstad, an important agricultural, administrative and educational centre founded in 1855; (4) Parys on the banks of the Vaal River; (5) Sasolburg, also known as Metsimaholo Municipality, with one of the largest “Chemical Related Industries” in South Africa, including large sections of the Vaaldam [12 228,05 ha] – the North-Eastern boundary, and (6) Bethlehem, gateway to the Eastern Highlands of the Free State.

Motheo district municipality continues to be the largest contributor to the Free State GGP, contributing 34.7% to the provincial GGP, followed by Fezile Dabi (31.4%), Lejweleputswa (18.7%), and then Thabo Mofutsanyane (12.3%). Motheo and Fezile Dabi districts' contributions have increased from 32.3% and 25.2% in 1996 to 34.7% and 31.4% in 2007 respectively. The biggest casualty has been Lejweleputswa, whose contribution fell from 25.8% in 1996 to 18.7% in 2007, mainly due to the diminishing mining sector which contributed 44.0% to the district's GGP in 2007 (Global Insight, 2009).

Usually the sectoral composition of the economy is reflected by the contribution of each sector to the Gross Domestic Product (GDP). It is clear from the table that the provincial economy has been shifting from reliance on the primary industries to being more service driven. In 1996 the primary and tertiary industries contributed 18.4% and 56.5% respectively to the provincial Gross Geographic Product (GGP), however, the primary industries' contribution declined to 11.8% in 2007, whilst the tertiary industries' contribution increased to 62.7%. The secondary industries' contribution has remained fairly constant between 1996 and 2007, averaging 16.0%.

The table below illustrates the composition of the Free State economy by sector between 1996 and 2007.

TABLE 44: SECTORAL COMPOSITION OF THE FREE STATE ECONOMY, 1996-2007

Industry	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Primary Industries	18.4%	18.0%	14.6%	15.1%	15.0%	13.2%	14.4%	14.1%	13.7%	13.4%	12.2%	11.8%
Agriculture, forestry and fishing	5.4%	5.4%	3.7%	4.7%	5.7%	4.9%	4.7%	4.1%	4.0%	4.0%	3.4%	3.3%
Mining quarrying	13.0%	12.6%	10.9%	10.4%	9.3%	8.3%	9.7%	10.0%	9.7%	9.4%	8.8%	8.4%
Secondary Industries	15.4%	15.8%	15.8%	15.3%	16.3%	16.7%	16.4%	16.1%	16.1%	16.0%	16.0%	16.2%
Manufacturing	10.1%	10.2%	10.6%	10.7%	11.4%	11.8%	11.7%	11.3%	11.3%	11.2%	11.2%	11.2%
Electricity and water	3.3%	3.5%	3.4%	3.2%	3.1%	3.1%	3.1%	3.0%	3.0%	3.0%	2.9%	2.9%
Construction	1.9%	2.0%	1.8%	1.9%	1.7%	1.8%	1.6%	1.7%	1.7%	1.9%	1.9%	2.1%
Tertiary industries	56.5%	56.3%	59.8%	59.6%	59.4%	60.9%	60.3%	61.0%	61.3%	61.6%	62.5%	62.7%
Wholesale & retail trade; hotels & restaurants	11.1%	10.9%	11.5%	11.8%	12.2%	11.3%	11.3%	12.0%	12.0%	12.3%	12.6%	12.6%
Transport and communication	7.4%	7.8%	8.4%	8.3%	8.6%	9.0%	9.1%	9.1%	8.9%	8.9%	9.0%	9.1%
Finance, real estate and business services	13.8%	14.0%	14.8%	14.9%	14.2%	15.7%	15.7%	15.6%	16.2%	16.4%	16.8%	17.0%
Community, social and other personal services	9.6%	9.4%	10.4%	10.3%	10.6%	11.0%	10.8%	11.0%	10.8%	10.8%	10.9%	10.9%
General government services	14.6%	14.2%	14.9%	14.4%	13.9%	13.9%	13.4%	13.5%	13.4%	13.2%	13.2%	13.1%
All industries at basic prices	90.3%	90.0%	90.3%	90.5%	90.7%	90.8%	91.1%	91.1%	91.1%	91.1%	90.7%	90.7%
Taxes less subsidies on products	9.7%	10.0%	9.7%	9.5%	9.3%	9.2%	8.9%	8.9%	8.9%	9.0%	9.3%	9.3%

Source: Stats SA, GDP Fourth Quarter, 2008

Turning to the individual sectors, the biggest sectors in 2007 were finance, real estate and business services (17.0%), general government services (13.1%), wholesale and retail trade (12.6%), and manufacturing (11.2%). The smallest sectors, on the other hand, were construction (2.1%), electricity and water (2.9%) and agriculture, forestry and

fishing (3.3%). It is worth noting that the contribution of general government services, even though it is still the second highest, is on a decline. As illustrated in figure 1.2 below, the largest contribution the province makes to national output is in agriculture, fishing & forestry (9.4%), mining & quarrying (8.0%), electricity & water (6.9%) and community services (6.8%). Only manufacturing and community services have increased their contributions, from 3.5% and 6.4% in 1997 to 4.2% and 6.8% in 2007 respectively.

The Free State’s contribution to the national economy has decreased from 5.9% in 1997 to 5.4% in 2007, mainly due to the decreasing contributions of agriculture, fishing & forestry and mining & quarrying. It is important to note that Free State is represented in the production output of all sectors, making the top five provinces in four sectors; namely mining of gold and uranium ore (1), agriculture and hunting (3), Fuel, petroleum, chemical and rubber products (4), and Electricity, gas, steam and hot water supply (5). Free State is the leading province in the mining of gold and uranium with a contribution of 36.3%, followed by North West (29.4%) and Gauteng (21.8%). With regard to agriculture and hunting, the Free State is the third largest contributor after Western Cape (23.7%) and KwaZulu-Natal (23.1%). Free State is also in the top four producers of fuel, petroleum, chemical and rubber products, namely Gauteng (31.9%), KwaZulu-Natal (17.2%), Mpumalanga (16.6%), and Free State (13.2%). The province is the least contributor to the national output of forestry and logging (0.3%), mining of metal ores (0.1%), and other non-metallic mineral products (0.6%).

The District Context

For the period 1996 to 2007, the Fezile Dabi District was the highest growing district with 4.4%, followed by Motheo (3.0%), Xhariep (2.3%) and Thabo Mofutsanyane (1.3%), while Lejweleputswa was the only district with negative growth (-0.6%).

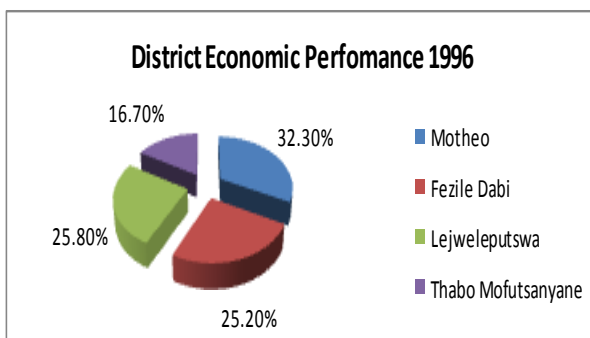


FIGURE 43: DISTRICT ECONOMIC PERFORMANCE-1996

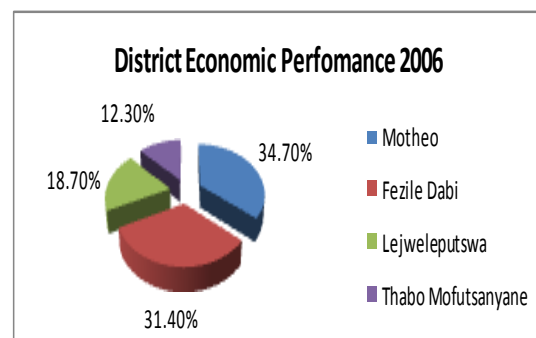


FIGURE 44: DISTRICT ECONOMIC PERFORMANCE-2006

As shown in figure 17 below, Fezile Dabi district is expected to be the highest growing district in the Free State province, averaging 3.8% between 2008 and 2012, followed closely by Motheo (3.3%) and Thabo Mofutsanyane (3.0%). Xhariep and Lejweleputswa are forecast to be the lowest growing district with projected growth rates of 2.8% and 1.7% respectively. Fezile Dabi and Motheo districts are the drivers of the Free State economy, together contributing 66.1% to the provincial GGP in 2007, while they are expected to grow by 3.6% on average from 2008 to 2012, which is above the provincial average of 3.1% forecast for the same period. Lejweleputswa is the perennial underperformer of the province, averaging -0.6% from 1996 to 2007, and forecast to grow by a mere 1.7% for the period 2008 to 2012. The low growth of Lejweleputswa can be attributed to the diminishing mining sector which contributes 39.5% to the district’s GGP.

The district economic performances of the province are presented as follows:

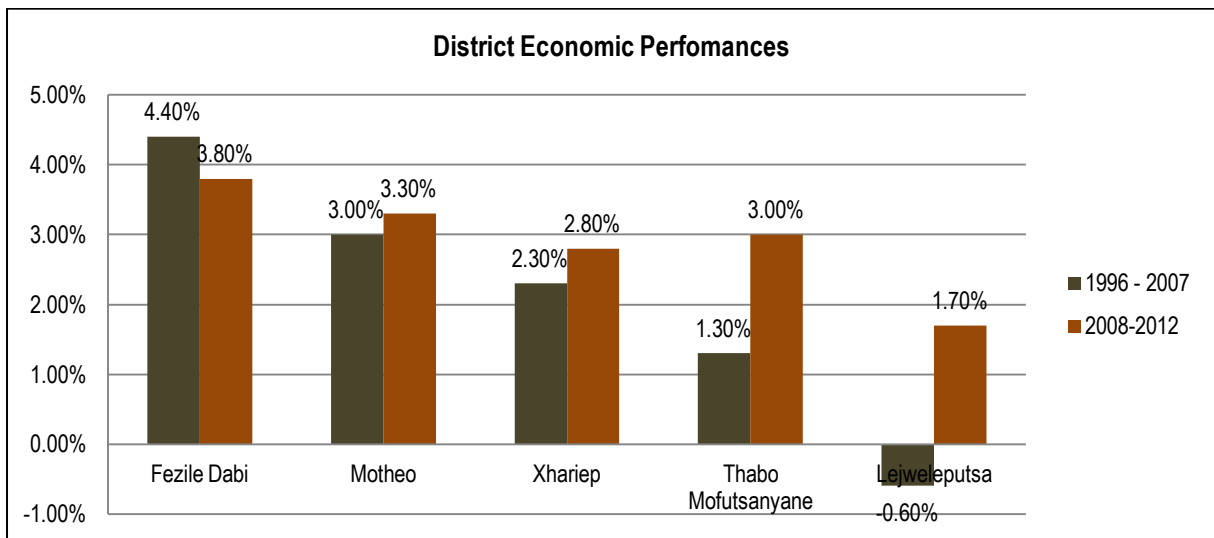


FIGURE 45: DISTRICT ECONOMIC PERFORMANCES

LOCAL COMPETITIVE ADVANTAGE (STRENGTHS & WEAKNESSES OF THE REGION)

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

markets) and will then influence the choice of niche markets where these barriers have a low relevance.

TABLE 45: ASSESSMENT OF ADVANTAGES AND DISADVANTAGES OF THE MLM ECONOMY

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

COMPETITIVE POSITIONING (THREATS & OPPORTUNITIES)

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

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

- o Global competition for resources (oil, steel, cement, investment capital and skills)
- o Global competition on labour costs from China, India and Eastern Europe
- o Global warming which may destroy the local asset, result in water scarcity, increase human and crop disease, destroy value in low-lying commercial and residential property, increase in risk due to weather intensity and variability increase, increase immigration pressure from central African and European areas, etc.
- o Exponentially increasing cost of carbon-based fuels
- o International and local political instability as poverty, HIV/Aids and rich-poor divide increase
- o International economic practices, including mobility of global capital and manipulation of financial markets investors, the trend to increased private equity holdings, high indebtedness of major economic powers, increased occurrence of speculation and bubbles.

However, threats internal locally are more likely to be more significant than external threats in the next ten years. Apart from the threats listed above, the primary threats to Metsimaholo will be

- failure to transform and build an equitable and inclusive economy which neither penalises those with the capital to grow the economy nor those who have historically been excluded
- failure to achieve public sector institutional efficiency and effectiveness
- a national financial system / fiscal policy / perception of risk combination which reward the short term and consumptive rather than long-term productive investment.

FOUR MAIN STRATEGY INTERVENTIONS

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

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

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



FIGURE 46: FOUR MAIN STRATEGIC INTERVENTIONS

CHAPTER 3: DEVELOPMENT STRATEGIES

3.1 INTRODUCTION

Municipalities are at the forefront of the national effort to redress the political, social and economic imbalances of the past. In light of the above, municipalities are faced with great challenges in promoting human rights, meeting community needs, addressing past backlogs and planning for a sustainable future. Effective planning and development within municipalities is imperative to ensure the maximisation of social development and economic growth.

Municipalities in South Africa utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sustainable long-term development. An Integrated Development Plan (IDP) gives an overall framework for development. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those involved in the development of a municipal area. The IDP enables municipalities to use scarce resources most effectively and efficiently to speed up delivery.

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

3.2 POLICY AND LEGISLATIVE CONTEXT

3.2.1 GREEN PAPER ON NATIONAL STRATEGIC PLANNING 2009

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

The establishment of a National Planning Commission is proposed that will direct the development of a long-term strategic plan, called South Africa Vision 2030. The aim of such a strategic plan is to ensure the mobilisation of society and greater coherence in government's work. The plan will establish a long-term vision for South Africa that is based on the values of the Constitution as well as key priorities identified in the Medium Term Strategic Framework (MTSF). The overarching objective with respect to planning is to enhance South Africa's socio-economic development by improving planning and coordination within government and managing the country's development processes.

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

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

The development of national spatial guidelines is proposed. These guidelines will serve as tools for bringing about coordinated government action and alignment, which are focused on the "systematic coordination of various policies and activities aimed at influencing future developments".

An overarching spatial framework and guidelines spelling out government's spatial priorities are needed to focus government action and provide the platform for alignment and coordination.

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

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

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

3.2.2 NATIONAL DEVELOPMENT PLAN (VISION FOR 2030)

“The Vision Statement and the National Development Plan presented here is a step in the process of charting a new path for our country. By 2030, we seek to eliminate poverty and reduce inequality. We seek a country wherein all citizens have the capabilities to grasp the ever-broadening opportunities available. Our plan is to change the life chances of millions of our people, especially the youth; life chances that remain stunted by our apartheid history.”

- Trevor Manuel, MP, Minister in the Presidency, On behalf of the National Planning Commission, 11/11/2011

Creating a virtuous cycle of growth and development

It is possible to eliminate poverty and to sharply reduce inequality by 2030. The commission proposes that these be the guiding objectives of the national plan over the next 20 years. All elements of the plan must demonstrate their effect on these two goals.

The national plan has to attack the blight of poverty and exclusion, and nurture economic growth at the same time; creating a virtuous cycle of expanding opportunities, building capabilities, reducing poverty, involving communities in their own development, all leading to rising living standards. Such a virtuous cycle requires agreement across society about the contribution and sacrifices of all sectors and interests. This will translate into greater confidence and a greater field of opportunities for individuals and the country. Growth and development, and reducing poverty and inequality, are the core elements of this virtuous cycle. Strong leadership throughout society, national consensus, social cohesion and a capable state are its key enablers.

Success will be measured by the degree to which the lives and opportunities of the poorest South Africans are transformed in a sustainable manner. Presently, the country does not have a standard definition of poverty. The commission recommends using a poverty line of about R418 (in 2009 prices) per person per month. This recommendation is based on a proposal by Statistics South Africa for a poverty line for the country that takes into account the prices of a basket of food and other essential items. Success would mean reducing the proportion of people living below this level from the current 39 percent of the population to zero. This is a mammoth but achievable task. The proposed poverty line should not detract from the fact that poverty is a multidimensional concept, incorporating more than just income, and we have to make progress on all of these dimensions.

A reduction in inequality will be achieved if the Gini co-efficient falls from the current level of 0.7 to 0.6 by 2030.³³ South Africa today has one of the world's highest levels of inequality. While the proposed reduction would mark a significant shift, a high level of inequality would persist in 2030.

The Central Challenges

The *Diagnostic Report* of the National Planning Commission identified nine main challenges:

1. Too few people work
2. The standard of education for most black learners is of poor quality
3. Infrastructure is poorly located, under-maintained and insufficient to foster higher growth
4. Spatial patterns exclude the poor from the fruits of development
5. The economy is overly and unsustainably resource intensive
6. A widespread disease burden is compounded by a failing public health system
7. Public services are uneven and often of poor quality
8. Corruption is widespread
9. South Africa remains a divided society.

Of these elements, the commission believes that two are critical and interrelated: too few people work and the quality of education available to the majority is poor. While all nine challenges must be tackled in an integrated manner, increasing employment and improving the quality of education must be the highest priorities. Failure to raise employment and improve the quality of education would signal failure. Both require community involvement, better public service delivery and a higher degree of social cohesion that promotes cooperation between all sectors to support economic growth and job creation.

Writing a new story for South Africa

Developing and upgrading capabilities to enable sustainable and inclusive development requires a new approach and a new mindset. The story we propose to write involves:

- Creating jobs and livelihoods
- Expanding infrastructure
- Transitioning to a low-carbon economy
- Transforming urban and rural spaces
- Improving education and training

³³ A measure of the inequality of distribution. A value of 0 equals full equality and 1 maximum inequality

- Providing quality health care
- Building a capable state
- Fighting corruption and enhancing accountability
- Transforming society and uniting the nation.

External drivers of change

International and regional developments affect South Africa's fortunes in complex ways. The plan discusses some of the following trends:

- International political and economic developments
- Globalisation
- Africa's development
- Climate change
- Technological change

Key Priority Areas and Proposals

TABLE 46: NDP – KEY PRIORITY AREAS AND PROPOSALS

Key priority areas	Proposals
An economy that will create more jobs	<ul style="list-style-type: none"> • Raise exports, focusing on those areas where South Africa already has the endowments and comparative advantage, such as mining, construction, mid-skill manufacturing, agriculture and agro-processing, tourism and business services. • Increase the size and effectiveness of the innovation system, and ensure closer alignment with companies that operate in sectors consistent with the growth strategy. • Improve the functioning of the labour market to help the economy absorb more labour, through reforms and specific proposals concerning dispute resolution and discipline. • Support small businesses through better coordination of activities in small business agencies, development finance institutions, and public and private incubators. • Improve the skills base through better education and vocational training. • Increase investment in social and economic infrastructure to lower costs, raise productivity and bring more people into the mainstream of the economy. • Reduce the regulatory burden in sectors where the private sector is the main investor, such as broadband Internet connectivity, to achieve greater capacity and lower prices. • Improve the capacity of the state to effectively implement economic policy.
Improving infrastructure	<ul style="list-style-type: none"> • The upgrading of informal settlements. • Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by station and facilities upgrades to enhance links with road-based services. • The development of the Durban-Gauteng freight corridor, including the development of a new dug-out port on the site of the old Durban airport.

Key priority areas	Proposals
	<ul style="list-style-type: none"> • The construction of a new coal line to unlock coal deposits in the Waterberg, extension of existing coal lines in the central basin and, through private partnership, the upgrading of the iron ore line to Saldanha. • The timely development of a number of key new water schemes to supply urban and industrial centres, new irrigation systems in the Umzimvubu river basin and Makatini Flats and the establishment of a national water conservation programme with clear targets to improve water use and efficiency. • The construction of infrastructure to import liquefied natural gas and accelerated exploration activity to find sufficient domestic gas feedstocks (including exploration of shale and coal bed methane reserves) to diversify our energy mix and reduce our carbon emissions. • Procuring about 20 000 MW of renewable electricity by 2030, importing electricity from the region, decommissioning // 000MW of aging coal-fired power stations and accelerated investments in demand-side savings, including technologies such as solar water heating.
Transition to a low-carbon economy	<ul style="list-style-type: none"> • 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.
An inclusive and integrated rural economy	<ul style="list-style-type: none"> • Create a million jobs through agricultural development based on effective land reform, and the growth of irrigated agriculture and land production. • Basic services that enable people to develop the capabilities they need to take advantage of economic opportunities throughout the country and so contribute to the development of their communities through remittances and the transfer of skills. • This includes ensuring food security and the empowerment of farm workers. • Industries such as agro-processing, tourism, fisheries and small enterprises should be developed where potential exists. • Reforms required to deal with contested relationships between indigenous institutions and constitutional ones.
Reversing the spatial effects of apartheid	<ul style="list-style-type: none"> • 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
Improving the quality of education, training and innovation	<p>By 2030, South Africa needs an education system with the following attributes:</p> <ul style="list-style-type: none"> • High-quality early childhood education, with access rates exceeding 90 percent. • Quality school education, with globally competitive literacy and numeracy standards. • Further and higher education and training that enables people to fulfil

Key priority areas	Proposals
	<p>their potential.</p> <ul style="list-style-type: none"> • An expanding higher education sector that is able to contribute towards rising incomes, higher productivity and the shift to a more knowledge-intensive economy. • A wider system of innovation that links key public institutions (universities and science councils) with areas of the economy consistent with our economic priorities.
Quality health care for all	<ul style="list-style-type: none"> • By 2030, the health system should provide quality care to all, free at the point of service, or paid for by publicly provided or privately funded insurance. • The primary and district health system should provide universal access, with a focus on prevention, education, disease management and treatment. • Hospitals should be effective and efficient, providing quality secondary and tertiary care for those who need it. • More health professionals should be on hand, especially in poorer communities. <p>Reform of the public health system should focus on:</p> <ul style="list-style-type: none"> • Improved management, especially at institutional level • More and better-trained health professionals • Greater discretion over clinical and administrative matters at facility level, combined with effective accountability • Better patient information systems supporting more decentralised and home-based care models • A focus on maternal and infant health care. <p>Building a national health insurance system</p>
Social protection	<ul style="list-style-type: none"> • An acceptable minimum standard of living must be defined as the social floor, including what is needed to enable people to develop their capabilities. • The retirement savings and risk benefit gap should be closed through reforms, including mandatory contributions, with consideration given to government subsidising these contributions for low income or periodic workers. • Social welfare services must be expanded, with more education and training for social work practitioners and a review of funding for non-profit organisations. • Public employment should be expanded to provide work for the unemployed, with a specific focus on the youth and women. • The integration of a number of databases in the social security environment with information from public employment programmes will enable communities to conduct social audits of government services, leading to better and more effective targeting of government's social and employment programmes.
Building safer communities	<p>By 2030, people living in South Africa should feel safe and have no fear of crime. Women and children and all vulnerable groups should feel protected. They should have confidence in the criminal justice system to effectively apprehend and prosecute criminals who violate individual and community safety. The South African Police Service and metro police should be a professional institution staffed by skilled, disciplined, ethical individuals who value their work and serve the community.</p>

Key priority areas	Proposals
	<p>Achieving this vision requires targeted action in five key areas:</p> <ul style="list-style-type: none"> • Strengthening the criminal justice system • Making the police service professional • Demilitarising the police service • Building safety using an integrated approach • Building community participation in community safety
Reforming the public service	<p>The plan proposes radical reforms in several areas. Parliament's oversight role should be enhanced, the political/administrative interface stabilised, the public service professionalised, skills upgraded and coordination improved. A more pragmatic approach to the intergovernmental system is required, recognising uneven capacity.</p> <p>To professionalise the public service, we propose that:</p> <ul style="list-style-type: none"> • Heads of departments should report to a head of the civil service on administrative matters. • A hybrid system of appointing heads of departments should be introduced, incorporating both political and administrative elements. • A graduate recruitment programme and a local government skills development strategy should be introduced to attract high-quality candidates. • The Public Service Commission should be given the power to develop and monitor norms and standards for appointments at each level. • A purely administrative approach should be adopted for lower-level appointments, with senior officials given full authority to appoint staff in their departments.
Fighting corruption	<p>In addition to political will, the fight against corruption has to be fought on three fronts: <i>deterrence</i>, <i>prevention</i> and <i>education</i>.</p> <ul style="list-style-type: none"> • <i>Deterrence</i> helps people understand that they are likely to get caught and punished. • <i>Prevention</i> is about systems (information, audit and so on) that make it hard to engage in corrupt acts. • The social dimensions of corruption can only be tackled by focusing on values, through <i>education</i>. South Africa has some, but not all, of these elements in place.
Transforming society and uniting the country	<p>A united people and a more cohesive society are not only national objectives; they are also means to eradicating poverty and inequality. Our strategy to enhance social cohesion is based on three themes:</p> <ul style="list-style-type: none"> • Reducing poverty and inequality by broadening opportunity through economic inclusion, education and skills, and specific redress measures. • Promoting mutual respect, inclusiveness and cohesion by acting on the constitutional imperative that South Africa belongs to all who live in it, and that all are equal before the law. • Deepening the national appreciation of the responsibilities and obligations that citizens have towards one another. <p>In addition to measures that promote social equity outlined elsewhere in the plan, we propose:</p> <ul style="list-style-type: none"> • The Bill of Responsibility, developed by the Department of Basic Education and others, should be popularised, encouraging all South Africans to live the values of the Constitution. • A pledge based on the Constitution's preamble should be developed and used in school assemblies.

Key priority areas	Proposals
	<ul style="list-style-type: none"> • All South Africans should be encouraged to learn an African language and government programmes should work to make this a reality. • The Commission on Gender Equality and the Ministry for Women, Children and People with Disabilities should jointly set clear targets for the advancement of women's rights and report on progress in achieving this in an annual publication each August. • Employment equity and other redress measures should be made more effective by focusing on the environment within which capabilities are developed. • A review of black economic empowerment. While this remains the correct approach to broaden ownership and control over productive parts of the economy, the present model is not achieving the desired objectives quickly enough. • Redress measures in the workplace should focus on enterprise development, access to training, career mobility and mentoring.

To make meaningful, rapid and sustained progress in reducing poverty and inequality over the next two decades, South Africa needs to write a new story. At the core of this plan is a new development paradigm that seeks to involve communities, youth, workers, the unemployed and business in partnership with each other, and with a more capable state. The aim is to develop the capabilities of individuals and of the country, and to create opportunities for all South Africans.

3.2.3 THE NEW GROWTH PATH

“As a developmental state that is located at the centre of a mixed economy, we see our role as being to lead and guide the economy and to intervene in the interest of the poor, given the history of our country.

Informed by this responsibility, in 2010 we launched the New Growth Path framework and identified our job drivers as infrastructure development, tourism, agriculture, mining, manufacturing and the green economy. “

- 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, 9 February 2012

Government, under the leadership of Minister Ebrahim Patel, on 23 November 2010 released the [Framework of the New Economic Growth Path](#) aimed at enhancing growth, employment creation and equity. The policy’s principal target is to create five million jobs over the next 10 years. This framework reflects government’s commitment to prioritising employment creation in all economic policies. It identifies strategies that will enable South Africa to grow in a more equitable and inclusive manner while attaining South Africa’s developmental agenda.

Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs across the economy.

- The framework identifies investments in five key areas namely: energy, transport, communication, water and housing. Sustaining high levels of public investment in these areas will create jobs in construction, operation and maintenance of infrastructure.
- The new growth path sees the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme.
- Specific measures, particularly changes to procurement policy and regulations, are identified to ensure that this is achieved. Risks include the still fragile global recovery; competition and collaboration with the new fast-growing economies; and competing interests domestically.

The New Growth Path identifies five other priority areas as part of the programme to create jobs, through a series of partnerships between the State and the private sector.

- [Green economy](#): expansions in construction and the production of technologies for solar, wind and biofuels is supported by the draft [Energy on Integrated Resource Plan](#). Clean manufacturing and environmental services are projected to create 300 000 jobs over the next decade.
- Agriculture: jobs will be created by addressing the high input costs and upscaling processing and export marketing. Support for small holders will include access to key inputs. Government will explore ways to improve working and living conditions for the country’s 660 000 farm workers. The growth path also commits the Government to unblocking stalled land transfers, which constrain new investment.
- Mining: calls for increased mineral extraction and improving infrastructure and skills development. It focuses support for beneficiation on the final manufacture of consumer and capital goods, which can create large-scale employment. It foresees the

establishment of a state mining company concentrating on beneficiation and enhanced resource exploitation in competition with a strong private mining sector.

- Manufacturing: calls for re-industrialisation in the South African economy based on improving performance through innovation, skills development and reduced input costs in the economy. The document targets a doubling of South Africa's research and development investment to 2% of gross domestic product by 2018.
- Tourism and other high-level services: hold employment potential and the framework calls for South Africa to position itself as the higher education hub of the African continent.

Smarter coordination between government and stronger partnerships with the private sector and organised labour will galvanise our resources in achieving the aims of the New Growth Path.

- Government calls on every South African to contribute to building our nation over the coming 20 years to ensure a collective effort, creativity and solidarity.
- Good leadership and strong governance are critical in ensuring that South Africa takes charge of the new opportunities. Government commits to cut wasteful spending, tackle corruption and align the allocation of public money with developmental priorities.
- Government recognises that job targets can only be achieved if the State performs better and if the private sector grows in labour-absorbing parts of the economy.
- The New Growth Path identifies measures to strengthen the capacity of the state and enhance the performance of the private sector to achieve employment and growth goals.

The New Growth Path proposes major improvements in government, with a call for slashing unnecessary red tape, improving competition in the economy and stepping up skills development.

1. The role of government departments and agencies in meeting set targets for scarce and key skills is critical. This emphasis on skills applies across the economy and will be a centrepiece of partnership with business and labour.
2. Key targets include the aim to produce 30 000 engineers by 2014, with a focus on Mathematics and Science as well as changes to university funding formulae to achieve this, and 50 000 artisans by 2015, with annual targets for [Eskom](#) and Transnet and for individual [Sector Education and Training Authority](#) institutions to achieve this.
3. The document calls for greater focus on workplace training, targeting on-the-job training and refresher programmes for 10% of the workforce every year.
4. It also calls for measures to make it easier to import scarce skills by streamlining the work permit and visa system. This will be accompanied by a skills transfer programme to ensure that local skills development is enhanced.

The framework identifies a “development package” – a coordinated set of actions across a broad front, this consists of macroeconomic strategies, microeconomic measures and stakeholder commitments to drive employment and economic growth.

- The document recognises the challenges of an uncompetitive currency and sets out clear steps for government to address the impact of the Rand on the economy.
- In expanding on government's tools to address inflation, a stronger role will be considered for competition policy and strategic investigations into conduct leading to high and volatile prices for intermediate inputs for producers and basic consumer goods, including important commodities such as maize, steel and fertilisers.

- Government calls for greater focus by South African business on opportunities in Africa’s fast-growing economies. This is accompanied by commitments to improve cross-border infrastructure and measures to address unnecessary regulatory obstacles to the movement of people and goods, as part of building a common market on the continent.

