

MATJHABENG LOCAL MUNICIPALITY



DRAFT INTEGRATED DEVELOPMENT PLAN FOR THE FINANCIAL YEAR 2014 – 2015

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CHAPTER ONE

1.1 INTRODUCTION

1.1.1 BACKGROUND AND OVERVIEW

It is important to mention right at the beginning that the Draft Integrated Development Plan (IDP) that is being presented here arises out of the 2012/2016 IDP that Council approved in 2011, just before the last local government elections during the same year.

In no way does this IDP represent a new service delivery program for the municipality. Rather it arises out of a highly comprehensive review and consultative process with both internal and external interest groupings as required by various laws and regulations governing and regulating the IDP development and review processes.

It is common knowledge now that the Integrated Development Planning is a process that has become central to local government in driving processes to ensure delivery to residents of a municipality. Integrated Development Planning has been conceptualised as a consolidated municipal-wide planning process that provides a framework for the planning of future development in a municipality.

The process ensures horizontal and vertical coordination and integration across the three spheres of government, namely, national, provincial and local. In addition, Integrated Development Planning drives community participation in local planning processes and pumps life into participatory democracy our Constitution holds in high esteem.

The Integrated Development Planning process is therefore critical to the success of every South African municipality's endeavours to bring about responsive, developmental local government and poverty alleviation. The focus of this 2014/2015 IDP is within a context of a seamless, integrated strategic planning process.

The Matjhabeng Local Municipality, through this reviewed IDP, has developed a set of annual goals that will form the basis of a well-conceptualized service delivery program for the 2014/2015 Financial Year. The reviewed IDP will also be further moulded by inputs from communities and civil society, as well as direction from the government in the form of the other two spheres of government.

The 2014/2015 IDP should therefore be understood as an interpretation of strategy and political priorities into a detailed Mayoral plan that is to become the basis for budget choices and actual outcomes for residents. Short-term business plans, in this context, will be seen as implementation tools.

Because South Africa is a single unitary state which is also a member of the global community, international, national and provincial developmental plans have been considered by the review process. Plans that easily come to mind are Millennium Developmental Agenda; National Development Plan and the Growth and Development Strategy, to mention but a few.

This IDP, therefore, has to be understood as an attempt to ensure strict alignment among the aforesaid developmental plans with a view to driving service delivery initiatives in and around Matjhabeng Local Municipality.

It is intended to pull together all spheres of government and the civil society domain in changing the lives of our people and communities for the better. Its contents will inform other planning processes and followed religiously and implanted strictly it will consolidate the developmental agenda the municipality has been implementing over the years.

1.2 LEGISLATIVE CONTEXT

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, and go on to say that the objectives of local government are set out in Section 152 of the Constitution. They are to:

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

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

In order to realise the above, the Local Government: Municipal Systems Act, 2000 (MSA) was enacted. Chapter 5 of the MSA states that a municipality must undertake developmentally-oriented planning, in the form of integrated development planning, to ensure that it achieves the objects of local government as set out in the Constitution. It must further give effect to its developmental duties as required by Section 153 of the Constitution.

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 IDP 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 IDP should form the policy framework and general basis on which annual budgets be based and should be compatible with national and provincial development plans and planning requirements.

In terms of the MSA, a municipality is required to formulate an IDP made up of the following components:

- A vision of the long-term development of the Municipality;
- An assessment of the existing level of development in the Municipality which must include an identification of the need for basic municipal services;
- The Municipality's development priorities and objectives for its elected term;
- The Municipality's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements;
- A spatial development framework which must include the provision of basic guidelines for a land use management system;
- The Municipality's operational strategies;
- A disaster management plan;
- A financial plan, which must include a budget projection for at least the next three years; and Key performance indicators and performance targets.

The Municipal Planning and Performance Management Regulations (2001) set out the following further requirements for an IDP:

- An institutional framework for implementation of the IDP and to address the municipality's internal transformation;
- Investment initiatives should be clarified;

- Development initiatives including infrastructure, physical, social and institutional development and
- All known projects, plans and programmes to be implemented within the municipality by any organ of state.

In addition, the Municipal Finance Management Act (MFMA) (2003) provides for closer alignment between the Annual Budget and the compilation of the IDP, this can be understood as a response to the critique that IDP formulation took place in isolation from financial planning and IDPs were rarely implemented in full as a result.

Specifically, Section 21(1) of the MFMA requires that the Municipality coordinates the process of preparing the Annual Budget and the revised IDP to ensure that both the budget and IDP are mutually consistent. Key to ensuring the co-ordination of the IDP and Annual Budget is the development of the Service Delivery and Budget Implementation Plan (SDBIP).

The SDBIP is a detailed plan approved by the Executive Mayor of the Municipality for the implementation of service delivery and the Annual Budget. The SDBIP should include monthly revenue and expenditure projections, quarterly service delivery targets and performance indicators. The MSA states that key performance indicators must be part of the IDP.

Lastly, the Municipal Systems Act says clearly that the IDP must include, a vision for the long-term development of the municipality. It must also include the development strategies which must be aligned with any national or provincial sectoral plans and planning requirements.

1.3 INTER-GOVERNMENTAL PLANNING

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

1. All spheres of government and all organs of state within each sphere must
 - a) preserve the peace, national unity and the indivisibility of the Republic;
 - b) secure the well-being of the people of the Republic
 - c) provide effective, transparent, accountable and coherent government for the Republic as a whole;
 - d) be loyal to the Constitution, the Republic and its people;

- e) respect the constitutional status, institutions, powers and functions of government in the other spheres;
- f) not assume any power or function except those conferred on them in terms of the Constitution;
- g) exercise their powers and perform their functions in a manner that does not encroach on the geographical, functional or institutional integrity of government in another sphere; and
- h) co-operate with one another in mutual trust and good faith by
 - I. fostering friendly relations;
 - II. assisting and supporting one another;
 - III. informing one another of, and consulting one another on, matters of common interest;
 - IV. coordinating their actions and legislation with one another;
 - V. adhering to agreed procedures; and
 - VI. Avoiding legal proceedings against one another

Inter-governmental relations in our context mean 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.

A number of policies, strategies and development indicators have been developed in line with the prescriptions of legislation to ensure that all government activities are aimed at meeting the developmental needs expressed at the local government level.

This section outline the national and provincial policy directives, sector plans and legislation that set the strategic direction and with which local government must align to ensure that government spending is aligned to the more pressing needs of communities and those that make the economy to grow.

National and provincial development principles and objectives or outcomes are derived amongst others from:

NATIONAL DEVELOPMENT POLICIES	PROVINCIAL DEVELOPMENT POLICIES
<ul style="list-style-type: none"> • National Development Plan • The New Growth Path; • The Outcomes Approach 2010; • Green Paper on National Strategic Planning of 2009; • Government Programme of Action 2010; • Medium Term Strategic Framework (MTSF) 2009 – 2014; • National Key Performance Indicators (NKPIs); • Accelerated and Shared Growth Initiative for South Africa (AsgiSA); • Breaking New Ground Strategy 2004; • Comprehensive Rural Development Programme; • National Infrastructure Maintenance Programme; • Land Care Programme; • Local Government Turnaround Strategy; • National 2014 Vision; and • National Spatial Development Perspective (NSDP). 	<ul style="list-style-type: none"> • Free State Growth and Development Strategy • Free State Provincial Infrastructure Plan • Provincial Spatial Development Framework(PSDF) • Operation Hlasela

1.4 LOCAL GOVERNMENT TURNAROUND STRATEGY

There has been an extended focus on local government performance since the 2009 national government elections. In 2009, the Department of Cooperative Government and Traditional Affairs (COGTA) undertook a nationwide assessment of the state of local government. The concluding State of Local Government report identified key priority areas to focus on in order to ensure that government restores the confidence of its citizenry in municipalities. These include:

- Huge service delivery and backlog challenges, e.g. housing, water and sanitation;
- Poor communication and accountability relationships with communities;
- Problems with the political administrative interface;
- Corruption and fraud;
- Poor financial management, e.g. negative audit opinions;
- Number of (violent) service delivery protests;
- Weak civil society formations;
- Intra and inter-political party issues negatively affecting governance and delivery; and
- Insufficient municipal capacity due to lack of scarce skills areas.

The Local Government Turnaround Strategy (LGTAS), approved by Cabinet in December 2009, further identifies steps to be taken by each sphere of government in ensuring that municipalities meet the basic service needs of communities. These include:

- Building clean, effective, efficient responsive and accountable local government;
- Improving performance and professionalism in municipalities;
- Improving national and provincial policy, oversight and support; and
- Strengthening partnerships between communities, civil society and local government.

Provincial EXCO approved implementation of the LGTAS in February 2010, following which the Municipality developed its own Municipal Turnaround Strategy (MTAS) with assistance from provincial Department of Corporate Governance. In preparing this MTAS the Municipality focused attention on strategies to address the key priority areas included in the State of Local Government report. Issues included the following:

- Service delivery and backlogs
 - Bulk services challenges
 - Basic services
 - Housing

- Formalisation of informal settlements
- Urban Regeneration
- Marginalised areas
- Conservation and demand side management
- Getting the basics right

- Communication and accountability
 - Making participation relevant and communication
 - Facilitating a responsive administration

- Political-administrative interface
- Corruption and fraud
- Financial management
 - Financial strategy

- Violent service delivery protests
- Civil society formations
- Insufficient municipal capacity.

The Municipality has committed itself to make a contribution to re-build and improve the basic requirements for a functional, responsive, accountable, effective, and efficient developmental local government. Furthermore, the Municipal Turnaround Strategy will help it to restore the confidence of the majority of people in the municipality, as the primary delivery machine of service delivery

The Municipality focus on improving the basics and prioritising basic service delivery continues in the programmes various sectors have developed and that are detailed in this IDP. Other aspects of the Municipality Turnaround Strategy remain relevant and are key strategic focus areas for this term of office.

These include the financial turnaround strategy, stepping up the basics, the focus on urban regeneration and marginalised areas as well as the attention given to rooting out corruption and fraud in the Municipality.

1.5 OUTCOMES-BASED APPROACH

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

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

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

1. Improved quality of basic education.
2. A long and healthy life for all South Africans.
3. All people in South Africa are and feel safe.
4. Decent employment through inclusive economic growth.
5. A skilled and capable workforce to support an inclusive growth path.
6. An efficient, competitive and responsive economic infrastructure network.
7. Vibrant, equitable and sustainable rural communities with food security for all.
8. Sustainable human settlements and improved quality of household life.
9. A responsive, accountable, effective and efficient local government system:
 - Output 1: Implement a differentiated approach to municipal financing, planning and support;
 - Output 2: Improving access to basic services;
 - Output 3: Implementation of the Community Work Programme;
 - Output 4: Actions supportive of the human settlement outcome;
 - Output 5: Deepen democracy through a refined Ward Committee model;
 - Output 6: Administrative and financial capability; and
 - Output 7: Single window of coordination.
10. Environmental assets and natural resources that is well protected and continually enhanced.
11. Create a better South Africa and contribute to a better and safer Africa and World.

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

1.6 CONCLUSION

As far as possible the intention of this Integrated Development Plan is to link, integrate and co-ordinate development for the municipality. We have also ensured that the IDP is compatible with national development plans and planning requirements binding on the municipality in terms of legislation.

However, there are some areas which are very weak due number of reasons inter-alia;

- the difficulties experienced in obtaining all necessary inputs from all stakeholders,
- the shabby and lack of culture of planning in the municipality
- Lack of sector plans to direct long term planning in critical sectors of the municipality

CHAPTER TWO

2.1 SITUATIONAL ANALYSIS

2.1.1 INTRODUCTION

Matjhabeng Local Municipality (MLM) is a category B Municipality established in terms of Section 12 of the Municipal Structures Act (117 of 1998). The municipality encapsulates an area of 514.4 km² consisting of Welkom, Odendaalsrus, Allanridge, Hennenman, Virginia and Ventersburg. The rural areas of MLM cover an area of approximately 2500 farms.

Matjhabeng Local Municipality came in to existence as result of demarcation of municipalities in 2000. This process saw the end of Local Government Transitional councils and advent of new dispensation of democratic local government.

2.1.2 DEMOGRAPHIC PROFILE AND STATISTICAL DATA

A comparative analysis of official statistics by Stats SA Census 2011 and Census 2001 demonstrate that the population size is gradually declining in Matjhabeng Local Municipality. The decline can be attributed to migration due to the diminishing mining activities and deaths due to HIV/AIDS, amongst others.

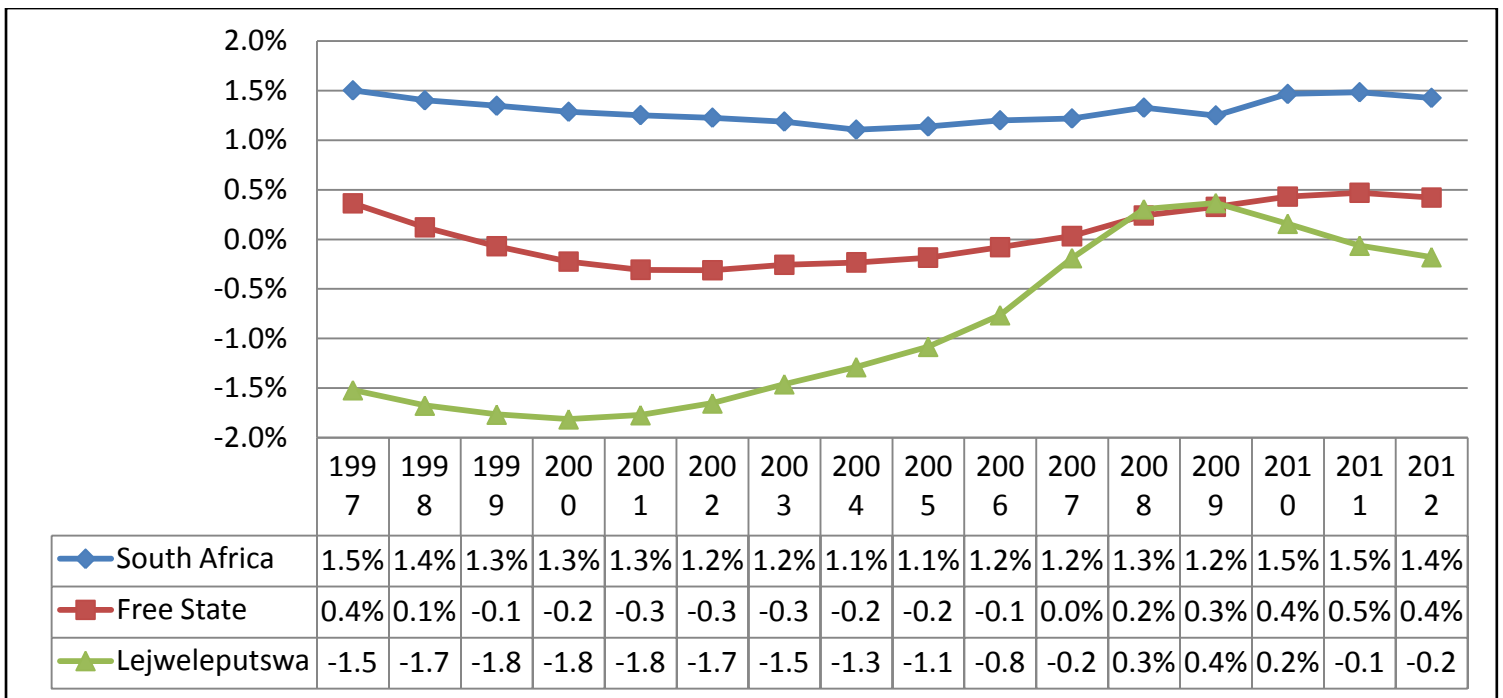
GENDER	2011	%	2001	%
Male	201 509	49.6	200 370	49.1
Female	204 952	50.4	207 799	50.9
Total	406 461	100	408 169	100

TABLE 1 Source: Stats SA Census 2011

	MALE	FEMALE	TOTAL	PERCENTAGE
Black	180 913	182 467	363 380	
Coloured	2 623	2729	5 352	
Indian or Asian	766	470	1 236	
White	17 613	17 451	35 064	
Total	203 915	205 117	406 461	100%

TABLE 2 Source: Stats SA Census 2011

Population Growth Rate



Source: Global Insight, Regional explorer, 2013

Household Statics

There is a noticeable increase in number of household came as result of division of families. This significant increase on the number of households poses service delivery and expansion challenges.

	CENSUS 2001	CENSUS 2011
Households	120 289	123,195

TABLE 2 Sources: Stats SA

2.1.3 THE ECONOMIC ENVIRONMNET

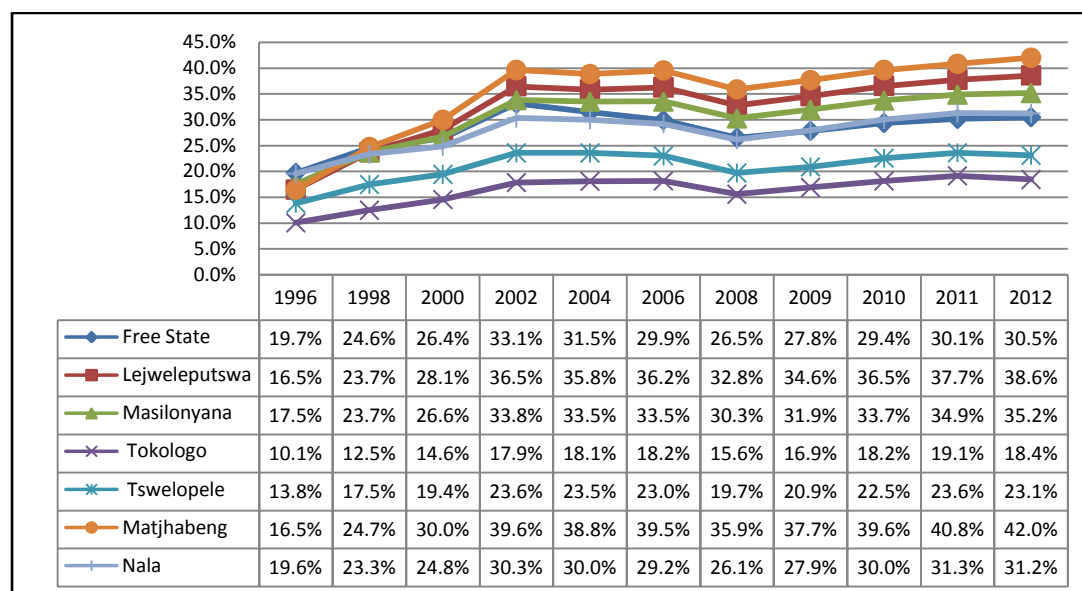
According to Stats SA 2011 Census, Matjhabeng Local Municipality has a relatively large economy with a production value of almost R27 billion (current prices 2011). The mining sector is by far the largest sectoral contributor.

2.1.4 EMPLOYMENT STATUS

It is important to note that since 2001 (See Table 3), the number of people employed has increased and the number of unemployed residents has marginally decreased. Therefore, the material conditions of the people of MLM have been undergoing a steady movement for the better.

OFFICIAL EMPLOYMENT STATUS	2011
Employed	99650
Unemployed	58 524
Discouraged work-seeker	13 290
Labour Force	171 414

TABLE 5 Sources: Stats SA 2011



Source: Global Insight, Regional eXplorer, 2013

The Free State province had the highest unemployment rate in the country at 30.5% in 2012. The Lejweleputswa unemployment rate was well above the provincial average at 38.6% in 2012. The unemployment rate in Lejweleputswa has persistently been above the provincial rate. Matjhabeng has the worst unemployment rate within the District at 42.0%, which is also above the provincial rate.

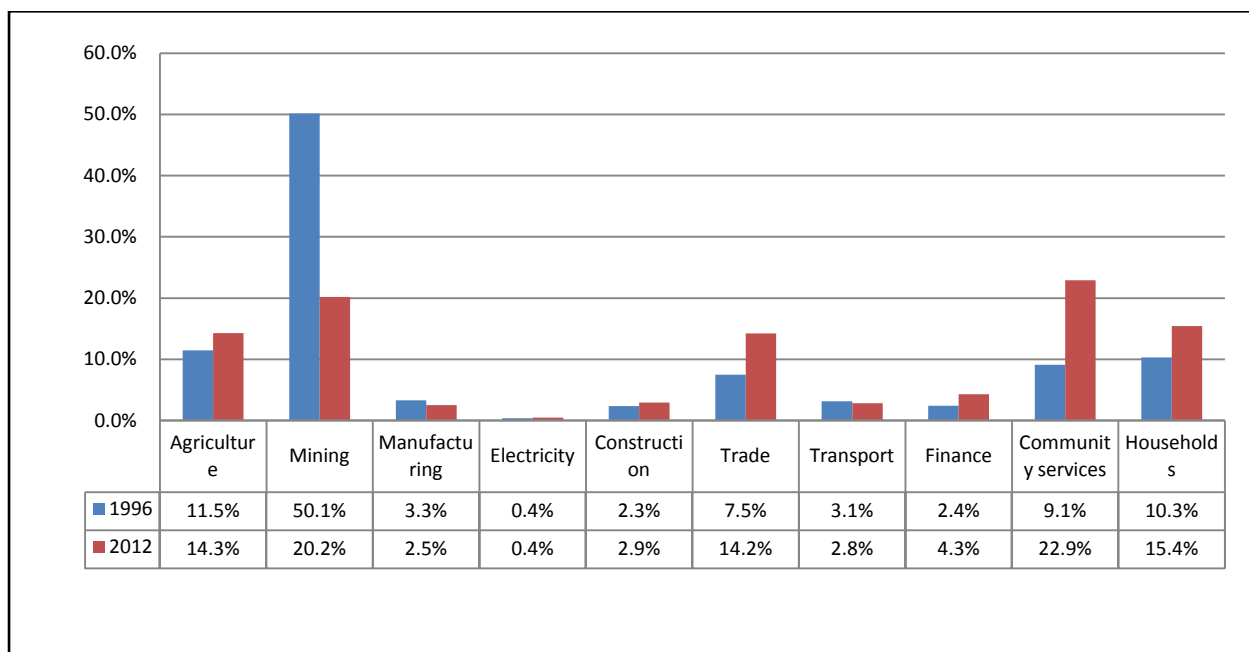
2.1.5 EMPLOYMENT BY SECTOR

In general employment levels (See Table 8) within MLM in all economic sectors has demonstrated both growth and decline from one sector to the other and in varying degree. Of significant noting is a decline of mining and quarrying sector and agriculture while other sectors has registered growth.

SECTOR	2009	2010	2011	2011%
Agriculture, forestry and fishing	358	339	381	1.4
Mining and quarrying	7087	10629	11495	42.8
Manufacturing	1332	1342	1429	5.3
Electricity, gas and water	418	502	556	2.1
Construction	442	493	549	2.0
Wholesale and retail trade, catering and accommodation	2162	2479	2793	10.4
Transport, storage and communication	1059	1096	1183	4.4
Finance, insurance, real estate and business services	2472	2737	2943	11.0

Community, social and personal services	2080	2562	2852	10.6
General government	2043	2343	2692	10.0
Total	19452	24522	26873	100

TABLE 6 Source: Stats SA



Source: Global Insight, Regional eXplorer, 2013

The biggest employers in the Lejweleputswa District are the community services (22.9%), mining (20.2%), private households (15.4%). Electricity (0.4%) and transport (2.8%) are the smallest employers in the region. Mining has experienced the biggest decline since 1996, from 50.1% in 1996 to 20.2% in 2012; a 29.9 percentage point fall the biggest share increase was in community services, from 9.1% in 1996 to 22.9% in 2012; a 13.8 percentage point increase

2.1.6 INCOME LEVEL

MLM displays a positive upward migration of residents from low income levels to middle to middle income levels. As exhibited in Table 5 below, the number of low income earners between no income and R 1600 has significantly decrease between 2001 and 2007. Most importantly the number of residents with no income has reduced by more than 40%. This is indication of the improvement of socio-economic condition of our people.

ANNUAL HOUSEHOLD INCOME	2011	%	2001	%
No income	20 069	16.3	35 646	27.7
R 1 - R 4800	6 606	5.4	12 072	9.4
R 4801 - R 9600	9 081	7.4	19 196	14.9
R 9601 - R 19 600	21 416	17.4	24 583	19.1
R 19 601 - R 38 200	22 394	18.2	17 985	14
R 38 201 - R 76 400	18 854	15.3	9 293	7.2
R 76 401 - R 153 800	11 703	9.5	6 152	4.8

R 153 801 - R 307 600	7 973	6.5	2 674	2.1
R 307 601 - R 614 400	3 789	3.1	614	0.5
R 614 001 - R 1 228 800	858	0.7	172	0.1
R 1 228 801 - R 2 457 600	262	0.2	149	0.1
R 2 457 601 or more	188	0.2	104	0.1
Unspecified	1	0.001	-	-
Total	123 195	100	128 640	100

TABLE 7 Source: Stats SA 2011

2.1.7 HIGHEST EDUCATIONAL LEVEL

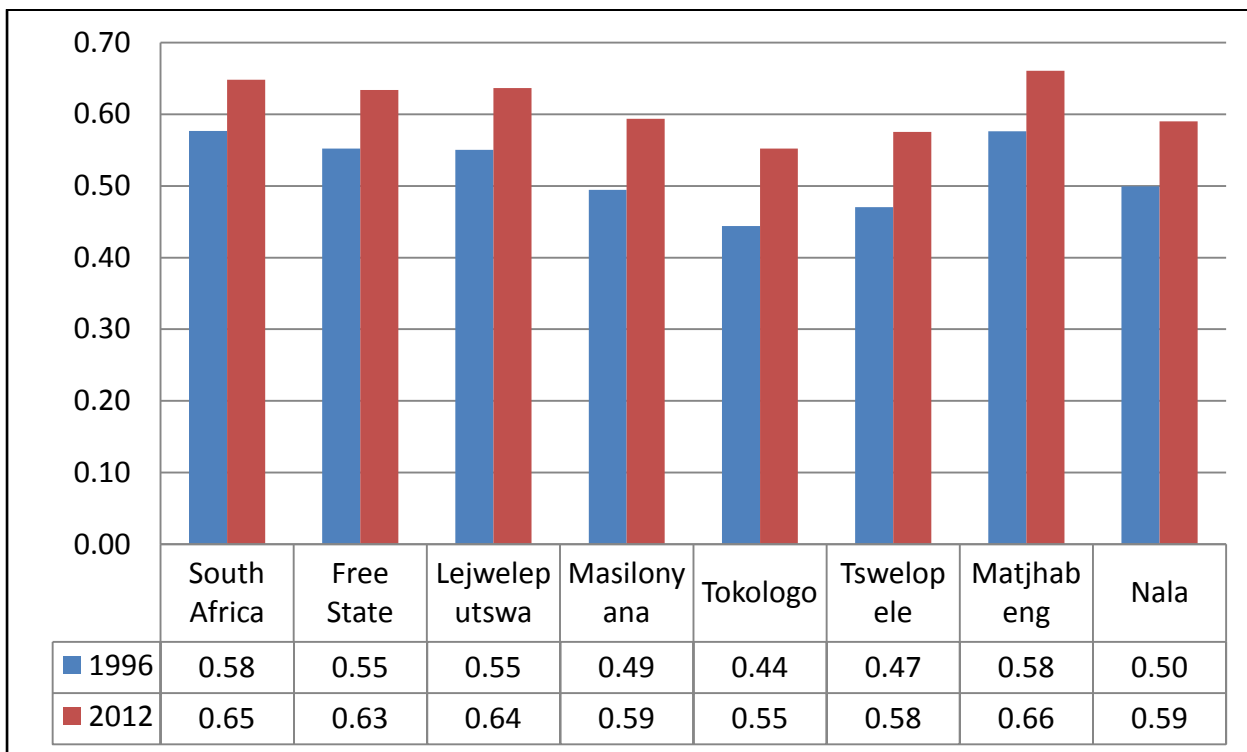
There has been considerable progress towards higher education levels since 2001. The proportion of persons with no schooling has dropped from 11.3% to 4%. This has important implications for employment.

TABLE 8: Highest Educational Level

	2011	%	2001	%
Grade 0	10 973	2.7	-	-
Grade 1 / Sub A	10 651	2.6	16 074	3.9
Grade 2 / Sub B	10 713	2.6	12 395	3.0
Grade 3 / Std 1/ABET 1	11 206	2.8	16 522	4.0
Grade 4 / Std 2	13 989	3.4	20 957	5.1
Grade 5 / Std 3/ABET 2	14 659	3.6	22 160	5.4
Grade 6 / Std 4	17 170	4.2	25 846	6.3
Grade 7 / Std 5/ ABET 3	21 155	5.2	31 422	7.7
Grade 8 / Std 6 / Form 1	32 268	7.9	34 324	8.4
Grade 9 / Std 7 / Form 2/ ABET 4	26 433	6.5	26 826	6.6
Grade 10 / Std 8 / Form 3	37 178	9.1	33 535	8.2
Grade 11 / Std 9 / Form 4	31 023	7.6	22 084	5.4
Grade 12 / Std 10 / Form 5	73 537	18.1	47 387	11.6
NTC 1-6	5 155	1.3	0	0
Certificate with less than Grade 12 / Std 10	3 97	0.1	912	0.2
Diploma with less than Grade 12 / Std 10	448	0.1	505	0.1
Certificate with Grade 12 / Std 10	3 529	0.9	4 527	1.1
Diploma with Grade 12 / Std 10	4 624	1.1	6 062	1.5
Higher Diploma	4 255	1.0	-	-
Post Higher Diploma Masters; Doctoral Diploma	700	0.2	-	-
Bachelors Degree	2 789	0.7	2 066	0.5
Bachelors Degree and Post graduate Diploma	1 022	0.3	849	0.2
Honours degree	1 325	0.3	446	0.1
Higher Degree Masters / PhD	685	0.2	378	0.1
Other	661	0.2	-	-
No schooling	16 172	4	46 157	11.3
Not applicable	53 741	13.2	36 735	9.0
Total	406 461	100	408 167	100

Source: Stats SA 2011

HAMAN DEVELOPMENT INDEX



Source: Global Insight, Regional eXplorer, 2013

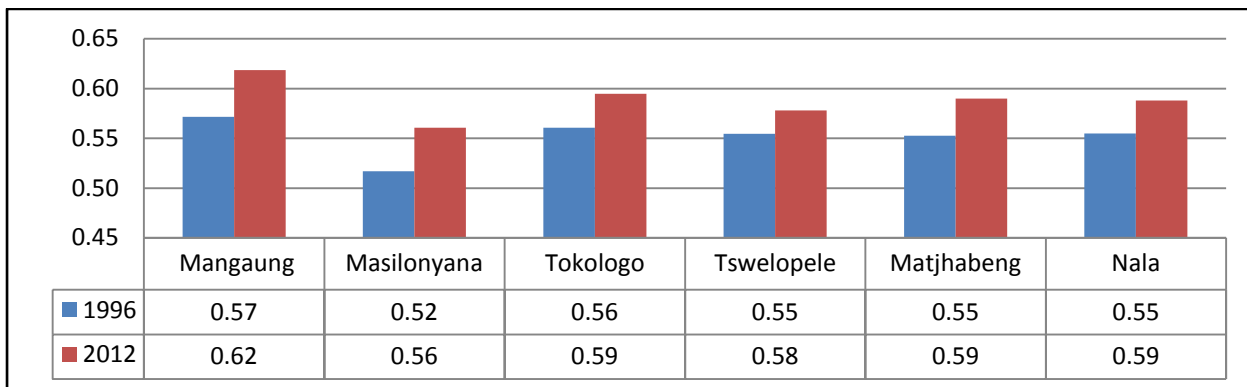
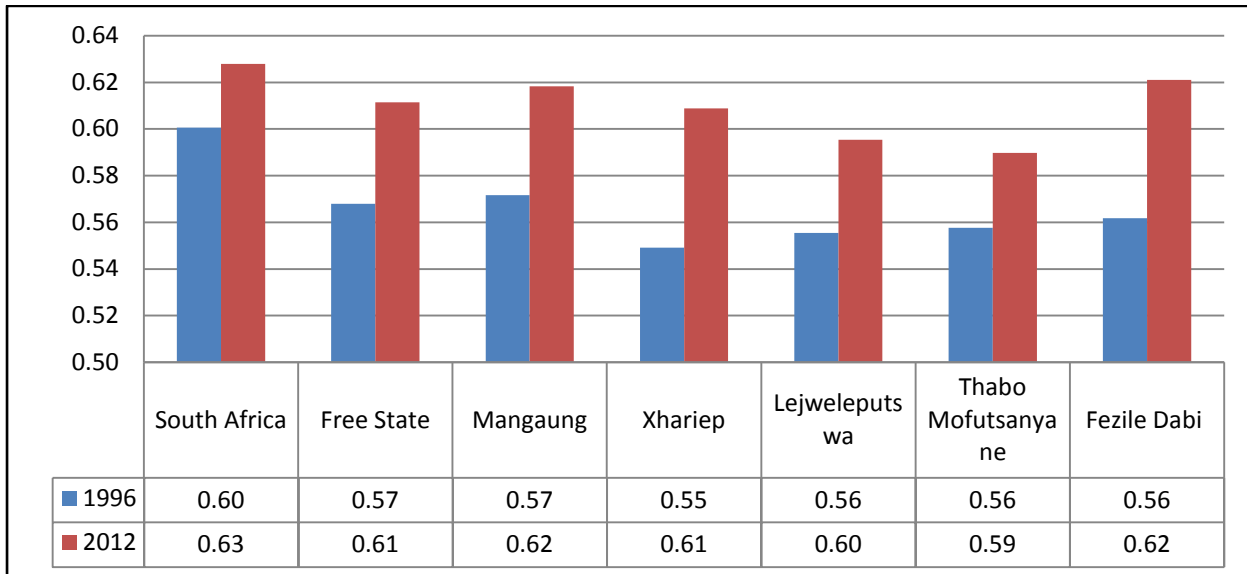
The level of development in the country, measured by HDI, has improved significantly from a lowly 0.58 in 1996 to 0.65 in 2012.

The Free State Province has also improved from 0.55 to 0.63 during the same period, though it remains below the national average

Lejweleputswa's HDI increased from 0.55 in 1996 to 0.64 in 2012, which takes it above the provincial HDI.

The municipality with the highest HDI in Lejweleputswa District is Matjhabeng (0.66), while Tokologo (0.55) has the lowest development level

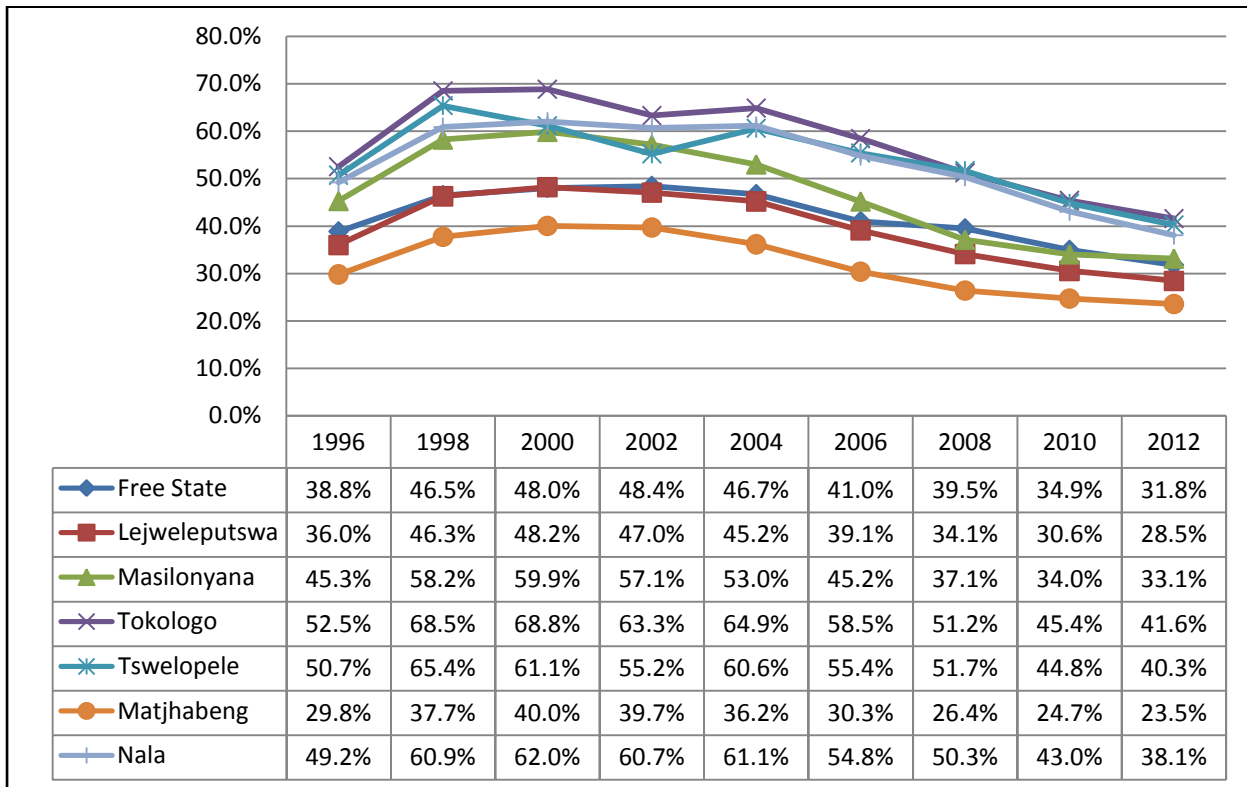
GINI-COEFFICIENT (INEQUALITY)



Source: Global Insight, Regional eXplorer, 2013

The level of inequality has increased in the country and in the province compared to 1996. Inequality in Lejweleputswa has also increased; from 0.56 in 1996 to 0.60 in 2012. The level of inequality has increased in all the local municipalities in Lejweleputswa. The level of inequality has increased in the country and in the province compared to 1996. Inequality in Lejweleputswa has also increased; from 0.56 in 1996 to 0.60 in 2012. The level of inequality has increased in all the local municipalities in Lejweleputswa.

POVERTY RATES BY LOCAL MUNICIPALITIES



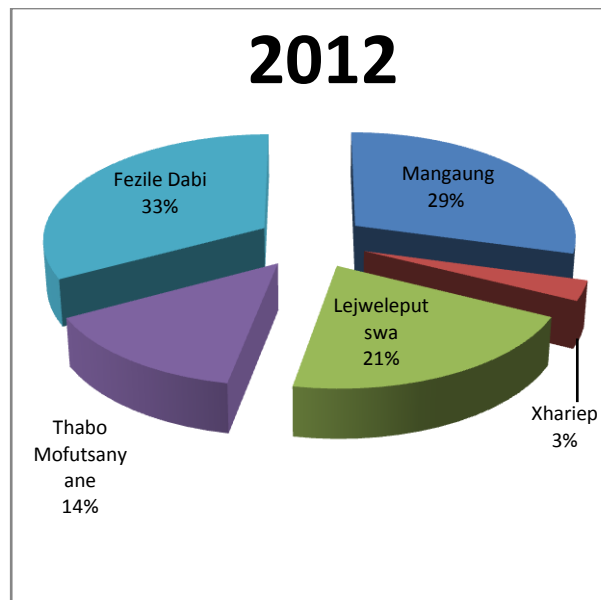
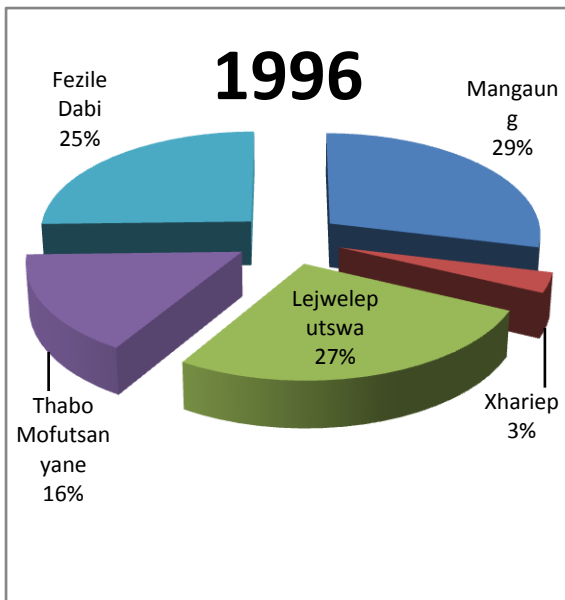
Source: Global Insight, Regional eXplorer, 2013

2.1.8 PRODUCTION PROFILE

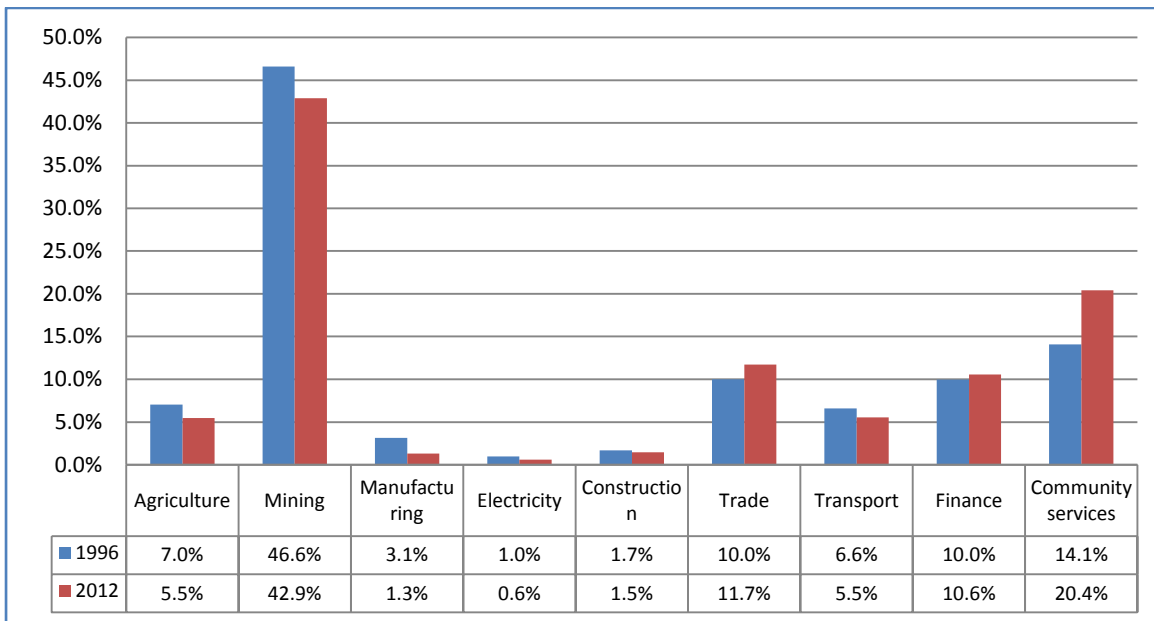
The economy of MLM can be divided into three main categories i.e. primary, secondary and tertiary sectors. The current statistics shows that the economies of Welkom 53%, Odendaalsrus 38% and Virginia 78% are dominated by mining, whilst Hennenman is dominated by manufacturing 41%, agriculture 17%, trade 10% and finance 10%. The total area percentages show a combined figure of 58% dominance by the mining sector.

2.1.9 RELATIVE CONTRIBUTION TO THE ECONOMY

The relative contribution of each District municipality per sector in the Free State Province, 1996 - 2012



GDP contribution by industry



Source: Global Insight, Regional eXplorer, 2013

The biggest sectors in the district in 2012 were:

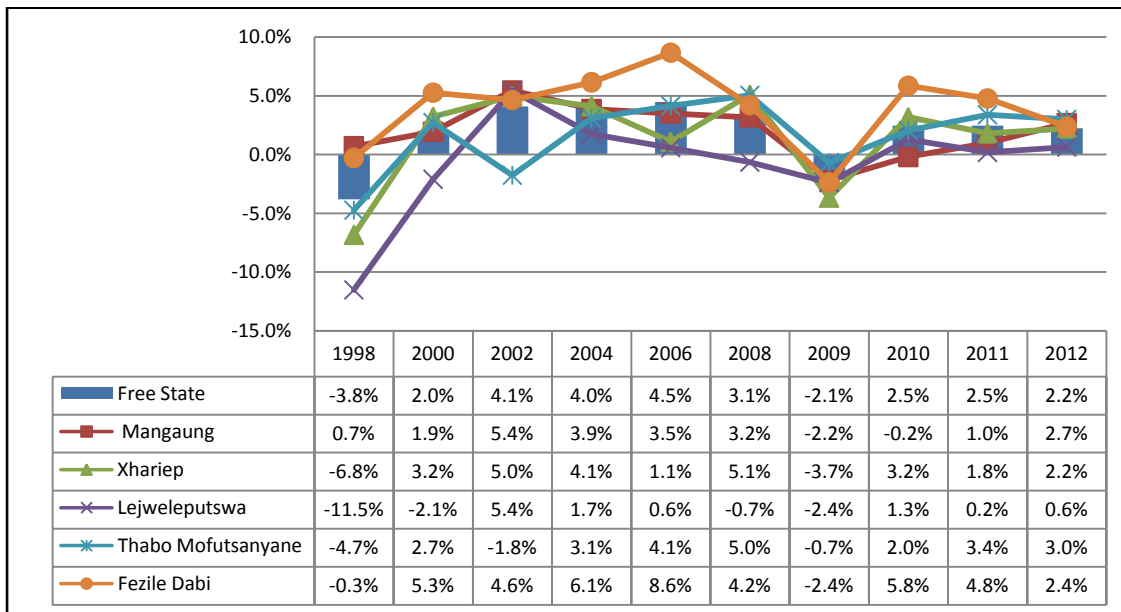
- Mining (42.9%)
- Community services (20.4%)
- Trade (11.7%)

The smallest sectors were:

- Electricity (0.6%)
- Manufacturing (1.3%)
- Construction (1.5%)

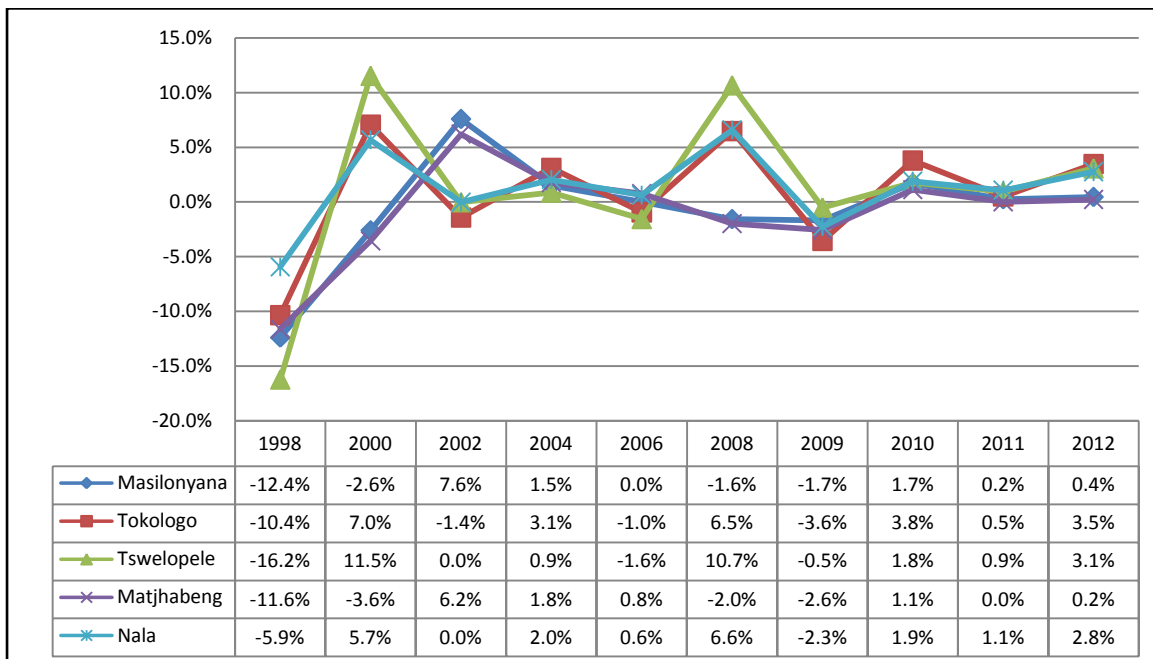
GDP GROWTH RATES

GDP growth per District

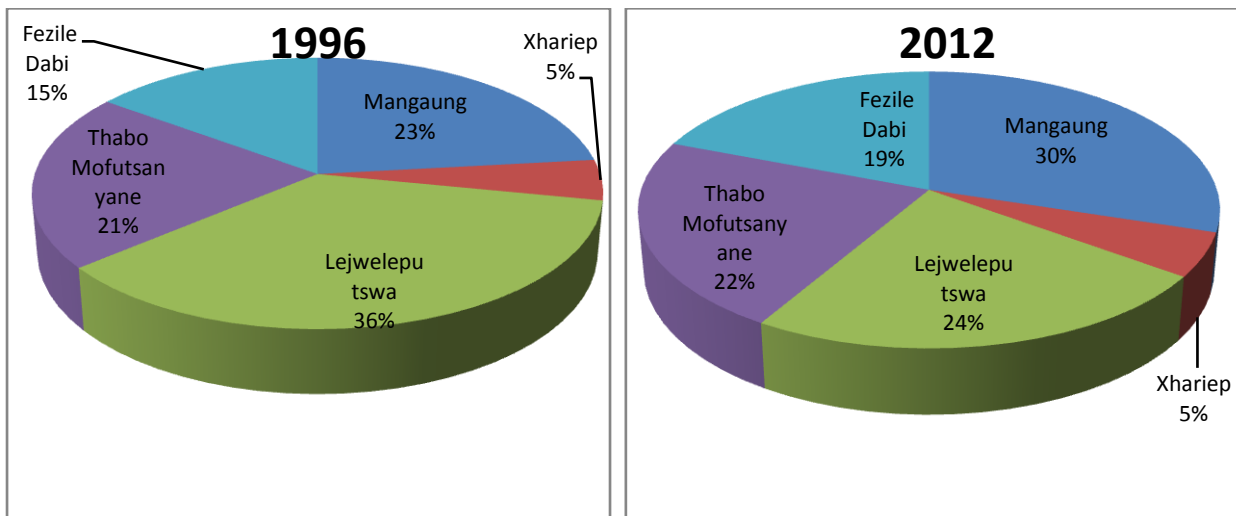


Source: Global Insight, Regional eXplorer, 2013

GDP growth rate per municipality



EMPLOYMENT SHARE BY DISTRICT



Source: Global Insight, Regional eXplorer, 2013

The region of Mangaung is the biggest employer in the province, employing 30% of the people employed in the province; this is in line with its 31% contribution to provincial GDP. The biggest regional economy (Fezile Dabi), with a GDP share of around 35%, only employs 19% of the employed in the province, although its share has increased from only 15% in 2002. As is the case with the ranking in terms of GDP, Lejweleputswa (24%) and Thabo Mofutsanyane (22%) hold the third and fourth positions respectively in terms of employment share.

