

LEJWELEPUTSWA DISTRICT  
MUNICIPALITY  
INTEGRATED DEVELOPMENT  
PLAN  
2017-2022

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## EXECUTIVE MAYOR'S FOREWORD

The President declared 2017 as the Year of Oliver Reginald Tambo. As we honour the life of O R Tambo, it is important that we do it in style by pushing back the frontiers of poverty. We honour an activist and a volunteer, whose participation in the people's struggle was not motivated by the desire for personal enrichment, but for the good of the people as a whole.

President OR Tambo was an icon who was opposed to a South Africa divided along racial, gender and ethnic lines. He was a unifier who understood the importance of unity in the struggle for freedom.

As we look at ourselves today comparing with other nations of the world. Our state of affairs is a clear indication that our democracy is maturing and moving towards the developed countries

This IDP is within the context of the country entering the third decade of freedom and forth generation of IDP's. To this end, the country has a vision with a clear plan which provides a road map for the future, known as Vision 2030 and the National Development Plan.

The Premier of Free State Province, Honourable E.S Magashule, in his State of the Province Address highlighted a need to align IDP with NDP.

In accordance with the provisions of the laws that govern the affairs of the municipality, consultation with the local community with a view to present the 5 year IDP and Budget review is being concluded.

It is for this reason that this current 5 year IDP and Budget will be externally focused, driven by community needs and geared towards meeting community aspirations gleaned from stakeholder consultations and engagements throughout.

This IDP is premised on the facilitation of investment for potential investor in our region. The investment summit paved a way for future development in the region. The guidelines serve as catalyst in avoiding costly delays.

Chapter 4 of the Municipal Systems Act 32 of 2000 makes community participation in the affairs, programmes and activities of the municipality a legal obligation.

This IDP is therefore the culmination of a lengthy process of consultation with the local community.

Accordingly, this IDP carries the aspirations of the masses of our community. Therefore, this IDP must be seen as a beacon of hope that will continue to guide us over the next four year in our collective endeavors of building a better life for all our communities.

The Back to Basics Approach that was introduced by President Jacob Zuma serves as guidelines. Municipalities have been called to go back to basics by putting people and their concerns first and ensuring constant contact with communities through effective public participation platforms, and also to create conditions for decent living by consistently delivering municipal services to the right quality and standard.

We remain committed to the realization of the 5 National Key Performance Areas of municipalities, being the following:

Good Governance and Public Participation

Municipal Transformation and Organizational Development

Basic Infrastructure and Service Delivery

Local Economic Development

Municipal Financial Viability and Management

This IDP together with its projects and implementation focus relates more strongly to the capital budget.

Our IDP will go a long way in improving the quality of life of our community by broadening accessibility and alleviating poverty. As such, as the forth generations of IDP commences, we are poised to accelerate service delivery in line with the Local Government Strategic Agenda.

The HIV/AIDS pandemic has been identified as one of our priority issues that require immediate action. Our unparalleled initiative in this regard is at an advanced stage and it is hoped that in conjunction with other key role-players our efforts to deal with this pandemic will make a meaningful difference to our people.

The financial management of our District deserves a special mention in that, in the previous years, Lejweleputswa District Municipality has achieved consecutive unqualified audit reports and this tells something about this municipality's ability in good governance both in financial and non-financial terms.

We have worked hard to deliver on many fronts and it is the same time again when we have to take the battle to the new financial year

EXECUTIVE MAYOR

CLLR SEBENZILE NGANGELIZWE

## SECTION: A

### EXECUTIVE SUMMARY

#### **Area composition of the municipality**

Lejweleputswa District Municipality has been established in terms of section 14 of the Local Government: Municipal Structures Act, Act No 117 of 1998 and was published in the Provincial Gazette No 109 dated 28 September 2000 and came into being on 06 December 2000. The district is one of the four district municipalities in the Free State. The other three are; Thabo Mofutsanyane in the north east; Fezile Dabi in the north as well as Xhariep in the south east. There is one Metropolitan municipality, Mangaung, which is located in south east. The area of jurisdiction of Lejweleputswa District Municipality includes the following five municipalities:

- Masilonyana
- Tokologo
- Tswelopele
- Matjhabeng
- Nala

#### **Masilonyana Local Municipality**

The Masilonyana area of jurisdiction is located in the Southern part of Lejweleputswa District Municipality's area of jurisdiction and is surrounded by local municipalities of Matjhabeng, Tswelopele, Tokologo, Mangaung, Mantsopa and Setsoto. The municipal area comprises the towns of Winburg, Theunissen, Brandfort, Verkeerdevlei.

There are no major centres within the municipal area and the closest cities are Bloemfontein, Welkom and Kroonstad.

The area has been identified as having contested areas that Municipal Demarcation Board intends to incorporate into Mangaung Local Municipality through processes of boundary re-determination. The most important occurrence over the past few years was the erection of the tollgate on the N1, in the vicinity of Verkeerdevlei.

### **Tokologo Local Municipality**

The area of jurisdiction in the Tokologo Local Municipality is situated in the Lejweleputswa District Municipality region. The former Dealesville, Boshof, Hertzogville Transitional Local Councils and sections of the former Western, Central

South and Bloemfontein District TRCs are included in the regions. The residential areas include the following areas:

Hertzogville/Malebogo, Boshof/Kareehof/ Seretse and Dealesville/ Tswaranang and covers an area of approximately 11 933.24 km<sup>2</sup>.<sup>1</sup> .

### **Tswelopele Local Municipality**

The Tswelopele Local Municipality was established in terms of section 14 of the Local Government: Municipal Structures Act, Act No 117 of 1998) and was published in Provincial Gazette no 109 dated 28 September 2000 and came into being on 06 December 2000. The new Local Municipality is a category B Municipality with a plenary executive system as contemplated in Section 3(b) of the determination of types of Municipality Act, 2000 (Act No 1 of 2000). Tswelopele Local Municipality is situated in the north western part of the Free State within the regional boundaries of Lejweleputswa District Municipality. The Local Municipality comprises two urban areas/ centres namely Hoopstad/ Tikwana and Bultfontein/ Phahameng, which are 60 km from each other, as well as their surrounding commercial farmland, and rural areas as demarcated by Municipal Demarcation Board<sup>2</sup> .

### **Matjhabeng Local Municipality**

Economic factors also played a role and a number of towns originated as service centres for the surrounding farming community of the town resulted in a fast growing city where economies of scale started to play a role.

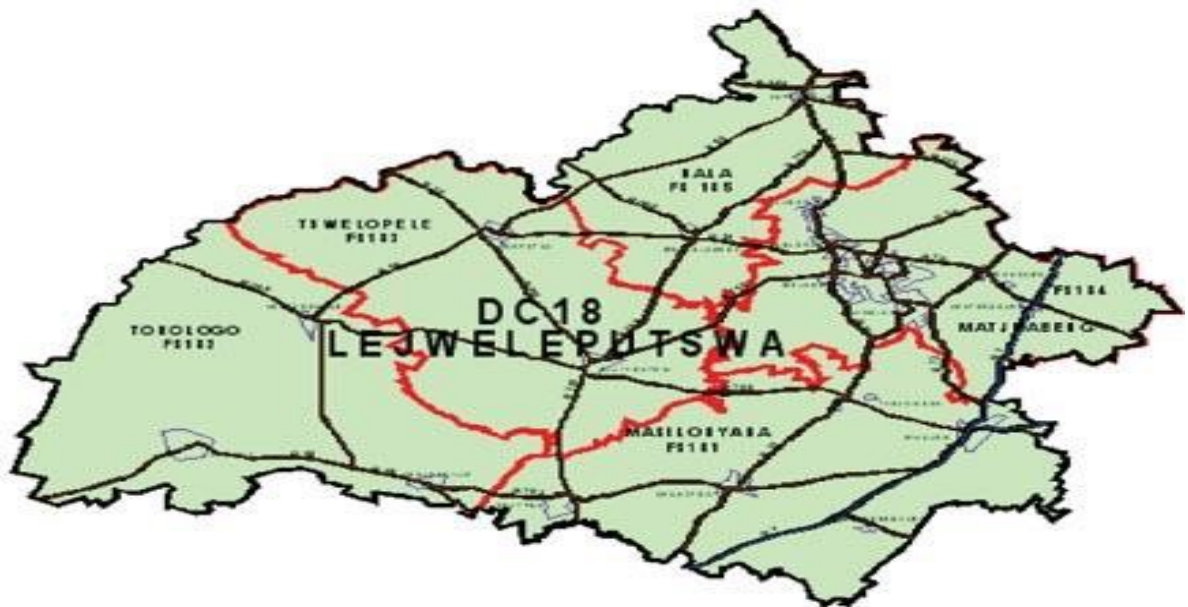
The mining sector has been in a process of restructuring for some years and is still retrenching staff, which is particularly affecting the mining towns of Welkom, Virginia, Odendaalsrus and Allanridge.

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The sudden surge in petrol prices nationwide would indeed exacerbate the already negative economic growth in the area in terms of employment opportunities. It is also estimated that most of the retrenched labour, mainly unskilled, remains in the region and adds to the social problems associated with declining economic conditions. As local municipalities plan, it is incumbent upon all of us to ensure that we take into account estimated figures of retrenched staff to project future service delivery demands. This will be reinforced by the development of an indigent policy and implementation of the same.

#### Nala Local Municipality

Wesselsbron and Bothaville function as individual administrative unit with the bulk of the administration being done from Bothaville, which is also the seat of the Council in the area. Technical expertise in all fields of local government, including town planning, engineering, financial, legal and health services is either available from in-house professionals or from specialist consultants in these fields, located either locally or in nearby towns.



Map 1 - Lejweleputswa District

				
<p><b>Masilonyana</b></p> <p><input type="checkbox"/> Theunissen</p> <p><input type="checkbox"/> Verkeerdevlei</p> <p><input type="checkbox"/> Brandfort</p> <p><input type="checkbox"/> Soutpan</p> <p><input type="checkbox"/> Winburg</p> <p><input type="checkbox"/></p>	<p><input type="checkbox"/> <b>Tokologo</b></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/> Dealesville</p> <p>Boshof</p> <p>Hertzogville</p>	<p><input type="checkbox"/> <b>Tswelopele</b></p> <p><input type="checkbox"/></p> <p>Bultfontein</p> <p>Hoopstad</p>	<p><b>Matjhabeng</b></p> <p><input type="checkbox"/> Welkom</p> <p><input type="checkbox"/> Ventersburg</p> <p><input type="checkbox"/> Hennenman</p> <p><input type="checkbox"/> Virginia</p> <p><input type="checkbox"/> Allanridge</p> <p><input type="checkbox"/> Odendaalsrus</p>	<p><input type="checkbox"/> <b>Nala</b></p> <p><input type="checkbox"/></p> <p>Bothaville</p> <p>Wesselsbron</p>

The following maps indicate spatial locations of each of the municipalities and can be compared to map 1 as shown above.

*Note "Soutpan" in Masilonyana has been demarcated under Mangaung Metro.*

### Governance issues

The municipality is currently governed by the troika. The executive Mayor- **Cllr Sebenzile Ngangelizwe** at the political helm of the municipality, together with The Speaker of council who presides over council meetings. The third is the Municipal Manager, who is the administrative head of the municipality.

The Speaker is the chairperson of council and is responsible for managing and setting council meetings. Council sits at least four times a year on ordinary council meetings whilst there is also a plan for special council sittings in the same financial year. The role of the Executive Mayor is assisted by members of the mayoral committee who are effectively the political heads of departments in the municipality. This is the second structure that provides oversight on municipal programmes. The sessions are called once a quarter to discuss progress and challenges that the municipality faces. Next to the mayoral committee are the portfolio committees of each department, whose meeting schedule complies with mayoral committee sittings. The flow of information and items that must serve in council is such that the management committee, chaired by the municipal manager, first convenes meetings on a monthly basis to develop items and discuss challenges faced during programme implementation.



AUDIT COMMITTEE MEMBERS		
1	CHAIRPERSON	MR NS MAROTA
2	MEMBER	ADV. K KHONKHE
3	MEMBER	MR JL MAKORO
4	MEMBER	MR. NL MASOKA
5	MEMBER	MR. T MOTSOIKHA

Other structures of council are the audit committee which has five members sourced externally for a period of three financial years (**see above table**); the municipal public accounts committee on the annual report (see **below**), chaired by Cllr David Masienyane, established in a council meeting of the 12<sup>th</sup> March 2014, appointed for a term which corresponds to the term of sitting council.

#### Municipal Public Accounts Committee

- Cllr NV NTAKUMBANA (Chairperson)
- Cllr V QABELA
- Cllr KSV MOIPATLE
- Cllr MG MAFAISA
- Cllr NE MONJOVO
- Cllr XN MASINA
- Cllr DA NJODINA
- Cllr MM SNYER
- Cllr Dr JS MARAIS
- Cllr LJ NANYANE
- Cllr SDM TALJAARD

The audit committee is an on-going function compliant to legislation and supports the internal audit unit on matters of internal audits of the municipality. Part of the responsibilities is to ensure that portfolio of evidence for work done is readily available for the external audit.

Other internal committees established in line with legislation and functional in the municipality are supply chain linked bid committees. These are the specification committee, the evaluation and adjudication committees.

The municipality also has four (4) section 80 committees established as portfolio committees and they are

Finance & IDP portfolio committee, Corporate Services portfolio committee, LED & Planning portfolio and Environmental and Disaster Management portfolio committee. All these committees are politically headed by their respective Members of the Mayoral Committee (MMCs) to carry out their duties by ensuring all items that go to the Lejweleputswa council have served before their portfolio's, Mayoral Committee and eventually reach the council.

### **Training Committee**

The district municipality has the training committee comprising of officials representing their respective departments and management and it is chaired by the MMC for Corporate Services. The purpose of the training committee is to cater for training needs of the employees and align them with the challenges identified in the IDP of the municipality to empower them to perform their duties efficiently. Any other matter related to training and education is dealt with by this committee (e.g. Bursary policy & Workplace skills Development Plan).

### **Local Labour Forum**

The forum is functional and is constituted by two unions representing the interests of their members, the management represented by Corporate Services Executive Manager and the employer represented by the MMC for Corporate Services.

Other important issues of public participation are dealt with by Office of the Speaker. They are responsible for ward committee oversight at the district level. They ensure that elections take place as well as training of ward councillors and ward committees succeed. The district has 72 wards from all the 5 local municipalities. The method of community consultation is done as per legislation but the municipality has a draft community participation policy which has not yet served in council.

Other policies which served in the council included the fraud prevention policy and code of ethics which were noted and a public consultation process is still to be undertaken. One of the processes that the municipality undertakes to ensure that communities are informed of planning for the district relates to the public hearings on IDP and budget.

### **Lejwe-le-putswa Development Agency**

Lejweleputswa District Municipality established Lejwe-le-putswa Development Agency in 2005 in terms of section 84 of chapter 10 of Municipal Finance Management Act, no 56 of 2003 hereinafter referred to as the LDA. The main objectives of the LDA is to promote economic development in the District to create jobs and wealth, reduce poverty levels and promote Lejweleputswa region as a commercial hub and also function as springboard for Private, Public Partnership (PPP) for the District

The LDA receives its developmental mandate from Lejweleputswa District Municipality and thus accounts to the District Municipal Manager with regard to progress reports on projects being implemented. It also provides monthly reports to the Industrial Development Corporation (IDC) because of the funding it receives from the IDC.

The LDA consists of administration led by the acting CEO, three (3) permanent staff members and the agency has employed Finance Manger on month to month basis.

#### **LDA Board Members**

CHAIRPERSON	: MR. SS MTAKATI
DEPUTY CHAIRPERSON	: LR MUTSI
MEMBER	: MS MME NTHONGOA
MEMBER	: MS M MOSALA
MEMBER	: MR AZ NDLALA

#### **Institutional arrangement issues**

The municipality has appointed Municipal Manager, Mme Palesa Kaota who started in July 2013. She heads a structure of employees located within four departments of Finance, Economic Development and Planning, Environmental Health and Disaster Management, Corporate Services as well as Municipal Manager's Office. The other departments of the Offices of the Speaker and the Executive Mayor fall within council general and are therefore reporting to the Corporate Services department but essentially are semi-independent departments on operational issues as they sign for procurement issues from within their respective departments.

The Municipal Manager is responsible for the staff establishment in terms of the Municipal Systems Act, no 32 of 2000 and each financial year a structure that is geared towards implanting the IDP and budget is brought before council as an integral part of the IDP for adoption. Currently there are two (2) senior positions that are vacant, that is the position of **Economic, Small Business & Rural Development, Agriculture and Tourism** and **Environmental Health Services and Disaster Management**. It is therefore logical that the municipal structure would be revised as and when conditions arises to beef it up in line with the powers and functions assigned to the Lejweleputswa District Municipality.

Apart from the structure, we also have a **workplace skills plan** that support the structure of council when it comes to skills development and this responsibility is the prerogative of Corporate Services on behalf of council.

The municipality has a functional PMS which is currently confined to reviews only for senior managers of the institution. It is linked to performance agreements and SDBIP from each

department and senior management positions have budget set aside for performance bonuses in instances where such are due through substantive assessments made and qualified as per the Performance Management Policy.

The intergovernmental relations processes have been planned for in the IDP and are an integral part of municipal programmes. The accounting officer is the custodian of the IGR process and ensures that all the monitoring and evaluation, technical and political legs sit and are functional in terms of interventions on service delivery.

We are conscious of branding the municipality in as broadly as possible. Whilst ensuring that we perform our legislative mandate, we ensure that we market ourselves through our website where information regarding our structures and related programmes are located. As part of our mandate to ensure that we comply with legislation, we ensure that local newspapers are used to disseminate information to the public.

## **VISION**

**“A LEADER IN SUSTAINABLE DEVELOPMENT AND SERVICE DELIVERY TO ALL”**

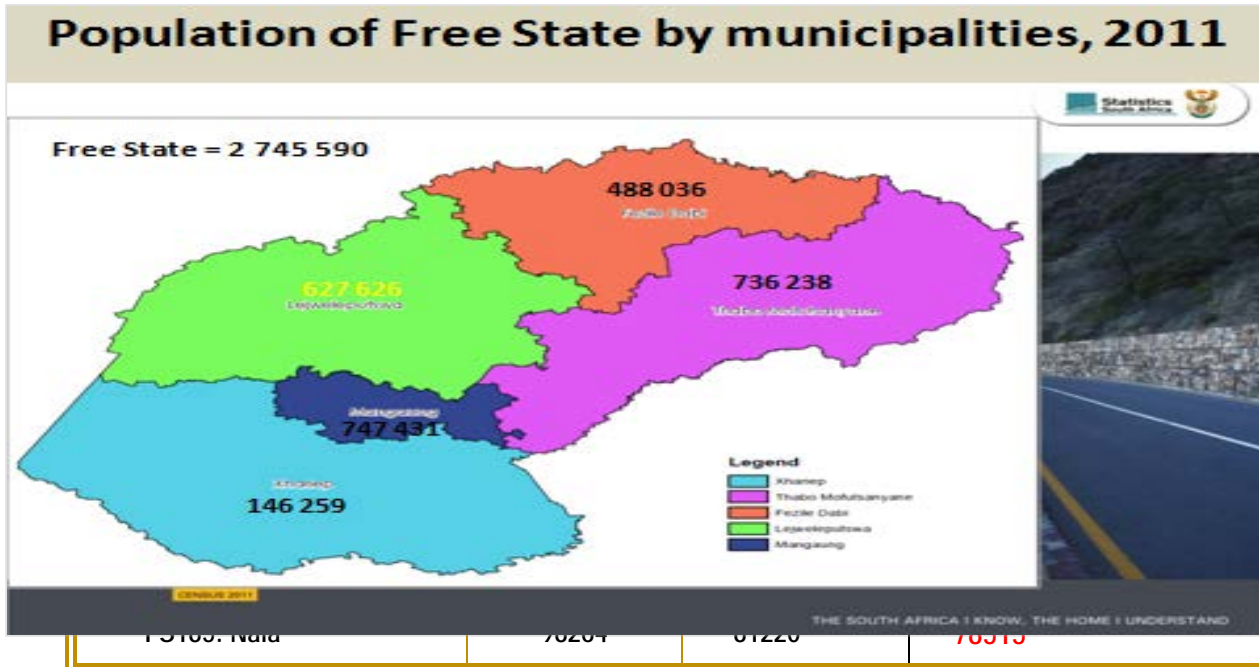
## **MISSION STATEMENT**

**THE LDM STRIVES TO ACHIEVE ITS VISION THROUGH**

- 1. PROVIDING SOUND FINANCIAL MANAGEMENT**
- 2. PROVIDING EXCELLENT, VIBRANT PUBLIC PARTICIPATION AND HIGH QUALITY LOCAL MUNICIPAL SUPPORT PROGRAMMES (linked with4)**
- 3. ENHANCING HIGH STAFF MORALE, PRODUCTIVITY AND MOTIVATION**
- 4. MAINTAINING GOOD WORKING RELATIONS IN THE SPIRIT OF CO-OPERATIVE GOVERNANCE**

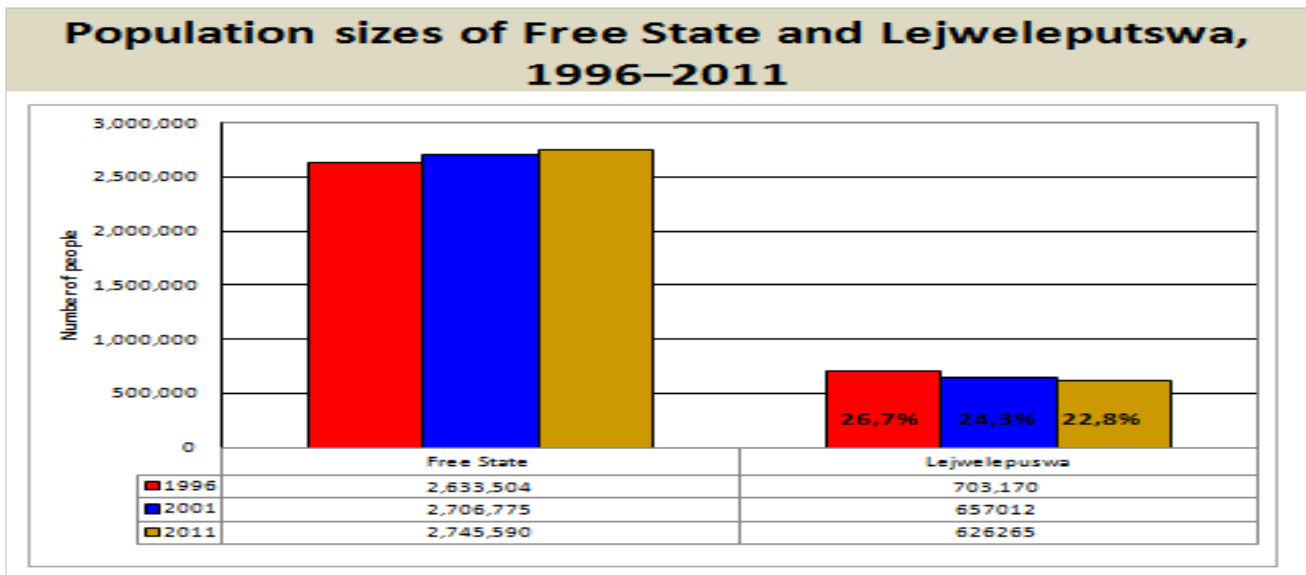
## **THE VALUES OF THE LDM ARE THE FOLLOWING**

- 1. INTEGRITY**
- 2. HIGH WORK ETHICS**
- 3. OPENNESS**
- 4. TRANSPARENCY**
- 5. HONESTY**
- 6. CONSULTATION**
- 7. PROFESSIONALISM**



Statssa: Census 2011

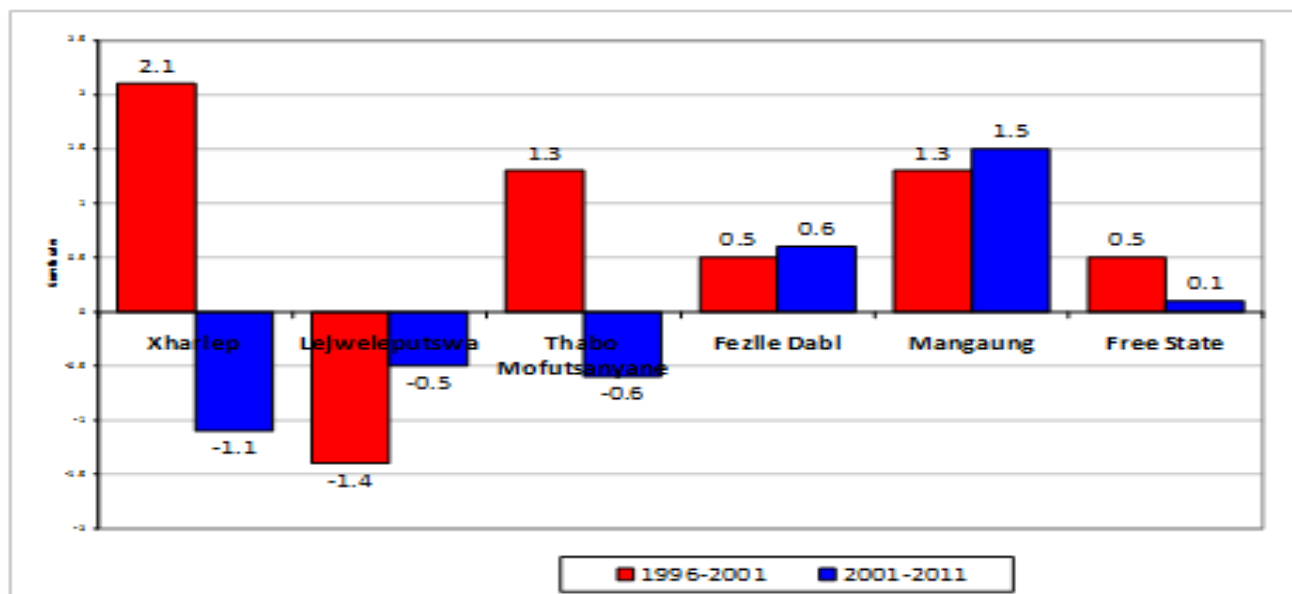
The table above indicates that the population of the district has decreased from figures of 2001 to 627 626 in 2011. The decrease is much more pronounced over a ten year period in municipalities such as Nala, Tswelopele and Tokologo Local Municipalities respectively with Nala being the hardest hit



Statssa: Census, 2011

The table above makes a comparative analysis of the growth patterns between the Free State Province and Lejweleputswa District over a 15 year period and depicts that while the population of the province has marginally increased (from 2.633,504 in 1996 to 2.706,590 in 2011 during that period the District one has registered a negative growth from (703,170 in 1996 to 626,265 in 2011). The population of the Lejweleputswa now constitute 22, 8% of the entire Free State population