3.2.4 MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)

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

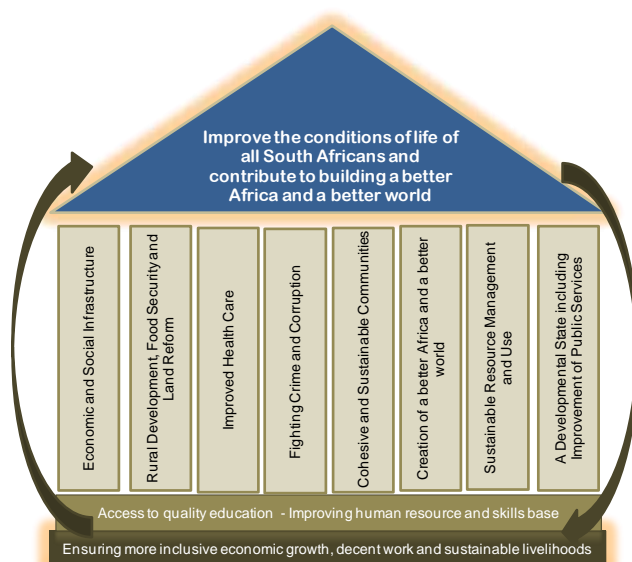


FIGURE 47: MEDIUM TERM STRATEGIC FRAMEWORK

The 10 priorities as per the MTSF are:

- speed up economic growth and transform the economy to create decent work and sustainable livelihoods;
- introduce a massive programme to build economic and social infrastructure;
- develop and implement a comprehensive rural development strategy linked to land and agrarian reform and food security;
- strengthen the skills and human resource base;
- improve the health profile of all South Africans;
- intensify the fight against crime and corruption;
- build cohesive, caring and sustainable communities;
- pursue African advancement and enhanced international cooperation;
- ensure sustainable resource management and use; and

- build a developmental state, improve public services and strengthen democratic institutions

“The MTSF base document is meant to guide planning and resource allocation across all spheres of government. National and provincial departments in particular will need immediately to develop their five-year strategic plans and budget requirements, taking into account the medium-term imperatives. Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their integrated development plans in line with the national medium-term priorities”.

The conversion of the 2009 Election Manifesto and the MTSF into a set of 12 outcomes backed by measurable outputs and key activities to achieve the outputs was the product of consultation and discussion at both the Ministerial and Administrative levels. The diagram below seeks to align the 2009 Election Manifesto and MTSF key strategic objectives and the Outcomes. There appear to be a high degree of correlation and consistency across the three. The outcomes are not another set of priorities per se. They reflect the desired development impacts we seek to achieve given government’s policy priorities as contained in the 2009 Election Manifesto and the MTSF. In this sense the outcomes with measurable outputs and key activities is thus the core strategy to achieve the Election Manifesto and MTSF priorities.

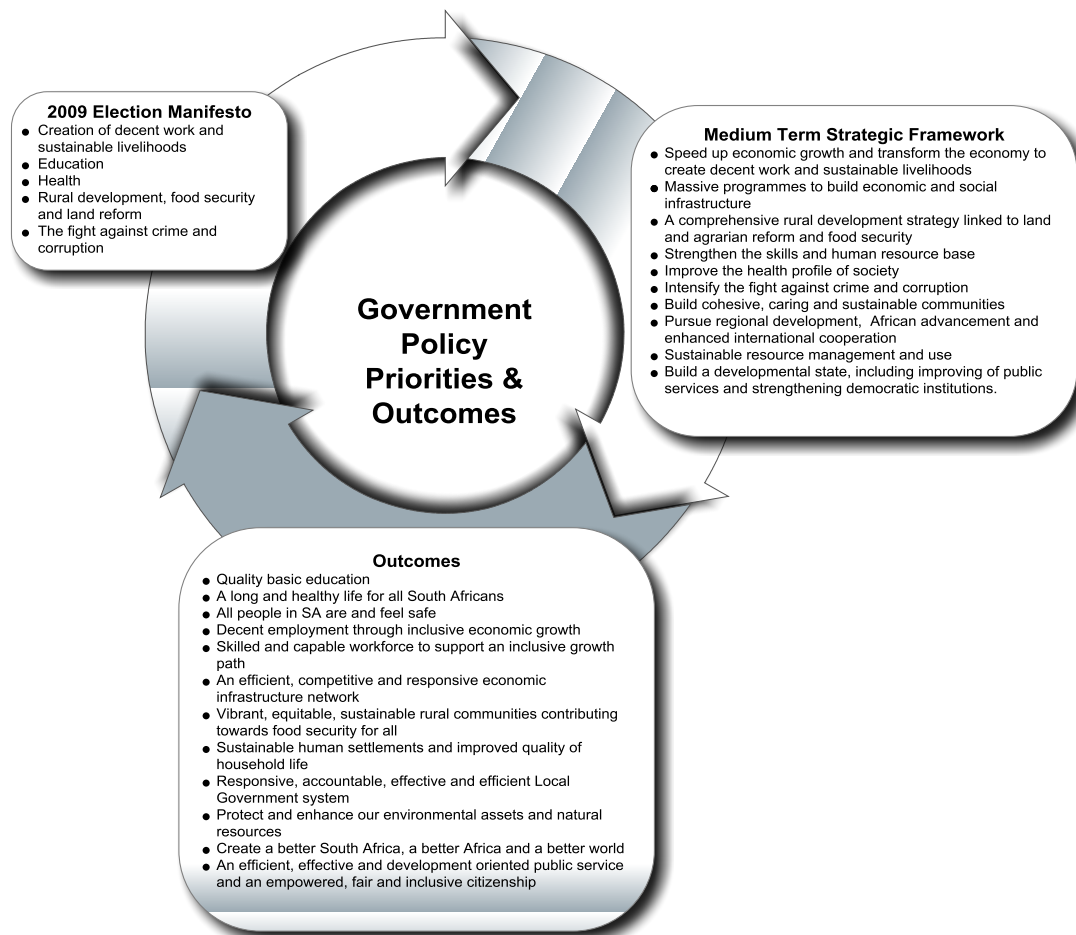


FIGURE 48: GOVERNMENT POLICY PRIORITIES AND OUTCOMES

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

3.2.5 OUTCOME 9: A RESPONSIVE, ACCOUNTABLE, EFFECTIVE AND EFFICIENT LOCAL GOVERNMENT

“Problems at municipalities range from issues of poor governance and accountability, weak financial management, high vacancies in critical senior management posts and in a number of instances, an inability to deliver even a core set of critical municipal services efficiently and effectively.....All these problems combined have shattered the confidence of the majority of our people in our local government system.”

Vision for Outcome 9

1. Develop a more rigorous, data driven and detailed segmentation of municipalities that better reflect the varied and capacities and contexts within municipalities and lays the basis for a differentiated approach to municipal financing, planning and support
2. Ensure improved access to essential services
3. Initiate ward-based programmes to sustain livelihoods
4. Contribute to the achievement of sustainable human settlements and quality neighbourhoods
5. Strengthen participatory governance
6. Strengthen the administrative and financial capability of municipalities
7. Address coordination problems and strengthen cross-departmental initiatives

Linking Outputs to Outcome 9

TABLE 47: LINKING OUTPUTS TO OUTCOME 9

	Outputs	Sub-outputs	Action required
1	Implement a differentiated approach to municipal financing, planning and support	1.1 Policy Framework for differentiation developed	Segmentation model
1.2 Grant the 6 metro's and top 21 municipalities more autonomy in respect of infrastructure and housing delivery		a. Accelerate the implementation of the MIG-City programme to the top 21 municipalities; and b. Accelerate the housing accreditation process in the metros and 21 municipalities	
1.3 Design a very focused intervention for clearly defined smaller municipalities		a. Producing IDP's simplified to focus on planning for the delivery of a set of 10 critical municipal services b. Supported by a simple revenue plan c. Supported by auditing and filling the critical posts of MM & Senior Managers with	

	Outputs	Sub-outputs	Action required
			competent and suitably qualified individuals
2	Improving Access to Basic Services	2.1 Improve universal access to basic services by 2014 as follows:	a. Water from 92% to 100% b. Sanitation from 69% to 100% c. Refuse removal from 64% to 75% d. Electricity from 81% to 92%
		2.2 Establishment of a Bulk Infrastructure Fund to better align and coordinate municipal infrastructure funding with a view to:	a. Unlock delivery of reticulation services b. Fund bulk infrastructure, c. Procure well located land d. Align Provincial Infrastructure Grants and MIGs with housing projects and grants e. Upgrade and rehabilitate bulk infrastructure (such as WWTWs)
		2.3 Establishment of a special purpose vehicle (SPV) to provide specialised technical and financial support to municipalities (infrastructure provisioning)	In particular the SPV should support targeted municipalities to: a. Appropriately structure capital funding and mobilise operational funding to strengthen municipal service provision b. Deliver new infrastructure to eradicate backlogs, rehabilitate existing infrastructure and provide for effective operation and maintenance of infrastructure.
3	Implementation of the Community Work Programme	3.1 Create at least 237 000 work opportunities and contribute to the target of 4.5million EPWP job opportunities by 2014	a. Provide an employment safety net targeting a social protection gap b. Supplement other livelihood strategies and not to replace or displace them: with no expectation that participants will be able to 'exit' into sustainable jobs any time soon
		3.2 Establish where feasible, functional cooperatives at the local level by 2014.	c. Contribute to the development of public assets in poor communities d. Strengthen community Development Approaches e. Strengthen the economic 'agency' of people in marginalised economic areas; providing work experience, enhancing dignity and promoting social and economic inclusion
4	Actions supportive of the human settlement outcomes	4.1 Initiate actions to increase densities in metros and large towns by 2014;	
		4.2 Initiate actions to release public land for low income and affordable housing to support the delivery of 400 000 housing units on "well located land" with a 30 to 45 minute journey to work and services and using less than 8% of disposable income for transport by 2014;	
		4.1 Support the expansion of the national upgrading support programme in 45 priority municipalities to facilitate the upgrading of informal settlements	Specifically support the grading and rezoning of informal settlements by the priority municipalities
5	Deepen democracy through a refined Ward Committee	5.1 Review and strengthen the legislative framework for Ward Committees and	a. Broaden participation of and better organize various sectors at a local level; and b. Propose revised / new responsibilities and

	Outputs	Sub-outputs	Action required
	model	community participation to:	institutional arrangements for Ward Committees and Community Development Workers
		5.2 Put support measures in place to ensure that at least 90% of all Ward Committees are fully functional by 2014	Find a new approach to better resource and fund the work and activities of Ward Committees
6	Administrative and financial capability	6.1 Improved audit outcomes of municipalities; 6.2 Reduced municipal debt; 6.3 Reduced municipal overspending on operational expenditure (OPEX); 6.4 Reduced municipal under spending on capital expenditure (CAPEX); 6.5 Increased municipal spending on repairs and maintenance; and 6.6 Support access to basic services through improved administrative and HR practices	
7	Single Window of Coordination	<ul style="list-style-type: none"> • The Single Window of Coordination is a concept and organisational form to bring about greater cohesion in the work of government, particularly, but not exclusively at the national level. • an institutional mechanism to lessen the fragmentation within the cooperative governance arrangements impacting on local government • provide for a more focused oversight and support role for provinces and provide for a greater knowledge bank on municipal environments • cross-departmental committee comprising the departments of Human Settlements, Environment and Water Affairs, Rural Development, Energy and National Treasury under the leadership of the Department of Cooperative Governance 	

3.2.6 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)

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

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

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

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

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

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

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

Principle 5: In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres. Infrastructure investment should primarily support localities that will become major growth nodes in South Africa and the SADC region to create regional gateways to the global economy.

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

3.2.7 FREE STATE GROWTH AND DEVELOPMENT STRATEGY (FSGDS)

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

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

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

- a) Stimulate economic development
- b) Develop and enhance infrastructure for economic growth and social development.

- c) Reduce poverty through human and social development
- d) Stimulate economic development.
- e) Ensure a safe and secure environment for all people of the province
- f) Promote effective and efficient governance and administration

In order to give effect to these developmental objectives, the Province has identified the 11 areas that need to be addressed by 2014:

1. To achieve an annual economic growth rate at least equal to the national average economic growth rate.
2. To reduce unemployment from 38,9% to 20%.
3. To reduce the number of households living in poverty by 5% per annum.
4. To improve the functional literacy rate from 69,2% to 85%.
5. To reduce infant mortality for children under five years to 65 per 1000 life births.
6. To reduce the obstetrical maternal mortality rate from 65,5% to 20,06% per 100 000 women in the reproductive age group.
7. To stabilize the prevalence rate of HIV and AIDS and reverse the spread thereof.
8. To provide shelter for all the people of the province.
9. To provide free basic services to all households.
10. To reduce crime rate by at least 7% per annum.
11. To provide adequate infrastructure for economic growth and development

In order to achieve the above-mentioned targets, the province needs to focus on the following Key Priority Areas and Strategies:

TABLE 48: FSGDS – KEY PRIORITIES AND STRATEGIES

Key Priority Areas	Strategies
Economic Growth, Development and Employment	The Free State aims to optimise and broaden the province's current economic profile by placing more emphasis on the key economic sectors such as tourism, agriculture and manufacturing. In our commitment to bridge the gap between the first and second economies the province will focus on developing and expanding the SMME sector, facilitating greater access to capital and creating opportunities for Broad Based Black Economic Empowerment.
Social and Human Development	The Free State provincial government seeks to confront the challenges of poverty and under development. In order to meet the needs of the under-privileged and address the backlogs, the Free State province will embark on the improvement of the provision of social security, social infrastructure, free basic services, education, health care services, housing and participation in sport and cultural activities.
Justice, Crime Prevention and Security	The Free State is largely a peaceful and stable province. However, there are safety and security challenges that still need to be addressed. The reduction of crime levels, the issue of social crime prevention and the creation of a safe and secure environment are amongst others fundamental to the provincial strategy. The province will embark on an integrated disaster management to safeguard against both natural and

Key Priority Areas	Strategies
	crime-related disasters. Road incident management is another area of focus given the geographical location of the province.
Effective and Efficient Governance and Administration	In order to strengthen government's ability to deliver services for the people of the Free State, the province need to improve the effectiveness and efficiency of governance and administration. The Free State province will promote integrity within government by combating fraud and corruption and promoting ethical behaviour.

3.2.8 FEZILE DABI DISTRICT GROWTH AND DEVELOPMENT STRATEGY

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

The FDDGS is guided by the National and Provincial policy thrusts identified for ten years i.e 2004 – 2014. It seeks to achieve balanced development of economic sectors and local spatial in accordance with the needs and potentials of the people. It is also aimed at targeted investments in the district with the aim of offering opportunities to the people in skills development, employment and the improved quality of life.

The FDDGDS focuses on 6 thrusts considered to be the main economic drivers of the area. The following table depicts the 6 thrusts and the main priority areas.

TABLE 49: FDD GDS 6 THRUSTS AND MAIN PRIORITY AREAS

Thrusts	Main priority areas
Agriculture	Stimulate the agricultural sector through the sustenance of commercial farming by expanding the sector through variety of value adding initiatives. Linked to this is the transformation and development of subsistence farming through capacity-building, facilitating access to markets, finance, infrastructure, machinery, agro-processing technology and skills.
Infrastructure Development	Identify infrastructure backlogs to enable the district municipality to intervene decisively through the provision of infrastructure services. The emphasis is in developing road networks that links economic activities within the District Municipality to cut the costs of doing business. Tied to this is the provision of basic services such as housing, telecommunications, water and sanitation, which are critical in jettisoning economic growth within the municipality.

Thrusts	Main priority areas
Manufacturing	Identify manufacturing opportunities from other sectors, particularly mining and agriculture, linking such with the overall SMME's strategy in the municipality. Create export markets for regionally produced goods, both at national and international levels.
Mining	Through understanding of the entire mining value chain with the view to identify mining opportunities like beneficiation, opening of new mines, outsourcing and procurement, share holding, etc. All these must be approached within the context of the new mining legislative framework including the Mining Charter.
SMME Development	Set clear SMME developmental goals in financing and supporting SMME's, targeting previously disadvantaged people, women, youth and people living with disabilities. This must find practical expression in municipal institutional arrangements and all social partners' outsourcing and procurement policies.
Tourism	Appraise the entire district tourism sector, including operators, products and services to enable social partners to identify critical intervention areas.

3.2.9 LOCAL GOVERNMENT TURNAROUND STRATEGY (LGTAS)

Chapter 2 of the IDP provides an introduction on the Local Government Turnaround Strategy (LGTAS). LGTAS is an initiative to restore confidence in the local sphere of government. This initiative was approved by Cabinet in December 2009 when a comprehensive Turnaround Strategy for Local Government was accepted.

LGTAS works towards ensuring that municipalities are the primary delivery machine of the developmental state at a local level. Restoring confidence of the majority of people in South Africa in municipalities will be achieved by rebuilding and improving the basic requirements for a functional, responsive, accountable, effective and efficient local government.

The LGTAS is underpinned by two important considerations. It is accepted that each municipality faces different social and economic conditions and has different performance levels and support needs, and therefore a more segmented and distinguished approach is required to address the various challenges of municipalities. The problems in local government are both a result of internal factors within the direct control of municipalities as well as external factors over which municipalities do not have much control.

The aim of the turnaround strategy is to:

- restore the confidence in the municipalities, as the primary delivery machine of the developmental state at a local level; and
- rebuild and improve the basic requirements for a functional, responsive, accountable,

effective, and efficient developmental local government.

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

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

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

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

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

- address the immediate financial and administrative problems in municipalities;
- promulgate regulations to stem indiscriminate hiring and firing in municipalities;
- tighten and implement a transparent municipal supply chain management system; and
- ensure that the programmes of national and provincial government and state owned enterprises are reflected in municipal integrated development plans and overcome "one size fits all" approach by differentiating responsibilities and simplifying integrated development plans.

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

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

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

An immediate task of the local government turnaround strategy is that agreements will be reached with each province on the roll-out programme in the context of the different provincial needs and capacities. This will guide how municipalities will be supported to prepare and implement their own tailor made turnaround strategies that must be incorporated into their integrated development plans and budgets by March 2010. Key stakeholders and ward committees will be mobilised early in 2010. By July 2010, all municipalities will be in full implementation mode of the national and their own turn around strategies. The implementation of the local government turnaround strategy presents the entire country and all communities with an opportunity to work together with their municipalities in improving and accelerating service delivery.

3.3 METSIMAHOLO LOCAL MUNICIPALITY

3.3.1 INTRODUCTION

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 municipalities 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. Such strategic priority areas include 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.

The MLM collected and based its strategy on the strategic areas identified by both National and Provincial Government. Relevant information on National and Provincial strategies was used during a strategic planning session to unpack requirements set for local government. Strategic areas that received particular attention during the Mayoral Lekgotla include basic services and infrastructure investment, social and community services and financial viability. A reviewed strategic plan was compiled in response to and based upon information obtained and guidelines provided during the strategic planning session (February 2012). Recommendations were made during the Mayoral Lekgotla to specifically focus on the development of new strategies to minimise the impact of the economic meltdown. According to the recommendations, emphasis should be placed on the provision of effective and efficient basic services and the development of the identified nodal areas.

This section of the IDP reports on the strategy that the MLM will follow to ensure the achievement of national and provincial strategic priority areas aligned to its own uniquely identified strategic objectives (with outcomes). Information on the alignment and its impact on the operations of the MLM are important because it helps the municipality to focus on the most important needs of local communities – taking into account the resources available at local level.

3.3.2 VISION STATEMENT

The process followed in developing a new vision, mission and values statement for the municipality included discussions by commissions during the strategic planning workshops, invitations for submissions to secondary schools in the Metsimaholo municipal area as well as requests for inputs from employees and ward committees.

What is a VISION statement?

- Image of the future we seek to create
- A photograph in words of the future
- A sentence or short paragraph providing a broad, aspirational image of the future
- Where do we want to go?
- Is your inspiration, the framework for all (business) planning
- Vision provides the destination for the journey...without a destination, how can we plan our route?
- Articulating your dreams and hopes....reminds you what you are trying to build

Our Vision (where do we want to go?)

“To be the economic powerbase and municipality of excellence.”

3.3.3 MISSION STATEMENT

What is a MISSION statement?

- Will turn your vision into practice
- Defines the fundamental purpose of an organisation succinctly describing why it exists and what it does to achieve its vision
- Doing part – what you will do to bring the vision to reality

Our Mission (What we will do to realise our vision)

“To promote the sustainable socio-economic development of our communities through effective, efficient and affordable service delivery and sound institutional and financial management.”

3.3.4 VALUES STATEMENT

What is a VALUE statement?

- Beliefs that are shared among the stakeholders of an organisation
- Values can be both outward (community) and inward-(organisation) looking
- The TALK we want to WALK

Our Values (The talk we want to walk)

- *Professionalism*

To always deal with our customers (internal & external) and stakeholders by displaying respect, approachability and responsiveness

- *Commitment*

To fulfill our duties and responsibilities both at institutional and individual levels with an unwavering commitment to our vision and mission

- *Integrity*

Engaging with communities, stakeholders and customers in an ethical, just, fair, accountable, open, transparent and honest manner and taking responsibility for our actions

- *Excellence*

Meeting and exceeding service standards and customer/community expectations

- *Passion*

To do our work with energy, purpose and enthusiasm



3.3.5 SWOT ANALYSIS

The Municipality embarked on a process of strategic planning and alignment to ensure that its development priorities, as reflected by the Key Performance Areas, Programmes and Objectives are aligned to the National Government’s Policy Priorities and the Free State Provincial Government’s Outcomes Based Priorities.

As part of the strategic planning process a SWOT analysis was undertaken to identify internal weaknesses and strengths as well as external opportunities and threats. The table below reflects the results of the SWOT analysis.

TABLE 50: SWOT ANALYSIS

Internal environment	
<p>Strengths</p> <ul style="list-style-type: none"> • Housing allocation • Infrastructure development (facilities) • Training of personnel (award) • First to produce language service • High capacity municipality • Competent staff • Sustainable service delivery (e.g. refuse removal) • Stable political leadership • Strong community & public participation • Low staff turnover • Strong focus on staff & community development 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Shortage of resources, office space, etc. • Unskilled personnel • Poor maintenance of infrastructure • Poor Security services (vulnerability) • Communication • Union-Management relations • Low morale of workers • Monitoring of implementation & performance • Misuse of municipal facilities/assets • Document management/contract management • Lack of marketing of municipality • Wrong placement of staff • Poor customer service • Low cash flow/ Budgeting for deficits • Focus only on municipal funding sources • Poor supervision • Delay in filling critical posts • Poor turnaround times
<p>Opportunities</p> <ul style="list-style-type: none"> • IDT, DBSA, Anglo, Sasol, Province (CoGTA) – partnerships • Tourism • Water resources • Twinning (e.g. China) • Industrial area • Water resources • Potential for growth of tourism attraction (D/Ville) • Natural resources (water, minerals) • Industries • Proximity to Gauteng (e.g. learning opportunities, etc.) • Proximity to transport network 	<p>Threats</p> <ul style="list-style-type: none"> • Future land availability • Disinvestment/Economic development (delays in approval of development applications by Province; sub-delegation of land use management) • High rate of unemployment • Non-payment for services • Cable & Asset (money) theft • Environmental degradation (pollution) • Population explosion (xenophobia) • Human trafficking • Drug & substance abuse • Disinvestment (Vaal Mall, foreign businesses) • Aged infrastructure • Poor payment culture for services • Unfunded mandates (e.g. libraries)
External environment	

3.3.6 CLUSTERS AND MUNICIPAL FUNCTIONS

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

TABLE 51: CLUSTERS AND MUNICIPAL FUNCTIONS

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

3.3.7 MUNICIPAL DEVELOPMENT STRATEGIES

The municipality has through its strategic planning and public participation processes ensured that the Municipal Strategic Priorities were unpacked by developing key performance areas (KPAs), programmes, objectives, key performance indicators (KPIs) and targets for each of the KPAs and programmes.

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

The table below provides a summary of the strategic priorities, KPA and programmes.

TABLE 52: MUNICIPAL STRATEGIC PRIORITIES

	Strategic Priority	Key Performance Area	Programmes
1	Build our local economy to create more employment, decent work and sustainable livelihoods	Local Economic Development	Local Economic Development Sustainable livelihoods
2	Broaden access to and improve the quality of municipal services	Basic service delivery and infrastructure development	Water Sanitation Electricity Roads and storm water

	Strategic Priority	Key Performance Area	Programmes
			Waste management Community facilities
3	Build united, non-racial, integrated and safer communities	Community development and social cohesion Basic service delivery and infrastructure development	Clean communities Safe communities Healthy communities Arts and culture Disaster management Human settlements Spatial development Public transport
4	Promote active community participation	Good governance and community participation	Local democratic governance
5	Ensure more effective, accountable and clean local government that works together with national and provincial government	Good governance and community participation Financial management and viability Municipal transformation and institutional development	Corporate governance Intergovernmental Relations Customer care Revenue and cash flow management SCM and Expenditure management Budgeting and reporting Clean Audit Asset management Facilities management Human capital Institutional excellence

3.3.8 5-YEAR CLUSTER STRATEGIC PLANS

Based on the above table cluster developed detailed Five-Year Strategic Plans, which include the strategic priorities, KPAs, objectives, KPIs and targets, risks and mitigating actions for each function. The Five-Year Cluster Strategic Plans are contained in the tables below.

ECONOMIC AND INFRASTRUCTURE DEVELOPMENT CLUSTER

TABLE 53: EID CLUSTER – 5 YEAR STRATEGIC PLAN

Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions			
										2012/13	2013/14	2014/15	2015/16	2016/17					
SP2: Broaden access to and improve the quality of municipal services (2011 LGEM: Local Priority No. 2)	KPA2: Basic service delivery and infrastructure investment	Water	To ensure access to potable water by 2014	% of total HHs with access to potable water in formalised areas (yard metered connection)	Technical Services		95%	97%	100%	94%	92%	100%			Lack of funding to install connections in newly proclaimed areas	Proactively engage with FS Dept. of Human Settlements			
				% of HHs with access to potable water in informal areas (communal standpipe)			60% (16)	100% (26)							New informal areas developing	To be provided as established			
				No. of HHs provided with new metered yard connections			0%	300	6 037	0	2 537	3 500	0	0	Lack of funding for connections in newly proclaimed areas	Proactively engage with FS Dept. of Human Settlements			
			To ensure sufficient bulk supply of purified water	% of purification works (WTW) in Refengkgotso augmented			60%	80%	100%	100%							insufficient funding	Acquire DWA and MIG Funds	
				% of 9ML reservoir completed			50%	75%	100%	100%							insufficient funding	Acquire DWA and MIG Funds	
				% of bulk line completed for Mooiplaats area			30%	0%	100%	0%	100%						insufficient funding	Acquire DWA and MIG Funds	
				% of bulk line completed for Moodraai area			0%	0%	100%	0%	0%	100%					insufficient funding	Acquire DWA and MIG Funds	
				% of bulk water infrastructure maintained as per approved maintenance plan and budget			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Insufficient budget to reach targets in maintenance plan	Budget to be adjusted	
			To ensure the effective and efficient management of water resources	% reduction in water distribution losses		Financial Services	8%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	Aged infrastructure and illegal connections	MOU outcome to be implemented
				% of reported water leaks repaired within 48 hours			93%	95%	99%	96%	97%	98%	99%	99%				Lack of internal capacity to respond on time	New organogram to be implemented
				% compliance with the blue drop water quality accreditation system			48.7%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	Financial and personnel capacity	All processes and training to be finalized
				% of WSDP developed and approved			40% (Phase 1)	90% (Ph 2)	100%	100%	100%	100%	100%	100%	100%	100%	100%	Lack of support from DWA	To be finalized
				% of water demand management plan developed and approved (including annual reviews)			20%	60%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Lack of support from DWA and Rand Water	MOU to be rolled out
			Sanitation	To provide decent sanitation to all		% HHs with access to decent sanitation		72%	75%	100%	86%	93%	100%					Lack of funding to install connections in newly proclaimed areas	Acquire DWA AND MIG Funds

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions	
										2012/13	2013/14	2014/15	2015/16	2016/17			
			households by 2014	No. of households provided with new metered stand connections				1 000		4 400	2 520	2 537	3 500		New informal areas developing	Acquire DWA AND MIG Funds	
			To ensure sufficient bulk infrastructure	% WWTW capacity augmented in O/Ville and D/Ville			0%	0%	100%	0%	30%	50%	75%	100%	Lack of funding	Acquire DWA AND MIG Funds	
				No. of kms of outfall sewer line replaced			1km	3km	8km	3km	3km	2km			Lack of funding	Acquire DWA AND MIG Funds	
			To ensure the effective and efficient management of the sanitation system and network	% of bulk sewer infrastructure maintained as per approved maintenance plan and budget			100%	100%	100%	100%	100%	100%	100%	100%	100%	Insufficient maintenance budget to reach targets in maintenance plan	ward based budget to be considered
				% of reported sewer blockages attended to within 48 hours			80%	90%	95%	91%	92%	93%	94%	95%	Lack of internal capacity (personnel and vehicles) to respond on time	Appoint staff and acquire vehicles	
				% compliance with the green drop quality accreditation system			65.5%	85%	90%	90%	90%	90%	90%	90%	Financial and personnel capacity	All process and training to be finalized	
SP2: Broaden access to and improve the quality of municipal services (2011 LGEM: Local Priority No. 2)	KPA2: Basic service delivery and infrastructure investment	Electricity	To ensure access to electricity by all communities	% of HHs with access to basic electricity in formal areas	Technical Services		100%	90%	90%	90%	90%	90%	90%	90%	Availability of funds (DoE)	Application to DoE	
				No. of HHs provided with new metered stand connections in formal areas			100%	90%	90%	90%	90%	90%	90%	90%	Availability of funds (DoE)	Application to DoE	
				No. of new streetlights installed			0%	0%	0%	0%	0%	0%	0%	0%	Lack of security	Application to MIG	
				No. of new high mast lights installed			30	30	0	0	30	0	30	0	Lack of security and road safety	Application to MIG	
			To ensure sufficient bulk supply of electricity	No. of sub-stations upgraded/erected			1	1	1	1	1	1	1	1	1	Availability to electricity	Application to DoE
				No. of kms of bulk supply line constructed			7	0	0	0	0	7	5	3	Availability to electricity	Application to DoE	
				% of bulk sewer infrastructure maintained as per approved maintenance plan and budget			100%	100%	100%	100%	100%	100%	100%	100%	Insufficient maintenance budget to reach targets in maintenance plan	Budget constraints	
			To ensure the effective and efficient management of the electricity	% of electricity master plan developed and approved			0%	50%	100%	100%						No future planning	Provision on Budget
				% reduction in electricity distribution losses			Financial Services	10%	8%	8%	8%	8%	8%	8%	8%	8%	Loss of income

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
			network	Electricity outages minimise by 10% annually			50%	10%	10%	10%	10%	10%	10%	10%	Lack of personnel and vehicles to respond on time	Filling of vacancies
				Reduced response time to reported outages for households			24hrs	2hrs	2hrs	2hrs	2hrs	2hrs	2hrs	2hrs	Lack of internal capacity (personnel and vehicles) to respond on time	Filling of vacancies
				Reduced response time to reported outages for other consumers			48hrs	24hrs	24hrs	24hrs	24hrs	24hrs	24hrs	24hrs	Lack of internal capacity to respond on time	Filling of vacancies
				% of high masts lights maintained			90%	90%	90%	90%	90%	90%	90%	90%	Security and safety	Staff and Material
				% of street lights maintained			90%	90%	90%	90%	90%	90%	90%	90%	Security and safety	Staff and Material
		Roads and storm water	To ensure sufficient roads and storm water networks to all communities	Total kms of roads upgraded to surfaced roads (tar/paved)	Technical Services		3km	7km	14km	1km	0km	0km	6.6km	6.4km	Lack of funding	Availability of funds
				Total kms of un-engineered roads (dirt roads) graded			25km	50km	315kms	63kms	63kms	63kms	63kms	63kms	Lack of funding	Availability of funds
				% of roads and storm water infrastructure maintained as per approved maintenance plan and budget			100%	100%	100%	100%	100%	100%	100%	100%	Insufficient maintenance budget to reach targets in maintenance plan	MIG and internal funding
				Total kms of new storm water channels erected			0km	6km	20kms	7.4kms	0km	0km	6.6km	6km	Lack of funding	MIG and internal funding
				Total kms of existing storm water channels upgraded			2km	6km	50km	10km	10km	10km	10km	10km	Lack of funding	MIG and internal funding
				% of roads and storm water master plan developed and approved			0%	50%	100%	100%					Lack of funding	Sasol/DoT and MIG to be engaged
				% of pavement management system developed and approved (including annual reviews)			0%	0%	100%	20%	100%	100%	100%	100%	Lack of funding	Sasol/DoT and MIG to be engaged