2.2 AGRICULTURE AND RURAL DEVELOPMENT

Agriculture is a primary economic activity within the municipal region and is ranging from farming, hunting and fishing. The agricultural sector plays an important role in job creation and self employment of local residents. It covers all activities within MLM involving the utilisation of Agricultural resources, and including at the production, handling, processing, marketing and retailing of agricultural products, inputs and implements.

Main Agricultural products in MLM are the following:-

- Crops: Wheat, maize, Sorghum, groundnuts, Sunflower, soy
- Livestock :Cattle, sheep, horses
- Vegetables: Potatoes, asparagus et.al
- Horticulture: Cherries, other fruit
- Game Farming
- Agri-tourism

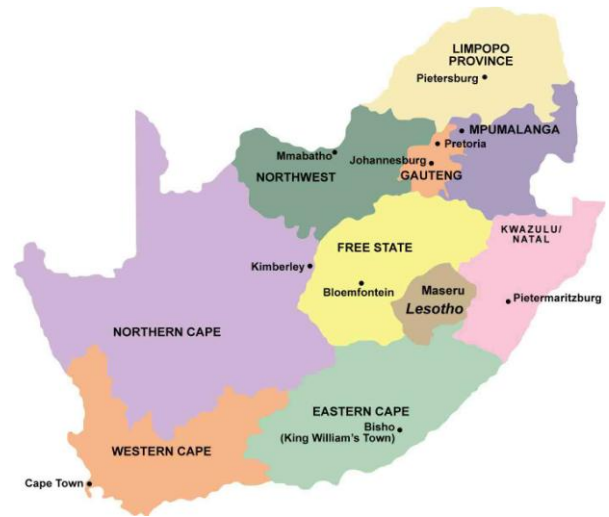
- Agricultural equipment, agric-professional services
- Agricultural processing (incl. meat, wheat, vegetables, etc.)

2.3 OVERVIEW OF SPATIAL LOCATION OF MATJHABENG LOCAL MUNICIPALITY IN THE FREE STATE PROVINCE

2.3.1 FREE STATE PROVINCE

The Free State Province is one of nine provinces in South Africa and is centrally located in terms of the geographic distribution of South Africa. The Free State represents 10.6% of the total land area of South Africa (Census 2001).

The province covers an area of 129 464 km², and had a population of 2.7 million in 2001. The Free State Province is divided into 5 district municipalities (districts). These are again subdivided into three to five local municipalities each, for a total of 20 local municipalities.



The five districts are:

- Fezile Dabi in the north
- Thabo Mofutsanyane in the east
- Motheo in the south-east
- Xhariep in the south
- Lejweleputswa in the north-west



2.4 LEJWELEPUTSWA DISTRICT MUNICIPALITY

The area of jurisdiction of Lejweleputswa District Municipality is situated in the north western part of the Free State and borders North West Province to the north; Fezile Dabi and Thabo Mofutsanyane Districts to the north east and east; Motheo and Xhariep Districts to the south; and the Northern Cape Province to the west.

The Lejweleputswa District is situated north of Mangaung Municipality in the Free State Province. It is accessible from Johannesburg, Cape Town, Klerksdorp and Kimberley (Lejweleputswa District Economic Development Strategy).

Lejweleputswa District comprises the following 5 municipalities and covers an area of 31686 square kilometres:

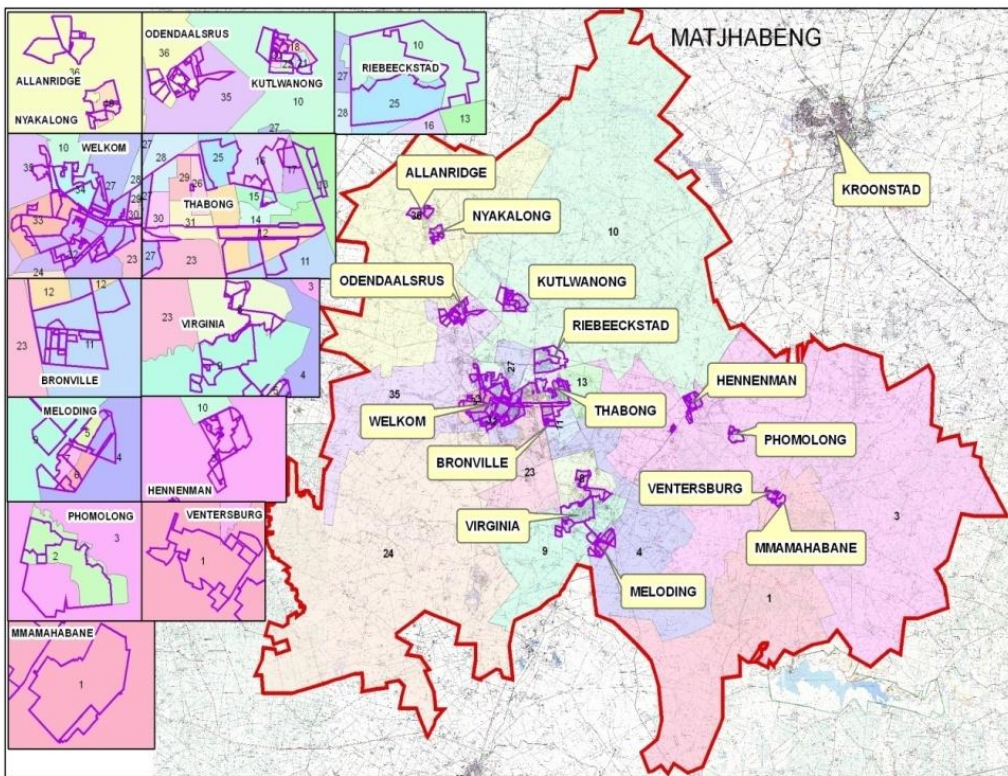
- Masilonyana Local Municipality consisting of the following towns: Theunissen, Brandfort, Winburg, Soutpan and Verkeerdevlei.
- Matjhabeng Local Municipality consisting of the following towns: Welkom, Virginia, Odendaalsrus, Hennenman, Ventersburg and Allanridge.
- Nala Local Municipality consisting of the following towns: Bothaville and Wesselsbron.
- Tokologo Local Municipality consisting of the following towns: Boshof, Dealesville and Hertzogville.
- Tswelopele Local Municipality consisting of the following towns: Bultfontein and Hoopstad.

2.4.1 MATJHABENG MUNICIPAL AREA

The Matjhabeng municipal area, previously known as the Free State Goldfields, consists of the following:

- Welkom/Thabong/Bronville
- Allanridge/Nyakallong
- Odendaalsrus/Kutlwanong
- Hennenman/Phomolong
- Ventersburg/Mmamahabane
- Virginia/Meloding

The area is favourably located in the north-eastern Free State about 250 km south of Johannesburg and 160 km north of Bloemfontein. The nearest harbour is Durban, approximately 565 km from Matjhabeng by road.



(Source: Matjhabeng Local Municipality)

2.5 INFRASTRUCTURE

The post 1994 democratic dispensation ushered in developmental local government tasked with the extension of quality, affordable and sustainable basic services to all. As illustrated in the above section, the demographics of Matjhabeng has undergone significant change over the years.

Like in all growing SA municipalities, this brings forth the dual developmental challenge of addressing past apartheid development inequities (backlogs) and expansion of services to new areas. A strategic delicate balance need to be maintained in order that all residents can experience appropriate fair and just service delivery.

2.6 ENERGY

The bulk electrical network is well established around the Matjhabeng area. Eskom serves all mines and all townships in the municipal area and thus there is sufficient bulk infrastructure available to serve the whole area. Main challenge however remains a aging electrical infrastructure in particular in towns where the municipality is provider.

However a change in cost recovery and their subsidization policy has made it very expensive to electrify the rural areas, and these include farms and farming communities who need such basic power support. Government's plan is to electrify all areas by the end of 2014 and Matjhabeng is well positioned to meet its plan.

Matjhabeng Local Municipality will develop the Energy Resource Plan to guide and address energy needs and that will be aligned with the national plan. The Municipality is trying level best to decrease its carbon footprint thus moving towards green economy.

2.7 HOUSEHOLD ENERGY/FUEL SOURCES

The recent national electricity crisis and the resultant effects on South African residents and the economy has highlighted how highly reliant we are on electricity as a source of energy. Government has committed to developing measures to promote energy saving, reduce energy costs to the economy, and reduce the negative impact of energy use on the environment. The National Energy Efficiency Strategy has set target of national target of 12% for energy saving by 2015.

The tables below illustrate that as a locality we are overly dependent on electricity as a source of energy for lighting, cooking and heating. In fact, the statistics reflect an increase of electricity as energy source in that the use electricity for lighting has increased from 84.98 to 8702; for cooking from 60 % to 80% and heating from 54% to 57%.

In part this can be attributed to the fact that with the gradual eradication of electrification backlogs through the household electrification programme, the number of people in our electricity network has increased. On the other hand, this display the lack of usage of alternative source of energy to fulfil our energy needs.

2.8 ENERGY SOURCE FOR COOKING

SOURCE	CENSUS 2001	COMMUNITY SURVEY 2007	%
Electricity	69 806	101 399	77.1
Gas	2 687	2 046	1.5
Paraffin	51 081	26 911	20.5
Coal	966	214	0.2
Wood	2 733	752	0.6
Solar	322	64	0.05
Animal dung	864	66	0.05
Total	128 7171	131 453	100%

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Energy source for Heating

SOURCE	CENSUS 2001	COMMUNITY SURVEY 2007	%
Electricity	89 956	115 486	87.7
Gas	247	272	0.2
Paraffin	13 157	5 509	4.2
Candles	24 943	9 966	7.6
Solar	263	0	0
Other	148	389	0.3
Total	128 714	131 622	100%

Energy source for heating

SOURCE	CENSUS 2001	COMMUNITY SURVEY 2007	%
Electricity	65 916	83 025	63.1
Gas	1 379	2 193	1.7
Paraffin	41 750	33 629	25.5
Wood	8 535	5 295	4.0
Coal	5 248	3761	2.0
Solar	213	127	0.1
Others	4 989	4 698	3.6
Total	128 718	131 623	100%

2.9 ACCESS TO WATER

Water infrastructure consists mostly of reservoirs (18) and 99 Km of bulk pipelines of Sedibeng Water, 29 pump stations, 1 water treatment plant and 12 waste water treatment plant. Sedibeng Water is the water service provider in terms of Water Service Act, and supply mainly the Goldfields region and the mines with water from the Vaal River, Bulkfontein near Bothaville and to a lesser extent from the Sand River.

Main reservoirs are east of Allanridge, in Welkom, north and south of Virginia. Pump stations are east of Allanridge and at Virginia where purification plant exist. Other water infrastructure resources were constructed by the Department of Water Affairs including dams in Allemanskraal and canals serving the Sand – Vet irrigation scheme.

Matjhabeng Local Municipality is confronted by numerous challenges that relates to the provision this services. They range from planning, coordination, financing, execution and reporting. The absence of a comprehensive Water Services Development Plan(WSDP) in the municipality is an indictment.

The table below illustrate that Matjhabeng has over the years incrementally reduced the level of no access to water and at the same time expanded household access to both RDP water standard and higher level of water access (piped tap water inside yard and dwelling).

Over the years the quality of drinking water provided to citizens has improved. This is reflected in our Blue-drop report as compiled by the Department of Water Affairs (DWA). According to DWA BlueDrop Certification ratings Matjhabeng scored 79.91% in 2010 assessment.

	CENSUS 2001	COMMUNITY SURVEY 2007
Piped water inside the dwelling	43 384	79 276
Piped water inside the yard	58 548	40 406
Piped water from access point outside the yard	12 815	9 190
Borehole	2014	1 642
Spring	8	0
Dam/pool	287	103
River/stream	105	62
Water vendor	5 977	378
Rain water tank	1287	7
Other	11	557
Total	128 715	131 621

StatsSA Census 2011

2.10 SANITATION

The second generation of democratic local government was mandated to among others to improve levels of sanitation and eradicate bucket system as form of sanitation. In this regard this mandates was fulfilled. However challenges were identified, among others were poor project planning, execution and reporting. This has led to a particular number of households still not able to use proper sanitation thus reverting back to old system.

The other challenge that came with expansion of service has been the capacity of waste water Treatment plants and pump stations. As indicated above there are 12 treatment plants and all of them require major upgrade and refurbishment. The backlog amount to R 0.9 Billion.

	CENSUS 2001	COMMUNITY SURVEY 2007
Flush toilet (connected to sewerage system)	72 268	103 172
Flush toilet (with septic tank)	898	1 718
Chemical toilet	568	0
Pit latrine with ventilation (VIP)	1 019	244
Pit latrine without ventilation	13 108	8 922
Bucket latrine	20 746	14 600
None	11 680	2 792
Total	120 287	131 622

StatsSA

2.11 ROADS AND TRANSPORTATION

The municipality has well established road and transportation infrastructure. The main challenge for over the years has been maintenance of such infrastructure due to escalating cost due to its age. This has major implication to the budget of the municipality as whole. Our Municipality consist of the following types of roads: gravel and surfaced (tar and paved roads). The municipality has a total length of 1618km of roads of which 550km is gravel and 970km is surfaced. Mostly in our Towns roads are surfaced and in townships roads are gravel but gradually township roads are now being given attention by upgrading from gravel to surfaced road using internal and external resources (i.e. MIG and Public Works funds).

The public transport system operating in Matjhabeng is privately owned taxis. The rail network that passes through Hennenman, and Virginia is mainline service linking the Municipality with Gauteng, Kwazulu Natal, Eastern Cape and the Western Cape. However there is are local railway network mainly servicing mines. The local railway network remains property of the municipality. Matjhabeng remains the main route of national bus services, however there are no bus service operating local in Matjhabeng Municipality except mine workers dedicated transport.

2.12 WASTE MANAGEMENT

2.12.1 REFUSE REMOVAL

A similar positive trend can also be observed with the provision of refuse removal services to our residents. The number of residents with no basic refuse has significantly reduced and therefore confirming the progressive reduction of refuse removal service backlog. The number of communal refusal is steadily reducing whilst the number household weekly refusal removal by MLM has increased significantly.

	CENSUS 2001	CENSUS 2011
Removed by local authority/private company at least once a week	92 904	117 284
Removed by local authority/private company less often	1 542	176
Communal refuse dump	4 539	1 528
Own refuse dump	14 561	10 313
No rubbish disposal	6 744	2 204
Other	0	117
Total	120 290	131 622

StatsSA

2.13 CEMETRIES

There are 14 cemeteries around Matjhabeng with are responsibility of the Municipality. The municipality provides graves and proper keeping of the cemeteries.

The high rate of HIV and AIDS in the region is reaching alarming proportions and needs to be considered in the planning for cemeteries. There must be an alignment between HIV/AIDS prevalence in the district and the budget for availing land for cemeteries.

2.13.1 PUBLIC SAFETY

The current level of crime is of concern and is not bound to a specific area or person. There is also an increase in the number of housebreaking and violence against women and children, who are the most vulnerable, is unacceptably high, some contributing factors are as follows:

- High unemployment rate and migration from rural to urban areas.
- Lack of resources within the police service (transport, manpower).
- Ineffective functioning of neighbourhood watch organization and community police forums.
- Lack of visible policing.
- Lack of accessibility to police stations

More facilities such as mobile police stations, available transport and accessible communication systems are required to improve crime prevention and emergency response.

2.13.4 CRIME

It needs to be mentioned that specific statistics for Matjhabeng is not available and therefore statistics for the Free State Province will be used to track the trend of crime in and around Matjhabeng. The types of crimes imposing on the safety of the people of the district are as follow:

TYPES OF CRIMES	STATISTICS ON %
All theft not specified	19.8
Common assault	15.5
Assault with intent to inflict grievous bodily Harm	11.2
Burglary at residential premises	11.1
Malicious damage to property	5.5
Crimen injuria	4.7
Theft out from vehicles	4.5
Common robbery	3.0
Stock theft	2.9
Robbery with aggravating circumstances	2.8
Attempted murder	2.8
Rape	2.5
Burglary at business premises	2.5
Drug-related crimes	2.5
Shoplifting	2
Theft of motor vehicle of motor cycle	2
Commercial crime	1.5
Driving under the influence of alcohol or drugs	0.7
Murder	0.5

CHAPTER THREE (3)

3.1 DEVELOPMENTAL STRATEGIES

3.1.1 OUR VISION

By being a benchmark developmental municipality in service delivery excellence.

3.1.2 MISSION STATEMENT OF MATJHABENG LOCAL MUNICIPALITY

- By being a united, non racial, non sexist, transparent, responsible municipality.
- By providing municipal services in an economic, efficient and effective way.
- By promoting a self-reliant community through the promotion of a culture of entrepreneurship.
- By creating a conducive environment for growth and development.

3.2 PLANNING FOR LONG TERM: VISION 2030

3.2.1 BACKGROUND AND CONTEXT

Matjhabeng Local Municipality has recently conceptualised its own Vision 2030 in line with government's Vision 2030. The primary goal the municipality's Vision 2030 wants to achieve is to see Matjhabeng becoming Free State's second metropol after Mangaung.

Logically, it is created to map out how the municipality will reach its goals and provides steps on how these will be realised. The 2030 Vision or strategic plan also serves as a future-oriented systematic and management tool for the entire Locality.

Typically, the strategic planning process explored a number of critical questions which included but not limited to the following: What is our business? What kind of image do we want to portray? What do we want to be known for? What is the nature and form of the constituents that we serve? What is our philosophy, values, ethical and social responsibilities? Where do we want to be in 2030?

Arising from the Vision 2030 the municipality has a mission that has the following as some of its potential success factors:

- Achieving credibility

- Maintaining quality service delivery
- Finding needed resources and building its revenue base
- Performing satisfaction research on local inhabitants regarding service delivery and its quality
- Creating an image of a listening and caring Municipality
- Maintaining effective internal and external communication
- Maintaining continuous improvements regarding policy reviews and evaluating progress
- Maintaining a learning organization by documenting processes so that others could learn
- A plan to deal with downturns should they occur
- Maintain systems and administrative policies to enhance capabilities of all employees to do their jobs effectively
- Maintaining interactions to create an innovative Locality

Through continuous interactions, a room has been created to review these critical factors for practicality and achievability. Consequently, they have been incorporated into the scope of work of various units in the municipality.

3.2.2 AN OVERVIEW OF VISION 2030 STRATEGIC FRAMEWORK

Matjhabeng long-term plan consists of a vision, mission and strategic goals and objectives. As a package, they consist of:

- City long-term plan which is a long-term strategic perspective of the municipality. It is an analysis of development trends and city dynamics. Overall, it describes the future of the municipality.
- The city value statement which is described as a Locality's new paradigm for development. It consists of a set of new principles on how to approach development in the municipality.

City vision is a City's statement which describes the strategic direction and the strategic plan of the municipality. It sets a new foundation for the entire municipality. City Strategic Plan consists of a clear set of long-term goals and strategic interventions through which these goals will be achieved as set out in the IDP document of the municipality.

In addressing the question of how the future City of Matjhabeng should look like, some strategic choices were made and are organized into 13 strategic sectors, namely:

- Economic Development
- Human Development
- Environment
- Safety
- Human Settlement
- Infrastructure
- Spatial Development
- Transport
- Health
- Finance
- Governance
- Corporate Services
- Institutions and institutional development

3.2.3 VISION VALUES AND DEVELOPMENT PRINCIPALS

Linked to these strategic sectors is the 2030 Vision of the City which addresses a number of strategic areas of policy concern. First, the City will be well governed, developmental and pro-poor in its nature and form.

This City will be more responsive to its inhabitants regarding, among others; safe water, health, air quality, decent and sustainable human settlements. The City will eradicate poverty and create a poverty-free society through addressing obstacles to rapid social mobility; create decent jobs that will pay decent incomes; improve and create further equal access to proper income-earning opportunities; and, will improve social conditions of those living in peri-urban areas.

The City will be productive, balanced and characterized by shared growth. This will be achieved by efficient and effective utilization of land; focus investments on catalytic projects such as infrastructure to accelerate shared growth and create a globally competitive economy.

The City will endeavour to unlock fully its economic potential in primary, secondary and tertiary sectors. It will improve industrial and economic competitiveness and sustainability of local businesses and continue to modernize its administration for improved service delivery. Well connected City; Credible and safe City; Sustainability and environmental justice; Competent and innovative workforce.

The long-term goals have been translated into long-term strategic interventions. In turn, the latter are bridged into Five-Year objectives and Five-Year Programs as addressed in the IDP document of the City.

A well connected city means that the city will promote the internal connectivity of the city as well as connectivity with its neighbours and the rest of the world through advanced transport networks and use and applications of ICT.

This implies that high quality modes of transport will be used in the city. It will further promote an enabling telecommunication and broadband infrastructure as a critical mode of communication. More importantly, in order keep the high standard of infrastructure, the city will invest in quality road construction and maintenance.

A credible and safe city implies that the city will create a conducive environment for economic development and investment by promoting partnerships with the private sector. More importantly, the financial sustainability of the city and the achievement of clean audits remain important for the city.

The financial sustainability will be achieved by the applications of well structured, transparent and focused public investment pattern. This will make the city attractive for people to come and work, live, and enjoy their leisure time in the city.

More importantly, the city will have zero tolerance to crime in general and to violent crime in particular as well as to corruption and corrupt activities.

The sustainability and environmental justice will be achieved by promoting environmental consciousness both in theory and in practice through effective management of risks of disasters and pollution.

The city will promote the development of its urban environment in a way that ensures that the poor communities are protected from urban environmental risks and associated urban disasters.

Competent and innovative workforce is a critical element in the success of the city and its new vision. Consequently, the city will, together with other relevant stakeholders ensure that proper investments occur in the higher education and research institutions in ways that will generate knowledge and skills of the local workforce.

More importantly, the city will play a critical role in promoting the integration and cohesion across the professional circles. Logically, the city will promote the development of knowledge economy through proactive planning and through research and development (R&D) and its associated activities.

Continuous capacity building and human capital development will be ensured for the sustainable development of the city. Further, the city will encourage the formation and enhancement of partnerships for the fight against the HIV/AIDS.

This well governed city will be pro-poor in its focus and will emerge as a leading agricultural, commercial and industrial based Metropolitan City in the Province of the Free State.

In order to achieve this goal, the city will plan and invest for economic development through sustainable use of resources in land, infrastructure, and service delivery. These focus areas will be crucial in addressing the needs of the community and in giving direction to those growth trends that can be anticipated and by finding effective solutions to the immediate challenges that are facing the community.

The City of Matjhabeng will be a city of neighbourhoods that will boast of a balanced wealth distribution system, affordable housing, efficient transportation and health system. It will establish positive connections between different uses of land in terms of location and mix, encourage economic and environmental health as well as innovation, education and learning.

The city's new pathway will be guided by how current experiences are reviewed in terms of key achievements and challenges as we explore tomorrow's possibilities. This will enhance the building of this future city and a business hub that integrates strategic towns more closer through transport nodes that will continue to feed in and out of the Free State Province.

The sub-visions by each sector show that, One, the city will be transformed into a well established community, with citizens and neighbourhoods as well as businesses sharing a sense of one identity and purpose as inhabitants of the city.

Two, the city will be a caring one bent on fulfilment of human needs and peace, clean air, water, food security, creativity in arts and culture, education and a fair sharing of limited resources between the current generation and that of our descendants.

Three, the city will promote sharing of environmental and development information with the outside world to ensure the leveraging of resources and risks for achieving sustainable development.

Forth, the city will further promote a safer city for all its inhabitants with adequate capacity to address urban insecurity from environmental risks and natural disasters and will root out the culture of crime and replace it with prevention of crime and corruption.

Fifth, in terms of housing, the city is and will be committed to expanding the low income housing developments and opportunities to ensure dignity and a path to stable housing for the homeless people.

Sixth, the city will be driven by continuous improvement of shared basic service infrastructure that is driven by advanced technology to ensure a safe, reliable and efficient public service delivery to all its citizens at affordable rates.

Seven, the new city will have its planning architecture built on a set of seamless principles of integration and coordination of its infrastructure and services for the purposes of achieving current and future sustainable socio-economic development. Eight, in terms of its infrastructure and basic services, the city will be driven by continuous improvement of basic service infrastructure that is driven by advanced technology to ensure a safe, reliable and efficient public service delivery to all its citizens at affordable rates.

Nine, with regards to its spatial form and urban management, the city's planning architecture will be built on a set of seamless principles of integration and coordination of its infrastructure and services for purposes of achieving current and future sustainable socio-economic development.

Ten, its transportation will be safe, reliable, cordial, high-quality transport service that is affordable to boost quality of life for its citizens by setting up its benchmarking learning channels from all around best practices and will be dedicated to achieve zero accidents.

Eleven, the city's health system will ensure access to world standard and high quality health care services for all its citizens, integrated and comprehensive team care that is patient-centered at affordable rates.

Twelve, the city will always seek to consider its operational, financial environmental and social costs in order to ensure decisions are fair and equitable to ratepayers and sustainable through development and maintenance of sound financial systems, zero tolerance to wastage and revenue enhancement.

Thirteen, regarding governance, the city will promote transparency and accountability by those at all levels of leadership through setting measurable sector performance goals which support the priorities of the City and building partnerships with members of the community to assure their needs are understood and that the City delivers services they desire in a cost effective manner.

Fourteen, the City will ensure corporate and shared services as the City will always want to improve the quality of life for all its citizens through sustainable development, provision and maintenance of effective services and creation of new employment opportunities.

Finally, the institutional services of the City will be run by a community-oriented government whose objective is to build and sustain vital neighbourhoods through innovative partnerships with the private sector to maximize increased workforce diversity of all City employees and citizens.

3.2.4 THE CITY'S LONG-TERM PERSPECTIVE: VISION STRATEGIC GOALS AND OBJECTIVES

The City's long-term perspective is a package that is made up of:

- City long-term plan which is an analysis of development trends and dynamics. This informs us about what is likely to happen in the future. This is referred to as the long-term strategic perspective.
- The City value statement which is a new paradigm for the City's development and is composed of a set of core principles on how to approach development.
- A City vision for the City.

- A City strategic plan which is a clear set of long-term goals and long-term strategic interventions through which goals can be reached (these relate directly to a clear set of 5-year objectives and 5-year IDP programs that are set out clearly in the IDP).

3.2.5 LONG TERM GOALS AND STRATEGIC OBJECTIVES

The City has identified a number of long-term goals and strategic objectives. These strategic interventions relate to:

- Financial sustainability
- Economic development
- Infrastructure services
- Human Settlements
- Environment
- Safety and Security
- Healthcare
- Transportation
- Governance
- Land, spatial form and urban management
- Institutional transformation

The strategic interventions outlined in this section have two characteristics. First is the number of long-term goals. These goals are set to be achieved in the future. It is by striving to reach and achieve all of these goals in each of the specific areas that the Vision of a future Matjhabeng will be realized.

Second, there are a number of long-term strategic interventions associated with each goal. These goals need to be achieved as they will contribute to national development and delivery commitments.

a. FINANCIAL SUSTAINABILITY

The goal of financial sustainability specifies that the City should be able to finance affordable and equitable delivery and development. It should continue to maintain financial stability and

sustainability through cautious expenditure, sound financial systems and a range of revenue and funding sources. The specific objectives of financial sustainability relate to the following:

- Sound financial management permitting the fulfilment of the future Metro developmental objectives
- Empowered customers that are enjoying the highest standards of customer care and responsiveness
- A future Metro with a stable and growing revenue streams
- Expanding range of capital funding options that are supported by a strong capital finance risk management
- Sustained excellence in financial management
- A future Metro that creatively evolves its resourcing and/or expenditure system to ensure long-term fiscal stability and growth as well as optimal spending to support accelerated and sustainable development.

According to the Centre for Local Government, University of New England, financial sustainability in local government has been summarised as follows:

A council's long term financial performance and position is sustainable where:

- (i) Continuation of the council's present spending and funding policies
- (ii) Likely development in the council's revenue-raising capacity and demand for and costs of its services and infrastructure
- (iii) Normal financial risks and financial shocks, altogether are unlikely to necessitate substantial increases in council rates (or, alternatively, disruptive service cuts).

b. KEY FINANCIAL INDICATORS

Below is a set of key financial indicators for assessing council financial sustainability:

- Net financial liabilities as the key indicator of the council's indebtedness to other sectors of the economy
- Operating surplus or deficit as the key indicator of the intergenerational equity of the funding of the council's operations
- Net outlays on the renewal or replacement of existing assets as the key indicator of the intergenerational equity of the funding of the council's infrastructure renewal or replacement activities

- Net borrowing or lending as the key indicator of the impact of the council's annual transactions – both operating and capital – upon the council's indebtedness to other sectors of the economy.

Key financial sustainability indicators are founded on the following 6 ingredients:

1. A local council is financially sustainable if its net financial liabilities are at levels at which the associated interest payments (less interest income) can be met comfortably from a council's annual income (i.e. by current ratepayers) without the prospects of rates increases which ratepayers would find unacceptable (or disruptive service cuts)
2. The net financial liabilities of a specified local authority can be too low where there are:
 - (a) Associated with current ratepayers being asked to bear an inequitable proportion of the cost of future service potential or,
 - (b) Below levels that include more than enough room to absorb unexpected financial risks or financial shocks
3. Annual operating financial performance of a local council is sustainable if operating deficits will be avoided over the medium- to long-term, because such deficits inevitably involve services consumed by current ratepayers being paid for either:
 - (a) By borrowing and so by future ratepayers or
 - (b) By deferring funding responsibility for the renewal or replacement of existing assets onto future ratepayers
4. A local authority's operating surplus can be too high where it:
 - (a) Is associated with current ratepayers being asked to bear an inequitable proportion of the cost of the council's future service potential or
 - (b) Is above a level that includes more than enough room to absorb unexpected financial risks or financial shocks
5. The annual capital financial performance of a municipality is sustainable if capital expenditure on the renewal or replacement of existing assets on average approximates the level of the council's annual depreciation expense because any shortfall of such capital expenditure against depreciation expense would involve future ratepayers being left with an excessive burden when it comes to replacing or renewing the council's non-financial assets
6. Finally, net borrowing of the local council can be too low where, over that planning period, it results in the council's net financial liabilities as a ratio of non-financial assets falling well below the targeted ratio.

c. PRE-CONDITIONS TO FINANCIAL SUSTAINABILITY

Best practices to making sustainability work require that the following are pre-conditions must happen before implementing any adopted sustainability model:

- 1) Sustainability must be an integral component of the overall strategy
- 2) Leadership must be committed to sustainability and build additional organisational capacity
- 3) Sustainability strategies should be supported with management control, performance measurement and reward systems as appropriate
- 4) Sustainability strategies should be supported with mission, culture and people as appropriate
- 5) Managers must integrate sustainability into all strategic and operational decisions. Then, additional systems and rewards can be introduced for formalise and support.
- 6) Managing sustainability performance should be viewed not only as risk avoidance and compliance but also as an opportunity for innovation and competitive advantage.

d. ECONOMIC DEVELOPMENT

Matjhabeng Vision 2030 will develop efficient, accountable, transparent and participatory governance, establish a competitive business environment characterized by sustained macro-economic sustainability.

It would also promote the development of sufficient and efficient infrastructure to support sustained economic growth and preserve the environment for sustainable economic development.

The economic development goal of the future Matjhabeng is a diversified economy that is able to meet local needs in terms of job creations, increased incomes, wealth distribution, and challenges of inequality.

It is an economy that will play an enhanced role as the key economic hub in the Province of the Free State, and a national economic-growth leader by ensuring sustainable development and adapting to changes and promoting effective and sustainable shared growth that will benefit all.

The diversification of the local economy will have to rest on a broad base of economic sectors which in their nature and form are part of the emerging industries and continuously regenerate older industries.

This local economy will further be characterized by strong links to the national, regional, and global economy. It will be characterized by a robust and growing market for locally produced goods and services.

More importantly, it will be characterized by equitable sharing of the value of gains from economic growth and geographic spread of both the economic activities and economic benefits. Finally, it will be characterized by continuous improvements in the general business environment.

In order to build a diversified, competitive and developmental economy in Matjhabeng, a number of sectors have been assessed for potential focus and investment. Arising from this assessment,

tourism has emerged as a crucial sector for the further growth and development Matjhabeng's economy.

The following are some key strategies that Matjhabeng can put in place to meet its goals:

- Developing the infrastructure of the municipality to make it easier for businesses to operate (i.e. houses, transport, roads, water and electricity etc). This is mainly addressed in the IDP of the municipality. Whilst it contributes to providing better living conditions it also creates an environment that promotes economic growth.
- As indicated previously, promoting tourism, which currently is one of the biggest growth industries in South Africa. This includes developing local tourist sites and facilities, improving security and ensuring that all residents are welcoming of tourists.
- The municipalities tender and procurement policies must favour small contractors and emerging businesses. Where these companies cannot provide the required services, steps must be taken to get larger companies to enter into joint ventures with smaller partners.
- Marketing the municipality, its infrastructure and people to local and international businesses. This can be combined with service centres that provide assistance and information to businesses that wants to start operations in the municipality.

3.2.6 SMME DEVELOPMENT

Entrepreneurship has been acknowledged over and over again in the world as **the engine** of economic growth. Without small business development, the economy stagnates, employment declines and ultimately the general standard of living deteriorates.

SMME development has been recognized as an economic opportunity but also realised that it comes with key support and implementation challenges.

To tackle this particular challenge, 5 core areas need to be addressed in order to achieve viable and successful SMME Development:

- Entrepreneurs need to be able to access business support services in close to where they are situated therefore it is spatially located,
- Entrepreneurs need to have a tight and reliable community of business support service providers who can assist them,
- Entrepreneurs need to be able to access work opportunities, be it through procurement opportunities or links with big business,
- Entrepreneurs may require assistance to develop their assets and access resources, and,

- Entrepreneurs need to be skilled and human resource development needs to occur. HRD will occur not only at school level but also amongst the unemployed.

It is believed that once these support mechanisms are in place, small businesses will thrive.

Matjhabeng had identified several major problems for SMMEs is that a proper continuum of service providers does not exist because:

- They are not adequately equipped, managed and resourced
- They do not cater for all types of advice leaving many gaps in the market.
- They are sporadic and unevenly spread geographically
- They are uncoordinated, erratic and do not communicate with each other effectively.
- They do not cater effectively with the different language and education levels - from unsophisticated business to highly sophisticated businesses.

In order to alleviate these ricks Matjhabeng will offer wide-ranging support structures for SMMEs to cater for the entire spectrum of needs. It will mobilise and harness the various advice and services available (be it government or private sector) to create a continuum of support.

The range of services required by SMME spans:

- Business idea development
- Business plan development
- Financing (loans and incentives)
- Grants and investment recruitment
- Technology
- Sourcing and procuring inputs
- Operational skills
- Management skills and HRD
- Quality management
- Packaging logistics
- Export and import processes
- Tender application skills
- Legal advice
- IT advice
- Accountable advice
- Marketing (domestic and global export)
- Client care

Matjhabeng will have to consider direct assistance for this concept through:

- Co-funding unique and rare services
- Funding training courses provision
- Purchasing services for selected individuals
- Funding monitoring and evaluation of the quality of services
- The concept involves the one-stop-shop idea where SMMEs are able to access a single point to seek assistance.
- The entrepreneur will be guided (hand-held) through his/her business journey ensuring that optimum success is achieved. This will further be enhanced by providing internet access at these centres.
- Matjhabeng will offer intensive training assistance programme to SMMEs, which will be affordable and relevant.
- Matjhabeng will monitor and evaluate these interventions for quality and performance.

With the decline in the mining sector of Matjhabeng, it is imperative to consider other avenues for effective job creation. SMME development is one of them, and the focus will now be on, tourism. Listed below is the process of SMME development through tourism, especially mine tourism and agricultural tourism.

3.2.7 TOURISM AS A KEY ECONOMIC SECTOR

According to the World Tourism Organisation, tourism is the world's largest economic sector generating almost \$500 billion per year and providing direct and indirect employment to some 340 million people. Globally, tourism accounts for roughly 35 % of exports of services and over 8 % of exports of goods.

Tourism has also earned the accolade of being one of the fastest growing sectors in the world economy, and is predicted to grow its volume of arrivals to 1,56 billion in 2020.

Driving this exponential growth over the last five decades has been a number of key trends:

- Rising incomes and disposable incomes in the leading tourism-generating markets of North America, Western Europe and Japan
- Increased leisure time available for travel
- Economic globalisation, including innovations in transport and information and communication technologies, which have made travel cheaper and more accessible.

These trends have created important opportunities for many countries, particularly those in the developing world. For 83% of countries in the world, tourism is one of the top five sources of foreign exchange.

Caribbean countries, for example, derive half their GDP from tourism. For governments in developing nations, tourism has the added attraction of being labour intensive with comparatively low barriers to entry for entrepreneurs.

It also has relatively high employment multipliers and can create many jobs in a comparatively short time. Outside of the core tourism value chain, the employment multipliers are strong as jobs are created in supporting industries, such as financial services, construction, cleaning, security, laundry, arts and crafts, food and beverages, etc.

Tourism also offers the opportunity of bringing development to rural areas, and can allow for the sustainable utilization of the natural environment. It is also a force in building the global identity of a country or city (i.e. its brand identity). International travel patterns are changing. In 1950, 97 per cent of international tourists went to Europe or North America.

By 1999 this had fallen to around 75 per cent. In recent years, domestic and intra-regional tourism in the developing world has grown rapidly, especially in emerging economies such as South Africa, Brazil, Thailand, India, Korea, China and Mexico. Over 80 per cent of all international tourists come from just 20 countries in the North – 17 in Europe plus the USA, Canada and Japan. Five nations (the US, Japan, Germany, France and the UK) account for almost half of all tourism spending.

It is estimated that there will be 77.3 million international arrivals to Africa by 2020; this represents an annual growth rate of 5.5% from 1995 to 2020. Africa's overall share will increase to 5% of total by 2020.

Following its transition to democracy and entry into the global economy, South Africa is fast becoming one of the world's leading new tourism destinations. The development of South Africa as a tourism destination has mainly been a result of tourism development initiatives that have been undertaken by government subsequent to the elections in 1994.

The isolationism of old apartheid system has delayed South Africa's entry onto the world stage in many areas, including travel and tourism. This limited the benefits that the industry could deliver both economically and socially.

The tourism industry was not regarded as a key component of economic growth and development prior to 1994. In 1994, at the end of the Apartheid era, the South African Government announced an ambitious campaign to make tourism one of the country's key industries in the creation of new jobs and generation of foreign earnings.

The vision was to develop the tourism industry as a national priority in a sustainable and acceptable manner, in order for it to contribute significantly to the improvement of the quality of life of all South Africans. Government accepted tourism as one of its main interventions to reverse a sluggish economy, high unemployment rate, weak domestic and foreign investment, and to mobilize SMME capacity.

The result is that tourism is now a significant industry in South Africa, employing by various estimates somewhere between 700,000 and 1,1 million people, directly and indirectly.

The industry is served by approximately 46 international airlines, 6 domestic airlines, 4 principal vehicle hire companies, 3 principal coach companies, an estimated 13,000 direct contact service enterprises and a multitude of supply industries to the aforementioned. . In the domestic economy, tourism accounts for over 7.1% of GDP and 6.9% of total employment.

Tourism therefore has enormous potential to accelerate the growth of Matjhabeng's economy, and to create local jobs, particularly within the context of a declining mining sector. In this regard, a concerted focus on two niched tourism sub-sectors are proposed, namely:

- Mining Tourism
- Agricultural Tourism

These are outlined further below:

(a) MINING TOURISM:

Both international and local tourists could be targeted to learn more about Matjhabeng's mining history through visiting mine museums (including underground museums), and taking guided mining tours. Mines that are no longer operational could therefore be leveraged in order to serve as income generating and job creating assets.

(b) AGRI-TOURISM

Agri-tourism provides the opportunity for a range of tourist activities to be developed, including bed and breakfasts, guesthouses, lodges, hiking trails, horse-back riding trails, etc.

The development of these two tourism sub-sectors will require detailed planning and aligned investment.

3.2.8 FREE STATE PROVINCIAL INTERVENTION TO SUPPORT SMME DEVELOPMENT – FREE STATE DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS (DETEA)

In order to support the process of Economic Development DETEA has embarked on a Provincial rollout showing casing the concept of the Techno-Parks. The term “Technopark” means a designated area developed to accommodate individuals, academics, corporate organisations and government institutions in an effort to promote synergy in the fields of research and industrial development, with a common goal of discovering and/ or improving performances by the industrialists as well as their products.

Technoparks are mainly regionally based, their main thrust being that of optimising the balance of using locally available resources (human, knowledge and materials) to improve the performance and/ or products being produced by local companies. Whilst utilising local resources, the Technoparks clientele extends to beyond the borders of the region and to the whole world.

To achieve all this, the main businesses of the Technoparks are:

1. BUSINESS INCUBATION

This is the support given to individuals and SMMEs by providing space, equipment, start up skills, finance, tax and marketing strategies, and general mentorship. Additional support such as regulatory compliance, patent and intellectual property management will also be given. Organisations such as SEDA, FASA, FDC and CSIR etc will be expected to take advantage of such a setup and reach out to the young graduates who may want to pursue their studies in the technological field.

2. BUSINESS NETWORKING

An opportunity is presented where businesses and researches can complement each other given the close proximity and the diversity of the research subjects at the complex. Possible partnerships can be formed and long term mutual agreements can be reached. Opportunities will also be available to local researchers to network with regional and international researchers from research centres and universities that have partnership with the centre.

3. REGIONAL ECONOMIC GROWTH

The Technopark enables the local economy to grow through enhanced innovative culture and improved technologies. A healthy competition also prevails between companies resulting with improved products and value for money. Examples are:

3.1 IMPROVED FARMING TECHNIQUES AND/OR YIELD

Researches can result in better farming methods or applications being applied by the local farmers resulting in better yields. The better techniques reduce losses whilst better products mean a bigger demand of the product thus improving on the sales and profits.

3.2 INCREASED UTILISATION OF BY PRODUCTS

Continued research into making the most of any by product can make a breakthrough that can change lives of many. The usage of bio-fuel is one such example and more can be achieved if opportunities are available to the scientists. Free

State Innova Technopark will include research centres in the field of agriculture.

In mining, uranium comes as a by product of gold mining. Increased efforts can discover some minerals that could otherwise be discarded together with the mine waste.

3.3 IMPROVED TREATMENT OR PREVENTION OF DISEASES IN CROPS AND LIVESTOCK

Throughout the world, the farming industry has suffered major setbacks due to outbreaks of some diseases. Other than the direct loss of livestock or crop, customer confidence will be heavily dented.

Control or prevention of such outbreaks therefore gives the farmers a leverage over their competitors and assure their customers of healthy products. Increase sales will follow as everyone will be happy with the products, resulting in an economic boost.

3.4 IMPROVED MINING TECHNIQUES

With the dwindling resources, improvements in the mining techniques will allow miners to execute their business viably and optimally. Introduction of new improvement methods and well as technology will enable miners to extract precious metal from the ground with ease and more affordably

4. RESEARCH PROMOTION

The grouping of academics, scientists and industry heads coupled with the intervention of Government makes to Techno-parks an ideal place for the advancement of technology in the country. Most Universities and colleges do not have the resource and capacity to carry out extensive research, therefore the introduction of the Tech-park would complement these institutions on this basis.

5. EDUCATION AND TRAINING

The Techno-parks will offer education and training across the following areas:

- Primary Education
- Secondary Education
- Tertiary Education

6. THE TECHNO-PARK CONCEPT AND MATJHABENG

The Free State Province lies in the middle of South Africa, making it an ideal business venture. The economic corridor of the country passes through the province, hundreds of tonnes of goods are ferried everyday from KwaZulu Natal and the Western Cape by rail and road.

With a total area 19825 square kilometres, the Free State takes up 10.6% of South Africa's land area. It is the third largest in the country. The towns of Welkom and Kroonstad are the second and third largest towns in the Province. Welkom is predominantly a mining town after the discovery of gold and Kroonstad an agricultural town.

The area identified for the Techno-park is in the farmlands between the towns of Virginia, Ventersburg and Hennenman. The area is bordered by the R70 road to the east, R73 to the south and west.

A railway line runs along the S181 from Kroonstad through Hennenman and Virginia to link the Province of the Free State and Johannesburg. The area is flat and receives

satisfactory rainfall. There is an approximate population of 500 000 people residing in the town surrounding the proposed Techno-Park.