### Population growth rates of Free State by municipalities, 1996–2011



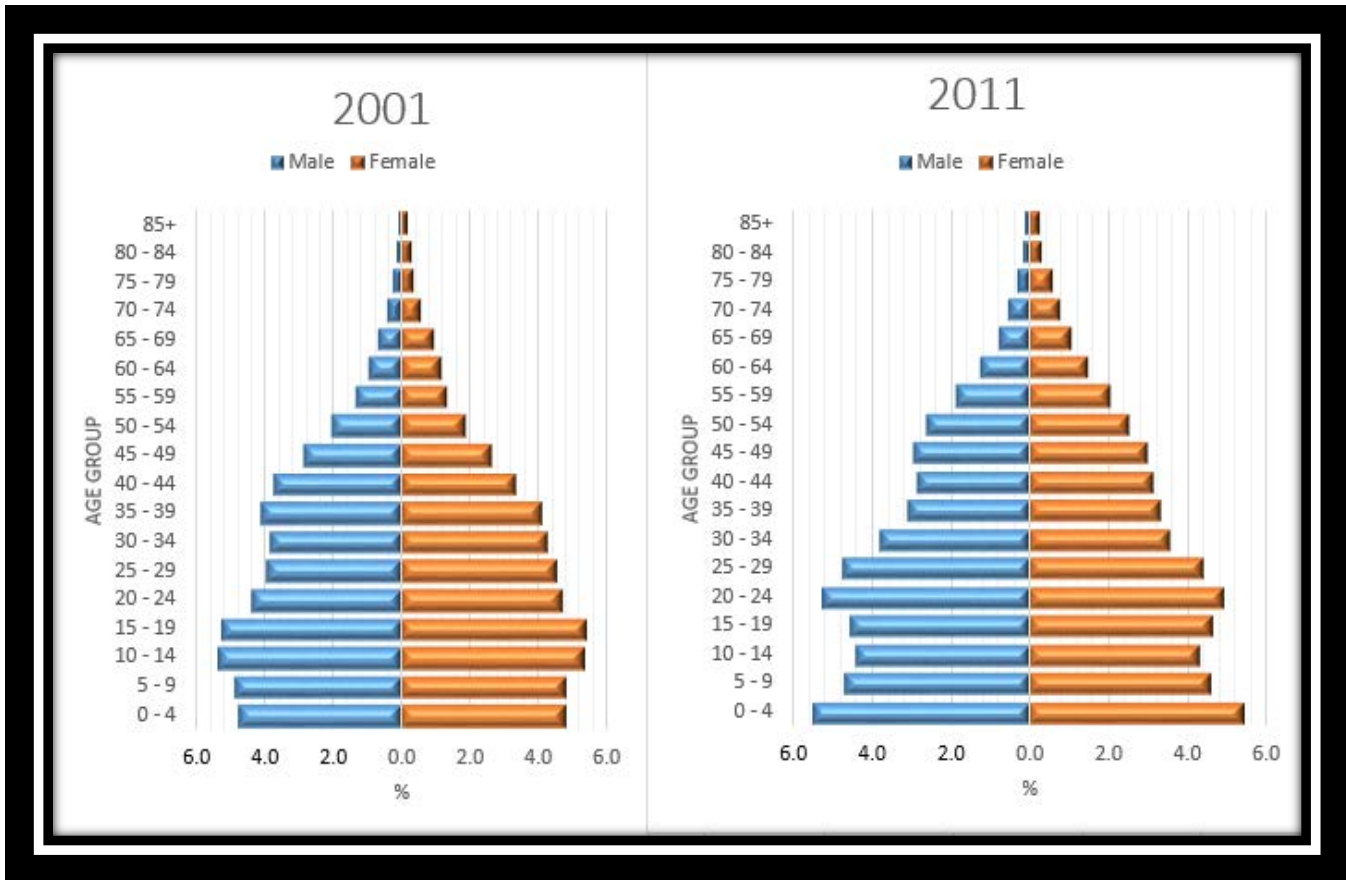
Statssa: Census, 2011

The table above illustrate population growth rates of Free State by municipalities over a period of 15 years in terms of which municipalities had a positive growth and those that experienced negative growth. The Lejweleputswa District has been experiencing a negative population growth between 1996 and 2001 which was -1.4 and between 2001 and 2011 which registered at -0.5 during the 2011 population census. This is contrary to provincial figures which increased from 2,655 504 in 1996 to 2,745 590 in 2011. Lejweleputswa District Municipality is the most affected of all the district municipalities in the Free State because it registered negative growth in both official censuses mentioned above. The only Free State district and metropolitan municipalities that have shown an increase in growth are Mangaung (1.5%) and Fezile Dabi (0.5%). **This shows that planning must be geared towards addressing issues concerned with causes of emigration from the district to other provinces.**

### 3.1.2. Population Distribution

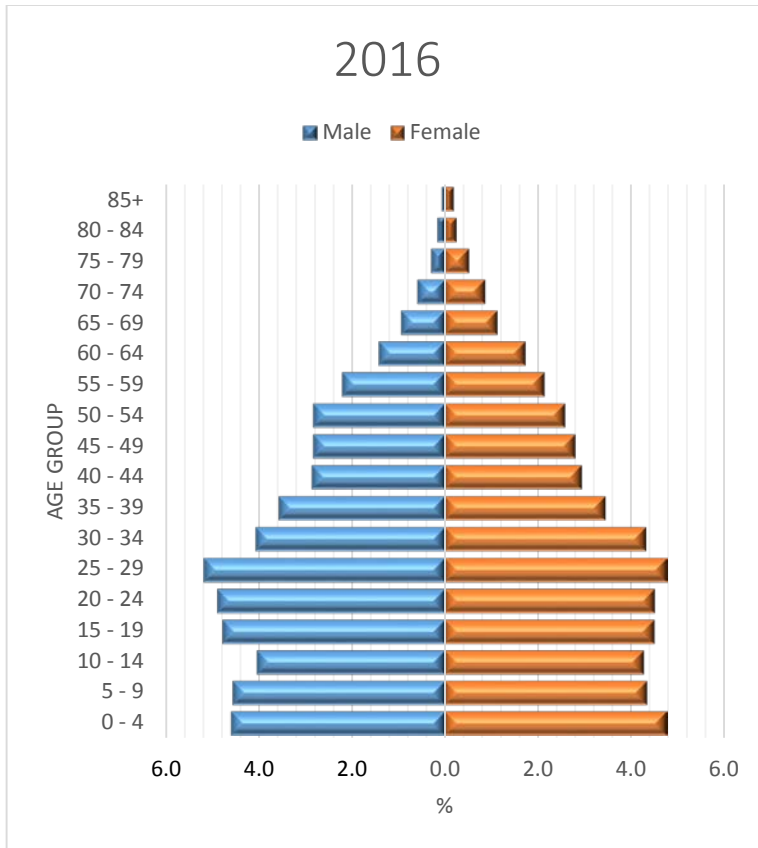
POPULATION DISTRIBUTION OF LEJWELEPUTSWA BY AGE AND SEX, 2001 AND 2011





Statssa: Census, 2011

The figure above is statistically referred to as the population pyramid which gives a district population distribution by age and sex over a ten year period, in the district. The comparison between the two figures is that in 2001 there was a high infant mortality rate between the ages of (0-4) while in 2011 the bottom of the figure is enlarged which implies that many children were born and this could also be attributed to the MTC transmission medication being made available to pregnant mothers. The similarities between the two figures are that the concentration of a bigger number of both sexes is around the ages of between 18 and 35 for the ten year period. Therefore it is crystal clear that the Lejweleputswa district population is very young and energetic thus the provision of employment to youth in Lejweleputswa is crucial and the region has potential to grow economically due to its young population.



CS 2016

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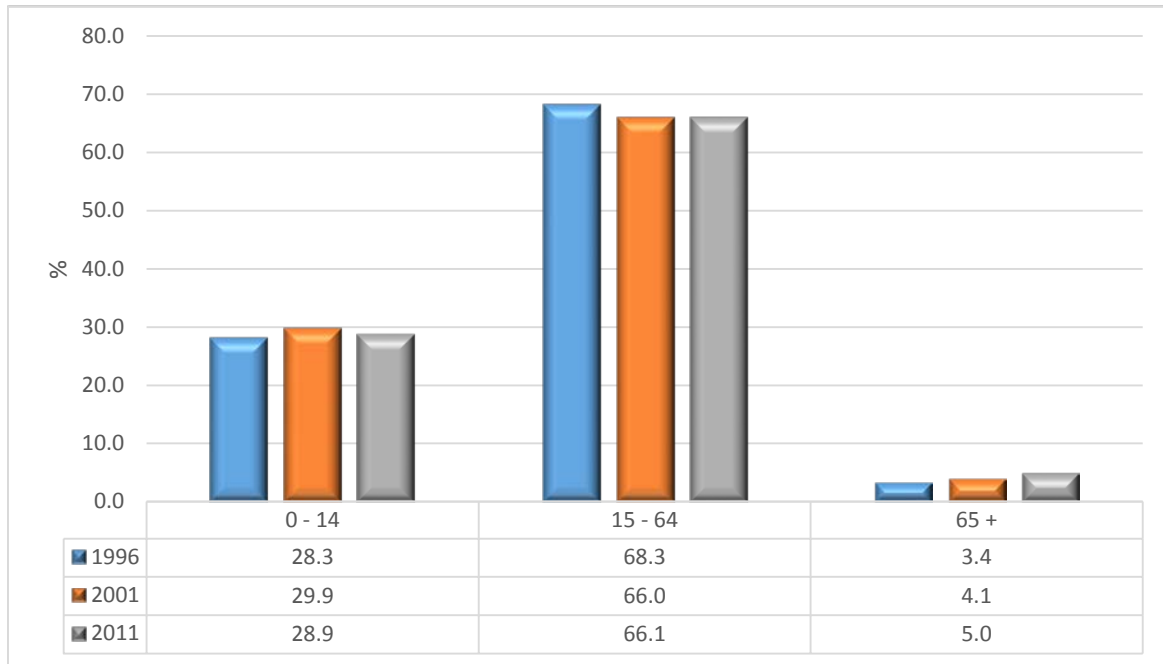
## Population distribution by province of birth, Free State Municipalities, 2011

Place of usual residence	Province of birth									
	WC	EC	NC	FS	KZN	NW	GP	MPU	LIMP	Outside RSA
Free State	19 555	67 757	27 861	2 316 399	27 487	26 712	71 574	12 282	16 361	68 896
Xhariep	1 322	4 072	4 187	125 557	610	761	1 905	298	537	2 438
Lejweleputswa	4 115	26 361	5 427	515 354	4 681	8 137	11 654	2 745	3 383	22 825
Thabo Mofutsanyane	2 866	5 224	1 921	663 654	11 635	2 887	15 534	2 722	2 977	12 087
Fezile Dabi	3 405	9 105	2 933	393 461	4 713	7 137	26 882	4 196	5 166	8 308
Mangaung Metro	7 846	22 995	13 393	618 373	5 848	7 790	15 600	2 322	4 297	23 238

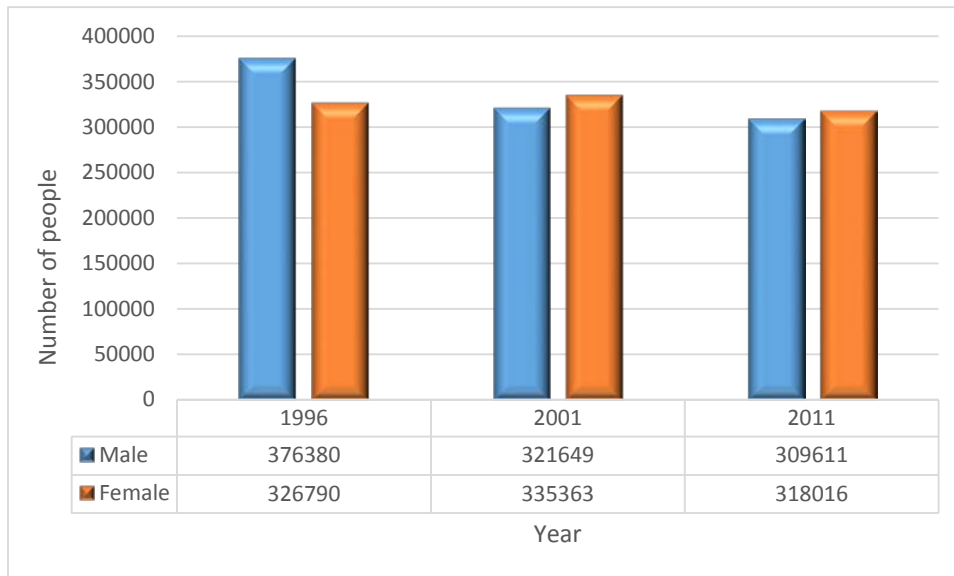
Statssa: Census, 2011

The above figure points to places of births of residents from the nine provinces. Of the 626 626 people registered as residing in Lejweleputswa, only 515 354 were born here. The rest come from other provinces as well as outside of the country. In fact, 22 825 come from outside of the country and the remainder originate from other provinces in the country: Western Cape (4115); Eastern Cape (26 361); Northern Cape (5427); KZN (4681); NW (8137); GP (11 654) MP (2745) and Limpopo (3383). The above figures show that the biggest contributor immigrants in the district is Eastern Cape with 26 361 people.

**POPULATION COMPOSITION**



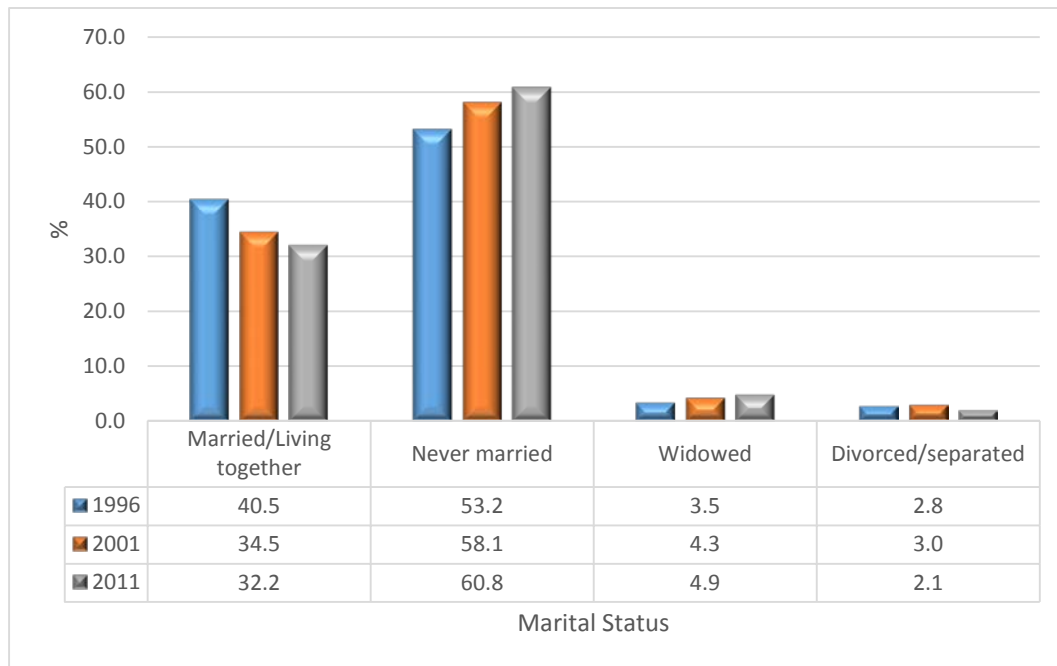
Statssa: Census, 2011



Statssa: Census, 2011

The two tables above depict a very interesting story about population composition and distribution by sex. The first one shows that there were more numbers between the ages of 15 and 64 in a 15 year period than any other age grouping. Instead there was steady decline in the number of people in the age category of 0-14 over the same 15 year period. Numbers for pensioners have been steady during the period. Population distribution by sex within the 15 year period has also been quite steady. It also shows that females are dominant sex ranging from 52, 8% in 1996 to 51, and 5% in 2011.

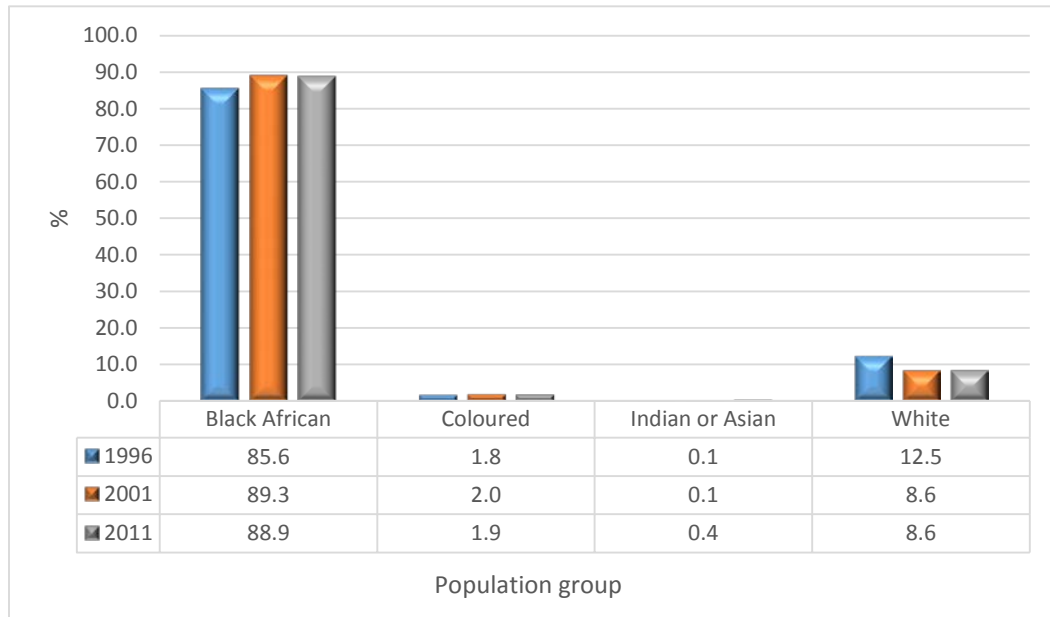
**PERCENTAGE DISTRIBUTION OF LEJWELEPUTSWA POPULATION BY MARITAL STATUS, 1996-2011**



Statssa: Census, 2011

The table above is about the marital status of the population of Lejweleputswa District over a 15 year period and it reveals that the percentage of married couples/ those living together as partners declined from 32,7% in 1996 to 31,8 % in 2011 while those who never married increased from 59,4% in 1996 to 60,9%. The percentage of widowed slightly increased from 4, 2% in 1996 to 4, 6% in 2011 and that of divorced couples/separated decreased from 3, 7% in 1996 to 2, 7% in 2011

**PERCENTAGE DISTRIBUTION OF LEJWELEPUTSWA POPULATION BY POPULATION GROUP, 1996-2011**

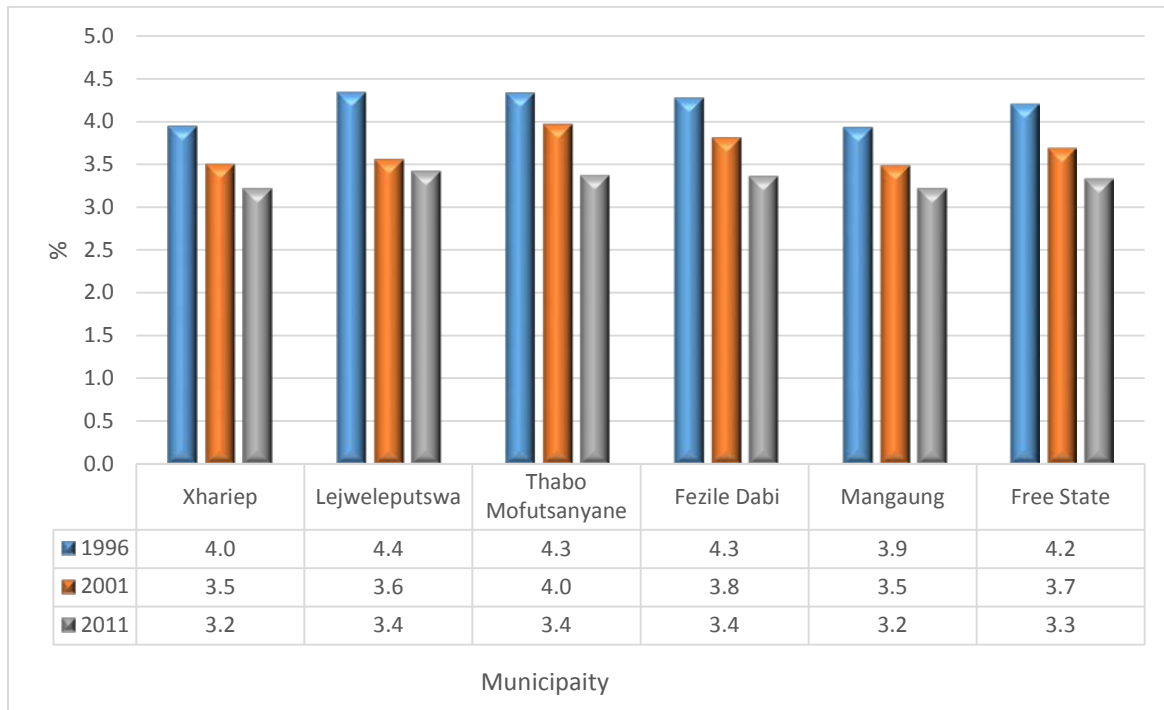


Statsa: Census, 2011

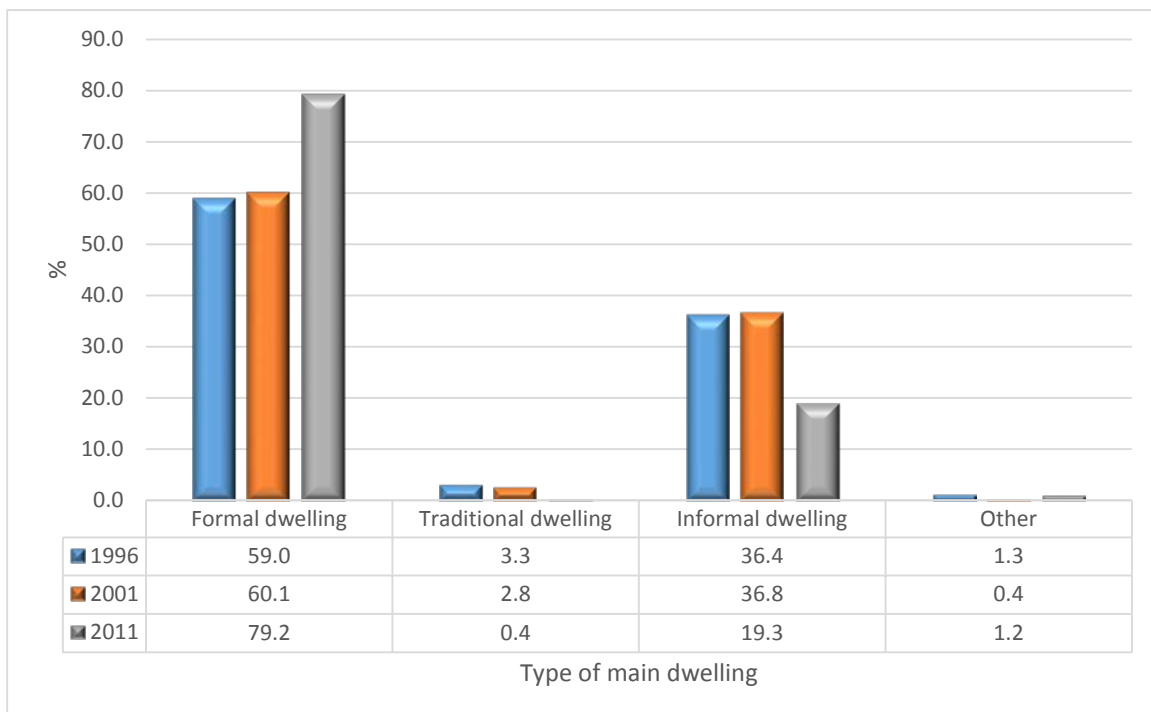
The majority of the population in the Lejweleputswa District has always been black African for the 15 year period with a small difference over the period ranging from 82.2% in 1996 to 77.0% in 2011, followed by white population group with 22, 0% in 1996 to 20, 2% in 2011 and the third being coloured population with 5, 0% in 1996 to 5, 2% in 2011.

**Household and services**

**AVERAGE HOUSEHOLD SIZES FOR FREE STATE MUNICIPALITIES, 1996-2011**

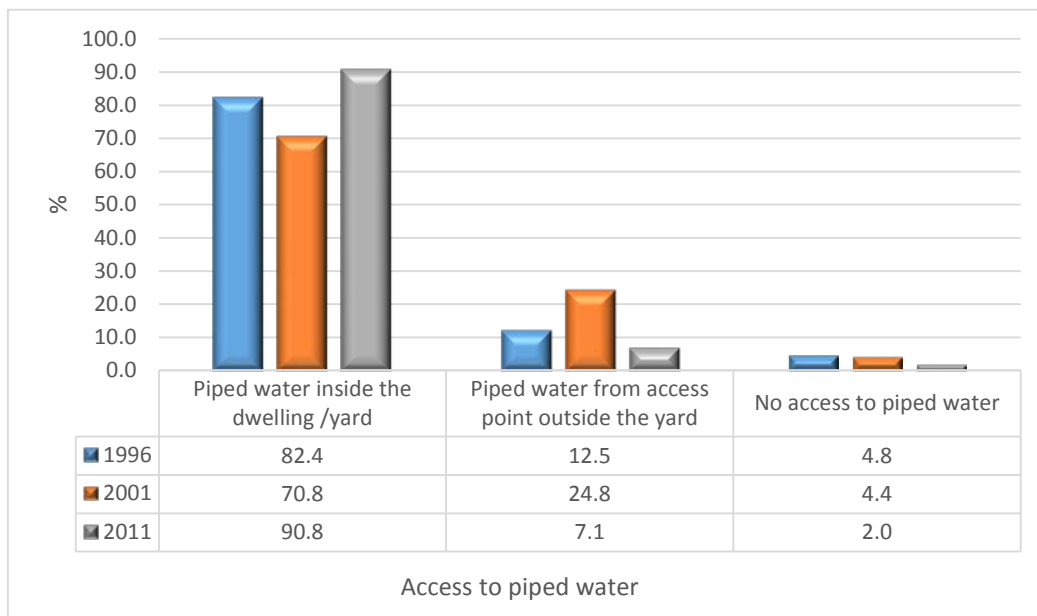


**PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF MAIN DWELLING, LEJWELEPUTSWA, 1996-2011**



The average household size of people living in the district has always been lower than that of the province. In 1996, the average household size of population in the district has been 3, 8% compared with that of the province which was at 4,0% for the same period. The picture is somewhat the same 20 years later with the district at 3, 3% whereas the provincial figures stood at 3, 4%. These decline could be interpreted to mean that young adults move out of their parents' homes to establish own homes in the forms of shacks in other places or have successfully lined up to get own RDP houses. This is the part that government needs to comprehend and act decisively on because there is a need for increased basic services everywhere.

#### PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY ACCESS TO WATER, LEJWELEPUTSWA, 1996-2011

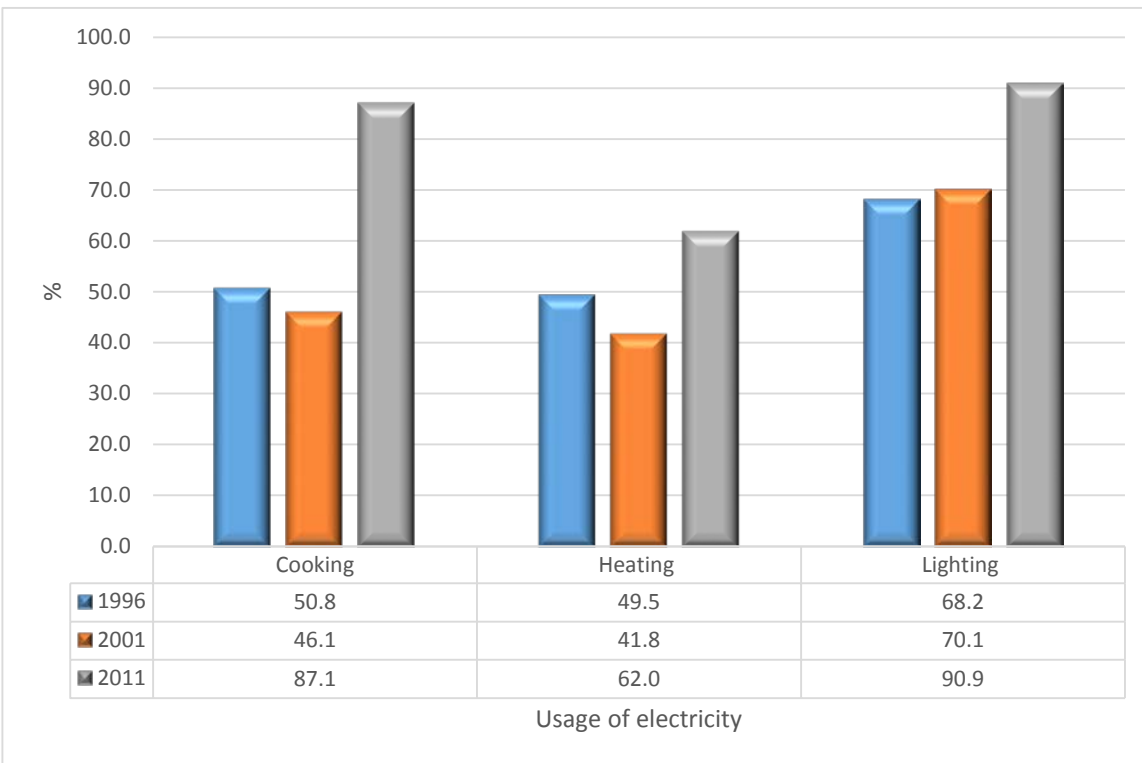


Statssa: Census, 2011

There has been increased in the provision of piped water since 1996 from 65.7% to 86.7% in 2011. Piped water provision has an impact on the provision of drinking through avenues like communal stand pipes. The table shows a comprehensive picture whilst there was increased provision of piped water, there was also a decrease in the number of people who report to source their water elsewhere other than in piped water. People who indicated that they do not have access to piped water have decreased from the 1996 figures of 2.6% to 2.1% in 2011. People who indicated that they access water through communal stand pipes have decreased from 31.7% in 1996 to 11.2% in 2011. The 13.3% of people who do not have access to piped still require improvement in the water service in the district.