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions	
										2012/13	2013/14	2014/15	2015/16	2016/17			
SP3: Build united, non-racial, integrated and safer communities (2011 LGEM: Local Priority No. 3)	KPA2: Basic service delivery and infrastructure investment	Human settlements	To provide sustainable human settlements and improved quality of household life through accelerated delivery of housing opportunities and access to basic services	% of beneficiaries identified as per approved housing allocations	Planning & LED	Corporate Services MM	100%	100%	100%	100%	100%	100%	100%	100%	Insufficient information submitted by beneficiaries	community education programmes	
				% of subsidy applications received processed within 2 months		Corporate Services	100%	100%	100%	100%	100%	100%	100%	No By-laws in place	Finalise by-laws		
				% of housing sector plan developed and approved			80%	100%	100%	100%	100%	100%	100%	Lack of personnel	Request funding to purchase land		
				% housing accreditation status obtained			0%	40%	50%	70%	100%	100%	100%	100%	Lack of funding to increase unit's capacity	Negotiate funding from Province	
				No. of informal areas formalised		Technical Services	0	0	4	1	0	0	1	2	Un-serviced land developed, delay in approval of township establishments	Civil services to be installed in time	
				No. of hectares of land released for low cost housing		Corporate Services	0	0	5	25	36	36	36	36	Delays in finalising purchasing of 36 plots & formalisation (legal) process	Expropriation and MEC approval	
		Spatial development	To stimulate development through effective and efficient spatial planning and building control	% of spatial development framework (SDF) developed and approved (including annual reviews)	Planning & LED		0%	0%	50%	100%	100%	100%	100%	100%	100%	No risk	on-going
				% of integrated land use management scheme developed and approved (including annual reviews)		Municipal Manager	0%	0%	50%	100%	100%	100%	100%	100%	Delays in approval by Province	Constant engagement with Province	
				% of re-zonings, sub-divisions and consolidation applications evaluated and submitted to Province within 60 days of receipt		All Depts	30%	30%	50%	70%	80%	90%	100%	100%	Slow process of approving development proposals	Revise current approval process for better turn around	
				% of building plans approved within 30 days of receipt of fully completed applications			20%	20%	50%	75%	100%	100%	100%	100%	No risk	On-going	
				% of approved building plan inspections conducted as per industry standards			50%	50%	60%	70%	100%	100%	100%	100%	Lack of internal capacity (personnel and vehicles) to conduct inspections	Appoint staff and acquire vehicles	

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
SP1: Build our local economy to create more employment, decent work and sustainable livelihoods (2011 LGEM: Local Priority No. 1)	KPA1: Local Economic Development	Public transport	To ensure that an effective and efficient public transport system is developed and maintained	% of Integrated Transport Plan (ITP) developed and approved	Social Services (Public Safety)	Technical Services	0%	0%	100%	0%	50%	100%			Lack of funding	Budget constraints
				No. of new taxi ranks completed			0	1	6	1	1	1	1	2	Lack of funding	ward based budget to be considered
				No. of kms of pedestrian sidewalks and bicycle lanes erected			2km	0km	10kms	2km	2km	2km	2km	2km	Lack of funding	ward based budget to be considered
		Local Economic Development	To ensure support (non-financial and financial) for small enterprises, co-operatives and the informal sector	% of SMME development plan compiled and approved	Planning & LED	Financial Services (SCM)	0%	50%	70%	80%	100%	100%	100%	100%	No LED Strategy and SMME Plan	Develop PPPs to support and drive development
				Number of self-sufficient and sustainable SMMEs supported			All Depts							No LED Strategy and SMME Plan	Develop	
				Number of cooperatives identified and registered										No LED Strategy and SMME Plan	Develop	
				% of marketing and tourism strategy and plan compiled and approved				0%	50%	100%	100%	100%	100%	100%	No LED Strategy and Marketing Plan	Develop
				% of approved marketing and tourism plan implemented				0%	0%	50%	80%	100%	100%	100%	No LED Strategy and Marketing Plan	Develop
				No. of social labour plan (SLP) projects completed											No funding from Mining houses	Engage with mines and DMR
	% of local jobs summit organised and convened													Lack of attendance		
	Job creation	To make a meaningful and visible contribution to employment creation	Number of employment opportunities created as part of LED (NKPI: 7)	Planning & LED		0%	50%	70%	100%	100%	100%	100%	100%	Moratorium on land	Avail land to entrepreneurs	
			Number of employment opportunities created through EPWP initiatives (NKPI: 7)		All Depts	0%	10%	50%	70%	100%	100%	100%	100%	Lack of funding	Public works to increase their incentives	
			Number of employment opportunities created through other initiatives (NKPI: 7)		All Depts	0%	50%	80%	100%	100%	100%	100%	100%	LED Strategy not in place	Partnership with the University to develop an LED Strategy	

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
		Sustainable livelihoods	To ensure that poor households have access to free basic municipal services (Nkpi: 5)	% of indigent register compiled and updated annually	Financial Services	Social Services	30%	40%	100%	100%	100%	100%	100%	100%		
				Number of households on indigent register			5329	5587	60 000	12 000	13 000	14 000	15 000	16 000		
				% of registered indigents that have access to free basic water			100%	100%	100%	100%	100%	100%	100%	100%	Lack of disclosure of information of beneficiaries	Regular update and monitoring
				% of registered indigents that have access to free basic electricity			100%	100%	100%	100%	100%	100%	100%	100%	Lack of disclosure of information of beneficiaries	Regular update and monitoring
				% of registered indigents that have access to free basic sanitation			100%	100%	100%	100%	100%	100%	100%	100%	Lack of disclosure of information of beneficiaries	Regular update and monitoring
				% of registered indigents that have access to free basic refuse removal			100%	100%	100%	100%	100%	100%	100%	100%	Lack of disclosure of information of beneficiaries	Regular update and monitoring

SOCIAL PROTECTION AND COMMUNITY DEVELOPMENT CLUSTER

TABLE 54: SPCD CLUSTER – 5 YEAR STRATEGIC PLAN

Strategic Priority	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	MLM Lead Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
SP2: Broaden access to and improve quality of municipal services (2011 LGEM: Priority No.2; MTSF: Outcome 9 - Output 2)	KPA2: Basic service delivery and infrastructure investment	Waste management	To provide affordable, effective, efficient, economical and accessible waste management services to all communities.	Number of households, ± 50 000, having access to basic refuse removal services (removal at least once a week) <i>NKPI: 1</i>	Social Services	Fleet management	40 120	45 000	50 000	46 000	47 000	48 000	49 000	50 000	Non-maintenance of equipment and constant break-downs; non availability of extra vehicles	Implementation of new fleet management policy and system, purchasing of new vehicles
				Fleet management		1500	1500	2000	1600	1700	1800	1900	2000	Non availability of vehicles; Lack of capacity	Leasing or purchasing of vehicles. Appointment of staff	
				% of approved Integrated Waste Management Plan (IWMP) implemented		0%	25%	100%	50%	75%	100%	100%	100%	Delays in approval processes	To fast track the approval process of the plan	
				% of functional waste management information system implemented (NKPI: 1)	ICT	0%	0%	100%	10%	25%	50%	75%	100%	Non implementation of WIS plan information system non compliance	Ensure compliance and access the WIS information	
				Number of waste management education and awareness programmes implemented	Speaker's Office	0	0	20	4 per annum	4 per annum	4 per annum	4 per annum	4 per annum	Lack of community and stakeholders participation	Ensure mass mobilisation of awareness campaigns	
				% establishment of new landfill site	LED	10%	20%	100%	30%	50%	75%	85%	100%	Non availability of Funds(EIA); long Process to obtain permit	Secure(MIG) funds and fast track process to acquire permit	
				% effective management of landfill sites (existing & new) according to applicable legislation		50%	50%	80%	55%	60%	65%	75%	80%	Current site reaching max. capacity	Expedite establishment of new site	

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Strategic Priority	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	MLM Lead Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
SP2: Broaden access to and improve quality of municipal services (2011 LGEM: Priority No.2; MTSF: Outcome 9 - Output 2)	KPA2: Basic service delivery and infrastructure investment	Community facilities	To promote access and utilisation of public and community amenities.	Number of new community halls or MPCs established	Social Services	LED	3	1	6	2	1	1	1	1	Funding and maintenance	Secure funding from donors
				Number of new swimming pools established			2	0	0	0	0	0	0	Funding and maintenance	Secure funding from donors	
				Number of new family parks established			5	2	10	2	2	2	2	Lack of funding (maintenance); Non-availability of land	Secure funds & develop maintenance plan; Rezoning.	
				Number of new sports grounds established			10	0	20	4	4	4	4	4	Non availability of land	Acquisition and rezoning
				Number of new stadiums & MPSC established			3	0	1	0	0	0	1		Under-utilization, limited access and lack of funding	Marketing of facilities, amenities and secure funds.
				Number of new cemeteries established			6	0	7	1	0	1	2	3	Shortage of land. High death rate (HIV/AIDS)	Identification of land for cemetery
				Number of new libraries established			5	0	3		1	1	1		Lack of provincial funding	Secure funding/ Align plans
				Number of existing community halls maintained and upgraded			3	4	9	1	1	2	2	3	Lack of security & maintenance plan	Intensify security and enforce maintenance plan.
				Number of existing swimming pools maintained and upgraded			3	4	4	4	4	4	4	4		
				Number of existing family parks maintained and upgraded			5	7	17	4	4	4	4	1	Shortage of resources(staff and equipment)	Appointment of staff and community involvement
				Number of existing sports grounds maintained and upgraded			10	10	20	4	4	4	4	4		
				Number of stadiums maintained			2	2	2	2	2	2	2	2		
				% of HPC maintained			100%	100%	100%	100%	100%	100%	100%	100%		
									Number of existing cemeteries maintained and upgraded			4	8	19	19	19

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Strategic Priority	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	MLM Lead Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
				% review of Abrahamsrust management & operational systems			10%	20%	100%	100%	100%	100%	100%	Non Implementation of management and operational systems	Ensure monitoring, implementation of management and operational systems	
				% improvement in management & operational systems at Abrahamsrust			10%	20%	100%	50%	70%	80%	100%			100%
				% of Abrahamsrust facility maintained and upgraded as per approved maintenance plan			45%	50%	100%	55%	75%	85%	100%			100%
				No. of increase in visitors to Abrahamsrust	LED		20 000	22 000	500 000	50 000	70 000	100 000	120 000		160 000	Develop and implement marketing strategy; Enforce infrastructure improvement plan
				% of Day Visit Facilities (OV/DV) maintained and upgraded			20%	35%	100%	55%	70%	100%	100%		100%	Develop maintenance plan and intensify security
				Number (increase)of visitors to Day Visit Facilities			25 000	30 000	300 000	40 000	50 000	60 000	70 000		80 000	Budget to Refurbish infrastructure; Appointment of full time staff & security personnel
				% review of management and operational systems at Day Visit Facilities			10%	20%	100%	100%	100%	100%	100%		100%	Enforce monitoring, implementation of management and operational systems
				% improvement in management & operational systems at Day Visit Facilities			10%	20%	100%	50%	70%	80%	100%		100%	

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Strategic Priority	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	MLM Lead Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating actions		
										2012/13	2013/14	2014/15	2015/16	2016/17				
SP3: Build united, non-racial, integrated and safer communities (2011 LGEM: Priority No.3)	KPA3: Community development and social cohesion	Clean communities	To develop and promote a clean and environmentally-friendly town & communities	Annual clean & green-ward competition organised (<i>all 21 wards participating</i>)	Social Services	Speaker's Office	30%	100%	100%	100%	100%	100%	100%	100%	Illegal dumps not removed in all wards	Carry out cleaning campaigns from time to time		
				% participation in provincial clean town competition			0%	0%	100%	100%	100%	100%	100%	100%	Non adherence to Competition rules	Ensure compliance to competition rules		
				Number of illegal dumps removed			80	100	135	60	40	20	10	5	Lack of personnel to enforce By -laws and public education/awareness	Appoint staff to enforce By- laws, conduct cleaning awareness campaigns		
				% of By-Law on illegal dumping enforced (<i>finest and penalties</i>)			10%	50%	100%	75%	100%	100%	100%	100%	Lack of personnel to enforce By -laws .	Appoint staff to enforce By- laws.		
		Safe communities	To support and strengthen the fight against crime in all communities		% of Community Safety Forum (CSF) established and functional	Social Services		0%	75%	100%	100%	100%	100%	100%	100%	100%	Non-functioning CSFs; increasing crime rate	Ensure community involvement for active functioning of CSF
					Number of street committees(sector policing) established and functional		Office of the Speaker	0	0	21 (wards)	21	21	21	21	21	Non involvement of relevant stakeholders	Ensure active involvement of relevant stakeholders	
					% of By-Law enforcement unit established and functional			50%	75%	100%	80%	90%	100%	100%	100%	Lack of funding for personnel and vehicles	Appointment of staff and procurement of vehicles	
					Number of school road safety programmes implemented (<i>in consultation with SGBs</i>)			10	15	75	15	15	15	15	15	.No access to funds for road safety programmes	Cascade provincial function to local municipality	
					% support for provincial and national crime prevention initiatives			100%	100%	100%	100%	100%	100%	100%	100%	Overtime restrictions	Appoint/Increase personnel	
					% community access to fire-fighting services (wards?)			100%	100%	100%	100%	100%	100%	100%	100%	Lack of sub stations (OV/DV)which leads to long travelling distances	Establish sub stations(OV/DV)	
					Response time to fire-fighting emergencies			Within 30 mins	Within 30 mins	Within 10 mins	Within 30 mins	Within 30 mins	Within 30 mins	Within 30 mins	Within 10 mins	Delays in building sub-station in DV/OV & Harry Gwala	Fast track the establishment of sub stations	
					Number of fire-safety programmes conducted			10 per quarter	10per quarter	200	10per quarter	10per quarter	10per quarter	10per quarter	10per quarter	No Peer Programme officer	Appoint peer programme officer	

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Strategic Priority	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	MLM Lead Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating actions	
										2012/13	2013/14	2014/15	2015/16	2016/17			
		Healthy communities	To improve access to PHC services and increase awareness and participation of communities in HIV/AIDS, TB, STIs, and other illnesses.	% of households with access to primary health care (PHC) services within a radius of 5km	Social Services		50%	75%	100%	100%	100%	100%	100%	100%	Shortage of nursing staff, non-compliance to prescribed medication taking.	Engage the Province regarding primary health care programmes	
				Number of community awareness programmes conducted on HIV/AIDS, TB and STIs		Executive Mayor's Office Speaker's Office	3	6	30	6	6	6	6	6	No HIV/AIDS coordinator. Special Programmes Coordinator & YDO lack the skills of dealing with these communicable diseases.	Appoint HIV/AIDS Coordinator. Staff skills training. Partnering with Dept. of Health.	
			To increase access to community development services	Number of sport development programmes organised/offered			0	0		Thile	Thile	Thile	Thile	Thile	No sports development officer	Appoint sports development officer	
				Number of library development programmes organised/offered			782	800	4 750	850	900	950	1000	1050	Staff shortage	Appointment of staff	
				Number of new members to libraries			11 902	500	2 500	500	500	500	500	500	Shortage of staff	Appointment of staff	
				Number of youth development programmes organised		Executive Mayor's Office		2	4	20	4	4	4	4	4	Only one Youth Unit officer available and lack of proper youth organisations' database.	Appoint additional YDOs and create a youth organisations database.
				Number of programmes organised for women				4	4	20	4	4	4	4	4	Insufficient funding. No database of Women's Organisations.	Partner with NGOs, Province and other govt depts. Keep an updated database
				Number of programmes organised for children				4	4	6	8	10	12	14	16	Insufficient funding. No proper database kept	Secure external funding. Keep updated database & liaise with DoE and Social Welfare
				Number of programmes organised with the aged				2	2	10	2	2	2	2	2	Mode of transport used (taxis) often not friendly to the aged and the disabled lack of proper updated database. Disabled and aged organisations not serviced.	Keep proper database of the aged and disabled organisations. Conduct monthly visits to these organisations.

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Strategic Priority	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	MLM Lead Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
SP3: Build united, non-racial, integrated and safer communities (2011 LGEM: Priority No.3)	KPA3: Community development and social cohesion	Arts and culture	To improve access and maximise utilization of arts and culture resources	Number of functional arts and culture forums established	Social Services		2	1	3	3	3	3	3	3	Non-funding and lack of coordination.	Secure funds and proper coordination.
				% of Annual arts and culture festival organised/hosted		100%(1)	0%	100%	100%	100%	100%	100%	100%	Lack of Funds and Marketing. Poor role clarification.	Budget & secure funds, Ensure Marketing	
				Number of arts and culture programmes organised		48	50	325	55	60	65	70	75	Non utilisation of Theatre by township schools .Lack of Marketing strategy.	Develop marketing strategy; Mobilize township schools.	
				% increase in events/programmes held at theatre		20%	20%	50%	10%	10%	10%	10%	10%	Limited access and affordability for local artists and non maintenance of theatre equipments	Review of tariffs. Develop and implement maintenance plan.	
				% increase in the number of local artists participating in theatre programmes		5%	10%	100%	100%	100%	100%	100%	100%	Lack of marketing strategy and no database of local artists	Develop marketing strategy. Develop database for local artists	
				% increase in the number of local schools participating in theatre programmes		40%	50%	100%	100%	100%	100%	100%	100%			
		Disaster management	To increase awareness and participation of communities in disaster management.	Increased number of disaster awareness programmes conducted in partnership with District and local Industries	Social Services		1 per quarter	1 per quarter	20	4	4	4	4	4	District competency; No staff dedicated to this function.	Cascading of function to local municipality and appointment of staff
				% of disaster management plan developed and implemented		100%	100%	100%	100%	100%	100%	100%	100%	Inconsistency in reviewing the plan	Regular annual review of the plan	
				Number of volunteers trained on disaster management		0	60	600	120	120	120	120	120	Outstanding guidelines from Province	Fast track the availability of guidelines from Province	
		Sustainable communities	To ensure that poor households have access to basic municipal services	Number of households on the indigent register	Financial Services		5 329	5 587	60 000	12 000	12 000	12 000	12 000	12 000	Shortage of staff (Currently EPWPs) to reach target as per Budget allocated.	Appointment of permanent staff and Supervisor (Currently Acting)for accountability and sustainability.
				% of registered indigent households that have access to free basic services					100%	100%	100%	100%	100%	100%		

GOVERNANCE AND ADMINISTRATION CLUSTER

TABLE 55: GOVERNANCE CLUSTER – FIVE YEAR STRATEGIC PLAN

Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions	
										2012/13	2013/14	2014/15	2015/16	2016/17			
SP4: Promote active community participation (2011 LGEM: Local Priority No. 4)	KPA4: Good governance and community participation	Participatory governance	To improve the level of functionality of public participation systems in the municipality (NKPI: 10)	Number of Functional Ward Committees established	Speaker's Office	Corporate Services	18	21	21	21	21	21	21	21	Inadequate support/resources from municipality; Possible re-demarcation of municipal boundaries	Access grant funding (MSIG); Constant engagement with demarcation board	
				Number of CDW's deployed in all 21 wards			18	21	21	21	21	21	21	21	Delays by Province in appointing CDWs; Re-demarcation implications	Establish communication protocol with FS CoGTA. Review when re-demarcation outcomes are confirmed	
				Number of ward committees trained on identified core skills areas			0	0	21	21	21	21	21	21	21	Delays in finalising skills audit	Finalise skills audit
				Number of monthly community meetings held per ward			2 meetings per ward	3 meetings per ward	4 meetings per ward per annum	4 per ward	4 per ward	4 per ward	4 per ward	4 per ward	4 per ward	Unavailability of ward committee members for community meetings	Compile annual meetings schedule for approval by ward committees
			To actively support community-initiated social activities (2011 LGEM Local Priority 4)	Number of skills programmes implemented for burial societies, stokvels, religious groups, etc.	Executive Mayor's Office	Financial Services Corporate Services	0 per annum	Compile database of activities and needs analysis	4 per annum	2 per annum	3 per annum	4 per annum	4 per annum	4 per annum	Database and needs analysis of community-initiated social activities not compiled	Employ EPWP workers or interns to assist with compilation of database and needs analysis	
			To improve external and internal communication	Number of monthly updates of municipal website completed		MM's Office	6 updates	12 updates	12 updates per annum	12 updates	12 updates	12 updates	12 updates	12 updates	12 updates	Lack of internal capacity/training. Lack of compliance with s75 of MFMA	Web design/mastering course to be attended; Internal information sharing

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
																system to be developed by Communications Dept.
				Number of newsletters produced and published		All Depts	0	3	6 per annum	6	6	6	6	6	Lack of internal capacity. Infrequent communication with communities	Improve internal processes
				Number of interactions arranged with the print and electronic media			12	12	12 per annum	12	12	12	12	12	No proper coordination of placement of adverts in media/ non-payment of services	Centralization of placement of adverts by SCM
				Number of quarterly interactions held with relevant municipal and community stakeholders (business, religious, etc.)			2	4	4 per annum	4	4	4	4	4	Lack of internal coordination	Implement standard operating procedures

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions	
										2012/13	2013/14	2014/15	2015/16	2016/17			
SP5: Ensure more effective, accountable and clean local government that works together with national and provincial government (LGEM: Local Priority No. 5; MTSF: Outcome 9)	KPA4: Good governance and community participation	Corporate governance	To ensure that effective and efficient systems and processes of good governance are implemented and maintained (NKPI: 9)	% of credible 5-Year IDP compiled according to CoGTA guidelines	Municipal Manager's Office	All Depts	100%	100% (new 5-year IDP compiled)	100% (next 5-year IDP in 2016/17)	0%	0%	0%	0%	100% (new 5-year IDP compiled)	IDP process plan not implemented. Unfavourable CoGTA assessment	Improved internal coordination of IDP process plan	
				All Departments			100%	0% (No annual review taking place)	100%	100% (First Review)	100% (Second Review)	100% (Third Review)	100% (Fourth Review)	0% (No annual review taking place)	IDP process plan not implemented. Unfavourable CoGTA assessment (sector plans)	Improve internal processes to adhere to approved process plan. Ensure sector plans are finalized and included in IDP.	
				% of compliant annual SDBIP approved within 28 days after the approval of the budget		90%	90%	100%	100%	100%	100%	100%	100%	100%	Delay in submission of SDBIP within 28 days after approval of budget	Draft SDBIP to be submitted to Mayor within 14 days after budget approval	
				% of approved posts filled in internal audit unit (10 posts)		33.3%	33.3%	100%	70%	80%	90%	100%	100%	100%	Lack of internal capacity	Appointments in line with approved structure	
				% of annual performance assessment of internal audit function by the audit committee		0%	0%	100%	100%	100%	100%	100%	100%	100%	N/A	N/A	
				% of annual internal audit plan approved by audit committee before end of June each year		70%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	N/A	
				% execution of annual internal audit plan		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	Slow response to audit queries	Submit reports to Senior Management & Audit committee
				% developed three rolling coverage plan		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	N/A
				Number of audit committees held per annum		4	4	4 per annum	4	4	4	4	4	4	4	N/A	N/A
				% review of audit charters completed annually (reviewed charters must be approved by the Audit Committee)		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A	N/A

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
				% of approved funded posts filled in risk management unit (5 posts)			1	1	5			1	0	0	Lack of internal capacity	Appointments in line with approved structure
				% review of risk management strategy & policy (approved by risk management committee)			50%	100%	100%	100%	100%	100%	100%	100%	Non submission of the policy and strategy to Council	Resubmission of the policy and strategy to senior management, risk committee and Council
				% of risk register compiled and updated quarterly			100%	100%	100%	100%	100%	100%	100%	100%	Lack of cooperation by departments	Develop a system/program; and enforcement by MM
				Number of risk management committee meetings held			3	2	4 per annum	4	4	4	4	4	Non adherence as per approved schedule	Meetings to be held as per approved schedule
				% of approved fraud prevention and anti-corruption strategy annually reviewed			90%	100%	100%	100%	100%	100%	100%	100%	Delays in approval of reviewed strategy	Timely submission of report for processing; Strict adherence to meeting schedule.
				% of approved fraud prevention and anti-corruption strategy annually implemented			0%	0%	100%	25%	50%	75%	100%	100%	Lack of internal advocacy and limited resources	Internal awareness sessions for departments; Make budget submissions to finance
				Fully functional Local Labour Forum (LLF) established (<i>no. of meetings held per annum</i>)	Corporate Services	MM's Office	3	6	11 meetings per annum	11	11	11	11	11	Un-conducive labour relations environment	Frequent engagements with labour
				% implementation of LLF resolutions taken (including monitoring of SALGBC collective agreements)			85%	85%	100%	100%	100%	100%	100%	100%	Lack of cooperation from departments with implementation of resolutions	Improve internal communication and advocacy

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13 – 2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
SP5: Ensure more effective, accountable and clean local government that works together with national and provincial government (LGEM: Local Priority No. 5; MTSF: Outcome 9)	KPA4: Good governance and community participation	Corporate governance	To ensure that a functional and effective Organisational Performance Management System (PMS) is adopted and implemented (NKPI: 3)	% of organisational PMS policy aligned to IDP approved and implemented	Municipal Manager's Office		90%	100%	100%	100%	100%	100%	100%	100%	Delays in approval of policy	Ensure streamlining of report processing processes
				% of functional municipal performance audit committee established (<i>part of terms of reference of audit committee</i>)		All Depts	0%	100%	100%	100%	100%	100%	100%	100%	Delays in appointment of performance audit committee members	Audit committee appointed also as performance audit committee
				% of compliant performance agreements for MM and managers directly accountable compiled and signed on time (NKPI: 2)		Executive Mayor's Office	75%	75%	100%	100%	100%	100%	100%	100%	Delays in signing of performance agreements	Performance agreements must be signed before end of July each year
				% of Employee PM&D policy approved and annually reviewed			0%	100%	100%	100%	100%	100%	100%	100%	Protracted consultations with labour	Timely engagement in LLF on draft policy
				% of PMS cascaded to all levels of employees in the municipality	Corporate Services	All Depts	0%	0%	100%	20%	40%	60%	80%	100%	Lack of internal capacity	Filling of PMS posts in corporate services
				% of quarterly institutional performance reviews conducted and reports submitted to Council within 30 days after the end of each quarter	Municipal Manager's Office	All Depts	0%	50% (2)	100% (4)	100% (4)	100% (4)	100% (4)	100% (4)	100% (4)	Late submission of inputs and reports	Ensure that inputs & reports are submitted on time
				% of MSA and MFMA compliant Annual Report tabled in Council by 31 January each year		All Depts	75%	75%	100%	100%	100%	100%	100%	100%	Delays in finalisation and submission of annual report	Executive Mayor & MM to ensure compliance
				Oversight report submitted to Council within two months after tabling of Annual Report	Speaker's Office	MM's Office	End of May	End of May	End of March each year	End of March	End of March	End of March	End of March	End of March	Delays in tabling of Annual Report & finalisation of oversight report	Ensure that Annual Report is tabled annually by end of January

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead MLM Dept	Other MLM Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13 – 2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
		Inter-governmental relations (IGR)	To ensure effective participation by the municipality in all IGR forums and programmes (NKPI: 12)	% of IGR meetings and forums at District, Provincial and National levels attended (DCF, PCF, Provincial and National Forums)	Executive Mayor's Office	MM's Office All Depts	100%	100%	100%	100%	100%	100%	100%	No clear roles and responsibilities. Invitations not provided for meetings to be attended	Clear roles and responsibilities be provided. Invitations be provided in time for all IGR meetings	
				% of relevant IGR programmes and resolutions implemented			30%	30%	100%	100%	100%	100%	100%	No clear and proper roles and responsibilities. Invitations not provided for meetings to be attended	IGR workshop be provided for the implementation of all programmes and resolutions	
		Customer care	To ensure that an effective and efficient customer care function is established	% of customer care policy compiled and adopted	Corporate Services	All Depts	50%	100%	100%	100%	100%	100%	100%	Draft policy not yet approved	Draft policy to be submitted for approval	
				% of municipal employees (frontline staff) who received customer care training			0%	0%	100%	100%				The customer care training is yet to take place	Training to be conducted by the end of Aug 2012	
				% of municipal customer care system and centre established			0%	0%	100%	50%	100%			The customer care centre has not been established due to structural arrangement, policy gaps and lack of human capital	The organisational structure is being reviewed and policy for customer care has been drafted but has to be approved by council	

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions	
										2012/13	2013/14	2014/15	2015/16	2016/17			
SP5: Ensure more effective, accountable and clean local government that works together with national and provincial government (LGEM: Local Priority No. 5; MTSF: Outcome 9)	KPA5: Financial management and viability	Revenue and cash flow management	To ensure the effective and efficient management of municipal revenue and cash flow according to national norms and standards	Ratio of net current consumer debtors to annual property rates and service charge income	Financial Services		25.9%	60%	100%	75%	80%	90%	100%	100%	Incorrect data used for the calculation	Implementation of the data purification process	
				Annual property rates and service charges more than 50% of total revenue			74.5%	75%	80%	76%	77%	78%	79%	80%	Valuation roll not updated in time	Municipal valuer to appointed	
				% of consumer debtors revenue collected (<i>actual total collections as a percentage of total levies/billings</i>)			80%	85%	95%	90%	91%	92%	94%	95%	Billing not performed in time	Maintain billing schedule. Involve councillors to sensitise community on the importance of paying rates	
				% reduction of consumer debtors older than 90-days (<i>Balance as at 30 June 2010: R229m</i>)			0%	10%	50%	10%	20%	30%	40%	50%	Lack of credit control action plans for township areas	Implementation of the Operation Patala	
				% actual revenue generated as a percentage of the approved/adjusted budget			All Depts	98.3%	98%	98%	98%	98%	98%	98%	98%	Non collection of revenue	Implementation of the credit control measures
				% of revenue management strategy compiled and implemented			All Depts	90%	95%	100%	96%	97%	98%	99%	100%	Lack of funding	Revenue enhancement programmes be prioritised
				% of cash management and investment policy framework compiled and approved				0%	90%	100%	100%	100%	100%	100%	100%	Non implementation of policies	Investments and cash management be conducted in line with approved policies
		Expenditure management and SCM	To implement an effective and efficient system of expenditure and	% actual capital expenditure (CAPEX) as a percentage of the approved/adjusted budget	Financial Services	All Depts	38.5%	40%	80%	60%	65%	70%	75%	80%	Late appointment of contractors	SCM processes be streamlined and prioritised in relation to critical projects	

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
			supply chain management	% actual operating expenditure (OPEX) as a percentage of the approved/adjusted budget		All Depts	93.1%	94%	95%	94%	94.5%	95%	95%	95%	Non compliance to SCM policy	SCM processes be streamlined and critical expenditure items prioritised
				% actual expenditure on repairs and maintenance as a percentage of the approved/adjusted budget		All Depts	3.8%	10%	10%	5%	6%	7%	8%	10%	Lack of funding (affordability); Extent of maintenance backlogs	Compilation of proper maintenance plans and costing
				% of MSIG allocation spent		MM's Office	100%	100%	100%	100%	100%	100%	100%	100%	Non compliance with the MSIG	Compile MSIG implementation plan
				% of creditors paid within 30 days of receipt of invoice (includes implementing and maintaining an effective system of internal control)		All Depts	100%	100%	100%	100%	100%	100%	100%	100%	Procurement and payments internal procedures and controls not adhered to	Standard procedures and controls training & communication; Monthly progress reports
				% of aligned SCM policy adopted and implemented (includes establishment of fully functional unit and appropriate systems & procedures) <i>should be separated</i>		MM's Office	50%	100%	100%	100%	100%	100%	100%	100%		
				Tender turnaround time maintained for bids between R30 000 and R100 000		All Depts	21 days	21 days	21 days	21 days	21 days	21 days	21 days	21 days	Non Compliance with the SCM policy and Treasury Regulation as well as the amended Act	Quarterly reporting to Council on the implementation of the SCM policy
				Tender turnaround time maintained for bids between R100 000 and R200 00			14 days	14 days	14 days	14 days	14 days	14 days	14 days			
				Tender turnaround time maintained for bids above R200 000		All Depts	90 days	90 days	90 days	90 days	90 days	90 days	90 days			
				% compliance maintained with approved SCM policy and procedures (includes elimination of internal and external audit queries)		All Depts	0%	100%	100%	100%	100%	100%	100%	100%	Procurements not centralised with SCM	Appointments of critical positions in SCM to be prioritised.