There is a good supply of electricity and piped water is supplied by Sedibeng Water. The N1 is in close proximity to the proposed site as well as several airstrips servicing the mines in the area. The identified land covers an area of 53 square kilometres Other services like, a sewer treatment plant, roads and other strategic services can be identified, developed or upgraded into the designs of the Techno-Park.

There are also plans to incorporate a Techno-City ion the Techno-Park concept. The idea behind the Techno-City is to provide full residential accommodation, sports facilities, medical centres and entertainment areas to people working in the techno-Park.

e. INFRASTRUCTURE AND BASIC SERVICES

The infrastructure and basic services goals relate to a high and well maintained infrastructure services throughout the future Metro leading to a better quality of life for all, and making sure that there is substantive progress made to meeting and providing the basic services, such as:

- Water and sanitation
- Power
- Waste removal

In accordance with national policy commitments and an agreed local definition of appropriate levels of services, extension of a differentiated package of service that is fit for purpose, affordable, and reliable to all households. It has to do with eradicating backlogs linked to the supply of water, electricity, waste removal, and bucket system.

It is worth noting that the extension and maintenance of reliable and competitively priced services will be required to service commercial and institutional customers. The service delivery will continue to be secured through a well-designed, well-integrated and well maintained generation, supply, processing, and distribution networks.

Leadership in sponsoring and adopting innovative, yet locally relevant technologies and delivery capabilities will continue to be needed in order to enable the generation of new service offerings and ongoing efficiency improvements across all service areas. Finally, a regime of effective service delivery regulation and stakeholder interaction will be of critical importance.

f. HUMAN SETTLEMENT

It is envisaged that in a future Metro, all people would be housed and accommodated in integrated and functional sustainable human settlements. These will be well located, good quality, adequately serviced, safe and affordable. On a progressive basis and over a long-term, all residents in inadequate housing will be able to access affordable, safe and decent accommodation.

The housing needs at all levels of the housing ladder will be met through accelerated facilitation and supply as well as effective management of a diverse range of products for both purchase and rental. A fully functional secondary housing or property market will be available in all parts of the Metro so that all households can realize economic value from investing in their residential assets.

The quality of existing and future housing stock will be enhanced and maintained. More importantly, there will be increased liveability and sustainability of all residential communities with equitable access to green spaces, social and cultural facilities, transportation and economic opportunities and adoption of green-housing practices and technologies.

g. ENVIRONMENTAL SUSTAINABILITY

An environmentally sustainable future Metro will in its form and nature be able to anticipate, manage, and reduce the impact of its own built environment and urban processes on the broader envelope of natural resources. In this regard, environmental sustainability objectives relate to:

- Sustainable management of the future Metro's waste streams through waste avoidance, reduction, recycling and reduced disposal
- Protection of river ecosystems, water conservation, and preservation of the ecological reserve
- Biodiversity and environmental heritage protected to enhance ecosystem goods and services
- Diversification of the energy sources on which the future Metro will rely and proactive management of energy demand and,
- Reduction in land, air, water, noise, and light pollution

h. SAFETY AND SECURITY

The safety and security goals relate to a Metro with a reduced crime rate where life, property and lifestyle are safe and secure and where a high level of safety and security is maintained. The safety and security objectives of the future Metro are:

- A safe and secure urban environment
- A Metro free of fears of crime and violence
- Effective regulation of road-traffic in the interests of road safety across the Metro
- A proactive and effective emergency response and disaster management capacity.

i. HEALTH CARE

The future Metro will be a Metro with a high-quality, efficient, accessible and equitable healthcare across all sectors that has adequate and flexible capacity to meet the changing health challenges of the population. The objectives of the future healthcare system are:

- Systematic improvement in environmental health conditions
- Within a broader disaster management response capacity, maintenance of ability to respond to any and all public health threats
- Massive reduction in HIV/AIDS prevalence or incidence rates and reduced impact of HIV/AIDS on communities and,
- All citizens to have access to a comprehensive basket of health services, especially primary health care.

j. TRANSPORTATION

The transportation goals of a future Metro are a Metro with safe and efficient transportation system with a public transport focus, and a well-developed and well-maintained roads and storm water infrastructure which is able to connect businesses, people and places in a sustainable and cost effective manner, and thereby enhance the standard of living and quality of life for all inhabitants as well as the overall competitiveness and growth of the local economy. Typically, the transportation objectives of a future Metro have to do with:

- A community of road and public transport users who are aware of and committed to a core set of values
- Improved access for residents to employment, education, recreation and market opportunities through strategic transport infrastructure and operations which are well aligned with the Future Metro's Spatial Development Framework

- Development and maintenance of a world-class road traffic signaling and storm water infrastructure network across the future Metro and,
- Improved safety, affordability, convenience and comfort on all transport infrastructure and services.

k. GOVERNANCE

The future Metro will be a citizen-focused Metro that continuously improves its governance. It will have capabilities to continuously evolve techniques and capacities to govern effectively in order to dramatically improve its position in the national, regional, and global space economy.

It will ensure good governance and work with other spheres of government, business, civil society and international partners to meet the emerging development challenges. Consequently, the future Metro will be evaluated through a number of governance objectives which will act as indicators of its success in this developmental goal. These are:

- Develop strong institutions to support representative and participative local governance
- Empowered citizens, well-represented through an effective system of ward representation thus able to participate actively in the affairs of the municipality through a range of participatory governance mechanisms
- Empowered customers that will be enjoying the highest standards of customer care and responsiveness
- A future Metro that works in active partnership with business, civil society and community groupings to bring more resources to bear on changing development challenges, and to ensure knowledgeable stakeholders that are well versed in the functioning of the future Metro
- Maintenance of a record of good governance
- Institutional systems and structures enabling and encouraging continuous innovation, performance and efficiency improvements
- The establishment of the following Municipal owned Entities (MoE):
 - Matjhabeng Water
 - Matjhabeng Waste

- Matjhabeng Power
- Matjhabeng Property Company

I. LAND SPATIAL DEVELOPMENT AND URBAN MANAGEMENT

The future Metro will have a spatial form that embraces the principles of integration, efficiency and sustainability, and will realize tangible increases in accessibility, amenity, opportunities, and quality of life for all communities and citizens.

Land is one of the four factors of production which is passive and distinct from other factors. According to the classical view, unlike other factors of production, land is considered as a scarce resource in a long-term. This means that social and economic goals cannot be pursued all at the same time as some trade-offs may be needed.

As a result, the demand for land escalates exponentially if the land supply is limited and there are various needs that compete for its access. A future Metro will be characterized by the following land, spatial development and urban management objectives:

- A future Metro that identifies land as one of the four factors of production which is passive and distinct from other factors
- A future Metro that understands that unlike other factors of production, land is considered as a scarce resource especially in the long-term
- A future Metro that realizes that the demand for land escalates exponentially if the supply is limited and that there are various needs that compete for its access
- A future Metro with an urban form that is efficient, sustainable and accessible
- A future Metro with a quality built environment providing for integrated and sustainable settlements and well designed urban spaces
- An appropriate and efficient land use management system that facilitates investment and continuous regeneration
- Effective urban management to maintain appropriate standards of safety, cleanliness and orderliness across the built environment
- An efficient and effective spatial information service that meets the standards of a future Metro.

m. INSTITUTIONAL TRANSFORMATION

The institutional transformation goals of Matjhabeng are viewed in light of improving the organizational efficiency and effectiveness in terms of meeting the basic needs of the community. The key objectives that relate to institutional transformation can be viewed in the following categories.

i. CATEGORY A

This category of objectives relate to the following:

1. responsive, accountable, effective, and efficient Metro that is capacitated to:
 - a. Deliver TAS and plan a carefully crafted funding plan, core personnel skills and plan to be a fully compliant entity that is able to meet all its reporting requirements
 - b. Deliver a Metro Readiness Status
 - c. Effect the Metro Transformation

ii. CATEGORY B

1. Category B transformation objectives are:
 - a. Monitoring and evaluating all projects and programs to ensure integrated and sustainable institutional transformation
 - b. Monitoring and reviewing action plans and evaluating progress on all strategic thrusts and projects and making recommendations in respect of any amendment or realignment required from time to time
 - c. Monitoring and evaluating service delivery as well as strategies for efficient and equitable service delivery
 - d. Fostering cooperative governance between various departments with relation to functions
 - e. Facilitating and monitoring the strategic planning processes
 - f. Monitoring the establishment mechanisms, structures, procedures, and processes on partnerships with the private sector for the promotion of institutional transformation

III. CLASSIFICATION OF INTERVENTIONS

For prioritization purposes, the strategic interventions will be categorized in terms of the following project categories:

- Catalytic projects
- General supporting projects
- Investment support projects
- Identified need projects

First, a catalytic project is one that provides considerable benefits and has a large multiplier effect resulting in the transformation of the living environment and growth of the economy. The major characteristics of a catalytic project include:

- a. Require considerable financial injections
- b. Has a widespread impact in Matjhabeng and/or outside Matjhabeng, i.e. Not localized in its impact
- c. Affects the way people live, work, recreate or impact on the way businesses operate and result in increase of their productivity

The institutional building interventions of Matjhabeng are:

- Strategy
 - Vision 2030
 - Metro Readiness
- Financial Sustainability
 - Revenue Enhancement
 - Clean Audit
 - Supply Chain
- Infrastructure Services
 - Funding the Master Plan
 - PMU
- Transportation

- Transport Nodes
- Improvement Projects

Supporting project is a project that optimizes operations of catalytic projects or existing infrastructure assets and/ or improves their efficiency. In dealing with infrastructure and basic services, the focus is on water, waste, and energy. In terms of categorizing these interventions, the specific focus should be on backlogs, maintenance, and new projects. The interventions should also focus on governance and institutional transformation.

Investment support project is one whose primary goal is to attract investors or tourists to Matjhabeng. Its main characteristics include:

- a. Increases investors' confidence
- b. Attracts investors through the provision of quality services and facilities
- c. Lowers costs of doing business in Matjhabeng
- d. Provides conducive environment for business

The supporting projects will include the following:

- a. Economic Infrastructure Interventions
- b. Economic Development
 - i. Shifting from predominantly mining economy to a more diverse economy

Identified need project is a project that is aimed at improving the quality of life of the population and is entirely driven by increase in population. The project may be aimed at satisfying the basic needs of the population. These projects form a critical part of Matjhabeng's Strategic Focus Area and include:

- a. Social infrastructure Interventions
- b. Human Settlements
- c. Safety and Security
- d. Healthcare
- e. Environmental Infrastructure Interventions
 - i. Environment
 - ii. Land, Spatial form and Urban Management

3.2.9 MATJHABENG METRO VISION AND VALUES 2030 STATEMENT

By 2030, Matjhabeng envisions to emerge as a leading agricultural, commercial and industrial based Metropolitan City in the Free State.

To achieve this, we must invest and plan for economic development through sustainable use of resources: land, infrastructure and service capacity towards addressing our community needs and giving direction to those growth trends we can anticipate and finding effective solutions to our immediate challenges.

This will be a city of neighbourhoods that boasts of a balanced wealth distribution system, affordable housing, efficient transportation and health system, establishes positive connections between different use of land in terms of location and mix, encourages economic and environmental health, innovation and education.

Our path will remain guided by reviews of today's experiences in terms of achievements and challenges as we explore tomorrow's possibilities. A New City and business hub that integrates strategic towns close to the transport nodes that feed in and out of the Free State

3.2.10 VALUES AND DEVELOPMENTAL PRINCIPLES WHICH SHAPED AND DEFINED THE ABOVE VISION 2030 STATEMENT

1. Well governed city that is pro-poor
2. A City that is productive, balanced & enjoys shared growth
3. Well connected City
4. Credible and safe City
5. A City that ensures sustainability of resources & promotes environmental justice
6. A City with competent and innovative workforce

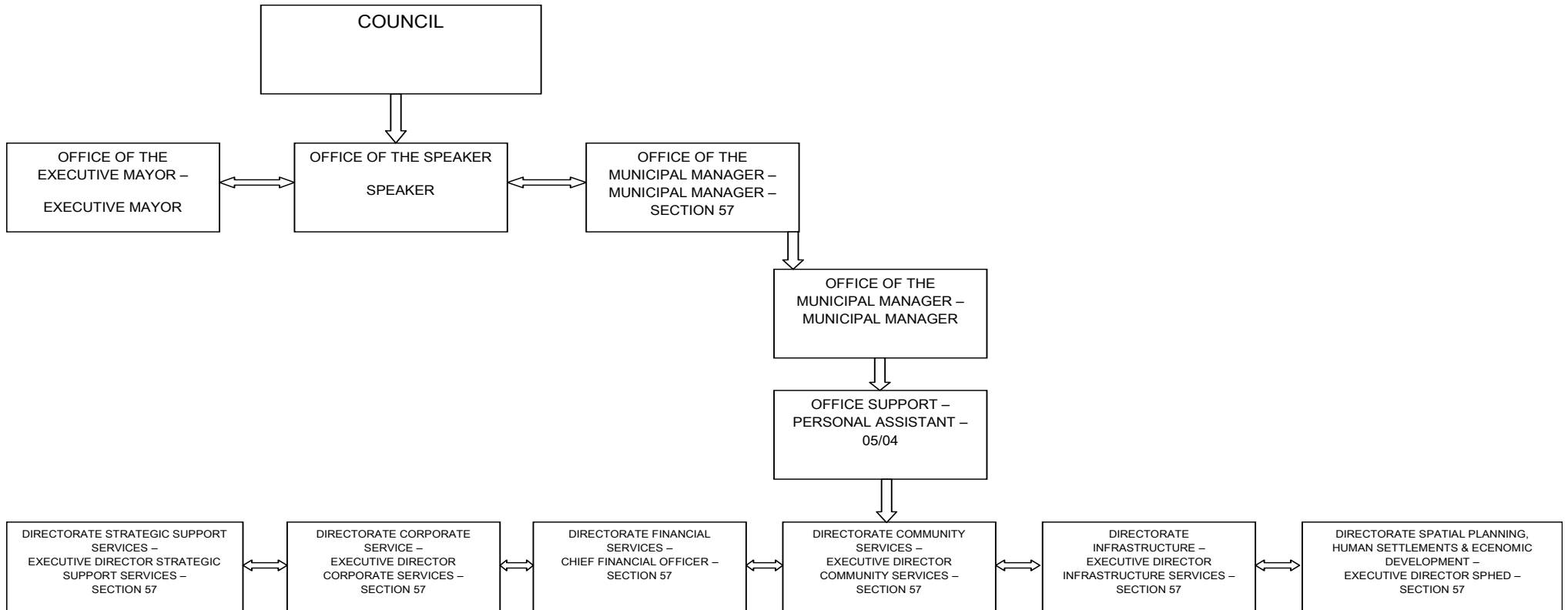
CHAPTER FOUR (4)

4.1 INSTITUTIONAL OVERVIEW AND ORGANIZATIONAL STRUCTURE

Matjhabeng Local Municipality has completed its top organizational structuring and has embarked on the process of reviewing the micro organizational structure. The idea is to - where necessary - amend the structure to meet the operational and strategic requirements of the Municipality.

Currently, the municipality has 2240 under its employ of which 1826 are appointed on permanent and 414 are on temporary basis. It should be noted that the current situation on temporary workers is not desirable and will be rectified.

**MATJHABENG LOCAL MUNICIPALITY
DRAFT PROPOSAL MICRO ORGANISATIONAL STRUCTURE
OFFICE OF THE MUNICIPAL MANAGER**



4.2 POWERS AND FUNCTIONS

Departments are structured in such a way that there is a responsible Executive Director appointed under Section 56 of MSA for each core function. These functions are aligned to meet our strategic and operational mandates.

4.3 EMPLOYMENT EQUITY PLAN

Chapter 3 of the Municipal Systems Act, Act 32 of 2000 requires certain affirmative action measures to achieve employment equity. These are set out in the Employment Equity Plan.

Council has committed the Municipality to achieve the employment equity goals and objectives stated in the Employment Equity Plan, not only as required by legislation but also to maximize the benefits of diversity, equal opportunity and fair treatment of employees, for the purpose of maximizing the capacity to serve the community of Matjhabeng.

4.4 SKILLS DEVELOPMENT PLAN

The Skills Development Act of 1998 requires employers to plan and implement learning programmes that will enable employees to acquire skills and qualifications that will enhance their performance and contribute to organization' s optimum functioning.

CHAPTER FIVE (5)

5.1 FINANCIAL PLAN

5.1.1 INTRODUCTION

This chapter reflects the three year financial plan for Matjhabeng Local Municipality as per the requirements of section 26(h) of the Municipal Systems Act 32 of 2000 read with Regulation 2(3) of the Local Government: Planning and Performance Regulations, 2001.

The Financial Plan will reflect the budget projection for the MTREF, financial resources available for capital project developments and operational expenditure, a financial strategy that defines sound financial management and expenditure control, as well as ways and means of increasing revenues and external funding for the municipality and its development priorities and objectives. The aforementioned plan and strategies will contribute and ensure the achievement of financial viability.

MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK

The budget is prepared and compiled within the MTREF. MTREF sets out the economic context and assumptions that inform the compilation of the budget for the next three years. However it is reviewed annually to ensure that each year's budget is affordable and sustainable over at least the medium term.

The National Treasury Circular 70 states that municipal revenues and cash flows are expected to remain under pressure in 2014/15 and so municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts. Municipalities will have to carefully consider affordability of tariff increases especially as it relates to domestic consumers while considering the level of services versus the associated cost.

The main challenges experienced during the compilation of the 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 and declining cash position of the municipality;

- The increased cost of bulk water and electricity (due to tariff increases from Sedibeng 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 2014/15 MTREF process; and
- Availability of affordable capital/borrowing.

5.2 BUDGET ASSUMPTIONS

The following assumptions and parameters were considered in setting out the MTREF:

- CPI inflation of approximately 5.6%
- Increase in Sedibeng Water tariffs by 8.5%
- Increase in Eskom tariffs by 8% and NERSA 7.39%
- Salary increase of approximately 8%
- Government grants for the 2013/2014 to 2014/2015 as per the Division of Revenue Act.

The CPI is forecast at 5.6%, 5.4% and 5.4% for the 2013/14 MTREF period. These levels are within the South African Reserve bank inflation target range of 3% - 6%.

5.3 OPERATING BUDGET PROJECTIONS

The 2014/15 multi-year operating budget of the municipality provided for an increase of 5.5% for the 2014/15 financial year. The 2014/15 budget of R 1 948 217 636 is based on a collection rate of 72%, which is informed by past collection trends. The projected revenue recovery of the municipality is based on realistic and sustainable trends. The proposed income for the 2014/15 financial year is R 1 603 299 695 and the provision for bad debts is R 334 394 849.

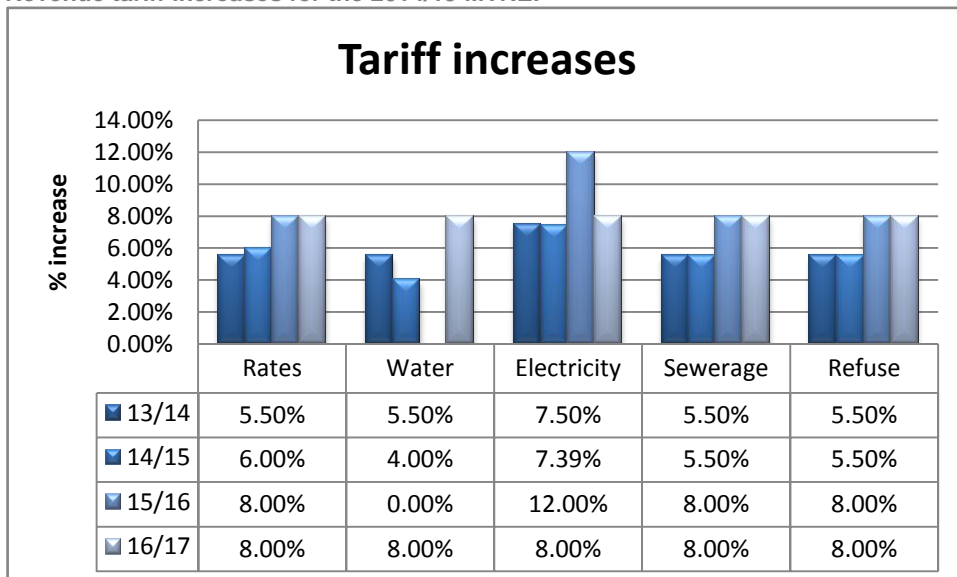
Table 1 gives an indication of the Operating Budget projections for the period 1 July 2014 to 30 June 2017.

TABLE 1: OPERATING BUDGET 1 JULY 2014 TO 30 JUNE 2017

	2013/2014 BUDGET	2014/2015 BUDGET	2015/2016 BUDGET
<i>Revenue Per Source (Billed amount)</i>			
Assessment Rates	180 514 208	194 955 345	210 551 772
Water	196 047 370	196 047 370	211 731 160
Electricity	664 906 013	744 694 735	804 270 314
Sanitation	115 345 783	124 573 446	134 539 322
Refuse Removal	64 911 556	70 104 480	75 712 839
Grants & Subsidies	600 323 000	635 246 252	689 143 127
Other income	40 051 191	45 560 760	49 205 621
Interest Income & Bad debt income	86 118 515	95 313 470	102 938 548
<i>Total Income as per billing</i>	1 948 217 636	2 106 495 859	2 278 092 702
<i>Less: Contribution to reserves (Bad Debts)</i>	344 917 941	344 196 560	380 828 395
<i>Total realistically anticipated revenue collected</i>	1 603 299 696	1 762 299 299	1 897 264 308
<i>Expenditure Per Category</i>			
Salaries, wages and allowances	541 979 991	596 177 990	643 872 229
General expenses	160 220 091	173 231 095	187 089 584
Electricity bulk purchases	303 832 723	324 832 061	350 818 626
Water bulk purchases	249 964 370	269 961 520	291 558 441
Repairs and maintenance	164 910 521	197 465 432	213 262 666
Contribution to capital expenditure	182 392 000	200 631 200	210 662 760
<i>Total Expenditure</i>	1 603 299 696	1 762 299 299	1 897 264 308
(Surplus)/ Deficit			

5.4 REVENUE FRAMEWORK

The projected revenue for the 2014/2015 financial year is realistically anticipated and takes into account the current year projections which are informed by the collection rate and the actual revenue collected in previous years. The sources of revenue are property rates, service charges (electricity, water, refuse and sanitation), grants and subsidies, interest and investment income and other revenue such as rental income of halls and hostels, fines and penalties, etc. The following graph depicts the revenue tariff increases applied for the 2014/15 MTREF period.



Rates: The rates revenue increase is 6% which is in line with the upper boundary of the CPI. It must also be noted that National encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the municipality.

Water: The water revenue increase is 4%. This increase is below the CPI of 5.5%. The increase is required to achieve an affordable and balanced water budget. This increase will ensure the maintenance of water infrastructure and ultimately reduce water losses.

Electricity: Electricity tariffs are linked to the Eskom tariffs for bulk electricity purchases, which are proposed by NERSA to be 8% for the 2014/15 financial year. To ensure affordability to its clients the municipality increased its tariff with 7.39% which is below the proposed Eskom increase and the increase is in line with the NERSA guideline which is between 7.39.

Sewerage & Refuse: The tariff increase for sewerage is 5.5% for the 2014/15 financial year. This CPI increase will afford the municipality the means to ensure that current infrastructure is sufficiently maintained.

2014/15 revenue based on tariff increases			
Revenue category	Budget 2013/14 R	Average tariff increases	2014/15 budgeted revenue
Rates	162 236 334	6%	180 514 208
Water	188 507 087	4%	196 047 370
Electricity	619 150 771	7.39%	664 906 014
Sewerage	109 332 496	5.5%	115 345 783
Refuse	61 527 541	5.5%	64 911 556

The revenue on other income will be increased with 5.5%. Other income consists of rental income, interest on investments and market income. The total operating grants (equitable share, finance management, municipal systems improvement grant) decreased from R 428 360 000 to R 417 931 000, this R 10 429 000 lower which is a 2.43% decrease.

The Equitable share allocation is a grant which supplement the municipality's own revenue for the provision of the necessary basic level of services to each poor household within their jurisdiction. The annual DORA publishes the equitable share allocation. The total amount allocated for the Municipal Systems Infrastructure grant (MIG) is R 182 392 000.

5.5 EXPENDITURE FRAMEWORK

Salaries, wages & related staff cost: The salary figure is **27.82% (R 541 979 991)** of the total expenditure. However, not all vacancies have been filled. This has an adverse impact on service delivery. If all positions were to be filled, the salary figure would be above 50% of total expenditure.

This would clearly be unaffordable to the municipality. However, there are critical positions that would have to be filled. Provision is made for an 8% salary increase and then only crucial vacancies are budgeted for. The multi-year Salary and Wage Collective Agreement for the period 1 July 2012 to 30 June 2015 was taken into account.

The agreement provides for a wage increase based on the average CPI for the period 1 February 2012 until 31 January 2013, plus 1% for the 2014/15 financial year. The municipality however made provision for the unforeseen and provided for an 8% increase.

Bulk purchases: The supply of bulk services makes **28.43% (R553 797 093)** of the total budget. The following table depicts the projected cost for bulk services. Bulk services suppliers Eskom and Sedibeng will increase their tariffs with 8% respectively. These increases were incorporated in the projections for bulk services expenditure.

Bulk service	2013/14 Budget	2013/14 Actual	2014/15 budget
Water	231 448 491	214 470 451	249 964 370
Electricity	281 326 595	394 390 015	303 832 723

General expenditure: General Expenses relate to operational costs and are therefore inevitable. This makes up **8.22%** of total expenditure.

Repairs & maintenance: The municipality must ensure the health of our asset base by increasing spending on repairs and maintenance. Repairs and Maintenance relates to service backlogs and upgrading of infrastructure **8.46 %** of total expenditure has been allocated to repair and maintenance.

5.6 CAPITAL BUDGET PROJECTIONS

The total Capital Budget Projection for the financial year 2014/2015 is R182 392 000. The Municipal Infrastructure Grant allocation for the respective financial years are, 2014/2014 R182 392 000; 2015/2016 R 227 149 252 and 2016/2017 R 239 299 127. The other grant funding consists of allocations for the Expanded Public Works Grant and the Integrated National Electrification Programme.

Table 2 gives an indication of the Capital Budget projections for the period 1 July 2014 to 30 June 2015

TABLE 2: CAPITAL BUDGET 1 JULY 2014 TO 30 JUNE 2015

	2012/2013 BUDGET	2013/2014 BUDGET
<i>Grant Funding</i>		
Municipal infrastructure grant	182 392 000	227 149 252
Other Grant Funding		
Total	182 392 000	227 149 252

Source: Division of Revenue Act

The total estimated budget of the municipality for the 2014/2015 financial year is R 2 130 609 637 of which the operating budget consist of 91.44% and the capital budget of 8.56%.

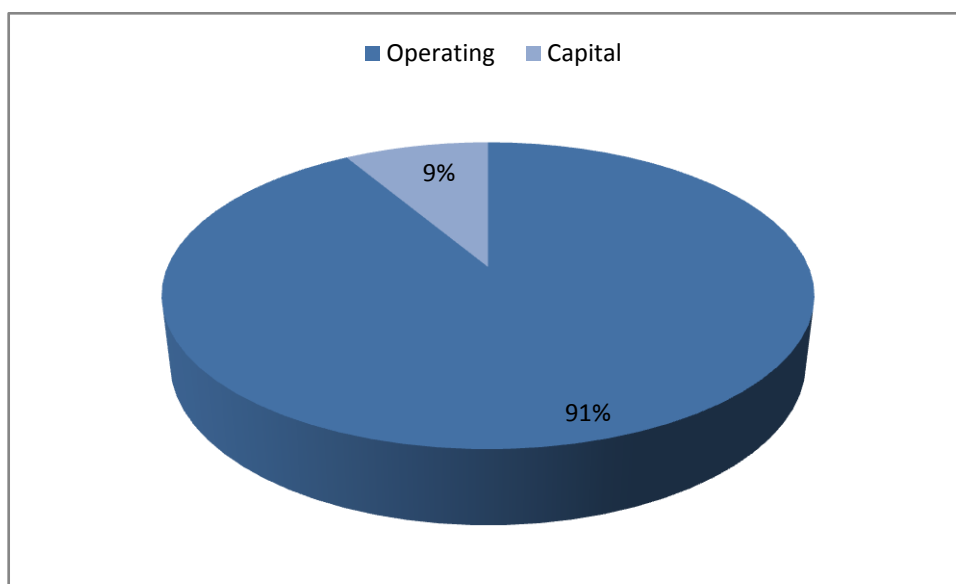
Table 3 gives an indication of the total budget estimates for the period 1 July 2014 to 30 June 2015

TABLE 3: TOTAL MUNICIPAL BUDGET (CAPITAL VERSUS OPERATIONAL)

	2014/2015 BUDGET
Operating Budget	1 948 217 637
Capital Budget	182 392 000
Total Budget	2 130 609 637

Figure 1 gives an indication of the Operating budget versus the Capital budget for the 2014/2015 Financial Year.

FIGURE 1: CAPITAL VERSUS OPERATIONAL BUDGET



5.7 FINANCIAL RESOURCES FOR CAPITAL PROJECTS AND OPERATING EXPENDITURE

Section 18 (1) of the Municipal Finance Management Act 56 of 2003 states that an annual budget may only be funded from realistically anticipated revenues to be collected; cash-backed accumulated funds from previous years' surpluses not committed for other purposes; borrowed funds, but only for the capital budget.

The capital projects are funded from grants. The main source of funding are grants such as the Municipal Infrastructure grant. The capital budget is completely funded by grants. The municipality's capital replacement reserve must reflect the accumulated provision of internally generated funds designated to replace aging assets.

The operating expenditure is funded from operating income which consist of assessment rates, trading services, grant income and other income e.g. rental income and fines.

5.8 INVESTMENTS AND EXTERNAL LOANS

The Matjhabeng Local Municipality had investments totalling R 19 308 161 at the end of the 2012/13 financial year.

The balance as at 30 June 2013 for external loans was R 17 019 499.

5.9 FINANCIAL STRATEGY

The revenue collection rate of the municipality for the past financial years varied between 55% and 79% which resulted in a negative cash flow position. The current ratio of the municipality is presently at 0.92:1, which indicates that the current assets of the municipality are insufficient to cover its current liabilities. A current ratio in the excess of 2:1 is considered healthy.

During the 2012/2013 financial year the municipality received a disclaimer audit opinion. The municipality developed an audit query action plan to address the issues raised in the audit report and to also ensure that the issues do not re-occur in the future.

The following strategies have been employed to improve the financial management efficiency and the financial position of the municipality.

5.10 REVENUE RAISING STRATEGY

In order for Matjhabeng Local Municipality to improve the quality of the services provided it will have to generate the required revenue. The municipality's anticipated revenue was based on a collection rate of 72%. The municipality aspires to improve their collection rate to 75% - 85%. A revenue strategy has been developed to ensure the improved collection rate is achieved.

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

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 75 - 85 per cent annual collection rate for property rates and other key service charges;
- 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;

- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality.

5.11 ASSET MANAGEMENT STRATEGY

During the 2012/2013 financial year the municipality received a qualification on assets. An asset management strategy was identified to address the aforementioned. The strategy will involve the identification and verification of all assets, capturing of all the assets onto an integrated asset management system, maintenance of the system and the production of an asset register which is GRAP compliant. The municipality also sourced the services of professionals, COGTA and IMESA to assist with Asset Management.

5.12 FINANCIAL MANAGEMENT STRATEGY

The following are more of the significant programmes identified to address the financial management strategy.

- Develop and implement budget as per legislative framework
- Review finance policies
- Review of finance structure
- Training and development of finance staff as well as the rest of the municipality
- Unqualified audit report
- Improve debt collection
- Data purification
- Accurate billing

CHAPTER SIX (6)

6.1 CAPITAL INVESTMENT FRAMEWORK

The Capital Investment Framework (CIF) is a response to ensure that capital budget and related operational funds are structured according to the strategic objectives and related outputs as discussed above. Secondly that its funding allocation responds to national and provincial directives within the context of the Municipal developmental realities.

The Capital Investment Framework (CIF) is the means through which capital projects are identified and prioritised for implementation in the following financial year and medium term period (3 years). The objectives of the CIF are to:

- Contribute towards the eradication of service delivery backlogs, especially in poor and marginalised areas by prioritising projects in these locations;
- Ensure the improved management of the existing infrastructure;
- Improve service delivery through infrastructure and services that are planned, delivered, and managed in an objective and structured manner;
- Direct future public and private investment, by aligning capital budget requirements of departments as defined in the IDP sector plans.
- Make a positive impact towards improving the local economy. To this extent, the municipality intends to spend 70% of the capital budget here below to and among local businesses.

2012/13 CAPITAL BUDGET

The total 2012/13 capital budget of Matjhabeng Local Municipality is R 321, 377,807. The majority of the funding comes from national grants (R206, 556,93) and the Human Settlement Development Grant (R 79,820,874). The municipality contributes R 34,000,000 to the total capital budget.

MUNICIPAL INFRASTRUCTURE BUDGET

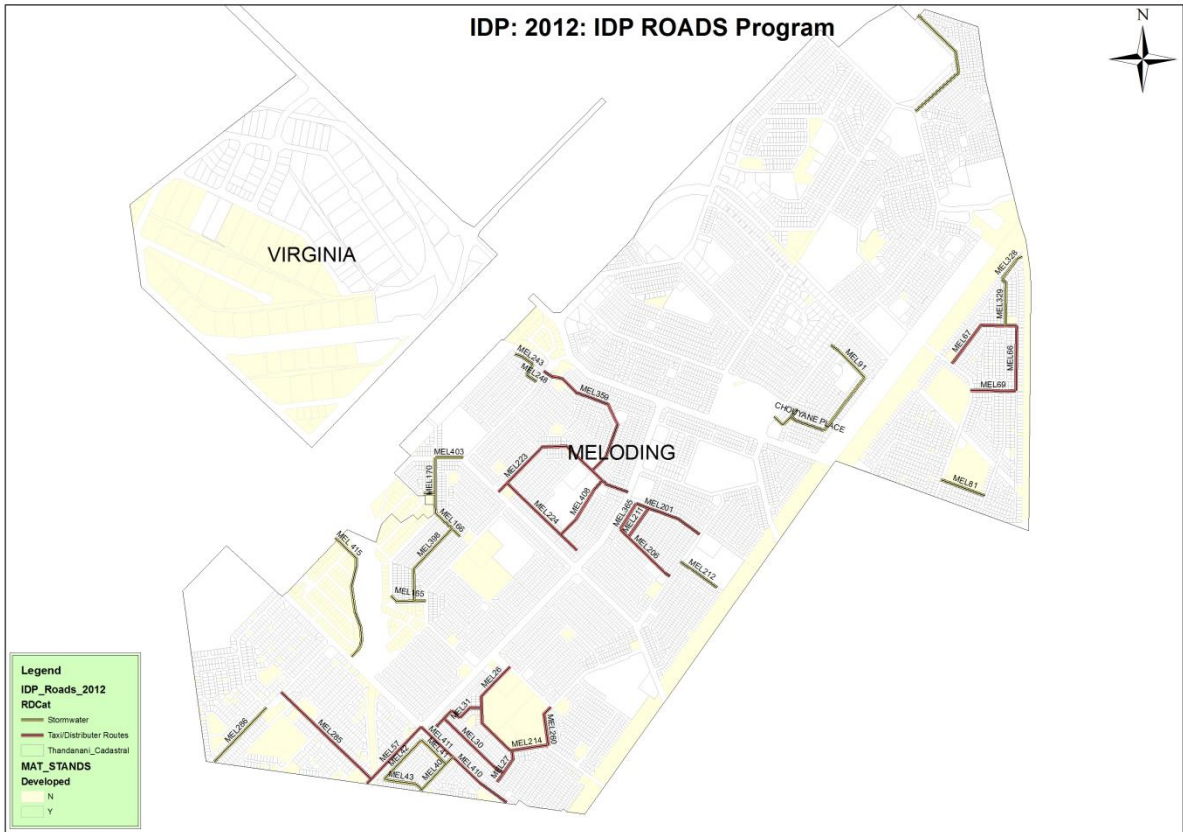
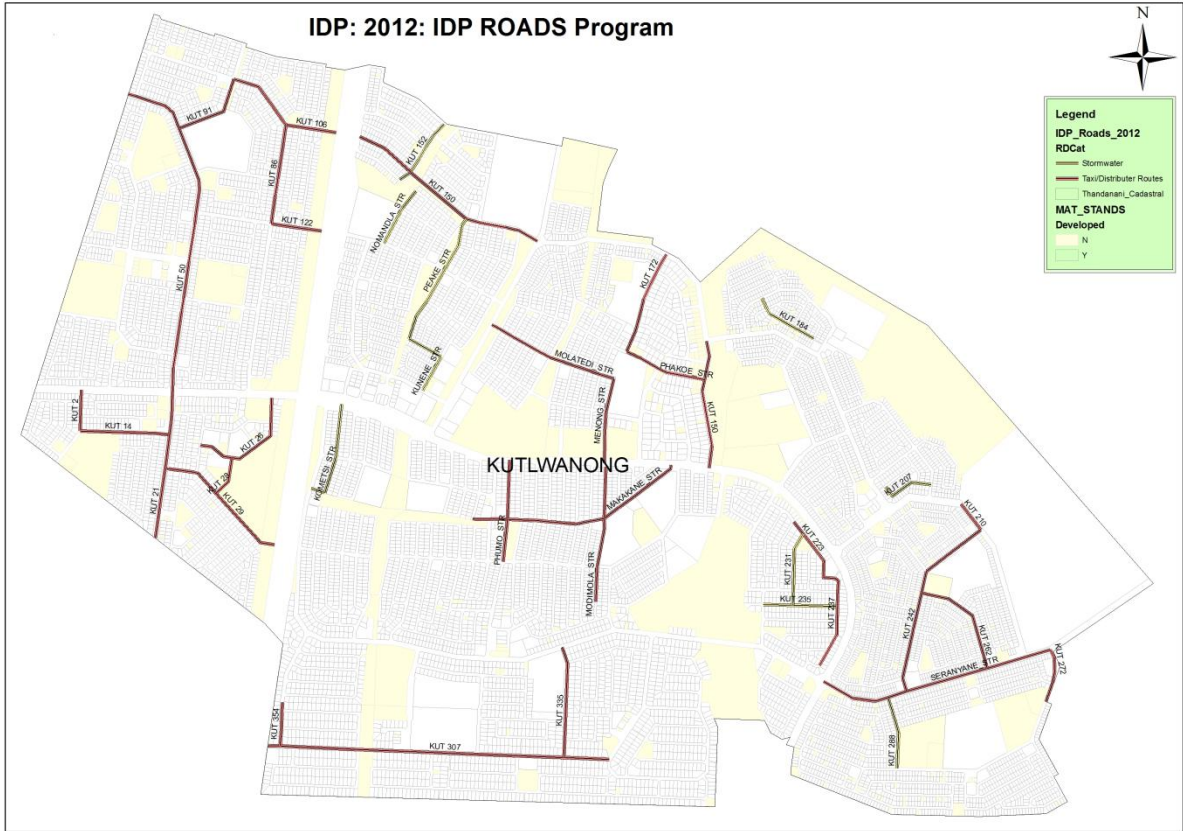
In January 2014, Council approved the following capital projects as part of the adjustment budget process and these projects, are now deferred to the 2014/2015 Financial Year:

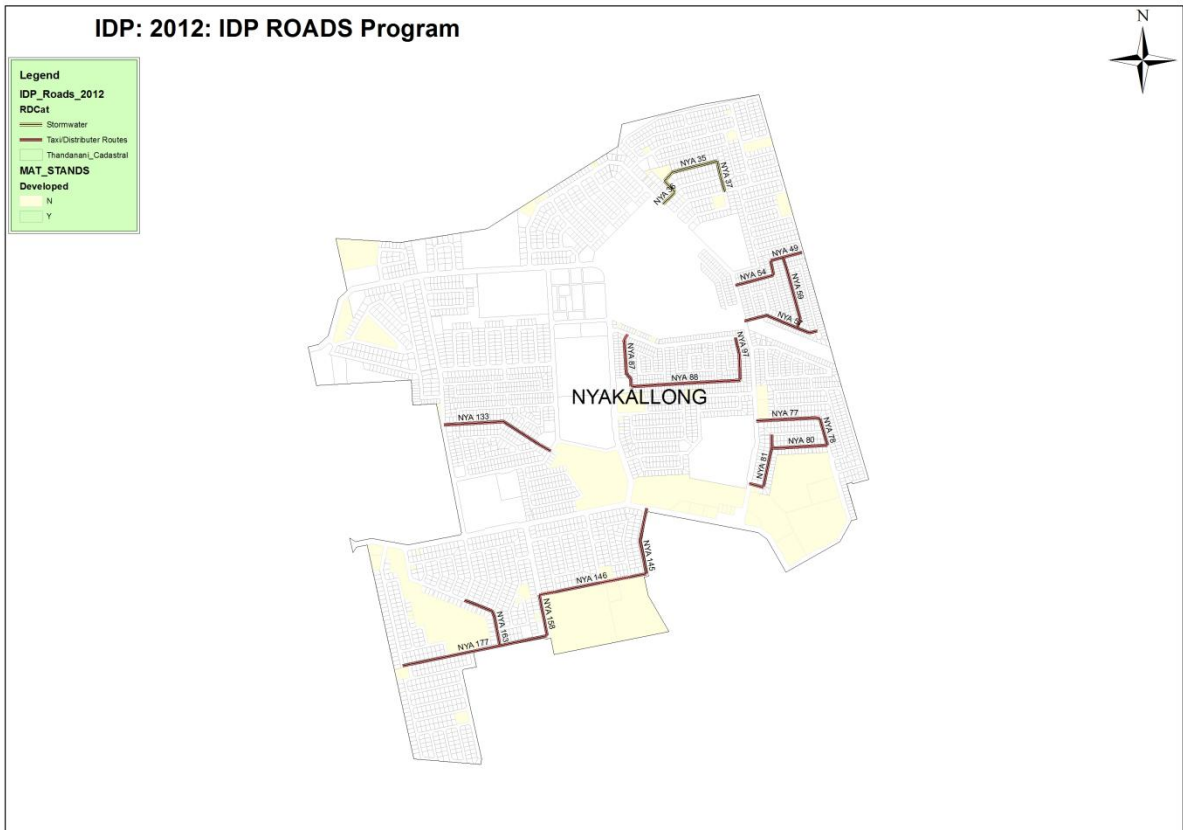
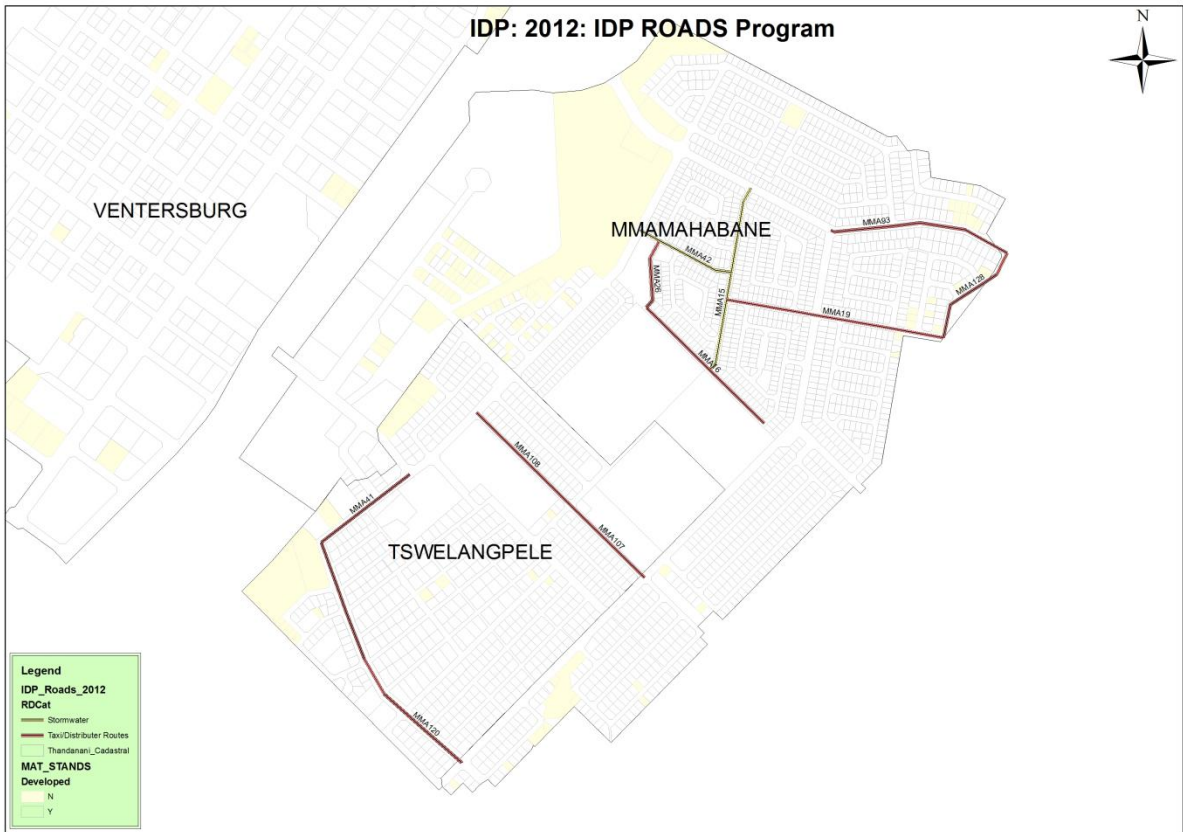
	<u>Original Budget</u>	<u>Revised Budget</u>
Upgrade of Thabong Community Centre	R 2 million	R 4 million
Barruch Thabong T8	R0	R 3 million
Thabong East Hall	R0	R 1 million
Cactus street sewer	R 1.2 million	R 1 million
Upgrading of Welkom Airport	R 2 million	R 2 million
Energy efficiency residential load management	R 2.8 million	R 0
CBD Facelift – Hennenman	R 2 million	R 0
CBD Facelift – Odendaalsrus	R 3 million	R 0
CBD Facelift – Allanridge	R2 million	R 0
Road – Dr Ngoma	R 0	R 1 million
Urania substation	R 6 million	R 1 million
Install/replace new water meters and restrictors	R 0	R 1.6 million
Municipal Buildings	R 0	R 1.7 million
Fleet and Equipment		R 3 million
Phomolong sewer network	R0	R 1.7 million
TOTAL	R21 million	R 21 million