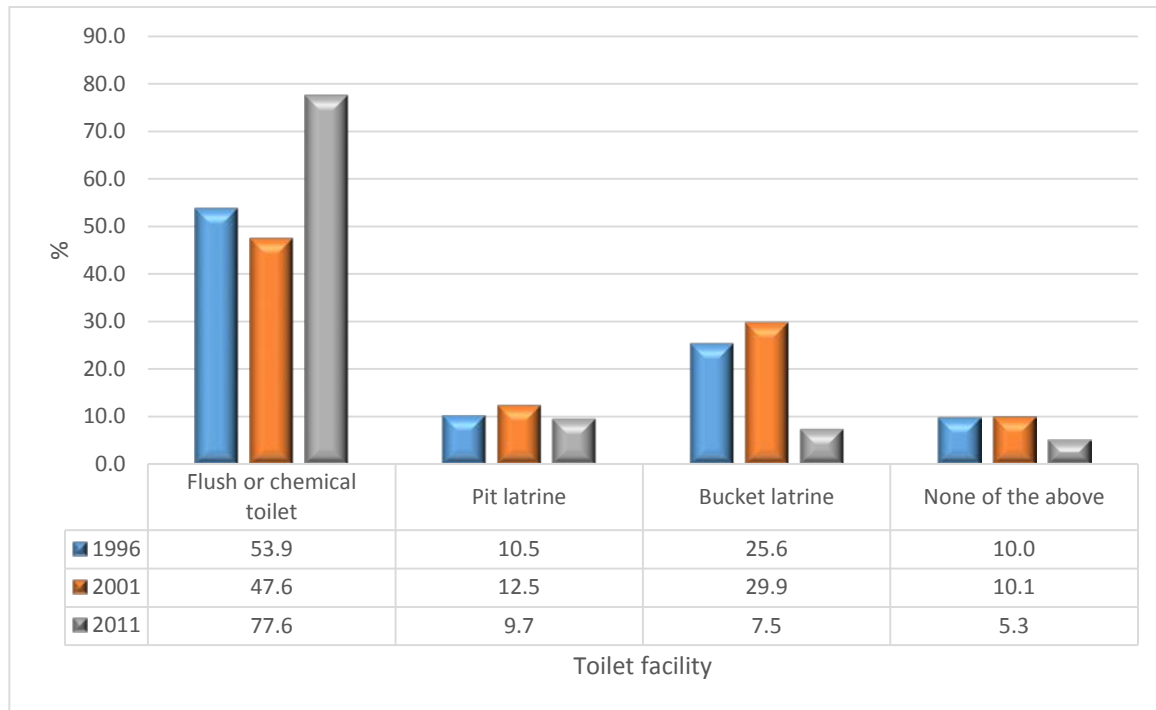
**PERCENTAGE DISTRIBUTION OF HOUSEHOLDS USING ELECTRICITY, LIGHTING, COOKING AND HEATING, LEJWELEPUTSWA, 1996-2011**



Statssa: Census, 2011

It has become known that people have been using electricity for lighting more than cooking and heating. The figures above are an illustration of this point. The % of using electricity for lighting has staggered upwards from 61.6% in 1996 to 91.4% in 2011. It is also interesting though that electricity has also been preferred of late for cooking purposes with 88.5% of the population using it for cooking. Urbanization could have been the factor for families to now use electricity than other forms of energy to cook. We know that there were other forms of methods used in the past to prepare fire than to use electricity because at the earlier times, electricity was not accessible to the majority of the people.

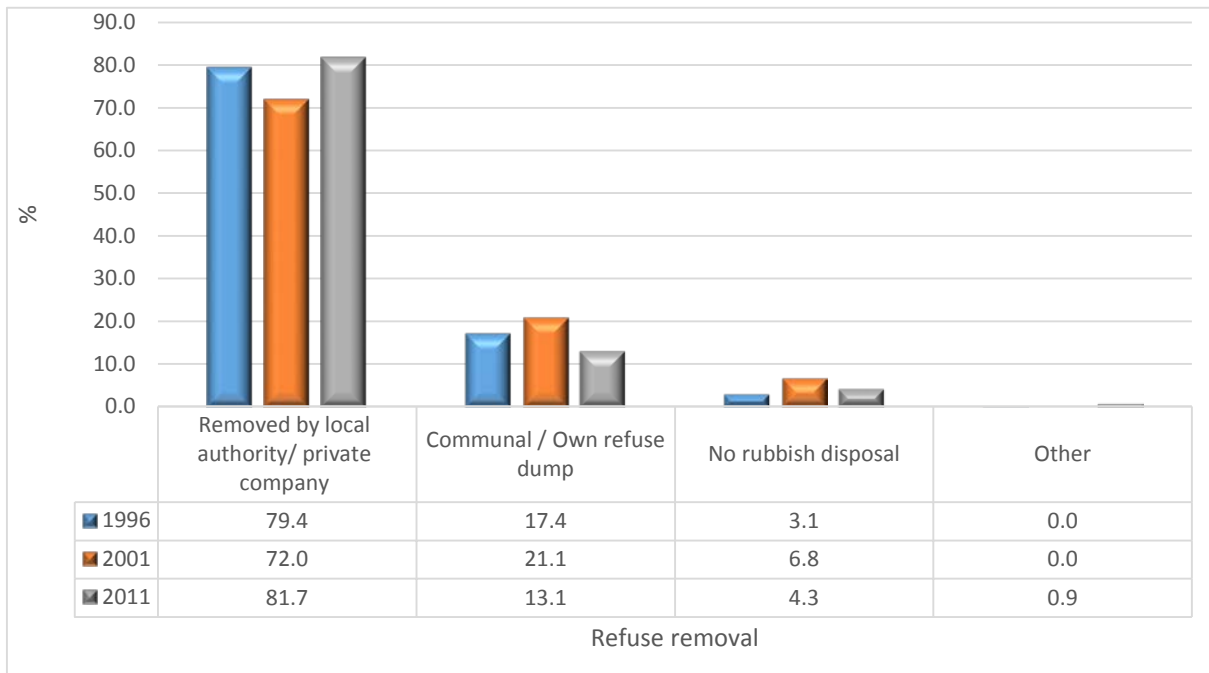
**PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF TOILET FACILITIES, LEJWELEPUTSWA, 1996-2011**



Statssa: Census, 2011

There have been improvements in ridding ourselves of the backward forms of toilet facilities from especially that of buckets to flush and in some instances, the chemical toilets. In some areas where there were no toilets at all, pit latrines were recommended as temporary measure. The figures above paint a promising picture though that we are working towards eradication of all forms of backward toilet facilities to more modern and acceptable forms. The number of people who have access to flush/chemical toilets increased from 53, 9% in 1996 to 79, 2% in 2011 and those using pit latrines decreased from 10, 5% in 1996 to 9, 9% in 2011. The backlog of bucket system was reduced from 25,6% in 1996 to 7,6% in 2011 and those who do not have access to any form of toilets was decreased from 10,0% in 1996 to 3,3% in 2011. There is still some way to traverse the challenges though.

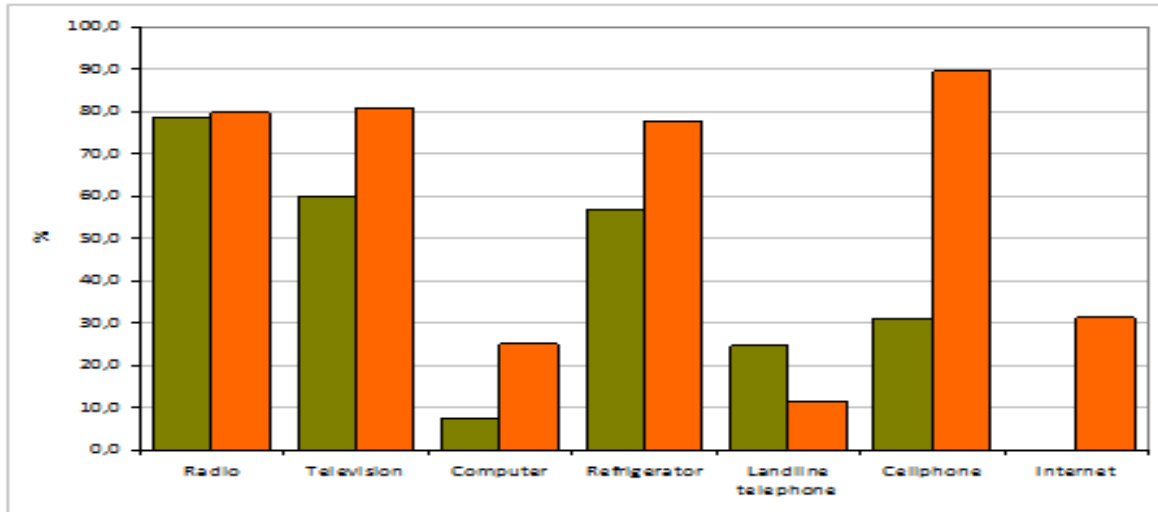
**PERCENTAGE DISTRIBUTION OF HOUSEHOLDS BY TYPE OF REFUSE DISPOSAL, LEJWELEPUTSWA, 1996-2011**



Statssa:  
Census,  
2011  
The role  
of local

municipality playing a pronounced role in removing refuse has improved from 70,5% in 1996 to 81,8% in 2011. The Local and private company roles have ensured that refuse removal is speeded up. There are challenges though where we still have communities dumping own refuse. In this case municipalities have resorted to by-laws that are intended to discourage such behaviours. In this district in particular, there was a decrease in instances where communities dump own refuse from 18.1% in 1996 to only 14.7% in 2011. This remains one of the areas of concerns in order to quell rampant infiltration by rat family. The area of Welkom is known for rodent infestation for some time now quick and improved service regarding refuse removal would play a key role in ensuring that infestation is kept to a minimum

## Percentage distribution of households with specified items, Lejweleputswa: 2001 and 2011

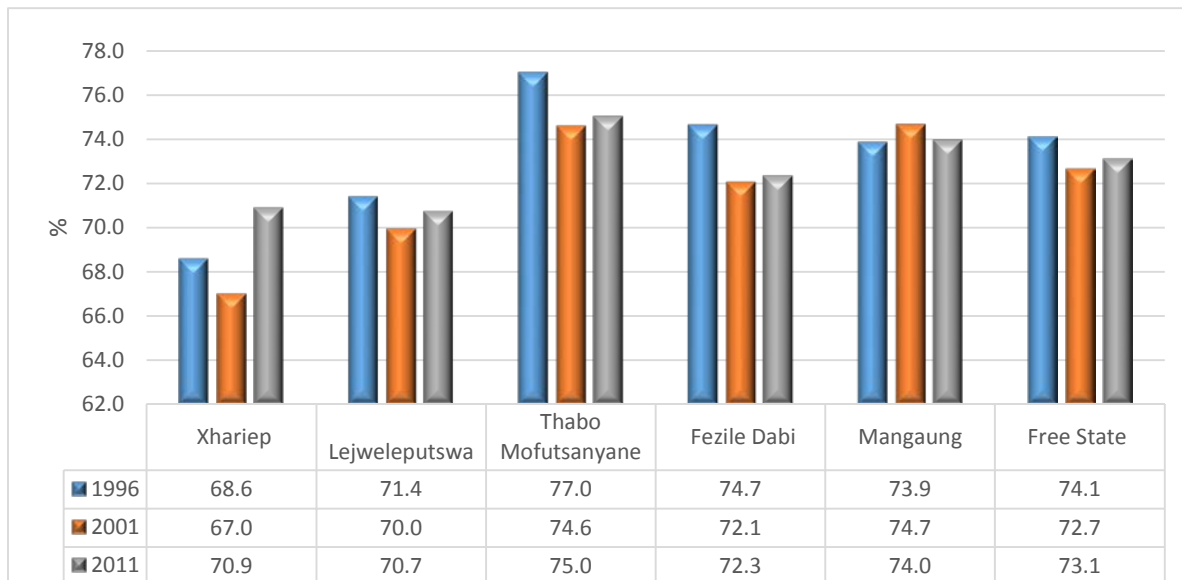


Statssa: Census, 2011

The table above reflects the increase in the number of households in Lejweleputswa who use specified items such as radio increased from 79,0% in 2001 to 80,0% in 2011, television increased from 60,0% in 2001 to 80,0% in 2011, access to computers increased from 8,% in 2001 to 25,% in 2011, refrigerators increased from 58% in 2001 to 78% in 2011, landline telephones decreased from 25% to 21% and the use of cellphones increased from 30% to 90% and internet to 30% over a 10 year period.

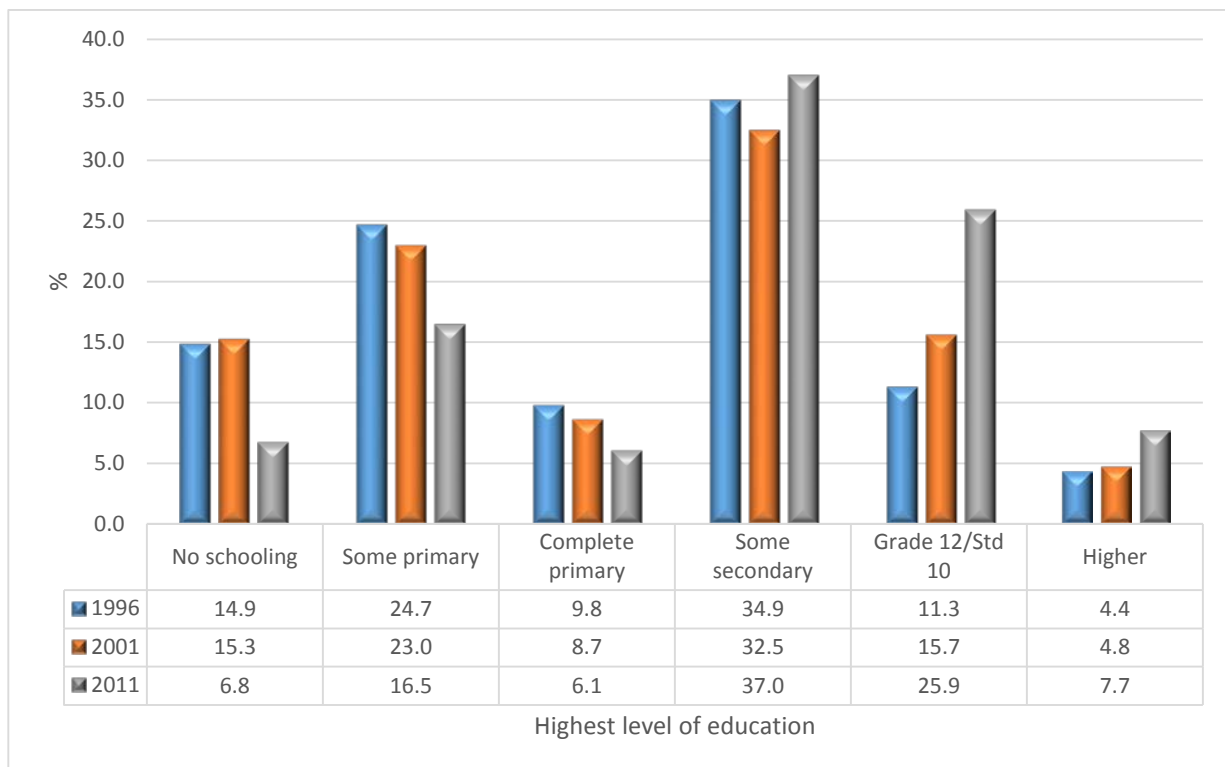
### Educational status

#### PERCENTAGE DISTRIBUTION OF POPULATION AGED 5-24, BY SCHOOL ATTENDANCE AND MUNICIPALITY, FREE STATE, 1996-2011



Statssa: Census, 2011

#### PERCENTAGE DISTRIBUTION OF POPULATION AGED 20+ BY HIGHEST LEVEL OF EDUCATION, LEJWELEPUTSW, 1996-2011

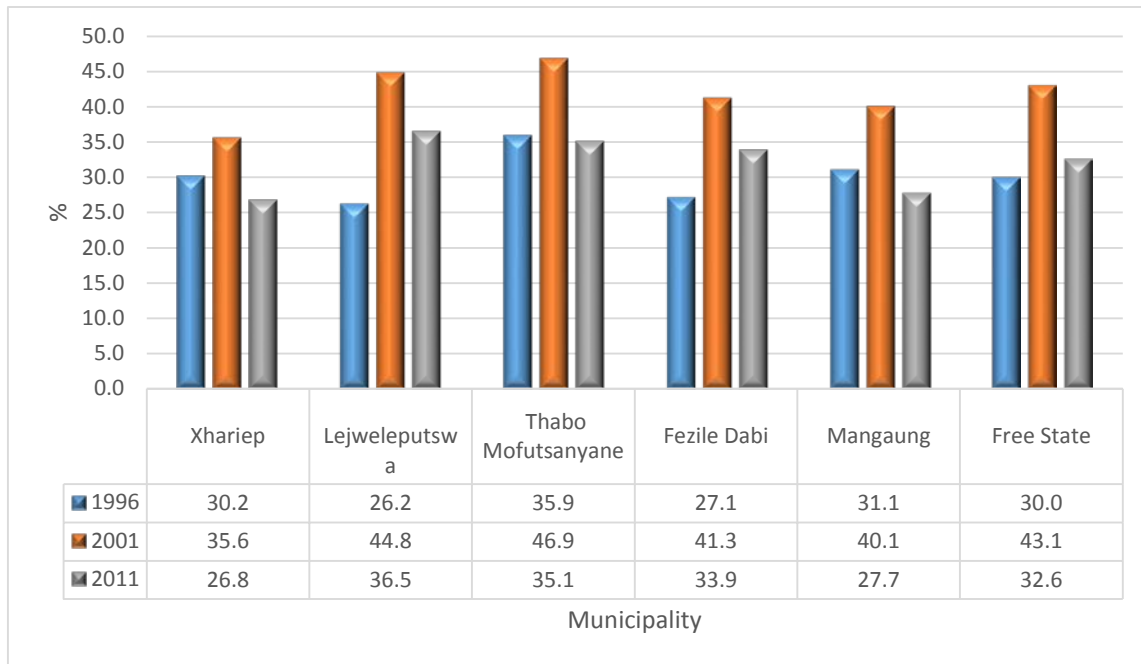


Statssa: Census, 2011

The education system has shown steady improvement in encouraging learners to pass matric to enter tertiary education. The graph above is illustration of the state of education in the district. For instance, people who reported that they are not attending school have decreased over the 20 year period to 4.3% from 10.1% in 1996. The picture shows improvement in matriculation status as is the case with higher education from an 8.2% in 1996 to 13.8% in 2011.

## Employment status

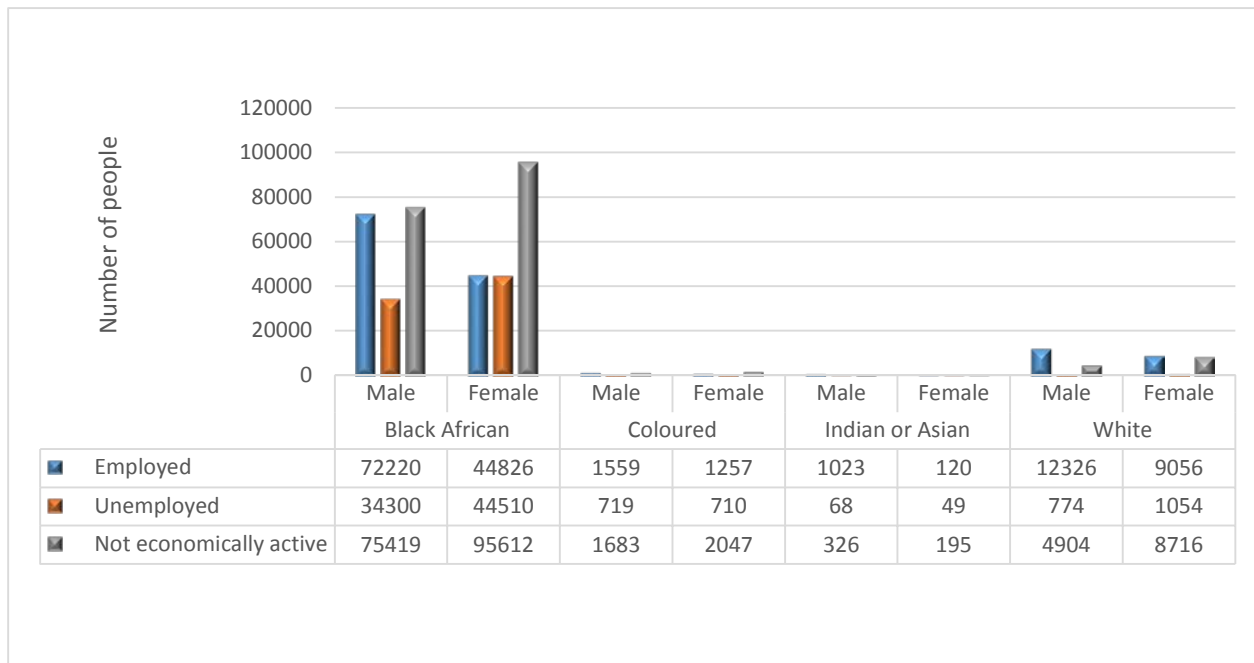
### UNEMPLOYMENT RATES (OFFICIAL DEFINITION) OF FREE STATE MUNICIPALITIES, 1996-2011



Statssa: Census, 2011

The district is one of the worst municipalities with highest rate of unemployment in the Free State province in the 2011 census. It is standing at 36.5%. Although the picture for all municipalities is not satisfying, in the Free State, Lejweleputswa has the highest numbers of unemployment. This must be attributed partly to mining closures. The revival of the district agency must be to establish some form employment opportunities in the district. Mining closures do not help the situation either. There must be strategies used by local economic development agencies to steer the employment in the right direction. Efforts must be to engage youth to establish sustainable enterprises.

**EMPLOYMENT STATUS BY POPULATION AND SEX OFFICIAL EMPLOYMENT STATUS BY POPULATION GROUP AND GENDER IN LEJWELEPUTSWA**



Statssa: Census, 2011

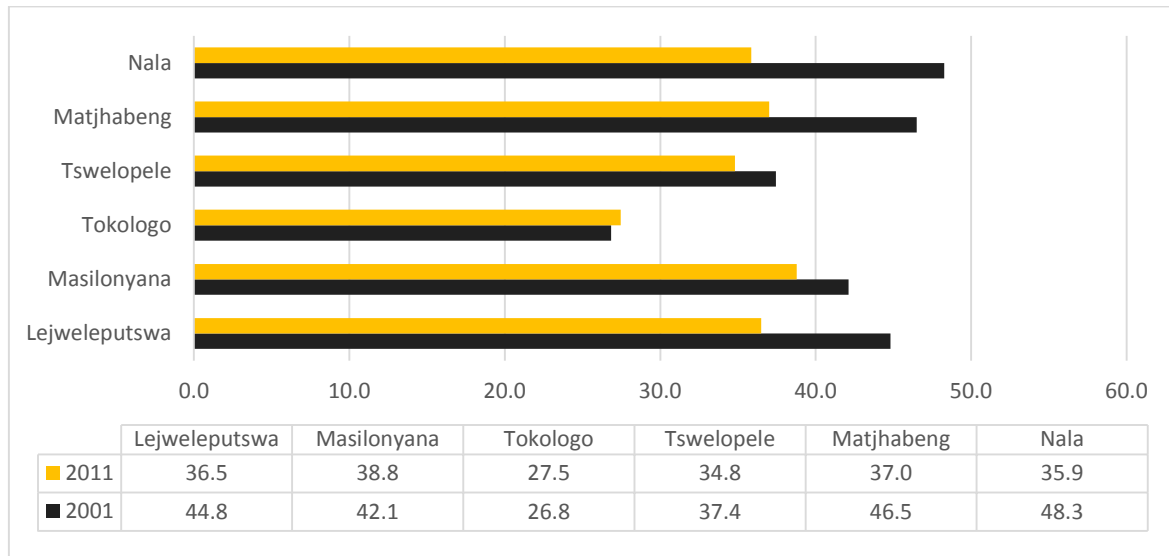
The table above depicts the official employment status by population group and gender in the Lejweleputswa District, with black African male being the highest with **72220** employed followed by African female at **44826**, and white males with **12326** employed, and white females at **9056**, male coloured at 1559 and coloured female at **1257**. The Indian, male employment is at **1023** while female Indians is **120**.

The unemployment of Black African male is **34300**, and Black African female is **44510**. The White male unemployment is standing at **774** and White female the rate of unemployment is at 1054. The Coloured male unemployment is at **719** and the Coloured female is **710**. The Indian male is 68 and Indian female is at **49**.

It is quite clear that the Black African population group is the most affected both males and females and the district should focus on creating more employment opportunities to significantly reduce the rate of unemployment from **36, 5%** to **5%** by 2030.