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
SP5: Ensure more effective, accountable and clean local government that works together with national and provincial government (LGEM: Local Priority No. 5; MTSF: Outcome 9)	KPA5: Financial management and viability	Budgeting and reporting	To ensure that the municipal budget and financial reporting process are compliant with applicable legislation	% of compliant annual budget (MTREF) compiled and approved by end of May each year	Financial Services	All Depts	95%	100%	100%	100%	100%	100%	100%	100%	Scheduling of council meetings	Schedule of council meetings in advance in line with the legislative requirements
				% of budget-related policies developed, reviewed and approved as per National Treasury and MFMA requirements			100%	100%	100%	100%	100%	100%	100%	Review of the approved policies not performed timeously	Annual review of all policies	
				% of monthly budget statements (s71 of MFMA) are compiled and submitted to the Mayor by no later than 10 working days after the end of each month			100%	100%	100%	100%	100%	100%	100%	Ledger not closed on time	Timetable of key due dates to be drawn and implemented	
				% of monthly National Treasury returns submitted on time			100%	100%	100%	100%	100%	100%	100%			
				% of quarterly National Treasury returns submitted on time			100%	100%	100%	100%	100%	100%	100%			
				% of monthly DoRA returns submitted on time (MIG, DoE, MSIG & DWA)			100%	100%	100%	100%	100%	100%	100%			
				% of mid-year budget assessment and budget adjustments report submitted by 25 January each year (s72 of MFMA)			100%	100%	100%	100%	100%	100%	100%			
						All Depts	100%	100%	100%	100%	100%	100%	100%	100%	Scheduling of council meetings	Schedule of council meetings in advance in line with the legislative requirements

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
		Clean Audit	To ensure that the municipality received a Clean Audit Report by 2014	% of Clean Audit action plan compiled, approved and implemented	Financial Services	All Depts	50%	60%	100%	80%	100%	100%	100%	100%	Lack of monitoring of the action plan	Quarterly progress reports to be submitted to senior management and MAYCO meetings
	% of Annual Financial Statement submitted to the Auditor-General by the end of August each year					100%	100%	100%	100%	100%	100%	100%	Year end procedures not finalised on time	Monthly preliminary AFS be compiled		
	Actual improvement in annual audit outcomes received from the Auditor-General			All Depts	Disclaimer	Qualified	Clean audit	Unqualified	Clean audit	Clean audit	Clean audit	Clean audit	Action plan not implemented accordingly	Interim audits be conducted by the AG		
	% of the Action Plan on issues raised by the Auditor-General is compiled, approved and implemented annually				50%	70%	100%	90%	100%	100%	100%	100%	Lack of monitoring of the action plan	Quarterly progress reports be submitted to senior management and audit committee		
	% internal audit recommendations implemented within specified time frames				50%	50%	100%	100%	100%	100%	100%	100%	Non-implementation of recommendations	Regular follow-up audits conducted		
	% of PROPAC resolutions implemented annually			Municipal Manager	20%	100%	100%	100%	100%	100%	100%	100%	MM	MM		

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Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions	
										2012/13	2013/14	2014/15	2015/16	2016/17			
SP5: Ensure more effective, accountable and clean local government that works together with national and provincial government (LGEM: Local Priority No. 5; MTSF: Outcome 9)	KPA5: Financial management and viability	Asset management	To ensure the effective, efficient and economical management of municipal assets	% of Fixed Asset Register (FAR) compiled and updated annually in line with GRAP requirements	Financial Services	All Depts	98%	100%	100%	100%	100%	100%	100%	100%	N/A	N/A	
				% of asset maintenance and replacement plans developed and updated annually		All Depts	0%	100%	100%	100%	100%	100%	100%	100%	Technical Services	Technical Services	
		Facilities management	To ensure the effective, efficient and economical management of municipal facilities	% of municipal fleet managed effectively, efficiently and economically	Corporate Services	All Depts	0%	0%	100%	100%	100%	100%	100%	100%	Delays in finalisation and approval of policy and centralisation of function	Fleet management policy to be finalised by June 2012 and centralisation to be addressed in new structure	
				% availability of fleet to meet service delivery requirements			80%	95%	100%	100%	100%	100%	100%	90% of fleet has been provided. Management of fleet is decentralised			
				% of municipal buildings and corporate facilities managed effectively, efficiently and economically (includes council offices, equipment, furniture, etc.) as per allocated maintenance budget		Technical Services		0%	20%	100%	100%	100%	100%	100%	Office optimisation plan not in place	Plan to be finalised by end of June 2012	
				% of ICT policy compiled, approved and reviewed annually if required		Municipal Manager's Office		90%	100%	100%	100%	100%	100%	100%	100%	ICT policy has been drafted but not yet approved	The policy will be approved by June 2012
				% of ICT Steering committee established (Terms of reference and meeting schedule finalised)				0%	0%	100%	100%	100%	100%	100%	100%	Committee members not understanding roles	Workshop for members on their roles and functioning of the committee
				Downtime of critical systems reduced to less than 5% of total uptime required				10%	5%	5%	5%	5%	5%	5%	5%	Incidents of nature i.e storms, lighting etc	Having effective backup systems
				% of workstations functional and on-line				80%	90%	95%	91%	92%	93%	94%	95%	No reliable management system in place	Updated monthly reports on the status of workstations
				% of user complaints attended to within 24 hours of receipt				85%	90%	95%	91%	92%	93%	94%	95%	No reliable management system in place	Implement effective helpdesk system

Metsimaholo Local Municipality – Draft IDP: 2012/13 to 2016/17

Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
SP5: Ensure more effective, accountable and clean local government that works together with national and provincial government (LGEM: Local Priority No. 5; MTSF: Outcome 9)	KPA6: Municipal transformation and institutional development	Human capital	To provide sufficient and skilled human capital to enable all departments to function optimally in order to enhance institutional capacity and effective service delivery	% of critical posts filled by suitably qualified individuals (<i>appointees meeting 80-100% of job requirements</i>) subject to approved budget (NKPI: 1)	Corporate Services	All Depts	60%	100%	100%	100%	100%	100%	100%	100%	Delays in recruitment processes	Finalise review of the organisational
							66 working days	60 working days	60 working days	60 working days	60 working days	60 working days	60 working days			
				70%			90%	100%	100%	100%	100%	100%	100%	Operational constraints		
				100%			100%	100%	100%	100%	100%	100%	100%	WSP not effectively implemented	Quarterly implementation reports to Senior Management & MAYCO	
				55%			80%	100%	100%	100%	100%	100%	100%	There has been poor response to councillors' skills audit and as a result training of councillors has been severely affected	The university of north west has been engaged to provide assistance in this regard	
				60%			100%	100%	100%	100%	100%	100%	100%	Delays in submission of plan and report	Develop schedule of key deadlines	
				60%			95%	100%	100%	100%	100%	100%	100%	recruitment of the disabled and other races (Coloureds and Indians)	priority and focus will be given to specified categories of people	
				50%			90%	100%	90%	95%	100%	100%	100%	29 HR policies have drafted but still have to be rectified by the labour forum	The 29 draft HR policies will be approved by council by end of July 2012	

Metsimaholo Local Municipality – Draft IDP: 2012/13 to 2016/17

Strategic Priority (SP)	Key Performance Area (KPA)	Programmes	Objectives	Key Performance Indicator (KPI)	Lead Dept	Other Depts	Baseline (2010/11)	Current Year Target (2011/12)	Five Year Target (2012/13-2016/17)	Annual Targets					Risks identified	Mitigating Actions
										2012/13	2013/14	2014/15	2015/16	2016/17		
				% of disputes and grievances (stage 1 to 3) handled in terms of the collective agreement (<i>turnaround time is within 90 days</i>)			60%	90%	100%	100%	100%	100%	100%	100%	Delays caused by parties	Develop mechanisms to avoid delays
				% of service excellence awards finalised by end of November each year			70%	95%	100%	100%	100%	100%	100%	100%	Policy constraints	Finalise PMS policy to provide framework for awards
SP5: Ensure more effective, accountable and clean local government that works together with national and provincial government (LGEM: Local Priority No. 5; MTSF: Outcome 9)	KPA6: Municipal transformation and institutional development	Institutional excellence	To create a working environment that enables good staff morale, high performance and effective functioning of council structures	Number of organisation development interventions implemented annually		Speaker's Office	0	0	2 per annum	2	2	2	2	2	The OD exercise could not be embarked upon due to budgetary constraints	Sufficient provision for the exercise has been made in the budget for 2012/2113 financial year
				% of annual council programme compiled and approved by end of June each year			100%	100%	100%	100%	100%	100%	100%	100%	Delays in compilation and approval of annual programme	Timely submission of proposed programme to internal meetings
				% of agendas for council, mayoral committee and portfolio committees delivered on time (<i>Council - 7 days and Committees - 48 hours</i>)		80%	90%	100%	100%	100%	100%	100%	100%	Late receipt of agenda items from report-initiating departments	Compile schedule and ensure strict adherence	
				Number of quarterly reports to Council on the tracking of council resolutions (<i>submitted at the end of each quarter - Sept, Dec, Mar & Apr</i>)		0%	0%	4 per annum	4	4	4	4	4	Delays in finalisation of Integrated Document Management System (IDMS)	Monitor implementation of IDMS project	

CHAPTER 4: FINANCIAL STRATEGY AND PLAN³⁴

4.1 INTRODUCTION

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

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

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

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

³⁴ This chapter will be updated with information from the 2012/13 Draft Budget Document which will be tabled at Council on 29 March 2012.

4.2 FINANCIAL STRATEGY

The 2011/2012 budget preparation and IDP review process were conducted mainly in line with the legislative and regulatory frameworks prescribed by the Municipal Finance Management Act (MFMA), Municipal Systems Act (MSA) and National Treasury Guidelines. The format and contents of this budget document are in accordance with the guidelines contained in *MFMA Circular 51 and Circular 54*.

The main challenges experienced during the compilation of the 2011/12 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities
- The increased cost of bulk water and electricity (due to tariff increases from Rand Water and Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2011/12 MTREF process; and
- Availability of affordable capital/borrowing.

The following budget principles and guidelines directly informed the compilation of the 2011/12 MTREF:

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

Key budget assumptions

- ☞ Inflation is budgeted at 4.8 % in terms of National Treasury circular No. 55
- ☞ 10% water loss
- ☞ 10% electricity loss

- ☞ 10% non payment rate
- ☞ 7% increase on Councillors allowance
- ☞ Impairment and bad debt provision at R42 million
- ☞ In terms of the Salary Agreement provision is made for a 7% increase to cover the general increase as well as the notch increase of staff where applicable.
- ☞ 12 000 approved Indigents

REVENUE AND EXPENDITURE FRAMEWORK

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

TABLE 56: 2011/12 MTREF - SUMMARY OF OPERATING AND CAPITAL BUDGETS

	Adjustment Budget	Medium Term Revenue and Expenditure Framework		
	2010/2011	2011/2012	2012/2013	2013/2014
	R'000	R'000	R'000	R'000
Operating revenue	548 209	675 802	694 897	765 070
Operating expenditure	564 765	675 802	810 890	883 840
Capital expenditure	133 169	278 227	112 413	124 055

In terms of the municipality's **financial position** own revenue constitute **80.1%** of the total operating revenue of the municipality, whilst government grants and subsidies contributes **19.9%** of total revenue.

Total operating revenue has grown by 23.3 % or R127.6 million for the 2011/12 financial year when compared to the 2010/11 Adjustments Budget. For the two outer years, operating revenue will increase by 2.8% and 10.1% respectively, equating to a total revenue growth of R216,9 million over the MTREF when compared to the 2010/11 financial year.

Total operating expenditure for the 2011/12 financial year has been appropriated at R675.8 million and compared to the 2010/11 Adjustments Budget, operational expenditure has grown by 16.5% in the 2011/12 budget and by 19.9% and 9% per cent for each of the respective outer years of the MTREF. The operating deficit for the two outer years steadily increases to R115.9 million and then stabilise at R118.7 million.

The capital budget of R278 million for 2011/12 is 108% more when compared to the 2010/11 Adjustment Budget. The capital programme decreases to R112 million in the 2012/13 financial year and then evens out in 2013/14 to R124 million

For the MLM to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges

will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

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

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

4.3 FINANCIAL PLAN

4.3.1 OPERATING REVENUE FRAMEWORK

TABLE 57: 2011/12 MTREF - REVENUE BY OWN SOURCE

Revenue by source	Adjusted Budget	Medium Term Revenue and Expenditure Framework (MTREF)		
	2010/11 R'000	2011/12 R'000	2012/13 R'000	2013/2014 R'000
Property rates	74 788	79 008	84 025	93 587
Electricity	128 176	173 593	181 232	196 560
Sanitation	24 940	17 046	18 426	20 412
Water	134 806	146 016	157 890	174 289
Refuse removal	30 152	26 882	29 033	31 936
Other service charges	6 931	9 655	9 141	8 490
Fines/Penalties	9 733	12 706	12 706	12 807
Interest	15 380	13 075	12 260	14 655
Licences and permits	111	150	158	159
Rental of facilities	3 735	9 764	9 284	9 058
Other	9 777	39 938	13 083	16 145
Departmental charges	11 446	13 670	15 429	17 682
	449 975	541 503	542 667	595 780

Revenue generated from rates and service charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise 82% of the total revenue mix. This increases to R442.5 million, R470.6 million and R516.8 million in the respective financial

years of the MTREF. A notable trend is the increase in the total percentage revenue generated from rates and services charges which increases from 82% in 2011/12 to 86.7% cent in 2013/14. This growth can be mainly attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity.

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

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

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

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity and water, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges.

Revenue Trends

TABLE 58: 2011/12 MTREF - REVENUE TRENDS

	Medium Term Revenue and Expenditure Framework					
	2011/2012		2012/2013		2013/2014	
	R'000	%	R'000	%	R'000	%
Own revenue	541 503	80.1	542 667	78.1	595 780	77.9
Government grants	134 299	19.9	152 230	21.9	169 290	22.1
Total revenue	675 802	100	694 897	100	765 070	100

Revenue from own source represent **80.1%** of total revenue in 2011/2012 decrease slightly to **78.1%** in 2012/2013. This indicates that the municipality relies more on its own sources for revenue than on government grants.

Trends in major sources of own revenue

TABLE 59: TRENDS IN MAJOR SOURCES OF OWN REVENUE

	Medium Term Revenue and Expenditure Framework					
	2011/2012		2012/2013		2013/2014	
	R'000	%	R'000	%	R'000	%
Property rates	79 008	15.2	84 025	15.5	93 587	15.7
Electricity	173 593	33.3	181 232	33.4	196 560	33
Water	146 016	28	157 890	29.1	174 289	29.3
Sanitation	17 046	3.3	18 426	3.4	20 412	3.4
Refuse removal	26 882	5.2	29 033	5.4	31 936	5.4
Interest	13 075	2.5	12 260	2.3	14 655	2.5
Departmental Charges	13 670	2.6	15 429	2.9	17 682	3
Other	51 663	9.9	44 372	8	46 659	7.7
	520 953	100	542 667	100	595 780	100

- Water remains a key source of revenue from services for the municipality at an average of 28.5% over the medium term.
- Property rates income at an average of **15.5%**. Electricity revenue is the major source contributing on average **32.8%** of own revenue over the medium term period.

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

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

It is further expected that the installation of more pre-paid electricity meters will also assist in more effective credit control and debt collection. Currently the number of households with pre-paid meters is 25 172 compared to 3 738 households with conventional meters.

TARIFF OVERVIEW

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

TABLE 60: 2011/12 MTREF - AVERAGE TARIFF INCREASES

Service	% tariff increase
Property rates	7
Electricity	7-27
Water	7 & 14.3
Sanitation	7 & 36
Refuse removal	7-53

Proposed Tariff Increases

The tables below indicate the proposed tariff increases for the main consumer services and sundry services for the 2011/2012 financial year.

Assessment Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process. The Property Rates Act (Act53 of 2007) was phased in over the past 3 years and no further rebates are allowed.

TABLE 61: 2011/12 ASSESSMENT RATES-PROPOSED TARIFF INCREASES

	2010/11	Proposed 2011/2012
Sasolburg/ Zamdela		
Heavy Industries	0.02862	0.030623
Light Industries	0.02862	0.030623
Businesses	0.01145	0.01224
State property	0.01145	0.01224
Domestic and other – Sasolburg	0.00572	0.00612
- Zamdela	0.00572	0.00612
Deneysville/Refenggotso/ Phomolong		
Residential	0.00572	0.00612
Businesses	0.01145	0.01224
Churches	0	0
State Property	0.01145	0.01224
Refenggotso	0.00572	0.00612
Oranjeville/Metsimaholo		
Residential	0.00572	0.00612
Businesses	0.01145	0.01224
Metsimaholo : Residential	0.00572	0.00612
Metsimaholo: Businesses		
State Property	0.01145	0.01224
	0.01145	0.01224
<u>Farmland:</u>		
Residential		
Businesses	0.00215	0.00306
Industries	0.00429	0.00612
	0.010733	0.01530
Private owned towns, Body Corporate, Sectional Titles		
Mining	0.00215	0.00306
Agricultural	0.010733	0.01530
Unregistered Erven	0.001073	0.00153
	Municipal services charges equal to category of property	Municipal services charges equal to category of property

The amount allocated to registered indigents for Assessment Rates is to a maximum of R50.00 per month. For budget purposes the assumption was made that there will be 12 000

approved indigents be registered. Additional income at 7% tariff increase of assessment rates represents R5 055 190 per annum.

The rebate threshold for pensioners has been increased to R6 000.

Electricity

NERSA has announced the revised bulk electricity pricing structure. A 26.7% increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2011.

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2011. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor).

Approval must be obtained from NERSA for the increase between 7% and 27% in fees/tariff to finance the ring fencing of the service.

TABLE 62: 2011/12-ELECTRICITY PROPOSED TARIFF INCREASES: BASIC SERVICE CHARGES

	2010/2011	2011/2012
Sasolburg/Zamdela/Deneysville/ Oranjeville		
Schools, Churches, Halls, etc.	R110.00	R117.70
Businesses, Offices, Hotels, clubs, etc.	R110.00	R117.70
Businesses Zamdela:		
Single phase	R110.00	R117.70
Three phase	R110.00	R117.70
Four meters	R212.00	R227.70
Businesses: Deneysville/Refengkgotso Phomolong	R110.00	R117.70
Businesses : Oranjeville/Metsimaholo	R110.00	R117.70
Bulk Supply	R 212.00	R227.00

Free basic electricity of 50kWh will be given to all residents (25 000 households). An amount of R11.5 million is allocated in order to make it possible. Eskom must be informed accordingly.

The new proposed tariffs can be implemented after approval from NERSA is as follows:

TABLE 63: ELECTRICITY-PROPOSED TARIFF INCREASES

Tariff(VAT exclusive)	kWh	2010/2011	2011/2012
Domestic	0-50	R0.7965/kWh	R0.7965/kWh
	51-350	R0.7965/kWh	R0.8323/kWh
	351-600	R0.7965/kWh	R0.9780/kWh
	>600	R0.7965/kWh	R1.1492/kWh
Schools, Churches		R0.7965/kwh	R0.9588/kWh
Businesses		R0.7965/kwh	R0.9588/kWh
Bulk		R0.3533/kwh	R0.4477/kWh
KVA		R95.00	R102.13
kW		R102.97	R110.69

All tariff increases by Eskom will result in an equal increase of tariffs payable by electricity consumers in Metsimaholo area. The tariff increase will result in R32 779 250 additional income.

Monthly Consumption kWh	Current Amount Payable R	Proposed amount payable R	Increase R	% Change
100	39.83	41.62	1.79	4.5
500	358.43	396.39	37.96	10.59
1000	756.68	953.87	197.19	26.06

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.

Water

South Africa faces similar challenges with regard to water supply as it did with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:

- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

TABLE 64: WATER-PROPOSED TARIFF INCREASES-BASIC CHARGES FOR NON-DOMESTIC CONSUMERS

	2010/2011	2011/2012
	R	R
Sasolburg/Zamdela		
Churches	19,36	20.72
Businesses	76,69	82.06
Light Industries	99,36	106.32
Heavy Industries	8% on 2009/10 tariff	8% on 2010/11 tariff
Deneysville		
Businesses	76,69	82.06
Oranjeville		
Co-operatives	784,41	839.32
Businesses	76,69	82.06

6kl free water will be given to all households. This will be financed from the Equitable Share. A further amount is allocated from equitable share to finance additional 4kl of water to approved indigents. An approved indigent will receive 10kl of water free. Total amount of R25.1 million is allocated from Equitable Share. 7 % increase represents R10 794 760 per annum.

TABLE 65: WATER-PROPOSED CONSUMPTION TARIFF INCREASES

	2010/2011	2011/2012
<i>Sasolburg/Zamdela/Deneysville/ Refengkgotso/Phomolong</i>		
Domestic	R10,32/kl	R11.05/kl
Schools	R10,32/kl	R11.05/kl
State property (excl. residential properties)	R9,69/kl	R10.37/kl
Businesses	R9,69/kl	R10.37/kl
Light Industries	R9,69/kl	R10.37/kl
Heavy Industries	R11,03/kl	R11.81/kl
Oranjeville/Metsimaholo		
	R7,00/kl	R8,00/kl
Oranjeville Businesses		
	R7,20/kl	R8,20/kl

Guest houses are operated as businesses and are levied as businesses.

Sanitation Services

A tariff increase of 7% is proposed, except for suction tank service.

The basic charges of sewer for residents (households) will be subsidised by Council. An amount of R1 646 600 is allocated from Equitable Share for this purpose. A further amount of R5 864 520 is allocated from Equitable Share for additional sewer to all approved indigents. 7% increase represents R1 032 370 additional income per year.

TABLE 66: SANITATION-PROPOSED TARIFF INCREASES

Sasolburg	2010/2011	Proposed 2011/2012
Domestic - Basic	Free. (R7,48)	Free. (R8.01)
Heavy Industries	Actual cost by	Actual cost by
Businesses	SCI plus 35%	SCI plus 35%
Additional		
(a) Sasolburg sewer	R60,66	R64.91
(b) Zamdela sewer	R60,66	R64.91
(c) Business sewer	R63,81	68.28
(d) Flats	R 4,52	R 4,84
	R60,66	R64.91
(e) 2 nd Dwelling Sasolburg	R60,66+R60,66	R64.91+R64.91
(f) 2 nd Dwelling Vaalpark	R60,66+R60,66	R64.91+R64.91
(g) Industries sewer	R63,81	R68.28
(h) Day schools	R20,77	R22.23
(i) Creches	R20,77	R22.23
(j) Flats sewer	R60,66	R64.91
(k) Add units flats	R35,70	R38.20
Oranjeville/Metsimaholo		
Suction tank per service	R 200.00	R 271.93
<i>Basic sewer</i>		
Oranjeville Domestic	Free	Free
Metsimaholo Domestic	Free	Free
Businesses	R60,66	R64.91
<i>Additional sewer</i>		
Water borne sewer Oranjeville	R38,56	R41.26
Water borne sewer Metsimaholo	R18,32	R19.61
Deneysville		
Suction tank per service	R 200.00	R271.93
<i>Basic sewer</i>		
Deneysville Domestic		
Refengkgotso/Phomolong:		
Domestic		
Businesses	R60,66	R64.91
Water borne sewer		
Refengkgotso/Phomolong	R38,56	R41.26
Bucket services system	R18,32	R19.61
Rural areas: Suction Tank Services		
Areas that is not included in the		
disestablished towns		
(No Rates Payable)		

Sasolburg	2010/2011	Proposed 2011/2012
Normal working hours	R1 080.00/Service	R1 190.00/Service
After hours	R2 160.00/Service	R2 380.00/Service
Areas with discounted rates:		
Normal working hours	R1 080.00/Service	R1 190.00/Service
After hours	R2 160.00/Service	R2 380.00/Service

Guest houses are levied at business tariffs.

Refuse Removal Services

In order to economise the service it must be considered that the same tariff be charged where there is a service once a week. Tariffs are VAT exclusive.

All residents in all areas receive a service once a week. Therefore the tariff must be uniform. Provision is made for additional 8 000 stands that will receive the service that result in additional income of R8 160 000

An average increase of between 7-29.7% is proposed. The tariff increase represents R1 222 730 additional income for the year.

TABLE 67: REFUSE REMOVAL-PROPOSED TARIFF INCREASES

Sasolburg	R 2010/2011	R 2011/2012
Dwellings/Single flats	72.58	77.66
Joint flats (one service point)	72.58	77.66
Businesses and Schools	135.25	144.72
Dumping ground:		
Industries and Contractors	63.00	75.00
Churches	72.58	77.66
Zamdela		
<i>Formal areas:</i>		
Dwellings	68,00	75.00
Flats (Tswelopele)	68,00	75.00
Businesses	94.50	144.72
Churches	68,00	75.00
Private Hostels	68,00	75.00
<i>Informal areas:</i>		
Dwellings	68.00	75.00
Informal settlement	68.00	75.00
Deneysville/Refengkgotso/Phomolong		
<i>Domestic:</i>		
Deneysville	72.58	77.66
Refengkgotso	68.00	75.00
<i>Businesses</i>	135.25	144.72
<i>Churches</i>	72.58	77.66
Oranjeville/Metsimaholo		
<i>Domestic:</i>		
Oranjeville	72.58	77.66
Metsimaholo	65.00	75.00
<i>Businesses</i>	115.00	144.72
<i>Churches</i>	72.58	77.66
All areas		
Approved indigents	FREE	FREE

Guest houses operate as businesses and are levied as businesses.

An amount of R6.6 million is allocated from equitable share for the refuse service to approved indigents.

Sundry Tariffs

That the following miscellaneous tariffs (*VAT exclusive*) be implemented from 1 July 2011.