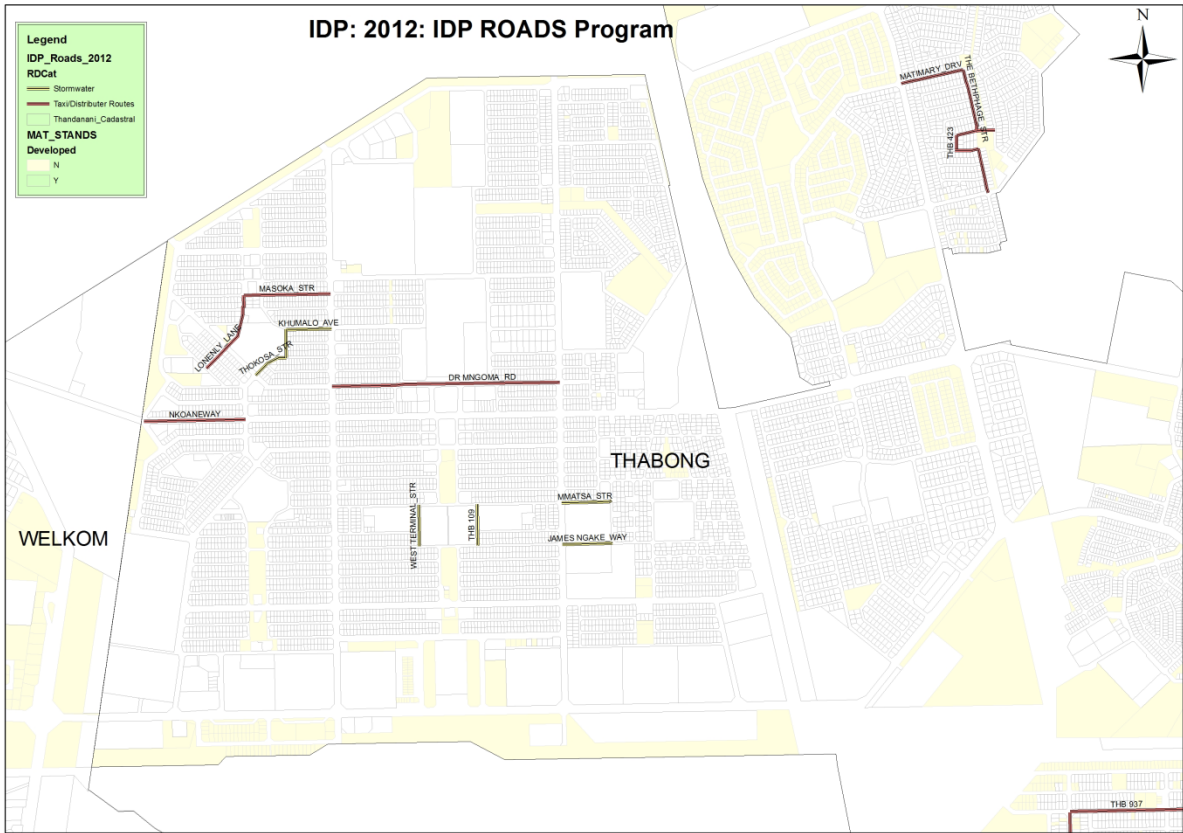
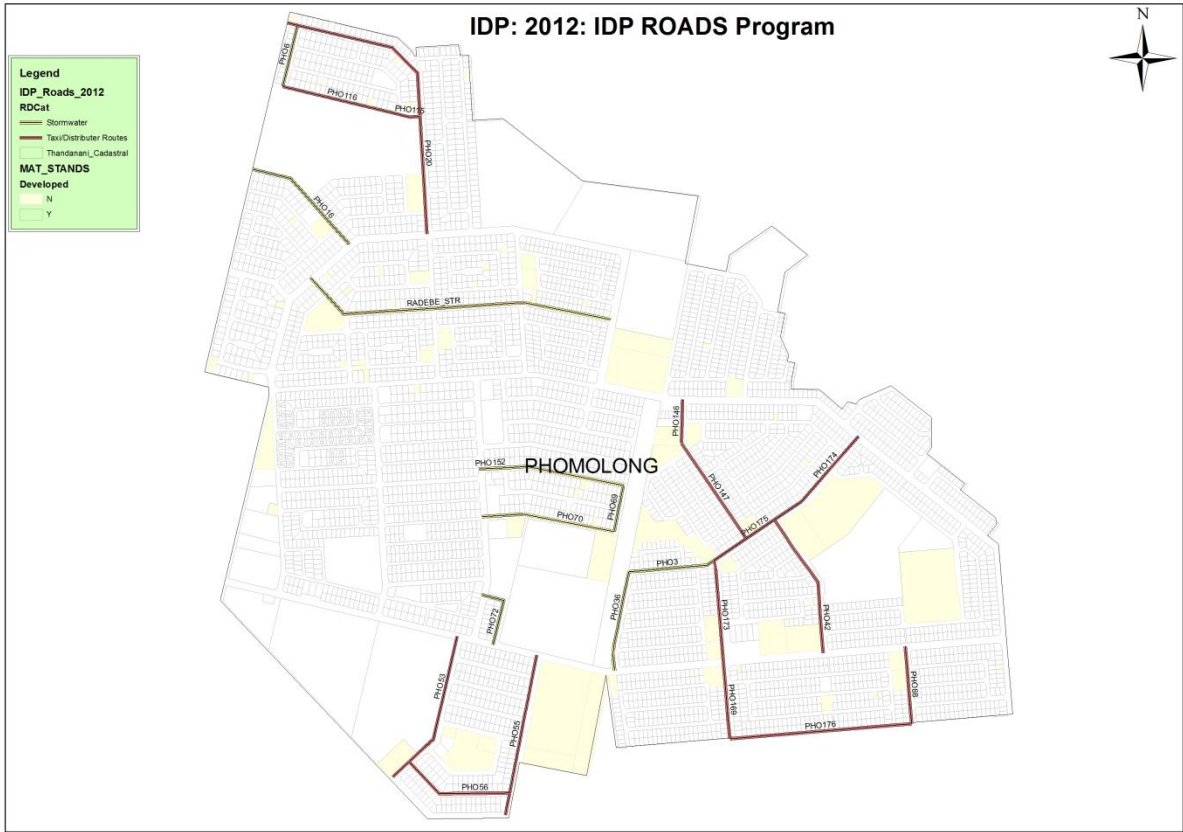
NEW PROJECTS (MIG)

WARD	MIG Reference Nr	Project Description	Project Value	MIG Value	Expenditure Balance as at 30 June 2013	Planned MIG Expenditure for 2014/2015	Planned MIG Expenditure for 2015/2016
All	15/4/1/3/1/2	PMU Contribution	9,495,350.00	9,495,350.00	9,495,350.00	7,812,300.00	5,929,300.00
18	MIG/FS0037/S/06/07	Kutlwanoong:Upgrading of Sewerage Works Phase 2	30,210,000.00	30,210,000.00	21,352,967.81	6,600,000.00	1,163,131.20
3	MIG/FS0377/STR/10/11	Hennenman: Upgrading and Provision of New Facilities for Street Traders.	623,149.00	623,149.00	481,336.89	81,336.89	-
1	MIG/FS0532/St/10/11	Mmamahabane Provision of 3.72km Stormwater Drainage	10,674,087.00	10,674,087.00	5,220,186.03	200,000.00	-
17	MIG/FS0838/R,ST/11/13	Thabong T14: Investigate Runoff and Upgrading Existing System	26,593,750.00	26,593,750.00	21,899,485.99	1,389,485.99	-
21	MIG/FS0844/C/10/11	Kutlwanoong: Creation and Upgrading of Cemeteries	16,910,481.00	16,910,481.00	12,962,164.23	4,962,164.23	4,400,000.00
18,20,21	MIG/FS0849/ST/10/12	Kutlwanoong: Construction of Stormwater and Pedestrian Bridges for Section K2	14,506,205.00	14,506,205.00	13,023,025.41	5,000,000.00	6,000,000.00
5	MIG/FS0850/CF/10/11	Meloding:Creation and Upgrading of Cemeteries	15,714,832.00	15,714,832.00	12,304,070.12	5,000,000.00	4,000,000.00
2	MIG/FS0851/CF/10/11	Phomolong: Creation and Upgrading of Cemeteries	16,910,481.00	16,910,481.00	13,866,149.91	5,000,000.00	4,000,000.00
32	MIG/FS0852/M/10/11	Welkom: Upgrading & Provision of New Facilities for Streets Traders	2,161,240.00	2,161,240.00	1,786,856.65	1,700,000.00	80,000.00
9	MIG/FS0853/C/10/11	Virginia: Creation and Upgrading of Cemeteries	14,466,442.00	14,466,442.00	10,932,356.69	4,000,000.00	4,000,000.00
11	MIG/FS0854/C/10/11	Bronville: Creation and Upgrading of Cemeteries	16,277,243.00	16,277,243.00	10,588,773.56	4,000,000.00	3,000,000.00
17,28,30,31	MIG/FS0893/R,ST/11/13	Thabong: Construction of Road 300 and Stormwater in T14 & T16	57,286,400.00	57,286,400.00	21,068,767.66	5,000,000.00	5,000,000.00
19	MIG/FS0894/S/12/14	Nyakalong:WWTP Upgrade	52,299,552.00	52,299,522.00	35,763,639.60	15,000,000.00	15,000,000.00
All	MIG/FS0895/LA/11/12	Welkom:Industrial park SMME Zone Fencing/ Paving & Shelter	19,772,801.00	19,772,801.00	17,675,409.42	10,000,000.00	5,900,000.00
5,6,7	MIG/FS0896/S/11/12	Meloding: Upgrade 7 Electric Pannels	1,905,458.00	1,304,965.00	1,114,518.94	114,518.94	-
28,30	MIG/FS0904/R,ST/12/13	Welkom: Connecting Nkoane Road to Pambili Road	4,528,540.00	4,528,540.00	3,747,301.14	547,301.14	-
7	MIG/FS0906/CF/(TR)12/13	Meloding: Taxi Centre	28,455,972.00	28,455,972.00	26,174,758.53	-	-
2,3	MIG/FS0907/CF/(TR)12/13	Phomolong: Taxi Centre	17,600,745.00	17,600,745.00	3,583,715.46	838,130.71	-
10,18,21	MIG/FS0908/R,ST/12/13	Kutlwanoong: Provision of Roads (2.7 km)	18,668,340.00	18,668,340.00	10,917,858.20	1,300,000.00	-
17,30	MIG/FS0909/R,ST/12/13	Thabong: Provision of Roads 3.6 km	23,499,048.00	23,499,048.00	16,470,674.57	4,000,000.00	4,000,000.00
1	MIG/FS0910/S/12/13	Mmamahabane: Sewer House Connections	995,231.40	828,088.00	828,088.00	80,000.00	-
2	MIG/FS0911/R,ST/12/13	Phomolong: Provision of Roads 1.0km	6,767,097.00	6,767,097.00	6,277,964.52	2,277,964.52	400,000.00
	MIG/FS0912/S/1	Meloding X10 Sewer					

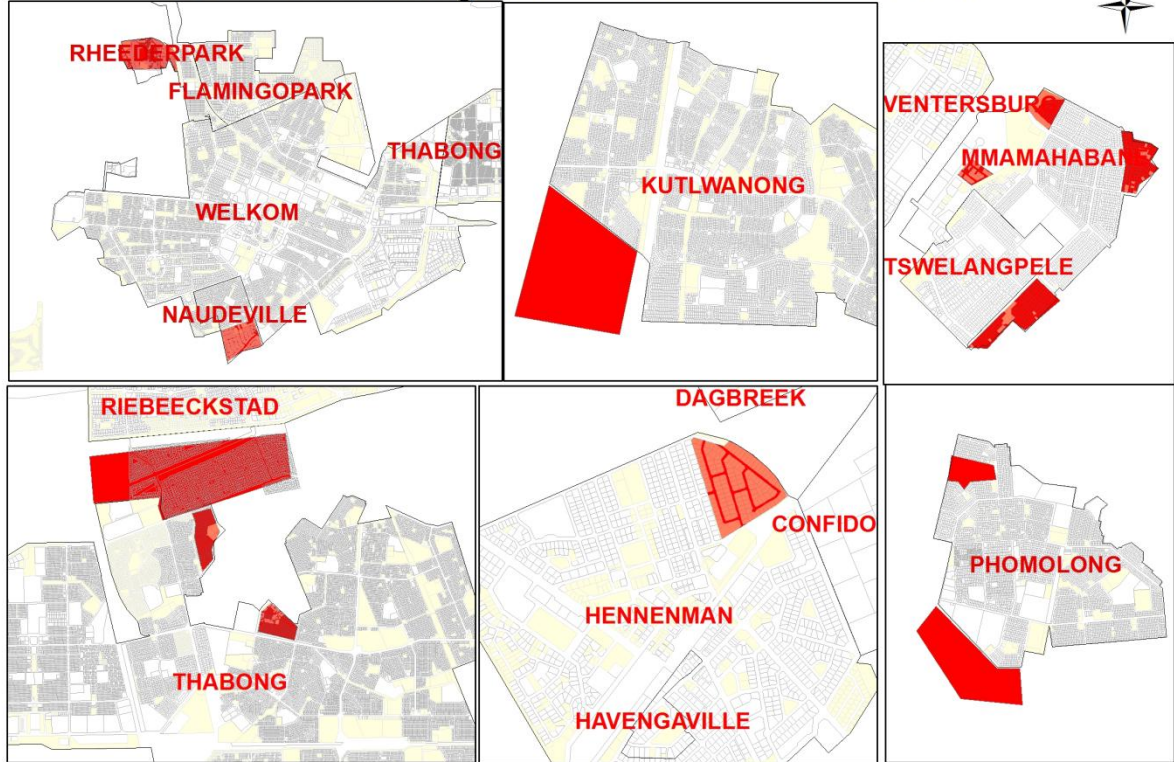
	2/13	Network (34 stands)	985,927.00	985,927.00	985,927.00	85,000.00	-
7	MIG/FS0922/CF(T R)/13/14	Mmamahabane: Public Transport Facilities Including Taxi Ranks	7,045,960.81	7,045,960.81	6,501,384.06	2,501,384.06	500,000.00
19	MIG/FS0923/CF(T R)/13/14	Nyakallong: Public Transport Facilities Including Taxi Ranks	4,769,684.74	4,769,684.74	4,339,014.15	1,339,014.15	200,000.00
11	MIG/FS0924/CF(T R)/13/14	Hani Park / Bronville: Public Transport Facilities Including Taxi Ranks	7,584,949.30	7,584,949.30	6,774,521.61	2,774,521.61	-
11	MIG/FS0925/CF/12/13	Upgrade and Create New Sports and Recreational Facilities Phase 3 Bronville Stadium	8,679,874.50	8,679,874.50	7,964,121.09	3,964,121.09	1,000,000.00
16,26,28	MIG/FS0926/CF/12/13	Upgrade and Create New Sports and Recreational Facilities Phase 3 Thabong Stadium, Zuka Baloi Stadium & Kopano Indoor Centre	42,834,548.10	42,834,548.10	39,579,102.53	15,000,000.00	4,000,000.00
3	MIG/FS0927/S/12/13	Whites: Septic Tank System	979,830.00	979,830.00	753,685.10	703,685.10	50,000.00
2	MIG/FS0942/CF/12/14	Upgrade and Create New Sports and Recreational Facilities Phase 3 Phomolong	7,765,708.00	7,765,708.00	6,974,538.65	900,000.00	-
18	MIG/FS0960/W/13/14	Kutlwanong: Stadion Area Water Network for 215 stands	6,098,064.00	6,098,064.00	5,590,623.95	500,000.00	-
11	MIG/FS0961/R,ST/13/14	Bronville: 2,56km Paved Roads	1,282,686.00	12,872,686.00	11,810,066.01	4,810,066.01	1,000,000.00
7	MIG/FS0962/W/12/13	Meloding: X10 Water Network	350,063.00	350,063.00	350,063.00	50,000.00	-
26	MIG/FS0963/W/12/13	Thabong T14: Rehabilitation of the Lusaba 1,26km Storm Water Channel	5,706,832.00	5,706,832.00	5,591,664.76	700,000.00	-
2	MIG/FS0966/S/13/14	Phomolong: Construction of new outfall sewer for 4871 stands	10,142,554.00	10,142,554.00	10,142,554.00	1,000,000.00	-
1	MIG/FS0971/CF/13/15	Mmamahabane Establishment of Satellite Fire Station	16,860,600.00	16,860,600.00	15,315,802.36	5,000,000.00	1,188,950.00
9	MIG/FS0973/S/13/15	Virginia: WWTP Sludge Management	41,655,606.00	41,655,606.00	40,771,508.32	8,000,000.00	10,800,000.00
17	MIG/FS0983/S/13/14	Welkom (Thabong) T16: Construction Waterborne Sanitation for 1300 Stands	37,947,675.00	37,947,675.00	36,417,353.61	12,000,000.00	13,500,000.00
7		Meloding: Sport Centre	12,000,000.00	-	-	5,000,000.00	6,000,000.00
All	MIG/FS01018/F/13/15	Matjhabeng Fencing at Pump Stations and Treatment Plants	5,720,790.00	-	-	-	7,285,668.80
4,7,11	MIG/FS0975/CL/13/14	Matjhabeng High Mast Lights Installation at Bronville and Meloding	7,756,232.00	-	-	7,000,000.00	10,188,950.00
1	MIG/FS0968/W/12/13	Mmamahabane: Water Reticulation for 53 Stands	995,231.00	-	-	15,005.56	
TOTAL			633,485,259.85	617,835,340.45	477,397,349.53	156,246,000.00	118,586,000.00
						156,246,000.00	118,586,000.00



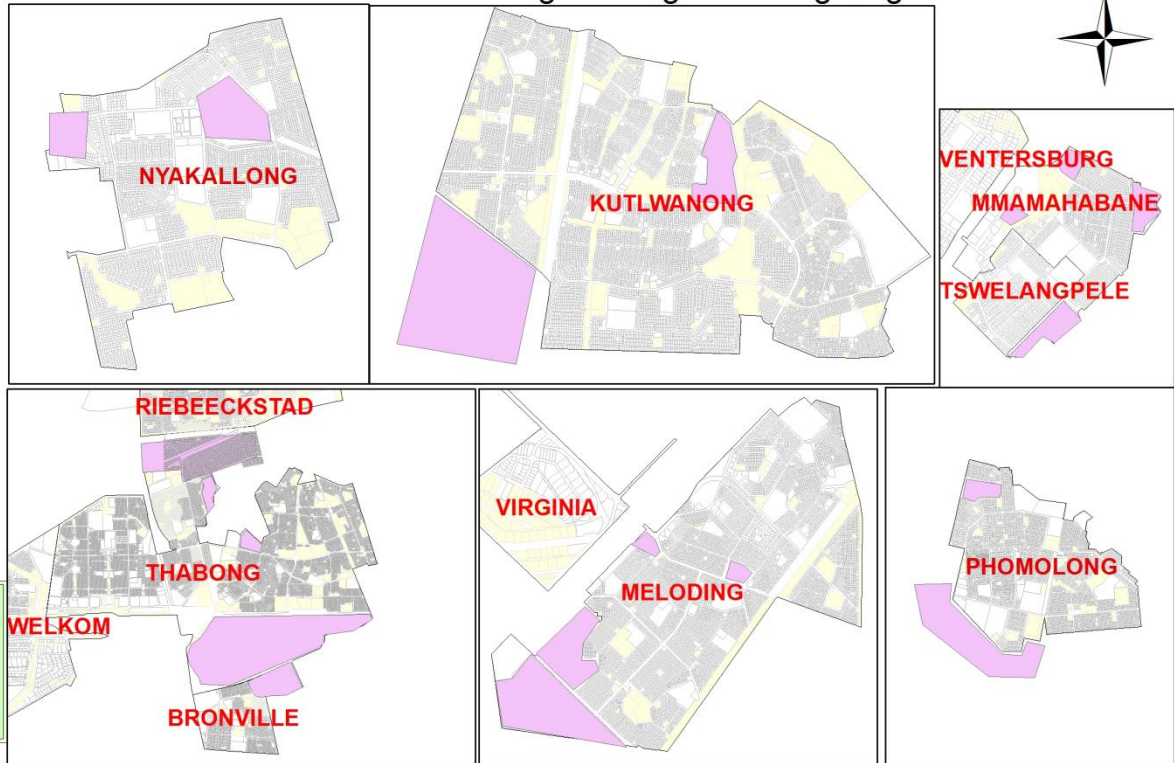




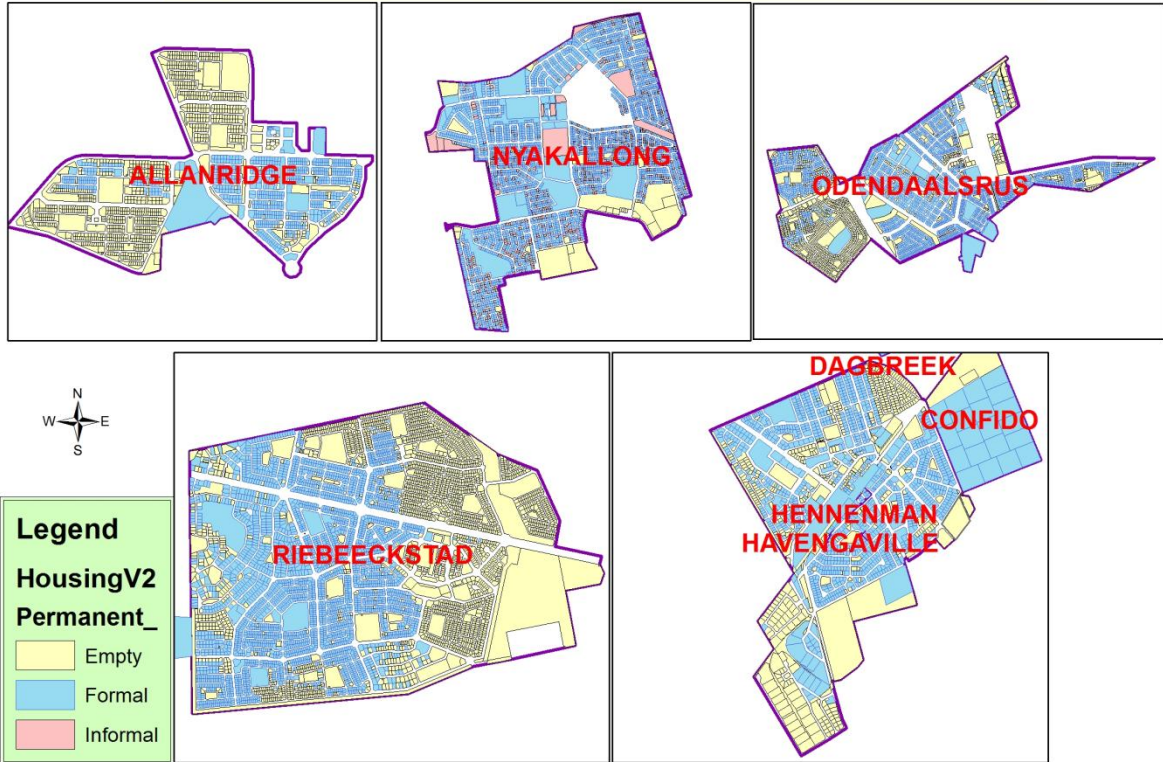
IDP 2012-2016 Program:Electrical Areas to be Serviced



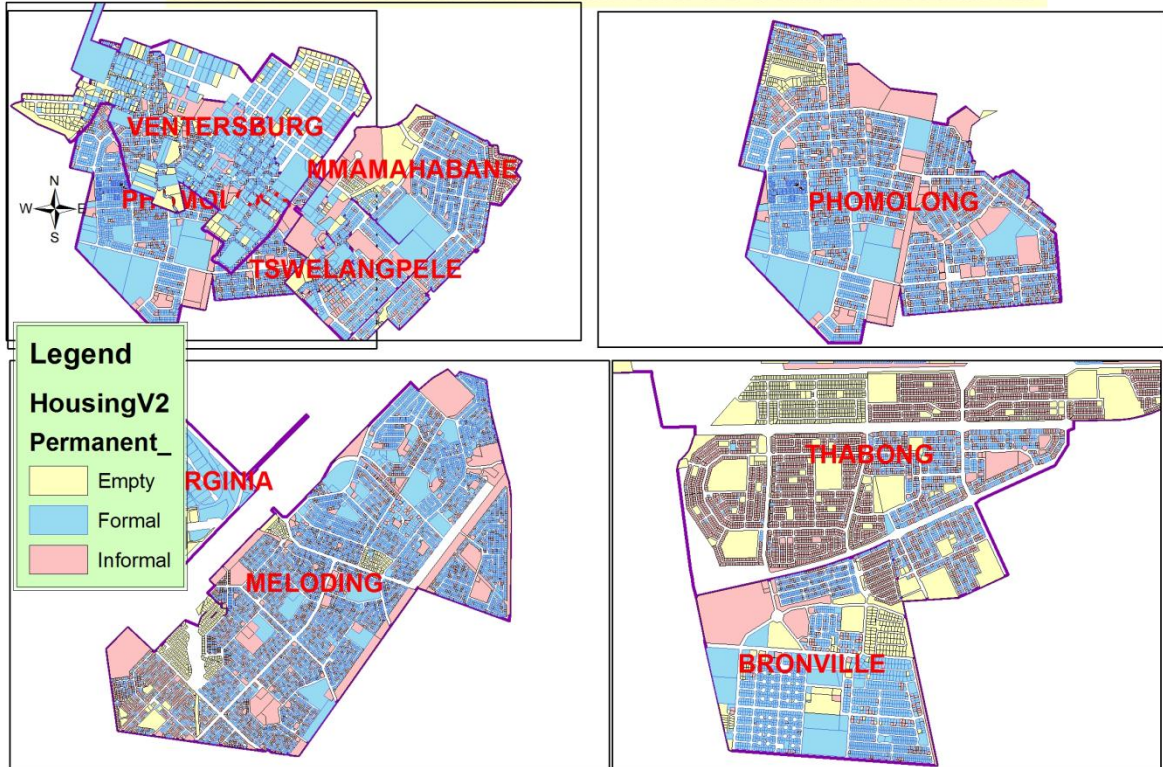
IDP 2012-2016 Program: High Mast Lighting



PROCLAIMED STANDS: FORMAL AND INFORMAL DEVELOPED

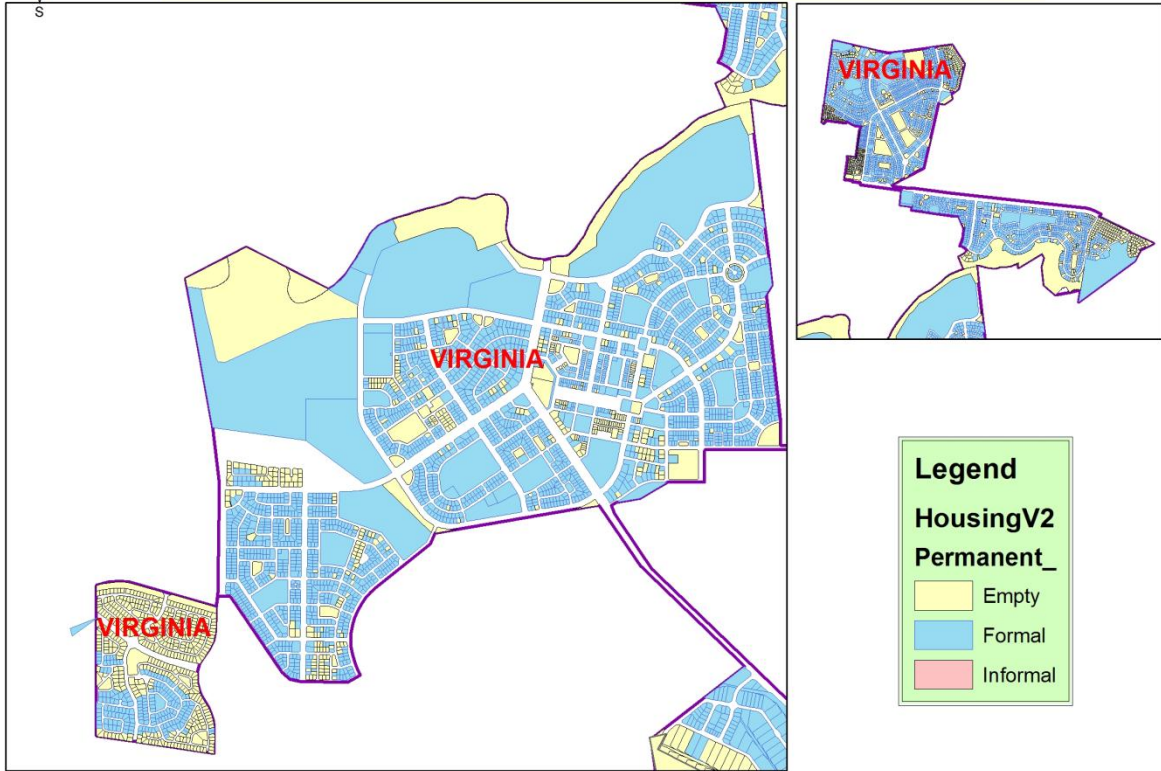


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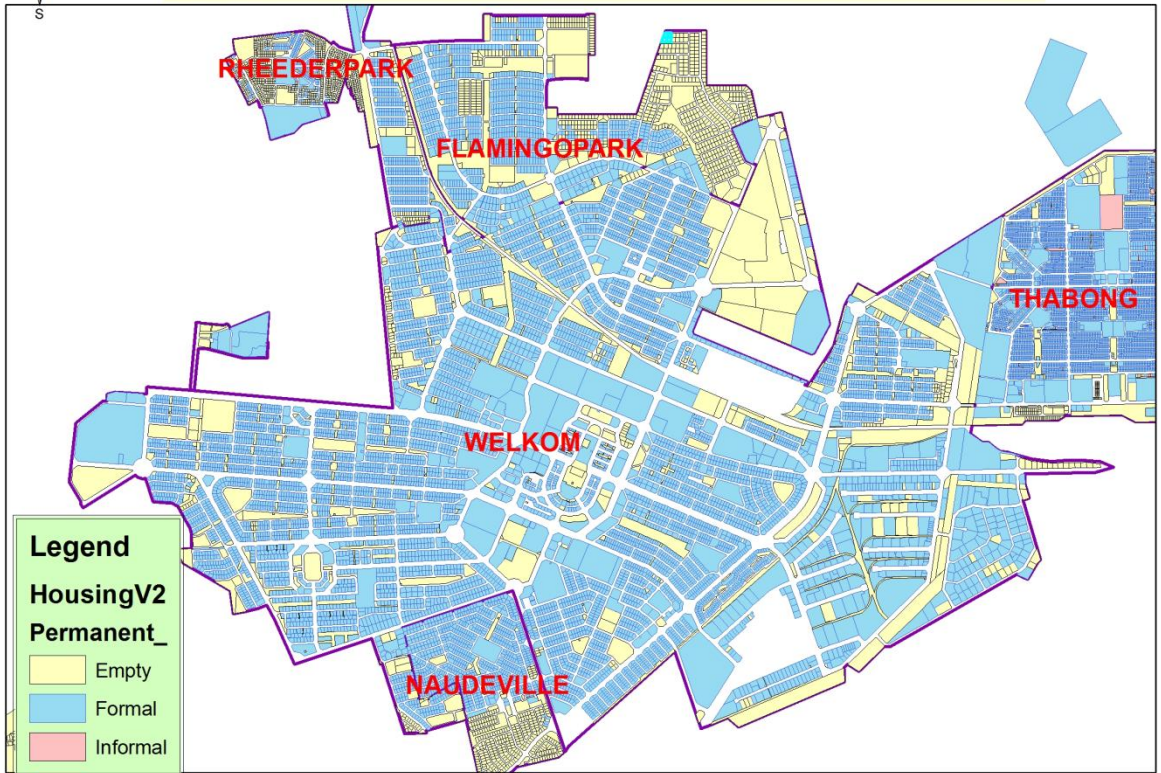




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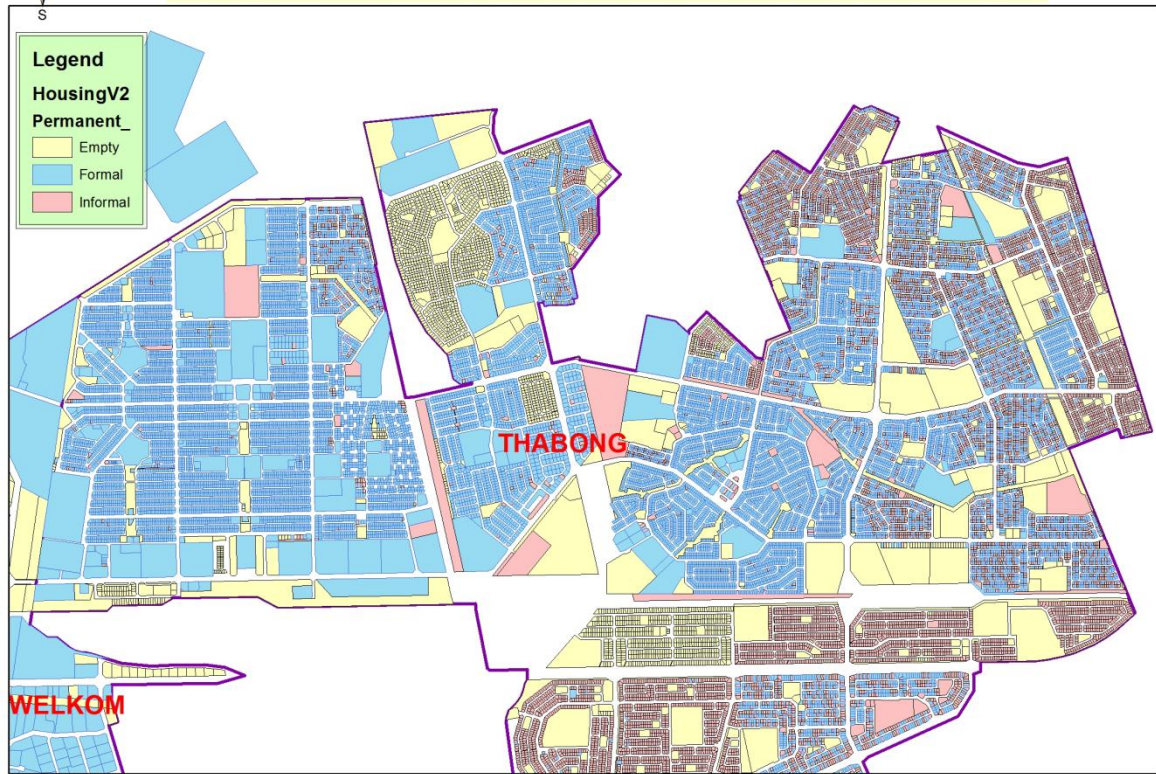


PROCLAIMED STANDS: FORMAL AND INFORMAL DEVELOPED





PROCLAIMED STANDS: FORMAL AND INFORMAL DEVELOPED



CHAPTER SEVEN (7)

7.1 IMPLEMENTATION

7.1.1 INTRODUCTION

The rationale behind this chapter is to the following:

- Our targets for the FY 2012/13
- Our targets for the term 2012/16
- Project to be implemented
- Projects to be implemented by other spheres of government

This chapter presents the IDP implementation framework in line with the following key performance areas;

1. Service delivery and infrastructure development
2. Municipal transformation and organizational development
3. Good governance and public participation
4. Financial Sustainability and Viability
5. Local Economic Development

As indicated in Chapter 1, this IDP has certain gaps, which we intend to address once we go into the first review of the IDP

7.1.2 INSTITUTIONAL SCORE CARD

The indicators contained in the Scorecard help us determine five year impacts and outcomes we aim to achieve through the implementation of our objectives. The targets and indicators on the Scorecard below are generally impact and outcome indicators and targets, i.e. the measure of the overall developmental impact, and the extent of benefit to beneficiaries. The required SDBIP indicators, definition of indicators and reporting requirements are addressed in chapter -9 Performance management

7.2 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

7.2.1 COMMUNITY SERVICES DEPARTMENT

7.2.2 WASTE MANAGEMENT SERVICES

The objective of Waste Management Service is to provide quality sustainable waste management service to the residents of Matjhabeng Local Municipality so as to ensure a clean and healthy environment by:

- Rendering refuse collection service to all residents and business in terms of the Waste management Act.
- Providing a sufficient number of waste disposal facilities that are well managed and maintained to international acceptable level.
- Drafting and implementing a Integrated waste management plan for the municipality with focus on waste avoidance, re-use, reduction and recycle.
- Develop and Implement Integrated Air Quality Management Plan (IAQMP)
- Develop and implement a strategy that will focus on eradication of illegal dumping

7.2.3 SPORTS AND RECREATION

Provision of burial land and burial services

Upgrading and maintenance of cemeteries

Planning, development, maintain and up-keeping of sports facilities.

Planning and execution of sport and recreational programmes that seeks to build healthy and cohesive nation.

7.2.4 SAFETY, SECURITY AND TRANSPORT

The safety and security of all residents, the business community, tourists and property is a key focus of this municipality. In this regards, the municipality focuses on crime prevention, disaster management, roads and traffic safety, fire and emergency services and internal security services.

To create a safe and secure environment in Matjhabeng Municipality , the full and maximum participation of all stakeholders , including our residents, mines and business community is required in addressing the following challenges;

- a) Prevention and reduction of crime
- b) Reducing the risk of disaster
- c) Reducing the risk of fire and other related emergency related risks
- d) Maintaining acceptable levels of response to emergencies
- e) By-force enforcement
- f) Fleet Management service
- g) Protection of municipal employees and assets

DIRECTORATE: COMMUNITY SERVICES

KPA: 1 BASIC SERVICE DELIVERY					
PROGRAM: ESTABLISHMENT OF NURSERIES					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To ensure an effective urban & environmental greening program	Provision of green public open spaces	Plant 5 different species of plants	Establishment of 1 nursery per financial year	R10 000 000 R700 000	DETEA INTERNAL
PROGRAM: URBAN PARKS					
To ensure an effective urban & environmental greening program	Provision of green public open spaces	Development of 2 Urban Parks per year. Planting of 500 Street Trees per year. Caring of 2500 Trees per year.	Establishment of 2 Urban Parks for the financial year. Planting of 500 Trees per year. Caring of 2500 Trees per year.	R10 000 000 R10 000 000	DETEA INTERNAL
PROGRAM: UPGRADING - SPORTS/RECREATION FACILITIES					
To ensure that basic sport & recreation facilities are available to all communities	Upgrade & maintain existing & build new municipal sport & recreation facilities.	Upgrade 7 Sport Stadiums: -Thabong -Zuka Baloyi -Phomolong -Bronville -Indoor Sport Centre -Meloding -Phomolong	Upgrading of 7 Sport Facilities for the financial year.	R 28 920 322	MIG

KPA: 1 BASIC SERVICE DELIVERY					
PROGRAM: ESTABLISHMENT OF NURSERIES					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
		Establish 2 Sport Complexes: -Sipho Mutsi Sport Precenct -Meloding Sport Complex	Establishment of 2 Sport Complexes for the financial year.	R 40 000 000	MIG Provincial Sport, Arts, Culture and Recreation Department.
		Upgrade Swimming Pools.			
To provide adequate burial space for the community	Timeously develop new & extend current cemeteries	Develop 1Cemetery: -Mamahabane Upgrade 5 Cemeteries	Development of 1 cemetery per financial year Upgrade 5 cemeteries per financial year.	R 10 000 000 R 22 962 165	MIG
PROGRAM: LANDFILL SITES MANAGEMENT & UPGRADING					
To ensure efficient management and maintenance of landfill sites	Compliance to legislative mandate	Landfill Sites Management and Upgrading	Fencing of Odendaalsrus Landfill Site for financial year.	R12 000 000	DEA EPIP
		Establishment of 2 Transfer Stations	Establish 1 transfer Station per financial year	R 10 000 000	DEA MIG

KPA: 1 BASIC SERVICE DELIVERY					
PROGRAM: REFUSE REMOVAL					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To ensure an effective waste management system	Waste collection from each household on a weekly basis	Procurement of Household Receptacles. Procurement of Pavement Receptacles. Procurement of Service and Business Containers.	Procurement of 10 000 Wheelie Bins(240 litre bins) Procure 500 Pavement Bins Procure 100 Skip Bins	R 8 000 000	Internal
	green economy projects				
		Province has awarded the Municipality with the Project and roll-out date will be announced during the 2014/2016 Budget.	July 2014 To June 2016	R5 000 000	EPIP
PROGRAM: FIRE & DISASTER MANAGEMENT					
To facilitate the development of safer communities through better planning and enforcement	Enhance equipment for call receiving, timeous dispatching & capturing of information through a joint control room	Upgrading the existing 6 control rooms	Upgrading of 6 control rooms for the financial year.	R 5 000 000	INTERNAL
To facilitate the development of safer communities through better planning and enforcement of Fire and Rescue Service	Establishment of six satellite fire stations in suburban areas	Establishment of Mmamahabane Fire Station..	Establishment of 1 Fire Station for the financial year	R 5 000 000	MIG

KPA: 1 BASIC SERVICE DELIVERY**PROGRAM: FLEET**

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To upgrade fleet size for different business units	Add to current priority vehicles required	Continue 2 nd phase auction on high cost & weary fleet to reduce repair & maintenance cost in line with asset register (Regulate the lifecycle programme on all fleet types, reduce asset register & decrease operating budget).	Auctioning of all depleted and costly fleet.	R 50 000 000	Internal
To ensure proper maintenance of vehicles, plant & equipment	Re-opening of Mechanical stores	Re-opening of 1 fully stocked Mechanical Store	Re-opening of 1 Mechanical Store for the financial year.	R 1 000 000	Internal

KPA: 1 BASIC SERVICE DELIVERY

PROGRAM: TRAFFIC & SECURITY MANAGEMENT

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To direct the traffic control function towards policing high risk violations – rather than revenue collection	Intensify the road safety awareness projects / campaigns.	Hold 4 Campaigns and Projects	Hold 4 Campaigns and 4 Projects for the financial year	R 60 000	Internal
To ensure sustainable traffic control	Painting of road markings & erecting or replacing of traffic road signs	Procurement of Road Marking Paint and Traffic Signs	Procurement of 1000 signs per year Procurement of 500 000 litres of paint per year	R 2 400 000	Internal
To reduce crime	Implement the Safety Strategy	Acquisition of consultant	Acquire Project Consultant	R 1 500 000	Internal
	To protect Council assets and employees (Install and activate electronic security systems on identified Municipal buildings / premises	Sourcing of Service Provider for Provision of Security System	Installation of Security System in all Municipal Buildings	R 10 000 000	MIG Funding
	Effective by-law enforcement	Standardization of the by-laws	Implementation of Effective By-Laws	R 3 000 000	MIG Funding
	Screening of all employees and service providers	Verification of good standing service providers and employees credentials.	Verify all Service Providers and municipal Workers.	R 50 000	Internal

7.3 INFRASTRUCTURE DEVELOPMENT

7.3.1 PROVISION OF BASIC SERVICES

Improving service delivery through the provision of basic services is an integral part of the Municipality's mandate. The Municipality is acutely aware of the many service delivery challenges confronting it, and has developed a number of plans to address these challenges. These plans will be implemented, as reflected in this IDP.

7.3.2 WATER SERVICES

With the advent of the *Water Services Act* (Act 108 of 1997), all South African water services authorities were required to prepare a Water Services Development Plan (WSDP). The WSDP is a strategic plan setting out the way in which a Water Services Authority delivers water services to individuals and businesses in its area of jurisdiction. It also describes the current and future consumer profile, the types of services that are provided, the infrastructure requirements, the water balance, organisational and financial arrangements to be used, an assessment of the viability of the approach, and an overview of environmental issues. Based on these analyses, important issues that may impact on the provision of effective and sustainable water and sanitation services need to be identified and strategies need to be formulated to improve service provision.

The Municipality compiled modules 1 and 2 and must address modules 3, 4 and Reporting of the WSDP as matter of extreme urgency. The outcome will give guidance in the IDP and Capital budget. A longer-term analysis and the integration of future water demand and infrastructure are necessary in this regard. In order to address the latter, a Water Master Plan (WMP) has to be developed and should be informed by the SDF and the recent study on Water Loss done by Latitude.

The WMP is a plan that identifies the gaps in the provision of water to meet the needs set out in the WSDP. The WMP is a longer-term plan that covers the period up to 2030, far extending beyond the five-year period covered by the WSDP, in order to meet the long-term water requirements of Matjhabeng.

7.3.3 KEY STRATEGIC GOALS

In addition to the *Water Services Act*, the Municipality's WSDP should be informed by the National Strategic Framework for Water Services (September 2003), which is a critical policy document that sets out the future national approach to the provision of water services. Key focus areas of the Water Services Delivery Plan include the following:

- a) Provision of a sustainable water supply.
- b) Development of a comprehensive Water Management Strategy.
- c) Transformation of the Municipality into a world-class water service provider.
- d) Financial accountability and sustainability.
- e) Establishment of a comprehensive Customer Care and Management Strategy.
- f) Ensuring quality (regular testing of water to ensure that it meets the required standard, as depicted in the Blue Drop and Green Drop systems), sustainable and affordable services to all.

7.3.3.1 Critical Challenges

1. Provision of at least basic water service to all communities.
2. High non-revenue water (high levels of loss /unaccounted for water impact on income of the municipality).
3. Rapid aging and decaying water network infrastructure
4. Timeous provision of infrastructure to meet developmental growth needs.

5. Maintenance of infrastructure to ensure effective operation thereof.
6. Limited financial and human resources.

7.3.4 SANITATION

Access to sanitation is a vital prerequisite for a healthy environment and restoring the dignity of local communities. In addition to the provision of water, sanitation is therefore a key focus area of the Municipality. A government programme to eradicate the bucket system by the 2007, could not be fully achieved by Matjhabeng Municipality, resulting in certain areas of Matjhabeng still compelled to use buckets as form of sanitation. The existence of back yard dwellings increase the number of stands to be serviced with bucket systems. Over and above the failure to complete the Bucket Eradication Program, there are informal settlements that do not have access to a basic level of sanitation. Most formal settlements are provided with waterborne sanitation.

7.3.4.1 Key Strategic Goals And Challenges

In addition to the *Water Services Act*, the Municipality's WSDP is informed by the National Strategic Framework for Water Services (September 2003), which identifies the sanitation needs. A sewer master plan was done for approximately 50% of the Municipality. This master plan should be extended to cover all the residential areas.

7.3.5 KEY SUPPORTING OBJECTIVES OF THE SANITATION MASTER PLAN SHOULD INCLUDE THE FOLLOWING:

1. Provision of at least basic sanitation to all communities by 2014.
2. Address and rectify directives issued by Environmental Minister.
3. Transformation of the Municipality into a world-class sanitation service provider.
4. Address the aging infrastructure challenge
5. Ensuring that purified effluent complies to National standards and a sustainable and affordable services be delivered to all.

7.3.5.1 Critical challenges

1. Meeting the national target for the provision of basic sanitation services to all by 2014.
2. Completing the development of the Sanitation Master Plan (SMP) as matter of extreme urgency.
3. Rehabilitate and upgrade all substandard waste water treatment plants.
4. Fix and complete sanitation problems emanating from bucket eradication program
5. Timeous provision of infrastructure to meet developmental growth needs.
6. Maintenance of sewer infrastructure to ensure effective operation.

7.3.6 ROADS AND STORM WATER

Municipalities in the Republic of South Africa are required, in terms of Section 36(1) of the *National Land Transport Act, 2009* (Act No. 5 of 2009), to prepare a Comprehensive Integrated Transport Plan (CITP) every five years. The CITP must be updated annually. However, Matjhabeng Municipality has not produced one since its inception. Such a plan was however compiled for this area by Lejweleputswa District Municipality. It is envisaged to update this plan in the IDP time frame.