## Lejweleputswa Youth Unemployment rate

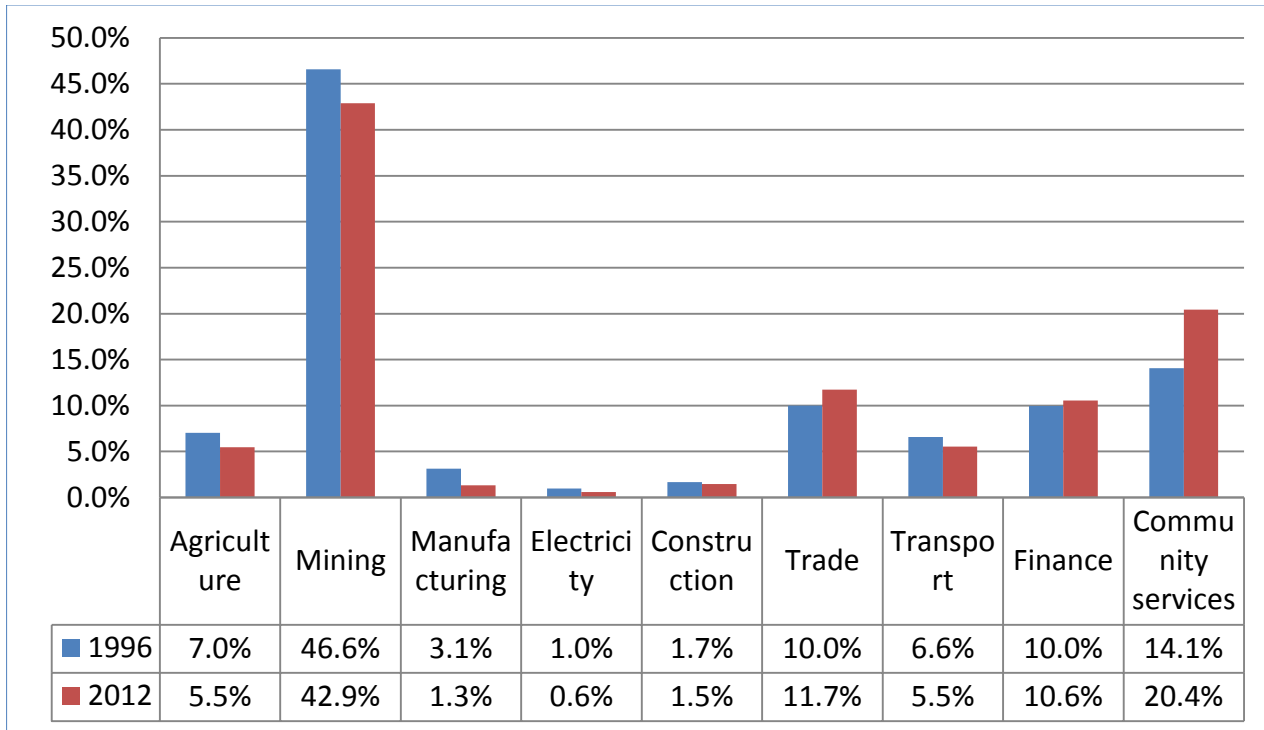


Statssa: Census, 2011

The table above depicts a picture of the youth unemployment in Lejweleputswa with Masilonyana being the hardest hit municipality at a rate of **38.8%** unemployment followed by Matjhabeng with **37.0%**, Nala standing at **35.9%**, Tswelopele at 34.8% and Tokologo being the least with **27.5%**.

This situation calls for Lejweleputswa to prioritize youth and women when embarking of EPWP projects and SMME's development in an attempt to address youth and women unemployment.

## GDP contribution by industry



Source: Global Insight, Regional explorer, 2013

The table above shows GDP contribution by sector and mining is still the leading sector in terms of GDP contribution and the agricultural sector has declined by from 7.0% in 1996 to 5.5% in 2012 while the community services has increased from 14.1% in 1996 to 20.4% in 2012. Manufacturing has drastically decreased from 3.1% in 1996 to 1.3% due to the declining mining activities. The trade sector has also soared from 10.0% in 1996 to 11.7% and the transport sector has decreased from 6.6% in 1996 to 5.5% in 2012

### **KEY POWERS AND FUNCTIONS FOR THE DISTRICT AND LOCAL MUNICIPALITIES.**

The demarcation process over the years has acknowledged lack of capacity to perform certain functions as initially stated in the Local Government: Municipal Structures Act of 1998. Some of the functions as indicated in the act have since been performed at local level. Over time, some local municipalities were confirmed to lack capacity to perform certain functions and the MEC for Local Government at the time made adjustments so that the district can start performing these functions:

- Firefighting services for Masilonyana and Tswelopele Local Municipalities;
- Municipal Roads
- Fresh Produce markets and abattoirs
- Environmental Health Services
- Local tourism

A detailed list of functions for both district and local municipalities is indicated below as follows:

<b>DISTRICT KEY POWERS AND FUNCTIONS</b>	<b>LOCAL KEY POWERS AND FUNCTIONS</b>
Integrated planning	Trading regulations
Municipal Health Services	Street lighting
Firefighting Services (Masilonyana and Tswelopele)	Firefighting Services
Municipal Public Transport ( policy development)	Municipal Public Transport( All local Municipalities)
Fresh Produce Markets	Fresh Produce Markets ( All local municipalities)
Cemeteries, funeral parlours and crematoria ( policy development)	Cemeteries, funeral parlours and crematoria(by-laws)
Local Tourism	Local Tourism
Municipal Airport	Municipal Airport( except for Matjhabeng and Nala)
Municipal Abattoirs (policy development)	Municipal abattoirs( by-laws)
Solid waste disposal sites	Billboards and Display of advertisements in public places
Local sport facilities	Sanitation
	Potable water
	Air pollution
	Child Care facilities
	Electricity regulation
	Refuse removal dumps and waste
	Fencing and fences
	Local amenities

LEGISLATIVE REQUIREMENTS

**ADOPTED**  
**IDP AND BUDGET PROCESS PLAN**  
**2017-2018**

**LEJWELEPUTSWA DISTRICT MUNICIPALITY**

<b>NO OF ITEM</b>	<b>ITEM</b>	<b>PAGE NO</b>
1.	LEGISLATIVE BACKGROUND	3-5
2.	INSTITUTIONAL ARRANGEMENTS	5
3.	ROLES AND RESPONSIBILITIES	5-8
4.	PLANNING AND PUBLIC PARTICIPATION PROCESSES	8-10
5.	PROCESS PLAN TIME FRAMES	10 -13

## 1. Legislative\_background

The Integrated Development Planning is a process by which a municipality prepares a strategic plan. Integrated planning helps local government transcend its traditional service delivery functions to cope with the contemporary and pressing demand that it plays on a continuous basis. It is the principal strategic instrument guiding all planning, management, investment, and development and implementation decisions in the short to medium-term, taking into account inputs from all stakeholders, including the community and elected public representatives.

According to the Constitution (sections 152 and 153), local government is in charge of the development process in municipalities, and therefore is also in charge of municipal planning. The constitutional mandate to relate its management, budgeting and planning functions to its objectives gives a clear indication of the intended purposes of municipal integrated development planning:

- To ensure sustainable provision of services;
- To promote social and economic development;
- To promote a safe and healthy environment;
- To give priority to the basic needs of communities; and
- To encourage involvement of communities.

The IDP therefore reflects a municipality's strategic choices about governance, service provision and economic development within its jurisdiction. In order for the municipality to achieve the entire key strategic tasks through its IDP, the municipality, in terms of the Municipal Systems Act (Act 32 of 2000)

- must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan
- must through appropriate mechanisms, processes, and procedures established in terms of Chapter 4, consult the community before adopting the process
- Give notice to the local community of particulars of the process it intends to follow.
- Be in accordance with predetermined program specifying timeframes for the different steps
- Through appropriate mechanisms, processes and procedures established in terms of Chapter 4, allow for
  - ✓ The local community to be consulted on its development needs and priorities
  - ✓ The local community to participate in the drafting of the integrated development plan.

The purpose of the process plan is to outline and describe how the municipality (District and Local) intends to implement the new system of planning. It is mainly concerned with the allocation of the municipal resource envelopes both financial and human in support of the planning process. The process plan is intended to serve as a guide to the municipality in terms of carrying out its mandate with regard to the Integrated Development Plan.



## 2. Institutional arrangements

The elected council is the ultimate decision – making forum on IDP. The role of participatory democracy is to inform, negotiate and comment on those decisions, in the course of the planning process.

The following structures and positions are important for the IDP development process:

- I. The IDP/Budget Steering Committee( formed by members of the above two structures)
- II. The Management/Technical Committee
- III. Mayoral Committee
- IV. Project Steering Committee
- V. The IDP Representative Forum
- VI. LDA Board
- VII. The LDM Council

## 3. Roles and responsibilities

### 3.1. Mayoral Committee

<b>Names</b>	<b>Designation</b>
<b>Cllr. SEBENZILE NGANGELISWE</b>	<b>District Executive Mayor</b>
<b>Cllr. SENKI JOHN MABITILE</b>	<b>Finance (Budget and Treasury)</b>
<b>Cllr. M.H. NTSEBENG</b>	<b>Municipal Infrastructure</b>
<b>Cllr. TSHIDI SEPEANE</b>	<b>Economic, Small Business and Rural Development (Agriculture and Tourism)</b>
<b>Cllr PAPIKI MELI</b>	<b>IDP,PMS, Policy Development and Monitoring</b>
<b>Cllr. MOHAPI MOSES MATLABE</b>	<b>Corporate Services (HR and Legal)</b>
<b>Cllr. JEANETTE PEREKO</b>	<b>Community Services</b>

<b>Cllr. MAMOHANOE LUCY TLHONE</b>	<b>Municipal Health Services, Disaster Management and Fire Fighting</b>
------------------------------------	---

The Mayoral Committee, with the assistance from the Accounting Officer:

- Define the terms of reference for the IDP Manager and steering committee
- Identify an appropriate IDP Manager, taking into consideration the importance of the IDP;

Names	Designation
Me. Palesa Kaota	District Municipal Manager
Mr. P.K. Pitso	Chief Financial Officer
Mr. M Mahlanyane	Executive Manager: Corporate Services
<b>VACANT</b>	Executive Manager: LED, Tourism, Agriculture, SMME's , Youth & Sports
<b>VACANT</b>	Executive Manager: Social Services
Mr. Ntsiki Mtirara	Chief of Staff
Mr. Teboho Ntsuba	Manager: Speaker's Office
Mr. A. Bester	Internal Auditor
Mr. D. Maselwa	Manager : PMS
Mr. K. Mqeke	Communications & IGR Manager
Miss. N. Gqoli	Manager: Budget & Treasury
Mr. M. Segalo	Manager: ICT

Mr. C. Peterson	Manager: HR & Legal Services
Miss. B. Malapane	Skills Development Manager
Mr. T. Skele	Manager : LED
Me. K. Njobe	Manager: Tourism
Mr. S. Musapelo	Manager : IDP
Mrs. Maureen Maboea	IDP Officer
Mr. Daddy Matolo	IDP Coordinator
Mr. D. Kirsten	Manager: Environmental Health Services
Mr. S. Nzume	Manager: Disaster Management
Mr. Me Nhlapho	CEO: LDA
Mr. Sidney Mokoena	Manager: Security
Mr. Nick Matsunyane	Manager: Admin

- Assign responsibilities to the Municipal Manager regarding the drafting of the IDP and the Municipal Manager may in turn decide to delegate those responsibilities;
- Identify and nominate further suitable candidates for the IDP Steering Committee ensuring that all relevant issues (e.g. LED, Spatial, Housing Finance, etc.) are addressed

### **3.2. IDP Steering Committee**

The IDP Steering Committee is a working team of dedicated heads of Departments and senior officials who must support the IDP Manager to ensure a smooth planning process.

#### **3.2.1. Terms of reference for the Steering Committee**

- The Steering Committee will be responsible for the establishment of the **IDP Representative Forum**
- Provide terms of references for the IDP Representative Forum, subcommittees and the various planning committees.
- Commission research studies
- Consider and comment on inputs from sub- committees, study teams and consultants, inputs from provincial sector departments and service providers
- Prepare and submit reports to the IDP Representative Forum.

### **3.3. IDP Representative Forum**

The IDP Representative Forum is the structure which institutionalizes and guarantees representative participation in the IDP process. The selection of members to the IDP representative forum has to be based on criteria which ensure geographical, economic and social representation and as follows:

- Chairperson: Political Head of the institution
- Secretariat: The IDP Steering Committee secretariat
- Members: Members of the Mayoral Committee
- Ward Committee chairpersons
- Heads of Departments/ Senior Officials
- Stakeholder representatives of organized groups
- Resource persons/organizations

- Community Representatives (e.g. Transport Forum,)

### **3.3.1. Terms of reference of the IDP Representative Forum**

- To represent the interests of their constituents in the IDP process;
- Provide an organizational mechanism for discussion, negotiation and decision-making between the stakeholders and the municipality;
- Ensure there is adequate communication and consensus on priority issues among all the stakeholder representatives; and
- Monitor the performance of the planning and implementation of the IDP and its process

### **3.3.2. Code of conduct- IDP Representative Forum**

The code of conduct will at least include the following:

- Meeting schedule (Frequency and attendance)

## **4. Planning and public participation processes**

### **Annual IDP Review planning Process**

## **1. PHASE 1: ANALYSIS**

- Community and Ward Committee meetings
- Institutional meetings ( Technical/Political)
- Stakeholder meetings
- Sample surveys (if necessary)
- Opinion polls (on certain issues if necessary)
- Desktop analysis

## **2. PHASE 2: STRATEGIES**

Strategic workshops, with IDP Representative Forum, provincial and national departments and selected representatives of stakeholder organizations and resource people must be convened as planned.

Stimulation for success of these public events must be through public meetings, press conferences, etc. The outcome of these meetings should give impetus towards addressing pressing challenges that have been identified by stakeholders in order of priorities and municipal delegated functions.

## **3. PHASE 3: PROJECTS**

Municipality wide Projects/Programs identified from:

Internal departments especially the ones that are of short- to medium term and requiring further budgetary requirements;

Stakeholder inputs (departmental, community priorities)

## **4. PHASE 4: INTEGRATION**

District Integrated Plans: Incorporation of sector plans must be done at this stage. Contribution must have been accessed through set meetings.

## **5. PHASE 5: APPROVAL**

Broad public discussion/ consultation process within community/ stakeholder organizations  
IDP Representative Forum.

Council resolution taken on approving the document for implementation the next financial year.

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	<b>ACTION/ OUTPUT</b>	<b>DELIVERABLE</b>	<b>RESPONSIBLE</b>	<b>ACTION DATE</b>
1.	<i>DEVELOPMENT OF A 5 YEAR IDP FOR 2017-2022</i>	Final IDP 2017-2022	<i>MM and Executive Mayor</i>	August 2016 to 31 May 2017
2.	<i>Submit District IDP framework and process plan for adoption by council</i>	Adopted framework and process plans	<i>Municipal Manager</i>	August 2016
3.	<i>Advertise the approved framework &amp; process plan in local newspapers</i>	Advertisement in the local newspapers	<i>Municipal Manager</i>	August 2016
4.	<i>Undertake District-wide Research analysis to assess level of existing development</i>	Updated Situational Analysis	<i>Municipal Manager</i>	Sept 2016 to January 2017
5.	<i>Develop objectives, strategies and projects for the 5 year IDP plan</i>	5 Year Objectives, strategies and projects & programmes	<i>IDP Steering Com &amp; Representative forum</i>	30 February 2017
6.	<i>Submit budget instructions to all relevant persons</i>		<i>CFO</i>	30 Nov 2016



7.	<i>Submit 2017/2018 budget framework to all relevant persons (Budget framework to include salary, operational and capital related information).</i>		CFO	30 Nov 2016
8.	<i>Preparation of a summary of available funds from: Internal funds, e.g. CDF and External funding ,e.g. FM grant</i>		CFO	30 Nov 2016
9.	<i>Prioritize Projects for implementation</i>	<b>Project list</b>	<i>IDP Steering Committee &amp; Rep forum</i>	31 March 2017
10.	<i>Submission of detailed estimates by MM, HODs and Political Offices to CFO.</i>	<b>Budget estimates</b>	<i>MM, HODs and Political Offices</i>	01 Dec 2016
11.	<i>Assess financial feasibility of proposed new projects based on existing and potential funds</i>	<b>Proposed new project list/Budget adjustments</b>	<i>IDP Steering Committee</i>	31Jan 2017
12.	<i>Meeting with relevant officials (First draft Budget meeting)</i>	Draft budget	CFO	31 Jan 2017
13.	<i>Meeting with relevant officials (Second draft Budget meeting)</i>		CFO	31 Jan 2017
14.	<i>Meeting with relevant officials (Third draft Budget meeting)</i>		CFO	31 Jan 2017

15.	<i>Considering of Draft Budget by Finance Portfolio Committee</i>		<i>CFO</i>	28 Feb 2017
16.	<i>Considering of Draft Budget by Mayoral Committee</i>	<b>Mayoral Committee budget item</b>	<i>CFO</i>	28 Feb 2017
17.	<i>Table a draft 5 year IDP to MAYCO for consideration.</i>	<b>Mayoral committee Budget &amp; IDP item</b>	<i>MM and Executive Mayor</i>	28 Feb 2017
18.	<i>Tabling of MTEF Budget in Council meeting</i>	<b>Draft budget item to Council</b>	<i>Executive Mayor</i>	31 March 2017
19	<i>Table draft 5 year IDP to council for approval</i>	<b>Draft IDP item to Council</b>	<i>Executive Mayor</i>	31 March 2017
20.	<i>Discussing the draft with the public</i>	<b>Public participation</b>	<i>IDP Rep forum</i>	31 March 2017
21.	<i>Publicize tabled budget within 5 Days after tabling on website &amp; media</i>		<i>MM and CFO</i>	29 Apr 2017
22.	<i>Submit copies of IDP and budget to National /Provincial Treasury</i>		<i>MM and CFO</i>	01 April 2017
23.	<i>Second leg of IDP and Budget Participation process starts. Comments, additions and proposals by stakeholders</i>	<b>Incorporated Inputs from stakeholders</b>	<i>MM, CFO, HODs and Budget Manager</i>	01 April 2017

24.	<i>Mayoral Committee finalizes the draft 5 year IDP and budget</i>		<i>MM and CFO</i>	30 May 2017
25.	<i>Submission of 5 year IDP and budget for approval by council</i>	<b>Approved IDP and Budget by Council</b>	<i>MM and CFO</i>	30 May 2017
26.	<i>Presentation of approved final IDP to the public</i>	<b>Informed Public participation</b>	<i>MM, Executive Mayor &amp; IDP Rep forum</i>	30 May 2017
27.	<i>Prepare Budget in the required format and submission thereof to both Provincial National Treasury</i>		<i>CFO and Budget Control Officer</i>	12 June 2017
28.	<i>Submit the approved IDP to provincial departments</i>		<i>MM</i>	12 June 2017
29.	<i>Submit draft SDBIP to Mayor within 14 days after approval of the budget</i>	<b>Final Municipal SDBIP</b>	<i>MM</i>	12 June 2017
30.	<i>Prepare Performance agreements and plans for signing and submission to relevant provincial offices.</i>		<i>MM</i>	31 July 2017
31.	<i>Set up expenditure, revenue and asset management system, incorporating budget.</i>		<i>CFO</i>	31 July 2017

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## **SPATIAL ECONOMY AND DEVELOPMENT RATIONALE**

### ECONOMIC PROFILE OF THE DISTRICT

#### LEJWELEPUTSA DISTRICT MUNICIPALITY



Source: Local government hand book, 2015.

- Note "Soutpan" in Masilonyana has been demarcated under Mangaung Metro.

## Summary Overview:

<i>Indicators</i>	<b>2005</b>	<b>2014</b>
<i>1. Total population</i>	<i>634 514</i>	<i>630 912</i>
- <i>Population growth rate</i>	<i>-1.1%</i>	<i>-0.1%</i>
- <i>Males</i>	<i>48.20%</i>	<i>50.51%</i>
- <i>Females</i>	<i>51.80%</i>	<i>49.49%</i>
<i>2. Economic Indicators</i>		
• <i>Dominant sector share of regional total (Tertiary)</i>	<i>51%</i>	<i>52%</i>
• <i>GDP-R</i>	<i>4.2%</i>	<i>1.5%</i>
• <i>GDP-R per capita</i>	<i>R49,714</i>	<i>R45,560</i>
• <i>Growth forecast</i>	<i>-1.7%</i>	<i>0.2%</i>
<i>3. Tourism</i>		
• <i>Domestic tourists by bednight</i>	<i>796 784</i>	<i>402 845</i>
• <i>International tourists by bednight</i>	<i>299 321</i>	<i>1 174 754</i>
• <i>Total tourism spending as a % of GDP</i>	<i>3.0%</i>	<i>3.2%</i>
• <i>Growth in total tourism</i>	<i>-0.9%</i>	<i>6.4%</i>
<i>4. Labour</i>		
• <i>Economically active population</i>	<i>40.9%</i>	<i>37.8%</i>
• <i>Unemployment rate</i>	<i>30.3%</i>	<i>40%</i>
• <i>Male unemployment</i>	<i>22%</i>	<i>35.8%</i>
• <i>Female unemployment</i>	<i>41.3%</i>	<i>45.8%</i>

## 1. Introduction

Lejweleputswa District Municipality is situated in the mid-western part of the Free State province, with an estimated area of about 31930 km<sup>2</sup> (Local government hand book, 2013). The district borders the North-West province to the north, Fezile Dabi District Municipality to the north east, and Thabo Mofutsanyane District Municipality to the east. It also borders Mangaung Metro and Xhariep District to the south and the Northern Cape Province to the west. It consists of 22.9% of the Free State province's population, down from 26.7 % in 1996 (IHS Global Insight, 2015). The District is made up of five local municipalities, namely; Matjhabeng, Tokologo, Tswelopele, Nala and Masilonyana with about 17 towns<sup>3</sup>.

The economy of the District relies heavily on the gold mining sector as the largest sector, dominant in two of the municipalities, Matjhabeng and Masilonyana, whilst the other Municipalities are dominated by agriculture. There is less diversification of the District's economy relying heavily on the mining sector and community service sector as the largest employers in the District. Matjhabeng is the largest municipality in the District and contributes the largest share of GVA-R in the District. The average annual GDP-R growth rate stands at -1.5 percent in 2014 for the District and forecast to decline even further to -2.9 percent in 2016 according to IHS Global Insight, as a result of low international commodity prices and a persistent drought in the agricultural sector. Output in agriculture is forecast downwards and prices in agricultural goods are expected to rise due to low output levels as given by the South African Reserve Bank in their monetary policy statement in September 2015 for the country in general.

## 2. Demographic profile

Lejweleputswa District had a total population of 630 912 in 2014, broken down into 318 662 males and 312 249 females. The District contributed 22.6 percent to the Free

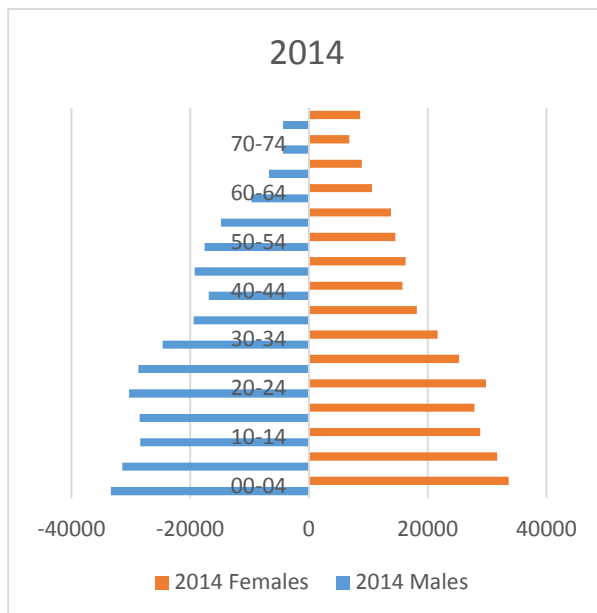
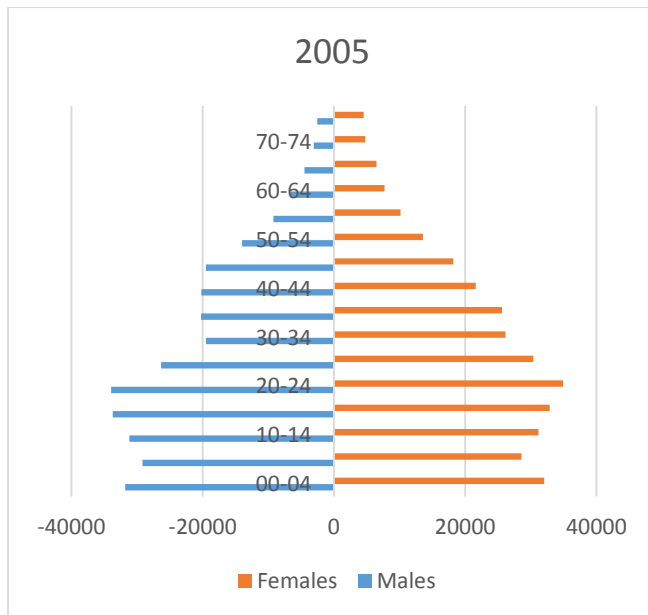
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<sup>3</sup> Soutpan and Glen area and the surrounding farms in Masilonyane have been incorporated into Mangaung Metro in 2015 (Municipal demarcation Board, 2015)



State's population in 2014, down from 23.24 percent in 2005. Most of the inhabitants are Africans, constituting 88.73 percent of the total population, followed by Whites (8.86 percent) and then Coloureds (1.9 percent), with a very small Indian community of 0.45 percent. There are more males (51.0 percent) in Lejweleputswa than females (49.0 percent).

Figure 4.1: Lejweleputswa District population pyramid

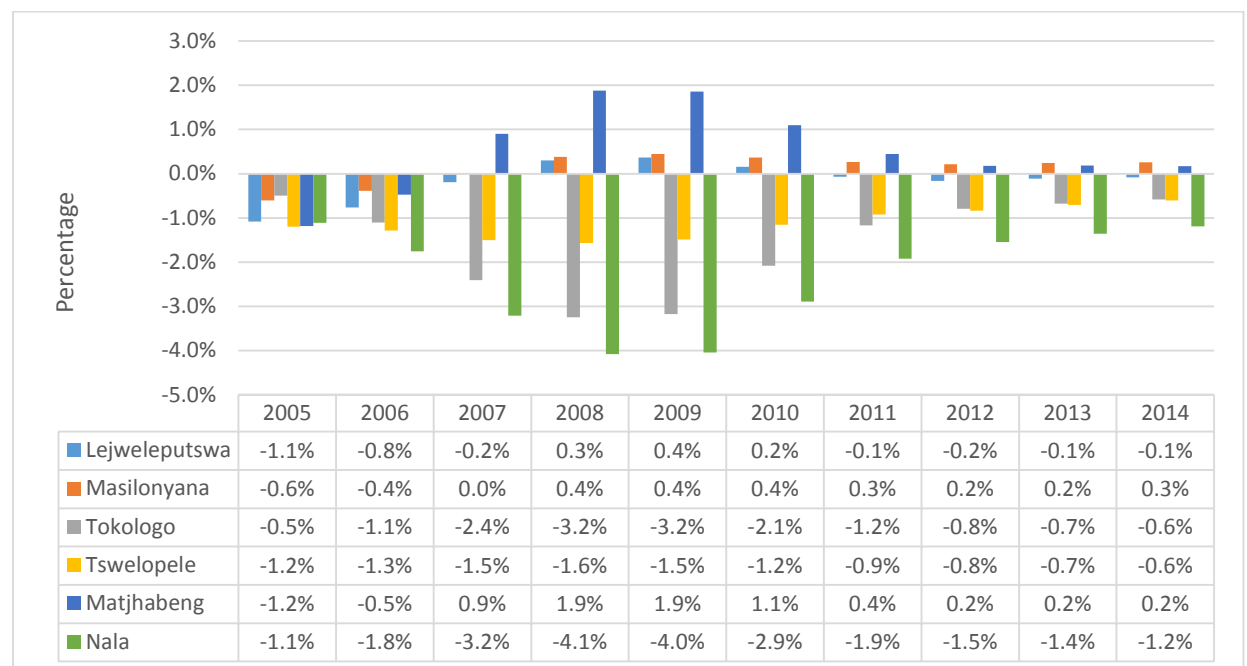


*Source: IHS Global Insight Regional eXplorer, 2015*

According to figure 4.1 above, the population pyramid of Lejweleputswa, for the years 2005 and 2014 has a broad base, indicating a large portion of children and the youth below 25 years of age. In 2005 Lejweleputswa District had a relatively large proportion of middle aged inhabitants, both the males and the females above 15 years of age and below 30 years of age, compared to the year 2014 which has a relatively sliding scale of both males and females in the same age cohort of 15 years and 30 years. The

reflection of the relatively large proportion of the middle aged population in the District in 2005 coincided with a relatively strong mining sector, specifically in Matjhabeng. Whilst a smaller middle age group in 2014 indicates migration away from the District in general terms, probably to other mining related towns in search of better living conditions like platinum sector in the North West, which has a similar kind of operational structures like the gold sector, and therefore uses similar kinds of labour skills. The migration patterns of Lejweleputswa, especially in its smaller municipalities, is as a result of better employment opportunities by the working age groups. From figure 4.1, it is evident that in 2014 women were living longer than men, almost doubling them. In the age group 75+ there are 4 367 males against 8 623 females. This is reflective of a better life expectancy for women than for men, although for both men and women life expectancy has improved between 2005 and 2014.