Financial Services

TABLE 68: SUNDRY TARIFFS-FINANCIAL SERVICES

	2010/2011	2011/2012
New Consumers who moved into municipal area		
Connection fee per meter:		
- Water	R110.00	R120.00
- Electricity	R110.00	R120.00
Delivery of warning notices	R120.00	R140.00
Non-payment fees for defaulters		
- Normal reconnection fee	R250.00	R275.00
- After hours reconnection fee (additional)	R160.00	R180.00
- Reduce water supply	R250.00	R275.00
- Cut electric cable	R250.00	R275.00
- Remove electric cable	R550.00	R575.00
- Replace electric cable	R550.00	R575.00
- Final Notice Fee	R55.00	R60.00
- Dishonoured Cheques R/D	R250.00	R275.00
Illegal Connection(Bypass/tampering of meters)		
Household (Water or Electricity)	R16 000	R17 000
Business	R16000/meter	R17000/meter
Illegal connection after disconnection(switch on of meter)	R3 000	R3 500
Loss of units calculated for up to 1 year average plus tampering penalty	Number of units x tariff applicable	Number of units x tariff applicable
Clearances and Valuation		
Clearance certificates		
Normal collection	R160,00	R170,00
Registered mail	R160,00	R170,00
Valuation Roll per Town (Residential Area) or part thereof	R220,00	R250,00
Valuation electronic format	R150.00	R160.00
Valuation Objection Fee	R200.00	R250.00
Valuation Certificate	R90.00	R100.00
Address list per 500 pages or part thereof	R400.00	R450.00
Search Fees	R45.00	R50.00
Other Fees		
Testing of electricity/water meters	R250.00	R275.00
Replacement of padlock	R150.00	R175.00
Duplicate Accounts	R6.00	R7.00
Duplicate tenant's Accounts send to owners	R12.00	R15.00
Duplicate IRP 5		
Fee for block/unblock of Prepaid electricity meters	R10.00	R12.00
Replacement of prepaid card	R65,00	R70,00
Refuse bags	R45,00	R50,00
Selling of wood (= LDV load)	Cost + 10%	Cost + 10%
Cutting of trees (per tree)	R90.00	R100.00
	R850.00	R900.00

Deposits

TABLE 69: SUNDRY TARIFFS-DEPOSITS

	2010/2011	2011/2012
Flats/Town houses		
Owners/Tenants (without pre-paid meters)	R2 500.00	R3 000.00
Owners/Tenants (with pre-paid meter)	R1 500.00	R1 500.00
Where body corporate pay other services	0	0
Houses		
(with pre-paid meters) Owners	R1 750.00	R2 000.00
(with pre-paid meters) Tenants	R1 750.00	R2 000.00
Owners (without pre-paid meters)	R3 500.00	R4 000.00
Tenants (without pre-paid meters)	R3 500.00	R4 000.00
Businesses		
<i>Civic Centre</i>		
(with pre-paid meters) Owners	R1 500.00	R2 000.00
(without pre-paid meters) Tenants	R2 500.00 min.	R3 000.00 min.
based on twice monthly consumption based on the type of business		
<i>Light Industries</i>		
based on twice monthly consumption based on the type of business	Twice monthly consumption	Twice monthly consumption
<i>Heavy Industries</i>		
based on twice monthly consumption based on the type of business	Twice monthly consumption	Twice monthly consumption
Government		
	Same as businesses	Same as businesses

TABLE 70: WATER, ELECTRICITY AND SEWER CONNECTIONS-PROPOSED TARIFF INCREASES

Connections to be done	2010/2011	2011/2012
Water		
15mm - 3m max	R 1 379.83	R 1 517.55
20mm - 3m max	R 1 621.06	R 1 783.34
80/20 COMBO meter	R 19 298.25	R 21 236.85
50/20 COMBO meter	R 15 052.64	R 16 552.64
40 mm	R 9 311.41	R 10 236.85
All other to be calculated independently (longer than 3m and larger meters)		
Water and Sewer road crossings	R7 236.85	R7 960.53
Relocating Water meters(labour only)	R771.93	R842.11
Stolen Water meter	Cost of meter	Cost of Meter
Electricity		
New single phase connection	R 4 277.60	R 4 277.60

Upgrading from 60 – 80 ampere New three phase connection up to design load New three phase connection larger than design load	R 4 783.08 R 2 600.00 Estimated cost plus network strengthening cost of	R 4 783.08 R 2 600.00 Estimated cost plus network strengthening cost of
	R791.50/Kva	R791.50/Kva
Single phase prepaid meter	R 898.68	R 898.68
Three phase prepaid meter	R2 087.69	R2 087.69
Moving of connection	R 1 003 .35	R 1 003 .35
New ready board and keypad	R1 895.71	R1 895.71
Replacement of cable	R 1 003.35	R 1 003.35
Repair of cable (damaged by owner)	R 444.27	R 444.27
Temporary connection if service is available	R 730.23	R 730.23
Three phase (town houses)	R1 339.53	R1 339.53
Testing of kWh meter	R 357.89	R 357.89
Testing of prepaid meter	R 226.60	R 226.60
Moving kWh meter from house to stand boundary	R 898.68 R 660.00	R 898.68 R 660.00
Damaged keypad prepaid meter	R1 845.05	R1 845.05
Prepaid meter and relay	R 898.02	R 898.02
Ripple relay	R 250.00	R 250.00
Electrical installation test (1'st free)		
Sewer 100mm - 3m max All other to be calculated independently (longer than 3m and larger pipe diameters)	R 3164.92	R 3 482.46

TABLE 71: CAPITAL CONTRIBUTIONS-ONCE OFF PAYMENT

Water		
Per kiloliter (supply- no units specified)		R 4 000.00
Residential per added building or unit		
High income		R8 000.00
Middle income		R6 000.00
Low income		R2 400.00
Guest houses and hotels: per room(existing developments consider in calculation)		.03 kl per room per day x kiloliter rate
Sewer		
Per kiloliter day usage- effluent		R4 500
Residential per added building or unit		
High income		R5 400.00
Middle income		R4 500.00
Low income		R2 250.00
Guest houses and hotels: treatment of sewer effluent deposit at treatment plant)		R 6 300.00 kl(daily kl demand)

TABLE 72: PRINTING PRICE LIST-TECHNICAL SERVICES

	2010/2011	2011/2012
PAPER		
A0	R 35.09	R 36.85
A1	R 18.42	R 19.30
A2	R 10.53	R 11.41
A3	R 3.50	R 3.95
A4	R 1.75	R 2.20
<u>Durester</u>		
A0	R 127.19	R 131.58
A1	R 63.16	R 65.79
A2	R 35.09	R 36.85
A3	R 18.42	R 19.30
A4	R 10.53	R 11.41
<u>Film</u>		
A0	R 92.10	R 95.62
A1	R 61.40	R 64.92
A2	R 31.58	R 33.34
A3	R 15.79	R 17.55
A4	R 8.77	R 8.77
A4 Fax send/received(Private)	R10.00	R10.00

Social Services

TABLE 73: SUNDRY TARIFFS-SOCIAL SERVICES

(a)	D P de Villiers Stadium	2010/2011	2011/2012
	Rental of halls		
	Stadium Hall		
	Resident : meetings	R180 per hour	R216.60 per hour R433.20 per hour
	Non-Resident : meetings	R360 per hour	
	Functions	R480,00	R574.56
	Churches and schools	half price	half price
	Club complex Hall		
	Resident : meetings	R 60,00/ hour	R 41.82/ hour
	Non-Resident : meetings	R120,00/hour	R143.64/hour
	Functions	R240,00	R287.28
	Churches and schools	half price	half price
	Athletics		
	Schools sport meeting		
	Morning session 07:00 - 13:00	R790,00	R945.63
	Afternoon session 13:00 - 19:00	R790,00	R945.63
	switch on first 2 hours	R360,00	R430.92
	Then per half hour	R95,00	R113.71
	Non Residents (Free State)		
	Morning session 07:00 - 13:00	R990,00	R1 185.03
	Afternoon session 13:00 - 19:00	R990,00	R1 185.03
	switch on first 2 hours	R360,00	R430.92
	Then per half hour	R 95,00	R 113.71
	Schools in Gauteng		
	Morning session 07:00 - 13:00	R1 320,00	R1 580.04
	Afternoon session 13:00 - 19:00	R1 320,00	R1 580.04
	switch on first 2 hours	R360,00	R430.92
	Then per half hour	R95,00	R113.71
	Provincial Meetings		
	Morning session 07:00 - 13:00	R1 700,00	
	Afternoon session 13:00 - 19:00	R1 700,00	R2 034.90
	switch on first 2 hours	R360,00	R2 034.90
	Then per half hour	R 95,00	R430.92 R113 .71
	National Meetings		
	Morning session 07:00 - 13:00	R2 640.00	
	Afternoon session 13:00 - 19:00	R2 640.00	R3 160.08
	switch on first 2 hours	R360.00	R3 160.08
	Then per half hour	R95.00	R430.92 R113.71
	Rental of Electronic Timing Equipment		
	Electronic Timing Equipment per session		
	Training sessions		
	Pre-determined practice periods	R720,00	
	Training at the stadium will only be allowed after payment of R275,00 per annum as well as purchase of proxy card at R40,00 per athlete training. Cards will only be sold to contributing schools/clubs/instances. Purchase card at R40.00 for student and other person.		R861.84
	School Rugby, School league all rugby fields as available.	R240,00 R360,00	R287.28 R430.92

	Resident per session/season Non-resident per session/season	R1 200.00 Per day	R1 436.40 Per day
	Provincial Games	R360,00 R95,00	R430.92 R113.71
	Lights to switch on first 2 hours Then per half hour	R2 400.00	R2 872.80
	National and International Games Soccer meetings (outside stadium)	R240,00 R360,00	R287.28 R430.92
	Resident per session/season Non-resident per session/season		
	Soccer meetings (inside stadium)	R660,00 R660,00 R360,00 R95,00	R790.02 R790.02 R430.92 R113.71
	Morning session 07:00 - 13:00 Afternoon session 13:00 - 19:00 switch on first 2 hours Then per half hour		
	Cross Country A Field Outside Field Stadium Hall	R720.00 p day R240,00 p day R600,00 p day	R861.84 p day R287.28 p day R718.20 p day
	Dog show Resident per session Non-resident per session	R240,00 R360,00	R287.28 R430.92
(b)	Sasolburg show ground Cricket pitch (High Performance)		
(c)	Sports facilities Penny Heyns : Adults: Season tickets : Day tickets Children : Season tickets : Day tickets	R141,00 R 14,00 R 68,00 R 6,80	R168.77 R16.75 R81.39 R8.13
	School Galas Morning session 07:00 - 13:00 Afternoon session 13:00 - 19:00 switch on first 2 hours Then per half hour	R315,00 R315,00 R315,00 R84,00	R377,00 R377,00 R377,00 R100.54
	Clubs/ Social clubs Occasion	R840,00 without touch pad	R1 005.48 without touch pad
	Training sessions Pre-determined practice periods	Training at the swimming pool will only be allowed after payment of R315 per	Training at the swimming pool will only be allowed after payment of R377.05 per annum as well as

		annum as well as purchase of seasonal tickets per swimmers training	purchase of seasonal tickets per swimmers training
	Zamdela Swimming Pool		
	: Adults : Season tickets	R73.50	R87.97
	: Day tickets	R 7,35	R 8.78
	: Children : Season tickets	R 42,00	R 50.27
	: Day tickets	R 5.25	R 6.28
	School Galas		
	Morning session 07:00 - 13:00	R315,00	R377.05
	Afternoon session 13:00 - 19:00	R315,00	R377.05
	switch on first 2 Lights to hours	R315,00	R377.05
	Then per half hour	R84,00	R100.54
	Clubs/ Social clubs		
	Occasion	R840,00 without touch pad	R1 005.48 without touch pad
	Training sessions		
	Pre-determined practice periods	Training at the swimming pool will only be allowed after payment of R300 per annum as well as purchase of seasonal tickets per swimmers training	Training at the swimming pool will only be allowed after payment of R359.10 per annum as well as purchase of seasonal tickets per swimmers training
(d)	Cemeteries		
	Zamdela : Adult : Resident	R270.00	R323.19
	: Non Resident	R1 100.00	R1 316.70
	Children : Resident	R210.00	R251.37
	: Non resident	R840.00	R1 005.48
	Deneyville:		
	Refengkgotso / Metsimaholo :		
	: Adults : Resident	R270.00	R323.19
	: Non Resident	R1 100.00	R1 316.70
	: Children :Resident	R240.00	R251.37
	:Non Resident	R840.00	R1 005.48
	Sasolburg:		
	: Adults : Resident	R790.00	R945.63
	: Non Resident	R3120,00	R3 734.64
	: Children : Resident	R520,00	R653.56
	:Non Resident	R2 170,00	R2 278.85
	Oranjeville:		
	: Adults : Residents	R270.00	R323.19
	Non Residents	R1 200.00	R1 316.70
	: Children : Residents	R240.00	R251.37
	: Non Residents	R840,00	R1 005.48
	Indigents		

	Approved as per Metsimaholo Local Municipality policy	Free	Free
	<u>Urns in Walls of Remembrance</u>		
	Residents	R 630,00	R 630,00
	Non Residents	R2 600,00	R2 600,00
	Placing of urn in existing grave:		
	Residents	R160,00	R160,00
	Non Residents	R170,00	R170,00
	<u>Stack Burials:</u>		
	Two coffins in one grave		
	Residents	R900,00	Double price of one
	Non- Residents	R3 120,00	
(e)	Halls		
	Zamdela/Refenggotso/ Metsimaholo		
	Church Service and meetings		
	Morning session 07:00 - 13:00	R360,00	R430.92
	Afternoon session 13:00 - 19:00	R360,00	R430.92
	Extra hour	R120,00	R143.64
	Kitchen use	R120,00	R143.64
	Music/Jazz and others		
	Morning session 07:00 - 13:00	R660,00	R790.02
	Afternoon session 13:00 - 19:00	R660,00	R790.02
	Extra hour	R180,00	R215.46
	Kitchen use	R180,00	R215.46
	Funeral service and memorial service		
	Morning session 07:00 - 13:00	R300,00	R359.10
	Afternoon session 13:00 - 19:00	R300,00	R359.02
	Extra hour	R120,00	R143.64
	Kitchen use	R120,00	R143.64
	Political meetings		
	Morning session 07:00 - 13:00	R120,00	R143.64
	Afternoon session 13:00 - 19:00	R120,00	R143.64
	Extra hour	R60,00	R71.82
	Kitchen use	R60,00	R71.82
	Season 2 meetings per month	R360,00	R430.92
	Government structures		
	Morning session 07:00 - 13:00	R200,00	R239.40
	Afternoon session 13:00 - 19:00	R200,00	R239.40
	Extra hour	R50,00	R59.85
	Kitchen use	R50,00	R59.85
	Welfare	R360,00	R430.92
	Deposit		
	Music/Jazz and others	R1 200,00	R1 436.40
	All other	R240,00	R287.28

(f)	Etienne Rousseau Theatre	2010/2011	2011/2012	PERIOD COVERED
	Promotion of the Arts (use of theatre for music, dance or drama) Hire of theatre by artist / group for show.	R2 625.00	R1 000.00	Per day (until 1 hour after show ends)
	For matinee	R525.00	R300.00	Same day
	Hire of theatre by local educational institution or church or charity for presentation of a show.	R1 000.00	R700.00	Per day (until 1 hour after show ends)
	For additional matinee.	R400.00	R175.00	
	Hire of theatre by educational Institution or charity for an event such as a prize giving or pageant	R1 250.00	R800.00	Per day (until 1 hour after show ends)
	Hire of foyer for art exhibitions	R850.00	R330.00	Per day
	Hire of stage only e.g. dance or drama workshops	R600.00	R330.00	Per day
	Hire of foyer for function related to show / event presented in auditorium	R500.00	R275.00	Per day
	Hire of theatre non arts related activities/business			
	Hire of theatre for meeting	R2 625.00	R1 000.00	Per morning (8:00 – 13:00), afternoon (13:00 – 18:00) or evening (17:00 – 22:00)
	Hire of foyer only for meeting or function	R1 200.00	R800.00	Per morning (8:00 – 13:00), afternoon (13:00 – 18:00) or evening (17:00 – 22:00)
	Other tariffs			
	Commission on all ticket sales	10% 12,5%	10% 12,5%	Category 2.3 Category 1
	Commission on the sale of articles exhibited	10% 12,5%	10% 12,5%	Category 2.3 Category 1
	Rehearsals	R100,00	R40,00	Per hour between 8:30 and 16:00
		R100,00	R600,00	Per hour between 16:00 and 22:30 and Saturdays
	Preparation/dismantling of stage, sets, sound, lighting	R55.00	R45.00	Per hour
	Hire of piano, special curtains, special effects, theatre equipment	As per schedule	As per schedule	
	Other services:	Actual cost	Actual cost	
	Piano tuning			
	Special effects			

(g)	Newspaper advertisements Dressers / Hair stylists Sundays	Double cost	Double cost
	Cleaning of theatre and grounds	Discretionary	Discretionary
	Abrahams rust recreation resort Season tickets (only residents)	R440,00per annum/ motor vehicle/motor cycle/power boat R220,00/ <u>second</u> motor vehicle/motor cycle	R526.68per annum/ motor vehicle/motor cycle/power boat R263.34/ <u>second</u> motor vehicle/motor cycle
	Pensioners (age 60 years)	R80,00 for 1 ticket per family	R80,00 for 1 ticket per family
	Metsimaholo workers and Councillors with proof	R160,00 for 1 ticket per family	R191.52 for 1 ticket per family
	Non-residents registered power boat / caravan owners:	R760,00 / annum per vehicle / power boat	R909.72 / annum per vehicle / power boat
	Non-residents Second vehicle	R760	R909.72
	<u>Entrance fees (Day visitors)</u>		
	Season ticket holders :	Free(Vehicle & 6 passengers,1 visit per day)	Free(Vehicle & 6 passengers,1 visit per day)
	Other visitors	R60,00/day/ vehicle	R71.82/day/ vehicle
	R52.50/day/p erson older than 6 years 2-6 years R21,00	R62.84/day/p erson older than 6 years 2-6 years R25.73	
	R150,00/day/ power boat R315/Day/bu s Motorbike not allowed /rally	R179.55/day/ power boat R377.05/Day/ bus Motorbike not allowed /rally	
<u>Caravan and tent sites</u>			
Season ticket holders/rallies (10-29 caravans)	R126,00 / caravan/ night	R152.82 / caravan/ night	
Pensioners/Rallies(30 and more caravans)	R105,00 / caravan /night	R125.85 / caravan /night	
Non-season ticket holders	R252,00 / caravan/ night	R301.64 / caravan/	

		night
<u>Caravan and tent sites</u>	<u>without power sockets/not exceed 6 people</u>	<u>without power sockets/not exceed 6 people</u>
Season ticket holders/rallies(10-29 caravans)	R115.50 / caravan/ night	R138.25 / caravan/ night
Pensioners/rallies(30 and more caravans)	R84,00 / caravan / night	R84,00 / caravan / night
Non-season ticket holders	R230,00 / caravan/ night	R230,00 / caravan/ night
<u>Chalets</u>		
Small type 2-bed	R500,00	R598.50
Large type 4-bed	R630,00	R754.11
Luxury chalets Chalet A	R800,00	R957.60
Chalet B (with lapa)	R900,00	R1077.30
Park home 6 bed	R500,00	R598.50
Refundable key deposit	R262.50	R262.50
<u>Lapa</u>		
With shelter per function	R525,00 plus entrance fee	R598.50 plus entrance fee
Without shelter per function	R420,00 plus entrance fee	R502.74 plus entrance fee
	R500,00	R595.50
Hall	R100 000	R100 000
Rental of resort for event	R20 000	R20 000
Deposit for event		
<u>DAY VISIT ORANJEVILLE AND DENEYSVILLE</u>		
Season Tickets(only residents)	R80.00 per annum/ motor vehicle/ motor cycle/power boat R80.00 Second motor vehicle /motor cycle	R80.00 per annum/ motor vehicle/ motor cycle/power boat R80.00 Second motor vehicle /motor cycle
Pensioners(age 60years)	R40.00 for1 ticker per family	R40.00 for1 ticker per

	Metsimaholo workers and Councillors with proof	R60.00 for 1 ticket per family	family R90.00 for 1 ticket per family
	Non-residents registered power boat/caravan owners	R360.00per annum per vehicle/ power boat	R720.00per annum per vehicle/ power boat
	Non-residents second vehicle	R360.00	R720.00
	Entrance fees(Day visit) Season ticket holders	Free (vehicle& 6 passengers, 1 visit per day)	Free (vehicle& 6 passengers, 1 visit per day)
(h)	<u>Moses Kotane Stadium Athletics</u>		
	In-house school sport		
	Morning	R262.50	R314.21
	Afternoon	R262.50	R314.21
	Lights to switch on first 2 hours	R210.00	R251.37
	Then per half hour	R84.00	R100.54
	Practice session	R105.00/ school/season	R105.00/ school/ season
	Soccer:		
	Schools	R210.00/ school/season	R251.37/ school/ season
	Other soccer games	15% of entrance fee minimum of	15% of entrance fee minimum of
	Morning	R262.50	R314.21
	Afternoon	R262.50	R314.21
	Evening	R262.50	R314.21
Lights to switch on first 2 hours	R210.00	R251.37	
Then per half hour	R84.00	R100.54	
Practice inside stadium	R157.50 /hour	R157.50 /hour	
Coaching development team and soccer clinics	R84.00 per occasion	R84.00 per occasion	
Practice outside fields	R157.50/seas on twice weekly	R157.50/season twice weekly	
Schools	R126.00/seas on twice weekly	R126.00/season twice weekly	
Social games	R157.50 per occasion	R157.50 per occasion	
Other facilities			
Netball/Basketball and Tennis			

Morning session	R84.00	R84.00
Afternoon session	R84.00	R84.00
Stadium Hall		
Sport clubs and cultural groups (by pre-arrangement)	R84.00	R100.54
Residents: Meetings	R84 per hour	R100.54per hour
Non residents: Meetings	R200.00per hour	R200.00per hour
Functions Churches and schools	R360.00 Half price	R430.92 Half price
Non sporting events Inside the stadium		
Entrance income	15%	15%
Refundable Damage fee	R1 575.00 15% of entrance fee minimum of	R1 575.00 15% of entrance fee minimum of

(i)	Fire and Rescue	2010/2011	2011/2012
	Flat rate per month except indigents		
	Domestic		R20.00
	Small Business		R36.00
	Industrial		R120.00
	Vacant properties		R24.00
	OR		
I	<i>Extinguishing of fires (excluding grass-bush and rubbish fires)</i>		
(a)	Call out fee		
	Industrial Fire (High Risk)	R1050.00	R1 100.00
	Industrial Fire (Low Risk)	R525.00	R550.00
	Residential	R262.50	R300.00
	Institutions	R262.50	R300.00
	Public Assembly	R262.50	R300.00
	Commercial	R262.50	R300.00
	Storage	R262.50	R300.00
	Shack or Informal housing (Flat rate) all costs included	R50.00	R60.00
	Heavy Motor Vehicle Fire	R262.50	R300.00
	Motor Vehicle, Motor Bike, trailer with content	R100.00	R120.00
	Lamp or Electrical Poles (Council property excluded)	R100.00	R120.00
	Transformers (Council property excluded)	R250.00	R300.00
(b)	Personnel		
	Per Senior Officer	R136.50	R150.00
	Per Officer	R115.50	R130.00
	Per Senior Fireman	R105.00	R120.00

	Per Fireman (Times to be calculated from the time that the personnel left the Station until the fire has been reported as extinguished).	R84.00	R100.00
(c)	Vehicles Per vehicle or per fire pump per hour or part thereof calculated from the time that the vehicle has left the Station until the fire has been reported extinguished.	R385.75	R400.00
(d)	Material used Real cost of the fire extinguishing material used including VAT and as certified by the Chief Fire Officer plus 20%.		
II	<u>Grass, bush and rubbish fires</u>		
(a)	Rubbish Fires Bales of feed or Hay stack (up to 50 cubic meters) Bales of feed or Hay stack (more than 50 cubic meters)	R262.50 R525.00 R1 050.00	R300.00 R600.00 R1 200.00
(b)	Personnel Per Senior Officer Per officer Per Senior Fireman Per Fireman (Times to be calculated from the time that the personnel left the Station until the fire has been reported as extinguished)	R92.40 R115.50 R105.00 R84.00	R150.00 R130.00 R120.00 R100.00
(c)	Vehicles Per vehicle or per fire pump per hour or part thereof calculated from the time that the vehicle has left the Station until the fire has been reported extinguished.	R385.75	R400.00
(d)	Material used Real cost of the fire extinguishing material used including VAT and as certified by the Chief Fire Officer plus 20%.		
III	<u>Special services (Dangerous goods etc).</u>		
(a)	Call out Fee	R1 050.00	R1200.00
(b)	Personnel Per Senior Officer Per officer Per Senior Fireman Per Fireman	R168.00 R210.00 R189.00 R147.00	R200.00 R250.00 R220.00 R180.00
(c)	Vehicles Where the services of a Fire Pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed.	R735.00	R800.00
	Per kilometre (Travelled to and from the time of pump per hour)	R6.30	R8.00
	Per portable pump (Real working time of pump per hour) Per Fire Hose (per hour of part thereof) Per ladder used per call Real cost (VAT) inclusive for consumable material used plus 20% as certified by the Chief Fire Officer. For the protection or rescue of life, no fees to be charged.	R105.00 R21.00 R105.00	R130.00 R25.00 R130.00

IV	<u>Protection services (Standby Services)</u> Where the presence of the Fire Department is compulsory with Fire pump and crew, the company responsible for the situation will be liable for the account.		
(a)	Call out Fee	R1 050.00	R1 200.00
(b)	Personnel Per Senior Officer Per officer Per Senior Fireman Per Fireman	R273.00 R231.00 R210.00 R168.00	R300.00 R280.00 R250.00 R200.00
(c)	Vehicles Where the services of a Fire Pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed. Per kilometre (Travelled to and from the incident per utility vehicle) Per portable pump (Real working time of pump per hour) Per Fire Hose (per hour of part thereof) Per ladder used per call Real cost (VAT) inclusive for consumable material used plus 20% as certified by the Chief Fire Officer.	R735.00 R6.30 R105.00 R21.00 R105.00	R800.00 R8.00 R130.00 R25.00 R130.00
V	<u>Filling of swimming pools and water tanks</u> Hydrants must be within 90m from swimming or tank basic levy Per Fire Hose per hour period or part thereof	R525.00 R21.00	R250.00 R25.00
	Per Officer Per Senior Fireman Per Fireman Per kilometre (calculated to and from the address per utility vehicle) If a fire truck is required per hour or part thereof	R231.00 R210.00 R168.00 R6.30 R735.00	R130.00 R120.00 R100.00 R8.00 R400.00
	The cost of the water as per ruling levy on residences on Sundays and Public holidays.	(Double the normal tariffs)	(Double the normal tariffs)

VI	<u>Other Services</u>		
(a)	Attendance of Fireman in terms of section 14 of the standard by-laws relating to Fire Brigade Services: Per entertainment, recreation meeting or other event provided that in the case of any variety entertainment or stage show conducted on schools premises or in a public hall in aid of school funds, no charges shall be charged for the attendance of a Fireman. Per Officer Per Senior Fireman Per Fireman	R210.00 R231.00 R210.00 R168.00	R300.00 R280.00 R250.00 R200.00

(b)	Pumping of water from property:		
1	Light pump with a capacity of up to 1125 l/min per hour or part thereof	R735.00	R800.00
2	Medium pump with a capacity of up to 2250 l/min per hour or part thereof	R735.00	R800.00
3	Heavy pump with a capacity of up to 4500 l/min per hour or part thereof	R735.00	R800.00
	Per Officer	R231.00	R250.00
	Per Senior Fireman	R210.00	R230.00
	Per Fireman	R105.00	R130.00
(c)	Using Compressor per hour or part thereof	R57.75	R60.00
	Per Officer	R231.00	R250.00
	Per Senior Fireman	R210.00	R210.00
	Per Fireman	R168.00	R200.00
(d)	Emergency Rescue unit per hour or part thereof		
	Per Officer	R231.00	R231.00
	Per Senior Fireman	R210.00	R230.00
	Per Fireman	R168.00	R200.00
(e)	Any other duty not mentioned under item VI per hour or part thereto		
	Where the services of a Fire pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed).	R735.00	R800.00
	Per kilometre (Travelled to and from the incident per utility vehicle)	R6.30	R8.00
	Per Officer	R231.00	R250.00
	Per Senior Fireman	R210.00	R230.00
	Per Fireman	R168.00	R200.00
(f)	Firebreaks per hour or part thereof	R525.00	R550.00
	Where the services of a Fire pump is needed (per hour or part thereof calculated from the time the vehicle left the station until the service is reported to be completed).	R385.75	R400.00
	Per Officer	R231.00	R250.00
	Per Senior Fireman	R210.00	R230.00
	Per Fireman	R168.00	R200.00
(g)	Special Service		
	Refilling of cylinders(SCBA)	R35.00 per cylinder	R35.00 per cylinder
	Issuing of Dangerous Goods Certificate	R250.00 per unit (yearly)	R250.00 per unit (yearly)
	Issuing of Fire Certificate in business	R250.00 per business (yearly)	R250.00 per business (yearly)
	Basic Fire Fighter Training	R250.00 per person	R300.00 per person
	Renting of Lecture Room	R300.00 per Morning	R350.00 per Morning

Renting of Lecture Room Extra hour Kitchen use	session R300.00 per afternoon session R100.00 R100.00	session R350.00 per afternoon session R100.00 R100.00
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Traffic Services		2010/2011	2011/2012
<i>Abnormal loads escorts and excavations</i>			
	Per Officer (Per hour or part thereof)	R105.00	R120.00
	Per Officer Overtime (Per hour or part thereof)	R231.00	R250.00
(a)	Sport Meetings		
	Per Officer (Per hour or part thereof)	R157.50	R180.00
	Per Officer Overtime (Per hour or part thereof)	R236.25	R250.00
(b)	Impounded Vehicles		
	Hitching of vehicles	R472.50	R500.00
	Towing of the vehicle	R315.00	R350.00
	Tracing of the owner	R787.50	R800.00
	Storage Fees(per day including first and last day)	R210.00	R80
(c)	Erection of posters DEPOSIT	0	R250
	COST PER POSTER	0	R10
(d)	Street Trading		
	OUTSKIRTS	R40 pm	R100 pm
	CBD	R60 pm	R150 pm

TABLE 74: SUNDRY TARIFFS-HOUSING AND PLANNING

DIVISION	R 2010/11	R 2011/12
Economic Development		
NO tariffs recommended		
Leases - General: Rental arrangements as agreed per contract	Contractual	Contractual
Containers at Zamdela Taxi Rank	R115.00 p.m.	R120.00 p.m.
Housing and Property Management Services		
Leases - General: Rental arrangements as agreed per contract	Contractual	Contractual
<u>Thembaletu Hostel (141 x 101,02 m² units)</u>		
Block A - 24 x units (shower & bath)	R1`000.00 p.m.	R1`100.00 p.m.
Block B - 18 x units (shower & bath)	R1`000.00 p.m.	R1`100.00 p.m.
Block C - 24 x units (shower)	R900.00 p.m.	R990.00 p.m.
Block D - 18 x units (shower)	R900.00 p.m.	R990.00 p.m.
Block E - 30 x units (shower)	R900.00 p.m.	R990.00 p.m.
Block F - 9 x units (shower)	R900.00 p.m.	R990.00 p.m.
Block F - 18 x units (shower)	R900.00 p.m.	R990.00 p.m.
Single Units - 18 x beds (6 x flats with 3 x bedrooms) (Other)	R400.00 p.m.	R440.00 p.m.
Tuck shop / Churches (62 m ²)	R75.00 p/day	R80.00 p/day
Tuck shop / Milk depot (13 m ²)	R70.00 p.m.	R75.00 p.m.
Tuck shop / F Shai (22 m ²)	R150.00 p.m.	R165.00 p.m.
Tuck shop / M Kok (22 m ²)	R150.00 p.m.	R165.00 p.m.
Tuck shop / L Tau (22 m ²)	R150.00 p.m.	R165.00 p.m.
Tuck shop / Dry Cleaners (37 m ²)	R150.00 p.m.	R165.00 p.m.
Tuck shop / Hair Saloon (41 m ²)	R150.00 p.m.	R165.00 p.m.
Tuck shop / Upholsterer (46 m ²)	R150.00 p.m.	R165.00 p.m.
Tuck shop / Dressmaking (80 m ²)	R150.00 p.m.	R160.00 p.m.
Tuck shop / Crèche (197 m ²)	R65.00 p.m.	R70.00 p.m.
Tuck shop / Video Shop (207 m ²)	R170.00 p.m.	R185.00 p.m.
<u>HOSTELS</u>		
Hostel 1 = 377 units Hostel 2 = 330 units Hostel 3 = 389 units Hostel 4 = 112 units Phomolong = 40 units		
Fixed Hostel Rent / Tariff of R135.00 plus water consumption;	<i>R135.00 p.m(rent) plus water consumption</i>	<i>R140.00 p.m(rent)plus R150.00 p.m water consumption</i>

<p>Fixed Hostel Rent / Tariff for purposes of a maximum of 4 single persons sharing a rental unit, that each single should contribute individually and that the rental amount of R135.00 pm. plus water consumption be divided by the number of persons sharing / occupying the unit)</p>	<p><i>Status quo to be maintained</i> <i>R135.00 p.m(rent)plus Water consumption</i> <i>Divided by number of people sharing</i></p>	<p><i>R140.00 p.m plus R150.00 p.m Water consumption</i> <i>Divided by number of people sharing</i></p>
<p>CRU(Community Residential Units) Bachelor 1 x Bedroom 1.5 Bedroom 2 x Bedroom 3 x Bedroom</p>		<p><i>R336.88</i> <i>R449.17</i> <i>R561.46</i> <i>R711.19</i> <i>R954.49</i></p>
<p>CRU(Register as IGG) Bachelor 1 x Bedroom 1.5 Bedroom 2 x Bedroom 3 x Bedroom</p>		<p><i>Indigent<</i> <i>R151.36</i> <i>R185.52</i> <i>R297.81</i> <i>R410.10</i> <i>R559.83</i> <i>R803.13</i></p>
<p>CRU Tenants above CRU income categories) Bachelor 1 x Bedroom 1.5 Bedroom 2 x Bedroom 3 x Bedroom</p>		<p><i>R3500- R4000+10%</i> <i>R437.94</i> <i>R583.92</i> <i>R729.90</i> <i>R924.54</i> <i>R1 240.83</i></p>
<p>CRU Tenants above CRU income categories) Bachelor 1 x Bedroom 1.5 Bedroom 2 x Bedroom 3 x Bedroom</p>		<p><i>R4001- R5000+13%</i> <i>R569.32</i> <i>R759.10</i> <i>R948.87</i> <i>R1 201.90</i> <i>R1 613.08</i></p>
<p>CRU Tenants above CRU income categories) Bachelor 1 x Bedroom 1.5 Bedroom 2 x Bedroom</p>		<p><i>R5 001 and> +15%</i> <i>R740.12</i> <i>R986.83</i> <i>R1 233.53</i> <i>R1 562.47</i></p>

3 x Bedroom		R2 097.01
ALIENATION OF LAND		
Temporary allocation of land not exceeding 21 days (such Circuses / Churches for spiritual revivals / church outreaches)	R25.00 / day	R30.00 / day
Temporary leases for parking purposes on open portions of land	R4.39/per day per parking bay of 40 m ²	R5.00per day per parking bay of 40 m ²
Cattle owners Leases - grazing	R210.00 (Two Hundred & Ten Rand – VAT Included) per month, for each person	R220.00 pm per cattle owner
Urban Planning		
Rezoning	R320.00 / application	R320.00 / application
Subdivision	R320.00 / application	R320.00 / application
Consolidation	R320.00 / application	R320.00 / application
Consent uses	R2`100.00 / application	R2`100.00 / application
Zoning Certificates	R110.00 / application	R110.00 / application
Building Plan: Approval Fee	R260.00 / application	R260.00 / application
	R16.00 / 10m for the first 1`000 m	R16.00 / 10m for the first 1`000 m
	R14.00 / 10m for the following 1`000 m – namely 1`001 to 2`000 m	R14.00 / 10m for the following 1`000 m – namely 1`001 to 2`000 m
	R12.00 / 10m for the following 1`000 m – namely 2`001 m to 2`999 m	R12.00 / 10m for the following 1`000 m – namely 2`001 m to 2`999 m

Internal alterations on building plans	R260.00	R260.00
Swimming pools	R260.00	R260.00
Shade nets	R260.00	R260.00
Boundary walls	R260.00	R260.00
Permits	R260.00	R260.00
Signage	R260.00	R260.00
Inspection fee (farms / plots)	R420.00 / plan	R420.00 / plan
Building clause certificates	R260.00	R260.00
Billboards	R32.00 / m ²	R32.00 / m ²
Encroachments fees	<i>To be determined</i>	<i>To be determined</i>
Penalties	<i>To be determined</i>	<i>To be determined</i>
PAVEMENT DEPOSIT	<i>R50</i>	<i>R500</i>

4.3.2 OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2011/12 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2011/12 budget and MTREF (classified per main type of operating expenditure):

TABLE 75: 2011/12 MTREF - OPERATING EXPENDITURE BY TYPE

Operating expenditure by type	Adjusted Budget	Medium Term Revenue and Expenditure Framework (MTREF)		
	2010/11 R'000	2011/12 R'000	2012/13 R'000	2013/2014 R'000
Employee related costs	161 640	177 844	256 928	270 903
Remuneration of councillors	10 769	12 402	13 416	13 390
Bad debts	40 000	42 000	45 000	47 000
Repairs and maintenance	35 252	33 782	36 711	41 137
Bulk purchases-electricity	98 852	119 211	147 476	184 345
Bulk purchases-water	66 114	86 631	93 542	101 005
Contracted services	12 432	17 312	18 158	19 134
General expenses	120 858	141 583	151 698	156 241
Depreciation	18 848	45 037	47 961	50 685
	564 765	675 802	810 890	883 840

The budgeted allocation for employee related costs for the 2011/11 financial year totals R177.8 million, which equals 26.3% of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 7 per cent for the 2011/12 financial year. As part of the Municipality's cost reprioritization and cash management strategy vacancies have been significantly rationalized downwards. As part of the planning assumptions and interventions all vacancies were originally removed from the budget

The settlement reached by the SALGBC parties in the salary dispute resulted in a further financial implication on this area of expenditure. It should be noted that the total financial implication could not be determined as the applicable municipal wage curve (representing equal pay for equal work at all municipalities in South Africa) has not been finalised.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office

Bearers Act, 1998 (Act 20 of 1998). Provision is made for 6 additional Councillors as well as for the Chief Whip who will be a full time Councillor after the 2011 local government elections.