7.3.6.1 Key Challenges:

- Roads and stormwater maintenance, backlog of approximately R4 billion exist and the construction of new roads backlog exist to the value of approximately R1,9 billion, which increases annually as new residential areas are established and developed.
- Insufficient financial support from the Provincial Departments to eradicate these backlogs.
- Risk of flooding and damage to properties and community health and safety hazards due to poor stormwater infrastructure maintenance and upgrade and construction of new systems (estimated storm water infrastructure backlog is R850 million).
- Poor storm water infrastructure maintenance, upgrade and construction of new systems(estimated backlog of R850million) increase the risk of flooding, damage to property and community and safety hazards

DIRECTORATE: INFRASTRUCTURE

KPA: 1 : Basic Service Delivery						
PROGRAM: Developmental Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop roads, water, sewerage, electricity and storm water infrastructure	Deliver new infrastructure for 2000 stands every financial year.	Service 1000 new stands per year	All	1000	R 15m	Human Settlement/ MIG
		Service 1000 existing stands per year.	All	1000	R 16m	Human Settlement/ MIG
		Phomolong School stands (100)	2	100	R2m	Human Settlement
		Meloding: Cemetery, Circle & Clinic area, Sewer network for 350 stands	4,7,9	350	R6m	Human Settlement/ MIG
		Kutlwano Stadium area (K2) 216 stands	18	216	R3.5m	MIG
		Kutlwano Leeubosh area (after formalisation of the area) for 2900 stands	22	2900	R32m	Human Settlement
		Thabong Thandanani(2010) 1400 stands	25	1400	R24m	Human Settlement
		Thabong Freedom Sqare 390 stands	13	390	R11m	Human Settlement
		Thabong: Phokeng 888 stands	16	888	R16m	Human Settlement
		Thabong : Homestead 750 stands	11	750	R24m	Human Settlement
		Thabong X15 South: Subdivision of big stands 167 stands	11	167	R3m	Human Settlement
		Nyakallong Entrance 100 stands	36	100	R2m	Human Settlement
		Odendaalsrus: Eldorie: Land restitution 800 stands	36	800	R60m	Human Settlement
		Phomolong: Development Ventersvlakte 500 stands (Phase 1)	3	700	R5m	Human Settlement
		Mmamahabane Development on Groenepunt 96 farm	1	591	R5m	Human Settlement
		Construct new sewer lines and services in new or underdeveloped areas.	All	Generic		
		Conversion of hostels: bulk services	Supply bulk services to areas where private developers convert existing hostels to family units with housing subsidies	All		R2m

KPA: 1 : Basic Service Delivery						
PROGRAM: Developmental Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	Develop and service business stands to stimulate growth	Service business stands 9520, Welkom	32	10 stands	R0.3m	Municipal
		Service light industrial stands in X39, Welkom	32	11 stands	R 3m	Municipal
	Develop and service new industrial stands to stimulate growth	Service light industrial area in Thabong Constantia Road	30, 31	23	R3m	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Sewer Networks and WWTW Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop Sewer infrastructure	Construct bulk and internal sewerage reticulation	Construct a sewer network for Thabong X13.	17	1300	R 9m	MIG
To upgrade the bulk sewer network and WWTW to 100% functionality	Employ personnel dedicated for the repair and maintenance at the sewerage works(WWTP) and pump-stations. Phase upgrades over five year periods.	Upgrade Mmamahabane sewer works.	1	1	R35m	MIG
		Upgrade Theronia sewer works.	24	1	R90m	MIG/Municipal / DWA
		Upgrade Odendaalsrus sewer works (Cleaning and upgrading of Maturation ponds, health and hygiene, etc).	36	1	R2m	Municipal / DWA
		Upgrade of Kutlwanong sewer works.	10	1	R50m	MIG
		Extend Thabong sewer works to accommodate sewerage from Witpan works and new developing areas including first phase of Phakisa development	31	1	R160m	MIG/Municipal
		Upgrade of Hennenman sewer works.	3	1	R40m	Municipal / DWA
		Upgrade and maintenance of dysfunctional and pump	All	10	R40m	MIG/Municipal

KPA: 1 : Basic Service Delivery

PROGRAM: Sewer Networks and WWTW Developmental and Maintenance Programs

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
		stations not on standard in Matjhabeng.				
		Move and upgrade T8 pump station to minimize effect on households when dysfunctional	14	1	R8m	MIG/Municipal
		Refurbish Witpan Sewerage works	32	1	R40m	MIG/Municipal
		Upgrade Whites sewerage works	3	1	R3m	MIG
		Upgrade Nyakallong sewerage works.	36	1	R35m	MIG/Municipal
		Clean sumps of pump stations once in 2 years	All	20	R5/a	Municipal
		Develop a pump station master plan with focus on effective functionality and electrical cost reduction. (Investigate to be research in collaboration with and support of a University and Eskom)	All	1	R3m	MIG/Municipal / Eskom
		Construct and upgrade security and alarm systems at pump stations and sewerage works to reduce theft and damage to infrastructure	All	20	R3m/a	Municipal
		Upgrade, maintenance and operation of Sewerage works in Matjhabeng to comply to Green Drop Standards.	All	11	R21m/a	Municipal
		Refurbish Virginia WWTP	24	1	R40m	MIG/Municipal
To replace 25% of worn out sewer pipelines in a five-year cycle.	Identify sewer pipelines that have suspected problems.	Replace 5% of worn out sewer pipelines annually.	All	15km	R25m	MIG/Municipal
		Apply Protective lining to sewer pipes Virginia and OD.	9,36	4 k	R8m	MIG/Municipal
		Replace 450mm rising main line between Major pump station and Theronia sewerage works and enlarge sump of Major pump station.	33	1.4 km	R4m	Municipal, DWA
		Relining of rising main from Power Road Pump station to Rovers club.	32	4 km	R3m	MIG/Municipal/ DWA
		Upgrade/refurbish Odendaalsrus outfall sewer	36	2 km	R5m	MIG/Municipal/ DWA
		Upgrade/refurbish Kutlwanong outfall sewer	10, 18	2 km	R5m	MIG/Municipal/

KPA: 1 : Basic Service Delivery

PROGRAM: Sewer Networks and WWTW Developmental and Maintenance Programs

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
						DWA
		Upgrade/refurbish Thabong main outfall sewer	16	3.5 km	R6m	MIG/Municipal/ DWA
		Upgrade Phomolong outfall and problematic internal sewer networks	2,3	4 km	R10m	MIG/Municipal/ DWA
		Upgrade Mmamahabane outfall sewer	1	2 km	R5m	MIG/Municipal/ DWA
		Hennenman: Replace portion of outfall sewer to eliminate pump station	3	1.5 km	R3m	MIG/Municipal/ DWA
		Replace 300mm sewer in Brain street Odendaalsrus (Finalise project)	35	0.3 km	R0.3m	Municipal
		Refurbish/upgrade Koppie Alleen Rd, Cactus and Breede St collapsed sewers	32, 33	2 km	R10m	Municipal
		Investigate, with camera inspections, all sewer network older than 30 years	All	50 km	R3m	Municipal
		Eradicate all buckets on formal residential stands not yet serviced with a sewer system.	All	3000	R30m	Municipal/ HS/ Cogta
		Replacements of sewer networks: Doorn 21 km	32	5 km	R10m/a	Municipal
		Maintenance of sewer related infrastructure.	All		General	Municipal
	Compile a replacement plan for worn out sewer pipelines.	Purchase TV inspections equipment and create unit to do inspections of all sewer lines to identify problematic lines and prioritise replacement thereof	All	50 km	R1m	Municipal
To replace iron manhole covers with lockable covers without resale value	Identify dangerous open manholes to be covered	Replacement of 2000 iron covering of open manhole's covers with lockable covers annually.	All	2000	R3m/a	Municipal
To replace the bucket system with water	Provide bulk and internal sewer network	Finalization of bucket eradication projects	2,3,5,6,7,10,18 , 20, 21,22	2000 stands	R5m	MIG/Municipal/ DWA

KPA: 1 : Basic Service Delivery						
PROGRAM: Sewer Networks and WWTW Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
borne sewer	and toilet structures in existing developed areas serviced by buckets and without a network	Upgrade of outfall sewer between Meloding and Virginia to accommodate flow of bucket eradication. (Finalise outstanding problems)	5,9	3.4 km	R2m	MIG/Municipal/DWA
Construction and Extension of purified sewerage network to reduce usage of potable water for irrigation purposes.	Ring fence revenue from sales of purified water.	Use 50% of purified water sales to extend the purified sewer effluent network each year to reduce the usage of potable water for irrigation purposes.	All	4 km	R5,000,000	Municipal
		Develop a Matjhabeng PSE Services development plan	All	1	R2m/a	Municipal
		Refurbish and upgrade PSE systems to reduce irrigation with potable water at parks, schools and churches.	All	1	R5m/a	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Water Developmental and Maintenance Programs and ancillary items						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop Water networks	Construct bulk and internal water reticulation and refurbish and upgrade existing.	Thabong X20 (Hani Park): Extension of network (180 stands)	12	180	R 1.3m	MIG
		Water network for Thabong T6 & T12 1200 stands	25	1200	R 8.4m	MIG/ Human Settlement
		Servicing of 500 stands with water connections and meters in Kutlwanong X9, K2, Block 5	10,18, 22	500	R1m	MIG/Municipal
		Install Bulk, internal water reticulation and water meters in new areas and existing under-developed areas.	All	General		MIG/Municipal / Human Settlement

KPA: 1 : Basic Service Delivery

PROGRAM: Water Developmental and Maintenance Programs and ancillary items

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To replace 15% of worn out water pipelines in a five-year cycle. To replace 15% of worn out water pipelines in a five-year cycle.	Compile a replacement plan for worn out water pipes and ancillary works to reduce water loss.	Refurbish Allanridge main steel water network pipe.	36	1 km	R1.3m	Municipal
		Replace worn out water pipes to minimize water loss.	All	40 km	R70m	MIG/Municipal
		Service all hydrants and Valves once a year and replace that cannot be repaired.	All	12800	R15m	Municipal
		Analyze and upgrade of Meloding water network to ensure that minimum water pressure is maintained throughout the day	4,5,6,7	1	R30m	MIG/Municipal
		Analyze and upgrade of Kutlwanong K6 water network to ensure that minimum water pressure is maintained throughout the day	20,21	1	R9m	MIG/Municipal
		Repair and maintenance of water related infrastructure	All	6600	R13m	Municipal
	Compile a replacement plan for Asbestos water pipelines to comply to asbestos legislation	Replace 440 km of asbestos water pipes in phases	All	44 km	R15.4m	Municipal

KPA: 2 : Municipal Transformation and Organizational Development

PROGRAM: Water

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
Create Section 78 for water	Ring fence water services	Investigate and implement Section 78 for the water service.	All		R 6m	Municipal
Become less reliant on water board for supplying of water to Matjhabeng	Construction of a new Water Purification Plant	Investigate the possibility to construct and operate a water treatment plant more cost efficient than purchasing from water board.	All	1	R5m	

KPA: 3 : Municipal Financial Viability and Management

PROGRAM: Water networks and Water Demand Management

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop and maintain Water networks and ancillary works as well as Water Demand Management System to reduce water loss and enhance revenue	Install water meters and refurbish and upgrade existing networks to reduce unaccounted for water.	Servicing of 500 stands with water connections and meters in Kutlwanong X9, K2, Block 5	10, 22, 18, 29	500	R1m	MIG/Municipal
		Install water meters in conjunction with the installation of sewer connections.	All	4 000	R 6m	MIG/Municipal
		Install Bulk, internal water reticulation and water meters in new areas and existing under-developed areas.	All			MIG/Municipal / Human Settlement
		Replace worn out water pipes to minimize water loss.	All	40 km	R70m	MIG/Municipal
	Implement a Water Demand Management and Monitoring plan.	Add valves where areas cannot be shutoff in manageable chunks to limit unnecessary water loss occur during maintenance actions.	All	1000	R5m	MIG/Municipal
		Implement a water pressure reduction system to reduce the occurrence of burst pipes.	11-17, 25-34	9 PRV's	R9m	MIG/Municipal
		Conducting leak detection investigation and analysis to determine priority list.	All	1	R4m	Municipal
		Implement Leak detection system and equipment	All	1	R2m/a	Municipal
		Develop water loss monitoring database	All	1	R400,000	Municipal
		Data logging of bulk meters to monitor consumption trends, trigger alarms and calculate losses due to pipe bursts.	All	5	R1.5m/a	Municipal
		Identification of consumers with water connections who are not billed	All	15000 accounts	R1m	Municipal
		Install water meters for Phomolong	2,3	5000	R4m	Municipal/HS
		Install water meters for Meloding (Stilte)	5,6,7	5000	R4m	Municipal/HS
		Replace old water meters with meters with pulse function and implement electronic meter reading system.	All	5000	R3m	Municipal

KPA: 2 : Municipal Transformation and Organizational Development						
PROGRAM: Water						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
		Install water meters at developed parks that is irrigated with potable water.	All	50	R0.5m	Municipal
		Implement the water meter repair program.	All	3500	R2m/a	Municipal
Repair all faulty water meters	Compile a repair and replacement program of faulty water meters.	Replace worn-out water meters with at a rate of R20m/a for 3 years to reduce water loss and increase revenue collection	All	10 000	R20m/a	Municipal
		Enhance the implementation of the Water Revenue Protection unit	All	1	R1,5m	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Provincial and National Roads Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop roads and storm water infrastructure owned by National and Provincial Government that have an effect on Matjhabeng residence.	Construction and upgrading of National and Provincial Roads in Matjhabeng:to enhance affectivity of network.	Extension of Jan Hofmeyr Rd east of interchange (Province)	12	4 km	R 20M	Province Roads Department
		Road Lighting Provincial Roads Hani Park area (SANRAL)	12,23	6 km	R10m	SANRAL
		Upgrade of Jan Hofmeyr and Virginia Road interchange and upgrade road over Thabong(SANRAL)	12,23	4.5 km	R80m	SANRAL

KPA: 1 : Basic Service Delivery

PROGRAM: Roads and Ancillaries Developmental and Maintenance Programs

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop and maintain roads and storm water infrastructure .	Construction of new roads and sidewalks.	Construct roads in new areas and under-developed areas	All	4 km	R 20/a	MIG/Municipal
		Construct 50km new distributor roads/ bus/ taxi roads to improve traffic flow and improve storm water management.	All	10 km	R50m	MIG/Municipal
		Construct 36 Km roads to address storm water problems and enhance accessibility to stands	All	7 km	R35m	MIG/Municipal
		Virginia Way Service lanes	9	0.7 km	R 3m	Municipal
		Thabong road 142 (G-hostel)	26,31	0.3 km	R 1.5m	MIG/Municipal
		Finalization of Hlasela roads in Kutlwanong, Meloding and Phomolong	18,20, 4,5,7,3	4 km	R15m	Human Settlement
		Upgrading of intersections on main roads where high accident occurrences are encountered and to enhance traffic flow.	All	1 km	R5m	Municipal
		Construction of paved sidewalks near schools to enhance safety of pedestrians	All	4 km	R5m/annum	Municipal
To develop infrastructure –e.g. roads, water, sewerage, electricity, storm water.	Compile a pavement management system.	Resurfacing of 13% of all streets every year.	All	15 km	R 30m/a	MIG/Municipal
		Maintenance of streets and associated infrastructure.	All		Generic	Municipal
		Crack sealing of roads and repair potholes	All	15 km	R 7m/a	Municipal
		Sealing of existing dump rock roads at 5km/a	All	5 km	R 12M/a	MIG/Municipal
To reconstruct the roads that are beyond repair	Reconstruct roads that do not function safely and cannot be repaired economically.	1. Rebuild Alma road	27	2 km	R 10m	Municipal
		2. Rebuild Stateway service lanes	27,32, 34	3.5 km	R 15m	Municipal
		Rebuild Second street between Stateway and Half street and address storm water problems.	32	1 km	R 5m	Municipal
		Rebuild Valley Drive North (Virginia)	5,9	2.0 km	R 12m	Municipal
To develop gravel roads	Draw up a gravel road construction program	Construct un-designed Gravel roads to give residents access to stands in rainy season at 15Km per annum	All	15 km	R15m	MIG

KPA: 1 : Basic Service Delivery						
PROGRAM: Roads and Ancillaries Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	that will yield 15km per annum.					
To improve the street naming and signage	Allocate street names and numbers.	Complete the Street identification program.	All	1	R100,000	
		Create a street sign management system, survey existing indicators and update system.	All	1	R2,500,000	
	Identify and set a priority list for the replacement and repair of road signs.	Installation/construction/upgrading of road sign posting	All	1000	R500,000	
	Implement a road sign posting program	Refurbish and upgrade overhead signage and lighting	All	20	R2m/a	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Storm Water Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
Construction, upgrade and maintenance of the storm water networks and ancillaries.	Construction of new storm water networks and upgrade of existing	Construct new Storm water canals in new developed or underdeveloped areas.	All	Generic		MIG/ Municipal
		Hani Park storm-water system drains to enable construction of roads and prevent flooding of stands	12	4 km	R 5m	MIG/ Municipal
		Main channel to drain Thabong T16 south to retention area	13,15,17	2 km	R4m	MIG/ Municipal
		Upgrade Losaba channel to a closed pipe system	26,31	1.2 km	R12m	MIG
		Extend Xaluva channel north of Nkoane Road	28	0.7 km	R2m	MIG

KPA: 1 : Basic Service Delivery

PROGRAM: Storm Water Developmental and Maintenance Programs

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
		Extend Bronville X9 channel to Blesbokpan	11	1 km	R3m	MIG
		Construct pedestrian bridges over main storm water channels to ensure safe crossing thereof Stateway (2), Togo Drive (1), Moshoeshoe railway(1) Kutlwanong (K1 – Geneva)	24,34,31,10	5	R2.6m	MIG/ Municipal
		Upgrade main storm water system in Phomolong	2,3	2 km	R4m	MIG
		Upgrade main storm water system in Mmamahabane	1	2.5 km	R5m	MIG
		Upgrade main storm water system in Meloding	4,5,6,7,9	3 km	R7m	MIG
		Upgrade main storm water system in Kutlwanong	10,18,20,21,22	4 km	R10m	MIG
		Upgrade main storm water system in Nyakallong	19,36	2 km	R10m	MIG
		Phomolong: construction of new canal from WWTP to spruit	3	3.2 km	R5m	MIG/DWA/ Municipality
		Mostert/Sandriver canal upgrade : concrete lined	23	2 km	R30m	Mun/DWA
		Thandanai (2010): Construction of storm water cut off drains	25	2.1 km	R1m	MIG/HS
		Nyakallong entrance: storm water upgrade	36	0.6 km	R5m	MIG
		Finalization of Uitsig canal retention dam (Stand 8083 Thabong).	29		R5m	MIG/Municipal
		Formalizing storm water canal at school in T15	16	60 000m ³	R0.5m	MIG/Municipal
		Formalizing storm water canal in Thulwane street: Thabong	29, 31	2.4 km	R5m	MIG/Municipal
		Formalizing storm water canal at Phakati near Nkoane road	16,25	0.3 km	R0.3m	MIG/Municipal
		Upgrade storm water Jan Hofmeyr/Power roads near circle	32, 30	1.5km	R5m	Municipal
		Concrete Lining existing canals at 5km per annum.	All	5 km	R8m/a	MIG/Municipal
	Construction of	Virginia: Dam wall in Sandriver: Upgrade / maintenance	8, 9	1	R3m	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Storm Water Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	retention dams to reduce occurrence of flooding of properties	as required by law.				
		Retention dams at Meloding (Albany)	5,9	2 dams	R3m	MIG
		Retention dams for preventing flooding of Tana Street	27	3 dams	R6m	Municipal
To compile and implement a maintenance and upgrading plan for storm water canals and networks.	Clean and upgrade all storm water networks.	Cleaning of lined storm water canals in the whole of Matjhabeng once a year.	All	7.1 km	R4m/a	Municipal
		Cleaning of unlined storm water canals in Matjhabeng twice a year.	All	5.6 km	R6m/a	Municipal
		Refurbish Odendaalsrus Main storm water channel and Brain Avenue	All	2 km	R4m	Municipal
		Cleaning and maintenance of existing storm water drainage pipes.(Operational)	35,36	13	R13m	Municipal
		Relining of Stateway Canal Lindsey to Anthony	29	2 km	R4m	Municipal
		Repair or replace damaged and stolen catch pit and manhole lids	All	1300	R2m/a	Municipal
		Upgrade catch pits with limited capacity to enhance storm water functionality.	All	200	R4m	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Buildings Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
Repair and maintenance of Municipal Buildings.	Compile a priority list in respect of repairs / renovation to Municipal Buildings.	Renovate Airport buildings and infrastructure	24		R3m	Municipal
		Upgrading of Nyakallong, Allanridge, Odendaalsrus and Virginia Municipal offices	36, 9	2 buildings	R6m	Municipal
		Upgrading of Old Public Safety Building	27	1	R3m	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Buildings Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
		Repair and Maintain municipal buildings to comply with Operational Health and Safety Act.	All	3 buildings	R25m	Municipal

KPA: 1 : Basic Service Delivery						
PROGRAM: Railway Sidings Developmental and Maintenance Programs						
OBJECTIVE	STRATEGY	KPI		ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To investigate the utilization of the municipal railway sidings in partnership with other stakeholders	Invite Stakeholders and develop a Public Private Partnership.	Repair and maintenance of in use railway sidings in partnership with private users.	32,35,5, 3	3 km	R500 000	Municipal/ Private sector

KPA: 1 : Basic Service Delivery						
PROGRAM: Servicing of Community and Commonage Facilities						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To ensure that the farming community has access to services	Implement a program of access to hygienic toilet facilities for the farming community.	To supply / install appropriate sanitation for the farming community per annum in partnership with DWAF.	All	400	R3,500,000	Human Settlement

KPA: 1 : Basic Service Delivery

PROGRAM: Servicing of Community and Commonage Facilities

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	Facilitate the maintenance of rural roads to commonage farms.	Upgrade and blading of access roads to commonage farms	All	200 km	R200,000	Municipal

KPA: 4 : Good Governance and Public Participation

PROGRAM: Master Plans

OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop infrastructure roads, water, sewerage, electricity, storm water	Develop Service Master plan and Planning designs where applicable for Storm water, Sewer and Water services by Analyzing existing networks and do planning designs for future projects	Develop Storm water Master plan for all towns and prioritise identified projects.	All	3	R 6m	Municipal/ DBSA
		Develop bulk Sewerage Master plan and capacity analysis for all towns and prioritise identified projects	All	3	R 4m	Municipal/ DBSA
		Develop Water reticulation Master plan (including meters and standpipes) for all towns and prioritise identified projects	All	3	R5m	Municipal/ DBSA
		Develop Rural area sewer development plan	All	1	R 1m	Municipal/ DBSA
		Develop database for master plans, populate with information and link to GIS	All	1	R 1m	Municipal/ DBSA
		Development of a Gravel Pit master plan and management system	All	1	R 1m	Municipal/ DBSA
		Compilation of Waste Water Treatment Plants master plan	All	1	R 1m	Municipal/ DBSA
		Compile and update immovable asset management system	All	1	R3m	Municipal/ DBSA

KPA: 4 : Good Governance and Public Participation						
PROGRAM: Master Plans						
OBJECTIVE	STRATEGY	KPI	WARD	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
		Alma sewer reticulation and Bulk services study.	27, 35	1	R 3 m	Human Settlement/ Municipal
To ensure long-term cost effective bulk Water supply to Matjhabeng	Comply with the Water Services Authority legislative requirements.	Compilation of WSDP documents and action plan for Matjhabeng	All	1	R3m	Municipal/ DBSA

PROVISION OF ENERGY (ELECTRICITY)

Since 2008, South Africa experienced a marked reduction in the National Generation reserve margin. As such, the country is faced with having to save energy through energy reduction campaigns (Demand Side Management Renewable Energy and Energy Efficiency). Through this programme, carbon emission reduction and climate change mitigation have become local priorities.

To this end, the Matjhabeng is striving to becoming a leader in the field of climate change mitigation, the reduction of harmful greenhouse gases and the identification and implementation of alternative fuel sources. Renewable energy, proper energy efficient measures and the successful institutionalisation of climate change mitigation in all spheres of business form part of this commitment.

In order to ensure a balance to achieve savings while promoting business growth sustainable development in all sectors, and the concept of job creation, maintaining a safe, reliable and affordable electricity supply must prevail. Good governance is a prerequisite for energy regimes that are economically and environmentally sound and socially responsible.

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
132kV Distribution						
To ensure an effective and safe 132kV Distribution network	Ensuring a sound and safe high voltage (132kV) distribution	WELKOM Upgrading breakers and isolators 132KV reticulation	32	84 breakers	1 035 426	Council Funding
		WELKOM Main intake test, upgrade and repairs to 132KV	32	48 breakers	713 664	Council Funding
		WELKOM Upgrade of SCADA system	32	26 Substations	5 600 000	Council Funding
		WELKOM Repair r and recomision of 20 MVA 132kV Transformer at Industries Substation	32	1 Substation	2 600 000	Council Funding and DOE funding
		WELKOM Provision and installation 20MVA 132KV transformer at Urania Substation	32	1 Transformer	9 944 000	Council Funding
						19 893 090
Administration and strategic planning						
Council benefiting from the time of use tariffs	To upgrade and replace worn - out electrical infrastructure	HENNENMAN Upgrading of load control	3	1000 Units	932 250	Council Funding
		Matjhabeng Energy Efficiency residential load management	Matjhabeng	23000 stands	2 300 000	Council Funding
		ODENDAALSRUS Upgrading of load control	1	2400 stands	124 300	Council Funding
		VIRGINIA Upgrading of load control system Virginia	9	9800 stands	248 600	Council Funding
		WELKOM Upgrading load control Welkom	32,33,	14000 stands	497 200	Council Funding
Ensuring that use is made of the saving that will be obtained with the implementation of the time of use tariffs that was approved by	To upgrade and replace worn - out electrical infrastructure	MATJHABENG Upgrading of remote meter reading software for the Matjhabeng Electrical Engineering Services Department	Matjhabeng	2 Computers	22 600	Council Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
the NERSA						
To ensure effective and efficient electrical service delivery to the community of the Matjhabeng Municipality that comply to the NERSA licensing requirements.	Adherence to the NERSA licensing requirements that the Electrical Department must be totally ring fenced.	MATJHABENG Ring fencing and Asset Evaluation of the Matjhabeng Electrical Engineering Services Department - All 6 Towns	Matjhabeng	6 Towns	3 788 000	Council Funding
To ensure a safe working environment for the Electrical Engineering Services Department	Adherence to the NERSA licensing requirements in terms of adhering to the Quality of supply regulations	MATJHABENG Conduct a Risk assessment for the Electrical Engineering Services in terms of the OHS Act 85/1993	Matjhabeng	6 Towns	186 450	Council Funding
To ensure that a good quality of supply is provided to the community	To ensure that the Electrical Engineering Services Department adhere to all statutory and machinery requirements of the OHS act	WELKOM Quality of supply	Matjhabeng	6 Towns	3 107 500	Council Funding
					11 206 900	
Distribution Low and Medium Voltage						
To ensure the effectiveness of the medium voltage distribution networks	Ensuring sound low and medium voltage networks	VENTERSBURG Electrification 75 stands X1	1	75 Stands	9 132 046	Council Funding
		HENNENMAN Electrification 121 Stands X12	3	121 Stands	8 978 073	Council Funding
		Welkom Re Electrification of Phomolong Rheeders Park X2 583 stands	35	583 Stands	7 917 140	Council Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
		Welkom Re Electrification of Naude Ville X2 330 stands	32	330 stands	13 000 000	Council Funding
		WELKOM Alma development	27,10	7000 stands	13 560 000	Council Funding
		WELKOM Reyrole switch replacement	32	1 switch	124 300	Council Funding
		VENTERSBURG Replace High voltage ring feed to Hamilton Substation	1	2 km	202 609	Council Funding
		HENNENMAN Ring electrical supply 11kV Atlass Street	3	2.5 km	398 699	Council Funding
		HENNENMAN Ring electrical supply 11kV Goud Street	3	5 km	474 713	Council Funding
		ODENDAALSRUS Provision and installation of a 11kV electrical ring feed between Hospitalpark and Eldorie	36	6 km	847 500	Council Funding
		ODENDAALSRUS Upgrade electrical supply to Du Plessis Single	36	1 km	149 160	Council Funding
		ODENDAALSRUS Complete 11kV electrical ring feed in CBD Area (Odendaalstreet)	36	1.2 km	167 805	Council Funding
		ODENDAALSRUS Replace stolen 11kV Medium Voltage Supply cable between Sub 8 and Mini Substation MS 17B Industrial Area	35	8 km	853 150	Council Funding
		ODENDAALSRUS Replace stolen 11kV Medium Voltage Supply cable between Sub 1A and Mini Substation MS5	36	0.5 km	508 500	Council Funding
To ensure the effectiveness of the medium voltage distribution networks (Continue)	Ensuring sound low and medium voltage networks (Continue)	ODENDAALSRUS Upgrading of overhead electrical networks that was damaged due theft and vandalism	35,36	28 km	2 825 000	Council Funding
		WELKOM Ring feed Vista & Bongani Hospital	28	6 km cable and mini	2 406 448	Council Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
				substations		
		WELKOM ST Helena upgrading of cable distribution network	32	2.5 km	1 988 800	Council Funding
		VIRGINIA Upgrading of electrical ring feed 11kV to Fauna Park	9	2.2 km	1 559 965	Council Funding
		VIRGINIA Upgrading of electrical ring feed 11kV to Boabab Str	9	0.5 km	248 600	Council Funding
		VIRGINIA Upgrading of electrical ring feed 11kV to Virginia and Harmony	8	2 km	775 632	Council Funding
		WELKOM Upgrading of the St Helena Electrical distribution network	32	8 km	6 109 000	Council Funding
		WELKOM DOE Electrification Extension X15 X9 Thabong Bronville Phase 6	12	250 stands	5 186 000	Council and DOE Funding
		WELKOM Bulk supply Extension 15 Thabong	12	4 km	2 486 000	Council and DOE Funding
		WELKOM Upgrading medium voltage network Flamingo park	34	1.5 km	1 491 600	Council Funding
		WELKOM Upgrading medium voltage network Stateway new Businesses	32,33	8 km plus substations	8 136 000	Council Funding
		WELKOM Upgrading medium voltage network EXT 9 &15	12	2 km	1 491 600	Council and DOE Funding
		WELKOM Upgrading medium voltage network Civic Centre	32	1 Substation and 2 km cable	5 445 759	Council Funding
		WELKOM Upgrading medium voltage network Industrial Area	27	3.6 km	3 616 000	Council Funding
		HENNENMAN Replace overhead transmission lines in Fabriek street	3	2 km	273 460	Council Funding
		ODENDAALSRUS	35,36	20 boxes	149 160	Council Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
		Upgrade electrical distribution boxes				
		WELKOM Rehabilitation of low voltage reticulation Phase 1 Bedelia	33	1 km	2 050 950	Council Funding
		WELKOM Ext 19 LT electrical reticulation upgrade	12	1 km	819 117	Council Funding
		ODENDAALSRUS Upgrading of low voltage overhead distribution lines	35	10 km	1 028 583	Council Funding
		WELKOM Flamingo park LT Electrical distribution upgrade	34	600 stands	1 225 129	Council Funding
Insuring a safe working environment	Ensuring sound low and medium voltage networks	VENTERSBURG Provision and installation protection relays	1	9 relays	93 225	Council Funding
		HENNENMAN Provision and installation protection relays	3	30 relays	300 806	Council Funding
		VIRGINIA Upgrading of protection relays	4,8,9	60 relays	604 098	Council Funding
		ODENDAALSRUS Upgrading of protection relays	35,36	60 relays	602 855	Council Funding
		WELKOM Upgrading of protection relays	27,32,33,34,35	132 relays	1 323 439	Council Funding
Ensuring that use is made of the saving that will be obtained with the implementation of the time of use tariffs that was approved by NERSA	Ensuring sound low and medium voltage metering systems	VIRGINIA Provision and installation of remote Electrical metering systems	8,9	22 meters	223 740	Council Funding
		ODENDAALSRUS Provision and installation of remote Electrical metering systems	35,36	36 meters	362 061	Council Funding
		WELKOM Provision and installation of remote Electrical metering systems	27,32,33,34,35	236 meters	2 361 698	Council Funding
		MATJHABENG Testing and verification of all large electrical consumer connections to the NRS 058 regulations in		2780 meters	4 651 928	Council Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
		all towns by a SANAS approved authority				
Ensure control over remote substations	Ensuring sound low and medium voltage networks	WELKOM Upgrade of SCADA system and the Control Room at CBD Substation	27,32,33,34,35	1 controle room	13 000 000	Council Funding
					90 123 088	
Street lights						
To ensure an effective service and adhere to road ordinances as well SANS regulations	To ensure a sound high mast and streetlight installation	PHOMOLONG Provision and installation of Street Lighting for main entrance road 6013.29 meters	2,3	6 km	1 391 466	Council & MIG Funding
		NYAKALONG Provision and installation of Street Lighting for main entrance road 1416.16 meters	36,19	1.4 km	327 698	Council & MIG Funding
		MMAMAHABANE Provision and installation of Street Lighting for main entrance road 4089.42 meters	1	4 km	946 288	Council & MIG Funding
		MELODING Provision and installation of Street Lighting for main entrance road 5882.04 meters	4,5,6,7,9	0.5 km	1 246 303	Council & MIG Funding
		KUTLWANONG Provision and installation of Street Lighting for main entrance road 1128.54 meters	18,20,22,10	1.1 km	261 143	Council & MIG Funding
		KUTLWANONG Provision and installation of 118 Solar Street Lighting in Kutlwanong	18,20,22,11	118 lights	3 300 000	Council & MIG Funding
		THABONG: NKOANE ROAD Provision and installation of Street Lighting for main entrance road 6294.79 meters	16,17,26,29	6.2 km	1 456 610	Council & MIG Funding
		THABONG: MANGOSUTHU BUTHELEZI ROAD Provision and installation of Street Lighting for main entrance road 1936.4 meters	14	1.9 km	448 081	Council & MIG Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
		THABONG: PHAKATI ROAD Provision and installation of Street Lighting for main entrance road 1959.05 meters	28	2 km	453 322	Council & MIG Funding
		THABONG: NDAKI ROAD Provision and installation of Street Lighting for main entrance road 7225.81 meters	26	7 km	1 672 060	Council & MIG Funding
		THABONG: MOTHUSI ROAD Provision and installation of Street Lighting for main entrance road 2124.26 meters	29,31	2.1 km	491 552	Council & MIG Funding
To ensure an effective service and adhere to road ordinances as well SANS regulations (Continue)	To ensure a sound high mast and streetlight installation (Continue)	THABONG: CONSTANTIA ROAD Provision and installation of Street Lighting for main entrance road 2124.26 meters	30,12,14,31	2.1 km	1 329 421	Council & MIG Funding
		HENNENMAN Provision and installation of two(2) high mast lights for Phomolong	2,3	2 Hm lights	900 000	Council & MIG Funding
		VIRGINIA Provisioning and installation of Two(2) high mast lights in Saaiplaas	8	2 Hm lights	900 000	Council & MIG Funding
		VIRGINIA Provision and installation of High mast and streetlights in Virginia	4,8,9	2 Hm lights	852 077	Council & MIG Funding
		VIRGINIA Provisioning and installation of Two(2) high mast lights Meloding	4,5,6,7,9	2Hm lights	900 000	Council & MIG Funding
		VIRGINIA Provisioning and installation of Ten(10) high mast lights Meloding Albany	7	10 Hm lights	4 500 000	Council & MIG Funding
		ODENDAALSRUS Provision and installation of Ten(10) high mast lights in Odendaalsrus Ward 35	35	10Hm lights	4 500 000	Council & MIG Funding
		ODENDAALSRUS Provision and installation of Thirteen(13) high mast	10,18,20,21,22	13 Hm lights	5 850 000	Council & MIG Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
		lights in Kutlwanong				
		ALLANRIDGE Provision and installation of Six(6) high mast lights in Nayakallong	36	6 Hm lights	2 700 000	Council & MIG Funding
		WELKOM Five (5) High mast lights Hani Park, Bronville	11,12	5 Hm lights	2 250 000	Council & MIG Funding
		WELKOM One (1) High mast lights Phomolong Ext2	35	1 Hm lights	450 000	Council & MIG Funding
		WELKOM Seven (7) High mast lights Welkom Reitz Park Ward 27	27	7 Hm lights	3 150 000	Council & MIG Funding
To ensure an effective service and adhere to road ordinances as well SANS regulations (Continue)	To ensure a sound high mast and streetlight installation (Continue)	WELKOM 26 High mast lights Thabong	11,13,12,14,15,16,17,25,26,29,30,31,27	26 Hm lights	11 700 000	Council & MIG Funding
		VENTERSBURG Three(3) High Mast Lights in Mmamahabane	1	3 Hm lights	1 350 000	Council & MIG Funding
		VENTERSBURG Upgrading of streetlights	1	120 street lights	150 403	Council & MIG Funding
		HENNENMAN Upgrading of streetlights in Hennenman Town	3	150 street lights	164 076	Council & MIG Funding
		ODENDAALSRUS Provision and installation of streetlights Mimosa Way	36	1 km	248 600	Council & MIG Funding
		WELKOM Central park lighting	32	14 lights	149 160	Council & MIG Funding
		WELKOM Koppie Alleen Street replacement stolen and vandalized streetlight infrastructure and the reinstallation thereof so to minimize the theft of the electrical cable installations.	33	300 street lights	2 800 000	SANRAL Funding
		Matjhabeng Municipality Provide and install a streetlight management system for the Matjhabeng Municipal Area.	All wards	27000 street lights	12 000 000	Council Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
		Matjhabeng Municipality Provide and install a Energy Efficient Street and Building lighting Infrastructure for the Matjhabeng Municipal Area.	All wards	27000 street lights	118 138 352	DOE funding
		MATJHABNG Upgrading lighting Othello Road 117	32	30 street lights	62 150	Council & MIG Funding
					187 038 762	
Electrical work shop						
To ensure that electrical installation of Council buildings adhere to the SANS 10142 regulations	Testing and repair of electrical building installations	MATJHABENG Testing and repair all Electrical Installation that is property of the Matjhabeng Municipality in terms to the SANS10142-1 regulations		10 buildings	870 100	Council Funding
To safeguard Council from theft and vandalism of property	To ensure an effective and efficient Electrical workshop	HENNENMAN Provision and installation of security systems at electrical Substations	3	23 substations	62 150	Council Funding
		VENTERSBURG Provision and installation of security systems at electrical Substations	1	1 substations	55 935	Council Funding
		ALLANRIDGE Provision and installation of security systems at electrical Substations	36	15 substations	62 150	Council Funding
		VIRGINIA Provision and installation of security systems at electrical Substations	4,8,9	60 substations	126 786	Council Funding
		ODENDAALSRUS Provision and installation of security systems at electrical Substations	35,36	28 substations	131 659	Council Funding
		WELKOM Substation security and remote control system	27,32,33,34,35	68 substations	10 689 795	Council Funding
		HENNENMAN	3	6 substations	310 750	Council Funding

KPA: 1 : Basic Service Delivery

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
		Upgrading of substation buildings				
		VIRGINIA Upgrading of substation buildings	4,8,9	16 substations	932 250	Council Funding
		ODENDAALSRUS Upgrading Main substation	36	12 substations	124 300	Council Funding
		ALLANRIDGE Upgrading Main substation	36	13 substations	1 397 760	Council Funding
		ALLANRIDGE Emergency work to be done on all substation in Allanridge	36	10 substations	248 600	Council Funding
		WELKOM Mini-Substation Replacement	12,32	5 mini substations	1 357 729	Council Funding
		WELKOM Revamp mainsub structures	32	18 substations	186 450	Council Funding
		VENTERSBURG Upgrading of OCB in distribution network	1	6 OCB's	1 760 000	Council Funding
106projects					18 316 414	

KPA: 3 : Municipal Financial Viability and Management

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual Target	Annual Budget	Funding Source
Revenue protection						
To ensure that an effective and efficient service is rendered	Ensuring an effective Revenue Protection Service	VENTERSBURG Provision and installation of a STS pre-paid electrical meters	1	136 prepaid	136 730	Council Funding
		HENNENMAN Provision and installation of a STS pre-paid electrical	3	136 prepaid	136 730	Council Funding

KPA: 3 : Municipal Financial Viability and Management

PROGRAM:

ELECTRICAL IDP 2014-15 FINANCIAL YEAR

Objective	Strategy	KPI	Ward no.	Annual	Annual	Funding Source
		meters				
		VIRGINIA Upgrading of STS pre-paid electrical metering system	4,8,9	149 prepaid	149 160	Council Funding
		ODENDAALSRUS Upgrading of STS pre-paid electrical metering system	35,36	261 prepaid	261 030	Council Funding
		ALLANRIDGE Provision and installation of STS pre-paid electrical metering system	36	136 prepaid	136 730	Council Funding
		WELKOM Pre-paid metering upgrade	27,32,33,34,35	231 prepaid	231 944	Council Funding
					1 052 324	

7.5 INTEGRATED HUMAN SETTLEMENT

The South African Government has moved its focus from simply providing shelter to establishing integrated, sustainable human settlements and providing quality housing. Central to the provision of integrated and sustainable human settlements are the following

Outcome 8 outputs:

- **Output 1** – Upgrading of informal settlements
- **Output 2** – Improving access to basic services
- **Output 3** – Facilitating the provision of Gap Market Units
- **Output 4** – Mobilising well located public land for low- income and affordable housing

In the establishment of integrated human settlements, the Municipality will focus on the following supporting objectives:

(a) Elimination of the housing delivery backlog of units (13 931 backyard shacks and 5 6 95 informal settlements) through the provision of quality housing and the structured upgrading of informal settlements by 2016.

(b) Addressing the fragmented spatial patterns of the past by:

b1. Revising the spatial development framework annually

b2. Prioritising social housing

b3. Acquiring strategic land

(c) Upgrading 17 informal settlements and 17 Greenfield developments by 2016.

(d) Prioritise land alienation for housing development for middle and Higher income market segment

DIRECTORATE: HUMAN SETTLEMENTS

KPA: 1 BASIC SERVICE DELIVERY						
PROGRAM: BNG, FLISP, SPECIAL PROGRAMMES						
OBJECTIVE	STRATEGY	KPI	WARD NUMBER	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
HOUSING DEVELOPMENT						
To address housing backlog (informed by allocation from Province and Land Readiness from Matjhabeng Municipality)	Ensuring that allocation process is evenly distributed in all units.	4000 houses built in All Matjhabeng Units	All wards	2000 subsidised units		Provincial Human Settlements
PROGRAM: DE-REGISTRATION, FORMALIZATION, RE-LOCATION						
LAND AFFAIRS						
To release serviced Land	Ensuring provision of serviced sites for Low / Middle / High income areas in every Financial Year in Matjhabeng.	10 000 serviced sites released in all Matjhabeng units.	All wards	2000 sites		Provincial Human Settlements.
PROGRAM: EEDBS, CONVERSION OF CERTAIN RIGHTS ACTS 81						
ADMINISTRATION						
To promote	Identifying and	10000 sites and	All wards	2000 houses		Provincial Human

KPA: 1 BASIC SERVICE DELIVERY						
PROGRAM: BNG, FLISP, SPECIAL PROGRAMMES						
OBJECTIVE	STRATEGY	KPI	WARD NUMBER	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
security of tenure	ensuring that all sites and old houses in Matjhabeng units are transferred to qualifying occupants.	houses transferred to qualifying occupants in all Matjhabeng Units.		and sites		Settlements

KPA: 2						
PROGRAM: HOUSING SUBSIDY SYSTEM(HSS), HOUSING SECTOR PLAN						
OBJECTIVE	STRATEGY	KPI	WARD NUMBER	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To obtain Accreditation	Capacity building of Housing Personnel (Training and Re-training for the compliance with the Housing Sector Plan and relevant legislation Participate towards improving municipal financial position	80% staff to have been trained on HSS Developed business plan Timeous and adequate response to audit queries		One business plan submitted 10% of queries received		Provincial Human Settlements
PROGRAM : HOUSING SECTOR PLAN & SDF						

KPA: 2						
PROGRAM: HOUSING SUBSIDY SYSTEM(HSS), HOUSING SECTOR PLAN						
OBJECTIVE	STRATEGY	KPI	WARD NUMBER	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To operationalize presidential package for intervention in distressed communities in identified mining towns,	Compliance in accordance with the developed National template. Upgrading and relocation of 21 identified settlements	Integration of Mine Workers into existing and envisaged Municipal Human Settlements plans and programs. Decent living conditions provided for mine workers Currently residing illegally and/or in informal settlements. Upgraded settlements	21 informal settlements 1, 3, 4, 5, 11, 12, 18, 20, 21, 22			National Department of Human Settlements Provincial Dept of Human Settlements

KPA: 1 BASIC SERVICE DELIVERY						
PROGRAM: RENOVATION, AUDITING MAINTENANCE & DEMAND DATA						
OBJECTIVE	STRATEGY	KPI	WARD NUMBER	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
HOUSING DEVELOPMENT						
RENTAL						
To manage, administer and monitor all rental stock	Purification of rental data in every financial year	4815 units audited and updated	6, 13, 14, 15, 27, 29, 30, 31, 32	2000		MLM
PROGRAMM: LAND RELEASE TO COMMUNITIES,						
LAND AFFAIRS						
To alienate serviced sites to members of Community	Availing a minimum of 2000 serviced sites for commercial, residential and community facilities.	Serviced sites releases	All wards	500		MLM

KPA: 5						
PROGRAM: HOSTEL REDEVELOPMENT						
OBJECTIVE	STRATEGY	KPI	WARD NUMBER	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
RENTAL						
To convert mine hostels into family units	Providing temporary accommodation to the members of the community	3 hostels areas	6, 8, 13	400		Provincial Human Settlements

7.6 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

People-focused municipal transformation and organisational development is central to service delivery, hence the emphasis on the implementation of Batho Pele principles in all municipal structures, systems, procedures, policies and strategies.

The continuous development of the Municipality's human resources is key in this regard. Furthermore, the Municipality needs to constantly review and improve the way in which it delivers services and develops appropriate methods and mechanisms. Important, the Municipality is entrenching itself as a learning organisation, with the emphasis on knowledge management. During the 2010/11 financial year, the Municipality took stock of its current level of service delivery and performance and identified the challenges facing the institution. This culminated in the development of a Municipal Turnaround Strategy, with the following objectives:

- The restoration of confidence in the Matjhabeng Local Municipality as the primary service delivery arm of government that is effectively addressing community concerns.
- The provision universal service delivery to all communities of Matjhabeng.
- Addressing the key socio-economic challenges in Matjhabeng, especially unemployment and poverty.
- Developing a shared agenda for the growth and development of Matjhabeng.
- Understanding and managing institutional risks.
- Ensuring a fraud- and corruption-free Municipality.
- Ensuring good corporate governance and an accountable and performance driven institution, which is focused on service delivery?

- Ensuring that all municipal planning, budgeting and decision-making processes are embedded in public participation and community involvement.
- Restoring the human dignity of the residents of Matjhabeng, especially in the disadvantaged areas/wards.
- Ensuring sound financial management and sustainability.
- Ensuring a joint intergovernmental approach to implementing this Turnaround Strategy.

In the 2012/13 financial year and beyond, the implementation of the Strategy will be prioritized, monitored and reported.

7.6.1 STRATEGIC PLANNING AND INTEGRATION

As reflected in the introductory chapter, the IDP is one of the key strategic tools for integration in the Municipality. This integration and co-ordination should be clearly evident during the implementation of the IDP and during service delivery. Key tools to achieve integration and co-ordination include the Integrated Human Settlements Plan, sustainable community planning methodology, City Development Plan and other plans.

Underpinning all activities of the IDP and other integration and co-ordination tools is a longer-term City-wide Development Vision (2030). The formulation of such a Strategy has commenced and will provide strategic direction for a period of up to 20 years.

One of major programmes in this 3rd Generations of Democratic Local Government is establishment of functional Performance Monitoring, Evaluation and Reporting as well as Knowledge Management to improve and encourage innovation.