Figure 4.2: Population growth rates in Lejweleputswa by local municipalities



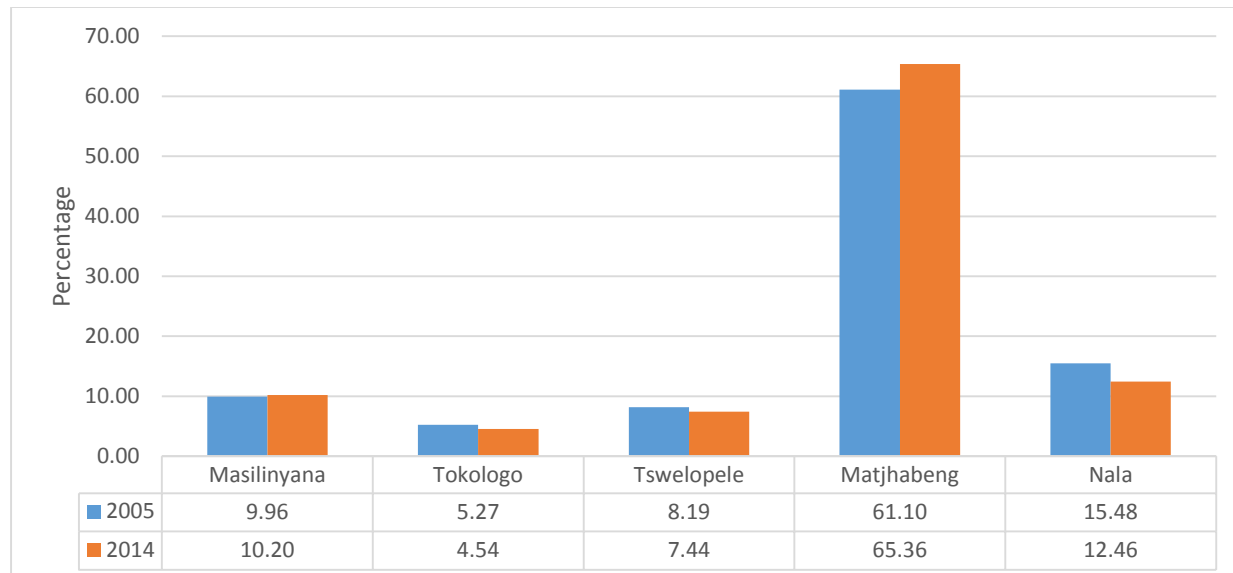
Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.2, indicates that the growth rate in Lejweleputswa's population had been negative for the large part of the review period (2005 – 2014) with the exception of

2008 (0.3%), 2009 (0.4%) and 2010 (0.2%), where it showed some positive recovery. The recovery happened because Matjhabeng, which contributed 25 percent to the population of the District, showed some positive growth rate during the period 2007 to 2011, which had a pulling effect on the District's population growth rate. Nala displayed negative population growth rate reaching -4.1 percent at its lowest point in 2008, which had a little impact on Lejweleputswa due to its small contribution to the District population. The average growth rate for Lejweleputswa for the period under review is -0.2 percent, indicating a decline in the total population of the District. The decline is due to among others, net out migration and low fertility rates according to Statistics South Africa (2013).

The two most worst performing local municipalities in terms of population growth rate are Nala with a -2.3 percent average population growth rate and Tokologo with -1.6 percent average population growth rate between 2005 and 2014.

Figure 4.3: Population Distribution in Lejweleputswa District as a percentage



Source: IHS Global Insight Regional eXplorer, 2015

Matjhabeng had the highest share of Lejweleputswa's population at 65.36 percent in 2014 according to figure 4.3, which is up from 61.10 percent in 2005, followed by Nala

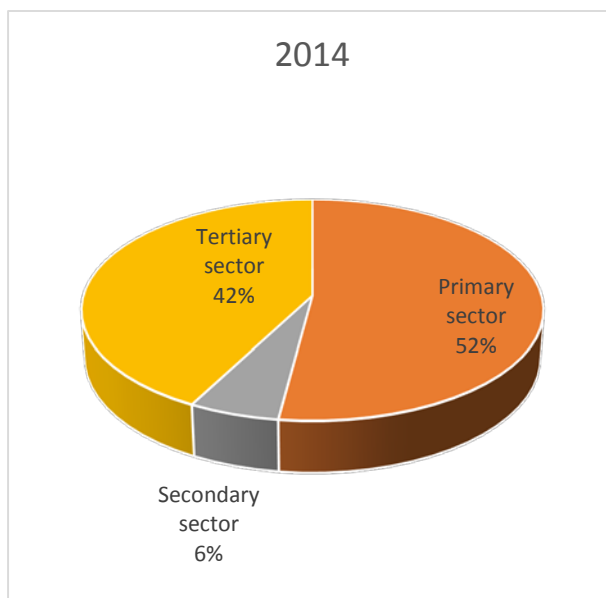
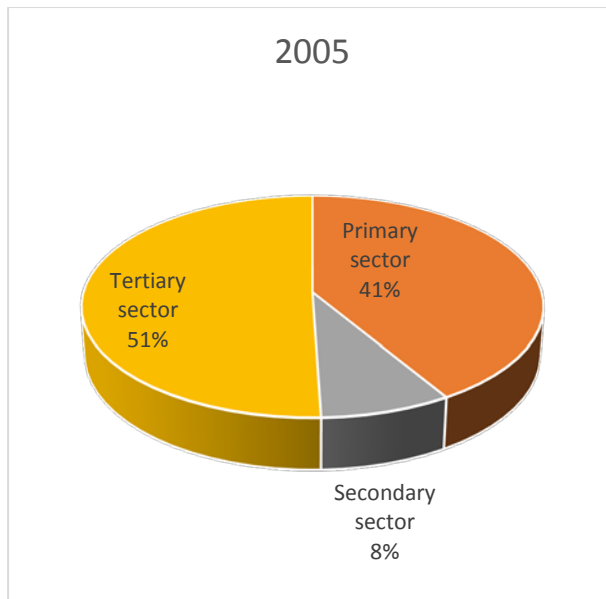
with 12.46 percent and Masilonyana with 10.20 percent all in 2014. The total District's share of the population in the province has declined from 23.24% percent in 2005 to 22.49 percent in 2014, which is a 0.75 percentage point decline. The decline in Lejweleputswa's share of the population was driven more by smaller municipalities because Matjhabeng increased slightly between 2005 and 2014, as a result of mainly outward migration from the smaller municipalities.

### **3. Economy structure and performance**

The main economic activities in the Lejweleputswa District happened in the primary sector and the tertiary sector. The primary sector in Lejweleputswa is driven by agriculture and mining. Matjhabeng is the largest municipality in the District and it contains most of the mining activities, especially gold mining, followed by Masilonyana with some of the gold mining and diamond mining. Recently the mining sector has been on a downward trend as a result of closure of many of the shafts as a result of high costs of production among others and the need for deep mining. The recent decline in world commodity prices, has aggravated the situation in general with many businesses that have traditionally dependent on the mining sector either have closed down or are in the process of closing down. Other municipalities' primary sector rely heavily on agriculture.

#### **Economic Structure**

Figure 4.4: Sectoral composition of Lejweleputswa economy (% , current prices)



*Source: IHS Global Insight Regional eXplorer, 2015*

The composition of the District's economy is dominated by the primary sector at 52 percent in 2014 as shown by figure 4.4, up from 41 percent in 2005. The tertiary sector contributed 42 percent to the District's economy in 2014, decreasing by 9 percentage points from 51 percent in 2005. The secondary sector's share declined from 8 percent in 2005 to 6 percent in 2014, further indicating the difficulties that the sector is facing. Very little value adding is taking place in the region by using the vast primary products the District has in abundance.

### Sectoral composition of the economy

Sectoral composition is the contribution of the different sectors to total GDP of Lejweleputswa's economy. This includes all the nine sectors within an economy of a region as classified by the South African Standard Industrial Classification (SIC) of all economic activities (CSS fifth edition).

Table 4.1: Sectoral composition of Lejweleputswa's economy by local municipalities, 2014.

2014	Lejweleputswa	Masilonyana	Tokologo	Tswelopele	Matjhabeng	Nala
1 Agriculture	5.6%	6.2%	24.6%	36.9%	0.8%	17.7%
2 Mining	46.5%	50.3%	21.6%	1.2%	56.0%	4.7%
<b>3 Manufacturing</b>	<b>2.5%</b>	<b>2.1%</b>	<b>2.9%</b>	<b>2.2%</b>	<b>2.1%</b>	<b>5.2%</b>
4 Electricity	1.5%	1.2%	2.9%	2.8%	1.3%	2.3%
5 Construction	1.7%	2.2%	2.5%	1.8%	1.5%	2.6%
6 Trade	11.0%	8.3%	12.3%	15.4%	10.0%	17.6%
<b>7 Transport</b>	<b>6.3%</b>	<b>5.2%</b>	<b>5.0%</b>	<b>7.8%</b>	<b>5.6%</b>	<b>11.8%</b>
8 Finance	10.8%	8.4%	7.6%	10.6%	10.8%	13.9%
9 Community services	14.2%	16.2%	20.7%	21.4%	11.9%	24.0%
Total Industries	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: IHS Global Insight Regional Explorer, 2015

The 2014 sectoral composition of Lejweleputswa as revealed by figure 4.5 points to the dominance of a few sectors in the economy of the District. According to table 3.1, the mining sector is the dominant sector with 46.5 percent of the economic activities of the district, followed by community services sector at 14.2 percent and then trade at 11 percent. The smaller municipalities of Nala, Tswelopele and Tokologo are the municipalities without mining as the dominant sector, instead Tswelopele has agriculture as the dominant sector at 36.9 percent in 2014. Nala had government services as the dominant sector with 24 percent in 2014, whilst Tokologo had agriculture as the dominant sector with 24.6 percent in 2014. In recent years the

contribution of mining in Lejweleputswa’s economy has been declining due to a number of reasons and recently the effect of lower world commodity prices has fueled the decline of the sector. The share of the primary sector in Lejweleputswa’s GVA has also been on a decline, indicating a shift away from the primary sector to the tertiary sector. The community services sector is growing strongly in all of Lejweleputswa’s municipalities and is also forecasted to grow further.

### Tress Index

The tress index measures the level of diversification or concentration of a region’s economy. The index ranges between zero and one. The closer to 0 the index is, the more diversified is the economy. The higher the index or closer to 1, the less diversified the economy, and the more vulnerable the region’s economy to exogenous factors that can include things like adverse economic conditions due to natural disasters, like global warming (Wikipedia, 2015).

Figure 4.5: Tress index of Lejweleputswa and the Free State and its Districts



Source: IHS Global Insight Regional eXplorer, 2015



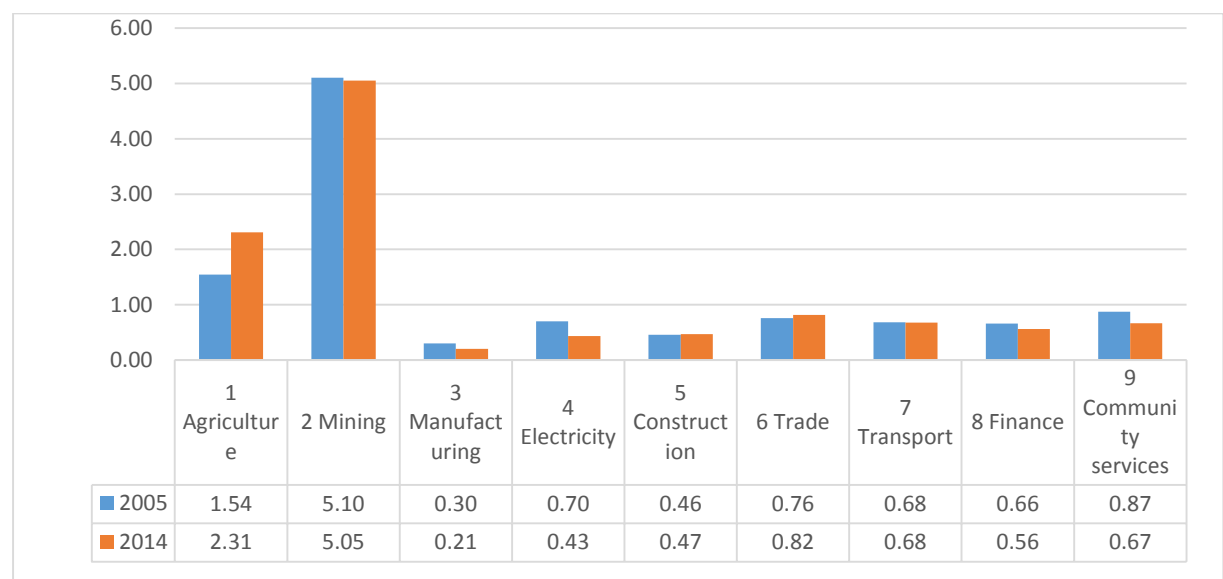
Lejweleputswa’s economy has been leaning more to a less diversified economy due to its increase closer to 1 of its Tress Index over a ten year period as illustrated by figure 4.5. Even though Lejweleputswa’s Tress Index has improved in 2014 (56.93 percent) as compared to (55.01 percent) 2005, the worst years of its less diversification were 2013 (61.32 percent) and 2012 (60.66percent). This simply indicates fewer industries dominating the region’s economy, thus the vulnerability of the region’s economy to outside shocks becomes very easily.

If compared to the rest of the province, Lejweleputswa is the second less diversified regional economy in the Free State after Mangaung Metro. The most diversified economy is that of Fezile Dabi among the Districts and the province is even better than all the Districts.

### Location Quotient

Location quotient reveals what makes a particular region “unique” in comparison to the national or provincial average. It is basically a way of quantifying how concentrated a particular industry or cluster is as compared to the province or nationally (EMSI Resource library, 2015)

Figure 4.6: Lejweleputswa’s Location Quotient



Source: IHS Global Insight Regional eXplorer, 2015

According to figure 4.6, above the dominant sector in Lejweleputswa is the mining sector with a location quotient of 5.05 in 2014, which has declined slightly from 5.10 in 2005. By its nature mining is more export orientated and brings into the economy of the region more money than any other sector in the region. Agriculture follows the mining sector though very small as compared to the mining sector with an increase in the location quotient of 2.31 in 2014 as compared to 1.54 location quotient in 2005. The other sectors are less concentrated in the region, all ranging less than 1 location quotient. Trade is one of a few sectors that have shown some positive growth in its location quotient from 0.76 in 2005 to 0.82 in 2014.

### Economic Performance

The Gross Value Added by Region (GVA-R) measures the difference between inputs into particular region's economy and the value of outputs (goods and services) in that region or sector.

Table 4.2: GVA-R. Contribution to total economic growth in Lejweleputswa (% point, Constant 2010 prices)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1 Agriculture	0.1%	0.4%	0.0%	0.9%	0.1%	0.0%	0.5%	0.1%	0.0%	0.2%
2 Mining	0.8%	3.8%	0.7%	3.0%	2.0%	0.9%	1.3%	2.2%	1.9%	-0.3%
3 Manufacturing	-0.2%	0.4%	0.1%	0.2%	0.2%	0.0%	0.4%	0.5%	0.1%	-0.1%
4 Electricity	0.0%	0.2%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.0%	0.0%
5 Construction	0.0%	0.1%	0.2%	0.1%	0.2%	0.2%	0.1%	0.1%	0.0%	0.0%

6 Trade	0.1%	- 0.4 %	0.2 %	0.1%	- 0.3 %	- 0.6 %	- 0.2 %	- 0.2 %	- 0.4 %	0.0%
7 Transport	0.1%	- 0.2 %	0.2 %	0.1%	0.0 %	- 0.3 %	- 0.2 %	- 0.4 %	- 0.2 %	0.0%
8 Finance	- 0.2%	- 0.5 %	- 0.3 %	0.1%	0.2 %	- 0.5 %	- 0.1 %	- 0.4 %	- 0.2 %	0.0%
9 Community services	0.2%	- 0.5 %	- 0.3 %	0.4%	0.1 %	- 0.6 %	- 0.4 %	- 0.8 %	- 0.2 %	0.1%
Total Industries	0.9%	- 6.5 %	- 0.2 %	- 1.1%	- 2.3 %	- 1.3 %	- 3.2 %	- 4.8 %	- 0.8 %	0.0%
Taxes less Subsidies on products	0.3%	- 0.6 %	0.2 %	- 0.4%	0.3 %	- 0.4 %	1.0 %	- 0.6 %	0.0 %	-0.1%
Total (Gross Domestic Product - GDP)	1.2%	- 7.1 %	0.0 %	- 1.5%	- 2.0 %	- 1.7 %	- 2.2 %	- 5.4 %	0.8 %	-0.1%

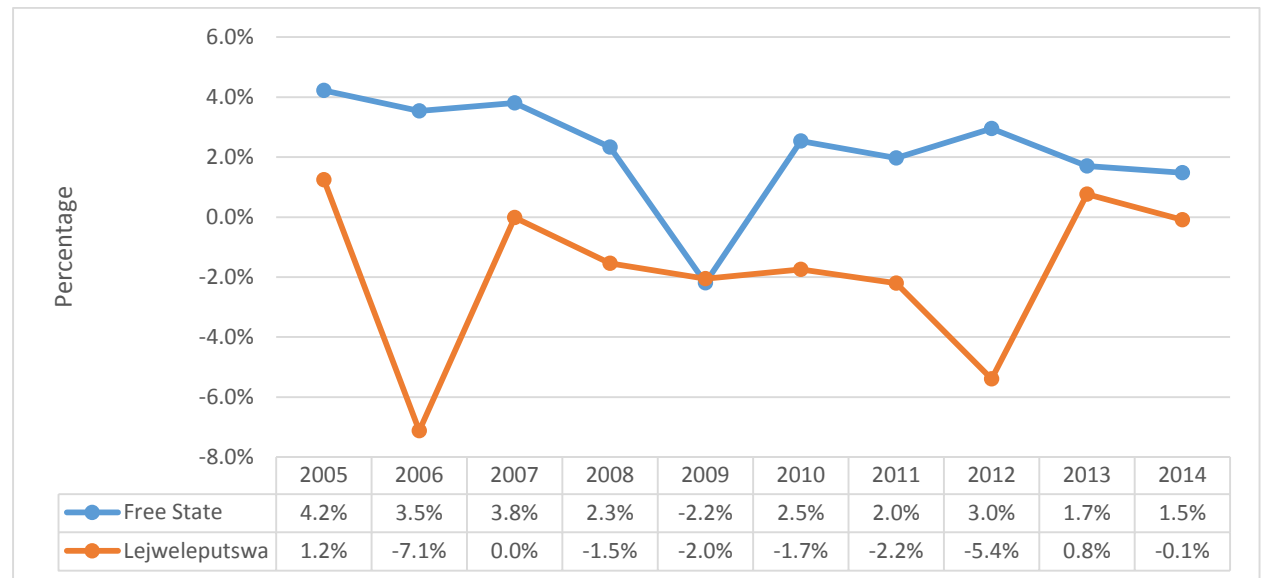
Source: IHS Global Insight Regional Explorer, 2015

The contribution of mining, which is the dominant sector, in Lejweleputswa district's economic growth has been on a declining trajectory in the review period of 2005 to 2014 according to table 4.1. Table 4.2 above illustrates that although mining has been on a downward trend, 2010 saw a 0.9 percentage point increase in its GVA-R, together with a 1.9 percentage point increase in 2013. Part of the 2013 growth in the mining sector was due to a favourable world commodity prices, which has recently been not very favourable according to the recent world statistics on commodity prices. On average total industries in Lejweleputswa are declining with the 2012 as the worst year with -4.8 percent decrease in total for all the industries. The contribution of community services sector' growth has declined from 0.2 percent in 2005 to 0.1 percent in 2014, indicating a general decline in the activities of the sector. The decline of community services sector could be as a result of recent policy shift to "austerity measures" of trying to reduce government wage bill. The GDP growth in

Lejweleputswa is also hovering in recession for most of the review period except for 2013, with a 0.8 percent recovery.

### Gross Domestic Product

Figure 4.7: GDP-R of Free State and Lejweleputswa District Municipality

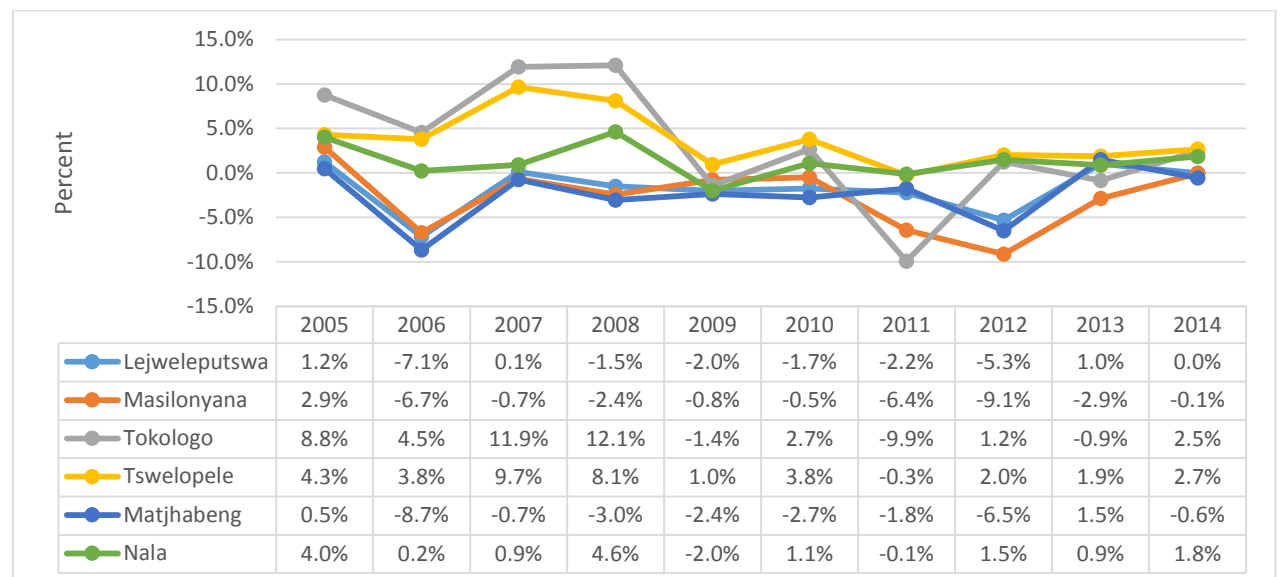


Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.7 shows that the GDP-R of Lejweleputswa has been on a continuous negative territory for most of the period under review, except for 2005 with 1.2 percent and 2013 where it recovered by 0.8% percentage points on the back of a strong mining sector which was also positive in 2013 by 1.9 percent. However, it declined further again in 2014 to -0.1 percent, and it is also expected to decline further in 2015 on the back of low worldwide commodity prices. The negative growth rate experienced in most years in the District is affecting the District negatively and is one of the factors pushing people away from the District, leading to what can be termed economic migrants. The sustainability of the District's economy is in jeopardy because of a continued negative growth rate in the District driven by a declining mining sector and a shrinking agricultural sector. However, the provincial growth rate has always been positive except for the 2009 recession, where it was below that of the District by -2.2

percentage points. The best growth for the province post the recession was in 2012, with a growth rate of 3 percent, which was also the worst growth rate year for Lejweleputswa at -5.4 percent. The recession in Lejweleputswa in 2012 was driven by the mining sector with -2.2 percent and the community services sector with -0.8 percent and other tertiary sectors relying on the mining sector. The 2014 slump is also as a result of low commodity prices affecting the mining sector and a general decrease in total industries of -4.8 percent.

Figure 4.8: GDP-R of Lejweleputswa and its municipalities



Source: IHS Global Insight Regional eXplorer, 2015

According to figure 4.8, the District's GDP-R follows that of Matjhabeng to a large extent as compared to the rest of the municipalities. Lejweleputswa's average growth rate for the period 2005 to 2014 was -1.8 percent, which is a sign for a shrinking economy. The worst average growth rate for the District's local municipalities in the review period was experienced in Masilonyana with a -2.7 percent average growth rate followed by Matjhabeng with a -2.4 percent between 2005 and 2014. In 2008, Tokologo had the highest growth rate of 12.1 percent, which declined during the 2009 recession to -1.4 and further in 2011 to -9.9 percent making it the worst performing

local municipality in Lejweleputswa in 2011. This kind of performance can only happen if there are few participants in the economy of the municipality who have a significant share of the economy. However the average growth rate for Tokologo municipality is 3.2 percent in the review period. Tswelopele has shown the highest average growth rate in the district with a 3.7 percent, followed by Nala with an average growth rate of 1.3 percent in the same period.