The provision of debt impairment was determined based on an annual collection rate of 90%. For the 2011/11 financial year this amount equates to R42 million and escalates to R47 million by 2013/14. 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 budget in this regard total R45 million for the 2011/12 financial and equates to 6.7% of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard is not done yet and can bring a range of assets previously not included in the assets register onto the register. This can result in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital) that is loans and finance leases. Finance charges make up 3.7% (R24.8 million) of operating expenditure excluding annual redemption for 2011/12 and increases in loans by 2013/14.

Bulk purchases are directly informed by the purchase of electricity from Eskom and water from Rand Water. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has 17.9% for 2011/12 and curbed at 6% and 3% for the two outer years.

4.3.3 CAPITAL EXPENDITURE FRAMEWORK

One of the main intentions of the 2011/12 IDP process was the refinement of not only the strategic planning process as discussed in Chapter 3, but also the implementation and project identification processes. Emphasis was placed on improved linkages between existing community needs and the identification and funding of projects.

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

TABLE 76: 2011/12 MTREF - DRAFT THREE YEAR CAPITAL BUDGET REQUIREMENTS

	2011/12	2012/13	2013/14
	R'000	R'000	R'000
<i>KPA1: Good governance and community participation</i> Office of the Municipal Manager	1 541	658	592
<i>KPA2: Municipal transformation & institutional development</i> Organisational Development & Corporate Services	4 628	558	379
<i>KPA3: Community development and social cohesion</i> Social Services	17 151	18 418	58 030
<i>KPA4: Basic service delivery and infrastructure investment</i> Technical Services	123 876	66 573	57 000
Roads and storm water	27 950	1 820	1 000
Sanitation	9 673	28 227	26 088
Water provision	37 464	21 844	5 250
Electricity provision	9 109	14 682	24 662
Mechanical workshop	8 000		
Administration	31 680	0	0
<i>KPA5: Financial viability and financial management</i> Financial Services	528	1 206	554
<i>KPA6: Basic service delivery and infrastructure investment</i> Economic Development and Planning	130 503	25 000	7 500
Housing and property	129 000	25 000	6 000
Economic development	3	0	0
Urban planning	1 500	0	1 500
TOTAL	278 227	112 413	124 055

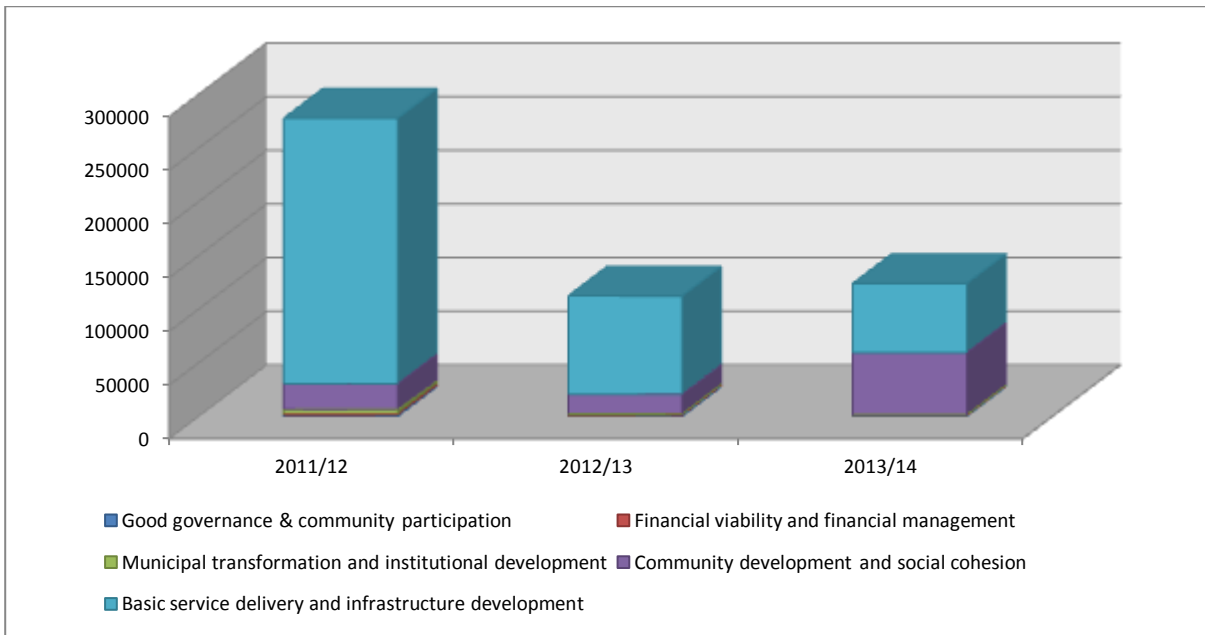


FIGURE 49: 2011/12 MTREF - CAPITAL BUDGET PER MUNICIPAL KPA

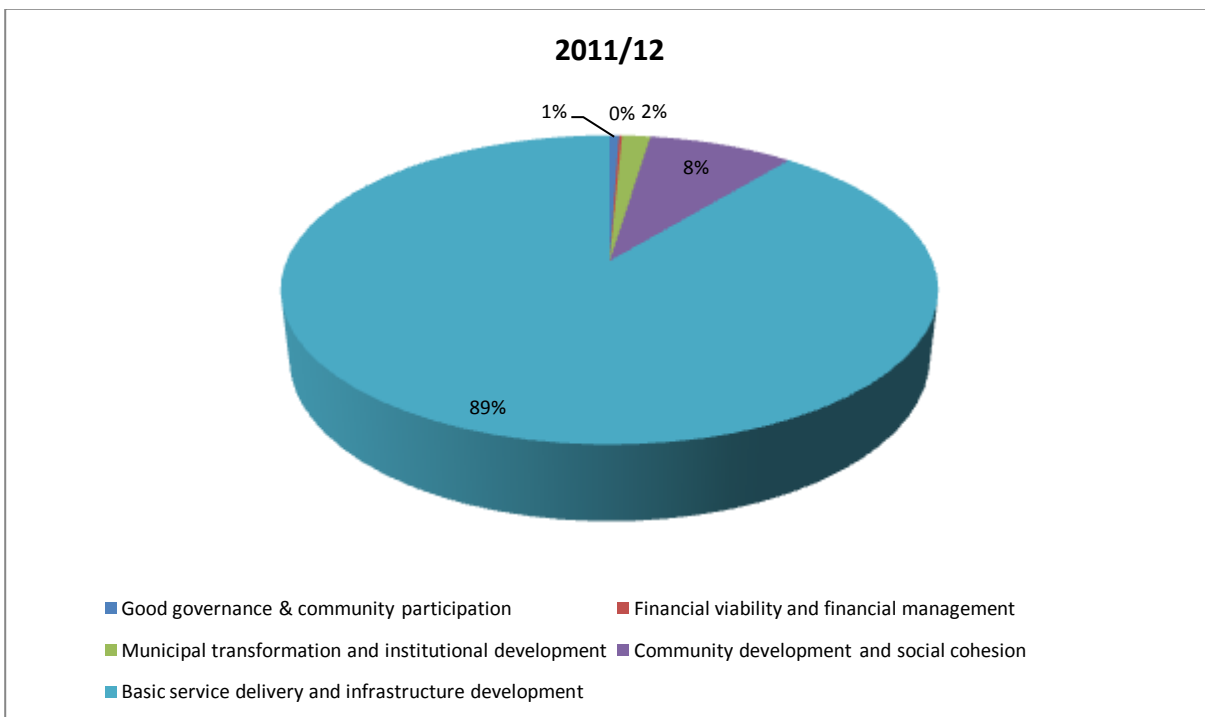


FIGURE 50: 2011/12 CAPITAL BUDGET PER MUNICIPAL KPA

CAPITAL FUNDING SOURCES

The municipality is reliant for funding from government grants and subsidies to sustain its capital investment and infrastructure delivery programme.

Government grants and subsidies from the National and Provincial spheres, as well as District Municipality, constitute 62.9% of the total capital funding in 2011/2012.

Loans constitute 14.4% of the total capital funding and must be financed via tariff increase.

Capital from internally generated funds (accumulated surplus) will only be used based on the availability of cash.

TABLE 77: 2011/12 MTREF - CAPITAL FUNDING SOURCES

Funding Sources	2011/2012	2012/2013	2013/2014
	R'000	R'000	R'000
Grants and subsidies:	178 668	81 816	69 913
Department of Energy	2 000	5 000	13 000
Municipal Infrastructure Grant	36 901	44 867	47 465
Human Settlements	131 000	0	1 500
Land Affairs	0	25 000	5 000
Provincial Government	124	11	0
DWAF	3 000	0	0
District Municipality	5 643	6 938	2 948
Public contributions & donations:	15 500	0	0
Rand Water	500	0	0
Omnia	15 000	0	0
Borrowing (external loans)	47 000	0	0
Internally generated funds	37 060	30 207	54 142
Total Capital Funding	278 227	112 023	124 055

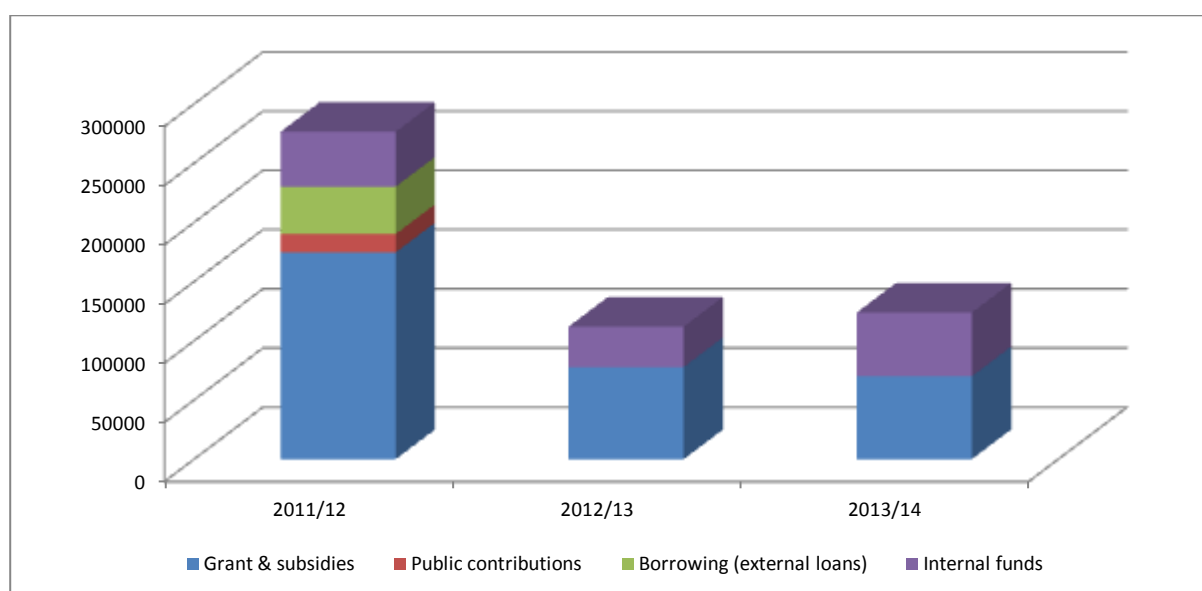


FIGURE 51: 2011/12 MTREF - CAPITAL FUNDING SOURCES

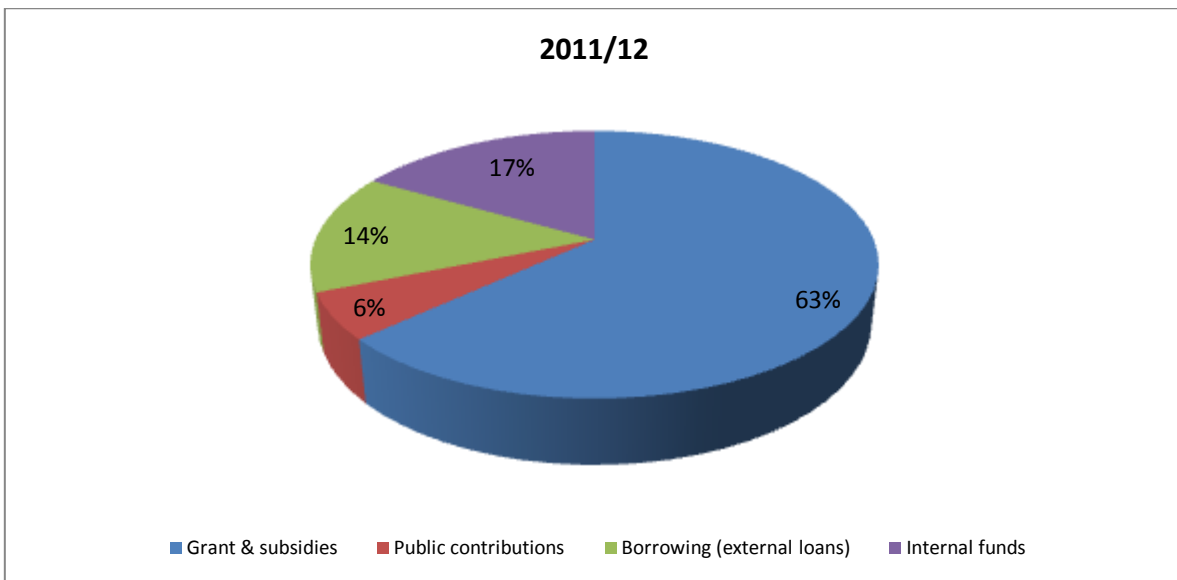


FIGURE 52: 2011/12 CAPITAL BUDGET FUNDING SOURCES

CAPITAL PROJECTS**Projects supporting KPA1: Good governance and community participation**

TABLE 78: CAPITAL FUNDING ALLOCATIONS-GOOD GOVERNANCE AND COMMUNITY PARTICIPATION

IDP priority	Project name	Wards	2011/12	2012/13	2013/14
Corporate and democratic governance	Internal audit: Teammate licence & maintenance fees	ALL	20 000	0	0
Institutional and capacity development	Supply chain management (various)	ALL	204 000	65 000	18 000
	Security services	ALL	712 000	0	0
	Information technology	ALL	605 000	593 400	574 400
			1 541 000	658 400	592 400

Projects supporting KPA2: Financial viability and financial management

TABLE 79: CAPITAL FUNDING ALLOCATIONS-FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT

IDP priority	Project name	Wards	2011/12	2012/13	2013/14
Financial liquidity and viability	Upgrading pay points	ALL	500 000	400 000	550 000
	New pay point (Harry Gwala)	13	0	800 000	0
	Equipment (various)	ALL	28 000	6 000	4 000
			528 000	1 206 000	554 000

Project supporting KPA3: Municipal transformation and institutional development

TABLE 80: CAPITAL FUNDING ALLOCATIONS-MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

IDP priority	Project name	Wards	2011/12	2012/13	2013/14
Institutional and capacity development	Equipment (various)	ALL	3 279 170	58 400	77 930
			3 279 170	58 400	77 930

Projects supporting KPA4: Community development and social cohesion

TABLE 81: CAPITAL FUNDING ALLOCATIONS-COMMUNITY DEVELOPMENT AND SOCIAL COHESION

IDP priority	Project name	Wards	2011/12	2012/13	2013/14
Refuse removal	Maintenance: road cleaning & parking zones	ALL	450 000	300 000	150 000
	Capital works-landfill sites	ALL	350 000	200 000	5 080 000
	Dumping sites	ALL	2 100 000	3 770 000	20 300 000
	Transfer station: Sasolburg	ALL	533 000	2 068 000	6 450 000
			3 433 000	7 238 000	31 830 000
Safety and security	Fire protection services (fire & rescue equipment)	ALL	8 345 180	10 309 880	14 687 280
	Disaster provision	ALL	500 000	0	0
	Traffic equipment	ALL	1 498 000	214 000	220 000
			10 744 180	10 523 880	14 907 280
Sports, recreation and community facilities	Parks and playgrounds	ALL	1 530 000	170 000	69 000
	Abrahamsrust	ALL	368 500	161 000	315 000
	Day visitors areas	ALL	250 000	100 000	100 000
	Etienne Rousseau theatre	ALL	258 000	100 000	95 000
	Community halls	ALL	58 500	29 250	29 250
	Stadiums	ALL	55 000	82 250	10 664 170
	Swimming pools	ALL	56 000	12 000	14 800
			2 576 000	654 500	11 287 220
Cemeteries	Refengkgotso cemetery	3&4	675 370	0	0
Education	Libraries	ALL	124 040	11 020	0
			17 151 590	18 027 400	58 030 500

Projects supporting KPA5: Basic service delivery and infrastructure investment

TABLE 82: CAPITAL FUNDING ALLOCATIONS-BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT

IDP priority	Project name	Wards	2011/12	2012/13	2013/14
Electricity provision	Network strengthening Phase 3	15-17	850 000	0	0
	Bulk supply (Amelia, Gortin & Mooibraai)	1	2 000 000	5 000 000	13 000 000
	High mast lights Phase 2 (Gortin/Zamdela)	1-13	250 000	0	0
	Upgrading main substation (Sasolburg)	15-17	850 000	4 500 000	5 500 000
	Upgrading network Phase 2 (Deneysville)	5,20	1 500 000	2 000 000	3 000 000
	Upgrading network Phase 2 (Oranjeville)	5	1 000 000	1 660 000	1 740 000
	Replace redundant streetlight fittings	ALL	130 000	136 500	144 000
	Replace distribution pillars	ALL	150 000	160 000	168 000
	Replacement of transformers	ALL	450 000	480 000	510 000
	Emergency generator	ALL	850 000	0	0
	Equipment (various)	ALL	1 079 100	745 000	600 000
	Automated Meter Reading system	ALL	11 000 000	0	0
			20 109 100	14 681 500	24 662 000
Roads and storm water	Construction of new roads and storm water Phase 1 (11 kms)	1,3,4,5,7,8,9,14&18	12 020 000	1 320 000	0
	Upgrading and resealing of roads	14,18	11 000 000	0	0
	Vaalpark taxi rank	14,18	3 500 000	0	0
	Naledi entrance alterations	14,18	1 200 000	0	0
	Street name boards	ALL	200 000	500 000	1 000 000
	Integrated Transport Plan	ALL	1 000 000	0	0
	Equipment (various)	ALL	29 700	0	0
			27 949 700	1 820 000	1 000 000
Sanitation provision	Replace gravitational outfall sewer	15,16,17	1 000 000	1 000 000	0
	Sewer network and toilets: 3257 stands (Amelia)	1	2 810 000	9 102 140	25 087 860
	Construction of sewer for 368 erven and upgrade plants (Metsimaholo x6)	5	2 000 000	18 000 000	1 000 000
	Sewer connetions RDP	1,6	2 000 000	0	0
	Purchasing of various pumps	ALL	1 643 000	125 000	0
	Purchasing of various equipment	ALL	220 000	0	0
			9 673 000	28 227 140	26 087 860
Water provision	Water demand conservation plan	ALL	1 000 000	0	0
	Ringfeed industrial (Sasolburg)	15,16,17	15 000 000	1 500 000	500 000
	Pressure red valves	ALL	0	1 000 000	0
	Ringfeed residential	ALL	0	400 000	400 000
	Augmentation of bulk supply-upgrading of purification works (6 500 erven)	3,4,5,20	18 705 530	18 944 460	4 350 000
	Bulk water supply to Amelia	1	490 000	0	0
	Building water purification lab	ALL	3 000 000	0	0
	Purchasing various pumps	ALL	268 200	0	0
			37 463 730	21 844 460	5 250 000
			95 195 530	66 573 100	56 999 860

IDP priority	Project name	Wards	2011/12	2012/13	2013/14
Housing	Delivery: Amelia, Moodraai and Mooiplaats	1,3,4	129 000 000	0	0
	Acquisition portion of sub 3,4, 6 & 7	ALL	0	5 000 000	0
	Acquisition portions of farm Hereward 409	ALL	0	0	1 000 000
	Acquisition of land (Zamdela)	2,6-13	0	20 000 000	0
	Acquisition of agricultural land – urban expansion (Deneysville)	5,20	0	0	5 000 000
				129 000 000	25 000 000
Land availability	Surveying of 2000 stands (Moodraai)	1	1 500 000	0	0
	Planning and surveying of 1000 erven (Moodraai)	1	0	0	1 500 000
			1 500 000	0	1 500 000
			130 500 000	25 000 000	7 500 000

Projects supporting KPA6: Local Economic Development and Poverty Alleviation

TABLE 83: CAPITAL FUNDING ALLOCATIONS-LOCAL ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION

IDP priority	Project name	Wards	2011/12	2012/13	2013/14
Local economic development	Brick and paving manufacturing plant	ALL			
	Poultry and piggery farming	ALL			
	Equipment	ALL	3 000	0	0
			3 000	0	0

CHAPTER 5: PERFORMANCE MANAGEMENT SYSTEM

5.1 INTRODUCTION

Performance Management refers to the application of activities to ensure that goals in the IDP are consistently being met in an effective and efficient manner. The overall aim of the Metsimaholo Local Municipality's (MLM) performance management system is to ensure that the organisation and all its subsystems are working together in an optimum fashion to achieve desired results. Achieving overall goals require several continuous activities, including identification and prioritisation of desired results, establishing means to measure progress towards those results, setting standards for assessing the achievements of results, tracing and measuring progress towards results, exchange feedback and in doing so continuously monitor and evaluate progress.

The MLM's Performance Management Framework is centrally informed by legislation, policy and regulations relevant to performance management in local government. The contents of relevant documentation provide a framework that local governments should comply with so as to ensure continuous development that will culminate in the improvement of quality of lives of local communities.

The purpose of this Chapter is to reflect on the implementation, monitoring and reporting of the IDP and SDBIP through the MLM's Performance Management System.

5.2 BACKGROUND

5.2.1 LEGISLATION

RSA CONSTITUTION

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

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

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

WHITE PAPER ON LOCAL GOVERNMENT (1998)

Within its governance framework, Government provides the tools to execute the above objects and developmental duties. The White Paper on Local Government (March 1998) states that integrated development planning, budgeting and performance management are to be seen as powerful tools which can assist municipalities to develop an integrated perspective on the development in their area. It will enable municipalities to focus on priorities within an increasingly complex and diverse set of demands and to direct resource allocation and institutional systems to a new set of development objectives. The White Paper (1998) further states that communities should be involved in the development of some municipal key performance indicators to increase the accountability of the municipality. Some communities may prioritise the amount of time it takes a municipality to answer a query; others will prioritise the cleanliness of an area or the provision of water to a certain number of households. Whatever the priorities, accountability is increased by involving the communities in setting key performance indicators and reporting back to them on the achievement of these indicators. This develops public trust in local governance and enhances accountability.

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

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

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

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

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

Section 42 requires that the community should be involved in the development, implementation and review of the PM System as well as the setting of KPIs for the municipality. MLM is currently investigating various possibilities of increasing community involvement in setting performance indicators and targets. It is envisaged that increased community participation in the planning stage will also improve participation in reviewing municipal performance.

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

In terms of auditing of performance measurements, Section 45 of the MSA states that the results of the performance measurement must be audited as part of the internal auditing processes and annually by the Auditor General. The MLM is investigating the possibility for a mid-year auditing process to be conducted. The performance report should reflect the development and service delivery priorities and performance targets in terms of the IDP of the municipality. Section 46

requires that the municipality prepare an annual report consisting of a (i) performance report, (ii) financial statements; (iii) audit report on financial statements; and (iv) any other reports in terms of legislative requirements. This report must be tabled within one month of receiving the audit report.

Section 43 authorises the Minister to prescribe general KPIs that every municipality must report on. The aim of the Local Government Municipal Systems Amendment Act, No 44 of 2003²⁹⁰ is, *inter alia*, to make provision for the additional assignment of functions and powers to municipalities and to provide for the submission of annual performance reports by municipalities. Section 46 of the Municipal Systems Amendment Act (2003) states that a municipality must prepare for each financial year a performance report reflecting:

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

MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS (2001)

In addition to the above legislation, the Municipal Planning and Performance Management Regulations (2001)²⁹¹ deal with the provision of a number of aspects of performance management. These aspects include the following:

- The framework that describes and represents the municipality's cycle and processes for the PM system and other criteria and stipulations [S7], and the adoption of the PM system [S8];
- The setting and review of Key Performance Indicators (KPIs) [S9 & 11];
- The General KPIs which municipalities have to report on [S10], including, amongst others households with access to basic services, low income households with access to free basic services, job creation in terms of the IDP, employment equity with target groups and the implementation of work skills plans;
- The setting of performance targets, and the monitoring, measurement and review of performance [S 12, 13];
- Internal Auditing of performance measurements [S14];
- Community participation in respect of performance management [S 15]

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

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

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

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

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

Section 9 states that key performance indicators including input indicators, output indicators and outcome indicators must be set in respect of each of the development priorities and objectives within the IDP. Key performance indicators must be measurable, relevant, objective and precise. A municipality must ensure that communities are involved when setting these indicators. The indicators must also inform the indicator set for administrative units and employees as well as municipal entities and service providers.

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

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

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

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

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

In addition, *Regulation 393 of 2009: Local Government Municipal Finance Management Act Municipal Budget and Reporting Regulation* was promulgated to provide information on the budget and budget related matters of municipalities. It indicates general provisions as well as budget-related policies required by municipalities. Annual budgets of municipalities and the format and funding for expenditure are also discussed in this Regulation. In addition, information on budget requirements and in-year reporting requirements also receives attention. Chapter 5 of the Regulation deals with the framework for unforeseen and unavoidable expenditure, whilst Chapter 6 focuses on unauthorised, irregular or fruitless and wasteful expenditure.

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

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

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

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

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

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

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

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

5.2.2 OUTCOMES APPROACH TO PERFORMANCE MANAGEMENT IN GOVERNMENT³⁵

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

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

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

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

³⁵ Guide to the Outcomes Approach. The Presidency. May 2010

According to the *Monitoring and Evaluation Framework in support of Cooperative Governance*³⁶, a new set of national Key Performance Indicators (KPIs) have been developed (see table below) and all provinces and key sector departments were consulted during this process. Although there is a need to have indicators for the different levels of the results chain, that is, inputs, activities, outputs, outcomes and impacts. There is however a need to have a set of national KPIs that address the reporting requirements for the local government sector at national level. The national KPIs will enable the reporting of local government performance at a strategic level. Line function departments will still need to continue to monitor their programmes as required by their mandate. Similarly, provinces and municipalities may still develop their own set of indicators which help measure the projects or programmes which are unique to their situation.

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

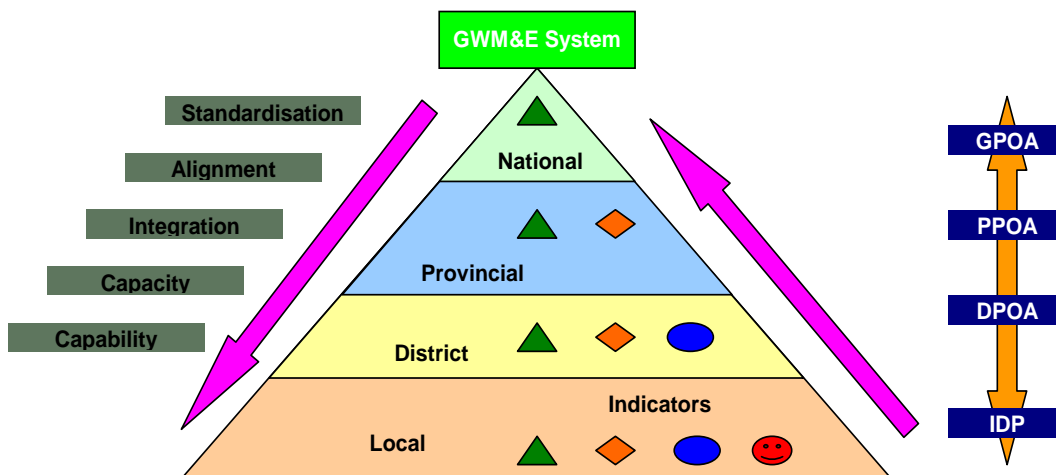


FIGURE 53: REPORTING REQUIREMENTS FOR THE THREE SPHERES OF GOVERNMENT

The draft national set of KPIs addresses both the reporting requirements in terms of existing legislation, the various programmes within the department including the LGTAS, the Ten Point Plan and the Minister’s Performance Agreement. Once approval is granted by the Minister, this set of national KPIs will be legislated to replace the seven currently found in the Municipal Planning and Performance Management Regulations of 2001. The reporting in terms of section 46, 47 and 48 of the Municipal Systems Act, 32 of 2000 (Act No. 32 of 2000) (MSA) will be informed by these national KPIs.