7.6.2 INFORMATION AND COMMUNICATIONS TECHNOLOGY

ICT plays an important role in supporting service delivery. In this regard, it is vital that the Municipality bridge the so-called digital divide, so that residents will have access to digital technology, affordable high speed internet and voice services. This will enhance the competitiveness of the Municipality. The ICT focus will remain on strengthening the ICT governance framework, including paying attention to protecting the institution's ICT network in the face of growing and sophisticated security threats, extending the reach of ICT services offered by the Municipality to communities to better enhance access to municipal services and, in the process, building on continuing efforts to bridge the digital divide and laying the foundation for a knowledge economy in the city. Other areas of focus are the development of ICT Disaster Recovery Plans and Business Continuity Plans to ensure the uninterrupted supply of services during disasters and operational down-times.

Key supporting objective of this section is to maintain and develop ICT infrastructure which is up-to-date and capable of supporting our service delivery mandate.

7.6.3 LEGISLATIVE COMPLIANCE AND CORPORATIVE GOVERNANCE

Local government operates in a legislative environment, which highlights the importance of compliance. In this regard, the Municipality's Legal and Internal Audit Services business units play a central role. In addition to this units, the Municipality has a functional Audit Committee. The challenges that confront the Municipality require a co-operative approach with other spheres of government, parastatals, institutions of higher learning and other relevant stakeholders. Furthermore, inter-municipal and international linkages provide the Municipality with an opportunity to share knowledge, experiences and best practices.

OFFICE OF THE MUNICIPAL MANAGER

KPA: 1 - BASIC SERVICE DELIVERY					
PROGRAM: PROJECT MANAGEMENT UNIT (PMU)					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To ensure there's an approved and funded MIG program	Develop a sellable service delivery business plan(s)	Approved Business Plans; Funded MIG program	A minimum of 15 new projects for FY 2014/2015	R150 000 000	MIG
To ensure efficiency, effectiveness and productivity from the MIG-funded program	Operationalize the monitoring and reporting framework	Improved service delivery; quality service delivery; positive feedback from communities about services received	4 quarterly reports depicting increased quality and satisfaction from customers	R100 000	COUNCIL
PROGRAM: INTEGRATED DEVELOPMENT PLAN (IDP)					
To lay the basis for effective, efficient and planned service delivery	Deliver a highly consulted-on IDP	Comprehensive consultative program; Council-approved IDP	1 IDP	R200 000	COUNCIL
PROGRAM: SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS (SDBIPs)					
To ensure adequate translation of IDP into SDBIPs	Marry the SDBIPs to the IDP and BUDGET	Aligned IDP, BUDGET and SDBIPs; SDBIPs approved by the Hon Executive Mayor and noted by Council	1 IDP, 1 BUDGET and 6 SDBIPs	R15 000	COUNCIL

KPA: 1 - BASIC SERVICE DELIVERY					
PROGRAM: PROJECT MANAGEMENT UNIT (PMU)					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: PERFORMANCE MANAGEMENT SYSTEM (PMS)					
To maximise the chance for heightened municipal and individual performance	Performance-manage the municipality and Sections 56 and 57 employees	Performance Management Framework approved and in place; Performance Contracts signed; Quarterly, Half-early and Annual performance reviews undertaken; Quarterly, Half-early and Annual Reports generated	5-6 Performance Contracts signed; 4 Quarterly Performance Review Reports generated; 2 Half-early Performance Review Reports developed; 1 Annual Report generated	R15 000	COUNCIL
PROGRAM: SECTOR PLANS					
To ensure credible IDP and lay a foundation for good planning going forward	Commission development of essential sector plans; conclude the development of sector plans currently underway/commissioned	Approved sector plans	10 sector plans	R20 000 000	COUNCIL

KPA 2: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: POLICIES DEVELOPMENT						
To facilitate service delivery through the review and development of relevant policies	Coordinate the development of legislated sector plans, policies and strategies	Policies approved by Council	All Wards	20 policies reviewed	R20 000	COUNCIL
PROGRAM: HUMAN RESOURCES CAPACITY						
To ensure optimal service delivery	Recruit adequate human resources capacity	Critical positions filled	All Wards	5	R5 000 000	COUNCIL
PROGRAM: MONITORING & REPORTING						
Help maximize service delivery	Adhere strictly to meeting schedules	Section 80 Committee sitting	All Wards	12 sittings	R10 000	COUNCIL
		Projects visits	All Wards	8 projects visits	R8 000	COUNCIL
		EXCO sittings	All Wards	EXCO sittings	R20 000	COUNCIL
		MAYCO Resolutions Executed	All Wards	12 MAYCO reports	R5 000	COUNCIL
		Council Resolutions Executed	All Wards	4 Council reports	R5 000	COUNCIL

KPA 2: MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: MUNICIPAL RESOURCING						
To ensure adequate human capital in the municipality	Link new organogram to the IDP and Budget	New Organogram approved; Critical posts filled	All Wards	5% of the proposed Organogram approved & 2% of critical posts filled		COUNCIL
		Work with Council to appoint CFO	All Wards	Appointment of Sec 57 managers		COUNCIL
		Placement policy approved	All Wards	Promotion and placement of personnel policy		COUNCIL
PROGRAM: VISION 2030						
To ensure there's a city development strategy	Implement 2030 Vision	Approved city development strategy	All Wards	1 city development strategy	R1 500 000	COUNCIL
			All Wards			COUNCIL

KPA 3: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT						
PROGRAM: CLEAN AUDIT						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To manage municipal funds effectively and efficiently	Comply with MFMA and SCM Policy	Reduce wasteful & irregular expenditure; compliance with MFMA; work within approved budget	All Wards	wasteful & irregular expenditure by 50%		COUNCIL
PROGRAM: INCREASED REVENUE						
To lay the foundation for increased income	Develop and implement income enhancement strategy	Make municipality to be financially viable	All Wards	Increase revenue by 50%	R1 500 000	COUNCIL
PROGRAM: REDUCED WATER LOSS						
To lay the foundation for increased income	Procure and implement water loss mechanisms	Reduce water losses	All Wards	Reduce water loss by 50%	R15 000 000	COUNCIL
PROGRAM: CORRECTED ELECTRICITY AND WATER TARIFFS						
To lay the foundation for increased income	Implement new tariffs	Undertake budget reform	All Wards	100%		COUNCIL
PROGRAM: CORRECT BILLING						
To lay the	Purify billing data	Undertake	All Wards	50%		COUNCIL

KPA 3: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT						
PROGRAM: CLEAN AUDIT						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
foundation for increased income		data cleansing process				
PROGRAM: AMPLIFY OPERATION PATALA						
To lay the foundation for increased income	Convince customers to pay for services received	Amplify Operation Patala initiatives	All Wards	50%	R2 000 000	COUNCIL

KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To ensure good governance, compliance and public participation	Use all platforms to communicate messages	Workshop managers on good governance, ethics and compliance, Communicate MAYCO and Council decisions to Ward Committees and give progress on service delivery interventions	All Wards	Reduce non-compliance by 60% 4 Ward Committee meetings	R100 000	COUNCIL
PROGRAM: IDP/BUDGET DEVELOPMENT						
To ensure good governance, compliance and public participation	Invite communities to participate	Create a platform for communities to input into the IDP and budget	All Wards	Successful execution of the public participation schedule	R200 000	COUNCIL
PROGRAM: POWERS / AUTHORITY DELEGATED ACCORDINGLY						
To promote speedy and timely decision-making	Run a workshop on delegation of powers	Delegation of authority/powers approved by Council and signed-off	All Wards	1 Workshop, Powers delegated to Senior and Middle Management	R15 000	COUNCIL
PROGRAM: CONTRACTS / SERVICE LEVEL AGREEMENTS						
To ensure all suppliers are contracted	Resource Contract Management	Contracts and/or SLAs in place; appoint contract manager	All Wards	100%		COUNCIL

KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	adequately					
To eliminate litigations arising from SLAs / contracts		Contract all service providers	All Wards	80%		COUNCIL
PROGRAM: COMMUNICATION						
To place the municipality firmly in the public domain through communication initiatives / programs	Communicate efficiently and effectively	Communication strategy and policy in place; communication action plan in place; electronic media slots (adverts); print media adverts; schedules of meetings	All Wards	40 communiqués	R1 200 000	COUNCIL
To produce an internal newsletter	Matjhabeng news to become a key communication channel	Publications done	All Wards	12	R500 000	COUNCIL

KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: CUSTOMER CARE UNIT						
To develop and implement a municipal wide integrated complaints management system	Create a one centre for complaints	A single integrated customer care fully operational and adequately resourced	All Wards	100 raised challenges resolved		COUNCIL
PROGRAM: MUNICIPAL BRAND IMAGE						
To develop a municipal brand image	Brand the Municipality anew	New brand image designed and marketed	All Wards	100%	R5 000 000	COUNCIL
PROGRAM: ICT & WEBSITE						
To create an efficient and effective ICT system	Resource ICT adequately	Appoint ICT Manager	All Wards	1		COUNCIL
	Upgrade ICT infrastructure	Upgrade, refurbish and maintain the ICT infrastructure	All Wards		R6 000 000	COUNCIL
To create an		Ensure a fully	All	80%		COUNCIL

efficient and effective ICT system		functional website	Wards	functionality		
		Create a policy for mobile and 3G use	All Wards	1		COUNCIL
		Develop ICT strategy	All Wards	1		COUNCIL
PROGRAM: WHISTLE BLOWING						
To Create an efficient, effective and accountable administration		Whistle-blowing policy in place	All Wards	1		COUNCIL
IMPLEMENT AN ANTI-FRAUD POLICY AND A RESPONSE PLAN						
To create an efficient, effective and accountable administration		Anti-fraud policy in place	All Wards	1		COUNCIL
PERFORMANCE AUDITS						
To create an efficient, effective and accountable administration		Performance audit happening	All Wards	4		COUNCIL
RISK MANAGEMENT						
To create an efficient,		Establish and resource risk management	All Wards	1		COUNCIL

effective and accountable administration		unit				
		Appoint a risk management officer	All Wards	1		COUNCIL

KPA 5: LOCAL ECONOMIC DEVELOPMENT						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: NDPG						
To stimulate economic growth for previously disadvantaged communities		Approved Neighbourhood Development Partnership Grant strategy	All Wards	Approved business plans		

DIRECTORATE: CORPORATE SUPPORT SERVICES

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT					
Counselling.	Recruit number of staff as Lay Counsellors, Peer Co-ordinators, Managers & Supervisors.	Numbers of staff recruits do lay-counselling.	61		I/F
Other Community Counselling Programmes.	Assist in Burial of Paupers.	100% assisted.	100%		I/F
Identifying qualifying beneficiaries for social grants for HIV patients refer them accordingly.	Assists with other Social Problems, such as: <ul style="list-style-type: none"> • ID's • Birth certificates • Housing • Grants 	Number of beneficiaries assisted.	70%		I/F
GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
Proper and effective management of the records of the Matjhabeng Local Municipality.	Annual audit of records management system.	Ensuring that the current records management system and practises comply with the relevant archive legislation.	1 Audit Report		I/F
	Quarterly review of records management system and practises comply with the relevant archive legislation.	Promotion of best records management practices in Matjhabeng Local Municipality.	4		I/F

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	Continuous monitoring of the activities and practices of the records Section of MLM.		12		I/F
	Workshops/training of Management and Records Management Practitioners on Best practice in Records Management.		2 Sessions during the financial year.		I/F
To promote information management and dissemination processes.	To design information management system which include information protection.	Review current information system.	Quarterly review of information management system.		I/F
To ensure Effective operations of Council Committees	To design and implement clear business management processes	Review of current business processes	4 Quarterly Reports on Business Management processes.		I/F
Rendering of Professional Administrative Support to Council and Council Committees.	Approval of Schedule of meetings.	Submission of Schedule of meetings to Council for approval	1 schedule for the FY.		I/F
	Convening Council and Committees Meetings.	Number of meetings successfully held.	100%		I/F
To manage the facilities of the Matjhabeng Local. Municipality in a proper, cost effective and economic manner.	Implementation of scheduled Building maintenance/upgrading Program of MLM for 2013/ 2014 FY.	Proper Structural Maintenance of the Matjhabeng Local Municipality Buildings. Number of maintenance programme completed.	60% Implementation of Maintenance Plan.		I/F

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	Commissioning of the Matjhabeng Main Building Precinct as a flagship facility during 2014/15.	Number of activities identified and implemented.	100% completed.		Capital Budget
To provide responsive customer care services.	Recording and dispatch of service delivery complaints to the relevant departments for immediate solution.	Ensure that complaints and community concerns are addressed within a reasonable timeframe.	100% Revamped telephone system.		I/F
Efficient and effective management of the telephone system.	Installation of innovative telephone system, management and control of the system.	Revamping of telephone system.	100% Revamped telephone system.		I/F
	Efficient professional Switchboard service	Providing switchboard services to the internal and external stakeholders.	On-going		I/F
Promoting Effective EAP at the Workplace	Developing and implementing wellness programmes for Matjhabeng Local Municipality employees and their immediate families.	Implementing reactive/contingency wellness programmes when necessary. 100%.	Number of programmes		I/F
	Social problems, counselling for employees	Social problems counselling for employees. 100%	240 people		I/F
Counselling	Recruit number of staff as Lay Counsellors.	Number of staff.	80		I/F

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	Peer Co-ordinators, Managers & Supervisors				
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
Ensure effective management of the Directorate	Concluding performance contracts with managers reporting to Executive Director.	Signed performance contracts.	3 Contracts		I/F
	Providing feedback on performance/improved performance or expectations.	Conduct performance feedback meetings.	3		I/F
To administer the staff establishment of the Matjhabeng Local Municipality	Ensuring that all appointments are made in accordance with the approved staff establishment.	Executing reports from Directorates on structural changes on the Staff establishment.	Staff establishment updated within 1 week from receiving changes on the approved staff establishment.		I/F
		Keeping of statistics relating to approved positions on the staff establishment.	Monthly report submitted (12 X reports)		I/F
Provide Work-study and institutional improvement support function.	Development and maintenance of the organisational structure and staff establishment of the MLM.				I/F
Assisting Line Directorates to enhance overall efficiency and performance.	Perform feasibility studies and needs analysis to enhance service delivery.	According to directorate needs.	According to directorate needs.		I/F

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To develop an Individual Performance Management System (IPMS) for all staff in the MLM.	Developing and having policy in IPMS approved.	Approved policy	1 Approved Policy		I/F
Implementation of National Skills Development Strategy (NSDS)	Compilation of a work place skills plan.	Compiling compulsory annual workplace skills plan (WSP) by 30 June.	1 Approved WSP	Operational	I/F
Address Skills gaps: Critical and Scarce skills a priority.	Implementation of the work place skills plan/ Facilitate learning programmes in terms of the WSP.	Compiling an annual implementation report (Annual Training Report: ATR) by June each year.	1 Report		I/F
	Addressing training needs as planned in the current WSP. Critical and scarce skills a priority	Providing Accredited training courses in line with skills needs identified within WSP.	30% of total workforce. Number of employees trained. (Reported by means of a monthly report).		I/F
Establish learnerships and skills programmes in conjunction with LGSETA	Declaration of intent to implement learner ships and skills programmes within Matjhabeng to LGSETA for approval.	Providing learnerships and skills programmes endorsed by the LGSETA.	Learnerships: Emergency Services Road Traffic Management LED Apprenticeships and skills programmes Plumbing Electrical ABET		LGSETA

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
			LGAAC		
Maintenance of data base of external providers.	Coordinating training interventions conducted by external training providers.	Confirmation of accreditation status.	Monthly service provider reports.		I/F
Monitoring Study Assistance Scheme.	Study assistance as funded via mandatory skills grants (LGSETA).	Number of approved study assistance applications.	Depends on applications received.		I/F
Induction program for newly appointed employees.	Presenting induction programmes.	Induction of new appointees.	Depends on the number of new recruits.		I/F
Litigation section assist in administering law within the municipality as well as rendering proper legal advice and researched opinion.	Render supportive services to PS & T Department in implementation of gazetted by-laws.	Gazetting and Implementation of outstanding by-laws.	16 by-laws		I/F
Ensuring sound contract management.	Ensure development of contracts and/or service level agreements with service providers.	Contracts and/or SLAs in place.	100%		I/F
To manage the recruitment, resignations and leave processes in the Matjhabeng Local Municipality.	Capturing statistical data with regard to absenteeism.	Submitting monthly reports on employee absenteeism, appointments, terminations, retirements.	12 Reports	Operational	I/F
	Leave audits upon resignation, per request or for control purposes	Leave Audit	12 reports		I/F

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	Introduction to new additional Conditions Service.	Briefing Sessions on Conditions of Service.	4		I/F
Efficient and effective management of the telephone system.	Installation of innovative telephone system, management and control of the system.	Revamping of telephone system.	100% Revamped telephone system.		I/F
Provide Labour Relations support services.	Training of Presiding Officers and Employer Representatives in Disciplinary Hearings.	Number of Presiding Officers and Employer Representatives Trained.	100 officials	Operational	I/F
	Finalisation of backlogs in disciplinary hearings (6 months and older).	Number of backlogs addressed.	8 cases		I/F
Manage, improve and to ensure compliance of Health & Safety in the Workplace.	Safe working procedures Information sessions.	Number of information sessions conducted.	8 sessions	Operational	I/F
	Medical Testing for employees working in high risk areas e.g. Sewerage, Waste.	Medical Examinations conducted.	2 sessions		I/F
Workshops, Seminars & Campaigns	Planning and co-ordinating wellness events. HCT, cancer, pap smear, financial management, stress management, etc.	Developing and implementing 4 proactive wellness programmes per quarter.	24 (6 per units)		I/F

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	Conducting 1 HIV/AIDS road show and presentation per quarter in line with Executive Mayor's program	Number of HIV/AIDS roads show conducted.	100% (1172 people)		I/F

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT					
Employment	Implementation of the Employment Equity Plan	Increasing the number of people from designated groups appointed	75% of staff employed in the three highest levels of management who are Black people	Operational	I/F
			2% of staff employed in different categories and levels which are people with disabilities	Operational	
			70% of staff employed in different categories and levels which are black people	Operational	
Skills development for members of the public	Implementation of Work Place Skills Plan	Providing learnships for members of the public approved by LGSETA	2x Learnships approved and funded by LGSETA	Skills Grant	LGSETS

DIRECTORATE: LOCAL ECONOMIC DEVELOPMENT & PLANNING

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 1. AGRICULTURE, PROJECT AND MINING						
Identify maintain existing and develop new infrastructure/property of Matjhabeng Local Municipality which will add value to the economic development in the region	Establishment of Livestock Pound Facility and availing an auction centre for local farmers	Existence of livestock impoundment centre and livestock trading centre in Matjhabeng LM	23	1	R5 million	Matjhabeng Municipality (Capital Budget) Dept. of Agriculture Dept. Rural development and Land Reform
	Upgrading of infrastructure for emerging farmers	Improved state of agricultural infrastructure in affected municipal farms.	3,11,24,35	6	R11 191 026	Matjhabeng Municipality (Capital Budget) Dept. of Agriculture Dept. Rural development and Land Reform
Creation of suitable environment for sustainable agricultural production.	Acquire suitable grazing and arable agricultural land	Number of agricultural land to be acquired and disposed.	Matjhabeng L.M	4	N/A	External Rural development and Land Reform
	Identification and facilitation of agro-processing and value adding projects.	Number value adding/agro processing initiatives to be promoted.	Matjhabeng L.M	2	R800 000	Operational

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 1. AGRICULTURE, PROJECT AND MINING						
	Relevant support to emerging farmers in partnership with relevant stakeholders	Number of emerging farmers assisted	Matjhabeng L.M	60	R1 000 000	Operational
	Empowering farmers with skills	Number of training workshops held.	Matjhabeng L.M	6	R200 000	Operational
					N/A	MLM
Stimulate and promote small scale mining within Matjhabeng Local Municipality	To facilitate the development of identified Small Scale Miners	Number of small scale miners assisted.	Matjhabeng L.M	10	R200 000	MLM
To facilitate the planning and the implementation of the Mining Social Plans	Identification of economic development projects to be funded through SLP in collaboration with mining houses around Matjhabeng in consultation with community	Number of projects funded through Mining Social Plan.	Matjhabeng L.M	15		
	Promote Gold jewellery Manufacturing in Matjhabeng. Three phases, i.e: the	Virginia Jewellery School Revived	8	1	N/A	MLM Harmony

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 1. AGRICULTURE, PROJECT AND MINING						
	School; an Incubation Project and Manufacturing					
	Facilitate the project plan and designs of light industrial area in Meloding (Virginia) which will include the rezoning, feasibility study, plans infrastructure development and construction work	Construction of light industrial Park and Provision of Services Meloding (Virginia)	5	1	1. 2014/15, (R150 000.) 2. 2015/16, (R175 000.)	External Molopo SA
	To reduce the current municipal dump and recycle usable material thereby reduce waste and find alternative use and products	Projects to be established	Matjhabeng L.M	1		Harmony Mine
	Establishment of agro-processing and Value adding plant in Welkom (livestock feed milling and Poultry abattoir)	Fully operational livestock feed mill and Poultry abattoir in Welkom	10	1	11.5Million	External funding Harmony and National Empowerment Fund)
	Construction of poultry structures for Letlotlo poultry project in	Fully operational Poultry enterprise in Odendaalsrus.	36	2014/2015	R150 000.00	Stone and Allied Sand van Heerden Department of Agriculture

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 1. AGRICULTURE, PROJECT AND MINING						
	Odendaalsrus					Operational budget

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 2. NEIGHBOURHOOD GRANT AND DEVELOPMENT PLANNING						
Neighbourhood Grant	To enhance the development potential of previously disadvantaged areas of Thabong, Bronville and Hani Park	Neighbourhood Development Partnership Grant (NDPG) Strategy developed and approved	Matjhabeng L.M	1	R280m	National Treasury
Stimulation and facilitation of Development Planning	To facilitate the implementation of the SDF proposals and guidelines in Matjhabeng	SDF proposals and guidelines implemented	Matjhabeng L.M	1	R4000 000 p/a	Operational Budget
	To foster and promote the integrated spatial development of Matjhabeng	Spatial development integrated	Matjhabeng L.M	1	R7000 000	Approved External: Dept of Rural Development and land reform Approved External: SANRAL

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION

OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 2. NEIGHBOURHOOD GRANT AND DEVELOPMENT PLANNING						
						Not Approved External: Dept of Rural Development and land reform Approved - Harmony
		Present plans that promote business corridors that enhance economic development	Matjhabeng LM	5	R3 000 000	Department of Rural Development and Land Affairs
	To promote sustainable spatial development	Sustainable spatial development realised	Matjhabeng L.M	1	R1400 000	Operating Budget
	To ensure the optimal provision and utilization of open spaces in Matjhabeng	Number of open spaces optimally utilized		1	R500 000	Dept of Rural Development and Land Reform/GOGTA
	To ensure the availability of suitable vacant land for residential development	Number of suitable land made available	Matjhabeng L.M	1	R10 000 000	HDA/COGTA
	To ensure the creation of alienable	Number erven alienated	Matjhabeng L.M	1	R5 000 000	COGTA

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION

OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 2. NEIGHBOURHOOD GRANT AND DEVELOPMENT PLANNING						
	erven in relation to the housing demand					
	Township establishment and re-registration of beneficiaries	Number of townships established and beneficiaries re-registered	Matjhabeng L.M	1	R27000 000	Operating budget: R2 000 000 External: COGTA
	To ensure the planning and establishment of effective and functional townships in Matjhabeng	Number of effective and functional townships established	Matjhabeng L.M	1	R19 000 000	External Cogta Operating Budget COGTA
	To ensure the effective implementation of SPLUMA in the Municipality		Matjhabeng L.M	1	R2 000 000	Operating Budget

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION

OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 3.TOURISM						
To develop a tourism project that will be on par with Big Hole in Kimberley and other major tourist destinations	Tourism Stimulation by creating a one of its kind product and investigate possibility of a need for such a product by developing a bankable feasibility plan	Bankable feasibility plan	Matjhabeng L.M	1	R500 000	Harmony to fund initial study
Positioning of Matjhabeng as a destination of choice	Sand River Route development	Approved by Council	Matjhabeng L.M	1	R127 113 193,77	External <ul style="list-style-type: none"> • ILO • DTI • DETEA • HARMONY • SIBANYE GOLD
	Marketing of tourism products		Matjhabeng L.M	1	R2m	MLM External(FSTA) ILO
	Strengthening partnership with relevant stakeholders	Partnership agreement signed by Municipal Manager	Matjhabeng L.M	1	N/A	N/A
	To promote tourism		Matjhabeng L.M	1	R500 000	MLM

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 3.TOURISM						
	awareness and education					External
	Preservation of local historical heritage	Local heritage council established SANCO building refurbished	31	1	R2 161 241	MIG
Development of LED Strategy			Matjhabeng L.M	1	R350 000	
To develop a tourism project that will be on par with Big Hole in Kimberley and other major tourist destinations	Investigate possibility of a need for such a product	Feasibility study to be developed	Matjhabeng L.M	1	R500 000	MLM Harmony

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 4.SMME AND INVESTMENT						
Regulation of informal trading sector	Attachment of Fines / Tariffs and get approval from the	Number of regulations	Matjhabeng L.M	1	None	

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 4.SMME AND INVESTMENT						
	magistrate					
To establish proper administration system for management of informal sector	<ul style="list-style-type: none"> Procure Smart Card Machine and Software, Re-designing of existing data, Adoption of Systems and Procedures	Administration system for informal trading	Matjhabeng L.M	1	R300 000.00	MLM operational
To Create a conducive environment in the SMME sector, improve and provide capacity to ensure job creation	Partnering with relevant stakeholders with capacity to renders sector specific trainings for SMMEs	Capacity building of SMME's	Matjhabeng L.M	16	R200 000.00	MLM operational
To Create a conducive environment in the SMME sector, improve and provide capacity to ensure job creation	Request sponsorship from provincial departments to co-fund the activities	<ul style="list-style-type: none"> SMME Expo Business seminars 	Matjhabeng L.M	1	R700 000.00	MLM operational and external, SEDA, DETEA, ABSA, OLD Mutual, Eskom

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 4.SMME AND INVESTMENT						
Creating an enabling environment for attracting and retention of investors in Matjhabeng Municipality	Conduct research on mechanism for retaining existing investors and attracting new investors	<ul style="list-style-type: none"> SMME Profiling Conduct research 	Matjhabeng L.M	1	R300 000.00	MLM operational
To position Matjhabeng at a competitive investment attraction destination	Packaging of competitive incentives for investors	Revised incentives	Matjhabeng L.M	1	R500 000.00	MLM operational
To Provide an enabling environment to support job creation initiatives, promotion and stimulation of small businesses, through Incubation Programme initiative	<ul style="list-style-type: none"> Diversification of incubation programmes, Source funding from DTI and SEDA, Appoint Service providers with potential to run the incubation 	Identification of types of businesses to be incubated	30		R30m	MLM operational DTI SEDA DETEA
Development of Thabong Industrial Area	Facilitate the project plan and designs	Construction of Industrial Park and Provision of Services	30	1	R69m	Harmony DTI MIG IDC

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 4.SMME AND INVESTMENT						
Upgrading and establishment of new and existing markets for informal traders	Appointment of contractor	<ul style="list-style-type: none"> Upgrading of existing markets Construction of new markets 	1, 9,20,32,	80	R15m Capital	Pick ‘n Pay Motsepe foundation MIG MLM
Upgrading of infrastructure in Matjhabeng Industrial Park	Appointment of contractor	<ul style="list-style-type: none"> Fencing Building extension 	27	1	R18m	MIG

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 5.FACILITY MANAGEMENT						
Optimise efficient and effective utilization of all Municipal Facilities.	Refurbishment and Upgrading of all Municipal Facilities.	Runway and Taxiway, Lighting Building Refurbishment	24	2.3km runaway 1.3km taxiway 94 lighting system	100 MILLION	MLM , DTI, IDC & NDT
	Construction and Revamping of Taxi Facilities in Matjhabeng	Thabong – Constantia Road Bronville Zone One Welkom Taxi Rank	5, 31, 11 and 30	5	80 MILLION 40 MILLION – PROV DEPT ROAD,	MIG, PRV.DRT

KPA: 5 - ECONOMIC GROWTH, ECONOMIC DEVELOPMENT AND EMPLOYMENT CREATION						
OBJECTIVE	STRATEGY	KPI	WARD NR	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
PROGRAM: 5.FACILITY MANAGEMENT						
		Meloding			TRANSPORT	
	Marketing & Branding Municipal Facilities	Municipal Taxi Ranks, SMME Kiosks, Welkom Aerodrome	Matjhabeng LM	3	3,000,000	MLM

7.8 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Good corporate governance underpins all the programmes and projects presented in this IDP. Good governance dictates that the Municipality should conduct its business in an open, transparent and accountable manner. For this to be realised, community participation is essential. The establishment of a caring environment requires emphasis not only on community participation, but also on customer care and responsiveness. With regard to customer care, the Municipality has embarked on a programme to engage customers with regard to their level of satisfaction with municipal services and the development of a new Customer Care Framework. In the current IDP review period, foundational work has to be done in terms of the completion of a comprehensive survey of all types of customers. Soon thereafter, the focus will shift to embedding a robust system of customer relations management, anchored in clear service standards, customer responsiveness, and the monitoring and evaluation of ongoing customer perceptions and feedback. The revival of the Batho Pele Campaign will complement this effort and galvanise the institution in embracing a culture of putting people first.

7.8.1 PUBLIC PARTICIPATION

Community participation in planning and decision making is a key priority of the Matjhabeng Local Municipality. This involves among others:

- Creating an enabling environment for public participation in the planning and decision-making processes of the Municipality.
- Promoting Ward Committee involvement in municipal governance

7.8.2 SPECIAL PROGRAMMES

The Municipality should develop an institutional framework to coordinate the special programmes (Gender, Youth and Disability). In addition, it is the responsibility of all directorates to ensure that special programmes are central to planning, budgeting and implementation of projects and programmes. The empowerment of youth, women and people with disabilities is imperative. This is achieved through a number of initiatives, which include the following:

- Supply Chain Management processes
- Entrepreneurial support and skills development (youth, women and people with disabilities)
- Learnership and Internship Programmes
- Early childhood development
- HIV and AIDS programmes
- Programmes assisting vulnerable groups, e.g. orphans

7.8.3 YOUTH DEVELOPMENT

Youth development is one of the key strategic priority areas of the Municipality. Issues of poverty and unemployment affect the youth of our country, and Matjhabeng in particular remain central to our developmental agenda.

7.8.4 KEY INTERVENTIONS IN THIS REGARD INCLUDE THE FOLLOWING:

- Establishment of a Youth Unit in the first quarter of the 2014/15 financial year
- Providing support in hosting a Youth Summit by August 2014
- Review of youth policies to ensure that they promote youth development
- Increasing the number of youth participating in job creation and Development
- Youth economic participation

OFFICE OF THE EXECUTIVE MAYOR

KPA: GOOD GOVERNANCE & PUBLIC PARTICIPATION					
PROGRAM:					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To coordinate and advocate for the reduction of the spread HIV	Distribution of condoms	Distribution of condoms in all 6 units			Internal
	Implementation of HIV/AIDS plan	4 awareness campaigns	4 awareness campaigns	R 500,000	Internal
To promote participation in sport	Participation in OR Tambo Games	Provincial OR Tambo Games in October	1	R600,000	Internal
	Participation of Senior Citizens in sport	Hosting of the games	1	R 150,000	Internal
	Promotion of health life style for people with disability	Sports day for people with disability	1	R 150,000	Internal
To enhance gender participation	To raise awareness campaigns on gender issues	One (1) awareness campaign	1	R 100,000	Internal
	Celebrate and commemorate National Women's Day	Celebration of Women's Day in August	August	R 200,000	Internal
To promote youth development	Facilitate youth empowerment programmes	Coordinate participation of youth in public and private procurement	Ongoing	None	
	Facilitate youth skills development	Host career expo and guidance	August	None	
	Celebrate national youth day	Host national youth day event	June	R 500,000	Internal

KPA: GOOD GOVERNANCE & PUBLIC PARTICIPATION**PROGRAM:**

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To ensure good public relations	Printing and distribution of MLM newsletter	Monthly	Monthly	R 3.4m	Internal
To promote corporate image and branding	Develop branding material	Brand all municipal buildings	Ongoing	R 200,000	Internal
To assist in the reduction of unemployment amongst youth, women and people with disability	Facilitate the establishment of cooperatives	Operational cooperatives	Ongoing	R 2.5m	Internal

7.9 FINANCIAL SUSTAINABILITY AND VIABILITY

The fact is Matjhabeng Municipality is currently faced with serious challenge of addressing service delivery backlog, it is also faced with financial challenges. Financial woes of Matjhabeng are exacerbated by poor revenue and high levels of debts by clients. MLM has been under-collecting on revenue in the last five financial years. At the same time, the Municipality has a huge debtor's book of more than R1.1bn. Of this debt half-a-billion (R500 million) is older than 30 days. It has been noted that plans for financial sustainability are frustrated by poorly defined and ineffective municipal management; lack of internal controls and systems, and declining financial resources . The lack of effective internal controls has also led to under spending of Grant Funding meant for service delivery.

DIRECTORATE: FINANCE

KPA: 2 MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT					
PROGRAM: SKILLS AUDIT AND PLACEMENT OF FINANCE OFFICIALS					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
Improve employee morale	Training and coaching	Number of training and coaching attended	Ongoing	R 150 000	MLM, NT
PROGRAM: OPERATION CLEAN AUDIT					
To obtain a clean audit	Implementation and adherence to policies and procedures	Monthly progress report on Audit Query Action Plan & Audit outcome.	2016	R 1 500 000	MLM, NT Grants (FMG & MSIG)
PROGRAM: DEPARTMENTAL COMMUNICATION					
To ensure effective and efficient communication within the department and municipality	Monthly meetings with managers, develop clear departmental communication lines with other departments	Minutes of meetings, email and departmental relations strategy	2015	R 0	Not applicable

KPA: 3 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

PROGRAM: FINANCIAL ACCOUNTING AND MANAGEMENT

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To practice sound and sustainable financial management	Increase awareness on finance policies Implementation of action plans, financial accounting and internal controls as per professional standards, financial management to form part of strategic communication	Timeous submission of budget, AFS and audit outcome.	Ongoing	R 2 000 000	MLM, NT Grants (FMG & MSIG)
To plan, prepare and approve a credible municipal budget timeously	Strict adherence to IDP/ budget time table Timely consultation with internal and external stakeholders	Approval of time table and budget by Council.	31 August 2014 31 May 2014	R 0.00	Not applicable
To practice sound and sustainable financial management	Calculating of financial ratio's on a monthly basis, comparison of baseline and report deviations with recommendations. Compiling monthly age analysis Monthly clearing of suspense accounts Review all budget related policies, Implementation and adherence to budget time	AFS, Audit Report, Budget, Section 71,52,72 reports	Annual project	R 2 000 000	MLM, NT Grants (FMG & MSIG)

KPA: 3 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT					
PROGRAM: FINANCIAL ACCOUNTING AND MANAGEMENT					
OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
	table, AFS action plan, Audit query action plan.				
Ensure timely procurement of supplies	Departmental needs analysis and departmental procurement plan	Monthly reports, minutes of bid committee meetings	Ongoing	R 0.00	Not applicable
Obtaining value for money	Performance appraisals on all tenders awarded. Payment on actual work performed	Monthly reports, Audit outcome	Ongoing	R 0.00	Not applicable
GRAP Municipal Asset Register	Developing and monthly updating of asset register	Monthly reports & audit outcome	2015	R 2 000 000	MLM, NT Grants (FMG & MSIG)
PROGRAM: EXPENDITURE MANAGEMENT					
To ensure safe keeping of documents.	Storage and safekeeping of supporting documentation Monthly voucher audits	Monthly document audit	2015	R 0.00	Not applicable
Timely submission of annual financial statements	Ensure accurate and timely monthly and quarterly reporting	Monthly reports and AFS	31 August 2014	R 2 000 000	MLM & NT Grants (FMG & MSIG)
Effective and efficient expenditure control	Encourage suppliers to submit relevant documentation on time	Monthly reconciliation Age analysis	Monthly	R 0.00	Not applicable

KPA: 3 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

PROGRAM: REVENUE MANAGEMENT

OBJECTIVE	STRATEGY	KPI	ANNUAL TARGET	ANNUAL BUDGET	FUNDING SOURCE
To increase our revenue earning capacity and collection	Increase the Revenue base of the municipality through the valuation of all properties. Data purification Implementation of internal controls and key control matrix	Monthly reports % billing queries Monthly Pay rate	2015	R 500 000	MLM, NT Grants (FMG, MSIG)
Reducing the risk of non collection of revenue from billing	Debt Factoring	Monthly reports % billing queries Monthly Pay rate	2014	R 500 000	MLM, NT Grants (FMG, MSIG)
To increase payment levels to 75%	Compile a comprehensive register which is updated monthly Upgrade and maintain an effective financial system Improve financial enquiry desk Strict adherence to Credit Control Policy Develop debt collection strategy	Pay rate	2014	R 100 000	MLM, NT Grants (FMG, MSIG)
To increase the revenue generated by the FPM	Developing a financial management strategy and a turnaround strategy for transformation	Market income	2014	R 150 000	MLM

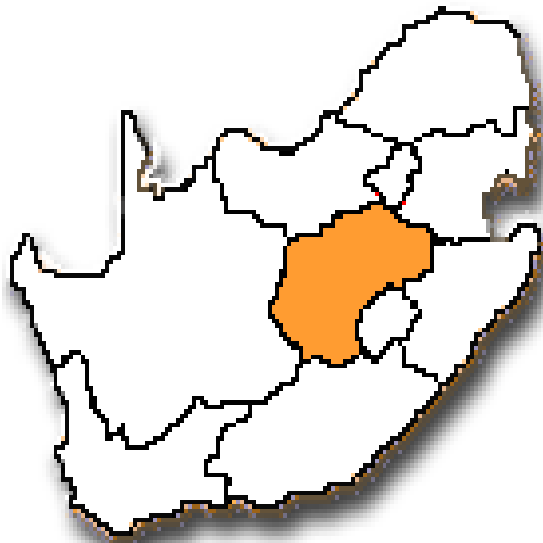
CHAPTER EIGHT (8)

HIGH LEVEL SPATIAL DEVELOPMENT FRAMEWORK

MATJHABENG IN SPATIAL CONTEXT

1.1 THE FREE STATE PROVINCE

The Free State Province is one of nine provinces in South Africa and is centrally located in terms of the geographic distribution of South Africa. The Free State represents 10.6% of the total land area of South Africa (Census 2001). The province covers an area of 129 464 km², and had a population of 2.7 million in 2001.





(Source: Free State Provincial Growth and Development Strategy; 2005 to 2014)



(Source: www.dining-out.co.za/images/FreeState.gif)

The Free State is divided into five district municipalities (districts). These are again subdivided into three to five local municipalities each, for a total of 20 local municipalities.

The five districts are:

- 8 Fezile Dabi in the north
- 9 Thabo Mofutsanyane in the east
- 10 Motheo in the south-east
- 11 Xhariep in the south
- 12 Lejweleputswa in the north-west

The major towns include:

- Bloemfontein in Mangaung
- Bethlehem in Thabo Mofutsanyane
- Kroonstad and Sasolburg in Fezile Dabi
- Welkom in Lejweleputswa

(Source: Retrieved from "http://en.wikipedia.org/wiki/Free_State")

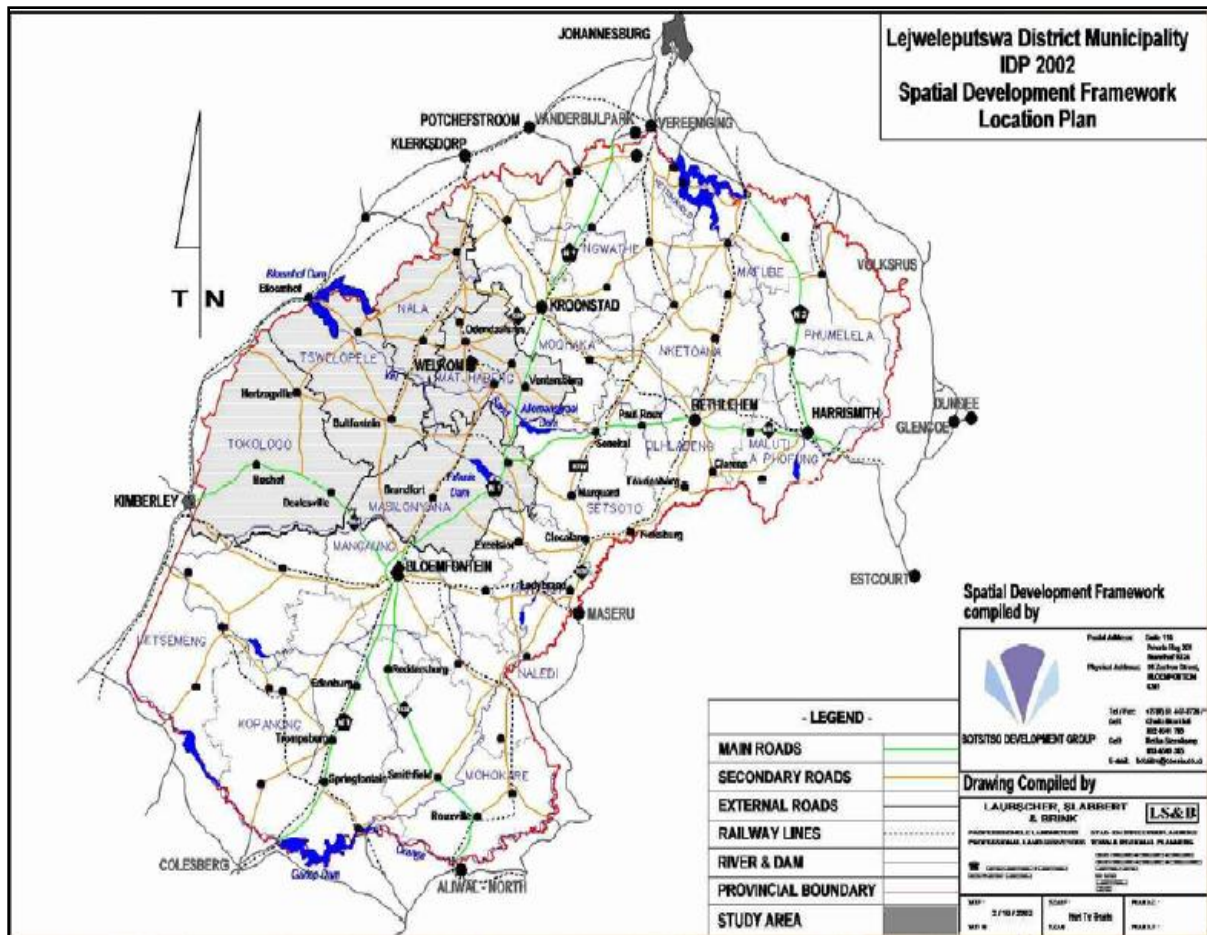
1.2 THE LEJWELEPUTSWA DISTRICT

Lejweleputswa District Municipality area of jurisdiction is situated in the north western part of the Free State and borders North West to the north; Northern Free State and Thabo Mofutsanyane to the north east and east; Motheo and Xhariep to the south; and the Northern Cape to the west (IDP Review, 2004/2005).The Lejweleputswa District, the Goldfields, is situated north of Mangaung Municipality in the Free State Province. It is accessible from Johannesburg, Cape Town, Klerksdorp and Kimberley (Lejweleputswa District Economic Development Strategy).

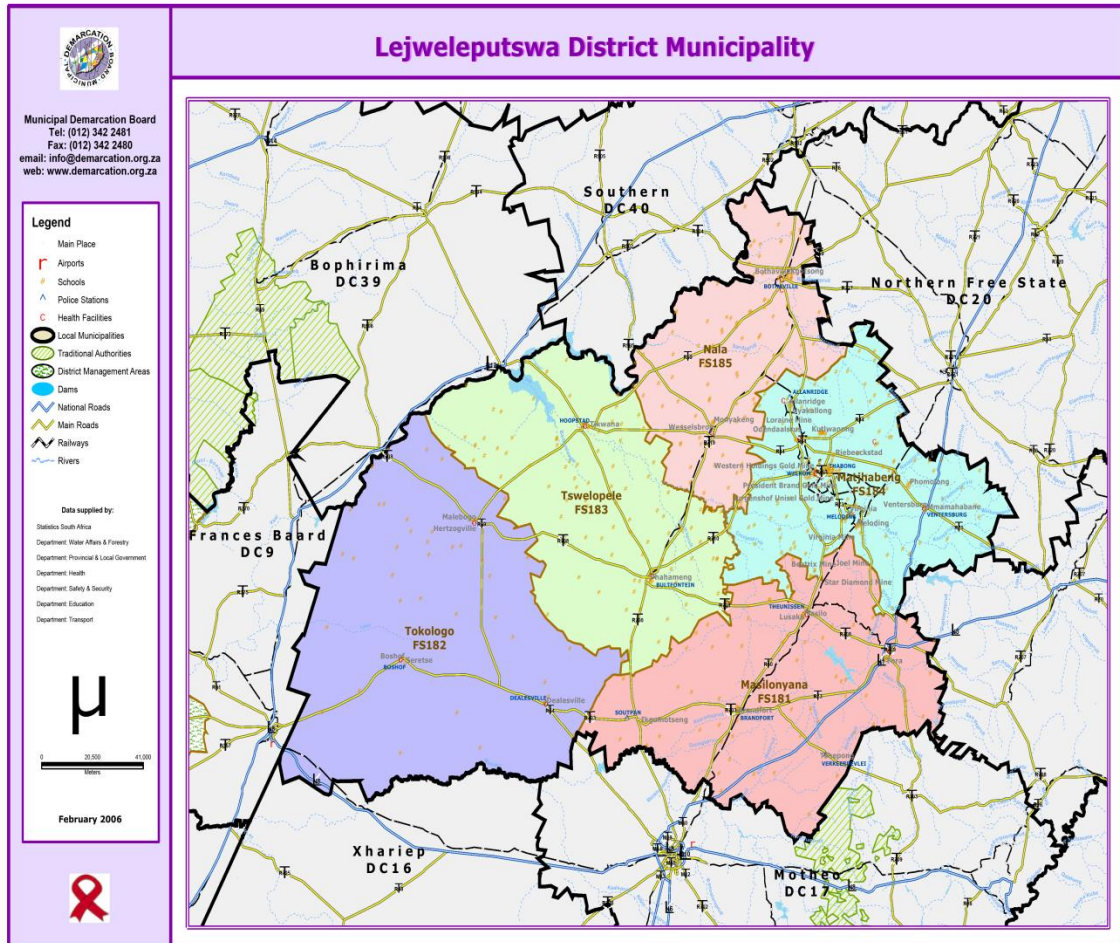
(Source: Leweleputswa District Economic Development Strategy, p10)

LEJWELEPUTSWA IS SURROUNDED BY:

- Dr Kenneth Kaunda District in North West to the north (DC40)
- Fezile Dabi to the north-east (DC20)
- Thabo Mofutsanyane to the south-east(DC19)
- Mangaung Metropolitan to the south
- Xhariep to the south-west (DC16)
- Frances Baard in Northern Cape to the west(DC9)
- Bophirima in North West to the north-west(DC39)



Coordinates: 27°58'S, 26°44'E
 (Source: Draft Lejweleputswa GDS 2006, p6)



The district comprises the following 5 municipalities and covers an area of 31686 square kilometres:

- Masilonyana Local Municipality consisting of the following towns: Theunissen, Brandfort, Winburg, Soutpan and Verkeedevlei
- Matjhabeng Local Municipality consisting of the following towns: Welkom, Virginia, Odendaalsrus, Hennenman, Ventersburg and Allanridge
- Nala Local Municipality consisting of the following towns: Bothaville and Wesselsbron
- Tokologo Local Municipality consisting of the following towns: Boshof, Dealesville and Hertzogville
- Tswelopele Local Municipality consisting of the following towns: Bultfontein and Hoopstad.