### GDP-R per capita.

Per capita GDP-R is a measure of the total output of a region that takes into account the gross domestic product and then divides it by the number of the people in the region (World Bank, 2015). It is one of the primary indicators of the region's performance (investorwords.com, 2015). It is calculated by either adding up everyone's income during the period or by adding up the value of final goods and services produced in the region during the year (Investorwords.com, 2015)

Figure 4.9: GDP-R Per Capita of Lejweleputswa



Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.9 above shows the relative performance of the Free State's real GDP-R per capita against that of Lejweleputswa from 2005 to 2014. The real GDP-R per capita of



	-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5 Construction	0.2 %	0.1 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
	-	-	-	-	0.0	-	0.0	0.1	0.3	0.3
6 Trade	0.6 %	0.2 %	0.2 %	0.4 %	0.0 %	0.2 %	0.0 %	0.1 %	0.3 %	0.3 %
	-	-	-	-	0.0	0.0	0.0	0.1	0.1	0.2
7 Transport	0.3 %	0.2 %	0.4 %	0.2 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %	0.2 %
	-	-	-	-	0.0	0.0	0.0	0.0	0.1	0.1
8 Finance	0.5 %	0.1 %	0.4 %	0.2 %	0.0 %	0.0 %	0.0 %	0.0 %	0.1 %	0.1 %
	-	-	-	-	0.1	0.0	0.0	0.1	0.2	0.3
9 Community services	0.6 %	0.4 %	0.8 %	0.2 %	0.1 %	0.0 %	0.0 %	0.1 %	0.2 %	0.3 %
	-	-	-	-	0.0	0.7	1.3	1.6	0.6	0.3
Total Industries	1.3 %	3.2 %	4.8 %	0.8 %	0.0 %	0.7 %	1.3 %	1.6 %	0.6 %	0.3 %
	-	-	-	-	0.1	0.1	0.3	0.0	0.0	0.0
Taxes less Subsidies on products	0.4 %	1.0 %	0.6 %	0.0 %	0.1 %	0.1 %	0.3 %	0.0 %	0.0 %	0.0 %
	-	-	-	-	0.1	-	-	-	-	-
Total (Gross Domestic Product - GDP)	1.7 %	2.2 %	5.4 %	0.8 %	0.1 %	0.6 %	1.6 %	1.6 %	0.5 %	0.2 %

Source: IHS Global Insight Regional Explorer, 2015

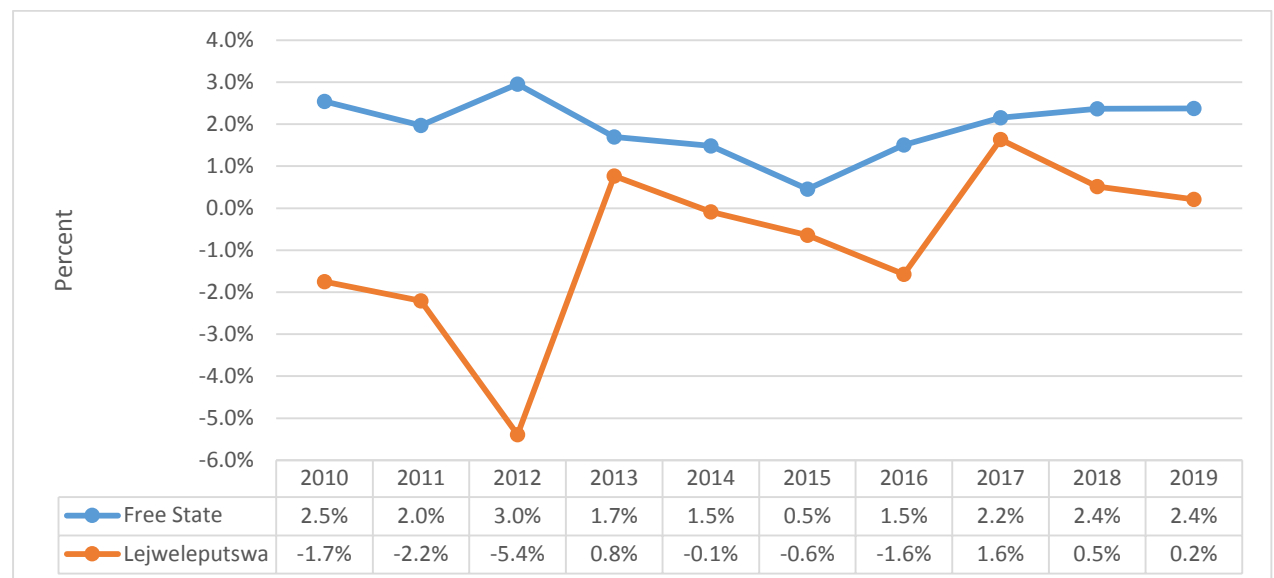
Table 4.3 shows the outlook of total contribution to Lejweleputswa's economy's economic growth per sector, from 2010 to 2019, almost a ten year period. The most important sector in Lejweleputswa's economy, i.e. mining is expected to decline further in the outlook period from contributing 0.9 percent to the District's economic growth in 2010 to -0.8 percent in 2019. The decline can also be explained by a natural process in the development of any economy, where as the economy modernize the importance of primary sector slow down and that of the tertiary sector increases, this phenomenon is also called structural change to the economy. Furthermore the decline can be explained by a normal process where most of the mines or mine shafts are reaching the end of their life span. Agriculture in Lejweleputswa is only expected to stabilize around 0.1 percent contribution in the outlook period from 2016 to 2019. The tertiary sector (i.e., the trade industry and community service) is expected to grow



positively in the outlook from -0.6 percent contribution in 2010 to 0.3 percent for both in 2019 respectively. However, what is worrying is the slow improvement or slow growth in the secondary and the tertiary sector to counter the dominance of the mining sector in the District. The total outlook for the GDP is also expected to be negative in the forecasted period, as a result of a strong pulling effect of the dominant sector. The resultant negative growth is at the back of lower world commodity prices also forecasted to be very much subdued in the outlook.

### Gross domestic Product at Regional level.

Figure 4.10: GDP-R growth Forecast for Lejweleputswa

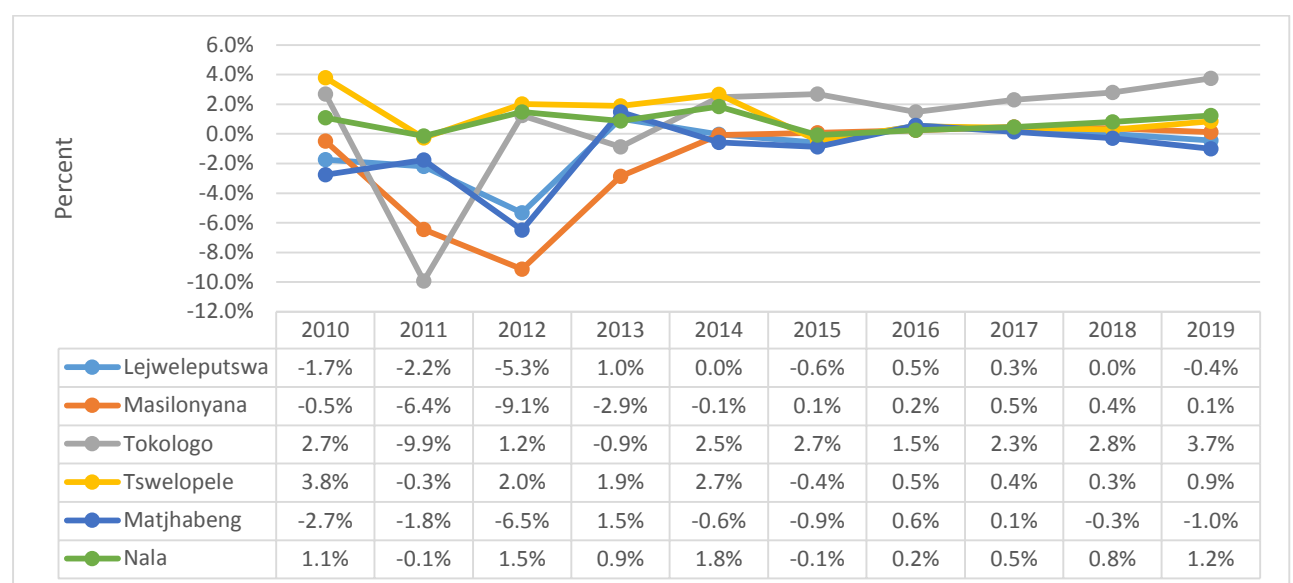


Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.10 shows that the average growth rate of the Free State is expected to be 1.9 percent between 2010 and 2019, which is the forecasted period. Lejweleputswa is expected to grow sluggishly with projected average of -0.9 percent over the forecasted period. The growth rate of Lejweleputswa is forecasted to be below that of the province for the entire forecast period and that has a dampening effect on the growth rate of the provincial economy. The result is that Lejweleputswa's economy is dominated by the mining sector which is estimated to contract in the forecasted

period. However, this dependence on the mining sector reflects the inability or the slowness of the District economy to diversify to the tertiary sector as the economy modernizes, thus reflecting a structural change or the deficiency thereof. The second dominant sector is agriculture and is also not growing as expected due to in general the consequences of global warming, and it shows that the district economy is more exposed to external shocks.

Figure 4.11: GDP-R Growth forecast of Lejweleputswa and its municipalities, 2010 – 2019



Source: IHS Global Insight Regional eXplorer, 2015

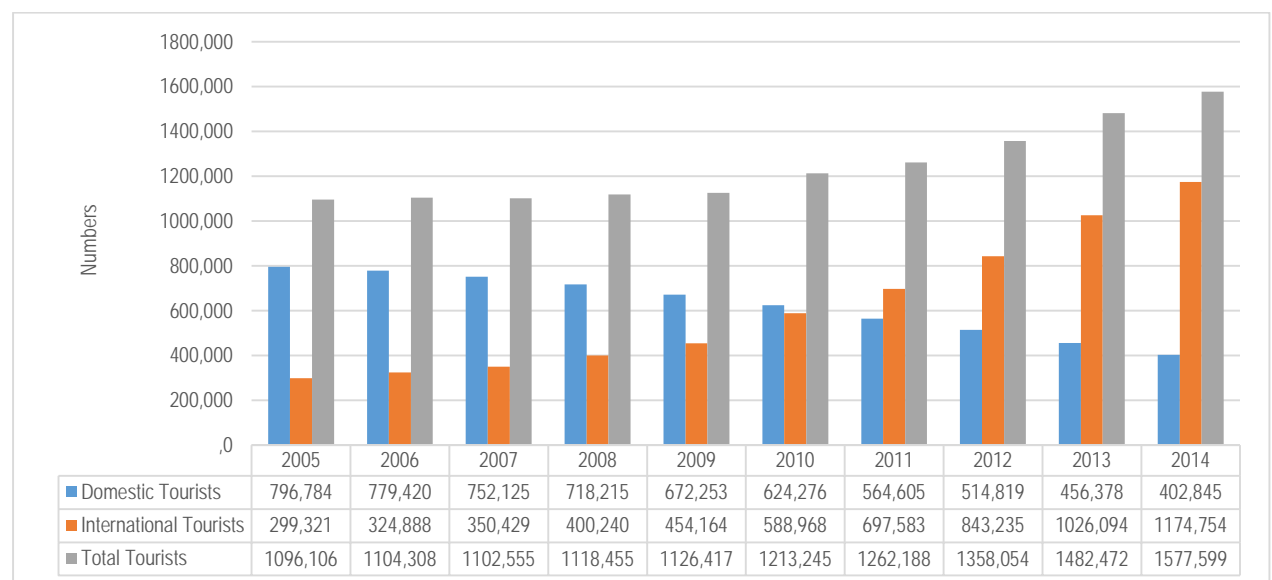
Figure 3.11, illustrates that the forecasted growth rate of Lejweleputswa between 2010 and 2019 mirrors that of Matjhabeng to a certain extent because of its large influence on the District economy. The average forecasted growth rate of -0.8 percent in Lejweleputswa in the forecasted period is influenced by the average forecast of -1.2 percent of Matjhabeng and -1.8 percent of Masilonyana. The influence of the other three municipalities, i.e., Tokologo, Tswelopele and Nala which are expected to grow positively in the forecasted period ( 0.9%, 1.2% & 0.8%, respectively) have very little impact on the overall outcomes of growth in the District because of their small economic sizes. The expected average growth rate for the three municipalities are

Tokologo 0.9 percent, Tswelopele 1.2 percent and Nala 0.8 percent over the forecasted period.

#### 4. Tourism sector

According to United Nations World Tourism Organization (UNWTO) tourism is defined as “comprising the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes” (2015). In today’s modern world, tourism is a major source of income for many countries, and it affects the economy of both the source and the host and is of vital importance. However tourism in the country is not well defined because it includes a host of other things related to other industries e.g. beverage, bed night and things like food. The importance of tourism is that it creates employment for people with less educational skills. For the purposes of simplicity we will employ bed nights in order to be able to deal with the number of tourists in the province and the District.

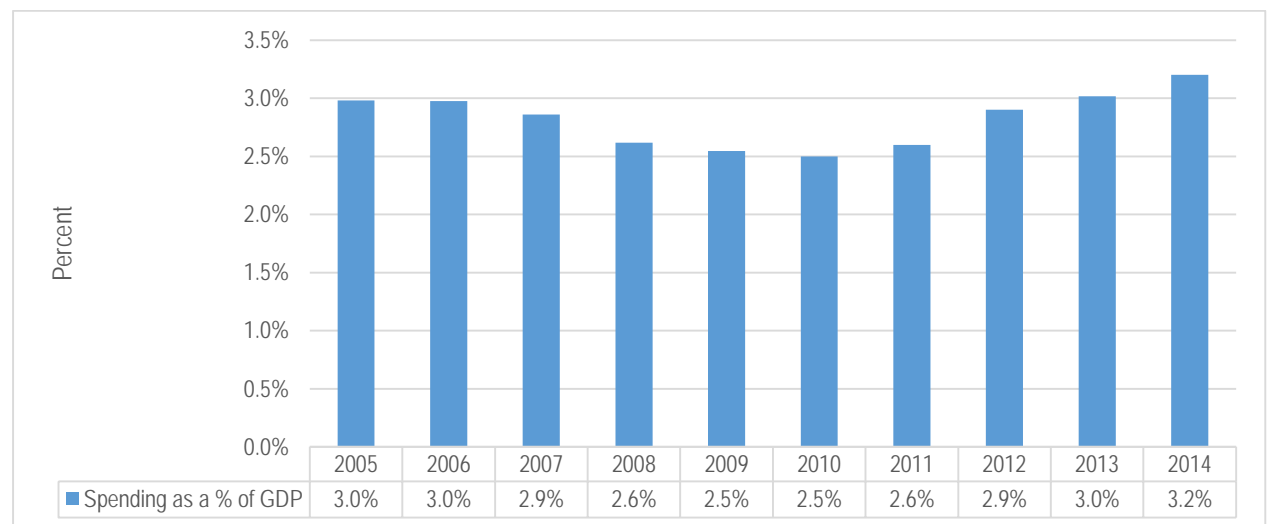
Figure 4.12: Bed nights by origin of tourist



Source: IHS Global Insight Regional Explorer, 2015

According to figure 4.12, the number of tourists in Lejweleputswa in 2005 were more than a million combined that includes the domestic tourists and the international tourists. The domestic tourists have been on a decline from 796 thousand plus in 2005 to just above 402 thousands plus in 2014. The international tourists started picking increasing just around the soccer world cup in 2010 from 588968, and catching up with domestic tourists who have been on a continuous decline at 624276 in 2010. The total number of tourists increased from 1,096106 million bed nights in 2005 to 1,577599 million bed nights in 2014 and a growth rate of 43 percentage points between 2005 and 2014.

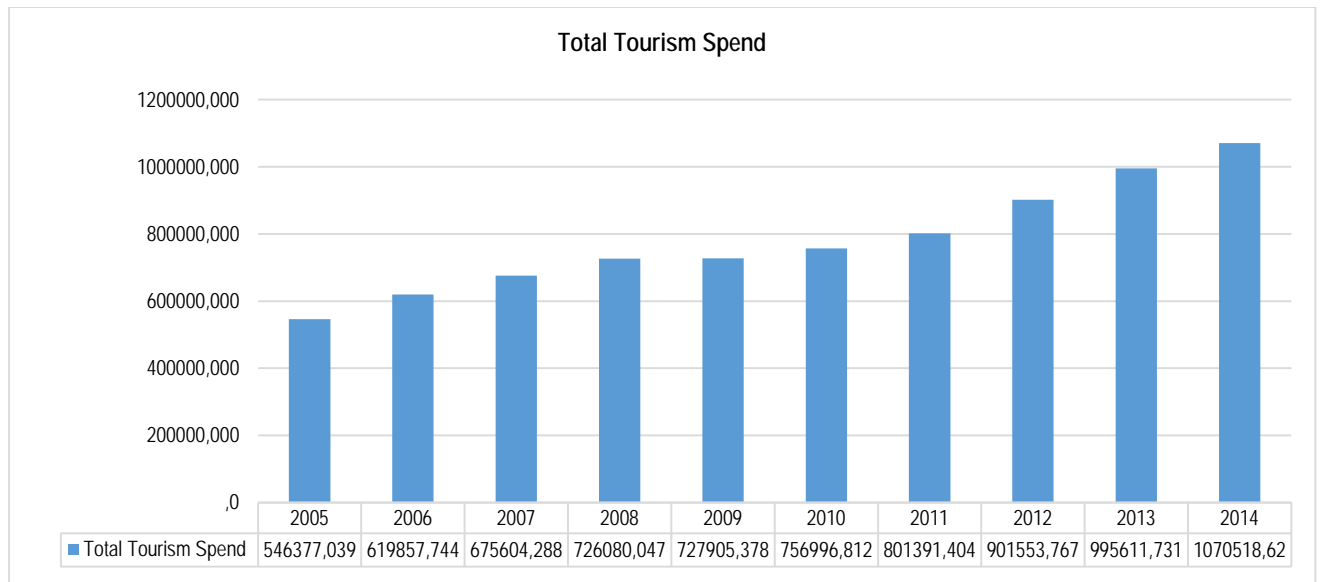
Figure 4.13: Total tourism spending as a percentage of GDP (constant prices 2010)



Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.13, illustrates that tourism spending as a percentage of GDP was 3 percent in 2005 in the district and started to decrease in 2008 from 2.6 percent, to 2.5 percent in 2010, and then started to increase again to 3.2 in 2014. The resultant decline was due to the economic recession in 2008/09 and only started to recover in 2012 to 2.9 percent. Between 2005 and 2007, total tourism spending as a percentage of GDP was above 2.9 percent and it was very much significant considering the small sector in the district. The average tourism spending for the period under review was 2.8 percentage points.

Figure 4.14: Total tourism spend, (R1000, current prices) in Lejweleputswa.



Source: IHS Global Insight Regional eXplorer, 2015

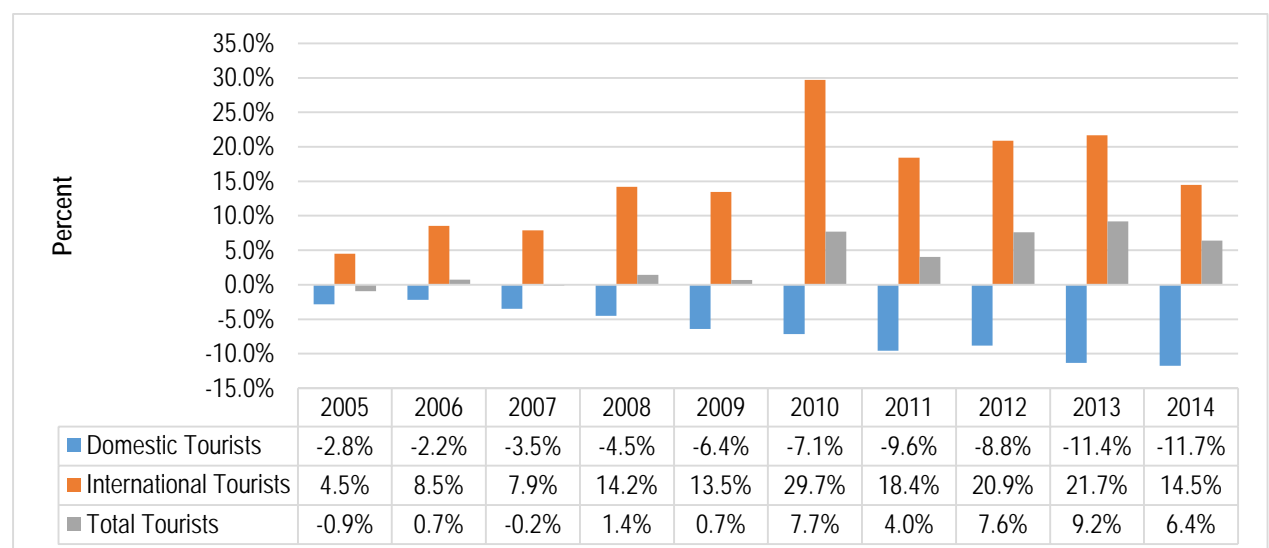
Tourism has many economic benefits which includes the generation of foreign exchange, the creation of new employment especially to those with less skills,

stimulation of trade, income and entrepreneurship in the service industry and greater tax revenue to mention some of the few benefits. According to figure 4.14, total tourism spending has generally been increasing from R546 million to R1, 070 million in current prices. Which shows that the spending by tourists at current prices is increasing and the benefits of tourists in the local economy have a multiplier effect.

### Growth in tourism

Tourism is one of the major growing industries internationally and countries are doing everything to promote their own countries. Figure 4.15 illustrates that Domestic tourists are declining to a certain extent between 2005 and 2011, which means that they are not growing positively. However what is more promising is the growth of international tourists especially after the 2010 soccer world cup, and they have grown from 13.5 percent in 2009 to 14.5 percent in 2014, an average of 15.4 percentage points between 2005 and 2014 . What is also significant in the tourism industry, which the whole country can benefit from is the rise in China’s middle class, which is a huge potential for our country in relation to good ties the country has with China as a trading partner. South Africa and the province in particular can use the friendship with China in the BRICS Countries to lure them to our country and that can be a great boost in the local tourism industry.

Figure 4.15: Growth in tourism



*Source: IHS Global Insight Regional eXplorer, 2015*

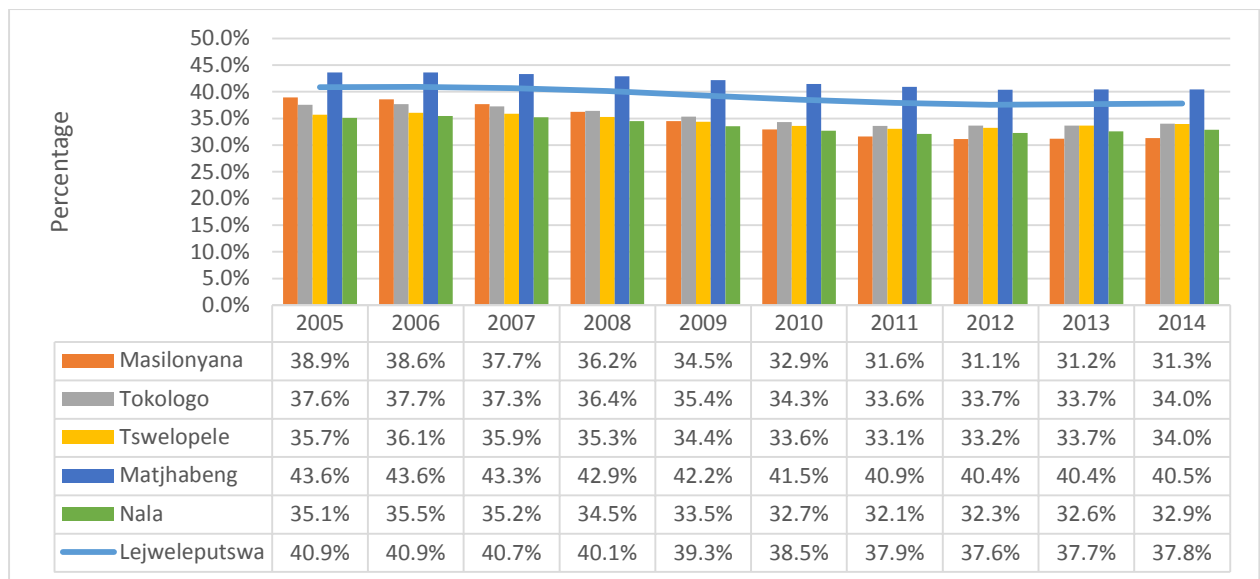
## **5. Labour market**

### **Employment in Lejweleputswa**

Economically active population comprises all persons between the ages of 15 and 64 years of age that are either employed or actively seeking employment (StatsSA, 2015)

Figure 4.16 below illustrates that the economically active population of Lejweleputswa has been declining from 40.9 percent in 2005 to 37.8 percent in 2014, an average decline of -7.6 percentage points with a growth rate -0.87 percentage points over the review period. The highest economically active population in Lejweleputswa's municipalities is Matjhabeng with an average of 41.9 percent and it has been decreasing from 43.6 percent in 2005 to 40.5 percent in 2014. The lowest economically active population in the district is in Nala with an average of 33.6 percent between 2005 and 2014 and is also declining from 35.1 percent in 2005 to 32.9 percent in 2014. The other municipalities in the District namely; Tswelopele, Tokologo and Masilonyana have an average economically active populations of 35.4 percent and 34.4 percent respectively. A lower economically active population can also indicate a higher dependency ratio.

Figure 4.16: Economically Active population as % of total population in Lejweleputswa's municipalities (Official Definition)



Source: IHS Global Insight Regional Explorer, 2015

Table 4.4 below illustrates that Lejweleputswa's employment is dominated by the community services sector at 20.57 percent followed by trade at 19.35 percent and then mining in third place with a 17.34 percent. The dominance of mining in Lejweleputswa is being eroded slowly as the sector is facing difficult times. However mining is still dominant in Masilonyana with a 26.87 percent and Matjhabeng with a 21.44 percent, and both are traditional mining towns. Trade, community services sector and household sector plays a major role in the district as the employer, signifying the growing community service sector. Agriculture is also still very important especially in Tokologo with a 38.90 percent and Tswelopele with a 15.98 percent of the total employment in the district.



Table 4.4: Total formal employment by sector as a percentage, 2014.

	Lejweleputswa	Masilonyana	Tokolologo	Tswelopele	Matjhabeng	Nala
1 Agriculture	7.51	4.69	38.90	15.98	2.62	21.30
2 Mining	17.34	26.87	2.72	0.92	21.44	1.46
3 Manufacturing	5.40	3.62	2.81	3.28	5.08	11.31
4 Electricity	0.48	0.28	0.11	0.71	0.38	1.34
5 Construction	5.64	9.76	2.03	6.30	5.81	2.83
6 Trade	19.35	13.66	8.56	17.66	20.47	22.22
7 Transport	3.91	2.67	0.83	1.20	4.88	1.72
8 Finance	7.89	8.45	2.67	5.36	8.89	4.99
9 Community services	20.57	16.21	13.31	28.12	20.99	19.29
Households	11.91	13.80	28.07	20.48	9.44	13.53

Source: IHS Global Insight Regional eXplorer, 2015

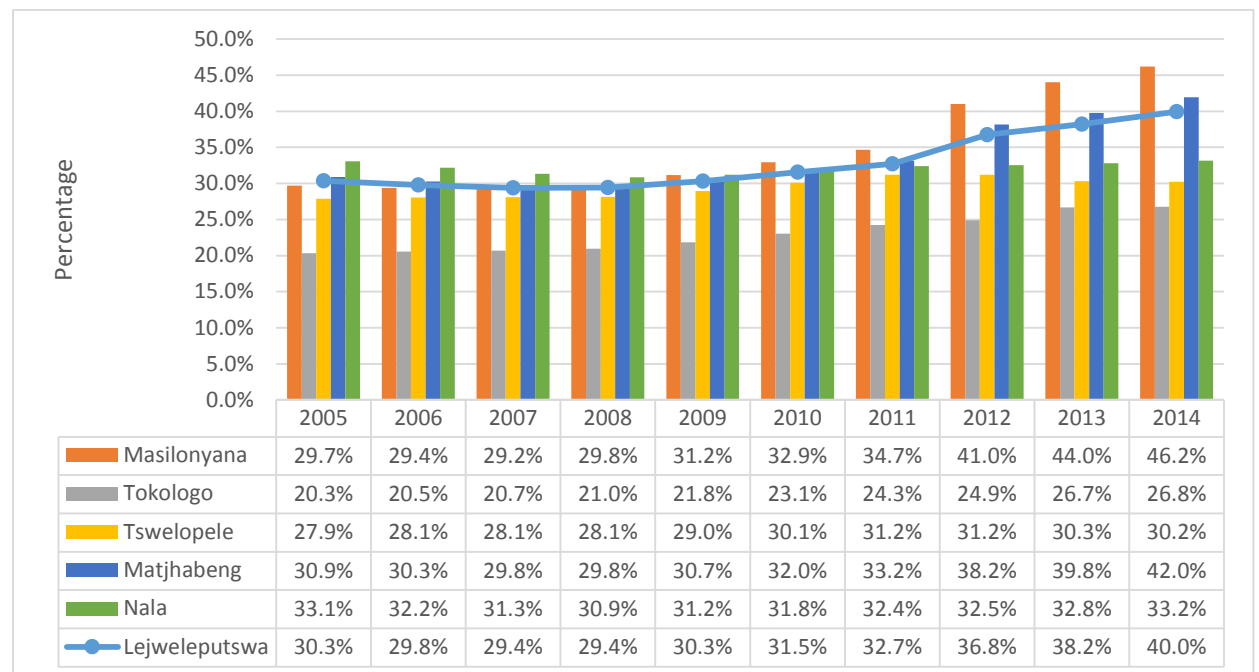
### Unemployment rate in Lejweleputswa

Statistics South Africa defines unemployment rate as a measure of the prevalence of unemployment and is calculated as a percentage, by dividing the number of unemployed individuals by all individuals currently in the labour force.

Unemployment rate has increased in Lejweleputswa as illustrated by figure 4.17 below, from 30.3 percent in 2005 to 40 percent in 2014, with an average of 32.8 percent in the review period. The highest rate of the unemployment in the District was recorded in Masilonyana which increased from 29.7 percent in 2005 to 46.2 percent in 2014, an average unemployment rate of 34.8 percent for the municipality. All of Lejweleputswa's municipalities' unemployment rate is increasing, with Matjhabeng recording the second highest unemployment rate after Masilonyana (46.2 percent) of 42 percent in 2014 from 30.9 percent in 2005, with an average of 33.7 percent unemployment rate over the review period. The lowest recorded unemployment rate in the District was Tokologo which also increased from 20.3

percent in 2005 to 26.8 percent in 2014, with an average of 23 percent unemployment rate. Part of the unemployment in the District can be explained by the decline in the mining sector and agricultural sector and the accompanying multiplier effect on other sectors.