³⁶ Draft Monitoring and Evaluation Framework in support of Cooperative Governance. Department of Cooperative Governance. October 2010

Draft National KPIs for Local Government

TABLE 84: DRAFT NATIONAL KPIS FOR LOCAL GOVERNMENT

Indicators	Variables	Legislation
1. Critical posts filled by suitably qualified individuals	<ul style="list-style-type: none"> • % of critical posts filled by suitably qualified individuals • Meet 80%-100% of the job requirements • Acceptable outcome of the competency assessment • Positive reference check • Municipal manager post to be filled within 3 months after post has been vacated 	<ul style="list-style-type: none"> • Section 55 of the LG: Municipal Systems Act, 2000 (Act no. 32 of 2000) (MSA) • Competency Assessment Framework
2. Critical posts filled with signed performance agreements	<ul style="list-style-type: none"> • % of critical posts filled with signed performance agreements • Number of MMs with crisp and concise Performance Agreements • Conclude the performance agreement within three months after the appointment or beginning of new financial year 	<ul style="list-style-type: none"> • Section 55 of the LG: Municipal Systems Act, 2000 (Act no. 32 of 2000) (MSA)
3. Municipalities with a functional Organizational Performance Management System (OPMS)	<ul style="list-style-type: none"> • Number of municipalities with a functional OPMS • Number of municipalities that conduct quarterly reviews • Number of municipalities that report on performance in terms of section 46 of the MSA • Number of municipalities that take corrective action to improve performance 	<ul style="list-style-type: none"> • Chapter 6 of the Municipal Systems Act, 2000 (Act no. 32 of 2000)
4. Percentage of households with access to basic level of services	<ul style="list-style-type: none"> • Access to potable water • Access to electricity • Access to sanitation services • Access to refuse removal services • Kilometres of road constructed in a year • Number of schools with access to potable water • Number of schools with access to sanitation • A functional Waste Information System in place • Number of registered landfill/ waste disposal sites • Number of clinics with access to potable water • Number of clinics with access to sanitation services 	<ul style="list-style-type: none"> • Water Act • Environmental Management Act • RDP standards
5. Percentage of indigent households with access to free basic services	<ul style="list-style-type: none"> • An adopted and updated Indigent Register for the municipality. • Access to free basic water • Access to free basic electricity • Access to free basic sanitation 	<ul style="list-style-type: none"> • National Indigent Policy guidelines
6. Percentage of households with access to suitably located low cost and affordable housing	<ul style="list-style-type: none"> • Number of low cost houses allocated in a financial year • Number of informal settlements formalized • Hectares of municipal land released for low cost housing • Number of housing units allocated vs total 	

Indicators	Variables	Legislation
	number of houses built <ul style="list-style-type: none"> Number of households that have benefitted from the in-situ upgrading programme 	
7. Access to employment opportunities	<ul style="list-style-type: none"> Number of employment opportunities created as part of LED Number of employment opportunities created through other initiatives 	
8. Financial viability of municipalities	<ul style="list-style-type: none"> Unqualified audit reports Ratio of net current consumer debtors to annual property rates and service charge income % of municipalities with debtors of more than 50% of own revenue % of municipalities that are overspending on Operational budgets % of municipalities under-spending on Capital budgets % of municipalities spending less than 5% of Operational budget on repairs and maintenance Percentage of Municipal Systems Improvement Grant spent in that financial year. % of municipalities appropriately implementing the SCM Policy Number of municipalities with short to long term Asset Management Plans 	<ul style="list-style-type: none"> Municipal Finance Management Act GRAP 17
9. Level of good governance performance within municipalities	<ul style="list-style-type: none"> Number of municipalities with credible IDPs Timeous submission of Annual Report Action plan to address issues raised by the Auditor-General in the audit report A functioning performance audit committee Anti-corruption strategy implemented Establishment of an LLF with equal representation Number of LLF meetings held and resolutions taken 	<ul style="list-style-type: none"> Section 131 of the MFMA In terms of the Labour Relations Act, 66 of 1995 (Act no.66 of 1995)
10. Level of functionality of public participation systems with municipalities and traditional councils	<ul style="list-style-type: none"> % of functional Ward Committees Number of Community Development Workers deployed to your municipality. Number of community meetings held 	<ul style="list-style-type: none"> In terms of Section 73 of the Local Government: Municipal Structures Act
11. Improved spatial planning and land use management	<ul style="list-style-type: none"> An adopted Spatial Development Framework Number of municipalities with by-laws on Land Use Management 	<ul style="list-style-type: none"> National Spatial Development Perspective
12. Level of functionality of the Intergovernmental Relations Forum	<ul style="list-style-type: none"> Functional established district IGR Fora Number of IGR meetings convened Municipalities implementing the shared services model 	<ul style="list-style-type: none"> Established in terms of Section 24 & 25 of the IGRF Act, 2005 (Act no. 13)
13. Level of implementation of Municipal	<ul style="list-style-type: none"> Establishment of a DM Centre Head of centre appointed Conduct a Risk and Vulnerability Assessment 	<ul style="list-style-type: none"> In terms of Chapter 5 of the Disaster Management Act, 2002 (Act no. 57 of

Indicators	Variables	Legislation
Disaster Management	<ul style="list-style-type: none"> • Development of a Disaster Management Plan • Establishment of a Disaster Management Forum • A functional ICT System in place • Number of disasters prevented, mitigated and level of preparedness. 	2002).

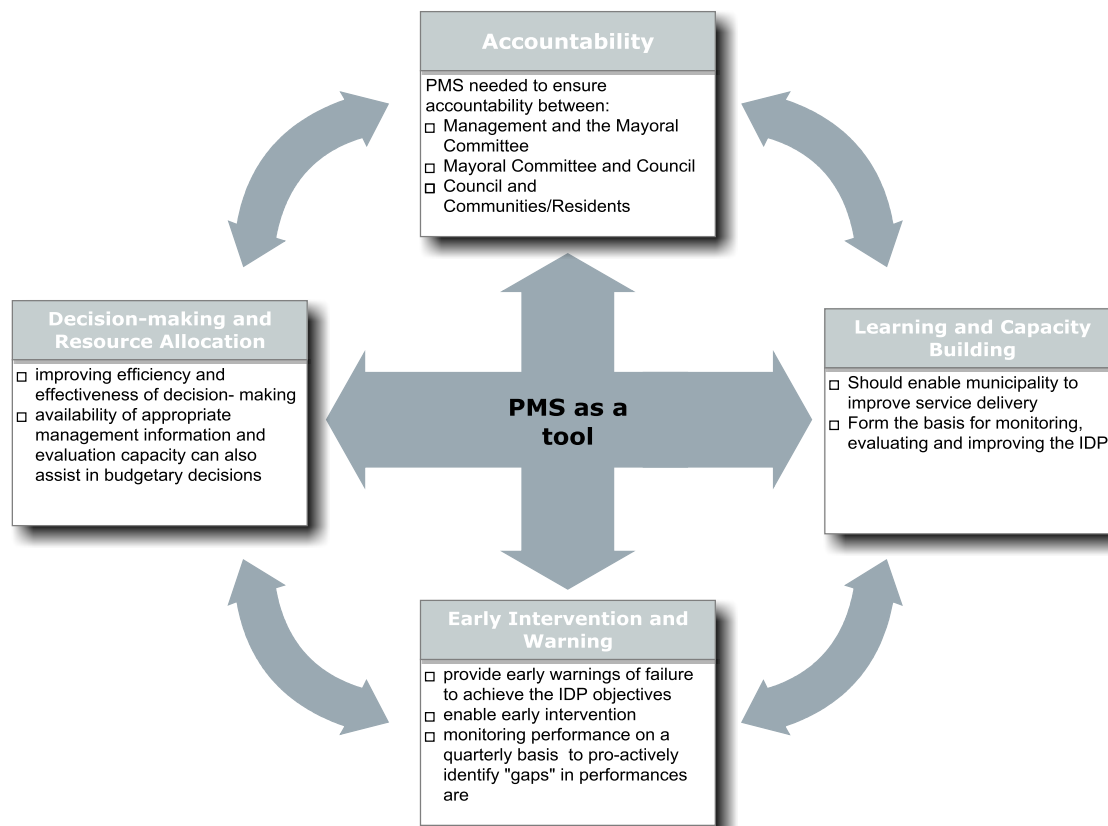
5.3 OVERVIEW OF PERFORMANCE MANAGEMENT IN THE MUNICIPALITY

5.3.1 POLICY FRAMEWORK

On 31 March 2011 the Council adopted a Revised Performance Management Framework regulating the performance management system in the municipality. The framework provides guidelines on the development and implementation of the organisational performance management system.

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

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



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

FIGURE 54: FUNCTIONS OF A PERFORMANCE MANAGEMENT SYSTEM

5.3.2 APPROACH TO PERFORMANCE MANAGEMENT

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

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

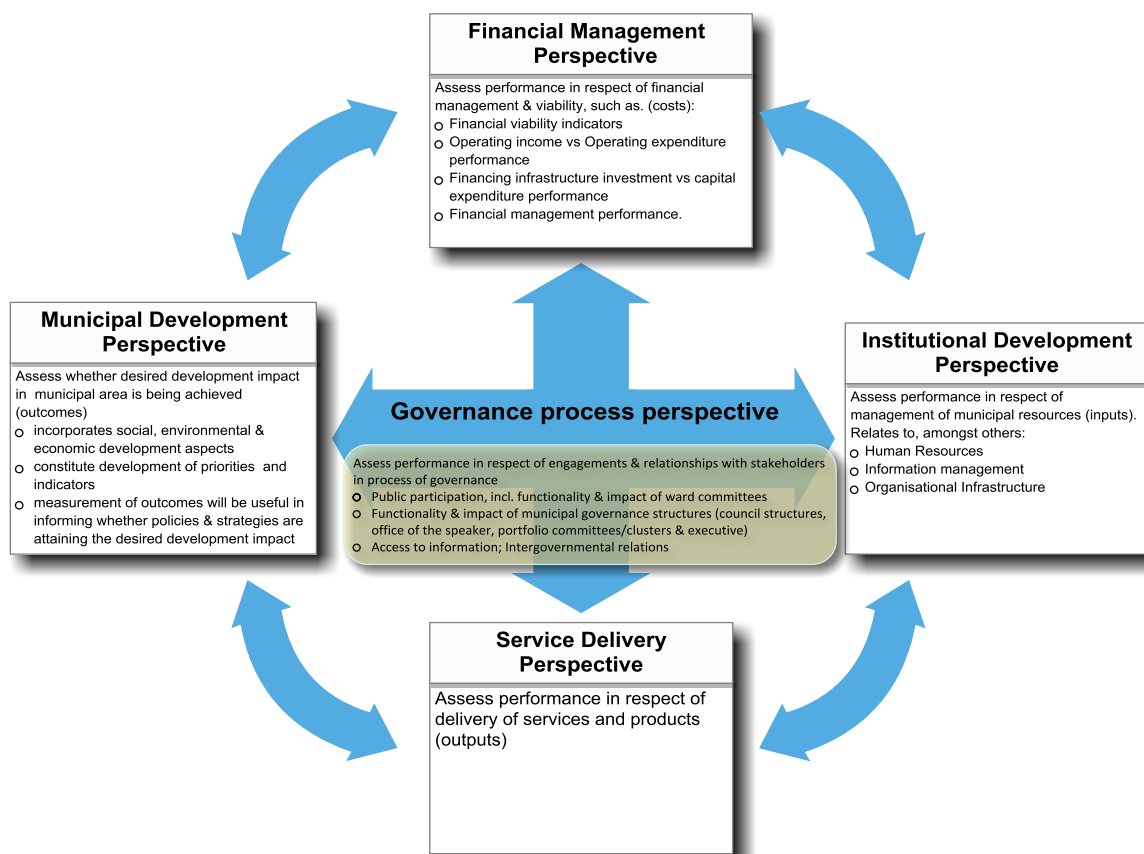
The Balanced Scorecard performance model required the use of scorecards as a systematic approach to assessing internal results while probing the external environment. This Model groups its indicators into four perspectives: financial perspectives, customer perspective, internal perspective and learning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

The Municipal Scorecard

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

A Municipal Scorecard Model is a balanced scorecard adapted for measuring key performance on developmental areas that are relevant to municipal service delivery and the public sector. This municipal scorecard model groups indicators together under the 5 Year Local Govt Strategic Agenda Key Performance Areas (KPA's). There are five KPA's that municipalities are required to align their strategic planning on and these cut across every functional area of a municipality. The municipal scorecard measures a municipality's performance through grouping the municipal indicators under these perspectives:

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



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

FIGURE 55: MUNICIPAL SCORECARD

The Municipal Development Perspective

In this perspective, the municipality will assess whether the desired development impact in the municipal area is being achieved. It incorporates social, environmental and economic development aspects. This perspective will constitute the development of priorities for the municipal area and indicators that tell us whether the desired development outcomes are being achieved. It is expected that the development priorities and indicators, will often lie within the shared accountability of the municipality, other spheres of government and civil society. The measurement of developmental outcomes in the municipal area will be useful in informing whether policies and strategies are attaining the desired development impact.

The Service Delivery Perspective

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

The Institutional Development Perspective

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

- Human Resources
- Information
- Organisational Infrastructure
- Asset management

This relates to the inputs of the municipality

The Financial Management Perspective

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

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

Governance Process Perspective

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

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

5.3.3 PLANNING, MONITORING, REPORTING AND REVIEW OF PERFORMANCE MANAGEMENT

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

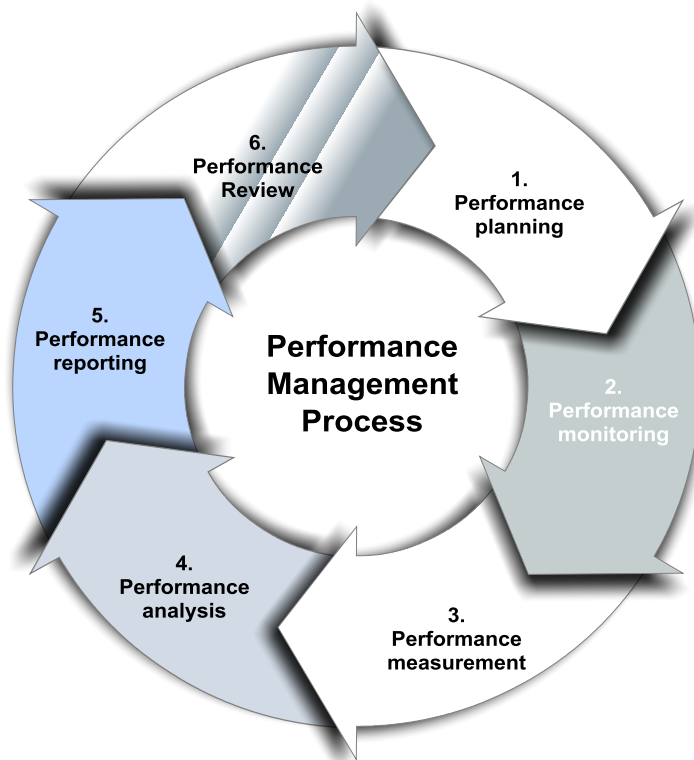


FIGURE 56: PERFORMANCE MANAGEMENT CYCLE

PERFORMANCE PLANNING

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

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

PERFORMANCE MONITORING

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

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

PERFORMANCE MEASUREMENT

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

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

PERFORMANCE ANALYSIS

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

PERFORMANCE REPORTING AND REVIEW

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

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

TABLE 85: PMS - PERFORMANCE REPORTING REQUIREMENTS

Report type	Description
Monthly / Quarterly IDP and SDBIP reporting	<p>The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process.</p> <p>The SDBIP information on revenue will be monitored and reported monthly by the municipal manager in terms of Section 71(1)(a) and (e). For example, if there is lower than anticipated revenue and an overall cash shortage in a particular month the municipality may have to revise its spending downwards to ensure that it does not borrow more than anticipated. More importantly, such information requires the municipality to take urgent remedial steps to ensure it improves on its revenue- collection capacity if the municipality wants to maintain its levels of service delivery and expenditure.</p> <p>Section 1 of the MFMA, Act 56 of 2003 states that the SDBIP as a detailed plan approved by the mayor of a municipality in terms of service delivery should make projections for each month of the revenue to be collected, by source, as well as the operational and capital expenditure, by vote. The service delivery targets and performance indicators need to be reported on quarterly (MFMA, 2003).</p>
Mid-year budget and report	<p>Section 72 of the MFMA requires the accounting officer to prepare and submit a report on the performance of the municipality during the first half of the financial year. The report must be submitted to the mayor, National Treasury as well as the relevant Provincial Treasury. As with all other reports this is a crucial report for the Council to consider mid-year performance and what adjustments should be made, if necessary.</p>
Performance report	<p>Section 46 of the Municipal Systems Act states that a municipality must prepare for each financial year, a performance report that reflects the following:</p> <ul style="list-style-type: none"> • The performance of the municipality and of each external service provided during that financial year; • A comparison of the performances referred to in the above paragraph with targets set for and performances in the previous financial year; and • Measures to be taken to improve on the performance <p>The performance report must be submitted at the end of the financial year and will be made public as part of the annual report in terms of chapter 12 of the MFMA. The publication thereof will also afford the public the opportunity to judge the performance of the municipality against the targets set in the various planning instruments.</p>

Report type	Description
Annual report	<p>Every municipality and every municipal entity under the municipality’s control is required by Section 121 to prepare an annual report for each financial year, which must include:</p> <ul style="list-style-type: none"> • the annual financial statements of the municipality or municipal entity as submitted to the Auditor-General for audit (and, if applicable, consolidated annual financial statements); • the Auditor-General’s audit report on the financial statements; • an assessment by the accounting officer of any arrears on municipal taxes and service charges; • particulars of any corrective action taken or to be taken in response to issues raised in the audit reports; • any explanations that may be necessary to clarify issues in connection with the financial statements; • any information as determined by the municipality, or, in the case of a municipal entity, the entity or its parent municipality; • any recommendations of the municipality’s audit committee, or, in the case of a municipal entity, the audit committee of the entity or of its parent municipality; • an assessment by the accounting officer of the municipality’s performance against the measurable performance objectives for revenue collection and for each vote in the municipality’s approved budget for the relevant financial year; • an assessment by the accounting officer of the municipality’s performance against any measurable performance objectives set in terms the service delivery agreement or other agreement between the entity and its parent municipality; • the annual performance report prepared by a municipality; and • any other information as may be prescribed. <p>Section 127 prescribes the submission and tabling of annual reports. In terms of this section:</p> <ol style="list-style-type: none"> 1) The accounting officer of a municipal entity must, within six months after the end of a financial year, submit the entity’s annual report for that financial year to the municipal manager of its parent municipality. 2) The mayor of a municipality must, within seven months after the end of a financial year, table in the municipal council the annual report of the municipality and of any municipal entity under the municipality’s sole or shared control. 3) If the mayor, for whatever reason, is unable to table in the council the annual report of the municipality, or the annual report of any municipal entity under the municipality’s sole or shared control, within seven months after the end of the financial year to which the report relates, the mayor must: <ol style="list-style-type: none"> (a) submit to the council a written explanation setting out the reasons for the delay, together with any components of the annual report that are ready; and (b) Submit to the council the outstanding annual report or the outstanding components of the annual report as soon as may be possible.

Report type	Description
Oversight report	<p>The council of a municipality must consider the municipality’s annual report (and that of any municipal entity under the municipality’s control), and in terms of Section 129, within two months from the date of tabling of the annual report, must adopt an oversight report containing the council’s comments, which must include a statement whether the council:</p> <ul style="list-style-type: none"> (a) has approved the annual report with or without reservations; (b) has rejected the annual report; or (c) has referred the annual report back for revision of those components that can be revised. <p>In terms of Section 132, the following documents must be submitted by the accounting officer to the provincial legislature within seven days after the municipal council has adopted the relevant oversight report:</p> <ul style="list-style-type: none"> (a) the annual report (or any components thereof) of each municipality and each municipal entity in the province; and (b) All oversight reports adopted on those annual reports. It is important to note that the oversight committee working with these reports should be chaired by the opposition party.

5.4 CONCLUSION

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

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

It must:

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

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

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

CHAPTER 6: ANNUAL OPERATIONAL PLAN (SDBIP)

The Annual Operation Plan, in the form of the Service Delivery and Budget Implementation Plan (SDBIP) for the 2012/13 financial year will be compiled in accordance with the formats and timelines as specified in the MFMA and National Treasury Circulars and will be included in the final draft of the IDP.

ANNEXURES

ANNEXURE A: IDP ANALYSIS FRAMEWORK



Cooperative Governance & Traditional Affairs

Department:
Cooperative Governance and Traditional Affairs
REPUBLIC OF SOUTH AFRICA

MUNICIPALITY NAME: METSIMAHOLO LM

Date: 13 April 2011

The Overview and Purpose of the IDP Analysis

- There will be a common IDP analysis window of 2 weeks, scheduled to take place during April 2010
- The analysis will broadly cover the following important aspects:
 1. Are all issues identified in the TAS covered and integrated in the IDP?
 2. Does the IDP being analysed need to be simplified?
 3. Municipalities must be analysed on basket categories accordingly i.e. High, Medium and Low
 4. Is there a clear commitment by all Sector Departments involved?
 5. MEC comments must be questioned. Was the previous MEC comments taken into account? If so, has the comments materialized into a higher quality IDP?
Does the MEC process add value to the process and in the event of plans not being of a higher quality, then maybe we should make a step towards a more simplified IDP for the municipality in concern. The use of simplified IDP's will allow for sector departments to mobilize funds in a more efficient manner.
 6. Assessors to check whether Water Services Plan, EIA and other plans are outdated? Plans like the Workplace Skills Plan gives insight to capacity related issues. It is important that municipalities should provide a detailed report on what exactly they require from sector plans. The IDP implementation for the past 4 years must be assessed.
 7. The monitoring and evaluation unit and process must be well integrated with the IDP assessments.

INTRODUCTION

This Analysis Framework is intended to serve as a tool to guide the crafting, design, improvement and analysis of a credible IDP. Core criteria to demonstrate municipal strategy, vision and compliance with both legislative and policy intent have been crafted to assist the joint planning and analysis process. This Framework is not intended to serve the purpose of a performance measurement tool, but rather as a tool or guide for differential and simplified IDP's.

Key Focal Areas

1. Spatial Considerations
2. Service Delivery and Infrastructure Planning
3. Financial Planning and Budgets
4. LED
5. Good Governance: Public Participation, labour, IGR etc.
6. Institutional Arrangements

A Credible IDP

The Integrated Development Plan must therefore both comply with relevant legislation (see Appendix B) and convey the following:

1. Compliance and adherence to constitutional and policy mandate for developmental local government
2. Awareness by municipality of its role and place in the regional provincial and national context and economy. The Municipality must also show how it would contribute to the fight against poverty, the creation of jobs and improving the quality of lives of its citizens.
3. Awareness by municipality of its own intrinsic characteristics and criteria for success
4. Comprehensive description of the area – the environment and its spatial characteristics including backlogs
5. A clear strategy, based on local developmental needs on a ward-by-ward basis. The IDP must not be a ‘wish-list’ but subjected to the realities of what can be delivered by the budget over the three to five year horizons.
6. Insights into the trade-offs and commitments that are being made re: economic choices, establishment of SHS, integrated service delivery etc
7. The key deliverables for the next 5 years
8. Clear measurable budget and implementation plans aligned to the SDBIP
9. A monitoring system (OPMS)
10. Determines capacity of municipality
11. Communication, participatory and decision-making mechanisms
12. The degree of intergovernmental action and alignment to government wide priorities.
13. Reporting timeframes and the regulatory periods for reporting
14. Alignment with, and indication of, an aligned organogram
15. Alignment between the SDBIP and the performance contracts of section 57 managers.

A CREDIBLE IDP ANALYSIS FRAMEWORK

KPA 1: Spatial Considerations

The understanding of the economic, physical and social space that the municipality inhabits is the most critical starting point for a credible IDP.

For additional reference, some core evaluative criteria for Spatial Development Frameworks may include the following:

- MSA Regulations – assess contents of SDF in terms of the MSA Regulations.
- SDFs should reflect principles of the NSDP and PGDS at district and local levels.
- Does the SDF reflect adequate research into regional natural, demographic realities, the potential for economic activity, and advancing Sustainable Human Settlements?
- Does the SDF provide a basis for the Land Use Management System and an implementation plan?
- Are Infrastructure Projects, including those for Service Delivery, planned on the basis of the SDF?
- Spatial development analysis must be also be targeted to the needs of communities and reflect these needs on a ward-by-ward basis.

Note:

- For B3 – B4 municipalities:
 - The District SDF should be adopted by the Local Municipality
 - Spatial Considerations should be considered but will not determine the municipalities ranking.
- For B1, B2, C1, C2 and metros:
All spatial considerations must be considered in detail

A CREDIBLE IDP ANALYSIS FRAMEWORK

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
1. Spatial Considerations						
Legal Compliance 1.1 Is there a council adopted SDF and on what date was it adopted? [If no, a local municipality may adopt the District SDF in the interim]		No ³⁷	SDF 2011/12 in Process.	Consultant	End of May	Spatial Planning Dr Stapelberg
1.2. Does the IDP contain a statement on whether (or not) the SDF needs to be drafted or reviewed?		Not applicable				

³⁷ The 2011/12 SDF was approved by Council on 29 April 2011

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
1.3. Does the IDP contain applicable tools to address environmental challenges (i.e. environmental management framework, integrated waste management plan, air quality management plan, strategic environmental assessment and/or coastal management plan)?	Metsimaholo LM	No ³⁸	<p>There is no mention of existing environment tools except for the plans to develop the Industrial Waste Water Plan and by-laws which are budgeted for. However, the by-laws are not specific what they are for.</p> <p>It is recommended that other environmental tools be considered in this regard, including the air quality management plans as per challenges indicated in the situational analysis regarding air pollution.</p>	DEA, DTEEA		
<p>Spatial Rationale</p> <p>1.4. Are there maps and text that illustrate future investment in settlement and/or rural geographical areas? (i.e. including growth nodes, corridors)</p>		Text	Various investments per KPAs indicated.			In process – To be finalized by May

³⁸ Refer to Chapter 3: MLM Strategic Plan, KPA: Community Development and Social Cohesion, IDP Priority 18: Environment

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
1.5 Does the IDP (and SDF) contain maps and/or text that describe the location of future types of basic service/infrastructure investment per specific localities?		Text	Various investments per KPAs indicated.			
1.6 Does the IDP (and SDF) describe the environmental resources in the municipal area that must be managed? (i.e. ecological services / biodiversity / water resources)	Metsimaholo LM	Yes	<p>Mention is made of water resources however there is no mention of the geomorphology, climate, habitat and conservation.</p> <p>It is recommended that the municipality refer to the FS IDP Environmental Toolkit in this regard. Water quality and quantity should also be mentioned in this regard.</p>	DEA, DTEEA		
1.7 Does the IDP (and SDF) align to the principles of the national (NSDP) and speak to the elements of the respective provincial spatial development framework?		No ³⁹	<p>No SDF attached.</p> <p>Reference is made to the NSDP, but a direct application to the IDP could not be found.</p>			

³⁹ Refer to sub-section 2.2.3 and 2.2.4 under chapter 2

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
2. Service Delivery and Infrastructure Planning						
2.1: General Questions						
- Has a holistic and comprehensive (all sectors) infrastructure delivery plan been developed to indicate institutional requirements and financial viability of service delivery		No.	Project list needs to be consolidated into the CIP for MTEF period AND ALSO BE ALIGNED TO CAPITAL BUDGET.			
- To what extent does the Comprehensive Infrastructure Plan inform the above delivery plan?		NONE	NO CIP INCLUDED.			
- Does the integrated development plan make provision for infrastructure reticulation and bulk infrastructure for water and sanitation?		Yes.	ONLY IN THE PROJECT LIST. NEEDS TO BE CONSOLIDATED INTO CIP.			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
a) Infrastructure Investment Planning (IIP) - has the municipality undertaken medium term IIP (3-5 year minimum) to determine affordable and sustainable multi-year infrastructure targets and the capital and operating expenditure to meet those targets?		Yes.	ONLY IN THE PROJECT LIST. NEEDS TO BE CONSOLIDATED INTO CIP.			
b) Does investment planning utilize the MIG grant over the next MTEF?		NO ⁴⁰	INVESTMENT PLAN NOT ATTACHED.			
c) Is there indication of own revenue usage for infrastructure?		Yes.	BUDGET HAS TO BE PROJECT-SPECIFIC.			
d) Are other vehicles being used to aid investment in infrastructure. (e.g. private / public sector partnerships,)		Yes.				