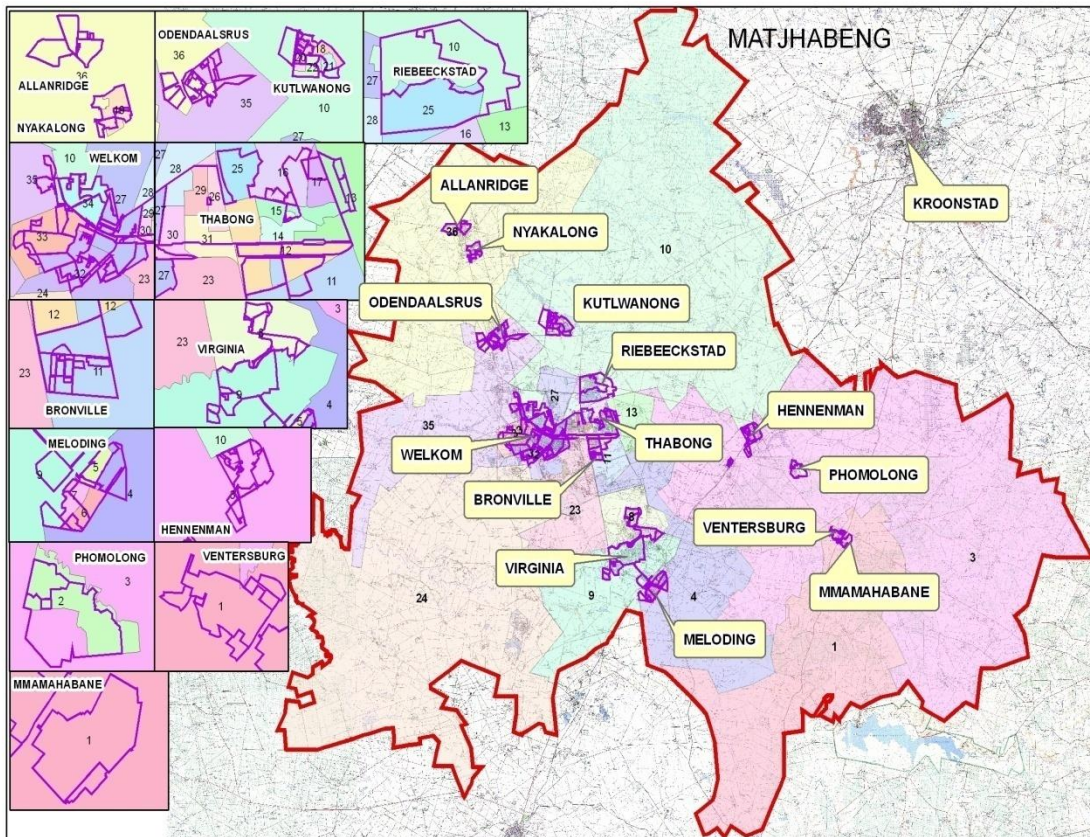
1.3 MATJHABENG MUNICIPAL AREA

The Matjhabeng Municipal area, previously known as the Free State Goldfields, consists of the following towns:

- Welkom/Thabong

- Allanridge/Nyakalong
- Odendaalsrus/Kutlwanong
- Hennenman/Phomolong
- Ventersburg/Mmamahabane
- Virginia/Meloding

The area is favourably located in the north-eastern Free State about 250 km south of Johannesburg and 160 km north of Bloemfontein. The nearest harbour is Durban approximately 565 km from Matjhabeng by road.



(Source: Matjhabeng Municipality)

2. THE LEGISLATIVE ENVIRONMENT FOR SPATIAL DEVELOPMENT

There are various legislative frameworks at national, provincial and local government level that influences spatial development. These include over arching legislation e.g. the Constitution to more sector specific legislation e.g. the National Land and Transport Transition Act and National Environmental Management Act. In the context of this document the following are important:

2.1 DEVELOPMENT FACILITATION ACT 67/1995

The Development Facilitation Act set the tone for subsequent legislation concerning land development. The principles set in Section 3 are:

3. (1) The following general principles apply, on the basis set out in section 2, to all land development:
- (a) Policy, administrative practice and laws should provide for urban and rural land development and should facilitate the development of formal and informal, existing and new settlements.
 - (b) Policy, administrative practices and laws should discourage the illegal occupation of land, with due recognition of informal land development processes.
 - (c) Policy, administrative practice and laws should promote efficient and integrated land development in that they-
 - (i) promote the integration of the social, economic, institutional and physical aspects of land development;
 - (ii) promote integrated land development in rural and urban areas in support of each other;
 - (iii) promote the availability of residential and employment opportunities in close proximity to or integrated with each other;
 - (iv) optimise the use of existing resources including such resources relating to agriculture, land, minerals, bulk infrastructure, roads, transportation and social facilities;
 - (v) promote a diverse combination of land uses, also at the level of individual erven or subdivisions of land;
 - (vi) discourage the phenomenon of "urban sprawl" in urban areas and contribute to the development of more compact towns and cities;
 - (vii) contribute to the correction of the historically distorted spatial patterns of settlement in the Republic and to the optimum use of existing infrastructure in excess of current needs; and

- (viii) encourage environmentally sustainable land development practices and processes.
- (d) Members of communities affected by land development should actively participate in the process of land development.
- (e) The skills and capacities of disadvantaged persons involved in land development should be developed.
- (f) Policy, administrative practice and laws should encourage and optimise the contributions of all sectors of the economy (government and non-government) to land development so as to maximise the Republic's capacity to undertake land development and to this end, and without derogating from the generality of this principle-
 - (i) national, provincial and local governments should strive clearly to define and make known the required functions and responsibilities of all sectors of the economy in relation to land development as well as the desired relationship between such sectors; and
 - (ii) a competent authority in national, provincial or local government responsible for the administration of any law relating to land development shall provide particulars of the identity of legislation administered by it, the posts and names of persons responsible for the administration of such legislation and the addresses and locality of the offices of such persons to any person who requires such information.
- (g) Laws, procedures and administrative practice relating to land development should-
 - (i) be clear and generally available to those likely to be affected thereby;
 - (ii) in addition to serving as regulatory measures, also provide guidance and information to those affected thereby;
 - (iii) be calculated to promote trust and acceptance on the part of those likely to be affected thereby; and
 - (iv) give further content to the fundamental rights set out in the Constitution.
- (h) Policy, administrative practice and laws should promote sustainable land development at the required scale in that they should-

- (i) promote land development which is within the fiscal, institutional and administrative means of the Republic;
 - (ii) promote the establishment of viable communities;
 - (iii) promote sustained protection of the environment;
 - (iv) meet the basic needs of all citizens in an affordable way; and
 - (v) ensure the safe utilisation of land by taking into consideration factors such as geological formations and hazardous undermined areas.
- (i) Policy, administrative practice and laws should promote speedy land development.
 - (j) Each proposed land development area should be judged on its own merits and no particular use of land, such as residential, commercial, conservational, industrial, community facility, mining, agricultural or public use, should in advance or in general be regarded as being less important or desirable than any other use of land.
 - (k) Land development should result in security of tenure, provide for the widest possible range of tenure alternatives, including individual and communal tenure, and in cases where land development takes the form of upgrading an existing settlement, not deprive beneficial occupiers of homes or land or, where it is necessary for land or homes occupied by them to be utilised for other purposes, their interests in such land or homes should be reasonably accommodated in some other manner.
 - (l) A competent authority at national, provincial and local government level should co-ordinate the interests of the various sectors involved in or affected by land development so as to minimize conflicting demands on scarce resources.
 - (m) Policy, administrative practice and laws relating to land development should stimulate the effective functioning of a land development market based on open competition between suppliers of goods and services.

2.2 MUNICIPAL SYSTEMS ACT, 32/2000.

The Municipal Systems Act, (Act 32, 2000) obligates all municipalities to prepare an Integrated Development Plan (IDP) as the primary and overriding management tool.

As an integral component of the IDP the SDF must also adhere to the requirements of the Local Government: Municipal Planning and Performance Management Regulations, 2001.

The content of a Spatial Development Framework is spelled out in terms of the Local Government: Municipal Planning and Performance Management Regulations, 2001 (Government Notice 22605, 24 August 2001) which stated in regulation 2 (4) that:

- 2(4) A spatial development framework reflected in a municipality's Integrated Development Plan must
- (a) give effect to the principles contained in Chapter 1 of the Development Facilitation Act, 1995 (Act No. 67 of 1995);
 - (b) set out objectives that reflect the desired spatial form of the municipality;
 - (c) contain strategies and policies regarding the manner in which *to* achieve the objectives referred to in paragraph (b), which strategies and policies must-
 - (i) indicate desired patterns of land use within the municipality;
 - (ii) address the spatial reconstruction of the municipality; and
 - (iii) provide strategic guidance in respect of the location and nature of development within the municipality;
 - (d) set out basic guidelines for a land use management system in the municipality;
 - (e) set out a capital investment framework for the municipality's development programs;
 - (f) contain a strategic assessment of the environmental impact of the spatial development framework;
 - (g) identify programs and projects for the development of land within the municipality;

- (h) be aligned with the spatial development frameworks reflected in the integrated development plans of neighbouring municipalities; and
- (i) provide a visual representation of the desired spatial form of the municipality, which representation –
 - (i) must indicate where public and private land development and infrastructure investment should take place;
 - (ii) must indicate desired or undesired utilisation of space in a particular area;
 - (iii) may delineate the urban edge;
 - (iv) must identify areas where strategic intervention is required; and
 - (v) must indicate areas where priority spending is required.

2.3 LAND USE MANAGEMENT BILL

The Land use management bill aims to normalise land use management throughout the whole country by setting further principles in Section 4.

- 4. (1) The general principle is that spatial planning, land development and land use management must promote and enhance –
 - (a) equality
 - (b) efficiency;
 - (c) integration;
 - (d) sustainability; and
 - (e) fair and good governance

Principle of equality

- 5. (1) Everyone affected by a decision or process on spatial planning, land development and land use management has the right -
 - (a) to be treated equally by the law;

(b) to equal protection and benefit of the law; and

(c) not to be unfairly discriminated against except as permitted in terms of the Constitution.

(2) No provision of this Act shall prevent the introduction or implementation of policies and other measures designed to protect or advance persons, or categories of persons, disadvantaged by unfair discrimination.

Principle of efficiency

6. Policies and other measures on spatial planning, land development and land use management must

-

(a) ensure the best use of available resources;

(b) develop and promote compact human settlements and discourage low density urban sprawl; and

(c) secure proximity between residential and work places taking into account the health and well-being of affected persons.

Principle of integration

7. Policies and other measures on spatial planning, land development and land use management must -

(a) promote efficient, optimally functional and integrated settlement patterns;

(b) be functionally co-ordinated, aligned with, and take into account related policies and programmes, including transportation systems;

(c) promote integration of communities from diverse backgrounds, including race and class; and

(d) facilitate appropriate mixed land use.

Principle of sustainability

8. In order to ensure the sustainable management and use of the resources making up the natural and built environment, policies and other measures on spatial planning, land development and land use management must -

- (a) ensure that land is used or developed only in accordance with the law;
- (b) create synergy between economic, social and environmental concerns;
- (c) protect natural, environmental and cultural resources in a manner consistent with applicable environmental management legislation;
- (d) preserve the use of prime and unique agricultural land; and
- (e) take into account disaster management.

Principle of fair and good governance

9. (1) Policies and other measures on spatial planning, land development and land use management must be democratic, participatory and lawful.
- (2) A process or decision on spatial planning, land development and land use management must -
- (a) be lawful, reasonable and procedurally fair;
 - (b) comply with the right to just administrative action;
- (c) take into account and promote the need of affected persons to understand its nature and effect; and
- (d) Promote efficient administration, including -
- (i) The provision of adequate notice of details of officials who may assist the public;
 - (ii) inviting affected persons to forums at which spatial planning, land development and land use management decisions are taken ; and
 - (iii) Taking decisions within prescribed time-frames.

The Land Use Management Bill then further defines Spatial Development Frameworks on a National, Provincial, Regional and a Municipal level. Section 17 of the Land use management Bill states:

17. (1) The spatial development framework of a municipality must –
- (a) give effect to the directive principles;
 - (b) be consistent with the national spatial development framework;

- (c) be consistent with the provincial spatial development framework of the province in which the municipality is located;
- (d) be consistent with any applicable national and provincial legislation on environmental management; and
- (e) give effect to any national and provincial plans and planning legislation.

(2) A municipal spatial development framework must reflect at least –

- (a) the current state of affairs report on land use in the municipality, including any spatial dysfunctionality that exists;
- (b) a conceptual framework of the desired spatial growth patterns in the municipality;
- (c) a multi-sector based spatial plan, at an appropriate scale, sufficiently formulated to achieve the desired spatial development goals, including -
 - (i) the correction of past spatial imbalances and the integration of disadvantaged persons;
 - (ii) linkage between settlement development and appropriate transport infrastructure and systems;
 - (iii) vacant land analysis of strategically located land comprising -
 - (aa) location and size;
 - (bb) ownership;
 - (cc) current zoning;
 - (dd) value;
 - (ee) surrounding land use;
 - (ff) geotechnical conditions; and
 - (gg) most suitable use (suitability index)
- (d) a multi-sector driven resource plan for implementation of the spatial development framework.

1. SPATIAL DEVELOPMENT STRUCTURE OF MATJHABENG

3.1 *Current spatial structure*

The current spatial development structure of Matjhabeng is depicted on the attached Map 1. In this regard the different land uses and all physical constraints on future development must be noted.



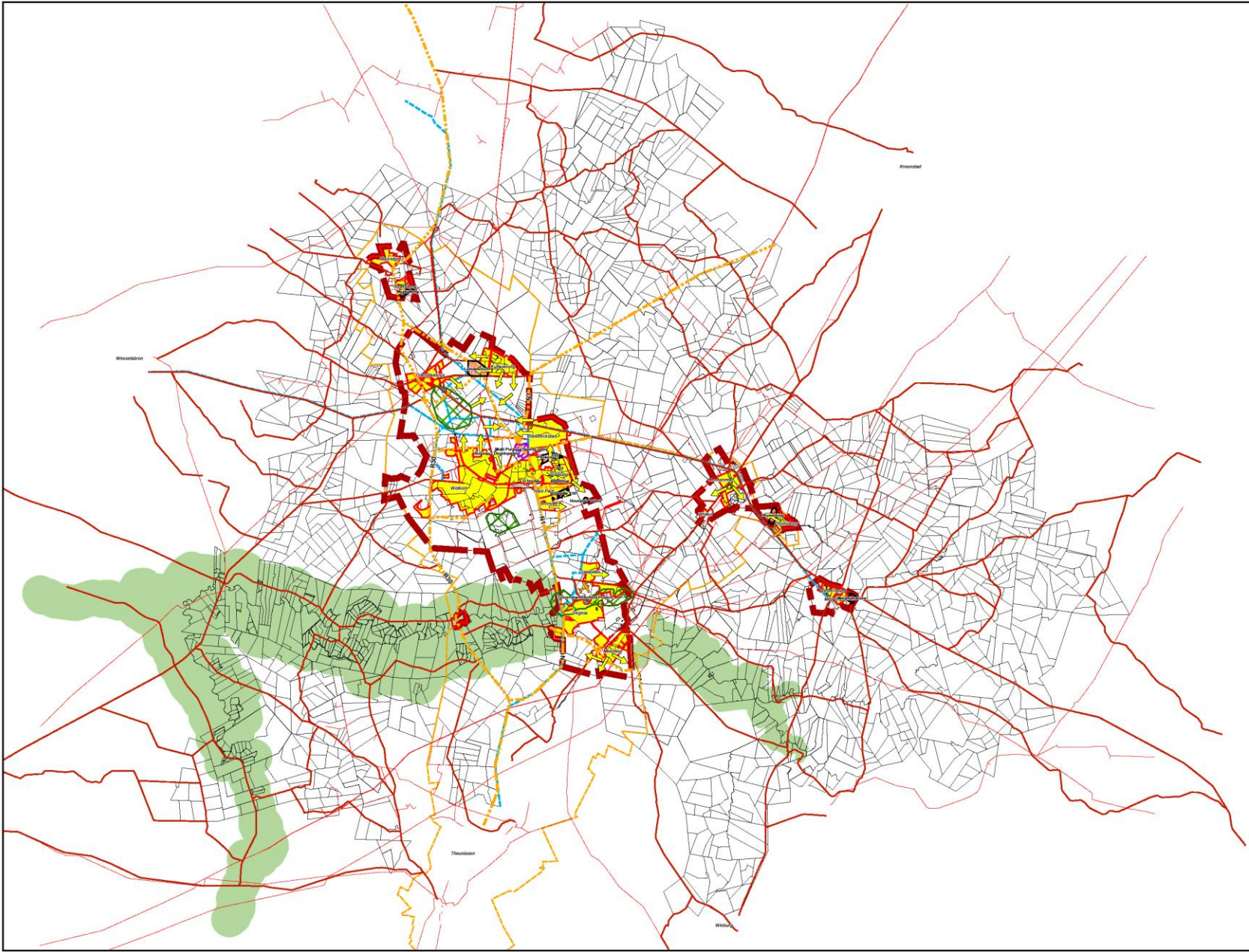
Matjhabeng Municipality



Map 1

- Legend**
- Current Features**
- PROVINCIAL BOUNDARY
 - DISTRICT BOUNDARY
 - COUNCIL BOUNDARY
 - LOCAL MUNICIPAL BOUNDARY
 - URBAN AREA
 - ✈ AIRSTRIP
 - ✈ AIRPORT
 - IRRIGATION SCHEME
 - BULK POWER-LINE
 - BULK WATER PIPELINE
- ROADS**
- Nasionale Paaie
 - R Paaie
 - P Paaie
 - S Paaie
 - A Paaie
- Future Development Proposals**
- PROPOSED NEW ROAD
 - DEVELOPMENT CORRIDOR
 - NEIGHBOURHOOD DEVELOPMENT
 - INFRASTRUCTURE DEVELOPMENT
 - TOURISM FOCUS NODE
 - TOURISM CORRIDOR
 - LAND REFORM INDUSTRIAL DEVELOPMENT
 - TRANSFRONTIER PARK
 - PROPOSED LAND-FILL SITE
 - PROPOSED CEMETERY
 - FUTURE URBAN DEVELOPMENT
 - FUTURE BUSINESS DEVELOPMENT
 - IDP Project details

Scale 1:100000
0 1.5 3 4.5 6 7.5 km



3.2 Current land uses in Matjhabeng

The following table depicts the current land uses in Matjhabeng:

TOWN	TOTAL ERVEN	BUSINESS	CEMETERY	EDUCATIONAL	GOVERNMENT	INDUSTRIAL	INSTITUTIONAL	PARKS	RESIDENTIAL
WELKOM									
WELKOM	9148	366		43	27	427	66	396	7821
NAUDEVILLE	1044	4		1	2		7	15	1015
RHEEDERPARK	1379	6		4			9	24	1336
FLAMINGO PARK	1634	4		6	3		7	50	1564
THABONG	29871	288	1	245		102	20	227	28986
BRONVILLE	2368	15		5	2	16	20	19	2291
RIEBEECKSTAD	5618	154		21	16	108	25	95	5191
SUBTOTAL	51062	837	1	325	50	653	154	826	48204
VIRGINIA									
VIRGINIA	6431	306	1	19	11	184	32	168	5710
MELODING	10774	100	4	80				62	10528
SUBTOTAL	17205	406	5	99	11	184	32	230	16238
HENNENMAN									
HENNENMAN	1695	122	1	34	10	139	2	88	1299
HAVENGAVILLE	51	27				3	1	1	19
PHOMELONG	4983	29	2	48				33	4871
	117	2						8	107
DAGBREEK HOLDINGS	25								25
CONFIDO HOLDINGS	23								23
SUBTOTAL	6895	180	3	82	10	142	3	130	6345
VENTERSBURG									
VENTERSBURG	658	65		9	5	35	7	5	532
MMAMAHABANE	1875	18	1	10	1	5		15	1825

TOWN	TOTAL ERVEN	BUSINESS	CEMETERY	EDUCATIONAL	GOVERNMENT	INDUSTRIAL	INSTITUTIONAL	PARKS	RESIDENTIAL
TSWELANGPELE	636	6	2	15				5	608
SUBTOTAL	3169	89	3	34	6	40	7	25	2965
ALLANRIDGE									
ALLANRIDGE	1627	27	1	18	5	9		64	1503
NYAKALLONG	4114	21	1	41				24	4027
SUBTOTAL	5741	48	2	59	5	9		88	5530
ODENDAALSRUS									
ODENDAALSRUS	3511	211	2	18	27	82	26	90	3055
KUTLWANONG	12296	116	1	117				90	11971
SUBTOTAL	15807	327	3	135	27	82	26	180	15026
TOTAL	99879	1887	17	734	109	1110	222	1479	94308

4. THE MATJHABENG SPATIAL DEVELOPMENT FRAMEWORK PLAN

4.1 THE SPATIAL DEVELOPMENT FRAMEWORK

The Spatial Development Framework is a multi-year plan that shows general future spatial direction aiming at the creation of integrated and habitable cities, towns and rural areas. From a town planning perspective this plan should direct and arrange the development activities and the built form in such a way that it can accommodate ideas and desires of people without compromising the natural environment and the way services are rendered.

4.2 CURRENT STATUS

The compilation of the Spatial Development Framework for Matjhabeng is in progress and will be completed in phases in order to comply with the applicable legislative requirements. The plan will be completed as follows:

Phase 1 is an analyses phase. During this phase data is collected both cadastral and physical. From this information a base map is compiled indicating: (See Map 1):

- Status quo information.
- Development constraints and restrictions.
- Existing spatial trends.
- Available land on account of it's strategic location, ownership, current use, physical conditions etc.

Phase 2 is a strategic phase where the following is proposed: (Municipal Policy)

- The identification of areas for the conservation of the natural and build environment, including environmentally sensitive areas, river corridors, areas of biodiversity or with unique ecological processes, heritage resources, high potential agricultural land etc.
- *The identification of areas of future growth and development, that includes the development of the necessary urban development policies to address:*
 - a) *The desired spatial structure, as well as patterns and directions of future growth.*
 - b) *The desired land-uses for each area, as well as areas where certain land-uses should be encouraged or discouraged, or the intensity of certain uses be increased or decreased.*
 - c) *Development corridors and development nodes.*
 - d) *Transport routes to facilitate future traffic demands and mobility requirements.*
 - e) *Areas where infrastructural investment is required.*
 - f) *The spatial reconstruction of the Municipal area and the correction of past imbalances and integration.*
 - g) *Proposed areas for noxious activities, social services, cemeteries, waste disposal and the like.*
 - h) *The spatial implications of HIV/AIDS, for example the positioning of future clinics and care centres for orphans.*
 - i) *The spatial findings of the strategic environmental assessment.*
 - j) *The location of IDP projects and strategies.*

Phase 3 is the detail phase. This phase must be done if and when specific circumstances demand further investigation and more detailed interventions in a specific area. The terms of reference of this phase shall only become clear as the SDF process unfolds. This phase comprises the following actions:

- A detail assessment of priority and unique areas, and areas that require a higher level of management.
- Compilation of detail RSDP's (Regional Spatial Development Plans) for these areas.
- The establishment of regional policies in line with the parent policy.

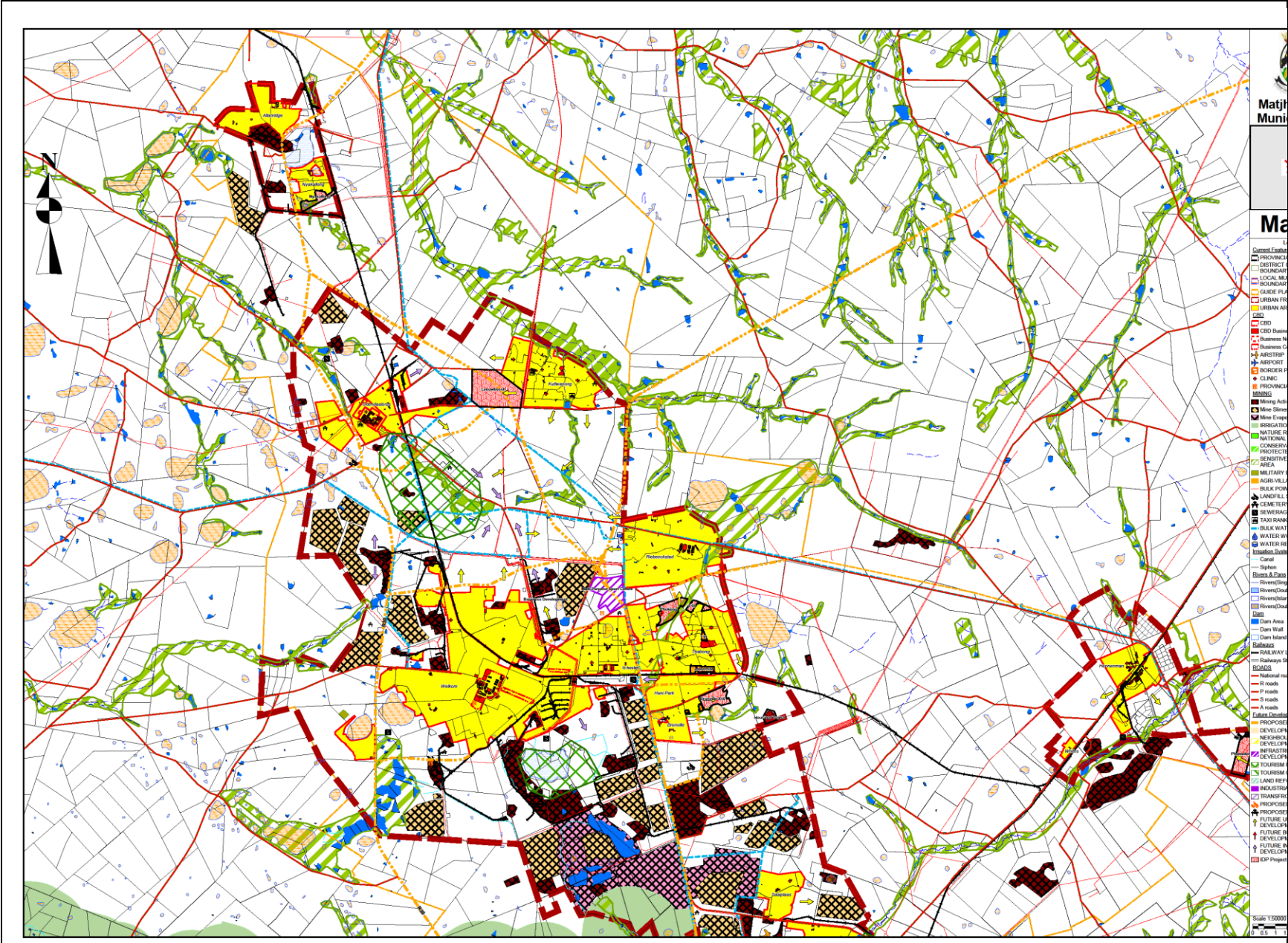
The Public Participation Process is critical in order to establish legitimacy and the “buy-in” of all stakeholders into the Spatial Development Framework. The deliverables of the process shall be the creation of the Spatial Development Framework document consisting of maps and policies encompassing:

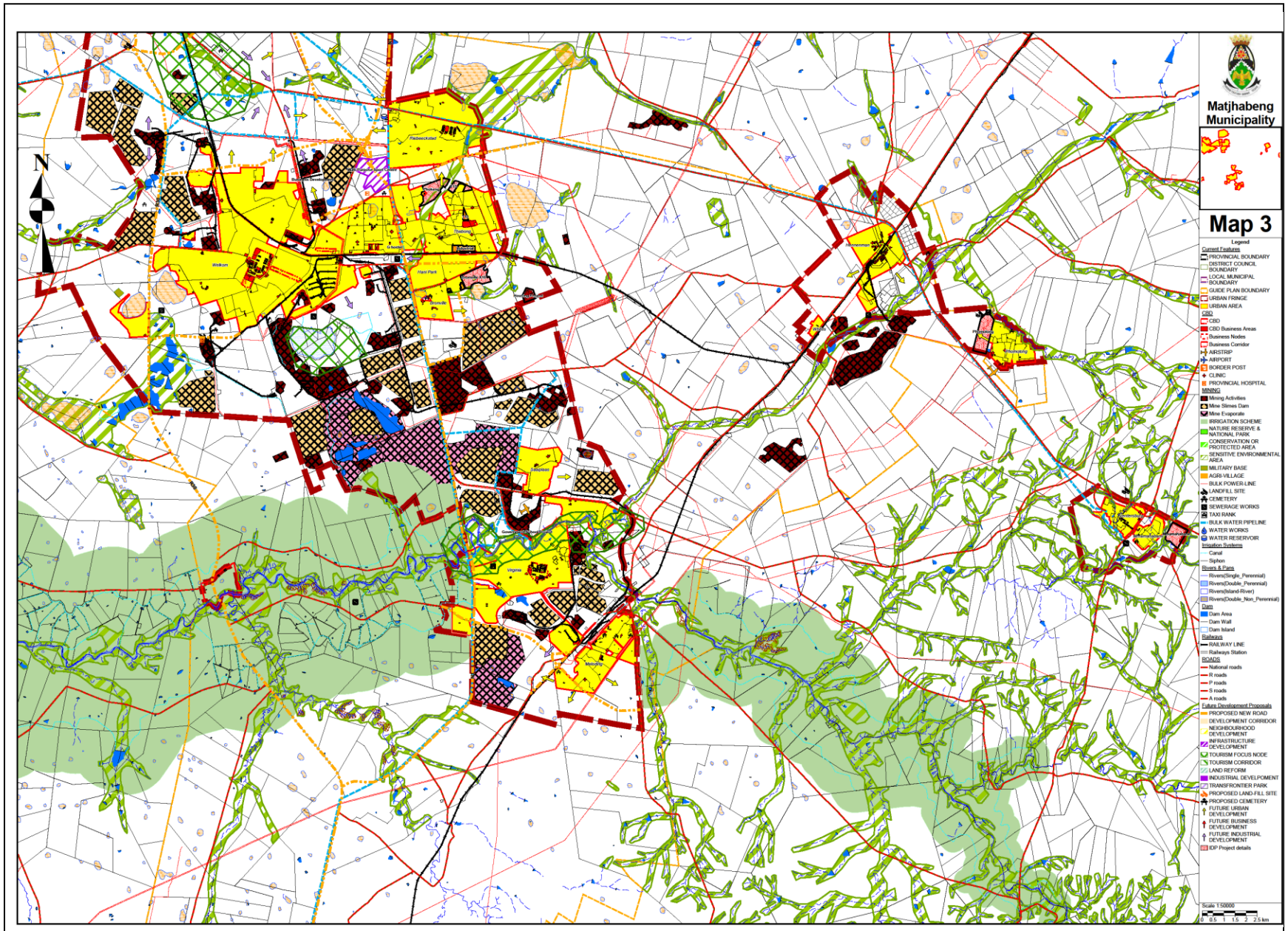
- Spatial development plan – (on a strategic level).
- Urban development boundary and policies.
- Transportation and movement policy.
- Nodal development policy.
- Environmental policy.
- Corridor development policy.
- Sustainable neighbourhood policy for inter alia previously disadvantaged communities.
- Land use management policy.

1.3 GENERAL DIRECTION, PRINCIPLES AND NORMS ADOPTED

During the Integrated Development Planning process the principles and Plan of the Free State Goldfields Structure Plan Phase One was adopted. In order to direct development the following objectives must guide the Spatial Development Framework: efficiency, sustainability and accessibility. To further enhance the development and implementation of the Spatial Development Framework the following underlying principles are as important when developing and applying the Spatial Development Framework: integration, equality and good governance.

The general principles and norms in relation to the spatial development of Matjhabeng as discussed in this section are depicted *in the attached Map 2 and Map 3:*





4.3.1 SPATIAL DEVELOPMENT TRENDS

- The physical integration of Matjhabeng into one Town is at present restricted due to the physical distance between the towns as well as mining activities forming physical restrictions. (Ventersburg Virginia 20Km, Allanridge Odendaalsrus 15 Km, Hennenman Welkom 25 Km etc.)
- The integration of existing towns should optimally utilise existing infrastructure and increase the density of established towns. Where a new development extends the present town limits, it must form a homogeneous extension of the town.
- Integration between Ventersburg and Mmamahabane is almost complete and further development direction should be given in the Matjhabeng Structure Plan.
- Integration between Hennenman and Phomolong should be pursued but will be difficult due to some physical restrictions like a spruit, sewerage works and a dumping site.
- Virginia and Meloding can to some extent be integrated via a southern link over the farm Schoonheid. The Land use plan for Mining Land would assist in clarifying this and other opportunities for integration.
- Allanridge and Nyakallong also have physical restrictions of a pan, a sewerage works and a major provincial road separating them, but the Matjhabeng Structure Plan should give clear direction.
- Bronville Thabong Riebeeckstad Kutlwanong Odendaalsrus and Welkom can be integrated over the longer term and should develop in line with the proposals of the *Goldfields Structure Plan Phase 1*.

4.3.2 LOCALISED GENERAL SPATIAL DEVELOPMENT PRINCIPLES

The following aspects are key to the future spatial development of Matjhabeng:

- Optimal utilisation of natural and infrastructural resources, and integrated planning principles should drive all development.
- Effective and efficient procedures and processes for applications and consents should be pursued to facilitate development initiatives.
- Future trends with a spatial impact, for example HIV/AIDS, needs to be carefully monitored and planning should take place accordingly in a pro-active and holistic manner.
- The core areas of the Goldfields including Welkom/Thabong, Odendaalsrus/Kutlwanong, and Virginia/Meloding should be encouraged to develop as a compact integrated sub-region.

- Development in towns must be channelled to develop towards each other as indicated by the Goldfields Guide Plan.
- Defunct or undeveloped mining land including infrastructure should be reclaimed for urban functions to create the ideal compact sub-regional urban structure.
- The location of residential and employment opportunities should be in close proximity to or integrated with each other.
- The densification of urban uses to optimise civil engineering services, opportunities and facilities.

4.3.2.1 LAND DEVELOPMENT FOR RESIDENTIAL PURPOSES WILL BE GUIDED BY THE FOLLOWING PRINCIPLES:

- All open land in the different urban areas previously earmarked for residential development should be developed as a first priority.
- All defunct or undeveloped mining land and open spaces between urban areas should be developed as a second priority or simultaneously with developments highlighted as a first priority.
- The existence of well established residential areas with high land values should be protected against urban decay. Transitional zones between low and high residential income areas can be planned to assume the projection of well established residential areas. These transitional zones must be planned to the satisfaction of the Municipality and these zones can include any land use providing for the desirable transition.
- Areas indicated for residential development should make provision for the different income levels of the population and different tenure options should be made available.
- The minimum size of a residential stand shall be 500m² in any new residential layout.
- Mining hostels in the past offer housing to mainly heads of households and could be utilised for high density family based residential development and or education facilities, community facilities, commercial hive development on ground floor with residential development on top floors.
- Private hostels should be upgraded to high-density family or single dweller units and ownership of land should be promoted.

4.3.2.2 DEFUNCT OR UNDEVELOPED MINING AREAS

It is further important to realise that mining land is to be released in terms of the Minerals Act, Act 50/1991 as amended before mining land could be used for urban purposes.

Land development of defunct or undeveloped mining areas, when needed for urban development (rehabilitation through urban development), should be guided by the following:

(i) Land uses

(a) Residential

Detail studies concerning the feasibility to convert hostel buildings to high density units, education facilities, community facilities or commercial hives at ground level with residential development on top level should, be carried out before any decision regarding the utilisation of land is taken.

Existing mining villages and open areas around these villages should be planned to form balanced township extensions.

(b) Shaft areas and reduction plants

Defunct shaft areas should be utilised for non-noxious industrial and commercial land uses and should be planned as a unit to surrounding neighbourhoods.

(c) Rock and refuse dumps

Rock and refuse dumps in the area should be rehabilitated and township development can only proceed when dumps are removed.

(d) Existing industrial areas

Existing industrial areas should be incorporated into any future detail town planning as industrial areas.

(e) Explosive magazines

Defunct explosive magazines should be rehabilitated when development is considered. Note must be taken regarding the limitations for residential development when explosive magazines are still in operation.

(f) Concession stores, mining offices and security training areas

Concession stores should be incorporated as local business areas in proposed development areas.

Mining offices should be used as office/park - commercial/park facilities and the high quality of gardening should be continued to enhance the tranquillity of the area.

Existing security training areas should be used as community facilities for example a school, orphanage, old age home, etc.

(g) Sports facilities

Existing mining sport facilities should be re-utilised in future urban developments as sport zones. Adjacent hostels to these facilities should be converted for indoor sport such as karate, wrestling, boxing, etc.

(h) Mine water canals

Mine water canals still in operation when township development proceeds in earmarked mining areas should be incorporated and safeguarded in respect to pollution and health within the guidelines of the National Department of Health, Department of Water Affairs and Forestry and Department of Environmental Affairs.

(i) Excavation areas

These areas need to be rehabilitated before or during urban development processes.

(j) Existing mining road networks

These roads are assets and should be incorporated in future development plans as internal/external linkages.

(k) Railway network systems

If development in a mining area proceeds, investigations should be done to establish the feasibility of re-using existing railway lines for alternative uses such as industrial, commercial or rail based transportation systems.

(l) Slimes dam

Due to radiation levels no slimes dams can be re-used for urban development purposes.

(m) Trees

Existing plantations should be incorporated into any development plans.

(ii) Infrastructure

- Mining services:

Future development teams should liaise closely with mining officials in order to determine which mining services can be removed or should be accommodated in development plan proposals.

- Civil engineering:

Before development can proceed on undeveloped/defunct mining land the following investigations must be done:

- the capacities of bulk services supply to development areas should be determined.
- existing sewerage and water reticulation networks, which may be utilised in developments, should be evaluated for compliance with municipal requirements.
- the general conditions of existing roads should be verified to determine whether these roads comply with geometric standards and municipal requirements.

(iii) Environmental issues

It is important that mining houses clarify environmental restrictions such as radiation, acid mine drainage, subterranean water quality, general contamination and geotechnical restrictions before land is to be developed for urban land usage.

4.3.2.3 BUSINESS

(i) The retail component

- The Central Business District of Welkom should maintain its dominant status as first order business centre in Matjhabeng. Decentralised suburban business areas should be planned and managed on a co-ordinated basis taking the existence of other areas into account.
- In Welkom rezoning along Stateway, between the CBD and the industrial area, should be allowed subject to the conditions as proposed by the Matjhabeng municipality.
- Business areas in the municipal Area are planned in a hierarchical pattern. Future development of business areas should accommodate these planned areas and these hierarchical settlement patterns of business should be extended. The retail hierarchy as proposed in Table 15 should be applied in a flexible manner to identify retail opportunities for the Municipal area.

(ii) Mixed land use nodes

- Certain areas in the Matjhabeng should be earmarked as mixed land use nodes to encourage developers to make investments in these areas that in turn will create work opportunities that are greatly needed to the Matjhabeng area.

4.3.2.4 The Industrial component

(i) Industries

- Approximately 446 ha additional land will be needed by the year 2010. The following areas are proposed as industrial areas to make up the need:
 - Hennenman Industrial Area
 - the portion of land to the east of the market (about 7 ha)
 - the land to the south and south-east of Voorspoed-Oos Extension 12 industrial areas (about 460 ha).
 - the land between Arrarat Street, Alma Drive and Western Holdings shaft for light industries, commercial development and industrial parks (about 86 ha).
 - The following areas could be used for industrial development. These areas include mining land that could become defunct in the next 15 years and are as follows:
 - ✚ mining land at Western Holdings 5 shaft: approximately 160 ha
 - ✚ mining land at Western Holdings 8 shaft: approximately 200 ha
 - ✚ mining land at Western Holdings 1 shaft: approximately 168 ha
 - ✚ mining land at Western Holdings 2 shaft: approximately 68 ha

(ii) Light industrial and commercial corridor Give Map

- The existing corridor of mixed land uses along Provincial Road (P1/2) between Welkom and Odendaalsrus as a given situation should be supported and extended to accommodate different zones of land uses including mining, residential, commercial, recreation areas, etc.

(iii) Heavy industries

- Heavy industries that are classified as noxious industries in terms of noise, smoke or other pollution activities should be encouraged to settle at locations south of Welkom and towards Virginia. Since no residential areas can be developed here due to constraints associated with mining activities. Noxious industries should have the lowest impact on the environment in this area.

4.3.2.5 Education and community facilities

(i) Primary and Secondary Education

- The existing standards prescribed by the National Department of Education will be used during future developments to determine the number of education facilities required. These school sites will be located according to population distribution, road network and the availability of existing buildings or suitable land.
- Land not needed by the Education Department should revert back to the municipality to utilize for other purposes.

(ii) Tertiary education

- Tertiary Education is currently only located in Welkom. Open land to the north of the existing tertiary education component should be reserved for future extensions or additional facilities.
- Detail studies concerning the feasibility to convert defunct mining infrastructure (buildings) to education facilities should be done especially in areas reserved as mixed land use nodes.

(iii) Community facilities

- Community facilities comprise a whole range of facilities from crèches, libraries and community halls to churches. Land for Community facilities are provided according to the norms and standards of the Provincial Government. The development of the facilities itself is governed by the need and the availability of funds and institutions.

4.3.2.6 Open space

(i) Informal

- An integrated network of open spaces should be designed to link natural areas and community facilities with residential areas. This is particularly important in low income areas where pedestrian movement is high due to lower vehicle ownership levels.
- Existing drainage areas, lake areas, exotic and indigenous plantations as well as Thorn veld areas should form part of the network of open spaces and retention facilities should be planned in advance in these areas to prevent storm water hazards.
- An Open Space Master Plan should be compiled to determine the future use of all open spaces.

(ii) Formal

- Community recreation parks should be identified in future developments. One community recreation area per population of 60 000 should be provided to serve local recreational needs.
- Multi-purpose neighbourhood parks, mini parks and space for aesthetic parks should be provided according to needs at a local level when development plans are prepared.

4.3.2.7 Urban agriculture

- The principle of urban agriculture as an urban land use is accepted and the proposals are as such that continuity of normal urban development will not be disrupted. There is a need for agricultural holdings / small farms with a size of 1-25 ha to provide for a range of needs in the community.

4.3.2.8 Public Transport

- The areas planned for Taxi ranks must be developed since these locations have been planned to serve as major assemble nodes on a macro basis. At a micro level provision must further be made for taxis at the different decentralised suburban business nodes.
- The South African Rail Commuter Corporation Limited identified a future rail corridor in concept between Welkom and Virginia. This corporation was also involved in this Structure Planning process that resulted in the conceptual identification of a future rail based public corridor located between Odendaalsrus and Welkom. The conceptual location of this corridor is indicated on the Spatial Development Framework Plan. The location of this corridor is not fixed and further investigations by the South African Rail Commuter Corporation Limited should be done to determine feasibilities and exact location of such a commuter system.

4.3.2.9 Cemeteries

- The existing cemeteries at Allanridge, Nyakallong, Welkom, Thabong, Odendaalsrus, Kutlwanong, Bronville, Hennenman and Phomolong are sufficient for this IDP period to satisfy growing needs. Ventersburg, Mmamahabane and Bronville are in the process of addressing the need.

4.3.2.10 Refuse areas and waste disposal

- The refuse areas currently serving Welkom, Thabong, Bronville and Odendaalsrus are sufficient to serve needs for the IDP period. Special attention should be given to the introduction of refuse transfer stations. Investigations should further be done to utilise defunct mining areas for example slimes dams for purposes of refuse areas or waste disposal sites. Due to radiation levels defunct slimes dam areas are restricted for urban development.

5. LAND USE MANAGEMENT PLAN FOR MATJHABENG

The Land Use Management Plan ensures that all land and properties in Matjhabeng are used only according to their permitted land-use or zoning rights. It considers applications for new developments by property owners and developers to change permitted land uses, zoning rights and their accompanying restrictions, which are in turn specified in a zoning scheme. This responsibility is exercised in line with the City's commitment to sustainable and equitable development.

Typical land-use or zoning categories in a zoning scheme include:

- Residential zones (e.g. single residential dwellings, group housing schemes or blocks of flats)
- Open space zones (e.g. public open spaces, parks, sports fields, cemeteries or private open spaces)
- Business commercial zones (e.g. shops or office blocks)
- Community use facility zones (e.g. schools, clinics or places of worship)
- Industrial zones (e.g. factories, motor repair garages or warehouses)
- Utility zones (e.g. electricity substations or water treatment plants)
- Transport zones (e.g. public roads, railway lines and public transport interchanges)

In addition to the spatial development frameworks and structure plans, zoning schemes and related regulations and policies are primary tools for land-use and development management.

The new uniform Land Use Management Plan for Matjhabeng will be approved shortly and thus replace the existing land use management guidelines for the different units in Matjhabeng.

CHAPTER NINE (9)

FRAMEWORK FOR THE PERFORMANCE MANAGEMENT SYSTEM

1. INTRODUCTION

1.1 STRATEGIC OBJECTIVES OF A PERFORMANCE MANAGEMENT SYSTEM

In the local government context, a comprehensive and elaborate system of monitoring performance of municipalities has been legislated. This system is intended to continuously monitor the performance of municipalities in fulfilling their developmental mandate. Central to this is the development of key performance indicators as instruments to assess performance. These indicators help to translate complex socio-economic development challenges into quantifiable and measurable outputs. They are therefore crucial if a proper assessment is to be done of the impact of government in improving the quality of life for all.

The Municipal Planning and Performance Management Regulations stipulates that a municipality's Performance Management System (PMS) must entail a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players.

In line with the said legal requirement this framework is a policy document that will set out the requirements that the Matjhabeng Municipality's PMS will need to fulfil, the principles that informed its development and subsequent implementation, the preferred performance model of the Municipality, the process by which the system will work, the delegation of responsibilities for different roles in the process and a plan for the implementation of the system.

1.2 THE LEGISLATIVE FRAMEWORK FOR PERFORMANCE MANAGEMENT

The legislative and policy framework for PMS includes the Constitution, The Municipal Systems Act, the Municipal Finance Management Act, Municipal Planning and Performance Management Regulations, The White Paper on Local Government and Batho Pele principles.

The main regulatory mechanism for PMS is Chapter 6 of the MSA and the related Municipal Planning and Performance Management Regulations.

The major PMS policy instruments is the 1998 White Paper on Local Government supported by the Batho Pele principles, which policies was given legal stature through the adoption of the Municipal Systems Act in 2000 (Act 32 of 2000). The said Act requires all municipalities to:

- Develop a performance management system
- Set targets and monitor and review the performance of the Municipality based on indicators linked to their Integrated Development Plan (IDP)
- Table and publish an annual performance report on performance of the Municipality forming part of its annual report as per the Municipal Finance Management Act (MFMA).
- Incorporate and report on a set of general (sometimes also referred to as national) indicators prescribed by the Minister responsible for local government
- Conduct, on a continuous basis, an internal audit of all performance measures
- Have their annual performance report audited by the Auditor-General
- Involve the community in setting indicators and targets and reviewing municipal performance

These are some of the main elements and requirements of the legislative requirements for the development and implementation of a performance management system for municipalities. For the ease of reference and for the benefit of a comprehensive Matjhabeng Municipality Performance Management System Framework, more detailed legislative and policy guidelines and requirements are included in the framework.