Figure 4.17: Total Unemployment rate in Lejweleputswa (Official Definition %)

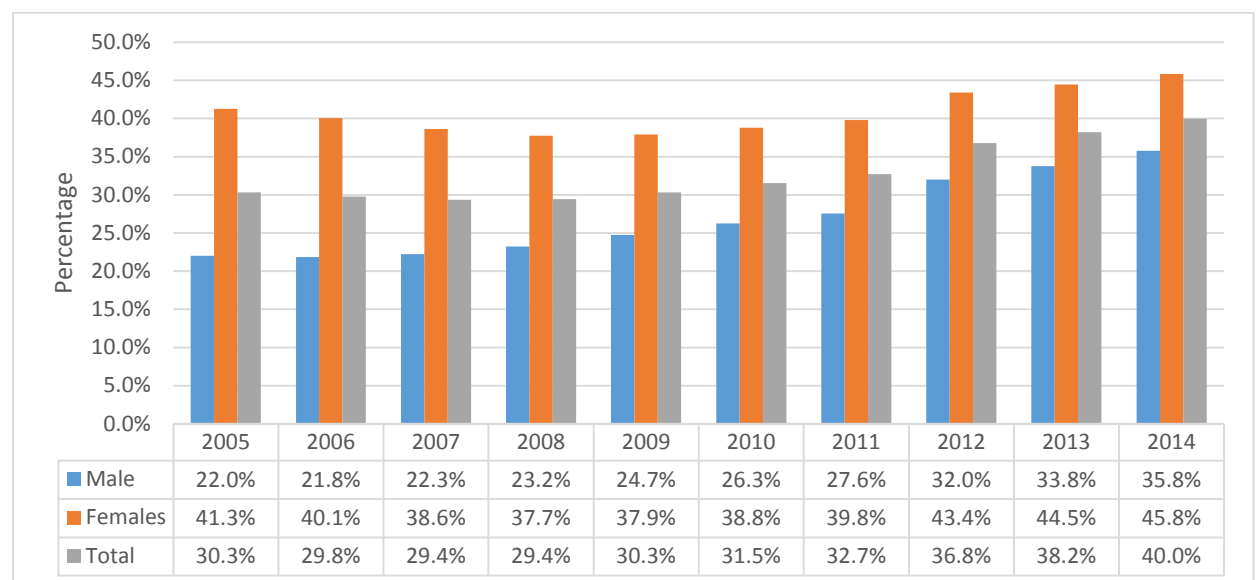


Source: IHS Global Insight Regional Explorer, 2015

### Male and Female unemployment rate

Male and female unemployment is the share of each sex in the unemployment rate of a country or region. Traditionally unemployment rate for women has always been higher for females than for males. This is because males have always been regarded as the providers and females as the receivers. As a result men are more likely to be in paid employment than females regardless of race, females are more likely to be doing unpaid economic work.

Figure 4.18: Male and Female Unemployment rate in Lejweleputswa (Official definition %)



Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.18 depicts a normal historical picture, where unemployment rate for men is lower than that of their female counter parts. The unemployment rate for females has fallen slightly during the 2008/09 recession to 37.7 percent from 41.3 percent in 2005. However after 2009 the female unemployment increased again to 35.8 percent in 2014. The result could signal that females are easily discouraged during times of recession and after the recession they join the labour market again by seeking employment. Unemployment rate for men has remained lower than that of the their

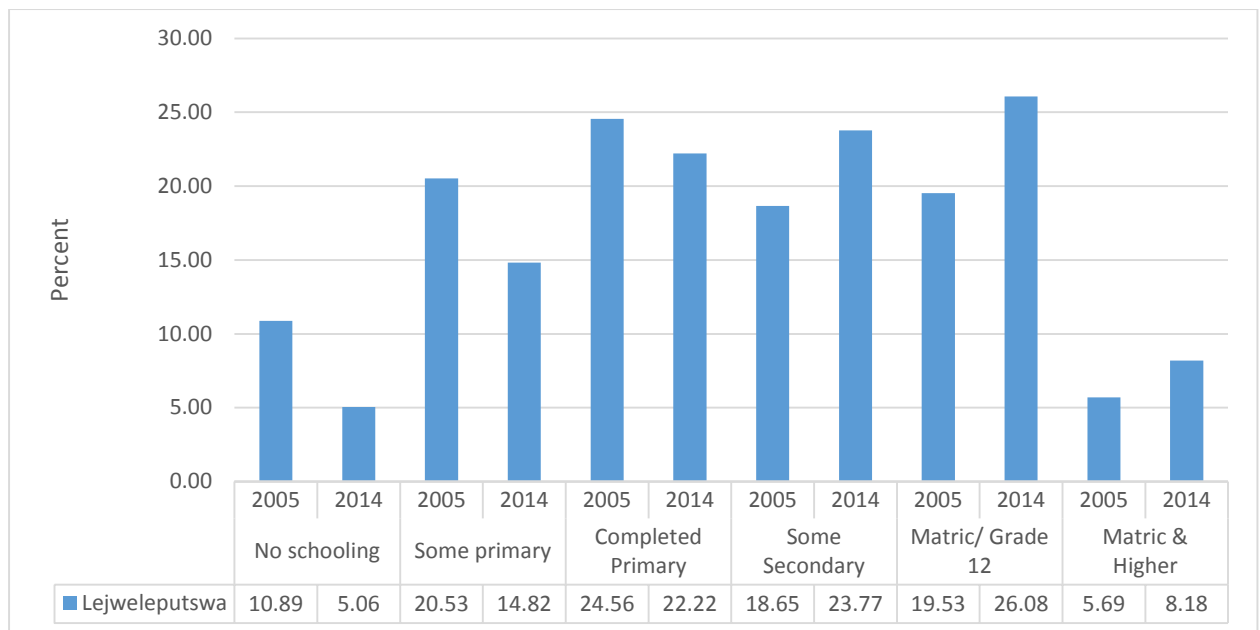
female counter part for much of the period under review, starting from 22.0 percent in 2005 increasing to 35.8 percent in 2014. Generally unemployment rate in Lejweleputswa has increased from 30.3 percent in 2005 to 40 percent in 2014, indicating an average growth of 5.6 percentage points for men and an average growth of 1.24 percentage points for females. The average growth simply indicates that unemployment among males is increasing at a faster pace than for females.

## **6. Education profile**

### **The education profiles of the economically active population in Lejweleputswa.**

Education plays a major role in the employment of the economically active population, because many occupations require a certain level of education in order to be eligible for employment.

Figure 4.19: Highest level of Education attained by persons aged 20+



Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.19, illustrates that the majority of the persons aged 20 years and older are concentrated below matric level in Lejweleputswa with positive increases of persons completing matric. The number of persons with some primary 14.82 percent and completed primary 22.22 percent in 2014, far outweigh the number in other categories. The number of persons with some secondary education were 23.77 percent in 2014, an increase of about 5 percentage points and the number of persons with matric also increased from 19.53 percent to 26.08 an increase of more than 6 percentage points. The figures shows that an estimated 65 percent of the population in Lejweleputswa have an average education below matric, which simply means limited skills with limited employment opportunities. However the number of persons with a higher qualification than matric stood only at 8.18 percent in 2014 a slight increase from the 2005 figures of 5.69 percent. The rest of the municipalities in Lejweleputswa follow a more or less similar pattern.

## 7. Conclusion.

Overall Lejweleputswa continues to play an important role in the economy of the province, though its importance is declining due to a decline in its economic growth rate of -1.4 percent on average in the review period of 2005 to 2014. The resultant decline in the district growth rate is as a result of the decline in the mining sector which is the mainstay of the district economy, which declined by an average of 0.3 percent from 2005 to 2014. Growth in the district is expected to decline further by an average of -0.9 from 2010 until 2019 in the forecasted period, due to low commodity prices (expected decline in the mining sector).

Employment creation is relatively low as the labour absorptive sectors, mining and agriculture are forecasted to grow negatively over the forecasted period of up to 2019. Unemployment is relatively high at 40 percent in 2014 in the district and is expected to increase even further as the labour force grows and the economy struggling to recover.

## **STATUS QUO ASSESSMENT**

### **WASTE MANAGEMENT**

The LDM's Integrated Waste Management Plan was developed in 2011 and has not been reviewed however there plans to review it internal since most of the projects have not been implemented to date

### **ROADS**

There is a draft Integrated Transport Plan which was developed on behalf of the District by the Provincial Department of Transport and the plan still need to be presented to the councillors before it is finally adopted

### **PUBLIC PARTICIPATION**

### **GOVERNANCE STRUCTURES**

**Strategic Objective:** Promote a culture of participatory and good governance

**Intended outcome:** Entrenched culture of accountability and clean governance

#### **1. Internal audit Function**

The District Municipality has an internal auditor and two audit officers approved positions reflected in the municipal organogram performing the audit function for the municipality.

#### **2. Audit Committee**

The audit committee is in place and constituted by five members sourced externally for a period of three financial years. It is an on-going function compliant to legislation and supports the internal audit unit on matters of internal audits of the municipality. Part of the responsibilities is to ensure that portfolio of evidence for work done is readily available for the external audit (**see the table below**).

#### **Audit Committee Members**

CHAIRPERSON : MR LJ MAKORO

MEMBER : ADV. LS KHONKHE

MEMBER	: MR ET FEMELE
MEMBER	: MR. NL MASOKA
MEMBER	: MR NS MAROTA

The municipal public accounts committee is chaired by Cllr Ntombizodwa Veronica Ntakumbana, established in a council meeting of the 27<sup>th</sup> October 2016, appointed for a term which corresponds to the term of sitting council (**see the table below**)

<b>Municipal Public Accounts Committee</b>	
Cllr NV NTAKUMBANA (Chairperson)	(ANC)
Cllr V QABELA	(ANC)
Cllr KSV MOIPATLE	(ANC)
Cllr MG MAFAISA	(ANC)
Cllr NE MONJOVO	(ANC)
Cllr XN MASINA	(ANC)
Cllr DA NJODINA	(ANC)
Cllr (Dr) JS MARAIS	(DA)
Cllr MM SNYER	(DA)
Cllr LJ NANYANE	(EFF)
Cllr SDM TALJAARD	(FF+)

## **WARD COMMITTEES**

There are 70 wards in the District and only 64 ward committees, have been established with the exception of Tokologo local municipality

## **COUNCIL COMMITTEES**

The municipality also has Seven (7) section 80 committees established as portfolio committees and they are Finance portfolio committee; IDP, PMS, Policy Development and Monitoring portfolio committee, Corporate Services portfolio committee, LED, Tourism, Agriculture, Youth and SMME portfolio; Social Services and Environmental Health portfolio committee; Municipal Support and Infrastructure portfolio committee and Special Programmes. All these committees are politically headed by their respective Members of the Mayoral Committee (MMCs) to carry out their duties by ensuring all items that go to the Lejweleputswa council have served before their portfolio's, Mayoral Committee and eventually reach the council.

## **SUPPLY CHAIN COMMITTEES**

1. Bid Specification Committee
2. Evaluation Committee
3. Adjudication Committee



## **MANAGEMENT AND OPERATIONAL SYSTEMS**

### **1. COMPLAINTS MANAGEMENT SYSTEM**

The Lejweleputswa District municipality has the system which is called Reward and Complaints management system and is operational.

### **2. FRAUD PREVENTION PLAN**

The municipality has the plan and was adopted by council in .....

### **3. COMMUNICATION STRATEGY**

The strategy is in place and was adopted by council ....

### **4. PUBLIC PARTICIPATION**

The municipality has a draft public participation policy which still has to serve before the council for final adoption

## **INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION**

**Strategic Objectives:** Improve organizational cohesion and effectiveness

**Intended outcome:** Improved organizational stability and sustainability

### **INFORMATION TECHNOLOGY (IT)**

The municipality has IT staff and there is ITC draft plan to be adopted by council

### **AVAILABILITY OF SKILLED STAFF**

The municipality is capacitated with highly skilled, disciplined and professional staff in order to fulfill its mandate

### **ORGANISATIONAL STRUCTURE**

The organizational structure is in place and was a by council I 2016/17 financial year

### **VACANCY RATE**

Only two senior positions are vacant

### **SKILLS DEVELOPMENT PLAN**

The municipality has the plan in place and is reviewed every financial year

### **HUMAN RESOURCE MANAGEMENT STRATEGY OR PLAN**

The municipality has Human Resource Development Plan in place and has been reviewed to adapt to unfolding circumstances

### **INDIVIDUAL PERFORMANCE AND ORGANISATIONAL MANAGEMENT SYSTEMS**

The municipality has the system in place but only caters for HOD's and plans are afoot to cascade it to junior levels of the organisation

### **MONITORING, EVALUATION AND REPORTING PROCESSES AND SYSTEMS**

## **FINANCIAL VIABILITY**

**Strategic Objective:** To improve overall financial management in municipalities by developing and implementing appropriate financial management policies, procedures and systems

**Intended Outcome:** Improved financial management and accountability

### **SCM POLICY- STAFFING**

The municipality has an SCM policy in place which has been reviewed and vibrant SCM unit that is properly staffed

### **PAYMENT OF CREDITORS**

The payment of creditors is made within the prescribed 30 days timeframes

### **AUDITOR- GENERAL FINDINGS**

### **FINANCIAL MANAGEMENT SYSTEMS**

## **LOCAL ECONOMIC DEVELOPMENT**

**Strategic Objective:** Create an environment that promotes development of the local economy and facilitate job creation

### **Intended Outcomes:**

Improved municipality economic viability

The District municipality has in place LED strategy that was adopted in 2015

### **UNEMPLOYMENT RATE**

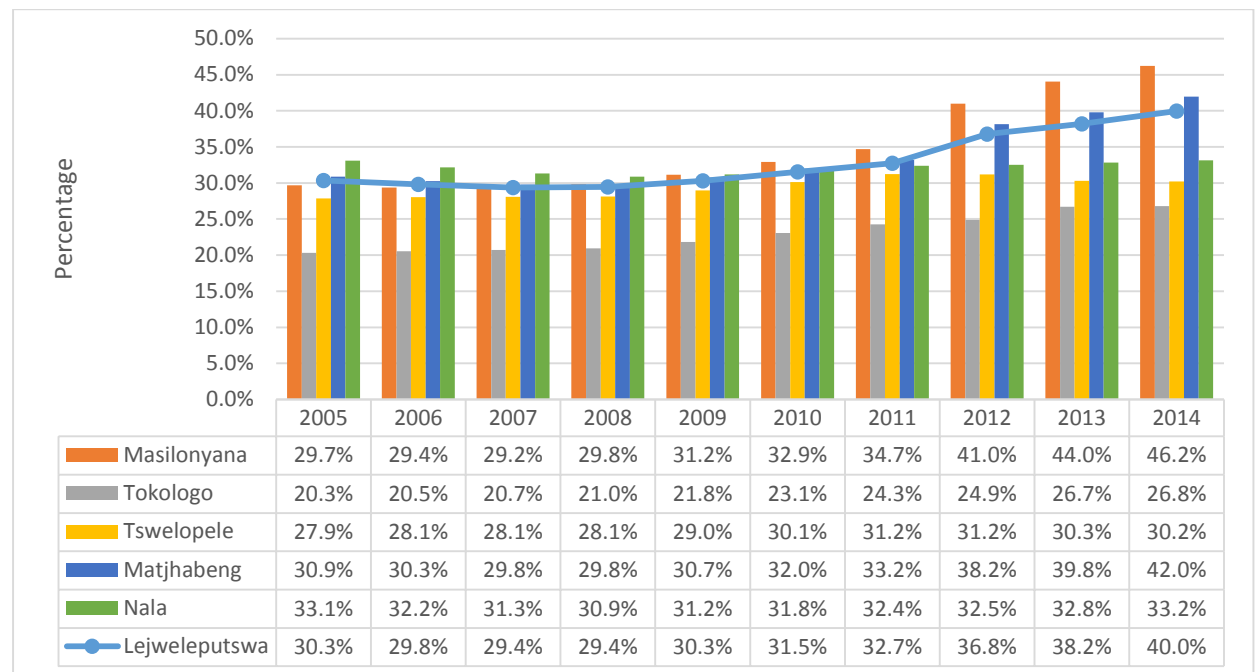
<b>MUNICIPALITY</b>	<b>EMPLOYED</b>	<b>UNEMPLOYED</b>	<b>TOTAL</b>	<b>EMPLOYMENT RATE</b>
MATJHABENG	99650	58524	158174	37%
TOKOLOGO	6618	2504	9122	27,45%
MASILONYANA	11406	7227	18633	38,79%
TSWELOPELE	9694	5174	14868	34,80%
NALA	15786	8825	24611	35,86%

**2011 Census****DISAGREGATE IN TERMS OF GENDER, AGE****Unemployment rate in Lejweleputswa**

Statistics South Africa defines unemployment rate as a measure of the prevalence of unemployment and is calculated as a percentage, by dividing the number of unemployed individuals by all individuals currently in the labour force.

Unemployment rate has increased in Lejweleputswa as illustrated by figure 4.17 below, from 30.3 percent in 2005 to 40 percent in 2014, with an average of 32.8 percent in the review period. The highest rate of the unemployment in the District was recorded in Masilonyana which increased from 29.7 percent in 2005 to 46.2 percent in 2014, an average unemployment rate of 34.8 percent for the municipality. All of Lejweleputswa's municipalities' unemployment rate is increasing, with Matjhabeng recording the second highest unemployment rate after Masilonyana (46.2 percent) of 42 percent in 2014 from 30.9 percent in 2005, with an average of 33.7 percent unemployment rate over the review period. The lowest recorded unemployment rate in the District was Tokologo which also increased from 20.3 percent in 2005 to 26.8 percent in 2014, with an average of 23 percent unemployment rate. Part of the unemployment in the District can be explained by the decline in the mining sector and agricultural sector and the accompanying multiplier effect on other sectors.

Figure 4.17: Total Unemployment rate in Lejweleputswa (Official Definition %)

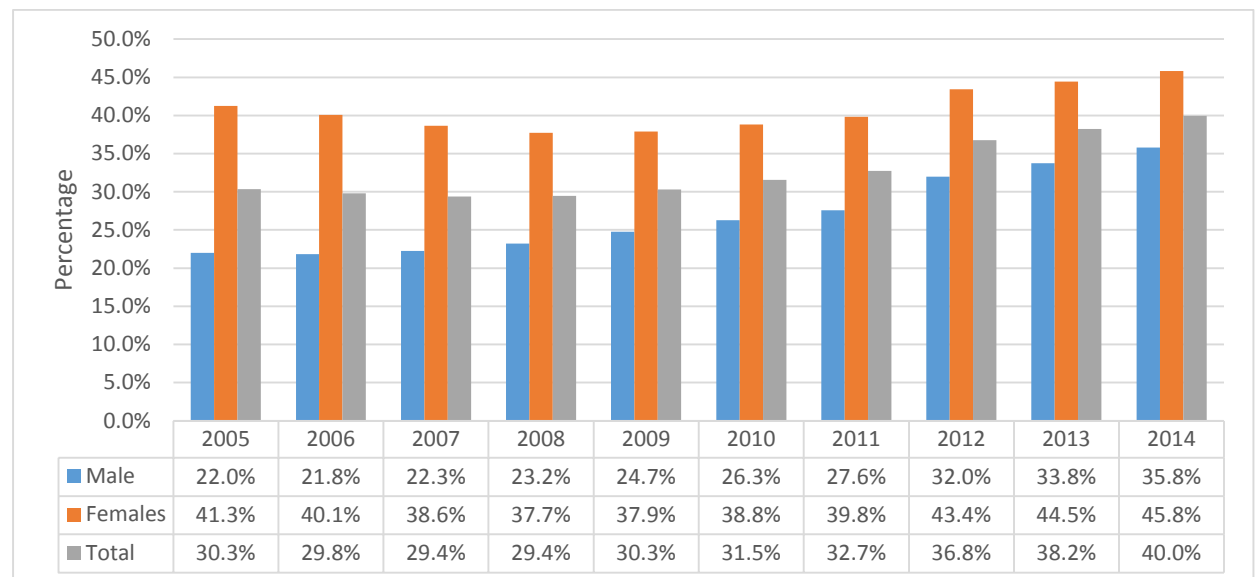


Source: IHS Global Insight Regional eXplorer, 2015

#### Male and Female unemployment rate

Male and female unemployment is the share of each sex in the unemployment rate of a country or region. Traditionally unemployment rate for women has always been higher for females than for males. This is because males have always been regarded as the providers and females as the receivers. As a result men are more likely to be in paid employment than females regardless of race, females are more likely to be doing unpaid economic work.

Figure 4.18: Male and Female Unemployment rate in Lejweleputswa (Official definition %)

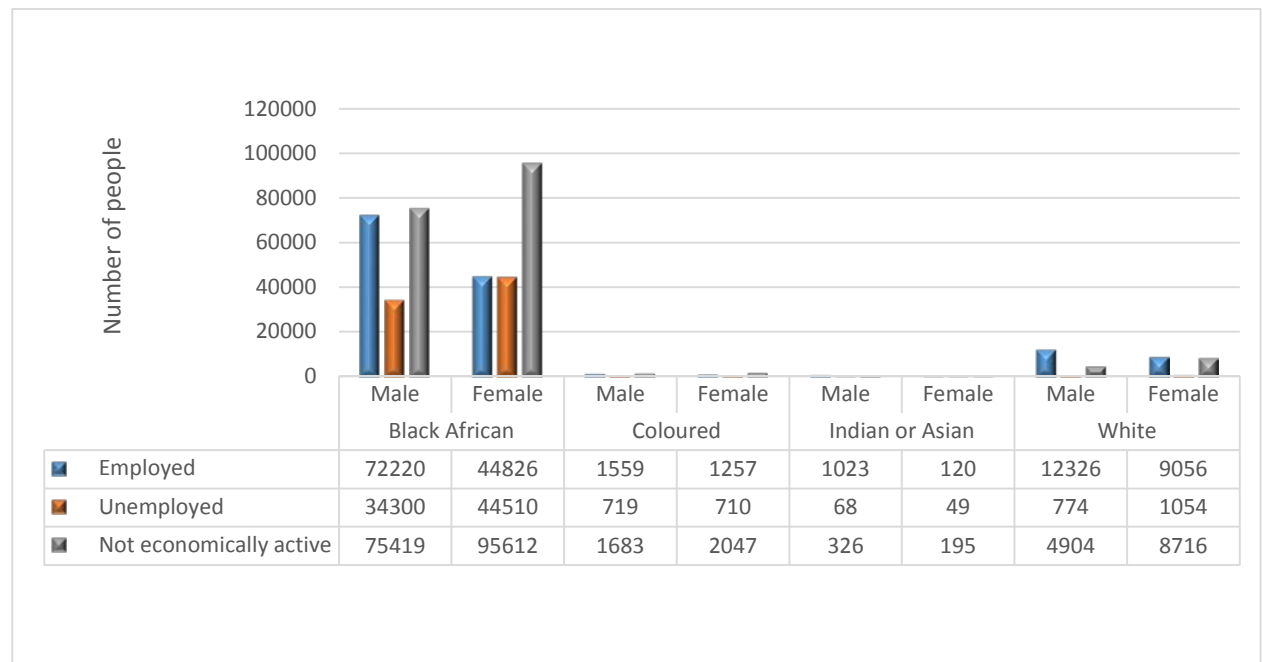


Source: IHS Global Insight Regional eXplorer, 2015

Figure 4.18 depicts a normal historical picture, where unemployment rate for men is lower than that of their female counter parts. The unemployment rate for females has fallen slightly during the 2008/09 recession to 37.7 percent from 41.3 percent in 2005. However after 2009 the female unemployment increased again to 35.8 percent in 2014. The result could signal that females are easily discouraged during times of recession and after the recession they join the labour market again by seeking employment. Unemployment rate for men has remained lower than that of the their female counter part for much of the period under review, starting from 22.0 percent in 2005 increasing to 35.8 percent in 2014. Generally unemployment rate in Lejweleputswa has increased from 30.3 percent in 2005 to 40 percent in 2014, indicating an average growth of 5.6 percentage points for men and an average growth

of 1.24 percentage points for females. The average growth simply indicates that unemployment among males is increasing at a faster pace than for females.

**EMPLOYMENT STATUS BY POPULATION AND SEX OFFICIAL EMPLOYMENT STATUS BY POPULATION GROUP AND GENDER IN LEJWELEPUTSWA**



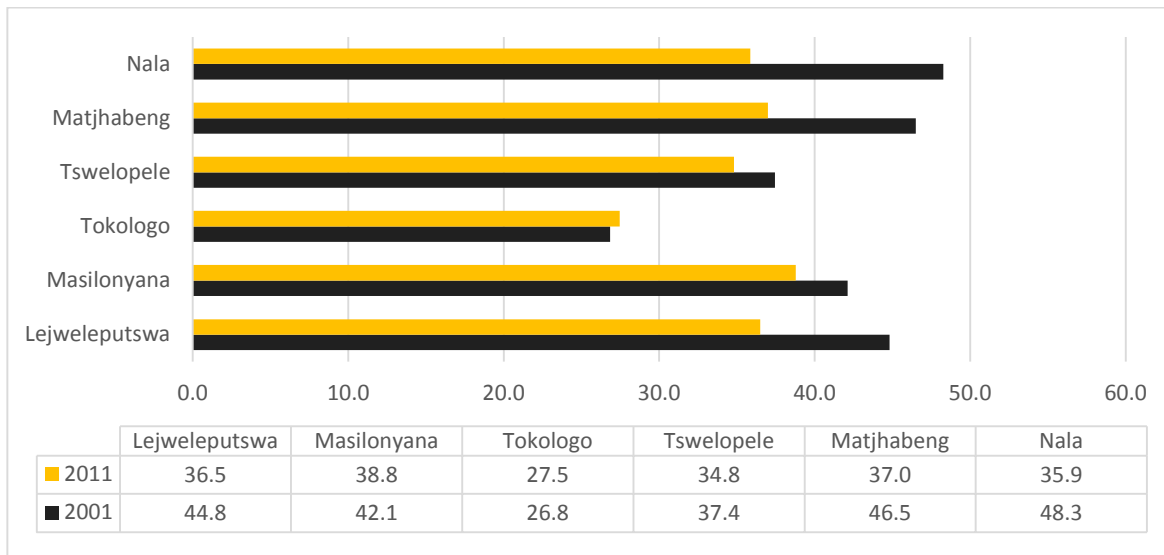
Statssa: Census, 2011

The table above depicts the official employment status by population group and gender in the Lejweleputswa District, with black African male being the highest with **72220** employed followed by African female at **44826**, and white males with **12326** employed, and white females at **9056**, male coloured at 1559 and coloured female at **1257**. The Indian, male employment is at **1023** while female Indians is **120**.

The unemployment of Black African male is **34300**, and Black African female is **44510**. The White male unemployment is standing at **774** and White female the rate of unemployment is at 1054. The Coloured male unemployment is at **719** and the Coloured female is **710**. The Indian male is 68 and Indian female is at **49**.

It is quite clear that the Black African population group is the most affected both males and females and the district should focus on creating more employment opportunities to significantly reduce the rate of unemployment from **36, 5%** to **5%** by 2030.

## Lejweleputswa Youth Unemployment rate



Statssa: Census, 2011

The table above depicts a picture of the youth unemployment in Lejweleputswa with Masilonyana being the hardest hit municipality at a rate of **38.8%** unemployment followed by Matjhabeng with **37.0%**, Nala standing at **35.9%**, Tswelopele at 34.8% and Tokologo being the least with **27.5%**.

This situation calls for Lejweleputswa to prioritize youth and women when embarking on EPWP projects and SMME's development in an attempt to address youth and women unemployment.

### Economic Performance

The Gross Value Added by Region (GVA-R) measures the difference between inputs into particular region's economy and the value of outputs (goods and services) in that region or sector.