⁴⁰ Refer to Chapter 4, Table 80: 2011/12 MTREF-Capital Funding Sources

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
e) Other revenue sources (if applicable).		Yes.				
2.2 Water						
<ul style="list-style-type: none"> ▪ Is the WSDP <ul style="list-style-type: none"> a) Adopted ? b) has it been reviewed in last year.? 	WSA	No	Mentioned on P133. Please expand to indicate the status. Information also incorrect – WSDP does exist and have been revised previous quarter. Mentioned on P267 as being outdated – information incorrect	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Do the IDP reflect knowledge, implementation, strategies and target programmes w.r.t. <ul style="list-style-type: none"> a) Backlogs b) Basic services provision c) Free basic water d) Higher levels of service requirements e) Associated services eg. Schools and clinics f) Water for growth and development. 	WSA	Yes	P115 and P58. Please expand the information with FBS, Basic Services, Associated services and water growth and development	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		David Dwa Province
<ul style="list-style-type: none"> ▪ Did the IDP integrate other sector programme’s water requirements and specially address the impact on water planning. <ul style="list-style-type: none"> a) Housing b)Agriculture c)Mining d)Tourism e)Public Works programmes 	WSA	No	No evidence of demography or statistical details. Mentioned as an objective on P118	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<p>- Did the IDP provide a proper project list that addresses all the needs as identified in the future plans and implementation strategies?</p>	WSA	No ⁴¹	No evidence of project list	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		
<p>- Are there approved budgets in the MTEF allocations for all these projects?</p>	WSA	No ⁴²	Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible.	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		

⁴¹ Refer to Chapter 4, Item 5: Capital Funding Allocations, Tables 81 to 86

⁴² Refer to Chapter 4, Item 5: Capital Funding Allocations, Tables 81 to 86

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<p>- Is there a plan and budget for Operations and Maintenance for Water services and infrastructure?</p>	WSA	No ⁴³	<p>On P133 Development of water maintenance plan by end of July 2011 mentioned. Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible.</p>	<p>Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za</p>		
<p>- Is the water services programme financially viable w.r.t. Cost recovery, Metering and billing with an associated budget that is ring fenced?</p>	WSA	No	<p>Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible.</p>	<p>Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za</p>		

⁴³ Plan was approved by Council in December 2010; 2011/12 MTREF (Table 78) provides for repairs and maintenance

Metsimaholo Local Municipality – Draft IDP: 2012/13 to 2016/17

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Does the IDP address water resources development w.r.t. demand management, water balance issues and ecological reserve? 	WSA	No	P133, and P132 mentioned but no details.	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		
<ul style="list-style-type: none"> ▪ Are there specific references to the status of all contracting and licensing issues? 	WSA	No	Not mentioned	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Does the IDP reflect the status of water quality monitoring w.r.t. drinking water quality, water resources quality and WWTW releases? 	WSA	Yes	P87 mentioned			Dwa Regulation 013 7597317
2.3. Sanitation						
<ul style="list-style-type: none"> ▪ Does the IDP reflect knowledge, implementation, strategies and target programmes w.r.t. <ul style="list-style-type: none"> a) Backlogs b) Basic services provision c) Free basic sanitation d) Higher levels of service requirements e) Associated services eg. Schools and clinics 	WSA	Yes	P115 and P58 and P86. Please expand the information with FBS, Basic Services, Associated services	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857- 9172; jean@pula.co.za		

Metsimaholo Local Municipality – Draft IDP: 2012/13 to 2016/17

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Does the WDSP reflect multi - year projects to address the backlog? 	WSA	Yes	P243	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		

Metsimaholo Local Municipality – Draft IDP: 2012/13 to 2016/17

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> Does the municipality have a sanitation implementation plan put in place? 	WSA	No	On P134 it is set as an objective. No evidence. However, technically we know that the municipality do operate and maintain and plan – thus, the information as presented in the IDP is incorrect	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za	30 th June 2011	No
<ul style="list-style-type: none"> Does the municipality have the CAPEX Plan which indicates allocation for sanitation for the next three years? 	WSA	No ⁴⁴	No evidence. However, technically we know that the municipality do operate and maintain and plan – thus, the information as presented in the IDP is incorrect	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		
<ul style="list-style-type: none"> Does the municipality manage (a) waste water treatment? 	WSA	Yes				

⁴⁴ Refer to Table 85: Capital funding allocations-Basic service delivery and infrastructure investment

Metsimaholo Local Municipality – Draft IDP: 2012/13 to 2016/17

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Is there a plan to manage untreated effluent? ▪ Has this Municipality determined the need / extent for basic services, (a) free basic and (b) higher level service? 	WSA	No	No evidence in IDP. No evidence. However, technically we know that the municipality do operate and maintain and plan – thus, the information as presented in the IDP is incorrect	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		
<ul style="list-style-type: none"> ▪ Is the sanitation service financially viable and is there a budget that is ring fenced? 	WSA	No	Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible.	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		
<ul style="list-style-type: none"> ▪ Is the licencing/contractual arrangement i.t.o of (a) WSA, (b) WSP, (c) WWTW working? 	WSA	No	No evidence	Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> - Is there a plan and budget for Operations and Maintenance for sanitation services and infrastructure? 	WSA	No ⁴⁵	<p>Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible. However, technically we know that the municipality do operate and maintain and plan – thus, the information as presented in the IDP is incorrect. It is mentioned that it is available on P268</p>	<p>Ms Petunia Ramunenyiwa; (051) 405 9000 / 082 805 8590; RamunenyiwaP@d waf.gov.za ; Jean du Plessis, 082-857-9172; jean@pula.co.za</p>		
<p>2.4 Human Settlements Housing (Human Settlements)</p>						
<ul style="list-style-type: none"> ▪ Have the housing demand aspects e.g demand data base or waiting list information been determined by the municipality? 		NO	<p>HOUSING CHAPTER TO BE DEVELOPED INCLUDING MAPS, DEMAND DATA BASE, INFORMAL SETTLEMENTS UPGRADING PLAN, ETC.</p>			

⁴⁵ The plan was approved by Council in December 2010

Metsimaholo Local Municipality – Draft IDP: 2012/13 to 2016/17

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Is the municipality able to address the housing demand challenges highlighted while taking into account the growth trends such as population, economy, etc? 		Yes.	TO BE FUNDED BY HS.			
<ul style="list-style-type: none"> ▪ Has the municipality indicated an ongoing process for identification of suitable land for housing development? 		NO	NOT INDICATED IN THE IDP.			
<ul style="list-style-type: none"> ▪ Has the municipality indicated the nature of service levels on these land parcels through CIP? 		NO	TO BE INDICATED IN THE MAP.			
<ul style="list-style-type: none"> ▪ Does the IDP Informal Settlements section align to the Migration Plan of the municipality? 		NO	NO PLAN ON INFORMAL UPGRADING PLAN INCLUDED.			
<ul style="list-style-type: none"> ▪ Has the municipality identified current and planned housing projects that are ready for implementation? 		No.	ONLY AMOUNTS INDICATED IN THE CAPITAL BUDGETS. HOUSING IS THE PROVINCIAL COMPETENCY.			
<ul style="list-style-type: none"> ▪ Has budgetary provision being made for planned housing projects? 			HOUSING IS THE PROVINCIAL COMPETENCY.			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> - Has the social viability of the settlements been determined/ indicated? 		YES.	ONLY IN THE PROJECT LIST. IT NEEDS TO BE CONSOLIDATED IN THE CIP.			
2.5 Roads, Transport and Storm Water						
<ul style="list-style-type: none"> ▪ Is there a Transport Plan? 	B1/B2/B3/B4	No	Mentioned on P268 as an objective. No evidence of transport plan. Budget is available on P243 which is contrary to the statement on P268 that indicates that there is no budget	Mr. T Nchaba, PR&T, 0742244677, dlhaming@freetrust.com.za		
<ul style="list-style-type: none"> ▪ Is there a budget to operate and maintain roads and storm water? 	B1/B2/B3/B4	Yes	Budget on P243. But on P268 that a tender will be advertised	Mr. T Nchaba, PR&T, 0742244677, dlhaming@freetrust.com.sa		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> Has the municipality determined the extent of need i.t.o roads? 	B1/B2/B3/B4	Yes	P114. Please expand to indicate on P60 specifics regarding km of road	Mr. T Nchaba, PR&T, 0742244677, dlhaming@freetrust.com.sa		
<ul style="list-style-type: none"> Has the municipality made provision for non-motorised transport? 	B1/B2/B3/B4	No	No evidence.	Mr. T Nchaba, PR&T, 0742244677, dlhaming@freetrust.com.sa		
<ul style="list-style-type: none"> Is there a budget and a plan for the operations and maintenance of all roads? 	B1/B2/B3/B4	No ⁴⁶	Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible. However, technically we know that the municipality do operate and maintain and plan – thus, the information as presented in the IDP is incorrect. It is mentioned that it is available on P268	Mr. T Nchaba, PR&T, 0742244677, dlhaming@freetrust.com.sa		

⁴⁶ Yes

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> What's the relevant question in terms of storm water? 	B1/B2/B3/B4	N/A				
<ul style="list-style-type: none"> Is there a budget and plan for integrated roads and transport system (including non-mechanized,)? 	B1/B2/B3/B4	No	No evidence	Mr. T Nchaba, PR&T, 0742244677, dlhaming@freetrust.com.sa	DT, Province and DM	
2.6. Waste Management Services						
<ul style="list-style-type: none"> Is the IDP supported by an Integrated Waste Management Plan? 						
<ul style="list-style-type: none"> Is the Municipality operating a licensed landfill site? 						
<ul style="list-style-type: none"> Is the Municipality having a waste or refuse removal services? Indicate level of service? 						
<ul style="list-style-type: none"> Does the Municipality have a Trade Effluent Policy? 						

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> - Is there evidence of implementation of sustainable environmental practices for re-cycling, is this service financially viable and is there a budget for Operations and maintenance ring fenced? 						
2.7 Environment: Air Quality Management						
<ul style="list-style-type: none"> ▪ Is the IDP supported by an Air Quality Management Plan? 						
<ul style="list-style-type: none"> ▪ Is the municipality a licensing authority? 						
<ul style="list-style-type: none"> ▪ Is there a budget ring fenced for operations and maintenance and new capital projects? 						
<ul style="list-style-type: none"> ▪ Are these projects viable and sustainable? 						

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
2.8 Energy						
<ul style="list-style-type: none"> ▪ Has this Municipality determined the need / extent for basic services,(a)free basic and (b) higher level service? 		Yes	P62	Mr. MM Moshondi, DCOGTA, 0796925794, moss@lgh.fs.gov.za		
<ul style="list-style-type: none"> ▪ Is there a budget and a plan for providing grid and non-grid energy sources? 		Yes	Mentioned on Pg268 that it is outdated. Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible.	Mr. G Oganne, DOE, 0827824635, galonkge.oganne@energy.gov.za		
<ul style="list-style-type: none"> ▪ Has the municipal investigated alternative sources and renewable energy 		No	Mentioned on P94 and 95 – but no mention of an investigation or projects for alternative energy sources	Mr. G Oganne, DOE, 0827824635, galonkge.oganne@energy.gov.za		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Is there a budget ring fenced for operations and maintenance and new capital projects? ▪ How far is the Reds Redistribution Policy 		No	Unable to determine. Revenue Budget data provided on P203 onwards, and expenditure budget provided on P235 onwards. Information to be broken down in order to make the individual components transparent and visible.	Mr. G Oganne, DOE, 0827824635, galonkge.oganne@energy.gov.za		
<ul style="list-style-type: none"> ▪ Does the plan make provision for infrastructure reticulation and bulk infrastructure for electricity? 		Yes	P243 and P268	Mr. G Oganne, DOE, 0827824635, galonkge.oganne@energy.gov.za		
<ul style="list-style-type: none"> - What provision has been made for upgrading facilities? 		Yes	P243 and P268	Mr. G Oganne, DOE, 0827824635, galonkge.oganne@energy.gov.za		
2.9. Public amenities and community facilities						
<ul style="list-style-type: none"> ▪ Has the Municipality determined the extent of need for public facilities and amenities? 		YES.	ONLY IN THE PROJECT LIST, STILL TO BE CONSOLIDATED INTO THE CIP.			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<ul style="list-style-type: none"> ▪ Has the municipality done an audit on the community facilities and public amenities? 		YES.				
<ul style="list-style-type: none"> - Is there a budget ring fenced for operations and maintenance and new capital projects? 		YES	YET TO BE ALIGNED TO CIP.			
<p>General Point In the introductory section, the IDP must point out the kind of responsibilities it has (i.e: that they are a RED or a WSA etc)</p>		YES.				
3. Financial Planning and Budgets						
The Financial Plan						
<p>Compliance 3.1 Is there a financial plan which includes a budget projection for at least the next three years in line with section 26(h) of MSA?</p>		Y	A financial plan does exist and it covers the next three years.	No assistance needed.		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
3.2 What key financial policies does the municipality have/lack and should consider?		Y	There is a reflection of policies in the IDP document. The Municipality is in the process of reviewing the policies	KPMG has developed uniform budget related policies that have been distributed to all municipalities in the Free State.		
3.3 In view of the global economic crisis, are there alternative mechanisms being sought to finance investment in infrastructure?			Capital funding is as follows: MIG – 14%; Own funding – 14.4%, Borrowing – 17.2% and Other grant funding – 68.4%	No assistance needed.		
Expenditure 3.4 How much of the Municipality's last capital budget was actually spent (as a percentage)			20.7% as at end of March 2011			
3.5 What the extent is of own revenue and grant usage for infrastructure investment?			Capital funding is as follows: MIG – 14%; Own funding – 14.4%, Borrowing – 17.2% and Other grant funding – 68.4%	No assistance needed.		

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
3.6 From the questions above, is the 10/11 IDP able to be implemented? (Consider in the context of capacity, external parties etc.)			No, because of the low percentage of Capital expenditure			
3.7 What are some of the major observations that can be made in relation to operating and capital expenditure analysis for 2009/10?			The municipality spent 76.7% of its Operating budget for 2009/10 financial year and 50.4% for the Capital budget.			
3.8 The SDBIP???		N ⁴⁷	No SDBIP included in the IDP			
Alignment 3.9 To what extent are there linkages between the IDP and Budget?		N ⁴⁸	The IDP is not aligned to the draft budget.			

⁴⁷ In terms of the section 53(1)(c)(ii) of the MFMA the SDBIP must be approved by the mayor within 28 days after the approval of the budget

⁴⁸ Refer to Chapter 4: Implementation and Financial Plan

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
3.10 Is there a reflection of Provincial and National allocations in the IDP?		Y	There is a reflection of Provincial and National allocations	No assistance needed.		
The AG 3.11 What were the Audit Opinions for this municipality over the last three years? How does this compare to its counterparts (as a district or LMs within the district)?			2007/08: Disclaimer 2008/09: Disclaimer 2009/10: Disclaimer The most part of the district has received Disclaimers as well, except for the DM that have been receiving an Unqualified Audit opinion for the last 3 financial years.			
3.12 Is there evidence that comments from the AG reports are being given due consideration through adequate corrective measures being put in place?		N ⁴⁹	No evidence of consideration to comments of AG is reflected because Audit opinions have remained unchanged over the 3 financial years.			

⁴⁹ The action plan to address issues raised by the AG are included in the 2010/11 Annual Report

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<p>General 3.13 What observations can be made in relation to own revenue generation and debt collection analysis?</p>			<p>The municipality was able to collect 114.8% in service charges for 2009/10 FY and 107.6% in 2010/11 as at end of March 2011. There was an improvement from 2009/10 to 2010/11 financial year.</p>			
<p>4. Local Economic Development</p> <ul style="list-style-type: none"> ▪ Can be considered for all municipalities but for 2010, the LED plan must be analyzed to a larger extent in municipalities rated B1 and B2 <ul style="list-style-type: none"> ▪ This strategy will also be important in municipalities rated C1 and C2 						
4.1. Is there a LED strategy/plan developed and is it Council Adopted for DM/LM?		Yes	Page 78, there is an LED strategy			
4.2. Does the LED strategy consider the linkage of sustainable livelihoods to economic activities						

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
4.3. How is the LED strategy/plan aligned with the national, provincial and district objectives, including spatial and economic investment choices?						
4.4. How do LED priorities inform the spatial rationale of municipalities?		Yes	Page 64, not all of the projects are linked to space			
4.5 Is there a thorough understanding of local economic profile (Comparative and competitive advantages), informed by quality assured statistical and empirical evidence to support the main development thrust of the strategy?		Yes	There is some information on the situational analysis but it is not structured at all			
4.6. Does the municipality have the capacity to implement the plan/strategy (e.g. budget, human resource, institutional arrangements)?						

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
4.7. Is there stakeholder and community involvement on LED activities?		Yes	Do have a structure that makes provision for LED Unit, page 54. Although it is not enough posts No budget for the activities of the LED Unit			
4.8. Are there clearly identified objectives and strategic priorities with a clear set of indicators, targets and milestones		Yes	The projects are directly linked to the needs of communities			
4.9. Has the municipality set targets and established a database for BBBEE programmes, SMME & cooperative support and EPWP?		No				
4.10. Does the municipality have a business retention, expansion and attraction strategies in their plans/ strategies?		No				
5. Good Governance: Public Participation, labour, IGR etc.						
5.1. Is there an IDP Process Plan – Adopted by DMs and LMs?		Yes	Date of adoption is not indicated.			

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Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
5.2. Is there a community participation strategy /plan and is there a community accountability plan?		No	Was provided with a draft by COGTA but not implemented			
5.3. Does the Municipality show a commitment to community participation in the IDP/ Budget design and Development?		Yes	Municipality use Rep Forums as well. Community structures involved e.g. Taxi Associations, Farmers Associations, Land Owner Associations			
5.4. Is there contribution of Ward committees to development priorities in the IDP? Are ward based plans included in the IDP?		Yes	Ward committees are part of the representative forum. Ward based plans are included			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
5.5. Does the Municipality have strategies to involve traditional leaders and their communities in the IDP process if applicable? (DM's only)	N/A					
5.6. Is there an audit committee? Does the audit committee have a framework to audit, regularly the implementation of the IDP?		No ⁵⁰	Information not clear in the document			
5.7 Were the recommendations of the previous years IDP assessments taken into account?		Yes	Last year the assessment highlighted the absence of the ward plans. The municipality has now developed ward profiles in all its wards. However some issues are still outstanding			

⁵⁰ The mandate of the newly established audit committee includes performance management in terms of s166 of MFMA

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
5.8 <ul style="list-style-type: none"> • Is there an indication of an integrated social cohesion plan within the IDP? • Has the Integrated Social Cohesion Plan been adopted by the council? Is the integrated social cohesion plan alligned to other development frameworks?		No				
Special Groups 5.9 Is there a strategy for HIV and AIDS mainstreaming ?		No	Plans indicated for the development of the Policy by December 2011 and the Plan by July 2012			
5.10 Is there special focus to promote people with disabilities?		Yes				

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
5.11 <ul style="list-style-type: none"> • Is there evidence indicating that youth issues are mainstreamed in key plans of municipality and sector plans? • Is there evidence indicating that gender issues are mainstreamed in key plans of municipality and sector plans? 		Yes No				
5.12 <ul style="list-style-type: none"> • Is there a unit responsible for youth matters within the municipality? • Is there a unit responsible for gender matters within the municipality? 		No No	Not clearly indicated in the document			
5.13 Is gender equity promoted for access to economic opportunity?		No	SCM policy not included			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
5.14 Do IDP details support initiatives to other special groups (disabled, youth)?		Yes	Indicated on page 143			
5.15 Populations Issues. <ul style="list-style-type: none"> • Is there a population analysis describing population size, shape and composition, distribution and change? • Are sectoral implications of population patterns and trends identified 		Yes Yes	The municipality has developed ward profiles which details and analysis population size, migration patterns and trends.			
5.16 Does the analysis reflect population concerns of the municipality? And is there evidence of sectoral plans addressing concerns?		Yes	The municipality has identified population concerns according to ward's and identified measures to address them.			
5.17 Does the sector plans take local MDGs in consideraton?		No	Sector plans not included			
5.18 Does the plan reflect framework that measeures progress on sustainable human development?		No				

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
5.19 Are there tools to assess the social impact of development interventions at community level?		No	CDW's, Masupatsela and NARYSEC must be used to conduct annual assessment			
5.20 Does the plan provide for assessment of the extent of integration and coordination of services?		No				
5.21 Is the organogram and the IDP aligned or vice versa?		No	The municipality is in the process of reviewing its organisational structure to align it to the IDP strategic priorities and critical institutional and service delivery imperatives.			
6. institutional Arrangements						
6.1 Is there a HR Strategy that responds to the long-term development plans of the municipality as reflected in the IDP?		N	According to the municipality Draft HR strategy is to be approved by 30 th March 2011			

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<p>6.2 Is there an approved organisational organogram that is aligned to the core business of the municipality?</p> <p>1. Is the structure affordable and sustainable?</p> <ul style="list-style-type: none"> • Are the Vacancies funded or unfunded? • Are there Plans with deadlines to fill the vacancies? 		<p>N</p> <p>N</p> <p>N</p>	<p>Municipality only provided management structure.</p> <p>No indication made</p> <p>No indication made</p>			
<p>6.3 Is the organogram and the IDP aligned or vice versa?</p>		N	Municipality only provided management structure.			
<p>6.3 Is there evidence that the municipality has an employment equity plan?</p>		N ⁵¹	No evidence, municipality to provide evidence			
<p>6.4 Does the workplace skill plan respond to the capacity challenges of the municipality?</p>		N ⁵²	No evidence, municipality to provide evidence			

⁵¹ Yes

⁵² Yes

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
6.5 Does the municipality show evidence that it has a recruitment, training and retention strategy for scarce skills?		N	No evidence, municipality to provide evidence			
6.6 Is there evidence of a succession plan especially for key positions?		N	No evidence, municipality to provide evidence			
6.7 Is there an Organisational Performance Management Systems (OPMS) and is it aligned with IDP as well as key performance indicators and targets in line with the MSA		N ⁵³	No evidence			
6.8 Is there usage of IGR structures to facilitate intergovernmental dialogue with relevant national and provincial sector department?		Y	IDP Rep Forum			
6.9 are there an audit action plan to deal with issues raised by the AG.		N ⁵⁴	There is no indication of audit action plan to address issues raised by AG			

⁵³ The system is included in the Draft Institutional Performance Management Framework submitted to Council at the end of March 2012. Also refer to Chapter 5: Performance Management System

Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
6.10 Is there evidence of efforts aimed at Inter-municipal planning		N	No evidence			
6.11 Are there measures put in place to address issues raised by the MEC?		Y				
7. Disaster Management						
- Is there a project on the development of a Disaster Management plan for the municipality in the IDP?	District Municipality	Y ⁵⁵	The municipality has budgeted for disaster management although they are not specific on how the money will be used. The province will assist with identification and implementation of projects.	Me. Sekulisa – Head Provincial Disaster Management Centre Me T Motaung – Disaster Management Officer: Fezile Dabi	By the end of May 2011	Head: Municipal Disaster Management
- Is the municipality involved in the overall disaster preparedness programmes for 2010-2011?	District Municipality	N	The municipality has not developed disaster preparedness programmes. The province will assist the municipality to identify and develop disaster preparedness programme.	Me. Sekulisa – Head Provincial Disaster Management Centre Me T Motaung – Disaster Management Officer: Fezile Dabi	By the end of May 2011	Head: Municipal Disaster Management

⁵⁴ The audit action plan has been included in the 2010/11 Annual Report as required by the MFMA

⁵⁵ Disaster management issues of local municipalities are included in the District Disaster Management Plan

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Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
<p>- Has the municipality identified disaster management institutional arrangement projects in the IDP?</p>	<p>District Municipality</p>	<p>N</p>	<p>There is no indication that the municipality has identified disaster management institutional arrangement projects in the IDP as the Disaster Management plan was not attached. The province will contact the municipality to determine if such projects are available and advise accordingly.</p>	<p>Me. Sekulisa – Head Provincial Disaster Management Centre Me. T Motaung – Disaster Management Officer: Fezile Dabi</p>	<p>By the end of May 2011</p>	<p>Head: Municipal Disaster Management</p>
<p>- Do you have disaster risk assessment projects in the IDP?</p>	<p>District Municipality</p>	<p>N</p>	<p>No disaster risk assessment projects in the IDP. The province will assist with the identification of assessment projects.</p>	<p>Me. Sekulisa – Head Provincial Disaster Management Centre Me. T Motaung – Disaster Management Officer: Fezile Dabi</p>	<p>By the end of May 2011</p>	<p>Head: Municipal Disaster Management</p>

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Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
- Are there any disaster risk reduction projects in the IDP?	District Municipality	N	No disaster risk reduction projects. The Province will assist with the identification of risk reduction projects.	Me. Sekulisa – Head Provincial Disaster Management Centre Me. T Motaung – Disaster Management Officer: Fezile Dabi	By the end of May 2011	Head: Municipal Disaster Management
- Are there any disaster response and recovery projects in the IDP?	District Municipality	N	No disaster response and recovery projects. The province will assist with the identification of potential projects.	Me. Sekulisa – Head Provincial Disaster Management Centre Me T Motaung – Disaster Management Officer: Fezile Dabi	By the end of May 2011	Head: Municipal Disaster Management
Are there disaster management information and communication projects in the IDP?	District Municipality	N	The district municipality has not identified disaster management information and communication projects in the IDP. The province will assist with the identification of such projects..	Me. Sekulisa – Head Provincial Disaster Management Centre Me T Motaung – Disaster Management Officer: Fezile Dabi	By the end of May 2011	Head: Municipal Disaster Management

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Evidential Criteria / KPIs	Applicable to	Y/N	Comments and Improvement Measure	Who will assist the Municipality?	By when?	Comments expected from Names of officials needs to be added
Are disaster management education, public awareness, training and research projects in the IDP?	District Municipality	N	No disaster management education, public awareness, training and research projects in the IDP. The province will assist with the identification of such projects.	Me. Sekulisa – Head Provincial Disaster Management Centre Me T Motaung – Disaster Management Officer: Fezile Dabi	By the end of May 2011	Head: Municipal Disaster Management
Are disaster management projects funded in the IDP, if any?						
Do you have fire management projects in the IDP?	District Municipality	Y	The municipality has budgeted for acquisition of fire and rescue equipment. The provincial disaster management centre will assist with the identification and purchase of appropriate equipment.	Me. Sekulisa – Head Provincial Disaster Management Centre Me T Motaung – Disaster Management Officer: Fezile Dabi	By the end of May 2011	Head: Municipal Disaster Management
Are fire related projects budgeted for and identified in the IDP?						

Appendix A: Processes supporting the crafting of a credible IDP:

1. The conduct of intergovernmental relations

The IGRF Act requires that there are provincial and district intergovernmental forum to promote and facilitate IGR between provinces and local government and district and local municipalities.

The Forums must provide the enabling platform for liaison and decision-making for effective intergovernmental planning.

2. Cooperative governance

The MSA (s3) defines how local government must develop cooperative approaches to governing, resource sharing and solving of disputes within the Context of IGR. It is important there is a commitment to these principles in implementing the the IDP.

3. The role of sector departments

The role of sector departments in local delivery must be clearly articulated. This input should come from both national and provincial sector departments. It must reflect awareness by sectors of the strategic focus of the IDP, and the steps taken to support the meeting of targets, or the plan to do so in future.

4. Institutional

Project Consolidate (Use new term as PC no longer exists) intervention areas and Municipal Action Plans (MAPs) should be incorporated into the IDP project plans. Izimbizo issues should have been addressed, as well as issues identified in the 2005 IDP Hearings Reports.

5. Processes, tools and mechanisms

Successful implementation of the IDP relies upon effective IGR, procurement and production processes to deliver projects within timeframes that are sustainable and regionally integrated. It also requires the alignment of capacity and the municipality's organogram with the IDP's strategy and projects.

Appendix B: Supporting documentation for Assessment Teams

LEGISLATION

The RSA Constitution

Municipal Systems Act

Municipal Structures Act

Municipal Public Finance Management Act

Intergovernmental Relations Framework Act

Property Rates Act

Regulations and standards and processes as set out in sector legislation

POLICY DOCUMENTS

MIG Policy

NSDP

PGDS guidelines

PGDS's

Government annual MTSF

State of the Nation Address

Other

Izimbizo Reports

IDPH Panel Reports

National Skills Development Strategy

National LED Framework

Sample of sector strategies

EPWP Guidelines

Asgi-SA presentation

MEDS Strategy W Cape

Provincial organograms

Media articles

Glossary of Terms

ABP: Area Based Plan

BBBEE: Broad Based Black Economic Empowerment

DPW: Department of Public Works

DM: District Municipality

DEAT: Department of Environmental Affairs and Tourism

DLG: Provincial Department of Local Government

DME: Department of Minerals and Energy

DoT: Department of Transport

dplg or the dplg: Department of Provincial and Local Government

dti or the dti: Department of Trade and Industry

DWAF: Department of Water Affairs and Forestry

EPWP: Expanded Public Works Programme

ES: Equitable Share

FBS: Free Basic Services

GIS: Geographic Information System

IDP: Integrated Development Plan

IGR: Intergovernmental Relations

ITP: Integrated Transport Plans

KPA: Key Performance Area

KPI: Key Performance Indicator

MFMA: Municipal Finance Management Act, Act 56 of 2003

MIG: Municipal Infrastructure Grant

MSA: Municipal Systems Act, Act 32 of 2000

NSDP: National Spatial Development Perspective

OPMS: Organisational Performance Management System

OTP: Office of the Premier

PGDS: Provincial Growth and Development Strategy

RF: Representative Forum

SDBIP: Service Delivery Budget Implementation Plan

SDF: Spatial Development Framework

SMP: Sector Master Plans

WSDP: Water Services Development Plan

ANNEXURE B: STATUS OF SECTOR PLANS

The following plans and strategies were highlighted by the Provincial Department of CoGTA as either outstanding or partially completed in the previous assessment of the municipality's IDP.

TABLE 86: STATUS OF SECTOR PLANS AND STRATEGIES

	Sector Plan/Strategy (as required for the 2012/13 IDP)	Responsible Director	Current status (Indicate what the current status of the plan/strategy is)	Target date for completion (if the plan/strategy is not completed or finalised indicate the target date)	Is document available?	Action steps to be taken (List all the actions required to finalise the plan/strategy by the specified target date)
1	Spatial Development Framework (SDF)	DEDP	Consultation stage	April 2012	Yes	Draft 2012/13 SDF to be submitted to Council at the end of March 2012
2	Housing Sector Plan	DEDP	Plan has been updated	April 2012	Yes	Submit updated plan to Council for approval
3	LED Strategy and Plan	DEDP	Draft LED Strategy is in place	June 2012	Yes	The final document to be submitted to Council for approval
4	Air Quality Management Plan	DSS	Plan was submitted and referred back	June 2012	Yes	Plan will be updated and resubmitted to Council for approval
5	Disaster Management Plan	DSS	District Plan in existence	June 2012	Yes	District Disaster Management plan covers issues of local municipalities

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	Sector Plan/Strategy <i>(as required for the 2012/13 IDP)</i>	Responsible Director	Current status <i>(Indicate what the current status of the plan/strategy is)</i>	Target date for completion <i>(if the plan/strategy is not completed or finalised indicate the target date)</i>	Is document available?	Action steps to be taken <i>(List all the actions required to finalise the plan/strategy by the specified target date)</i>
6	Integrated Waste Management Plan (IWMP)	DSS	Plan in existence	June 2012	Yes	Plan will be consolidated and submitted to Council for approval
7	HIV/AIDS Strategy	Manager: Office of the Executive Mayor	No plan has been developed	Dec 2012	No	Strategy will be drafted and submitted to Council for approval
8	Comprehensive Infrastructure Plan (CIP)/ Infrastructure Investment Plan	DTIS	Draft Plan available	Dec 2012	No	CIP will be updated and submitted to Council for approval
9	Water Services Development Plan (WSDP)	DTIS	The plan is outdated (1999)	Dec 2012	No	Awarding of tenders and appointment of consortium to be finalised
10	Operation and Maintenance Plans	DTIS	Approved by Council	Dec 2010	Yes	Council approved the plans in Dec 2010
11	Roads and Storm Water Master Plan	DTIS	Not available	Dec 2012	No	Awarding of tenders and appointment of consortium to be finalised

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	Sector Plan/Strategy <i>(as required for the 2012/13 IDP)</i>	Responsible Director	Current status <i>(Indicate what the current status of the plan/strategy is)</i>	Target date for completion <i>(if the plan/strategy is not completed or finalised indicate the target date)</i>	Is document available?	Action steps to be taken <i>(List all the actions required to finalise the plan/strategy by the specified target date)</i>
12	Integrated Transport Plan (ITP)	DTIS	Not available	Dec 2012	No	Funding to be sourced
13	Energy Master Plan	DTIS	The plan is outdated	Dec 2012	No	Tenders to be advertised as a consortium by Jan 2011
14	Human Resources Strategy	DODCS	Draft strategy has been developed.	Sept 2012	Yes	Draft strategy will be finalised and submitted to Council for approval
15	Performance Management Policy Framework	MM	Draft policy framework will be submitted to Council in March 2012. (Previous reports to council were referred back)	March 2012	Yes	Institutional Performance Management Framework and System will be submitted to the new Council for approval

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	Sector Plan/Strategy (as required for the 2012/13 IDP)	Responsible Director	Current status <i>(Indicate what the current status of the plan/strategy is)</i>	Target date for completion <i>(if the plan/strategy is not completed or finalised indicate the target date)</i>	Is document available?	Action steps to be taken <i>(List all the actions required to finalise the plan/strategy by the specified target date)</i>
16	Community Participation Strategy	MM	Approved by Council	Dec 2010	Yes	

ANNEXURE C: SPATIAL DEVELOPMENT FRAMEWORK

The Draft 2012/13 Review of the Metsimaholo Spatial Development Framework (SDF) will be submitted to Council on 29 March 2012 and thereafter made available for public comment. The Final reviewed SDF will be attached to the final IDP which will be submitted to Council for approval at the end of May 2012.