1.2.2 THE WHITE PAPER ON LOCAL GOVERNMENT (1998)

The White Paper on Local Government (1998) suggested that local government should introduce the idea of *performance management systems*. The White Paper noted that,

"Involving communities in developing some municipal key performance indicators increases 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, by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased, and public trust in the local government system enhanced" (The White Paper on Local Government, 1998).

1.2.3 BATHO PELE (1998)

Similarly, the White Paper on Transforming Public Service Delivery (Batho Pele) puts forward eight principles for good public service:

Consultation:

Citizens should be consulted about the level and quality of public service they receive, and, where possible, should be given a choice about the services which are provided.

Service standards:

Citizens should know what standard of service to expect.

Access:

All citizens should have equal access to the services to which they are entitled.

Courtesy:

Citizens should be treated with courtesy and consideration

Information:

Citizens should be given full and accurate information about the public services they are entitled to receive.

Openness and transparency:

Citizens should know how departments are run, how resources are spent, and who is in charge of particular services.

Redress:

If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made citizens should receive a sympathetic, positive response.

Value-for-money:

Public services should be provided economically and efficiently in order to give citizens the best possible value-for-money.

"Importantly, the Batho Pele White Paper notes that the development of a service-oriented culture requires the active participation of the wider community. Municipalities need constant feedback from

service-users if they are to improve their operations. Local partners can be mobilised to assist in building a service culture. For example, local businesses or non-governmental organisations may assist with funding a helpline, providing information about specific services, identifying service gaps or conducting a customer survey" - The White Paper on Local Government (1998).

1.2.4 THE MUNICIPAL SYSTEMS ACT (2000)

The principle requirements of the Municipal Systems Act have already been highlighted. To provide further insights into the requirements of the Act, the different sections of Chapter 6 (**Annexure A**) of the MSA will be summarized:

- ☑ **Section 38:** *Requires municipalities to establish a Performance Management System, promote a performance management culture and administer its affairs in an economical, effective, efficient and accountable manner.*
- ☑ **Section 39:** *Gives Executive Mayor the responsibility for managing the development of a Performance Management System, as well as powers of delegation of responsibilities and the responsibility of submitting the PMS to Council.*
- ☑ **Section 40:** *Places responsibility on the municipality for the monitoring and review of its PMS.*
- ☑ **Section 41:** *Outlines the core components to be included in the PMS of the municipality, and refers to KPI's, targets, measurement mechanisms, steps for improvement and the reporting processes.*
- ☑ **Section 42:** *Requires the municipality to establish mechanisms and procedures for community involvement in the process, in terms of Chapter 4 of the MSA.*
- ☑ **Section 43:** *Allows the minister to establish general KPI's which must be included in the KPI's of municipalities, to the extent that these general KPI's are relevant to the municipality.*
- ☑ **Section 44:** *Requires the municipality to notify stakeholders internally and the general public of its KPI's and targets.*
- ☑ **Section 45:** *Requires the municipality to conduct an internal audit of its performance as well as an audit by the auditor general.*
- ☑ **Section 46:** *Requires the municipality to prepare an annual performance report.*
- ☑ **Section 47:** *Requires MEC to compile an annual performance report for the municipalities within the province*
- ☑ **Section 48:** *The Minister has to compile an annual report and submit it to parliament, in terms of the performance of the municipalities in relation to general KPI's*

☑ **Section 49:** *Allows the Minister to make regulations or issue guidelines for the purpose of Chapter 6 of the MSA*

1.2.5 Municipal Planning and Performance Management Regulations (2001)

The Minister responsible for local government published the Municipal Planning and Performance Management Regulations (2001) in terms of the Municipal Systems Act (Section 49) setting out in detail the requirements for a municipal PMS. The Regulations also contain the general indicators prescribed by the Minister responsible for local government

1.2.6 Municipal Finance Management Act (2004)

It is also important to note that the Municipal Finance Management Act (MFMA) contains various important provisions related to municipal performance management. It requires municipalities to annually adopt a Service Delivery and Budget Implementation Plan (SDBIP) with service delivery targets and performance indicators.

Whilst considering and approving the annual budget the Municipality must also set measurable performance targets for each revenue source and vote. The Municipality must lastly compile an annual report, which must include a performance report compiled in terms of the Systems Act. In terms of a circular issued by National Treasury provision is also made for the compilation on an annual basis of departmental SDBIPs.

2. PERFORMANCE MANAGEMENT AND MEASURES AT VARIOUS LEVELS

Performance management can be applied to various levels within any organisation. The legislative framework as set out above provides for performance management at various levels in the municipality including strategic (sometimes also referred to as municipal, organisational or corporate) level, operational (also referred to as services, departmental or section/team) level and lastly, individual level.

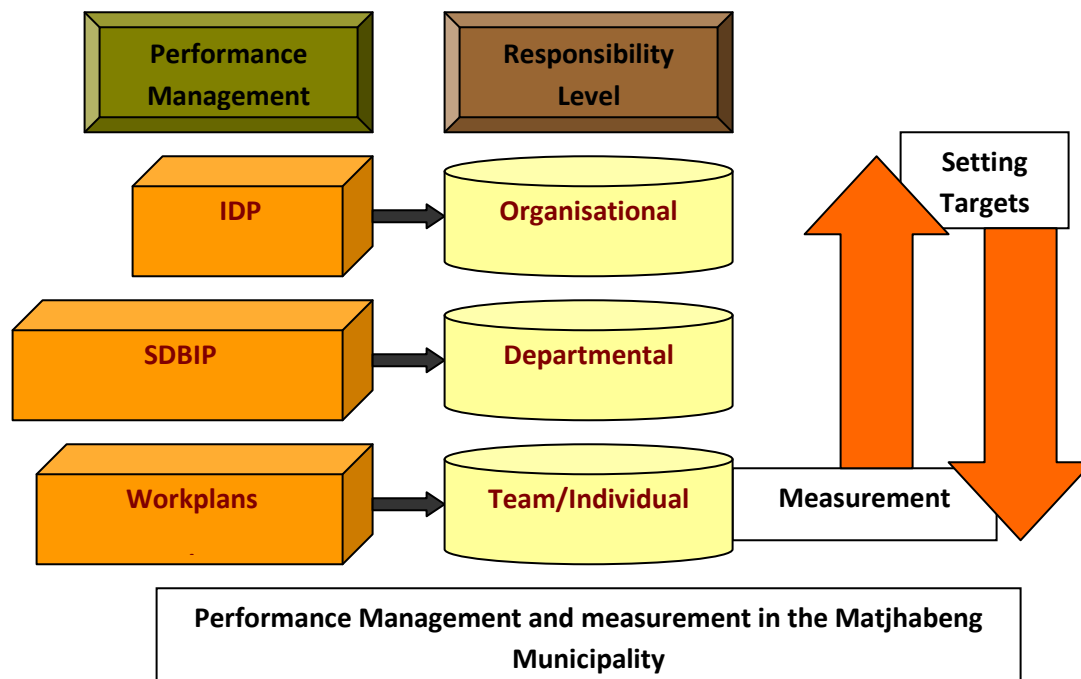
At strategic level the five-year IDP of the municipality forms the basis for performance management, whilst at operational level the annual SDBIP forms the basis. The Matjhabeng Municipality will supplement the required SDBIP with Operational Plans. The IDP is a long-term plan and by its nature the performance measures associated with it will have a long-term focus, measuring whether a municipality is achieving its IDP objectives. A SDBIP (both for the

municipality as a whole and that of a department) is more short-term in nature and the measures set in terms of the SDBIP, reviewing the progress made with implementing the current budget and achieving annual service delivery targets.

The measures set for the Matjhabeng Municipality at strategic level is captured in a strategic (municipal/organisational/corporate) scorecard structured in terms of the preferred performance management model of the Municipality . The measures at operational level are to be captured in the SDBIP of the Municipality and the SDBIPs of the various Departments in the Municipality.

By cascading performance measures from strategic to operational level, both the IDP and the SDBIP, forms the link to individual performance management .This ensures that performance management at the various levels relate to one another which is a requirement of the Municipal Planning and Performance Regulations. The MFMA specifically requires that the annual performance agreements of managers must be linked to the SDBIP of a municipality and the measurable performance objectives approved with the budget.

The following diagram indicates the performance management at various levels:



3. OBJECTIVES OF THE PERFORMANCE MANAGEMENT SYSTEM

As indicated above the Municipality's PMS is the primary mechanism to monitor, review and improve the implementation of its IDP and to gauge the progress made in achieving the objectives as set out in the IDP. The objectives for any municipal performance management system is guided and regulated by the relevant legislation and policy guidelines. The Planning and Performance Management Regulations informs the objectives to a great extent. The PMS for the Matjhabeng Municipality includes the following objectives that the system should fulfill:

Meeting IDP Objectives

To ensure that the priorities as contained within the IDP are achieved, by measuring the success of meeting these

Effective Community Participation

The Performance Management System is to ensure that effective community participation is achieved throughout the process.

Financial Accountability

The system should assist in improving the financial accountability of the key office bearers and officials.

Facilitate increased accountability

The performance management system should provide a mechanism for ensuring increased accountability between the local community, politicians, the Municipal Council and the municipal management team.

Facilitate learning and improvement

The PMS should facilitate learning in order to enable the Municipality to improve delivery.

Provide early warning signals

It is important that the system ensure decision-makers are timeously informed of performance related risks, so that they can facilitate intervention, if necessary.

Facilitate decision-making

The performance management system should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The functions listed above are not exhaustive, but summarise the intended benefits of the system. These intended functions should be used to evaluate and review the performance management system on a regular basis (see chapter 9).

4. PRINCIPLES GOVERNING MATJHABENG MUNICIPALITY PMS

The principles that should govern the Matjhabeng Municipal PMS are developed to ensure that the PMS is relevant, especially in attaining its objectives and legislative requirements. The said principles are the following:

- ✓ effective utilization of financial and human resources
- ✓ simplicity so as to facilitate implementation given any current capacity constraints,
- ✓ politically acceptable to all political role players,
- ✓ administratively managed in terms of its day-to-day implementation,
- ✓ implementable within any current resource constraints,
- ✓ transparency and accountability both in terms of developing and implementing the system,
- ✓ efficient and sustainable in terms of the ongoing implementation and use of the system,
- ✓ public participation in terms of granting citizens their constitutional right to participate in the process,
- ✓ integration of the PMS with the other management processes within the Municipality,
- ✓ objectivity based on credible information and lastly,
- ✓ reliability of the information provided on the progress in achieving the objectives as set out in its IDP.

5. PREFERRED PERFORMANCE MANAGEMENT MODEL

A performance management model can be defined as the grouping together of performance indicators, sometimes based other 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 for what aspects of performance is going to 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.

A number of performance models are available and any of them could be applied by the Municipality. The available models include the Municipal Scorecard, Balanced Scorecard and the Key Performance Area Model. The Matjhabeng Municipality has however chosen the Balanced Scorecard. In terms of the said model all indicators are grouped together into Perspectives within the Strategic Scorecard.

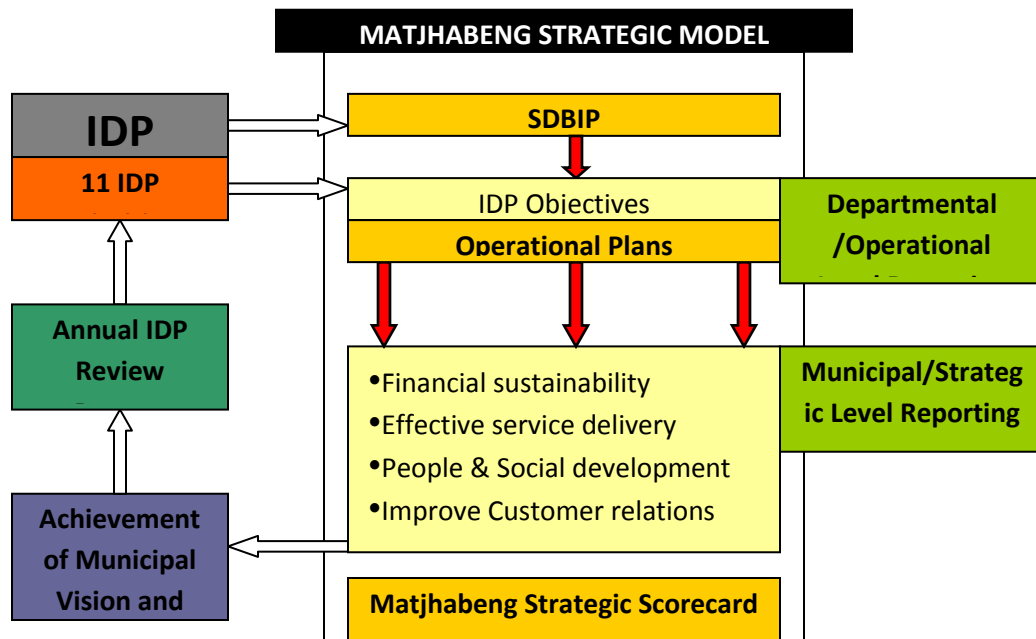
These perspectives have its roots in the Balanced Scorecard Model and have been adapted to best suit the performance model of the municipality. The Strategic Scorecard has its main focus on the performance of the Municipality as an organization according to the following perspectives:

- Financial sustainability
- Effective service delivery
- People and social development
- Improve customer relations
- Good governance

The municipality has Operational Plans in place which are drawn up annually and gives direction to the operations for the respective departments of the municipality. The operational plans are linked to the SDBIP and also to the IDP objectives. The operational plans consist of Key Performance Areas with its Key Performance indicators which are linked to the IDP objectives.

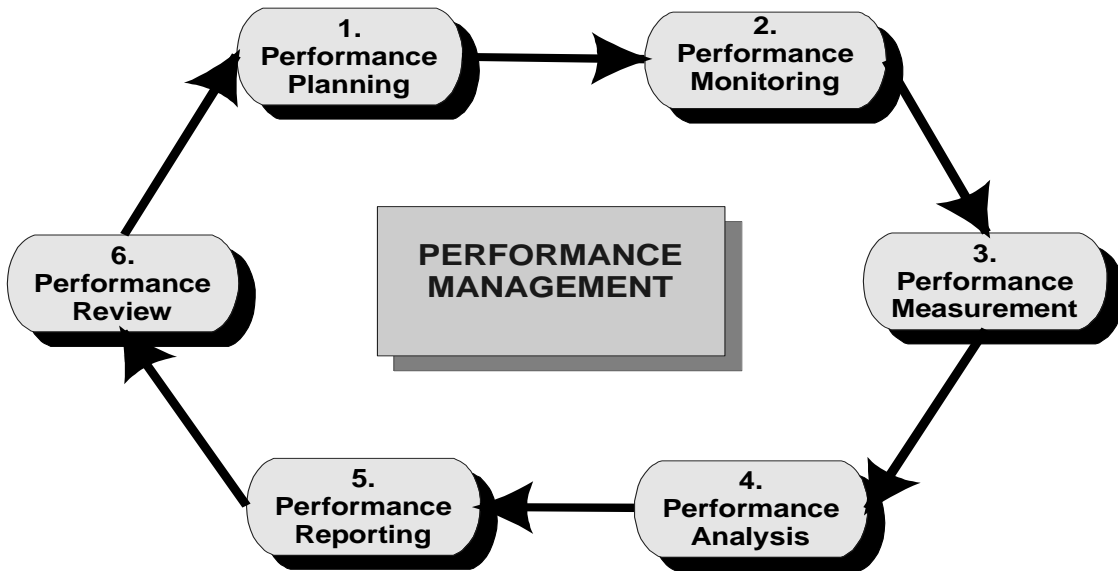
The Operational Plans will inform the Strategic Scorecard and the Individual MSA Section 56 Employees' performance agreements are also structured in terms of the perspectives of the Strategic Scorecard. This allows for appropriate linkage between the strategic or organizational PMS and individual PMS within the municipality.

The following diagram serves as a schematic representation of the Matjhabeng Strategic Model.



6. THE PROCESS OF MANAGING PERFORMANCE

The annual process of managing performance at strategic (municipal, organisational or corporate) level in the Municipality involves the steps as set out in the diagram below:



The following table spells out in more detail the role of all relevant roleplayers in each of the above steps:

Stakeholders	Performance Planning	Measurement and Analysis	Performance Reporting & Reviews
Citizens and Communities	<ul style="list-style-type: none"> • Be consulted on needs • Develop the long term vision for the area • Influence the identification of priorities • Influence the choice of indicators and setting of targets 		<ul style="list-style-type: none"> • Be given the opportunity to review municipal performance and suggest new indicators and targets
Council	<ul style="list-style-type: none"> • Facilitate the development of a long-term vision. (MSA Chapter 5) • Develop strategies to achieve vision (MSA Chapter 5) • Identify priorities (MSA Chapter 5) • Adopt indicators and set targets (Planning and Performance Management Regulations (PPMR)) 		<ul style="list-style-type: none"> • Review municipal performance bi-annually

Stakeholders	Performance Planning	Measurement and Analysis	Performance Reporting & Reviews
Executive Mayoral Committee and the IDP Steering Committee	<ul style="list-style-type: none"> • Play the leading role in giving strategic direction and developing strategies and policies for the organisation • Manage the development of an IDP (MSA Chapter 5) • Approve and adopt indicators and set targets (MSA Chapter 6) • Communicate the plan to other stakeholders (MSA Chapter 5) 		<ul style="list-style-type: none"> • Conduct the major reviews of municipal performance, determining where goals had or had not been met, what the causal reasons were and to adopt response strategies
Municipal Manager + HODs	Assist the Executive Mayoral Committee in <ul style="list-style-type: none"> • providing strategic direction and developing strategies and policies for the organisation • Manage the development of the IDP (MSA Chapter 5) • Ensure that the plan is integrated • Identify and propose indicators and targets (MSA Chapter 6) • Communicate the plan to other stakeholders (MSA Chapter 5; PPMR) 	<ul style="list-style-type: none"> • Regularly monitor the implementation of the IDP, identifying risks early • Ensure that regular monitoring (measurement, analysis and reporting) is happening in the organisation • Intervene in performance problems on a daily operational basis (PPMR) 	<ul style="list-style-type: none"> • Conduct regular reviews of performance MSA Chapter 5) • Ensure that performance reviews at the political level are organised • Ensure the availability of information • Propose response strategies to the Mayoral Committee
Directorate/ Departmental Managers	<ul style="list-style-type: none"> • Develop service plans for integration with other sectors within the strategy of the organization (MFMA) 	<ul style="list-style-type: none"> • Measure performance according to agreed indicators, analyse and report regularly • Manage implementation and intervene where necessary • Inform decision-makers of risks to service delivery timeously 	<ul style="list-style-type: none"> • Conduct reviews of service performance against plan before other reviews

The balance of this chapter looks at each of the steps in more detail and how they will unfold in the process of managing performance in the Municipality. Although the steps and what follow relates mainly to performance management at strategic level, the principles and approaches as espoused could also be applied to performance management at operational level.

6.1 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 performance Planning step is further specified and rolled out in more detail in terms of the Service Delivery and Budget Implementation Plan, being a requirement of the Municipal Finance Management Act. The third level of planning for performance refers to the Operational Plans at Departmental level, as indicated within the Matjhabeng Strategic Model.

6.2 Performance Monitoring

Performance monitoring is an ongoing process by which a Manager accountable for a specific indicator as set out in the strategic scorecard (or a service delivery target contained in an annual SDBIP) continuously monitors current performance against targets set. These targets will be developed as part of the Operational Plans and is to be linked to the KPI's that are set within these Plans. 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 the Matjhabeng Municipality the Strategic Scorecard of the Municipality is reported on a quarterly basis to the Executive Mayor. Performance monitoring requires that in between the said 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 monthly basis Managers track performance trends against targets for those indicators that lie within the area of accountability of their respective Departments as a means to early on identify performance related problems and take appropriate remedial action.

Each Manager delegate to the direct line manager, the responsibility to monitor the performance for his/her sector. Such line managers are, after all, best placed given their understanding of their sector to monitor on a regular basis whether targets are being met currently or will be met in future, what the contributing factors are to the level of performance and what interim remedial action needs to be undertaken. This will also serve to better link organizational performance with individual/employee performance.

6.3 Performance measurement

Performance measurement refers to the formal process of collecting and capturing performance data to enable reporting to take place for each key performance indicator and against the target set for such indicator. 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 Strategic 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).

The said official will, when performance measurement is due, have to collect and collate the necessary performance data or information and capture the result against the target for the period concerned on the strategic scorecard and report the result to his/her Manager making use of the said scorecard after completing the next step (see performance analysis below). It should be noted at this stage that for each of the scorecards of the Municipality two formats exist namely a planning and reporting format. The planning format is used to plan and capture the performance targets for each indicator whilst the reporting format is used to capture actual performance against targets and to report to the Executive Mayoral Committee.

6.4 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.

In practice the aforementioned entails that the Manager responsible for each indicator will have to, after capturing the performance data against targets on his/her respective Operational Scorecards strategic, analyse the underlying reasons why a target has/has not been met and capture a summary of his/her findings on the Operational Scorecard. The Manager will thereafter have to compile a draft recommendation in terms of the corrective action proposed in instances where a target has not been achieved and also capture this on the strategic scorecard. Provision has been made on the reporting format of the strategic scorecard to capture both the "reason for deviance" in other words the results of the analysis undertaken) and the "corrective measures" proposed.

The Strategic Scorecard will then be compiled with the inputs from the respective managers by extracting the information from their Operational Scorecards and importing and translating it into the five perspectives contained within the Matjhabeng Strategic Scorecard. The Strategic Scorecard as completed must then be submitted to a formal meeting of the senior management team for further analysis and consideration of the draft recommendations as captured by the relevant Managers. This level of analysis should examine performance across the organisation in terms of all its priorities with the aim to reveal and capture whether any broader organisational factors are limiting the ability to meet any performance targets in addition to those aspects already captured by the relevant Manager.

The analysis of the Strategic Scorecard by senior management should also ensure that quality performance reports are submitted to Councillors and that adequate response strategies are proposed in cases of poor performance. Only once senior management has considered the Strategic Scorecard, agreed to the analyses undertaken and captured therein and have reached consensus on the corrective action as proposed, can the Strategic Scorecard be submitted to the Executive Mayoral Committee for consideration and review.

6.5 Performance reporting and review

6.4.1 In-year performance reporting and review

The submission of the Strategic Scorecard to the Executive Mayor for consideration and review of the performance of the Municipality as a whole is the next step in the process. The first such report is a major milestone in the implementation of any PMS and it marks the beginning of what should become a regular event namely using the performance report as a tool to review the Municipality's performance, and subsequently the IDP, and to make important political and management decisions on how to improve.

As indicated earlier it is recommended that the Strategic Scorecard be submitted to the Executive Mayoral Committee for consideration and review on a quarterly basis. The reporting should therefore take place in October (for the period July to end of September - quarter 1 of the financial year), January (for the period October to the end of December - quarter 2), April (for the period January to the end of March - quarter 3) and July (for the period April to the end of June - quarter 4).

The review in January will coincide with the mid-year performance assessment as per section 72 of the MFMA. The said section determines that the accounting officer must by 25 January of each year assess the performance of the municipality and report to the Council on inter alia its service delivery performance during the first half of the financial year and the service delivery targets and performance indicators as set out in its SDBIP.

Performance review is the process where the leadership of an organisation, after the performance of the organisation have been measured and reported to it, reviews the results and decided on appropriate action. The Executive Mayor in reviewing the Strategic Scorecard submitted to it on a quarterly basis will have to ensure that targets committed to in the Scorecard have been met, where they have not, that satisfactory and sufficient reasons have been provided by senior management and that the corrective action being proposed is sufficient to address the reasons for poor performance. If satisfied with the corrective action as proposed these must to be adopted as formal resolutions of Council, minuted and actioned accordingly.

6.4.2 Annual performance reporting and review

On an annual basis a comprehensive report on the performance of the Municipality also needs to be compiled. The requirements for the compilation, consideration and review of such an annual report are set out in chapter 12 of the MFMA. In summary it requires that:

- All municipalities for each financial year compile an annual report
- The annual report be tabled within seven months after the end of the financial year
- The annual report immediately after it has been tabled be made public and that the local community be invited to submit representations thereon
- The municipal Council consider the annual report within nine months after the end of the financial year and adopt an oversight report containing the council's comments on the annual report
- The oversight report as adopted be made public
- The annual report as tabled and the Council's oversight report be forwarded to the Auditor-General, the Provincial Treasury and the department responsible for local government in the Province
- The annual report as tabled and the Council's oversight report are submitted to the Provincial legislature.

The oversight report to be adopted provides the opportunity for full Council to review the performance of the Municipality. The requirement that the annual report once tabled and the oversight report be made public similarly provides the mechanism for the general public to review the performance of the Municipality. It is however proposed that in an effort to assist the public in the process and subject to the availability of funding, a user-friendly citizens' report be produced in addition to the annual report for public consumption. The citizens' report should be a simple, easily readable and attractive document that translates the annual report for public consumption.

It is also proposed that annually a public campaign be embarked upon to involve the citizens of the Municipality in the review of municipal performance over and above the legal requirements of the Municipal Systems Act and the MFMA. Such a campaign could involve all or any combination of the following methodologies:

- Various forms of media including radio, newspapers and billboards should be used to convey the annual report.
- The public should be invited to submit comments on the annual report via telephone, fax and email.
- Public hearings could be held in a variety of locations to obtain input of the annual report.
- Making use of existing structures such as ward and/or development committees to disseminate the annual report and invite comments.
- Hosting a number of public meetings and roadshows at which the annual report could be discussed and input invited.
- Producing a special issue of the municipal newsletter in which the annual report is highlighted and the public invited to comment.
- Posting the annual report on the council website and inviting input

The public review process should be concluded by a formal review of the annual report by the IDP Representative Forum of the Municipality.

Lastly it should be mentioned that the performance report of a municipality is only one element of the annual report and to ensure that the outcome thereof timeously inform the next cycle of performance planning in terms of an IDP compilation/review process, it is recommended that the annual performance report be compiled and completed as soon after the end of a financial year as possible but ideally not later than two months after financial-year end.

6.4.3 Summary of various performance reporting requirements

The following table, derived from both the legislative framework for performance management and this PMS framework, summarises for ease of reference and understanding the various reporting deadlines as it applies to the Municipality:

Report	Frequency	Submitted for consideration and / or review	Remarks
1. Departmental SDBIPs	Continuous	Manager of Department	See MFMA Circular 13 of National Treasury for further information
2. Monthly budget statements	Monthly	Executive Mayor/Mayor (in consultation with EXCO)	See sections 71 and 54 of the MFMA
3. Departmental scorecards	Monthly	Mayoral Committee	Only if developed separately from Departmental SDBIPs
4. Strategic (municipal/organisational/corporate) Scorecard	Quarterly	Mayoral Committee	This PMS framework (see section 7.5.1 above)
5. SDBIP mid-year budget and performance assessment	Annually during January of each year	Executive Mayor/Mayor (in consultation with EXCO)	See sections 72 and 54 of the MFMA
6. Performance report	Annually	Council	See section 46 of the Municipal Systems Act as amended. Said report to form part of the annual report (see 7 below)
7. Annual report	Annually	Council	See chapter 12 of the MFMA

7. THE AUDITING OF PERFORMANCE MEASURES

7.1 The role of internal audit in terms of performance management

The MFMA requires that the Municipality must establish an internal audit section which service could be outsourced depending on its resources and specific requirements. Section 45 of the Municipal Systems Act stipulates that the results of the Municipality's performance measures must be audited by the said internal audit section as part of the internal auditing process and annually by the Auditor-General.

The Municipal Planning and Performance management Regulations stipulates that internal audit section must on a continuous basis audit all performance and the auditing must include an assessment of the following:

- (i) The **functionality** of the municipality's performance management system.
- (ii) Whether the municipality's performance management system **complies** with the Act.

- (iii) The extent to which the municipality's performance measurements are **reliable** in measuring the performance of municipalities by making use of indicators.

Each of the aforementioned aspects will now be looked at briefly.

Functionality

To function could be defined as a proper or expected activity or duty or to perform or operate as expected. This could also be applied to the operation of any system such a PMS. The internal audit section must therefore on a regular basis audit whether the PMS of the Municipality is functioning as developed and described in this framework.

Compliance

To comply can be defined as to act in the way that someone else has commanded or wished. In this respect it is clear that the legislature wishes to ensure that the Municipality's PMS complies strictly with the requirements of the Systems Act, Regulations and the MFMA. This compliance check would require that the Municipality's internal audit unit, at least on an annual basis, verifies that the Municipality's PMS complies with the said legal requirements.

Reliability

To rely could be defined as to trust or depend (upon) with confidence. Reliability in the context of PMS refers to the extent to which any performance measures reported upon could be seen as being reliable, e.g. if the performance target was to build 500 houses and it is reported that the target has been met or exceeded, it must be established whether the information is factually correct or only an estimation or even worse, purposeful misrepresentation. Undertaking a reliability audit will entail the continuous verification of performance measures and targets reported upon. 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.

The Municipality's internal auditors must submit quarterly reports on the audits undertaken to the Municipal Manager and the Audit Committee.

7.2 Audit Committee

The MFMA and the Municipal Planning and Performance Management Regulations require that the municipal council establish an audit committee consisting of a minimum of three members, where the majority of members are not employees of the municipality. No Councillor may be a member of an audit committee. Council shall also appoint a chairperson who is not an employee.

The Regulations gives municipalities the option to establish a separate performance audit committee whereas the MFMA provides only for a single audit committee. The operation of this audit committee when dealing with performance management is governed by section 14 (2-3) of the Regulations which require that the audit committee must:

- review the quarterly reports submitted to it by the internal audit unit
- review the municipality's PMS and make recommendations in this regard to the Council of the Municipality
- at least twice during a financial year submit an audit report to the municipal Council

In order to fulfil their function a performance audit committee may, according to the MFMA and the Regulations,

- communicate directly with the council, municipal manager or the internal; and external auditors of the municipality concerned;
- access any municipal records containing information that is needed to perform its duties or exercise its powers;
- request any relevant person to attend any of its meetings, and, if necessary, to provide information requested by the committee; and
- investigate any matter it deems necessary for the performance of its duties and the exercise of its powers.

The Municipality has already established an Audit Committee and it is set in terms of the MFMA, Regulations and this framework.

7.3 Performance Investigations

The Audit Committee should also be able to commission in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. The performance investigations should assess:

- The reliability of reported information
- The extent of performance gaps from targets
- The reasons for performance gaps
- Corrective action and improvement strategies

While the internal audit section may be used to conduct these investigations, it is preferable that external service providers, preferably academic institutions, who are experts in the area to be audited, should be used. Clear terms of reference will need to be adopted by the Council for each such investigation.

8. MATJHABENG LOCAL MUNICIPALITY'S STRATEGIC SCORECARD

Summary and Background

The Matjhabeng has four sets of priority areas contained in three different documents each representing either priority issues/strategic objectives. These are:

- The IDP Strategic Focus Areas
- IDP Municipal Priority Issues
- Mayor's Strategic Planning Lekgotla Issues
- Seven National Key Performance Indicators for municipalities

For the purpose of developing the Matjhabeng Balanced Scorecard the above were consolidated in a manner that would address the following strategic objectives:

Service Delivery and Infrastructure

- Water Services
- Electricity
- Solid Waste Management

- Environmental Management
- Roads
- Housing
- Spatial Planning
- Community Facilities

Local Economic Development

- Economic Growth
- Poverty Alleviation
- Job Creation

Municipal Financial Viability

- Financial Viability
- Grant Expenditure management

Municipal Transformation and Institutional Development

- Organizational Design
- Employment Equity
- Skills Development
- Integrated Development Planning
- Performance Management System

Good Governance

- Public Participation, Accountability and Transparency
- Ward System
- Corporate Governance
- Co-operative governance

The Balanced Scorecard Approach To Performance Management

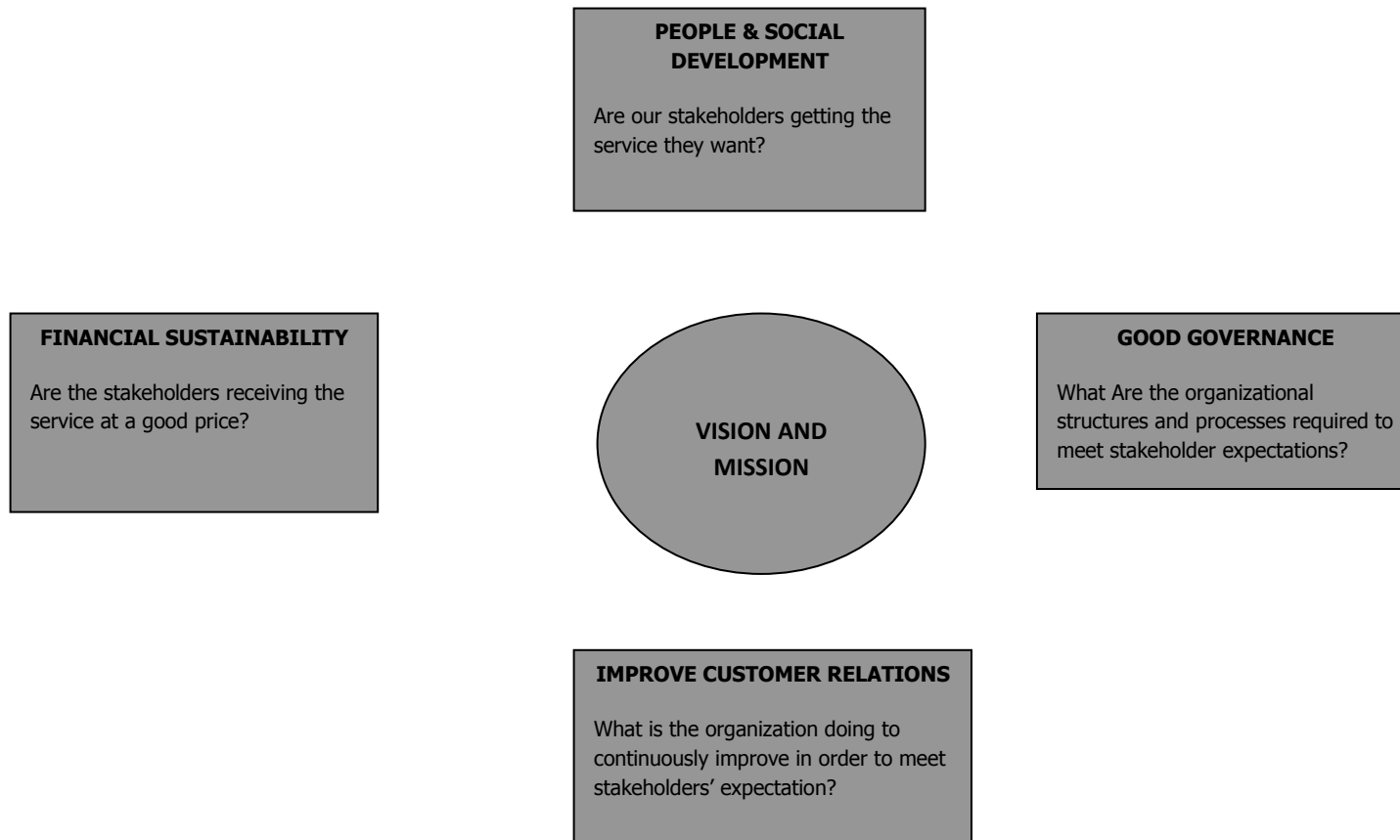
The Strategic Scorecard for Matjhabeng Local Municipality is derived from Matjhabeng's approved Performance Management Framework. The following approach was used in developing the Strategic Scorecard for Matjhabeng Local Municipality:

- The four elements/perspectives of Strategic Scorecard were interpreted and their relevance to Matjhabeng LM was established
- Priority areas as found in different strategic documents were identified
- Strategic objectives were matched against the four Balanced Scorecard elements to establish alignment
- Key Performance Indicators as well as Annual and Quarterly Targets were set.

The National Key Performance Indicators for Municipalities form part of this Balanced Scorecard for Matjhabeng Local Municipality.

NB: THE STRATEGIC SCORECARD BELOW PROVIDES THE FRAMEWORK FOR MANAGING PERFORMANCE IN MATJHABENG LOCAL MUNICIPALITY. THE ACTUAL KPA AND KPI WILL BE FINALISED AFTER THE COMPLETION OF THE REVIEWED ODP

STRATEGIC PERSPECTIVES AND HOW THEY ADDRESS VISION AND MISSION



GIC SCORE SCORECARD PERSPECTIVES VS FIVE KEY PERFORMANCE AREAS

Municipal		SERVICE DELIVERY & INFRASTRUCTURE	LOCAL ECONOMIC DEVELOPMENT	MUNICIPAL FINANCIAL VIABILITY	MUNICIPAL TRANSFORMATION & INSTITUTIONAL.	GOOD GOVERNANCE
Strategic objectives	PEOPLE AND SOCIAL	<ul style="list-style-type: none"> -Welfare Services & Soc. Plan, Climate study -Environmental Management -Upgrade & maintain infrastructure .Bulk 	<ul style="list-style-type: none"> - Job creation - Business Dev. & investment promotion (Sector based) - Poverty alleviation - Spatial Development 	<ul style="list-style-type: none"> - Revenue protection - Correct billing - Data cleansing - Financial recovery Plan - Consumer education - Political will 	<ul style="list-style-type: none"> -Policy analysis & review - By-law enforcement - Policy development & implementation - Inter dept SLA's 	<ul style="list-style-type: none"> -By-law enforcement, Traffic Policing, Fire fighting Security) - Compliance to prescripts - Dev & compliance to
	FINANCIAL SUSTAINABILITY	<ul style="list-style-type: none"> -Customer relation(CRM) - Service points - Incentives schemes consumers 	<ul style="list-style-type: none"> - Access to finance & information - Partnership with development & funding agencies 	<ul style="list-style-type: none"> - Grant expenditure & Management - Revenue protection - Correct billing 	<ul style="list-style-type: none"> -Sound financial management & compliance - Financial Recovery Plan - PMS implementation 	<ul style="list-style-type: none"> -Compliance auditing - Performance Auditing - IGFR - MFMA implementation
	GOOD GOVERNANCE	<ul style="list-style-type: none"> -Maintenance of vehicles, Plant & Equipment - IGR - SDBIP monitoring 	<ul style="list-style-type: none"> - LED Strategy - Alignment with FSGDS - Set up LED component - Strengthening SCM 	<ul style="list-style-type: none"> - Financial Recovery Plan - Credit Control & Debt Mngnt - Data cleansing - Customer relations (CRM) - Revenue Mngmt - Service points 	<ul style="list-style-type: none"> - Effective governance - Welfare serv social plan (EAP) - PMS - Skills Development 	<ul style="list-style-type: none"> - Compliance auditing - Performance Auditing - Performance rewards - Updating of website
	IMPROVE CUSTOMER	<ul style="list-style-type: none"> -IGR - Public participation (IDP) - Spatial development framework 	<ul style="list-style-type: none"> - Skills development - M.I.C.E - SMME incubation 	<ul style="list-style-type: none"> -Consumer education - CRM - Targeted fin mngnt training - Political support 	<ul style="list-style-type: none"> - Org design - Training and Education - Employment equity - Climate study 	<ul style="list-style-type: none"> - Skills development - Performance rewards - Promotions - Multi- skilling

BALANCED SCORECARD PERSPECTIVES VERSUS STRATEGIC OBJECTIVES

PEOPLE AND SOCIAL DEVELOPMENT SERVICE DELIVERY AND INFRASTRUCTURE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Welfare Services & Social Plan	% Compliance to Welfare and Social Plan		10		
Climate study	% Of customer satisfaction survey tool to determine customer satisfaction levels developed and implemented		10		
Upgrade & maintain infrastructure ,Bulk Services.(Electricity ,Water, Waste, Sewer	% Compliance to upgrade and maintenance plan		20		
Housing processes	Provision of Housing – provision of stands and upgrading of existing structures		60		

LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Job creation	- Number of private sector partnership established to exploit job creation -Creation of 800 jobs through the facilitation of strategic projects		20 20		
Business Development & investment promotion (Sector based)	Number of sub strategies completed within the LED Strategy		10		
Poverty eradication	Number of projects to empower and develop communities to eradicate poverty		10		
Spatial Development	Revision of integrated development framework to guide Matjhabeng regeneration		40		

MUNICIPAL FINANCIAL VIABILITY

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Revenue protection	% Increase in revenue		50		
Correct billing	% Decrease in incorrect bills		20		
Data cleansing	Completion of data cleansing of the financial system		10		
Financial recovery Plan	Develop strategy/policy in line with National KPI's and NT fiscal review process		10		
Consumer education	%Increase in revenue as a result of consumer education		5		
Political will	Number of Policy finance related policy directives		5		

MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Policy analysis & review	Number of policies analyzed and reviewed		30		
By-law enforcement	Number of law enforcement notices		40		
Policy development & implementation	Number of policies developed Number of policies implemented		10		
Inter departmental SLA's	No. of Service Level Agreements completed between Directorates		10		
Climate study	% Of survey tool developed & implemented		10		

GOOD GOVERNANCE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
By-law enforcement	Number of by-law operations to decrease by-law transgressions in Matjhabeng		10		
Traffic Policing.	- Number of by-law and roadside management transgressions entered into prosecution system.		20		
Emergency Services	- Number of cases on court roll successfully prosecuted		10		
Security	- % Implementation of Emergency Services & Disaster Management Plan		10		
	% law enforcement documentation finalized within the legal time frame		10		
	% Decrease on municipal property theft				
Compliance to prescripts	Completion of compliance audits		20		
Development & compliance to systems & procedure	Number of systems procedures developed		10		

FINANCIAL SUSTAINABILITY

SERVICE DELIVERY AND INFRASTRUCTURE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Customer relation(CRM)	Completion and implementation of generic customer relations management policy norms & standards & procedures		30		
Service points	Number of service points established		50		
Incentives schemes consumers	Incentive Scheme developed		20		

LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Access to finance & information	Number of people financed & informed through Municipal assistance		50		
Partnership with development & funding agencies	Number of partnerships with development & funding agencies		50		

MUNICIPAL FINANCIAL VIABILITY

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Grant expenditure & Management	% Of Capital grants spent to achieve set outcomes		30		
Revenue protection	-% Of unaccounted for water -% Of unaccounted electricity		10 10		
Correct billing	% Reduction in incorrect bills		10		
Financial recovery Plan	% Contribution to unqualified annual audit report		20		
Data cleansing	% Implementation of Developed Data Cleansing Programme		20		

MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Sound financial management & compliance	Development of compliance checklist		20		
Financial Recovery Plan	% Contribution to unqualified annual audit report		20		
PMS implementation	% Rollout of performance management system for the first 4 reporting level		40		
Role clarification	Completion of Functional Organizational Structure		20		

GOOD GOVERNANCE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Compliance auditing	% Compliance to legislation		50		
Performance Auditing	% Compliance to PMS legislation and regulations		20		
IGFR	% Completion and implementation of a strategy and plan of action for municipal intergovernmental fiscal relations		10		
MFMA implementation & monitoring	% Compliance		20		

GOOD GOVERNANCE

SERVICE DELIVERY AND INFRASTRUCTURE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Maintenance of vehicles, Plant & Equipment	Number of vehicles, plant and equipment maintained		50		
IGR	% Completion and implementation of IGR Strategy and plan of action		30		
SDBIP monitoring	Number of monitoring meetings		20		

LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
LED Strategy	Number of strategies completed within the integrated economic development strategy		50		
Alignment with FSGDS	% Alignment of MLM Infrastructural IDP with FSGDS		10		
Set up LED component	Completion and population of LED organogram		10		
Strengthening SCM	- Alignment of BEE and Affirmative procurement policies to national (DTI/EE Act) - Number of contractors appointed in terms of emerging contractor development programme		15 15		

MUNICIPAL FINANCIAL VIABILITY

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Financial Recovery Plan	Number of employees formally informed about Financial Recovery plan		10		
Credit Control & Debt Management	Number of competent staff members employed at Credit Control and Debt Management		30		
Data cleansing	% decrease in incorrect data		10		
Service points	Number of service points established		20		
Incentive for collections	Completion and implementation Incentive scheme for collection		20		
Customer relations (CRM)	Completion and implementation of generic customer relations management policy norms & standards & procedures		10		

MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Effective governance	% Compliance to Legislation as well as Council rules & regulations		30		
Welfare services social plan (EAP)	% Compliance to Welfare and Social Plan with regard to EAP		10		
PMS	% Rollout of performance management system for the first 4 reporting level		30		
Policy Dev. & Implement.	Number of policies developed Number of policies implemented		10		
Skills Development	% Compliance to targets in Matjhabeng and Directorates' skills development plan		20		

GOOD GOVERNANCE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Compliance auditing	Number of compliance audits performed		30		
Performance Auditing	Number of PMS audits performed		30		
Performance rewards	Number of staff members rewarded for good performance		30		
Updating of website	Number of updates on MLM website		10		

IMPROVE CUSTOMER RELATIONS

SERVICE DELIVERY AND INFRASTRUCTURE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
IGR	% Completion and implementation of IGR Strategy and plan of action		10		
Public participation (IDP)	Number of IDP public participation meetings on infrastructural issues		50		
Spatial development	Developed spatial development framework		30		
Ward committees training	Number of workshops held for ward committees around infrastructural issues		10		

LOCAL ECONOMIC DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Skills development	Number of people trained in comprehensive business planning		50		
M.I.C.E	Number of LED M.I.C.E held		20		
SMME incubation	Number of SMME's put into incubation programme		50		

MUNICIPAL FINANCIAL VIABILITY

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Consumer education	Number of consumers trained in LED initiatives		50		
CRM	Completion and implementation of generic customer relations management policy norms & standards & procedures		20		
Targeted financial management training	Number of financial training workshops		20		
Political support	Number of policies & directives issued		10		

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Organizational design	% Completion of the Organizational Development Programme		40		
Training and Education	% Managers trained through Leadership Development Programme		40		
Employment equity	% Compliance to targets set in the Matjhabeng LM and Directorates' EE Plan		10		
Climate study	% Of survey tool developed & implemented		10		

GOOD GOVERNANCE

STRATEGIC OBJECTIVES	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	WEIGHT	ACTUAL PERFORMANCE	PERFORMANCE SCORE
Skills development	Completion of executive leadership development programme for senior management		30		
Performance rewards	Number of staff members rewarded for good performance		30		
Promotions	Completion & implementation of Promotion Policy		10		
Updating of website	Number of updates on MLM website		10		
Multi- skilling	Development & implementation of multi-skilling programme		10		

SEVEN NATIONAL KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL TARGET	WEIGHT	PERFORMANCE SCORE
The percentage of households with access to basic level of water, electricity and waste removal	100% Water 70% Electricity 100% Waste removal	10 10 10		
The percentage of households earning less than R1100 per month with access to free basic services	90% by June 2007	10		
The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the Municipal's IDP	100%	30		
The number of jobs created through the Municipality's local economic development initiatives including capital projects	800	5		
The number of people from the employment equity target group employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	50% of posts	5		
The percentage of a municipality's budget actually spent on implementing its workplace skills plan	20%	5		
<u>Debt recovery</u> = (Total		5		

KEY PERFORMANCE INDICATOR	ANNUAL TARGET	ACTUAL TARGET	WEIGHT	PERFORMANCE SCORE
<p>Operating revenue received – Operating Grants)/ <u>Debt service payments due in the financial year</u>. (i.e. interest + redemption). <u>Outstanding service debtors to revenue</u> = Total outstanding debtors to revenue / Annual revenue actually received for services. <u>Cost coverage</u> = All available cash at a particular time + investments/ <u>monthly fixed operating expenditure</u></p>		<p>5</p> <p>5</p>		