Table 4.2: GVA-R. Contribution to total economic growth in Lejweleputswa (% point, Constant 2010 prices)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1 Agriculture	0.1%	-	0.0%	0.9%	-0.1%	0.0%	0.5%	-0.1%	0.0%	0.2%
2 Mining	0.8%	3.8%	0.7%	-3.0%	-2.0%	0.9%	1.3%	-2.2%	1.9%	-0.3%
3 Manufacturing	-	-	-	0.2%	-0.2%	0.0%	0.4%	-0.5%	0.1%	-0.1%
4 Electricity	0.0%	0.2%	0.0%	0.0%	0.0%	0.1%	0.1%	-0.1%	0.0%	0.0%
5 Construction	0.0%	0.1%	0.2%	0.1%	0.2%	0.2%	0.1%	-0.1%	0.0%	0.0%
6 Trade	0.1%	0.4%	0.2%	0.1%	-0.3%	0.6%	0.2%	-0.2%	0.4%	0.0%
7 Transport	0.1%	0.2%	0.2%	0.1%	0.0%	0.3%	0.2%	-0.4%	0.2%	0.0%
8 Finance	0.2%	0.5%	0.3%	0.1%	0.2%	0.5%	0.1%	-0.4%	0.2%	0.0%
9 Community services	0.2%	0.5%	0.3%	0.4%	0.1%	0.6%	0.4%	-0.8%	0.2%	0.1%
Total Industries	0.9%	6.5%	0.2%	-1.1%	-2.3%	1.3%	3.2%	-4.8%	0.8%	0.0%
Taxes less Subsidies on products	0.3%	0.6%	0.2%	-0.4%	0.3%	0.4%	1.0%	-0.6%	0.0%	-0.1%
Total (Gross Domestic Product - GDP)	1.2%	7.1%	0.0%	-1.5%	-2.0%	1.7%	2.2%	-5.4%	0.8%	-0.1%

Source: IHS Global Insight Regional eXplorer, 2015

The contribution of mining, which is the dominant sector, in Lejweleputswa district's economic growth has been on a declining trajectory in the review period of 2005 to 2014 according to table 4.1. Table 4.2 above illustrates that although mining has been



on a downward trend, 2010 saw a 0.9 percentage point increase in its GVA-R, together with a 1.9 percentage point increase in 2013. Part of the 2013 growth in the mining sector was due to a favourable world commodity prices, which has recently been not very favourable according to the recent world statistics on commodity prices. On average total industries in Lejweleputswa are declining with the 2012 as the worst year with -4.8 percent decrease in total for all the industries. The contribution of community services sector' growth has declined from 0.2 percent in 2005 to 0.1 percent in 2014, indicating a general decline in the activities of the sector. The decline of community services sector could be as a result of recent policy shift to "austerity measures" of trying to reduce government wage bill. The GDP growth in Lejweleputswa is also hovering in recession for most of the review period except for 2013, with a 0.8 percent recovery.







## DEVELOPMENT OBJECTIVES, STRATEGIES, PROGRAMMES AND PROJECTS

### SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

MUNICIPAL FOCUS AREA	STRATEGIC OBJECTIVES	STRATEGIES	PROJECT NAME	KPI	BASELINE	5 YEAR TARGETS				
						2017/18	2018/19	2019/20	2020/21	2021/22
Infrastructure Development	To provide sporting infrastructure for the community of Matjhabeng/ <b>Infrastructure Development</b>	Build a multi-purpose stadium in Welkom	Multi-purpose Stadium	Number of Stadium built						
		Upgrade Welkom Airport	Welkom Airport	Number of refurbished Welkom Airport						
		Establishment of central regional distribution hub for agricultural goods and services	<b>Distribution hub</b>	Number of established regional distribution hub						
		Agro-processing of agricultural products to add value	Agro-processing							
		Upgrading and maintenance of roads	Road maintenance	roads maintenance						

LOCAL ECONOMIC DEVELOPMENT										
MUNICIPAL FOCUS AREA	STRATEGIC OBJECTIVES	STRATEGIES	PROJECT NAME	KPI	Baseline	5 YEAR TARGETS				
Local Economic Development	Expand and diversify sustainable agriculture production and food security	Improve institutional support and capacity building of Municipal Officers	Institutional support and capacity building programme	Number of institutional support and capacity building	0	2017/18	2018/19	2019/20	2020/21	2021/22
						1	1	1	1	1
		Facilitate the development of Agri-Park in Nala	Agri-Park	Number of Agri-Parks developed	0	1	1	1	1	1
		Strengthen agricultural knowledge and skills	Entrepreneurial focused training and development	Number of capacity entrepreneurial training and development	2	1	1	1	1	1
		Review the LDM LED Implementation Plan	LED Implementation Plan	Number of LED Plan reviewed	1	1	1	1	1	1
		Strengthen LED Stakeholder Collaboration	LED Business Forum	Number of LED Business Forum	2	4	4	4	4	4

		SMME Development on BID	SMME Workshop On BID	SMME Bid Workshop	1	1	1	1	1	1
<b>TOURISM DEVELOPMENT PROJECTS</b>										
<b>MUNICIPAL FOCUS AREA</b>	<b>STRATEGIC OBJECTIVES</b>	<b>STRATEGIES</b>	<b>PROJECT NAME</b>	<b>KPI</b>	<b>BASELINE</b>	<b>5 YEAR TARGET</b>				
<b>Tourism Development and Support</b>	Support tourism development and growth	Develop Tourism Strategy	Tourism Strategy	Number of Tourism strategy developed	1	1	0	0	0	0
	Support programme for tourism development and growth	Enhance Government capacity for tourism development	Capacity Building		0	2	2	2	2	2
		Strengthen District tourism Forum	Districts tourism Fora		1	4	4	4	4	4
		Improve tourism marketing	Update tourism database		1	1	1	1	1	1

			Tourism Website		1	1	1	1	1	1
Game Farm	To promote tourism through game farming	To ensure a sustainable growth and development of local economy	Game Farm	Number of Game farm developed	0	1	1	1	1	1
		To create job opportunities								
<b>Sports development and support</b>	Promote effective and efficient sport and recreation	Sport Events	OR Tambo Sports	100% sports event	1	OR Tambo Games				
		Support Sporting Bodies in the District	Sport Bodies	100% support of sport bodies	5	Support for Sports Bodies				



## PUBLIC PARTICIPATION AND GOOD GOVERNANCE

MUNICIPAL KEY FOCUS AREA	STRATEGIC OBJECTIVES	STRATEGIES	PROJECT NAME	KPI	BASELINE	5 YEAR TARGETS				
						2017/18	2018/19	2019/20	2020/21	2021/22
1. IDP	Ensure implementation of a District IDP Framework wide integrated planning process	By developing, reviewing and approving a District IDP framework in consultation with local municipalities to inform IDP process plans of all local municipalities.	District IDP framework	100% approved District IDP Framework	5	1	1	1	1	1
	Ensure implementation of a District IDP Process Plan	By annually developing and approving District IDP Process Plan	District IDP Process Plan	100% approved IDP Process Plan	5	1	1	1	1	1
	Ensure the participation of all stakeholders in the IDP Representative forum meetings	Invite all stakeholders on our IDP database to participate in our forum meetings	IDP	100% adopted IDP	20	3	3	3	3	3
		Coordinate and support the development and approval of local IDP process plans	Local IDP process plans	100% coordination and adoption Local IDP Process Plans	25	5	5	5	5	5

		Convene four IDP Managers forum meetings annually	IDP Managers forum	100& IDP Managers forum meetings convened	20	4	4	4	4	4
Moral regeneration	Restore societal moral values	Convening public awareness campaigns	Moral regeneration	Number of public awareness campaigns convened	25	5	5	5	5	5
Poverty Alleviation	To address the plight of indigent households in the District	Establish five food gardens in five local municipalities by the end of 2018 (Re kgaba ka diratswana)	Poverty Alleviation		25	5	5	5	5	5
District Aids Council & HIV & AIDS	Reduce the spread of HIV & AIDS in the District	Coordinate 4 District Aids Council meetings	DAC	Number of DAC meetings coordinated	20	4	4	4	4	4
		Coordinate HIV and AIDS awareness campaigns throughout the district.	HIV and AIDS awareness campaigns							
5.5. Gender, Disability, Elderly and Children's Programme	Promote the interests of designated groups	Conduct targeted awareness campaigns on the elderly	Targeted campaigns							

		Conduct targeted awareness campaigns for women	Targeted campaigns							
		Conduct targeted awareness campaigns for the people with disabilities	Targeted campaigns							
		Conduct targeted awareness campaigns on children's programmes.	Targeted campaigns							
National Campaigns	Ensure coordination of all national and provincial campaigns in the district.	Convene 1 state of the province address session	State of the Province address							
		Undertake 4 international trips	International trips							
		Convene 1 international women's day celebration activity	International women's day							
		Convene 1 freedom day celebration activity	Freedom day celebration							

		Launch 16 days of activism against women and children abuse	16 Days activism							
Mandela day	To participate in the 67 minutes Mandela day in July.	Launch Mandela day	Mandela day		5	1	1	1	1	1
Capacity Development	To provide capacity to deserving students in Lejweleputswa region/district	Identify needy students in the district to apply for bursaries	Bursaries	Number of bursaries awarded						
Educational project	Encourage matriculation learners to improve their learning/passing grades.	Conduct motivational talk	Motivational talk	Number of motivational talk conducted	5					
Grant-in-Aid	Create a conducive environment for the provision of aid during times of need	Donate money to members of the communities during times of need.	Grant -in -Aid							
Youth Development	To ensure that the needs of young people are catered for	Organise youth activities in the District	Youth development							

OR Tambo games	To facilitate hosting of OR Tambo games		OR Tambo games							
Training Ward councillors	Improve skills of ward councillors & committee members throughout the district	Conduct 2 district wide accredited skills training sessions for all ward committees.	Accredited Skills Training							
Ward committee competitions	Reward best performing ward committees in the district	Convene 1 annual ward competition	Ward committee competition							
Public Participation and Education	Provide a platform for the promotion of stakeholder participation	Convene three public participation meetings annually	Public Participation meetings	Public participation meetings convened	5	1	1	1	1	1
National Population registration campaign	Coordinate continuous registration of new born babies and all citizens from 16 years upwards	Convene 2 outreach programmes in each local municipality annually	Outreach programmes		5	1	1	1	1	1
Men's Forum	Encourage the promotion of a non-violent society through men outreach programme	Convene 4 local municipal sessions per year	Men's forum	Number of men's forum sessions held per year.						

IGR	Ensure implementation of a single window of coordination in the district.	Conduct four (4) M & E site visits per year.	IGR	Number of monitoring and evaluation site visits conducted per year						
LED Forum	Coordinate all local economic development initiatives throughout the district	Convene 4 LED forum meetings per year	LED Forum	Number of LED forum meetings convened						
Policy Development	Create an improved policy environment in the municipality.	Revise three identified policies by June 2017	Policy development	Number of policies revised.						
Branding	Ensure effective branding of LDM activities	Procure a 4x4 meter municipal banner	Branding	Number of municipal banners procured sources						
Internal audit	Facilitate achievement of a clean audit of the municipality and its entity	Conduct quarterly internal audits to ensure improvement of service delivery.	Internal audit	Number of quarterly internal audits conducted per annum						
Risk Management	Conduct quarterly risk assessments on identified municipal programmes as per the risk audit plan.	Conduct monthly monitoring of identified risks and provide feedback	Risk management	Number of quarterly risk assessments conducted						



<b>MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>										
<b>MUNICIPAL STRATEGIC FOCUS AREA</b>	<b>STRATEGIC OBJECTIVES</b>	<b>STRATEGIES</b>	<b>PROJECT NAME</b>	<b>KPI</b>	<b>BASELINE</b>	<b>5 YEAR TARGETS</b>				
Sound municipal administration	To adhere to all administrative responsibilities	Consolidate and distribute 80 signed portfolio committee agendas and minutes	Portfolio Committee meetings	80 Portfolio Committee meetings held	36	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
						16	16	16	16	16
		Develop and distribute 20 signed MAYCO agendas and minutes	MAYCO Meetings	20 MAYCO meetings held	14	4	4	4	4	4
		Develop and distribute 20 signed council agendas and minutes	Council Meetings	20 Council meetings held	13	4	4	4	4	4
Local Labour Forum	To ensure functional LLF in order to promote sound labour relations in the workplace	Convene 20 LLF meetings	LLF meetings	20 LLF meetings held	8	4	4	4	4	4



Skills Development	Support indigent students with bursaries to register and attend tertiary institutions in pursuit of post matric qualifications	Allocate 50 bursaries to students	Student Bursaries	50 bursaries allocated	101	10	10	10	10	10
	To give experiential training to students at tertiary institutions to complete their qualifications.	Enroll 50 students for experiential training.	Experiential training	50	68	10	10	10	10	10
Workplace Skills Plan	To upgrade the skills of the staff members	Enroll 50 staff members to attend short courses	Short Courses	50	60	10	10	10	10	10
	Support staff members to further their qualifications.	Provide financial assistance to 25 staff members to further their studies	Financial assistance	25	21	5	5	5	5	5
Councillor Capacity Building	To upgrade the skills of councillors	Enroll 25 councillors to attend short courses	Councillors training	25	New Project	5	5	5	5	5
Employee Wellness Programme	Conduct employee wellness programmes	Facilitate 16 employees wellness programmes	Employee wellness	16	15	4	4	4	4	4

Employment Equity	To ensure that the municipality achieves reasonable progress towards employment equity in the workplace	Develop 1 Five Year Employment Equity Plan	Employment Equity Plan	1	New Project	1	0	0	0	0
	Develop and submit Employment Equity report to the Department of Labour	Develop 5 Employment Equity reports	Employment Equity Report	5	New Project	1	1	1	1	1
Security Management	Create an environment to improve safety of public members, councillors, staff and assets including Disaster Management Centre	Develop 60 consolidated access reports in all municipal entrances  Develop security management plan	Security Management  Draft security management plan	60	60	12	12	12	12	12
<b>Policy Development</b>	Policy development	Development of 5 new municipal policies	New municipal policies	3	3	1	1	1	1	1
	Review of existing Delegation of Powers	Review 1 existing delegation of powers	Reviewed Delegation of Powers	1	New Project	1	0	0	0	0
	Review of existing Standard Rules and Orders	Review 1 existing Standard Rules and Orders	Reviewed Standard Rules and Orders	1	New Project	1	0	0	0	0

<b>MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT</b>										
<b>MUNICIPAL STRATEGIC FOCUS AREA</b>	<b>STRATEGIC OBJECTIVES</b>	<b>STRATEGIES</b>	<b>PROJECT NAME</b>	<b>KPI</b>	<b>BASELINE</b>	<b>5 YEAR TARGETS</b>				
						<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
Clean audit	Ensure that LDM achieves clean Audit every financial year	Develop, implement and monitor the audit action plan to address matters raised by AG. Adherence to all rules and regulations to get a clean audit	Clean audit	Number of adherence to MFMA regulations and clean audit	01	0	0	0	0	0
Exercise financial control	Preparation of a funded budget	Develop a budget in line with all relevant rules and regulations and submit to relevant stakeholders	Funded Budget	Number of rules and regulations	5	1	1	1	1	1
	Enforce internal controls	Exercise budget control in order to prevent unauthorized, irregular and fruitless expenditure	Internal Controls		5	1	1	1	1	1

Ensure financial sustainability	Balanced cash flow for the year	Achieving a balanced cash flow where LDM is able to meet all its financial commitments			5	1	1	1	1	1
Annual Financial Statements	Prepare AFS in terms of prescribed frame work	Delivery of reviewed AFS to OAG on or before 31 August annually; consolidated AFS on or before 30 September annually			5	1	1	1	1	1
Financial Reports	Strengthen and sustain sound administrative and financial capacity	Prepare and submit monthly, quarterly, half-yearly and annual reports to Council, National treasury, Provincial treasury, COGTA and STATSSA			5	1	1	1	1	1
Procurement	Ensure procurement processes which complies fully with SCM policy	Compliance with SCM policies and regulations in order to prevent incurring unauthorized, fruitless and wasteful expenditure			5	1	1	1	1	1

		Awarding of tenders to state employees is eliminated		Number of tenders awarded to state employees eliminated	5	1	1	1	1	1
	All SCM officials to sign code of conduct	Corruption free environment			5	1	1	1	1	1
Asset Management	Update Fixed Asset register with acquisition, maintenance and disposal of assets	Ensure that Asset register is updated regularly in line with the policy			20	4	4	4	4	4
	Periodic fiscal counts and impairment tests	Complete report on annual asset counts submitted to Council								
Render effective and efficient ICT services	Proper record keeping of all ICT and related equipment, system and software	ICT related equipment, systems and software procured								
	Update current internet/ e-mail/system lines	Signed contract with service provider upon tender award								
	Develop system for software license management	Reports showing all software licenses								

Training: Municipal Institutional Development & Transformation	Building capacity	Training in accordance with the skills development plan								
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SAFE AND HEALTHY ENVIRONMENT										
MUNICIPAL STRATEGIC FOCUS AREA	STRATEGIC OBJECTIVES	STRATEGIES	PROJECT NAME	KPI	BASELINE	5 YEAR TARGETS				
						2017/18	2018/19	2019/20	2020/21	2021/22
Municipal health services	To do water quality monitoring to ensure safe and healthy potable water	Implement effective water quality monitoring program.	Water quality monitoring	Number of water quality samples taken in terms of SANS 241	204	204	204	204	204	204
	Enhance consumer protection with sufficient food control	Monitor all food selling outlets for compliance to legislation	Food quality monitoring	Number of food selling outlets complied	500	500	500	500	500	500
Municipal health services		Implement effective food sampling program	Food sampling	Number of food samples taken	210	210	210	210	210	210

Municipal health services	To create public environmental health awareness	Implement environmental health awareness campaigns	Environmental health awareness campaign	Number of awareness campaigns conducted	4	4	4	4	4	4
Municipal health services	Ensure safe air quality	Ensure licensing of air quality emitters.	Licensing of air quality emitters	Number of licenses issued	4	4	4	4	4	4
		Auditing of Atmospheric Emission Licenses issued	Auditing of Licenses	Number of licenses audited	4	4	4	4	4	4
Municipal health services	To ensure responsible waste management practices	Quarterly Monitoring 16 waste management landfill sites	Waste management monitoring	Number of waste landfill sites monitored	64	64	64	64	64	64
Municipal health services		Quarterly Monitoring 17 waste collection services	Waste collection monitoring	Number of waste collection service monitored	68	68	68	68	68	68
Municipal health services		Conduct quarterly waste management awareness campaigns.	Waste management campaigns	Number of waste campaigns conducted	4	4	4	4	4	4



Disaster Management	Conduct Disaster Management awareness campaigns.	Conduct monthly disaster awareness campaigns in schools, and among the communities in conjunction with the 5 local municipalities in the district	Disaster awareness campaigns							
Disaster Management	Ensure an integrated, and multi-sectoral approach to Disaster Management in the District	Convene four quarterly disaster management advisory forum meetings	Disaster Relief Awareness.							
		Attend the 4 Provincial Advisory Forum meetings held quarterly.								
		Establish Local Municipalities' Disaster Management Forums in the 5 Local Municipalities.								
		Conduct Disaster Management workshops for Councillors and Officials in conjunction with SALGA and the Provincial Disaster Management Centre.								

		Participate in Sector Departments' public awareness campaigns.								
Disaster Management	Formalize and promote integrated, uniform, and consistent response and recovery to Disasters, and Disaster incidents throughout the district.	Develop disaster mitigation strategies; Contingency Plans; Evacuation Plans; and Draft a Relief Assistance Policy for Incidents.	Disaster Relief							
Fire services	Ensure coordination of fire services throughout the District.	Conduct fire safety awareness campaigns.	Fire Safety awareness Campaigns.							
Disaster Management	Ensure an integrated, and multi-sectoral approach to Disaster Management in the District	Convene four quarterly disaster management advisory forum meetings	Disaster Relief Awareness.							

## SECTOR DEPARTMENTS PROJECTS FOR 2017/18

### DEPARTMENT OF EDUCATION : PROJECTS WITH PUBLIC WORKS

#### NEW SCHOOLS 2017/18

				Start	Completion	Status
Hani Park	P/S	Welkom	Matjhabeng	2016-04-15	2017-11-30	28% Progress
Malebogo	P/S	Hertzogville	Tokologo	2015-03-04	September 16	24% Progress-Slow payments from contractor to sub-contractors caused labour unrest onsite and caused slow progress. Slow payments from department delayed progress. EOT Will be considered
Adelaide Tambo	S/S	Welkom	Matjhabeng	2015-03-04	Sept 16	2% Progress- Slow payments from department delayed progress. EOT Will be considered
GM Polori	P/S	Hoopstad	Tswelopele	2016-01-14	2017-07-14	Develop & Construct consortium was appointed in Jan 2016. Designs are in an advanced stage.
Tshehetso	P/S	Bothaville	Nala	July 17	Dec 19	Bid for roster of consultants closed on 4Sept 16. Evaluation still ongoing as soon as finalized consultants will be allocated to projects

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT									
Project name	Municipality/region	Type of project	Project duration		Source of funding (Equitable share or grant abbreviation e.g. ES)	Targeted number of jobs for 2017/18	Total available	MTEF Forward estimates	
							2017/18		
		List any project not to be reported on in IRM	Date: Start	Date: Finish					
<b>Maize</b>									
Fetsa Tlala Massification	All	Production inputs support	01-04- 2017	31-03- 2018	ILIMA	16	7,900,000.00	2,164,000.00	2,164,000.00
<b>VEGETABLES</b>									
Lejweleputswa vegetable production	Matjhabeng	Production inputs support	01-04- 2017	31-03- 2018	ILIMA	4	1,750,000.00	0.00	0.00
Livestock production	All	Livestock VET Equipment	01-04- 2017	31-03- 2018	ILIMA	8	4,400,000.00	0.00	0.00
							14,050,000.00	2,164,000.00	2,164,000.00

<b>POLICE ROADS TRANSPORT</b>			
<b>PROJECT NAME</b>	<b>PLANNED DATES</b>		<b>2017/18 BUDGET R 000</b>
	<b>Planned start Date</b>	<b>Planned Finish Dates</b>	
<b>MILLING, RESEALING AND REHABILITATION</b>			
Milling and Resealing Welkom-Bultfontein	01-June-2016	30June-2018	R50 000
Rehabilitation of A133 Meloding to Virginia (Phase 2)	06-June-2016	06-Sept 2018	R15 000
Rehabilitation of P21/3 Hoopstad-Bultfontein	01-August 2016	01-March 2019	R65 000
Rehabilitation P79/1 & S85 Bothaville-Kroonstad	01-Sept 2016	01-Sept 2018	R65 000
<b>MAINTANANCE</b>			
Re-Gravelling in Lejweleputswa	01-April 2016	31-March 2019	R15 000
<b>NEW PROJECTS</b>			
Bothaville-Viljoenskroon	01-Sep-2017	30-Oct 19	R40 000
Wesselsbron-Hoopstad	01-July-2017	30-August-19	R40 000
Bultfontein- Wesselsbron	15-Oct 2017	15-May 2019	35 000

<b>WATER AND SANITATION</b>			
<b>PROJECTS UNDER CONSTRUCTION (Sch 6B)</b>			
<b>Scheme</b>	<b>Local Municipality</b>	<b>Implementing Agent</b>	<b>Proposed budget Allocation 2017/18</b>
Tokologo WBS Phase 2	Tokologo	Tokologo	45,000,000
Tswelopele Bulk Water Supply	Tswelopele	Tswelopele	25,000,000
Wesselsbron/Monyakeng (Nala )Bulk Sewer	Nala	Sedibeng Water	1,000,000
<b>PROJECT UNDER CONSTRUCTION (Sch 5B)</b>			
Masilonyana Bulk Water Supply	Masilonyana	Masilonyana	15,000
<b>PROJECTS LINKED TO BUCKET ERADICATION</b>			
Dealsville Construction of a sewer Mains (200 mm)	Tokologo	DWS	8,500 ,000
Hertzogville Outfall Sewer + Pumpstation	Tokologo	DWS	1,740,000
<b>WSIG INDICATIVE ALLOCATION</b>			
<b>LOCAL MUNICIPALITY</b>	<b>IMPLEMENTATING AGENT</b>	<b>ALLOCATION</b>	
Matjhabeng LM	Matjhabeng LM	30,000,000	

<b>PUBLIC WORKS PROJECTS</b>				
<b>TOWNSHIP REVITALISATION PROJECTS-FUNDED</b>				
<b>Project R000</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
ALLENRIDGE T/S REVIT	7 000	7 000	7 000	7 000
HENNENMAN T/S REVIT	5 000	5 000	5 000	5 000
HERTZOGVILLE T/S REVIT	7 000	7 000	7 000	7 000
ODENDAALSRUS T/S REVIT	7 000	7 000	7 000	7 000
WINBURG T/S REVIT	7 000	7 000	7 000	7 000
MASILONYANA HALL RENOVATIONS	1 001	700	2 770	2 900
CLEANING & GREENING <i>(Grant)</i>	6 530	10 900	-	-
CLEANING & GREENING <i>(Voted Funds)</i>	3 825	-	-	-
CASH FOR WASTE	3 053	3 570	3 766	3 954
COMMUNITY WORKER STIPENDS	10 841	11 908	12 563	13 099

DEPARTMENT OF HEALTH 2017-2020																		
PROJECT NO	PROJECT NAME	PROJECT STATUS	MUNICIPALITY/REGION	ECONOMIC CLASSIFICATION (BUILDINGS & OTHER FIXED STRUCTURES, GOODS & SERVICES, PLANT, MACHINERY & EQUIPMENT)	TYPE OF INFRASTRUCTURE	PROJECT DURATION		SOURCE OF FUNDING	BUDGET PROGRAM NAME	DELIVERY MECHANISM (INDIVIDUAL PROJECT OR PACKAGED PROGRAMME)	TOTAL PROJECT COST	TOTAL EXPENDITURE TO DATE FOR PREVIOUS YEAR	PROFESIONAL FEES 2016/17 (R 000)	CONSTRUCTION 2016/17 R 000	ADJUSTED APPROPRIATION	MTEF FORWARD ESTIMATES		
						DATE START	DATE FINISH									MTEF 2017/18	MTEF 2018/19	MTEF2 019/20
<b>NEW &amp; REPLACEMENT OF ASSETS</b>																		
5	RHEEDARPAK CLINIC	Planning	Matjhabeng	Buildings and other fixed structures	Clinic and CHS	01 April 2017	31 March 2020	HFRG	PROGRAMME 8	Individual Project	13,340	-	36	164	200	10,128	4697	3,532
6	Riebeeckstad/Thandanani Clinic	Procurement	Matjhabeng	Buildings and other fixed structures	Clinic and CHS	01 April 2016	31 March 2019	HFRG	PROGRAMME 8	Individual Project	26,728	-	-	-	-	10,100	16,728	3532
<b>OTHER FACILITIES</b>																		
16	Welkom Mortuary	Planning	Matjhabeng	Buildings and other fixed structures	Mortuary	01 April 2017	01 April 2020	HFRG	Programme 8	Individual Project	12,006	-	-	-	-	2,161	8644	1,201



<b>UPGRADES AND ADDITIONS</b>																		
21	Upgrades Clinics: Lejweleputswa	Procurement (bids evaluations)	All Municipalities	Buildings and other fixed structures	Clinic and CHS	01 April 2017	31 March 2018	HFRG	Programme 8	Packaged Programme	53,712	-	-	-	-	1,261	5,000	9,668
<b>REHABILITATIONS, RENOVATIONS AND REFURBISHMENTS</b>																		
30	Refurbishments of clinics: Lejweleputswa	Planning	All Municipalities	Buildings and other fixed structures	Clinic and CHS	01 April 2017	31 March 2018	HFRG	Programme 8	Packaged Programme	31,621	-	-	-		7,943	10,263	10,415